

## LEGISLATIVE ACTION

Senate House

Comm: FAV 01/26/2012

The Committee on Commerce and Tourism (Flores) recommended the following:

## Senate Amendment (with title amendment)

Between lines 44 and 45 insert:

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Section 2. Paragraph (a) of subsection (3) of section 445.003, Florida Statutes, is amended to read:

445.003 Implementation of the federal Workforce Investment Act of 1998.-

- (3) FUNDING.-
- (a) Title I, Workforce Investment Act of 1998 funds; Wagner-Peyser funds; and NAFTA/Trade Act funds will be expended

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based on the 5-year plan of Workforce Florida, Inc. The plan shall outline and direct the method used to administer and coordinate various funds and programs that are operated by various agencies. The following provisions shall also apply to these funds:

- 1. At least 50 percent of the Title I funds for Adults and Dislocated Workers that are passed through to regional workforce boards shall be allocated and expended on to Individual Training Accounts unless a regional workforce board obtains a waiver from Workforce Florida, Inc. Tuition, books, and fees of training providers qualify as an Individual Training Account expenditure, as do other programs developed by regional workforce boards in compliance with policies of Workforce Florida, Inc.
- 2. Fifteen percent of Title I funding shall be retained at the state level and shall be dedicated to state administration and used to design, develop, induce, and fund innovative Individual Training Account pilots, demonstrations, and programs. Of such funds retained at the state level, \$2 million shall be reserved for the Incumbent Worker Training Program, created under subparagraph 3. Eligible state administration costs include the costs of: funding for the board and staff of Workforce Florida, Inc.; operating fiscal, compliance, and management accountability systems through Workforce Florida, Inc.; conducting evaluation and research on workforce development activities; and providing technical and capacity building assistance to regions at the direction of Workforce Florida, Inc. Notwithstanding s. 445.004, such administrative costs shall not exceed 25 percent of these funds. An amount not to exceed 75 percent of these funds shall be allocated to

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Individual Training Accounts and other workforce development strategies for other training designed and tailored by Workforce Florida, Inc., including, but not limited to, programs for incumbent workers, displaced homemakers, nontraditional employment, and enterprise zones. Workforce Florida, Inc., shall design, adopt, and fund Individual Training Accounts for distressed urban and rural communities.

- 3. The Incumbent Worker Training Program is created for the purpose of providing grant funding for continuing education and training of incumbent employees at existing Florida businesses. The program will provide reimbursement grants to businesses that pay for preapproved, direct, training-related costs.
- a. The Incumbent Worker Training Program will be administered by Workforce Florida, Inc. Workforce Florida, Inc., at its discretion, may contract with a private business organization to serve as grant administrator.
- b. To be eligible for the program's grant funding, a business must have been in operation in Florida for a minimum of 1 year prior to the application for grant funding; have at least one full-time employee; demonstrate financial viability; and be current on all state tax obligations. Priority for funding shall be given to businesses with 25 employees or fewer, businesses in rural areas, businesses in distressed inner-city areas, businesses in a qualified targeted industry, businesses whose grant proposals represent a significant upgrade in employee skills, or businesses whose grant proposals represent a significant layoff avoidance strategy.
- c. All costs reimbursed by the program must be preapproved by Workforce Florida, Inc., or the grant administrator. The

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program will not reimburse businesses for trainee wages, the purchase of capital equipment, or the purchase of any item or service that may possibly be used outside the training project. A business approved for a grant may be reimbursed for preapproved, direct, training-related costs including tuition; fees; books and training materials; and overhead or indirect costs not to exceed 5 percent of the grant amount.

- d. A business that is selected to receive grant funding must provide a matching contribution to the training project, including, but not limited to, wages paid to trainees or the purchase of capital equipment used in the training project; must sign an agreement with Workforce Florida, Inc., or the grant administrator to complete the training project as proposed in the application; must keep accurate records of the project's implementation process; and must submit monthly or quarterly reimbursement requests with required documentation.
- e. All Incumbent Worker Training Program grant projects shall be performance-based with specific measurable performance outcomes, including completion of the training project and job retention. Workforce Florida, Inc., or the grant administrator shall withhold the final payment to the grantee until a final grant report is submitted and all performance criteria specified in the grant contract have been achieved.
- f. Workforce Florida, Inc., may establish guidelines necessary to implement the Incumbent Worker Training Program.
- g. No more than 10 percent of the Incumbent Worker Training Program's total appropriation may be used for overhead or indirect purposes.
  - 4. At least 50 percent of Rapid Response funding shall be



dedicated to Intensive Services Accounts and Individual Training Accounts for dislocated workers and incumbent workers who are at risk of dislocation. Workforce Florida, Inc., shall also maintain an Emergency Preparedness Fund from Rapid Response funds which will immediately issue Intensive Service Accounts and Individual Training Accounts as well as other federally authorized assistance to eligible victims of natural or other disasters. At the direction of the Governor, for events that qualify under federal law, these Rapid Response funds shall be released to regional workforce boards for immediate use. Funding shall also be dedicated to maintain a unit at the state level to respond to Rapid Response emergencies around the state, to work with state emergency management officials, and to work with regional workforce boards. All Rapid Response funds must be expended based on a plan developed by Workforce Florida, Inc., and approved by the Governor.

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======= T I T L E A M E N D M E N T ========= And the title is amended as follows:

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120 Delete line 3 121 and insert:

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providing a short title; amending s. 445.003, F.S.; providing that tuition, books, and fees of training providers qualify as an Individual Training Account expenditure; amending s. 445.007, F.S.;