

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Promote Personal Responsibility-- The bill enables eligible postsecondary career-technical students and students pursuing teacher certification at an EPI to work for tuition assistance.

Empower Families-- The bill provides eligible career-technical students and students pursuing teacher certification at an EPI with a work study alternative to incurring increased student loan debt.

B. EFFECT OF PROPOSED CHANGES:

Present Situation

The Florida Work Experience Program

The FWEP is a work-study financial aid program that enables eligible students to gain work experience in their field of study. The program allows students who have unmet financial need to work for financial aid. The program is open only to students pursuing associate or baccalaureate degrees at eligible postsecondary institutions. Students pursuing postsecondary career-technical education degrees or certificates are not currently eligible for financial aid through the FWEP. Because participation in the program is limited to students who have not previously attained a baccalaureate degree, students pursuing teacher certification at an Educator Preparation Institute (EPI) are ineligible for financial aid via the FWEP.¹

Eligible Postsecondary Institutions

Students must be enrolled at an eligible postsecondary institution to participate in the FWEP. An eligible institution is any one of the following types of institutions:

- A state university or community college;²
- A non-profit college or university which is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools and chartered as a Florida domestic corporation;³
- A college or university licensed by the Commission for Independent Education;⁴ or
- A private nursing diploma school approved by the Florida Board of Nursing.⁵

Each participating postsecondary institution is responsible for identifying work experiences suited to students' areas of study, recruiting and contracting with employers, placing students with employers, and monitoring program expenditures. Application procedures, placement procedures, program deadlines, and student financial need are also determined by the postsecondary institution. A participating institution may use up to 25 percent of its FWEP allocation to employ students within the institution. Each institution may retain up to 10 percent of its total FWEP allocation to cover the cost of administering the program.⁶

¹ Section 1009.77, F.S.

² Id.

³ Section 1009.51, F.S.

⁴ Section 1009.52, F.S.

⁵ Id.

⁶ Section 1009.77, F.S., and Rule 6A-20.038, F.A.C.

Ninety postsecondary institutions are currently eligible to participate in the FWEP.⁷ Twenty-three of these institutions participated in the FWEP during 2005-2006.⁸ Many eligible postsecondary institutions choose not to participate in the FWEP. According to DOE, many institutions find that the cost and burdens associated with administering the program outweigh the 10 percent of total FWEP funds that they are allowed to allocate to program administration.⁹

Student Eligibility Requirements

Florida law specifies several criteria that students must meet to participate in the FWEP. Students must:

- Be enrolled as an undergraduate in good standing at an eligible college or university as no less than a half-time student;
- Meet the requirements for receipt of student financial aid contained in Section 1009.40, F.S., except as otherwise provided;
- Demonstrate financial need; and
- Maintain a 2.0 cumulative grade point average for all college coursework.¹⁰

Students may participate in the FWEP for a maximum of eight semesters or twelve quarters, or until attainment of a first baccalaureate degree.¹¹ Participating students must interview with the employer to secure employment. Each student is paid an hourly wage by the employer. Wages earned must not exceed the student's net financial need by more than \$300 per academic year.¹²

Each employer receives reimbursement from the student's postsecondary institution. Reimbursements are paid from State Student Financial Assistance Trust Fund monies received by the postsecondary institution. Public secondary or elementary schools that employ students must be reimbursed for 100 percent of student wages paid. All other employers must be reimbursed for 70 percent of student wages paid.¹³

The 2005 Legislature appropriated \$1,069,922 to fund the FWEP for 2005-2006.¹⁴ Three hundred thirty-nine students received awards that year. The average award was \$2,388. A total of \$809,560 was distributed to students.¹⁵ Although ninety postsecondary institutions are currently eligible, only twenty-three participated in 2005-2006.¹⁶ The 2006 Legislature appropriated \$1,069,922 to fund the FWEP for 2006-2007.¹⁷

Florida Work Experience Pilot Program

In 1998, the Legislature allocated \$200,000 to Florida Community College in Jacksonville for the purpose of establishing a pilot program that expanded eligibility for the FWEP to vocational students.¹⁸ One hundred eighty-seven career-technical students participated in the FWEP from 1999 to 2001.

⁷ Florida Department of Education, Office of Student Financial Assistance, 2006-2007 Florida Work Experience Program Eligible Institutions *available at* https://www.floridastudentfinancialaid.org/SSFAD/admin/SAWELIGPSI_ByProg.asp?ByProg=FWEP.

⁸ Florida Department of Education Bill Analysis for House Bill 343.

⁹ *Id.*

¹⁰ Section 1009.77, F.S.

¹¹ Rule 6A-20.038, F.A.C.

¹² Section 1009.77, F.S., and Rule 6A-20.038, F.A.C.

¹³ *Id.*

¹⁴ Specific Appropriation 67 of the Conference Committee Report on SB 2600, Enrolled Chapter 2005-70, Laws of Florida.

¹⁵ Florida Department of Education, Office of Student Financial Assistance, Annual Report to the Commissioner 2005-06.

¹⁶ Florida Department of Education Bill Analysis for House Bill 343. See also Florida Department of Education, Office of Student Financial Assistance, 2006-2007 Florida Work Experience Program Eligible Institutions *available at* https://www.floridastudentfinancialaid.org/SSFAD/admin/SAWELIGPSI_ByProg.asp?ByProg=FWEP.

¹⁷ Specific Appropriation 84 of the Conference Committee Report on HB 5001, Enrolled Chapter 2006-25, Laws of Florida.

¹⁸ Specific Appropriation 108 of the Conference Committee Report on HB 4201, Enrolled Chapter 1998-422, Laws of Florida.

Approximately \$486,000 in student aid was awarded during the program. Funding for the program was discontinued by the Legislature in 2001.¹⁹

Career Centers

Florida law authorizes district school boards to operate career centers.²⁰ Such centers are part of the overall district school system, and must be approved by the DOE. Career centers may provide career-technical education to secondary students, out of school youth, and adults. Career centers offer a variety of programs, including:

- Workforce education certificate programs;
- Apprenticeship programs;
- Continuing career education programs; and
- Adult general education programs.

There are forty-five such career centers presently in operation.²¹

Educator Preparation Institutes

An EPI is a teacher training program conducted by an eligible postsecondary institution. EPI programs must be approved by the DOE. An EPI may offer the following:

- Professional development for existing teachers and substitute teachers;
- Programs that enable existing teachers to obtain additional certifications such as a reading endorsement;
- Programs to assist education paraprofessionals with meeting education and training requirements; and
- Programs designed to enable baccalaureate degree holders and career changers to obtain training in teaching practices and subject area content, participate in field experiences, and become certified to teach.²²

Thirty Florida postsecondary institutions currently operate an EPI. Twenty-eight of these institutions are community colleges. Two state universities currently operate an EPI.²³

Effect of Proposed Changes

House Bill 343 expands eligibility for the FWEP to include career-technical students attending a community college or school district operated career center. Eligible career-technical programs must be approved by the DOE, and must consist of no less than 450 hours of instruction. Eligible programs may be delivered at a community college or a district school board operated career center.

Further, the bill allows students pursuing teacher certification at an EPI to participate in the FWEP. The bill allows these students to be eligible for the FWEP despite having already obtained a baccalaureate degree. The bill maintains the current requirement that other students, who are eligible for the FWEP, may not have a baccalaureate degree.

The bill amends employer reimbursement provisions requiring participating postsecondary institutions to reimburse 70 percent of student wages paid to students by employers. Rather than require full reimbursement of 70 percent of student wages, the bill allows postsecondary institutions to reimburse employers for “up to” 70 percent of the student’s wages.

¹⁹ Data provided by Florida Community College.

²⁰ Section 1001.44, F.S.

²¹ Florida Department of Education Bill Analysis for House Bill 343.

²² Section 1004.85, F.S.

²³ Florida Department of Education, Teach in Florida.Com, Educator Preparation Institutes *available at*

<http://www.teachinflorida.com/PreCollegiate/EPI.asp>.

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The bill provides an appropriation of \$500,000.

C. SECTION DIRECTORY:

Section 1.: Amends section 1009.77, F.S.; expands FWEP participation to certain students; provides for employer reimbursement of up to 70 percent of student wages.

Section 2.: Provides an appropriation.

Section 3.: Provides an effective date of July 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

This bill does not appear to have a fiscal impact on state revenues.

2. Expenditures:

The bill appropriates \$500,000 to expand the FWEP to “community colleges and postsecondary career centers operated by school districts.” (SEE FISCAL COMMENTS)

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

This bill does not appear to have a fiscal impact on local revenues.

2. Expenditures:

This bill does not appear to have a fiscal impact on local expenditures.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill eliminates the requirement that employers be reimbursed for 70 percent of student wages earned. Instead, postsecondary institutions may reimburse employers “up to” 70 percent. Employers that participate in the FWEP may receive smaller reimbursement amounts as a result.

D. FISCAL COMMENTS:

The 2005 Legislature appropriated \$1,069,922 to fund the FWEP for 2005-2006.²⁴ The 2006 Legislature appropriated the same amount to fund the program for 2006-2007.²⁵ Three hundred thirty-nine students received awards in 2005-2006. The average award was \$2,388. A total of \$809,560 was distributed to students.²⁶

Although ninety postsecondary institutions were eligible to participate in the FWEP, only twenty-three institutions actually participated in 2005-2006.²⁷ Many eligible postsecondary institutions choose not to

²⁴ Specific Appropriation 67 of the Conference Committee Report on SB 2600, Enrolled Chapter 2005-70, Laws of Florida.

²⁵ Specific Appropriation 84 of the Conference Committee Report on HB 5001, Enrolled Chapter 2006-25, Laws of Florida.

²⁶ Florida Department of Education, Office of Student Financial Assistance, Annual Report to the Commissioner 2005-06.

²⁷ Florida Department of Education Bill Analysis for House Bill 343. See also Florida Department of Education, Office of Student Financial Assistance, 2006-2007 Florida Work Experience Program Eligible Institutions *available at* https://www.floridastudentfinancialaid.org/SSFAD/admin/SAWELIGPSI_ByProg.asp?ByProg=FWEP.

participate in the FWEP. According to the DOE, many institutions find that the cost of administering the program outweighs the 10 percent of total FWEP funds may be allocated to program administration.²⁸

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds.

This bill does not reduce the authority that counties or municipalities have to raise revenue in the aggregate.

This bill does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

This bill does not appear to create, modify, or eliminate rulemaking authority.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Note: The following comments relate to the bill as filed and have been addressed in the strike everything amendment adopted on March 6, 2007, for this bill.

The FWEP student eligibility requirements in subsection (6) do not explicitly reference students attending an EPI. For clarity, consideration might be given to specifically including these students on the list of eligible students contained in law.

The bill provides an appropriation of \$500,000 to expand the FWEP to “community colleges and postsecondary career centers operated by school districts.” Clarification of the following issues might be considered:

- The appropriation provision does not differentiate between community college associate and baccalaureate degree programs and community college career-technical programs. It appears that the appropriation may be used for FWEP eligible community college students enrolled in either type of program.
- The appropriation provision does not explicitly mention EPIs. Since many community colleges operate EPIs, by implication, it appears that community college EPIs may receive funding from this source. EPIs operated by state universities may not partake of this funding.

D. STATEMENT OF THE SPONSOR

Statement for Rep. Bean on FWEP

This legislation promotes two critical values that make our nation great – affordable access to higher education and the personal work ethic. Higher education provides the path to economic prosperity and security for Florida’s families and it sustains our economy.

²⁸ Florida Department of Education Bill Analysis for House Bill 343.

The purpose of *public higher education* is to provide *affordable access* to Florida's citizens so they may pursue career and professional education. Florida's citizens should not have to borrow their future earnings by acquiring high debt to obtain an education.

There is a growing concern that more and more students are financing their education through student loans which, with compounding interest, becomes very difficult for some to repay. This is especially troublesome for those who graduate, but as new entrants into their occupation, cannot earn enough to pay off high debt and support themselves and their families.

This legislation enables a student who is willing and able to work for their financial aid to earn it by working in a field for which they are training. The business community is brought in as partners to provide a paid work experience which can lead to permanent employment. Students working in school districts can provide help in various ways from working as computer technicians to obtaining teaching experience as teachers' aides.

This legislation can reduce student debt, provide real-world experience by providing work in a field for which the student is training and it promotes a strong work ethic.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On March 6, 2007, the Committee on Education Innovation and Career Preparation adopted a strike everything amendment and reported the bill favorably with a recommended council substitute.

The strike everything amendment:

- Clarifies the bill's "whereas" clauses to state that the bill applies to "public postsecondary workforce certificate programs."
- Amends s. 1009.50, F.S., to expand eligibility for the Florida Public Student Assistance Grant (FPSAG) Program so that students enrolled in public postsecondary workforce certificate programs may apply for a FPSAG. These students must first apply for a Pell Grant, but they are not required, like other students eligible for a FPSAG, to receive Pell Grant funding prior to receipt of a FPSAG. According to the Department of Education (DOE), expanding the FPSAG to include postsecondary workforce certificate students will have a fiscal impact of \$11.9 million.^{29 30}
- Amends s. 1009.77, F.S., to require postsecondary educational institutions that participate in the FWEP to pay for the cost of background screenings, tuberculosis testing, and other pre-employment requirements necessary for students to be employed by school districts under the FWEP.
- Amends the bill's \$500,000 appropriation for the FWEP to clarify that those funds are intended to accommodate expansion of the FWEP to include "postsecondary career education" and EPI students.

²⁹ Florida Department of Education, 2007 Legislative Budget Request.

³⁰ The 2006 Legislature appropriated \$94,721,079 to fund the FPSAG for 2006-2007. See: Specific Appropriation 84 of the Conference Committee Report on HB 5001, Enrolled Chapter 2006-25, L.O.F. This amount represented an almost 25 percent increase over the \$76,303,560 appropriated for 2005-2006. See: Specific Appropriation 67 of the Conference Committee Report on SB 2600, Enrolled Chapter 2005-70, L.O.F. The minimum and maximum award amount for a FPSAG varies each year. In 2006-2007, the minimum student award is \$200, and the maximum award amount is \$1,722.