Rural Development, Agriculture, & Natural Resources Committee

HB 2136

Brief Description: Concerning the farm internship program.

Sponsors: Representatives Orcutt, Blake and Shewmake.

Brief Summary of Bill

• Extends the farm internship pilot project from December 31, 2019, to December 31, 2025.

Hearing Date: 1/17/20

Staff: Robert Hatfield (786-7117).

Background:

Employment Laws.

A number of laws provide employment protections to workers. These include the Minimum Wage Act, the Industrial Insurance Act, and the Employment Security Act. Although these acts define who is covered in different ways, generally a person who provides services to a for-profit business is covered by the acts. Exemptions apply to each act. Referring to an individual as an intern or volunteer does not automatically exempt the employer or the worker from the respective acts.

The Minimum Wage Act (MWA) establishes a minimum wage which must be paid to all employees, unless they are exempt. Exempt employees include certain agricultural employees and volunteers for nonprofit organizations. In addition, the Director of the Department of Labor and Industries (Department) may, to prevent curtailment of opportunities for employment, issue special certificates to employers allowing them to pay wages lower than the minimum wage to learners, apprentices, and certain other categories of workers.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Industrial Insurance Act provides medical and time loss benefits to workers injured in the course of their employment. Employers insure through the State Fund administered by the Department or, if qualified, may self-insure. State Fund premiums are calculated based on the industry risk classification and the employer's experience rating.

Under the Employment Security Act, qualified individuals who have lost their jobs through no fault of their own, or who quit for good cause, are entitled to unemployment insurance benefits. Benefits are funded by contributions collected from employers. Exemptions include certain agricultural labor performed by students.

Farm Internship Program.

Legislation enacted in 2010 directed the Department to establish a farm internship pilot project. Eligible farms were those located in Skagit County or San Juan County. That pilot project expired on December 31, 2011. Legislation enacted in 2014 reauthorized the pilot project for the following counties: Chelan, Grant, Island, Jefferson, King, Kitsap, Kittitas, Lincoln, Pierce, San Juan, Skagit, Snohomish, Spokane, Thurston, Whatcom, and Yakima. In 2017, legislation reauthorized the pilot project through December 31, 2019, and added the following counties: Clark, Cowlitz, Lewis, and Walla Walla.

Farm interns are not employees under the Minimum Wage Act. Similarly, labor provided by a farm intern is not employment for purposes of unemployment insurance. The Department must provide a special industrial insurance risk class for farm interns. The Director of the Department may revoke a certificate for a farm's failure to pay industrial insurance premiums for interns or non-interns, and for other reasons.

Summary of Bill:

The farm intern pilot project is extended through December 31, 2025. The Department of Labor and Industries is directed to provide a report on the farm intern pilot project to the appropriate committees of the Legislature by December 31, 2024.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.