AN ACT

AMENDING TITLE 3, CHAPTER 1, ARTICLE 1, ARIZONA REVISED STATUTES, BY ADDING SECTION 3-109.03; APPROPRIATING MONIES; RELATING TO THE ARIZONA DEPARTMENT OF AGRICULTURE.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Title 3, chapter 1, article 1, Arizona Revised Statutes, is amended by adding section 3-109.03, to read:

**3-109.03. Agricultural workforce development program; apprentices; rulemaking; annual report; program termination; definitions**

A. THE AGRICULTURAL WORKFORCE DEVELOPMENT PROGRAM IS ESTABLISHED TO PROVIDE INCENTIVES TO FOOD-PRODUCING AGRICULTURAL ORGANIZATIONS TO HIRE APPRENTICES BY PARTIALLY REIMBURSING APPRENTICESHIP COSTS.

B. THE DIRECTOR SHALL ADOPT RULES PURSUANT TO TITLE 41, CHAPTER 6 TO CARRY OUT THIS SECTION. AT A MINIMUM, THE RULES SHALL DO ALL OF THE FOLLOWING:

1. ESTABLISH QUALIFICATIONS FOR FOOD-PRODUCING AGRICULTURAL ORGANIZATIONS TO PARTICIPATE IN THE PROGRAM, INCLUDING NEED AND THE ABILITY TO EFFECTIVELY SUPERVISE APPRENTICES AND PROVIDE THE APPRENTICES WITH MEANINGFUL WORK EXPERIENCE THAT IS FOCUSED ON AGRICULTURAL FOOD PRODUCTION.

2. PROVIDE A PREFERENCE FOR FOOD-PRODUCING AGRICULTURAL ORGANIZATIONS OWNED OR OPERATED BY FARMERS AND RANCHERS WHO ARE LOCATED IN RURAL OR TRIBAL AREAS OR WHO ARE HISTORICALLY UNDERSERVED.

3. REQUIRE PARTICIPATING FOOD-PRODUCING AGRICULTURAL ORGANIZATIONS TO PAY APPRENTICES AN HOURLY WAGE RATE THAT IS AT LEAST THE MINIMUM WAGE ESTABLISHED BY THIS STATE PURSUANT TO SECTION 23-363.

4. ESTABLISH CRITERIA FOR PARTICIPATING FOOD-PRODUCING AGRICULTURAL ORGANIZATIONS TO SELECT QUALIFIED APPRENTICES, INCLUDING REQUIRED EDUCATIONAL EXPERIENCE AND ABILITY TO PERFORM MEANINGFUL WORK.

5. ESTABLISH THE PROCESS AND TIME FRAME FOR SELECTING QUALIFIED FOOD-PRODUCING AGRICULTURAL ORGANIZATIONS AND QUALIFIED APPRENTICES.

6. ESTABLISH ACCOUNTING REQUIREMENTS FOR TRACKING APPRENTICESHIP COSTS.

7. ESTABLISH THE PROCESS FOR PARTICIPATING FOOD-PRODUCING AGRICULTURAL ORGANIZATIONS TO SEEK REIMBURSEMENT.

C. SUBJECT TO LEGISLATIVE APPROPRIATION, THE DEPARTMENT MAY REIMBURSE A PARTICIPATING FOOD-PRODUCING AGRICULTURAL ORGANIZATION UP TO THE AMOUNT OF THE ACTUAL COST TO THE FOOD-PRODUCING AGRICULTURAL ORGANIZATION TO EMPLOY AN APPRENTICE. BASED ON THE ANNUAL LEGISLATIVE APPROPRIATION FOR THIS PROGRAM, THE DIRECTOR SHALL DETERMINE THE NUMBER OF APPRENTICESHIPS TO APPROVE, THE AMOUNT OF REIMBURSEMENT PER APPRENTICESHIP AND WHETHER A PARTICIPATING FOOD-PRODUCING AGRICULTURAL ORGANIZATION MAY BE REIMBURSED FOR MORE THAN ONE APPRENTICESHIP IN THE SAME FISCAL YEAR.

E. THE PROGRAM ESTABLISHED BY THIS SECTION ENDS ON JULY 1, 2027
Pursuant to section 41-3102.

F. FOR THE PURPOSES OF THIS SECTION:
1. "ACTUAL COST" MEANS THE WAGES PAID TO AN APPRENTICE, A
   REASONABLE ALLOCATION OF FIXED OVERHEAD EXPENSES AND ALL INCIDENTAL COSTS
   DIRECTLY RELATED TO THE APPRENTICESHIP.
2. "AGRICULTURAL ORGANIZATION" MEANS A BUSINESS, NONPROFIT
   ORGANIZATION, COMMUNITY COLLEGE OR STATE UNIVERSITY PROGRAM RELATED TO
   AGRICULTURE.
3. "HISTORICALLY UNDERSERVED":
   (a) MEANS A BEGINNING FARMER OR RANCHER, A SOCIALLY DISADVANTAGED
       FARMER OR RANCHER OR A VETERAN FARMER OR RANCHER AS DEFINED IN 7 UNITED
       STATES CODE SECTION 2279.
   (b) INCLUDES OTHER LIMITED-RESOURCE FARMERS OR RANCHERS.

Sec. 2. Appropriations; Arizona department of agriculture;
agricultural workforce development program;
exemption
A. The sum of $500,000 is appropriated from the state general fund
in each of fiscal years 2021-2022 and 2022-2023 to the Arizona department
of agriculture to implement the agricultural workforce development program
established by section 3-109.03, Arizona Revised Statutes, as added by
this act.
B. The appropriations made in subsection A of this section are
exempt from the provisions of section 35-190, Arizona Revised Statutes,
relating to lapsing of appropriations.

Sec. 3. Effective date
Section 3-109.03, Arizona Revised Statutes, as added by this act, is
effective from and after December 31, 2021.