

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: PCB HEC 19-02 Postsecondary Workforce Education

SPONSOR(S): Higher Education & Career Readiness Subcommittee

TIED BILLS: None **IDEN./SIM. BILLS:** None

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Higher Education & Career Readiness Subcommittee		D'Souza	Bishop

SUMMARY ANALYSIS

The bill promotes apprenticeships, enhances talent development, and increases career opportunities for Floridians by:

- Creating the “Strengthening Alignment between Industry and Learning (SAIL) to 60” Initiative and establishing a statewide attainment goal to increase the percentage of working-age adults who hold a high-value postsecondary certificate, degree, or training experience to 60 percent by the year 2030.
- Reconstituting the Higher Education Coordinating Council (HECC) as the Florida Talent Development Council, revising its membership, and requiring the council to develop a strategic plan for talent development in Florida.
- Creating the Florida Apprenticeship Grant (FLAG) Program, subject to an appropriation in the General Appropriation Act (GAA), to provide competitive grants to career centers, charter technical career centers, Florida College System (FCS) institutions, and other entities authorized to sponsor apprenticeship programs for the purpose of expanding existing programs and establishing new apprenticeship programs. Authorizing the SBE to adopt rules to implement the program.
- Requiring the Department of Education (DOE) to publish information regarding apprenticeship and preapprenticeship programs, including technical assistance, outcomes, and funding information.
- Revising the statutory characteristics of an apprenticeable occupation and modifying the requirements for the two public members appointed to the State Apprenticeship Council by the Governor to be independent of any joint or non-joint organizations.
- Redefining “journeymen” as “journeyworkers” and protecting special provisions for veterans, minorities, and women in apprenticeship programs.
- Requiring the statewide articulation agreement to provide for a reverse transfer agreement for FCS associate in arts degree-seeking students who transfer to a state university prior to earning their associate in arts degree.
- Requiring that each career center and FCS institution with overlapping service areas to execute and annually submit to DOE a career pathways agreement for each certificate program offered by the career center.
- Requiring each school district and FCS institution receiving state appropriations for workforce education programs to maintain adequate and accurate records and revising the calculation methodology for determining state funding for workforce education programs.

The bill provides an effective date of July 1, 2019.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Apprenticeships

Present Situation

The Department of Education (DOE) serves as the state apprenticeship agency and registers apprentices and apprenticeship programs on behalf of the United States Department of Labor's (USDOL) Office of Apprenticeship. Registered apprenticeship programs enable employers to develop and apply industry standards to training programs for registered apprentices that can increase productivity and improve the quality of the workforce. Apprentices who complete registered apprenticeship programs are accepted by the industry as journey workers. By providing on-the-job training, related classroom instruction, and guaranteed wage structures, employers who sponsor apprentices provide incentives to attract and retain more highly qualified employees and improve productivity. Certifications earned through registered apprenticeship programs are recognized nationwide.¹

By sponsoring a registered apprenticeship program, employers can build employee loyalty, reduce the cost of training, attract more applicants, and improve productivity. Registered apprenticeship programs can attract more highly qualified applicants because they typically offer competitive entry-level wages for trainees and guarantee employment for a specific period of time. Employers have a direct influence on what apprentices learn through work processes and related classroom curriculum. Apprenticeship programs provide incentives that reduce absenteeism and turnover because apprentices are guaranteed increased wages as they progress through the program. The apprenticeship training program establishes a framework that can be utilized by employers for journeyworkers training regarding new applications and new materials in the industry.²

According to current law, an apprenticeable occupation is a skilled trade which possess all of the following characteristics:³

- It is customarily learned in a practical way through a structured, systematic program of on-the-job, supervised training.
- It is commonly recognized throughout the industry or recognized with a positive view towards changing technology.
- It involves manual, mechanical, or technical skills and knowledge which require a minimum of 2,000 hours of work and training, which hours are excluded from the time spent at related instruction.
- It requires related instruction to supplement on-the-job training. Such instruction may be given in a classroom or through correspondence courses.
- It involves the development of skills sufficiently broad to be applicable in like occupations throughout an industry, rather than of restricted application to the products or services of any one company.

¹ Florida Department of Education, *Apprenticeship Programs*, <http://www.fldoe.org/academics/career-adult-edu/apprenticeship-programs/> (last visited February 1, 2019).

² Florida Department of Education, *What is Registered Apprenticeship?*, <http://www.fldoe.org/academics/career-adult-edu/apprenticeship-programs/what-is-apprenticeship.stml> (last visited February 1, 2019).

³ Section 446.092, F.S.

- It does not fall into any of the following categories: selling, retailing, or similar occupations in the distributive field; managerial occupations; professional and scientific vocations for which entrance requirements customarily require an academic degree.

Apprenticeship enrollment is obtained through school district programs, FCS institution programs and independent agencies. At present, there are 226 registered apprenticeship programs in Florida. Many, but not all, partner with local school districts and FCS institutions for offering the “related technical instruction” component of the apprenticeship program.⁴ Sixteen school districts and nine state FCS institutions partner with registered apprenticeship programs. Of the nine FCS institutions, three have sponsored a registered apprenticeship program and offer students the opportunity to participate through participating employers of the apprenticeship program. Of the sixteen school districts, only one sponsors a registered apprenticeship program. The remaining 222 registered apprenticeship programs are sponsored by local union organizations, employer groups, professional associations, single employers, local workforce boards, and community organizations.

For the 2017-2018 school year, there were 9,105 students enrolled in school district programs and 2,826 students enrolled in FCS institution programs. Based on the available cost data for the 2016-2017 school year, school districts spent approximately \$14.5 million on apprenticeship programs.⁵

The State Apprenticeship Advisory Council provides input to DOE on matters relating to apprenticeship. The council may not establish policy, adopt rules, or consider whether particular apprenticeship programs should be approved by DOE. The council is composed of 10 voting members and two ex officio nonvoting members.⁶

The Commissioner of Education or the commissioner’s designee must serve ex officio as chair of the State Apprenticeship Advisory Council, but may not vote. The state director of the USDOL must serve ex officio as a nonvoting member of the council. The Governor shall appoint to the council four members representing employee organizations and four members representing employer organizations. Each of these eight members must represent industries that have registered apprenticeship programs. The Governor must also appoint two public members who are knowledgeable about registered apprenticeship and apprenticeable occupations, one of whom must be recommended by joint organizations, and one of whom shall be recommended by nonjoint organizations.

Effect of Proposed Changes

The bill redefines “journeymen” as “journeyworkers” to further identify individuals who may serve as journeyworkers. The bill clarifies that no statute, rule, or agreement relating to apprenticeships may invalidate any special provision for veterans, minorities or women in apprenticeship programs that is not otherwise prohibited by law, executive order, or authorized regulation.

The bill revises the statutory characteristics of an apprenticeable occupation to require that the skills and knowledge learned are in accordance with the industry standards of the occupation and that the required number of hours are to be completed on-the-job. The bill authorizes the related instruction to be provided through occupational or industrial courses, corresponding courses of equal value through electronic media, or through other forms of self-study approved by DOE. The bill removes language that disallows an apprenticeable occupation to be applied for the products or services of one company

⁴ Email, Florida Department of Education, Apprenticeship Program Enrollment Information (Feb. 26, 2019).

⁵ *Id.*

³ Chapter 2002-387, L.O.F.

⁶ Section 446.045(2)(a)-(b), F.S.

and language restricting the types of fields, occupations, or vocations that an apprenticeable occupation can fall under.

The bill modifies the requirements for the two public members appointed to the State Apprenticeship Advisory Council by the Governor to be independent of any joint or non-joint organization.

The bill requires the DOE to publish an annual report on apprenticeship and preapprenticeship programs on its website. The report must include, at a minimum, the following:

- A list of registered apprenticeship and preapprenticeship programs in the state.
- A list of apprenticeship sponsors, pursuant to s. 446.071.
- The number of apprentices and preapprentices for each apprenticeable trade and occupation.
- The amount of state funding per apprentice, disaggregated by trade and occupation.
- The percent of apprentices and preapprentices who complete their respective programs in the appropriate timeframe.
- Information and resources related to applications for new apprenticeship programs and technical assistance and requirements for potential applicants.
- Documentation of activities conducted by the DOE to promote apprenticeship and preapprenticeship programs through public engagement, community-based partnerships, and other initiatives.

Subject to appropriation in the General Appropriations Act (GAA), the bill creates the Florida Apprenticeship Grant (FLAG) Program to provide grants to career centers, charter technical career centers, FCS institutions, and other entities authorized to sponsor apprenticeship programs for the purpose of expanding existing programs and establishing new apprenticeship programs. Program applications must contain projected enrollment and cost data and funds may be used for instructional equipment, supplies, personnel, student services or other administrative costs. The DOE shall administer the program and give priority to apprenticeship programs with demonstrated regional demand. Grant funds may not be used for recurring instructional costs or indirect costs. Additionally, grant recipients must submit quarterly reports to the DOE.

The bill authorizes the DOE to adopt rules to implement the FLAG program.

Postsecondary Attainment and Talent Development

Present Situation

Between 2018 and 2025, 64 percent of the jobs created will require a postsecondary degree or certificate. Currently, 48.3 percent of working-age Floridians have a postsecondary degree or certificate and at this current rate the state will remain below the number necessary to fully meet the workforce demand.⁷ Additionally, Florida ranks 21st in the nation for percentage of adults with postsecondary education and high-quality workforce credentials.⁸

On November 28, 2016, the Higher Education Coordinating Council (HECC) approved a motion to establish a statewide attainment goal of increasing the percentage of working-age adults (ages 25 – 64) who hold a postsecondary degree or high quality credential to 55 percent by the year 2025 to fill high-

⁷ Department of Economic Opportunity, *Florida's Strategic Plan for Economic Development* (August 2018), available at <http://www.floridajobs.org/docs/default-source/division-of-strategic-business-development/fl5yrplan/fl-strategic-plan-booklet-2.pdf?sfvrsn=6>.

⁸ Lumina Foundation, *Leveraging Statewide Activities to Create a Systematic Approach to Talent Development* (February 7, 2019), available at [https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3016&Session=2019&DocumentType=Meeting Packets&FileName=hec 2-7-19.pdf](https://www.myfloridahouse.gov/Sections/Documents/loaddoc.aspx?PublicationType=Committees&CommitteeId=3016&Session=2019&DocumentType=Meeting%20Packets&FileName=hec%202-7-19.pdf).

wage, high-skill job openings. A work plan was also adopted that included community collaboration and the comprehensive effort was branded “Rise to 55” – *The Attainment Goal Initiative*.⁹

Throughout 2017 and 2018, the “Rise to 55” Initiative was coordinated by the FCS. With support from local community organizations and two 12-month grants awarded by the Lumina Foundation and the Helios Education Foundation, funding and opportunities were provided to facilitate workshops, and provide valuable informational resources and materials in both rural and urban areas.¹⁰

The Florida Chamber of Commerce recommended a goal of 60% of working-age Floridians (ages 25-64) need to have a high-value postsecondary certificate, degree, or training experience by 2030 in order for Florida to grow into a top ten global economy and create a path of prosperity into the future.¹¹ Additionally, the majority of other states have set a postsecondary attainment goal of 60%, or higher, by 2030, or sooner.¹²

Effect of Proposed Changes

The bill establishes the “Strengthening Alignment between Industry and Learning (SAIL) to 60” Initiative. The SAIL to 60 Initiative sets the statewide attainment goal to increasing the percentage of working-age adults who hold a high-value postsecondary certificate, degree, or training experience to 60 percent by the year 2030. The initiative also requires the SBE and BOG to work collaboratively to carry out the following duties:

- Increase awareness and the use of the K-20 statewide computer-assisted student advising system, the Complete Florida Degree Initiative that facilitates degree completion for adult learners, and the summer bridge programs at state universities and FCS institutions that help students transition to postsecondary education.
- Support and publicize the efforts of the Florida College Access Network (FCAN) in:
 - Developing public and private partnerships to increase the number of high school seniors who submit at least once complete postsecondary education application and who submit a completed Free Application for Federal Student Aid (FAFSA);
 - Recognize high school seniors for their postsecondary education and career plans and encourage early preparation for college; and
 - Conduct regional meetings with postsecondary educational institutions, business leaders, and community organizations to solve community-specific issues related to attaining a postsecondary degree or certificate.
- Facilitate a reverse transfer agreement between the SBE and BOG to award postsecondary education credentials to students who have earned them.
- Facilitate the establishment of career pathways agreements between career centers and FCS institutions. Develop a systematic, cross-sector approach to awarding credit for prior learning.

⁹ Higher Education Coordinating Council, *2018 Annual Report* (December 11, 2018), available at https://www.floridahighereducation.org/doc/2018_HECC_Annual_Report.pdf.

¹⁰ High Education Coordinating Council, *supra* at 11.

¹¹ Florida Chamber of Commerce, *Florida 2030: the Blueprint to Secure Florida’s Future* (September 2018), available at https://www.flchamber.com/wp-content/uploads/2018/09/ES_FLChamber2030_TargetsandStrategies_Sep12.pdf.

¹² Email, Lumina Foundation, *States with Higher Education Attainment Goals* (March 6, 2019).

Higher Education Coordinating Council

Present Situation

The HECC was created in 2010 for the purpose of identifying unmet needs and facilitating solutions to disputes regarding the creation of new degree programs and the establishment of new institutes, campuses, or centers.¹³ The HECC is comprised of eleven members:

- One member of the Board of Governors (BOG)
- One member of the State Board of Education (SBE)
- Chancellor of the State University System
- Chancellor of the Florida College System
- Executive Director of the Florida Association of Postsecondary Schools and Colleges □
President of the Independent Colleges and Universities of Florida;
- President of Workforce Florida, Inc.
- President of Enterprise Florida, Inc.
- Three business community representatives, one appointed by the Speaker of the House of Representatives, one appointed by the President of the Senate, and one appointed by the Governor.¹⁴

The Office of K-20 Articulation, in collaboration with the Board of Governors and the Division of Florida Colleges provides administrative support for the council.

Effect of Proposed Changes

The bill reconstitutes the HECC as the Florida Talent Development Council for the purpose of developing a data-driven, statewide approach to meeting Florida's need for a 21st century workforce, which utilizes the in-state talent supply system. The Department of Economic Opportunity (DEO) must provide support for the council.

The membership of the council is revised to include the following:

- The Lieutenant Governor, or his or her designee, to serve as the chair.
- One member of the Florida Senate, appointed by the President of the Senate.
- One member of the Florida House of Representatives, appointed by the Speaker of the House.
- The President of CareerSource Florida, Inc.
- The President of Enterprise Florida, Inc.
- The Secretary of the DEO.
- The Commissioner of Education.
- The President of the Florida Council of 100.
- The President of the Florida Chamber of Commerce.
- One member of the SBE, appointed by the chair of the SBE.
- One member of the BOG, appointed by the chair of the BOG.

The membership of the council must also include the following to serve as ex officio nonvoting members of the council:

- The Chancellor of the State University System.
- The Chancellor of the FCS.

¹³ Section 1004.015, F.S.

¹⁴ *Id.*

- The Chancellor of Career and Adult Education.
- The President of the Independent Colleges and Universities of Florida.
- The Executive Director of the Florida Association of Postsecondary Schools and Colleges.

In addition to revising the membership of the council, the bill requires the council to develop a strategic plan to accomplish the goal of 60 percent of working age adults with a high value postsecondary credential by 2030, to be submitted to the Governor, the President of the Senate, the Speaker of the House, the BOG and SBE by December 31, 2019.

The bill identifies the following specific elements that must be included in the plan:

- Identification of Florida’s fastest growing industry sectors and the postsecondary credentials required for employment in those industries.
- An assessment of whether postsecondary degrees, certificates, and other credentials awarded by Florida’s postsecondary institutions align with high demand employment needs and job replacement rates.
- Strategies to deepen and expand cross-sector collaboration to align higher education programs with targeted industry needs.
- Targeted strategies to increase certifications and degrees for all populations with attention to closing equity gaps for underserved populations and incumbent workers requiring an upgrade of skills.
- An assessment of the role of apprenticeship programs in meeting targeted workforce needs and identification of any barriers to program expansion.
- Common metrics and benchmarks to demonstrate progress toward the 60 percent goal and how the SAIL to 60 Initiative can provide coordinated cross-sector support for the strategic plan.
- Improvements to the consistency of workforce education data collected and reported by the FCS institutions and school districts, including the establishment of common elements and definitions for any data that is used for state and federal funding and program accountability.
- A timeline for regularly updating the strategic plan and the established goals.

Statewide Articulation Agreement

Present Situation

Current law requires that the SBE and BOG enter into a statewide articulation agreement, which must preserve Florida’s “2+2” system of articulation and facilitate the seamless articulation of student credit across Florida’s educational entities.¹⁵ This articulation agreement must provide that every associate in arts graduate from a FCS institution must have met all the general education requirements and must be granted admission to, except for a limited access or teacher certification program or a major program requiring an audition, a state university or a FCS institution if it offers baccalaureate degree programs.¹⁶

Effect of Proposed Changes

The bill requires that the statewide articulation agreement between the SBE and BOG provides for a reverse transfer agreement for FCS associate in arts degree-seeking students who transfer to a state university prior to earning their associate in arts degree. If a student earned more than 30 credit hours toward an associate in arts degree from an FCS institution, then the student must be awarded an associate in arts degree by that FCS institution upon completion of the degree requirements at the state

¹⁵ Section 1007.23(1), F.S.

¹⁶ Section 1007.23(2)(a)1-2, F.S.

university. State universities must identify the FCS institution students who have completed the requirements for an associate in arts degree and transfer credits earned at the state university so that the associate in arts degree may be awarded by that FCS institution.

The bill also requires that each career center and FCS institution with overlapping service areas execute a career pathways agreement for each certificate program offered by the career center. These agreements must guarantee college credit toward a FCS associate degree program to students who graduate with a career and technical certificate from a career center and meet specified requirements. Additionally, each career pathway agreement must outline certificate program completion requirements and any licenses or industry certifications that must be earned prior to enrolling in an FCS associate degree program. Articulated college credit must be awarded in accordance with the agreement upon a student's initial enrollment in the associate degree program. Each career pathways agreement must be annually submitted to the DOE no later than May 1.

Workforce Education Funding

Present Situation

Funds provided for career and charter technical centers are appropriated separately in the GAA from other K-12 programs. Proviso language included in the GAA specifies that the funds appropriated shall not be used to support K-12 programs or district K-12 administrative indirect costs. The Auditor General verifies compliance with this requirement during scheduled audits of these institutions.¹⁷ As part of the school district, career and charter technical centers benefit from the use of school district personnel and services for many activities which may include: payroll/human resources; building maintenance and repair; pest control; lawn care; risk management and liability insurance; marketing; financial and legal services; professional development; school police; technology and MIS; transportation for limited high school students; and utilities. By sharing services, the centers do not have to hire additional full-time staff, or contract for these activities. School districts, in turn, charge their center(s) associated indirect and administrative fees for usage. Currently DOE's financial data system does not separate secondary expenditures from postsecondary expenditures; thus, it has been difficult to obtain data or ascertain how the career education centers' indirect service charges are calculated. The indirect costs charged by school districts to the 48 centers vary in percentage of total allocations.

Postsecondary education, including workforce education programs, once conformed to a calculated percentage of the average cost of instruction funded with 75 percent from state general revenue and 25 percent from student fees. This ratio is no longer applicable, as tuition and fee revenues currently make up a larger percentage of total funding. Funding for workforce education is currently calculated based on weighted enrollment minus fee revenues generated to offset program operational costs.

Effect of Proposed Changes

The bill requires each school district and FCS institution receiving state appropriations for workforce education programs to maintain adequate and accurate records, including a system to record school district workforce education funding and expenditures in order to maintain separation of postsecondary workforce education expenditures from secondary education expenditures. These records must be submitted to the DOE in accordance with SBE rules.

The bill revises the calculation methodology for determining state funding for workforce education programs consistent with the current method used to allocate funds, and removes obsolete references for programs that are no longer funded.

¹⁷ Chapter 2015-232, L.O.F., see Specific Appropriation 118 proviso referencing Specific Appropriations 10, 116, and 118

B. SECTION DIRECTORY:

Section 1. Amends s. 446.011, F.S., revising terminology.

Section 2. Amends s. 446.021, F.S., revising definitions.

Section 3. Amends s. 446.032, F.S., requiring the DOE to annually publish on its website specified information relating to apprenticeship and preapprenticeship programs.

Section 4. Amends s. 446.045, F.S., revising the membership criteria for certain appointments to the State Apprenticeship Advisory Council.

Section 5. Amends s. 446.052, F.S., revising terminology.

Section 6. Amends s. 446.081, F.S., limiting applicability of state apprenticeship and job-training program requirements to provisions for veterans, minority persons, and women.

Section 7. Amends s. 446.091, F.S., conforming a provision to changes made by the act.

Section 8. Amends s. 446.092, F.S., revising criteria for apprenticeship occupations.

Section 9. Amends s. 1001.02, F.S., conforming provisions made by the act.

Section 10. Amends s. 1001.706, F.S., conforming provisions made by the act.

Section 11. Creates s. 1004.013, F.S., establishing the SAIL to 60 Initiative for specified purposes; and providing the SBE and BOG responsibilities relating to the initiative.

Section 12. Amends 1004.015, F.S., renaming the HECC as the Florida Talent Development Council; revising the membership of the council; revising the duties and responsibilities of the council; requiring the council to submit a strategic plan to the Governor and the Legislature by a specified date; providing requirements for the strategic plan; and requiring the DEO to provide administrative support for the council.

Section 13. Amends s. 1004.6495, F.S., conforming provisions to changes made by the act.

Section 14. Amends s. 1004.935, F.S., conforming a cross-reference.

Section 15. Amends s. 1007.23, F.S., requiring the statewide articulation agreement to provide for a reverse transfer agreement; providing for an associate degree to be awarded to certain students by FCS institutions; and providing requirements for state universities.

Section 16. Creates s. 1007.233, F.S., requiring certain career centers and FCS institutions to execute and annually submit a career pathways agreement to DOE by a specified date; and providing for requirements for such agreements.

Section 17. Amends s. 1009.21, F.S., conforming provisions to changes made by the act.

Section 18. Amends s. 1011.80, F.S., requiring certain school districts and FCS institutions to maintain certain records; requiring such records be submitted to the DOE; and revising the calculation for funds and fees for certain workforce education programs.

Section 19. Creates s. 1011.802, F.S., creating the FLAG program, subject to appropriation; providing purpose, requirements, and administration of the program; requiring certain career centers and institutions to provide quarterly reports; and authorizing the SBE to adopt rules to administer the program.

Section 20. Provides an effective date of July 1, 2019.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The FLAG Program, subject to appropriation, will provide start-up funding for new apprenticeship programs and allow for expansion of existing apprenticeship programs by FCS institutions, career centers, charter technical career centers, and other entities authorized by law to sponsor apprenticeship programs. The program will benefit both businesses and students enrolled in the programs. Businesses have expressed the need for increased apprenticeship programs. Students enrolled in apprenticeship programs are exempt from the payment of tuition and fees.

D. FISCAL COMMENTS:

The FLAG Program is subject to an appropriation provided in the GAA.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

None.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill may require the SBE to modify rules related to workforce education program funding reporting.

The bill also authorizes the SBE to adopt rules to administer the FLAG program.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

Not Applicable.