

RÉSUMÉ DIGEST

ACT 23 (HB 69)

2020 Second Extraordinary Session

McFarland

New law provides the authority to establish, administer, and supervise programs to promote agricultural workforce development within the state to the La. Agricultural Finance Authority (LAFA).

New law creates the La. Agricultural Workforce Development Program within the La. Dept. of Agriculture and Forestry, administered and supervised by LAFA, to incentivize the creation and employment of internships by agricultural businesses in the state.

New law provides for the purpose of the program.

New law provides for definitions of terms to be applied to the program and new section of law:

- (1) "Agricultural business" means an agricultural producer, or a person or legal entity who engages in agriculture or provides support activities, products, or services to an agricultural producer and such products or services that are directly related to the planting, growing, production, harvesting, or processing of La. agricultural products.
- (2) "Director" means the director of LAFA.
- (3) "Immediate family member" means the spouse, parent, sibling, or child of the owner, manager, chief executive officer or president of an agricultural business; a person to whom the owner, manager, chief executive officer, or president stands as legal guardian or tutor; or any other person living in the household of the owner, manager, chief executive officer, or president of an agricultural business by blood or marriage.
- (4) "Intern" means an individual who is a student enrolled at a La. secondary or post-secondary institution, or a young and beginning farmer or rancher employed by an agricultural business pursuant to the program.

New law requires LAFA, in consultation with the commissioner of Agriculture and Forestry, to promulgate rules and regulations under the Administrative Procedure Act using the following criteria:

- (1) Criteria for selecting agricultural businesses for participation in the program, including the ability of a business to effectively supervise an intern and offer the intern an opportunity to obtain meaningful work experience through the business.
- (2) Criteria for an internship to qualify under the program, including requirements that the internship provide an intern with at least 130 hours of work experience, not exceed one year in duration per intern, and pay an intern an hourly wage rate that is no less than the minimum wage rate pursuant to the Fair Labor Standard Act of 1938.
- (3) Criteria for an agricultural business to use in selecting qualified interns provided that an immediate family member shall not be eligible to qualify as an intern.
- (4) The process and timetable for selecting qualified agricultural businesses and qualified interns.
- (5) Accounting requirements for tracking internship costs.
- (6) The process for an agricultural business to seek reimbursement.

New law authorizes LAFA to reimburse, subject to legislative appropriations, participating businesses in an amount not to exceed 50% of the actual cost to the business.

New law defines "actual cost" as the wages paid to an intern, reasonable allocation of fixed overhead expenses, and all incidental costs directly related to the internship.

New law requires the director of LAFA, in consultation with the commissioner and subject to the total amount appropriated for the program by the legislature, to determine the total number of internships that may be approved, the amount of reimbursement per internship, and whether a business may be reimbursed for more than one internship in a fiscal year. New law caps the total number of internships a single business can be reimbursed at three per year.

New law requires the department to submit an annual report by Aug. 31st of each year to the appropriate legislative oversight committees detailing the effectiveness of the program. The report must include information deemed relevant by the director of LAFA in addition to the following specific items for each fiscal year:

- (1) The total number of approved agricultural businesses to participate in the program.
- (2) The total number of agriculture businesses participating in the program.
- (3) The total number of interns and hours worked.
- (4) The total amount of incentives granted under the program.
- (5) The total amount of income earned by interns under the program.
- (6) The total number of internships that led to permanent employment with a Louisiana agricultural business.

Effective upon signature of governor (Oct. 28, 2020).

(Adds R.S. 3:266(24) and 285)