

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** PCB HEWS 16-02 Career and Adult Education

**SPONSOR(S):** Higher Education & Workforce Subcommittee

**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE   | ACTION | ANALYST | STAFF DIRECTOR or<br>BUDGET/POLICY CHIEF |
|---|--------|---------|--|
| Orig. Comm.: Higher Education & Workforce<br>Subcommittee |        | Banner  | Bishop                                   |

### SUMMARY ANALYSIS

The bill:

- Revises the definition of applied technology diploma to convert clock hour credit to college credit.
- Establishes fees for applied technology diploma programs offered by public school districts commensurate with fees for college credit programs at Florida College System institutions.
- Revises the standards for career, adult, and community education programs and provides rule-making authority for the State Board of Education to make rules regarding accountability for career education.
- Adds the Chancellor for Career and Adult Education to the membership of the Higher Education Coordinating Council.
- Increases the number of CAPE Digital Tool Certificates that can be included on the CAPE Industry Certification Funding List from 15 to 30.
- Requires career centers and charter technical career centers to develop a procedure for appeals of grievances related to student financial aid.
- Requires more accurate financial reporting for workforce education programs.
- Promotes apprenticeship programs by creating the Florida Apprenticeship Grant (FLAG) Program to expand existing and establish new apprenticeship programs, updating terminology, revising membership on the State Apprenticeship Advisory Council, and clarifying language relating to industry standards.
- Establishes the Rapid Response Grant Program to provide a competitive grant process for the expansion or implementation of high-demand postsecondary programs at career centers or charter technical career centers.
- Requires each school district and Florida College System institution that offers an adult education program to provide at least one online option that enables students to earn a standard high school diploma or its equivalent.
- Allows a candidate to take the high school equivalency examination after reaching the age of 16 if a formal declaration of intent to terminate school enrollment is filed with the school district; and
- Corrects an incorrect reference to developmental education which is not offered by adult education programs.

The bill provides \$3 million in recurring general revenue to implement the FLAG Program and \$10 million in recurring general revenue to implement the Rapid Response Grant Program. See fiscal impact section.

The bill has an effective date of July 1, 2016.

## 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. The purpose of apprenticeships is to 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. An apprenticeship is a highly structured training system in which the apprentice works full-time during the day for a sponsoring employer, learning the skills of the trade through on-the-job training along with related classroom instruction. While enrolled in the program, apprentices earn a progressive wage and upon completion of the program are considered a journeyworker and receive a nationally recognized state certificate of completion.<sup>1</sup>

Apprenticeship enrollment is obtained through school district programs, state college programs and independent agencies. Approximately 80 percent of the programs are offered through school districts and colleges and 20 percent through independent agencies. For the 2014-15 academic year, there were 7,424 students enrolled in school district programs and 2,471 students enrolled in state college programs. Based on 2013-14 cost data, school districts spent approximately \$17.1 million on apprenticeship programs and state colleges spent approximately \$5.3 million.<sup>2</sup>

During the 2002 Legislative Special Session E<sup>3</sup>, the department's rulemaking authority regarding Instructional Components of Vocational Education was repealed. As a result, DOE is unable to update its rule regarding instructional components of Career and Technical Education programs.

###### Effect of Proposed Changes

The bill redefines "journeyworker" to further identify individuals who may serve as journeyworkers to include mentors, technicians, specialists or other skilled workers who can document extensive occupational experience through an alternative means to traditional registered apprenticeship completion. It also revises the definition of "related instruction" to include instruction provided in the classroom, correspondence courses or self-study courses approved by DOE. The bill clarifies that no statute, rule, or agreement relating to apprenticeships shall invalidate any special provision for veterans, minorities or women in apprenticeship programs and modifies the requirements for the two public members appointed to the State Apprenticeship Advisory Council to be independent of any joint or non-joint organization.

The bill creates the Florida Apprenticeship Grant (FLAG) Program to provide competitive grants to career centers, charter technical career centers and Florida College System (FCS) institutions 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 Division of Career and Adult Education within the DOE shall administer the program and give priority to applications for

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<sup>1</sup> Department of Education, *Apprenticeship in Florida: presentation to Higher Education and Workforce Subcommittee* (Jan. 21, 2015), available at [http://myfloridahouse.gov/Sections/Documents/publications.aspx?CommitteeId=2853&PublicationType=Committees&DocumentType=Meeting Packets&SessionId=76](http://myfloridahouse.gov/Sections/Documents/publications.aspx?CommitteeId=2853&PublicationType=Committees&DocumentType=Meeting%20Packets&SessionId=76).

<sup>2</sup> Email, Florida Department of Education, Apprenticeship Program Enrollment Information (September 17, 2015).

<sup>3</sup> Chapter 2002-387, L.O.F.

programs in the critical need areas of information technology, health, and machining and manufacturing. Grant recipients must submit quarterly reports to the DOE.

The bill provides \$3 million in recurring general revenue to the Department of Education to implement the FLAG Program.

## **Applied Technology Diploma**

### Present Situation

An applied technology diploma (ATD) is currently defined as a course of study that is part of a technical degree program, is less than 60 credit hours, and leads to employment in a specific occupation. It may consist of either technical (clock hour) or college credit; however a public school district (through a career center or charter technical career center), may offer the ATD only as technical credit, and college credit can be awarded to the student only upon articulation to an Florida College System institution.<sup>4</sup> Enrollment data for the 2014-15 academic year indicates that ATD programs were offered in nine districts and enrolled 1,168 students statewide. Pasco-Hernando State College offered two clock hour ATD programs, with enrollment of 35 students.<sup>5</sup> Clock hour tuition rates are established at \$2.33 per clock hour for residents and nonresidents and the out-of-state fee is \$6.99 per contact hour, which is in addition to the resident and nonresident tuition amount.<sup>6</sup> Workforce education postsecondary student fees are subject to tuition and fee variances of no more than five percent below of 5 percent above the combined total of established standard tuition and out-of-state fees.<sup>7</sup>

### Effect of Proposed Changes

The bill revises the definition of “applied technology diploma” to consist of college credit rather than technical clock hour credit. ATDs, currently offered as clock hour programs, will be converted to college credit. College credit courses may be offered by a public school district or a Florida College System institution.

The bill establishes a new tuition rate for applied technology diploma programs to align with current tuition rates established for credit courses in Florida College System institutions, which is \$71.98 per credit hour. This fee will be subject to the tuition and fee variances established in s. 1009.22(3)(d), F.S.

## **Career and Technical Education Programs**

### Present Situation

Current law outlines the issues related to career education for which school boards, Florida College System institution boards of trustees and the Department of Education are responsible.<sup>8</sup> However, the State Board of Education (SBE) does not currently have rulemaking authority to define the quality components of a career and technical education program.

Additionally, current law requires each state university and Florida College System institution to establish a procedure for students to appeal grievances related to the award or administration of financial aid. Career centers and charter technical career centers are not subject to this requirement.

### Effect of Proposed Changes

The bill improves the quality of career and technical education programs by revising standards and authorizing the SBE to adopt rules related to program accountability.

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<sup>4</sup> Section 1004.02(8), F.S.

<sup>5</sup> Email, Florida Department of Education Division of Career and Adult Education (September 17, 2015).

<sup>6</sup> Section 1009.22(3)(c), F.S.

<sup>7</sup> Section 1009.22(3)(d), F.S.

<sup>8</sup> Section 1004.92, F.S.

The bill also requires career centers and charter technical career centers to establish procedures for students to appeal grievances related to the award or administration of financial aid. This change meets federal requirements related to federal financial aid by applying the same statutory requirements for state universities and Florida College System institutions apply to career centers and charter technical career centers.

## **Higher Education Coordinating Council**

### Present Situation

The Higher Education Coordinating Council (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.<sup>9</sup> The HECC is comprised of eleven members:

- One member of the Board of Governors
- One member of the State Board of Education
- 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.<sup>10</sup>

### Effect of Proposed Changes

The bill adds the Chancellor of Career and Adult Education to the membership of the HECC to provide adequate representation of career centers in discussions and recommendations relating to higher education policies.

## **CAPE Digital Tool Certificates**

### Present Situation

- Cape Digital Tools certificates are available to students in kindergarten through grade 8, to enable students to attain digital skills.<sup>11</sup> Certificates are identified and reviewed by the Florida Department of Education and added to the CAPE Industry Certification Funding List annually. The current list includes 15 different certificates.<sup>12</sup> Implementation of CAPE Digital Tools Certificate programs began during the 2014-2015 school year and funding for these programs became available during the 2015-2016 year. As of October 2015, 3,953 students have earned CAPE Digital Tool Certificates.<sup>13</sup>

For the 2015-16 Industry Certification Funding List, the maximum number of CAPE Digital Tool Certificates authorized under law have been included on the list. The addition of any newly available certificate would require the removal of an existing certificate from the list.

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<sup>9</sup> Section 1004.015, F.S.

<sup>10</sup> *Id.*

<sup>11</sup> 1003.4203(1) F.S.

<sup>12</sup> Florida Department of Education, CAPE Industry Certification Funding List, *available at* [http://www.fldoe.org/core/fileparse.php/8904/urlt/1516icfl\\_detailed.pdf](http://www.fldoe.org/core/fileparse.php/8904/urlt/1516icfl_detailed.pdf) (last viewed October 23, 2015).

<sup>13</sup> Quick Guide to the Florida Career and Professional Education Act (CAPE), *available at* <http://www.serve.org/uploads/docs/Events%20&%20Webinars/Quick%20Guide%20to%20the%20Florida%20Career%20and%20Professional%20Education.pdf>

## Effect of Proposed Changes

The bill allows the Department of Education to consider up to 15 additional certificates for designation as CAPE Digital Tool Certificates on the CAPE Industry Certification Funding List if the certificates meet the statutory requirements.

### **Adult Education**

#### Present Situation

Adult general education is the provision of educational services that will enable adults to acquire:

1. The basic skills necessary to attain basic and functional literacy.
2. A high school diploma or successfully complete the high school equivalency examination.
3. An educational foundation that will enable them to become more employable, productive, and self-sufficient citizens.<sup>14</sup>

Adult general education programs are available to individuals who:

- Are at least 16 years of age and have legally left the secondary school system
- Do not have a high school diploma or its equivalent
- Want to learn to speak, read, and write in English.<sup>15</sup>

#### Adult Standard High School Diploma

An Adult Standard High School Diploma may be issued by a school district or Florida College System institution. Students may choose a 24-credit or 18-credit ACCEL (Academically Challenging Curriculum to Enhance Learning) option and must complete the same courses and state assessments required to earn a standard high school diploma in the K-12 system. However, the following exceptions are allowed:

1. One elective credit may be substituted for the one credit requirement in fine or performing arts, speech and debate, or practical arts.
2. The requirement that two of the science credits include a laboratory component may be waived by the district school board.
3. The requirement for one credit in physical education may be substituted with an elective.<sup>16</sup>

#### High School Equivalency Diploma

Florida law<sup>17</sup> requires a candidate for the high school equivalency diploma to be at least 18 years of age on the date of the examination, except that in extraordinary circumstances a school district may determine that a candidate is eligible to take the examination after reaching the age of 16.

Forty-three states and the District of Columbia require candidates to be 18 years old to receive a GED credential. Most states, however, allow individuals younger than the required minimum age to take the tests with additional documentation.<sup>18</sup>

#### Delivery of Diploma Programs: Adult High School and GED

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<sup>14</sup> Section 1004.93, F.S.

<sup>15</sup> Department of Education, *Overview of Adult General Education: presentation to Higher Education and Workforce Subcommittee* (September 16, 2015), available at [http://myfloridahouse.gov/Sections/Documents/publications.aspx?CommitteeId=2853&PublicationType=Committees&DocumentType=Meeting Packets&SessionId=80](http://myfloridahouse.gov/Sections/Documents/publications.aspx?CommitteeId=2853&PublicationType=Committees&DocumentType=Meeting%20Packets&SessionId=80)

<sup>16</sup> *Id.*

<sup>17</sup> Section 1003.435(4), F.S.

<sup>18</sup> Jizhi Zhang, *Young GED Examinees and Their Performance on the GED Tests*, General Educational Development Testing Service of the American Council on Education (2009), available at <http://www.gedtestingservice.com/uploads/files/ecccfc5b0b5d764269e8780fc9f15d24.pdf>

Counties that offer ONLY a GED preparation (32)

- Okaloosa, Jackson, Washington, Bay, Calhoun, Liberty, Franklin, Wakulla, Jefferson, Madison, Taylor, Hamilton, Suwannee, Lafayette, Dixie, Baker, Union, Bradford, Levy, Putnam, Marion, Citrus, Sumter, Lake, Osceola, Manatee, Hardee, Highlands, DeSoto, Charlotte, Lee, Collier

Counties that offer ONLY an Adult High School option (1)

- Gulf

Counties that offer BOTH a GED preparation and an Adult High School option (30)

- Escambia, Santa Rosa, Walton, Gadsden, Leon, Columbia, Alachua, Clay, Nassau, Duval, St. Johns, Flagler, Volusia, Seminole, Orange, Brevard, Hernando, Pasco, Polk, Hillsborough, Pinellas, Indian River, Okeechobee, St. Lucie, Martin, Palm Beach, Sarasota, Broward, Miami-Dade, Monroe

Counties that do not offer either a GED preparation or Adult High School option (4)

- Holmes, Gilchrist, Glades, Hendry<sup>19</sup>

### Online delivery of Adult Education Programs

The Florida Adult and Technical Distance Education Consortium (FATDEC) is a consortium of 30 member institutions. The purpose of the group is to enable public schools, school districts and Florida College System institutions to work together to deliver curriculum in a web-based environment for adult education and career and technical programs in Florida.<sup>20</sup>

Membership in the consortium includes:

Baker County Public Schools  
Brevard County Public Schools  
Broward County Public Schools  
Calhoun County Adult School  
College of Central Florida (serving Levy County)  
Citrus County Public Schools  
Desoto County Public Schools  
First Coast Technical College (serving St. Johns County)  
Flagler County Public Schools  
George Stone Technical Center (serving Escambia County)  
Hernando County Public Schools  
Hillsborough County Public Schools  
Indian River State College (serving Martin, St. Lucie, Indian River, and Okeechobee Counties)  
Lee County Public Schools  
Manatee Technical Center  
Monroe County Public Schools  
Nassau County Public Schools  
Orange County Public Schools  
Palm Beach Public Schools  
Pasco County Public Schools  
Pinellas County Public Schools  
Polk County Technical Center

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<sup>19</sup> Department of Education, *Overview of Adult General Education: presentation to Higher Education and Workforce Subcommittee* (September 16, 2015), available at [http://myfloridahouse.gov/Sections/Documents/publications.aspx?CommitteeId=2853&PublicationType=Committees&DocumentType=Meeting Packets&SessionId=80](http://myfloridahouse.gov/Sections/Documents/publications.aspx?CommitteeId=2853&PublicationType=Committees&DocumentType=Meeting%20Packets&SessionId=80)

<sup>20</sup>Florida Adult and Technical Education Consortium: Your future, Online, available at [http://fatdec.com/about\\_us.php](http://fatdec.com/about_us.php) (last viewed November 5, 2015)

Santa Fe State College (serving Alachua County)  
Santa Rosa County Public Schools  
Sarasota County Technical Institute  
Seminole State College (serving Seminole County)  
South Florida State College (serving Highlands County)  
St. Johns River State College (serving Putnam County)  
Tallahassee Community College (serving Leon County)  
Washington-Holmes Technical Center (serving Washington and Holmes Counties)  
*\*34 counties served by the consortium*

### Effect of Proposed Changes

The bill reduces the age at which a candidate may take the high school equivalency examination from 18 to 16, if a formal declaration of intent to terminate school enrollment<sup>21</sup> is filed with the school district.

The bill also requires any school district or Florida College System institution that offers an adult education program to provide at least one online option for students to earn a high school diploma or its equivalent no later than July 1, 2017.

In addition, the bill removes an incorrect reference to developmental education from the adult education section of statute because developmental education is not included in adult education programs.

## **Workforce Education Funding**

### Present Situation

Funds provided for career and charter technical centers are appropriated separately in the General Appropriations Act (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.<sup>22</sup> 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 the Department of Education's (DOE) 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 Florida College System (FCS) institution receiving state appropriations for workforce education programs to maintain adequate and accurate records including

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<sup>21</sup> Section 1003.21(1)(b), F.S., stipulates that any student who attains the age of 16 years is not subject to compulsory school attendance beyond the date upon which he or she reaches that age if the student files a formal declaration of intent to terminate school enrollment with the district school board.

<sup>22</sup> Chapter 2015-232, L.O.F., see Specific Appropriation 118 proviso referencing Specific Appropriations 10, 116, and 118

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.

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.

The bill clarifies the requirements for workforce performance funding to reward all types of workforce education programs, including those that:

- prepare people to enter high-skill/high wage occupations;
- increase student achievement in Adult General Education courses; and
- award industry certifications

## **Rapid Response Grant Program**

### Present Situation

Florida does not currently have a formal mechanism for recruiting and retaining industry in the state by providing education and training programs specifically geared toward business employees. The lack of such a process may result in businesses choosing not to locate in Florida because they are not given adequate assurance that they will have the skilled workers needed for their enterprise to be successful in this state. Other states often have a competitive advantage over Florida in industry attraction, expansion, and retention projects and lose out on the associated jobs that they create.

### Effect of Proposed Changes

The bill creates the Rapid Response Grant Program to provide a competitive grant process for the expansion or implementation of high-demand postsecondary programs at career centers or charter technical career centers. Career centers applying for the program must submit an application that includes, at a minimum, the details regarding the program expansion and development, projected enrollment and projected costs. Career centers that are granted awards must submit quarterly reports. Grant funds may not be used to supplant current funds and must be used to expand enrollment in existing programs or create new programs.

The Department of Education shall administer the program and conduct an annual analysis and assessment of the effectiveness of the postsecondary programs in meeting labor market demands.

The bill provides \$10 million in recurring general revenue to the Department of Education to implement this program.

## **B. SECTION DIRECTORY:**

**Section 1.** Amends s. 446.021, F.S., amending the definitions of “journeyworker” and “related instruction”.

**Section 2.** Amends s. 446.032, F.S., making a technical change of “journeymen” to “journeyworker”.

**Section 3.** Amends s. 446.045, F.S., clarifying that public members of the State Apprenticeship Advisory Council are to be independent of any joint or nonjoint organization.

**Section 4.** Amends s. 446.081, F.S., clarifying that nothing in ss. 446.011-446.092, F.S. or implementing rules shall operate to invalidate any special provisions for veterans, minorities, or women in apprenticeship programs.

**Section 5.** Amends s. 446.091, F.S., making a technical change of “journeymen” to “journeyworker”.

**Section 6.** Amends s. 446.092, F.S., clarifying language related to industry standards.



- Section 7.** Amends s. 1003.435, F.S., reducing the age at which a candidate may take the high school equivalency examination.
- Section 8.** Amends s. 1004.015, F.S., adding the Chancellor of Career and Adult Education at the Department of Education to the Higher Education Coordinating Council.
- Section 9.** Amends s. 1004.02, F.S., clarifying that the applied technology diploma consists of college credit and may be offered by a public school district or Florida College System institution.
- Section 10.** Amends s. 1004.92, F.S., revising language regarding career and technical education program standards and requiring the State Board of Education to adopt rules.
- Section 11.** Amends s. 1004.93, F.S., requiring each school district and Florida College System institution that offers an adult education program to, by July 1, 2017, provide at least one online option for students to earn a standard high school diploma or its equivalent; removing an incorrect reference to developmental education.
- Section 12.** Amends s. 1008.44, F.S. increasing the number of CAPE Digital Tool Certificates that can be included on the CAPE Industry Certification Funding List from 15 to 30; changing language on identification of the CAPE Digital Tool Certificates to conform with other statutory language.
- Section 13.** Amends s. 1009.22, F.S., removes the reference to the applied technology diploma under the per contact hour fee structure; and provides a new tuition fee structure for the applied technology diploma at the same rates as those charged by the Florida College System for college credit programs.
- Section 14.** Amends s. 1009.42, F.S., requiring career centers to develop procedures for appeals of grievances related to financial aid as required by the U.S. Department of Education.
- Section 15.** Amends s. 1011.80, F.S., requiring school districts and colleges to maintain adequate and accurate records, separating postsecondary workforce education expenditures from secondary education expenditures; clarifying the requirements for funding calculations to align with the current methodology for determining workforce education funding; clarifying the requirements for workforce performance funding.
- Section 16.** Creates s. 1011.802, F.S., establishing the Florida Apprenticeship Grant (FLAG) Program to provide competitive grants for career centers, charter technical career centers and Florida College System institutions to expand existing or create new apprenticeship programs.
- Section 17.** Creates s. 1011.803, F.S., establishing the Rapid Response Grant Program for the purpose of providing a competitive grant process for the expansion or implementation of high-demand postsecondary programs at career centers and charter technical career centers.
- Section 18.** Provides \$3 million in recurring general revenue to implement the Florida Apprenticeship Grant (FLAG) Program and \$10 million in recurring general revenue to implement the Rapid Response Grant Education and Training Program to the Department of Education.
- Section 19.** Provides an effective date of July 1, 2016.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

### A. FISCAL IMPACT ON STATE GOVERNMENT:

#### 1. Revenues:

None.

2. Expenditures:

The 2014-15 school year was the first year of implementation for CAPE Digital Tool Certificates. There is currently no data available on the number of students earning a certification. For 2015-16, the maximum number of CAPE Digital Tool Certificates (15) are included on the CAPE Industry Certification Funding List. It is possible that the addition of new CAPE Digital Tool Certificates to the funding list could attract more students to the program and result in an increase in the total number of certificates earned. Each additional certificate earned by an elementary or middle school student would generate 0.025 additional FTE, with a maximum of 1.0 FTE for any one student. The value of 0.025 FTE would generate approximately \$104 in additional funding for each certificate. The number of additional CAPE Digital Tool Certificates that may generate funding under the bill is unknown.

This bill provides the Department of Education with \$3 million in recurring general revenue to implement the Florida Apprenticeship Grant (FLAG) Program and \$10 million in recurring general revenue to implement the Rapid Response Grant Program.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Redefining “applied technology diploma” and converting the tuition rates from contact hour to credit hour will result in a minimal increase in cost for some students. The student does, however, receive an upgraded product with college credit that is more easily transferable. The conversion of credit hours could potentially lower costs to some students depending upon length of program, and its conversion to credit hours.

The bill creates the Rapid Response Grant Program to provide a competitive grant process for the expansion or implementation of high-demand postsecondary programs at career centers or charter technical career centers. This new program may result in businesses choosing to locate in Florida because they will be given adequate assurance that they will have the skilled workers needed for their enterprise to be successful in this state.

The Florida Apprenticeship Grant Program will provide start-up funding for new apprenticeship programs and allow for expansion of existing apprenticeship programs at Florida College System institutions, career centers, and charter technical career centers. 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:

Based on 2014-15 enrollment data, the conversion of the ATD from clock hour to college credit would likely result in tuition revenue increases of \$87,274 for school districts, and a decrease of \$15,897 for Pasco-Hernando State College, the only college institution offering clock hour programs.<sup>23</sup> The bill has an indeterminate future fiscal impact on tuition and fee revenues for career centers and charter technical centers. Changing applied technology diploma credit from clock hour credit to college credit

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<sup>23</sup> Email, Department of Education Division of Career and Adult Education (September 17, 2015)

could encourage increased student enrollment in these programs. Enrollment increases, if significant, could require additional state funding in future years since tuition covers only a portion of a student's educational costs.

### **III. COMMENTS**

#### **A. CONSTITUTIONAL ISSUES:**

##### **1. Applicability of Municipality/County Mandates Provision:**

Not applicable. The bill does not appear to affect county or municipal governments.

##### **2. Other:**

None.

#### **B. RULE-MAKING AUTHORITY:**

The bill provides rulemaking authority to the State Board of Education regarding instructional components of Career and Technical Education programs. The bill may also require the State Board of Education to modify rules related to workforce education program funding reporting.

#### **C. DRAFTING ISSUES OR OTHER COMMENTS:**

None.

### **IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

Not applicable.