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# Higher Education Appropriations Subcommittee

Tuesday, January 30, 2018  
3:30 PM - 5:30 PM  
Webster Hall (212 Knott)

## MEETING PACKET



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**The Florida House of Representatives**  
**Appropriations Committee**  
**Higher Education Appropriations Subcommittee**

**Richard Corcoran**  
**Speaker**

**Larry Ahern**  
**Chair**

**AGENDA**

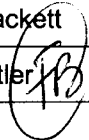

**Tuesday, January 30, 2018**  
**3:30 p.m. – 5:30 p.m.**  
**Webster Hall (212 KNOTT)**

- I. **Call to Order/Roll Call**
- II. **Opening Remarks**
- III. **Consideration of the following bill(s):**
  - HB 1251 Florida Construction Workforce Task Force by Porter
- IV. **Consideration of the following proposed committee bill(s):**
  - PCB HEA 18-01 -- ABLE Trust Fund
- V. **Closing Remarks/Adjournment**



**HOUSE OF REPRESENTATIVES STAFF ANALYSIS**

**BILL #:** HB 1251 Florida Construction Workforce Task Force  
**SPONSOR(S):** Porter  
**TIED BILLS:** IDEN./SIM. BILLS: SB 1642

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Careers & Competition Subcommittee	12 Y, 0 N	Brackett	Anstead
2) Higher Education Appropriations Subcommittee		Butler 	Lloyd 
3) Commerce Committee			

**SUMMARY ANALYSIS**

In 2016, the Legislature created the Construction Industry Workforce Taskforce (CIWT) to address the critical shortage of individuals trained in building construction and inspection. The CIWT submitted a final report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, on January 27, 2017, which included ten recommendations.

In 2017, the Legislature passed, and the Governor signed into law, House Bill 1021 (HB 1021). HB 1021 required the Department of Education, in conjunction with the Department of Economic Opportunity, to develop a plan to implement the CIWT's recommendations, and submit the plan to the CIWT by July 1, 2018. HB 1021 also implemented some of the CIWT's recommendations related to building code enforcement professionals, and required CareerSource Florida Inc. to create a plan to fund construction training programs recommended by the CIWT using existing federal funds and provide the plan to the CIWT by July 1, 2018.

The bill provides that DOE must submit a plan to implement five of the CIWT's ten recommendations and submit it to the Governor, Speaker of the House, and the President of the Senate, by July 1, 2019.

The Department of Education anticipates minimal costs associated with submitting the detailed plan required by the bill.

The bill takes effect upon becoming law.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### Current Situation

##### *Construction Industry Workforce Taskforce*

In 2016, the Legislature created the Construction Industry Workforce Taskforce (CIWT) to address the critical shortage of individuals trained in building construction and inspection. The CIWT's goals are to:

- Develop a consensus path for training the next generation of construction workers in the state;
- Determine the causes for the current shortage of a trained construction industry work force and address the impact of the shortages on the recovery of the real estate market;
- Review current methods and resources available for construction training;
- Review the state of construction training available in K-12 schools; and
- Address the training issues relating to building code inspectors to increase the number of qualified inspectors.<sup>1</sup>

The CIWT is made up of 22 members representing various construction associations in Florida as well as members representing the Florida House of Representatives and the Florida Senate. Members include the following:

- A member of the House of Representatives appointed by the Speaker;
- A member of the Senate appointed by the President of the Senate;
- One representative of the Florida Associated General Contractors Council;
- One representative of the Associated Builders and Contractors of Florida;
- One representative of the Florida Home Builders Association;
- One representative of the Florida Fire Sprinkler Association;
- One representative of the Florida Roofing, Sheet Metal and Air Conditioning Contractors Association;
- One representative of the Florida Refrigeration and Air Conditioning Contractors Association;
- One representative of the Florida Plumbing-Heating-Cooling Contractors Association;
- One representative the Florida Swimming Pool Association;
- One representative of the National Utility Contractors Association of Florida;
- One representative of the Florida Concrete and Products Association;
- One representative of the Alarm Association of Florida;
- One representative of the Independent Electrical Contractors;
- One representative the Florida Building Construction Trades Council within the Florida AFL-CIO;
- One representative of the Building Officials Association of Florida.
- One representative of the Asphalt Contractors Association of Florida.
- One representative of the American Fire Sprinkler Association-Florida Chapter
- One representative of the Florida Carpenters Regional Council; and
- One representative of the Florida Chapter of the National Electrical Contractor Association
- One representative of the Florida Electrical Workers Association; and
- The chair of the Florida Building Commission.<sup>2</sup>

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<sup>1</sup> Ch. 2016-129, Laws of Fla.

<sup>2</sup> *Id.*

The Legislature required the University of Florida M.E. Rinker, Sr., School of Construction Management to assist the CIWT in carrying out its responsibilities. The Legislature also required the CIWT to submit a final report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 1, 2017.<sup>3</sup>

The CIWT submitted their final report on January 27, 2017. The report included the following ten recommendations for the Legislature:

- Expand the definition of a Local Educational Agency (LEA), as used in apprenticeship programs in Florida, to include institutions other than public schools, such as private training organization (for profit and nonprofit), labor unions, industry trade associations or other community based organizations;
- Create a legislative study to consider the appropriateness of moving apprenticeship programs from the Department of Education (DOE) to the Department of Economic Opportunity(DEO);
- Require DOE to recognize the National Center for Construction Education and Research (NCCER) curriculum, or other comparable national curriculum, as eligible for high school credits, college credits, and state supported scholarships (e.g., bright futures);
- Provide additional state Career and Technical Education (CTE) support to be directed towards K-12 programs so that “shop” or other construction related programs are added back into CTE programs;
- Extend the ‘sunset’ timeframe for CIWT four additional years and provide funding of \$100,000 per year, and a mechanism to obtain matching funds to continue to coordinate CIWT. Funding will be used to continue data collection and analysis, ongoing economic impact studies, and subsequent strategies, implementation planning, and follow up;
- Direct CareerSource Florida (CSF) to set aside existing federal training dollars for construction training programs using the previous state-wide ‘Florida Rebuilds’ program as an implementation model;
- Provide funding from the existing DBPR “Building Permit Surcharge” trust fund dedicated to better code compliance through the recruitment and training of a qualified workforce;
- Allow for an alternative instructor certification process through the DOE that does not require certification through an LEA;
- Create a joint legislative audit committee to review compliance of s. 553.80(7), F.S., across the state regarding use of building permit fees beyond the scope of supporting the building department activities;
- The taskforce also recommended support for the work of Building Officials Association of Florida, Inc., in the development of the following initiatives to further opportunities for potential building code enforcement professionals:
  - Alternative Internship Certification Program to current standard qualifications;
  - Add Residential Inspector and Plan Examiner categories for all trades;
  - Do not restrict provisional and 120-day period to newly hired or promoted staff;
  - Inter-agency service agreement inspections and plan examination for standard certified building officials across jurisdictions of populations 50,000 or less;
  - Have Building Code Administrators and Inspectors Board (BCAIB) streamline application for certification process by providing online electronic submissions and combining the examination registration with provisional application;
  - Provide high school education guidance material for construction related careers;
  - Support higher education code curriculum in engineering, architecture and construction management degrees; and
  - Need for a comprehensive compensation study for building code compliance personnel.<sup>4</sup>

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<sup>3</sup> *Id.*

<sup>4</sup> James Sullivan, Charles J. Kibert, Andriel E. Fenner, Shirley N. Morque, FLORIDA CONSTRUCTION WORKFORCE TASKFORCE: Legislative Recommendations 7 (Jan. 27 2017), available at [https://www.cce.ufl.edu/wp-content/uploads/2016/12/Florida-Construction-Workforce-Taskforce-Report\\_-\\_Legislative-Recommendations-2.pdf](https://www.cce.ufl.edu/wp-content/uploads/2016/12/Florida-Construction-Workforce-Taskforce-Report_-_Legislative-Recommendations-2.pdf)

## *The 2017 Legislative Session*

The Legislature passed, and the Governor signed into law, House Bill 1021 of the 2017 Legislative session (HB 1021). HB 1021 required DOE and DEO to create a plan to implement the recommendations of the CIWT. DOE must submit the plan to the CIWT by July 1, 2018.<sup>5</sup>

HB 1021 also enacted the following recommendations of the CIWT:

- Provided that in addition to performing plans examinations or inspections in a building official's jurisdiction a building official may perform plans examinations and inspections in jurisdictions with a population of 50,000 or less under interagency agreements;<sup>6</sup>
- Created an internship certification program as a qualification to take the building inspector or plans examiner examination;<sup>7</sup>
- Provided that provisional certificates and the 120 day application period are not restricted to newly hired or promoted inspectors or plans examiners; and<sup>8</sup>
- Added a residential plans examiner category.<sup>9</sup>

HB 1021 also required CareerSource Florida, Inc. (CareerSource) to create a plan to fund construction training programs recommended by the CIWT using existing federal funds and provide the plan to the CIWT by July 1, 2018. HB 1021 required CareerSource to use the Florida reBuilds Initiative as the implementation model.<sup>10</sup> CareerSource is a not-for-profit corporation administratively housed within DEO and is the principal workforce policy organization for the state. CareerSource designs and implements strategies that help Floridians enter, remain in, and advance in the workplace. CareerSource procures and disburses funds for workforce development.<sup>11</sup> The Florida reBuilds Initiative was a program formed in 2005, in part, to counter the growing shortage of construction workers.<sup>12</sup>

### **Effect of the Bill**

The bill provides that DOE must create a plan to implement the following recommendations of the CIWT:

- Expand the definition of a LEA, as used in apprenticeship programs in Florida, to include institutions other than public schools, such as private training organization (for profit and nonprofit), labor unions, industry trade associations or other community based organizations;
- Create a legislative study to consider the appropriateness of moving apprenticeship programs from DOE to DEO;
- Require DOE to recognize the NCCER curriculum, or other comparable national curriculum, as eligible for high school credits, college credits, and state supported scholarships (e.g., bright futures);
- Provide additional state CTE support to be directed towards K-12 programs so that "shop" or other construction related programs are added back into CTE programs; and
- Allow for an alternative instructor certification process through the DOE that does not require certification through an LEA.

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<sup>5</sup> Ch. 17-149, Laws of Fla.

<sup>6</sup> s. 468.603(2), F.S.

<sup>7</sup> s. 468.609(2)(c), F.S.

<sup>8</sup> s. 468.609(7), F.S.

<sup>9</sup> s. 468.603(8), F.S.

<sup>10</sup> Ch. 17-149, Laws of Fla.

<sup>11</sup> s. 445.004, F.S.

<sup>12</sup> Florida Division of Emergency Management, *Lt. Governor Jennings Unveils Florida Rebuilds Initiative to Assist with Labor Shortage and Hurricane Recovery* (December 13, 2005), available at [http://www.floridadisaster.org/eoc/eoc\\_Activations/Wilma05/Reports/FLRebuilds.pdf](http://www.floridadisaster.org/eoc/eoc_Activations/Wilma05/Reports/FLRebuilds.pdf).

The bill provides that DOE must submit the plan to the Governor, Speaker of the House, and the President of the Senate by July 1, 2019.

**B. SECTION DIRECTORY:**

**Section 1.** Provides that DOE must submit a detailed plan to carry out five of the CIWT's recommendations to the Governor, President of the Senate, and the Speaker of the House by July 1, 2019.

**Section 2.** Provides an effective date.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

*See Fiscal Comments.*

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

None.

**D. FISCAL COMMENTS:**

The Department of Education anticipates minimal costs associated with submitting the detailed plan required by the bill.<sup>13</sup>

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

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

2. Other:

None.



**B. RULE-MAKING AUTHORITY:**

None.

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

None.

**IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**

HB 1251

2018

1 A bill to be entitled

2 An act relating to the Florida Construction Workforce  
3 Task Force; requiring the Department of Education to  
4 submit to the Governor and the Legislature a plan  
5 regarding recommendations by the Florida Construction  
6 Workforce Task Force by a specified date; providing an  
7 effective date.  
8

9 Be It Enacted by the Legislature of the State of Florida:  
10

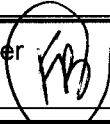

11 Section 1. Florida Construction Workforce Task Force  
12 Legislative Recommendations.—By July 1, 2019, the Department of  
13 Education shall submit to the Governor, the President of the  
14 Senate, and the Speaker of the House of Representatives a  
15 detailed plan to carry out recommendations 1, 2, 3, 4, and 8 as  
16 provided on page 7 of the Florida Construction Workforce Task  
17 Force Legislative Recommendations report dated January 27, 2017,  
18 which was timely delivered to the Governor, the President of the  
19 Senate, and the Speaker of the House of Representatives pursuant  
20 to section 31 of chapter 2016-129, Laws of Florida.

21 Section 2. This act shall take effect upon becoming a law.



**HOUSE OF REPRESENTATIVES TRUST FUND RE-CREATION STAFF ANALYSIS**

**BILL #:** PCB HEA 18-01 ABL Trust Fund  
**SPONSOR(S):** Higher Education Appropriations Subcommittee  
**TIED BILLS:** IDEN./SIM. **BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
Orig. Comm.: Higher Education Appropriations Subcommittee		Butler 	Lloyd 

**I. SUMMARY**

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision requires that trust fund be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of created or recreating that trust fund. The Florida ABLE Program Trust Fund was created in the within the State Board of Administration effective May 21, 2015, and is scheduled to terminate on May 21, 2019.

The Legislature re-creates the Florida ABLE Program Trust Fund effective May 21, 2019, provided it is enacted by three-fifths of the membership of both houses of the Legislature.

This bill has no fiscal impact.

## II. SUBSTANTIVE ANALYSIS

### A. PRESENT SITUATION:

#### 1. MAJOR STATUTES THAT CONTROL THE TRUST FUND:

Section 19(f), Article III of the State Constitution requires that all newly created trust funds terminate not more than four years after the initial creation unless re-created. This provision requires that trust fund be created or re-created by a three-fifths vote of the membership in each house of the Legislature in a separate bill for the sole purpose of created or recreating that trust fund. The Florida ABLE Program Trust Fund created in the State Board of Administration effective May 21, 2015, by chapter 2015-57, Laws of Florida, in section 1009.988, Florida Statutes will terminate on May 21, 2019, unless reenacted.

#### 2. BRIEF DESCRIPTION OF THE FUND'S USES OR PURPOSES:

This trust fund is used to carry out the purposes of the Florida ABLE program pursuant to s. 1009.986, F.S. Under the Florida ABLE Program, eligible individuals with disabilities, family members and others may contribute funds to an ABLE savings account without affecting the designated beneficiary's eligibility for state and federal benefits, such as SSI and Medicaid. Those funds may be used for qualified disability expenses relating to the individual's blindness or disability. These expenses include education, housing, transportation, employment support, health, prevention, wellness, financial, and legal expenses, and other expenses authorized through federal regulations.

#### 3. MAJOR SOURCES OF REVENUE FOR THE FUND:

The Florida ABLE Program currently receives a recurring state appropriation of \$2,166,000 to administer the program. Individuals eligible to participate in the program invest personal funds into savings accounts, which accumulate interest.

The Florida ABLE Program provided the following information. As of 12/29/17:

- Number of accounts: 1,572
- Total Contributions: \$6,974,665
- Total Withdrawals: \$1,073,757
- Average account balance: \$4,010
- 68% of individuals enrolled have either a developmental or intellectual disability
- Average age of account owner: 29

#### 4. TOTAL PROJECTED RECEIPTS INTO THE FUND AND CURRENT YEAR APPROPRIATIONS FROM THE FUND:

Because this program is relatively new, growth in the number of eligible participants' investing through this program is unknown; however, increased investment participation is highly anticipated. Financial statements for the period ending June 30, 2017 indicate \$3,659,185 in investments held on behalf of participants.<sup>1</sup> From the information in the bulleted list above, as of December 29, 2017, investments nearly doubled from the June 30, 2017 financial statement.

Additionally, in Fiscal Year 2017-2018, \$2,166,000 in recurring general revenue was appropriated to the Department of Education for transfer into the Florida ABLE Program Trust Fund.<sup>2</sup> Estimated expenditures of the current state appropriation include program costs such as marketing, records

<sup>1</sup> [http://3chhd9rjja71q885b10gi37k.wpengine.netdna-cdn.com/wp-content/uploads/Florida\\_ABLE\\_Inc\\_AuditedStmts\\_2017.pdf](http://3chhd9rjja71q885b10gi37k.wpengine.netdna-cdn.com/wp-content/uploads/Florida_ABLE_Inc_AuditedStmts_2017.pdf)

<sup>2</sup> Chapter 2017-70, L.O.F., (SB 2500) 2017-2018 General Appropriations Act, Specific Appropriation 69

administration, service charges, legal and professional, consulting, travel and other miscellaneous expenses.

**B. EFFECT OF PROPOSED CHANGES:**

The bill re-creates the trust fund without modification.

**III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

This legislation has no fiscal impact on state agencies or state funds, on local governments as a whole or on the private sector. It simply re-creates, without modification, an existing state trust fund and continues the current use of the fund.

**IV. COMMENTS**

**V. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**

PCB HEA 18-01

ORIGINAL

2018

1 A bill to be entitled

2 An act relating to trust funds; re-creating the  
3 Florida ABLE Program Trust Fund within the State Board  
4 of Administration without modification; repealing s.  
5 1009.988(3), F.S.; abrogating provisions relating to  
6 the termination of the trust fund, to conform;  
7 providing an effective date.

8 WHEREAS, the Legislature wishes to extend the life of the  
9 Florida ABLE Program Trust Fund within the State Board of  
10 Administration, which is otherwise scheduled to be terminated  
11 pursuant to constitutional mandate, and

12 WHEREAS, the Legislature has reviewed the trust fund before  
13 its scheduled termination date and has found that it continues  
14 to meet an important public purpose, and

15 WHEREAS, the Legislature has found that existing public  
16 policy concerning the trust fund sets adequate parameters for  
17 its use, NOW, THEREFORE,

18  
19 Be It Enacted by the Legislature of the State of Florida:

20  
21 Section 1. The Florida ABLE Program Trust Fund within the  
22 State Board of Administration, FLAIR number 71-8-538086, which  
23 is to be terminated pursuant to Section 19(f), Article III of  
24 the State Constitution on May 21, 2019, is re-created.

25 Section 2. Subsection (3) of section 1009.988, Florida

26 Statutes, is repealed.

27       Section 3. This act shall take effect May 21, 2019, but it  
28 shall not take effect unless it is enacted by a three-fifths  
29 vote of the membership of each house of the Legislature.