HOUSE BILL REPORT HB 2136

As Reported by House Committee On:

Rural Development, Agriculture, & Natural Resources

Title: An act relating to the farm internship program.

Brief Description: Concerning the farm internship program.

Sponsors: Representatives Orcutt, Blake and Shewmake.

Brief History:

Committee Activity:

Rural Development, Agriculture, & Natural Resources: 1/17/20, 1/24/20 [DPS].

Brief Summary of Substitute Bill

- Extends the farm internship pilot project from December 31, 2019, to December 31, 2025.
- Removes the limitation that the farm internship pilot project may operate only in certain counties.

HOUSE COMMITTEE ON RURAL DEVELOPMENT, AGRICULTURE, & NATURAL RESOURCES

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Blake, Chair; Shewmake, Vice Chair; Chandler, Ranking Minority Member; Dent, Assistant Ranking Minority Member; Chapman, Dye, Fitzgibbon, Lekanoff, Orcutt, Ramos, Schmick, Springer and Walsh.

Staff: Robert Hatfield (786-7117).

Background:

Employment Laws.

A number of laws provide employment protections to workers. These include the Minimum Wage Act (MWA), 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

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individual as an intern or volunteer does not automatically exempt the employer or the worker from the respective acts.

The 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.

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 MWA. 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 Substitute Bill:

The farm intern pilot project is extended through December 31, 2025. The farm internship pilot project may operate throughout the state. 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.

Substitute Bill Compared to Original Bill:

The limitation that the farm internship pilot project may operate only in certain counties is removed.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) There is interest in expanding the number of counties served by the farm internship pilot project, and even to take it statewide. A total of 165 farms, and 171 interns, used the internship program, which speaks to the strong interest in the program. There are a number of farms interested in participating in the program, but they are located in counties that are unable to participate in the program. The goal of the pilot project is to get more and more young people interested in farming. The average age of farmers in the state continues to rise. Past interns in the pilot project have gone on to take full-time jobs at the same farm, and at different farms, and some have even gone on to start their own farms. The internship program offers interns the opportunity to experiment and innovate. There will be challenges going forward in raising enough food to feed the world, and this internship program helps to allow the kind of innovation the world will need. Perhaps there should not be an expiration date on the pilot project at all. Only one workers compensation claim has been filed during the existence of the pilot project, and it did not result in any lost time.

(Opposed) None.

Persons Testifying: Representative Orcutt, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.