

1514. Worker training fund

- A. (1) Notwithstanding the provisions of R.S. 23:1511, there is hereby established a special account in the Employment Security Administration Fund to be known as the Workforce Development Training Account. Amounts that are appropriated and made available to the administrator from the social charge account shall be paid into this account. Amounts from such account shall be pledged and dedicated for use solely and exclusively to fund customized training and other individual, standardized training for the benefit of incumbent workers of an industry or businesses operating in Louisiana for whom the businesses incur a state unemployment tax liability. This program shall be known as the Incumbent Worker Training Program. No more than ten percent of such appropriated amounts shall be used for the payment of expenses incurred for the administration of this account. Such amounts shall be distributed to qualified businesses that have been operating in Louisiana for not less than three years and are contributing employers to the Workforce Development Training Account for which liability is incurred under this Chapter and are current on the payment of their state unemployment taxes. In no event shall a single grant award exceed ten percent of the funds available to the program during a program year. The administrator shall administer the account and shall promulgate rules and regulations regarding the procedures for applying for such funds, distribution of such funds, and the monitoring of and auditing of training conducted with such funds. At no time shall the outstanding liabilities of the account exceed the balance of the account.
- (2) The administrator shall, not less than sixty days before the legislature convenes for its regular session, submit an annual report to the Joint Legislative Committee on the Budget, the House and Senate Committees on Labor and Industrial Relations, and the Workforce Commission. This report shall detail the number of applications received, the number of applications pending, the fund's expenditures, the employers and training entities participating, the number of persons trained with the monies, and the amount of increase in pay obtained by the trainees upon completion of training.
- (3) Not less than annually, but as often as deemed appropriate by the legislative auditor, the administrator shall present a fiscal report to the legislative auditor.
- B. An applicant shall be eligible for customized and other individual, standardized training if it is one of the following:
- (1) An individual employer that seeks to provide customized and other individual, standardized training for his incumbent workers to prevent job loss caused by obsolete skills, technological change, or national or global competition.
- (2) An individual employer that seeks to provide customized and other individual, standardized training for its incumbent workers to create, update, or retain jobs in a labor demand occupation.
- (3) An individual employer that seeks to provide customized and other individual, standardized training for its incumbent workers to update or retain jobs in an occupation which is not a labor demand occupation, if the administrator determines that the services are necessary to prevent the likely loss of jobs.
- (4) A labor or community-based organization that seeks to provide customized and other individual, standardized training for workers for a labor demand occupation.
- (5) A consortium made up of one or more educational institutions and one or more eligible individual employers, labor, or community-based organizations that seek to provide customized and other individual, standardized training for incumbent workers in labor demand occupations.

- (6) A local economic development entity and one or more eligible individual employers that seek to provide customized and other individual, standardized training for incumbent workers in a labor demand occupation.
 - (7) Qualified businesses currently receiving training for their employees may, upon the expiration of contracts, apply for new training grants for training of new employees, previously untrained employees, or for additional training of previously trained employees.
- C. (1) All applications by eligible applicants for customized training shall be submitted in conjunction with the entity selected by the applicant to provide the customized training. All disbursements of funds for the training shall be made to the entity actually providing the customized training.
- (2) All requests for individual, standardized training and reimbursement of costs associated with such training shall be submitted in the form and manner established by the administrator through duly promulgated rules and regulations. Training provided must meet the standards of the applicant and it must meet, at the minimum, the standard of the Occupational Therapy and Safety Administration, when applicable.
- (3) The training provider selected by an applicant must have a demonstrated history of successful training through its placement, retention, and satisfaction rates; show collaboration with targeted industry in the development of customized training; and use current industry standards as the basis for programs utilized to train individuals for employment in a targeted industry. The training provider selected by an applicant may not be an entity whose principal owner is an immediate family member, as defined by the Code of Governmental Ethics, of an individual in a management position with the applicant who has the authority to make decisions regarding a training grant or a business related to the applicant such as a parent, subsidiary, or partner of the applicant.
- D. Funds awarded pursuant to this Section shall not be expended or be available for expenditure in any manner which would permit their substitution for, or a corresponding reduction in, any state or federal appropriation to any public postsecondary institution of higher education.
- E. (1) Notwithstanding any other provision of law to the contrary, in order to receive monies from the Workforce Development Training Account, an applicant may agree to:
- (a) Increase the wages of those persons who complete the training funded with such monies.
 - (b) Increase the number of employees.
 - (c) Give preference to those currently unemployed when hiring new employees.
 - (d) Provide in-kind match as a component of the training program.
- (2) Such agreement shall be taken into consideration in awarding the monies.
- F. Customized training may be provided to the present employees of a business or employees of an industry, deemed by the corporation or industry to be in need of training to prevent job loss caused by obsolete skills, technological change, or national or global competition. Such training shall be suited to the needs of the employees of the business or industry and may exceed Occupational Safety and Health Administration standards but must meet the minimum standards where applicable.

Acts 1997, No. 1053, §1, eff. Jan. 1, 1998; Acts 1999, No. 197, §1, eff. Jan. 1, 2000; Acts 2003, No. 516, §1; Acts 2003, No. 669, §1, eff. Jan. 1, 2004.