

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: April 14, 1998 Revised: 4/16/98 _____

Subject: Workforce Development Implementation Act

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>White</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable/CS</u>
2.	_____	_____	<u>WM</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This Committee Substitute, the "Workforce Development Implementation Act of 1998," provides for full implementation of the workforce development system designed last year in Senate Bill 1688. In general, this bill carries out the recommendations of the Commissioner's Task Force on Workforce Development.

Specifically, this Committee Substitute:

Delays implementation of the workforce development funding formula for 1 year more and amends it so that funding is based on the amount generated in the previous year rather than on the length and cost of a program.

Creates the Workforce Development Capitalization Grant Program administered by the Commissioner of Education.

Clarifies issues of articulation from vocational certificate programs to vocational degree programs by:

- Creating the Applied Technology Diploma, to substitute for the Associate in Applied Technology Degree.
- Authorizing a technical center to offer the ATD for college credit if its accreditation is at the degree level. If the technical center is not accredited at that level, the diploma will not generate credit toward an associate in science degree. However, a student who earns a diploma will be granted the same amount of credit toward the AS degree at every community college. A statewide articulation agreement will govern the amount of credit and will assure that an institution's accreditation will not be jeopardized because of accepting the credit.

Provides extra funding for adults with disabilities in two ways:

- (1) In regular workforce development programs, the funding formula must reward an educational agency for their successful completion and placement.
- (2) In special programs for adults with disabilities, most students with disabilities will generate funds both from the workforce development fund and from another categorical fund. Students are eligible if they are expected to take twice as long to complete a program or if they do not have competitive employment as a goal.

Places in law a schedule of implementation dates for the data base needed to implement the funding formula.

Provides for funding apprenticeship programs that are required to be longer than other programs.

Provides for funding from the FEFP for high school students who attend community colleges' adult education programs to speed up or catch up.

Authorizes nonpublic colleges to participate in the common course numbering system and have their credits transfer automatically to state universities and community colleges if they meet certain requirements essential to the accreditation of the receiving institution. For-profit colleges must pay for the expense of review of courses, while not-for-profit colleges receive the service for free.

This Committee Substitute amends the following sections of the Florida Statutes. 229.551, 229.8075, 236.081, 239.105, 239.115, 239.117, 240.3031, 240.311, 239.213, 239.229, 239.233, 239.301, 240.115, 240.35, 240.359, 446.011, 446.041, 446.052. It creates three new sections of law. The Division of Statutory Revision will decide if they should become statutes or remain in the Laws of Florida.

II. Present Situation:

HISTORY

The 1997 Legislature defined "workforce development" to mean programs of vocational education for adults and other forms of adult education. Florida has a dual delivery system for these programs. Both community colleges and school districts, through their technical centers, may offer the same vocational and adult programs, except for the associate-in-science degree.

This system evolved from the time in the late 1950's when community colleges were owned and operated by school districts. Until colleges began to operate separately, all postsecondary education below the baccalaureate-degree level was conducted by school districts. Currently 59.15 percent of the adult full-time-equivalent students in these programs are served by school districts and 40.85 percent by community colleges. If the associate-in-science degree students are excluded, the proportion is 78.7 percent in school district programs and 21.3 percent in community colleges.

The Legislature has frequently become involved in the governance issue -- the question of whether one sector or the other should carry more of the responsibility. Until 1997, Legislative efforts were designed to maintain a delicate balance -- encourage cooperation, discourage competition, and reduce duplication. The law required each school district superintendent and community college president to agree about which programs would be offered by either or both. Community colleges viewed this requirement as having to "get permission" to offer programs that were part of their mission. School districts perceived that their funding formula, with its annual "caps" on enrollment, was inherently unfair to them.

SENATE BILL 1688

The 1997 Legislature, in CS/CS/SB 1688 (ch. 97-307, L.O.F.), reversed the historical trend of the Legislature's attempts to discourage competition. The laws amended by that bill:

- Allow competition within a so-called "level playing field" created by moving funding for both sectors into a new program fund,
- Eliminate the required agreement, and
- Authorize school districts to offer a technical education program that confers credit toward the associate-in-science degree.

The funding formula in SB 1688 is designed to assure conservative use of state resources by providing a sizable part of the funds only to school districts and community colleges whose students succeed in completing programs and becoming placed in work the program prepared them for. The new program fund, the Workforce Development Education Fund, is separate from the Community College Program Fund and the Florida Education Finance Program. All funding for both sectors -- over \$730 million -- now comes from that fund, but the new funding formula is not scheduled to take effect until July of 1998.

COMMISSIONER'S TASK FORCE

Because the changes were substantial, the bill directed the Commissioner of Education to convene a task force to address issues required to implement the system.

Among the recommendations of the task force are:

- Change the definition and title of the new college-credit credential to conform to accrediting associations. It should be an Applied Technology Diploma rather than an Associate in Applied Technology Degree.
- Amend the statewide articulation agreement to allow for students to transfer from a vocational-certificate program to a college-credit vocational program.
- Provide for students who cannot be expected to generate performance funding for completion and placement, especially adults with disabilities.
- Allow another year to implement the recommendations of the subcommittee on information systems and reports, so that parallel reporting can identify any funding problems that might be the result of inaccuracies in the data base.
- Provide for apprenticeship programs in which program completion is not likely in 2 years.

- Authorize payment from another source for high school students who enroll in community college adult education to build up their high school credits.
- Correct several technical errors.

ARTICULATION

Articulation is a key focus of the attempt to make a more seamless system, specifically articulation among vocational education programs that confer certificates and those that confer degrees.

The new laws authorize a new type of degree program, the Associate in Applied Technology Degree, that is supposed to be available to technical centers operated by both school districts and community colleges. Currently, only community colleges may grant vocational education degrees or credit toward the vocational degree.

The task force was directed to identify steps needed to assure that the newly authorized degree will not jeopardize the accreditation of educational agencies that will be required to accept it when students transfer. Community colleges are accredited by the Commission on Colleges of the Southern Association of Colleges and Schools (SACS) for their college-credit programs, and technical centers operated by school districts and community colleges are accredited by the Commission on Occupational Education (COE) for their vocational-certificate programs.

The task force found that community colleges frequently award associate-in-science degree credit to students who earned vocational-certificate credit at technical centers. But the amount of credit awarded varies by community college. For instance, a student who holds a vocational certificate in law enforcement and enrolls in a criminal justice technology program at a community college earns anywhere from 9 to 30 credit hours toward the associate-in-science degree, depending on the community college selected.

The task force also identified measures that would prevent problems with accreditation. First, the name of the credential should not contain the word "degree" because accrediting associations define "degree" as a program of at least 60 credit hours, the same length as most associate-in-science degree programs. The recommended title for the credential is "Applied Technology Diploma."

The subcommittee on articulation and accreditation expects to evaluate current community college credit-certificate and vocational-certificate programs by July 1, 1998, and recommend which ones should be eligible to become Applied Technology Diploma programs.

Other recommendations of the subcommittee include amending the statewide articulation agreement to add workforce development programs. The law should require any technical center that awards college credit along with the diploma to become accredited to offer degree-level programs by COE or SACS. If a technical center's accreditation does not authorize degree-level work, but meets other conditions of the articulation agreement, each community college should award the same amount of college credit to students who earn an Applied Technology Diploma from that center. In other words, an Applied Technology Diploma should be portable and worth

the same amount of credit at each community college, whether or not individual courses within the program generate college credit.

DATA BASE

The task force recommended a new schedule of reports, data definitions, and procedures that will be necessary to collect workforce development information in a single, unified data base that will work for both sectors. The subcommittee on management information and reports also expressed concern that, if funding is to be generated from data in the new data base, a year of parallel reporting should be allowed to identify inaccuracies.

To maintain neutrality, the data base for workforce development does not reside either with community colleges or public schools, but in a separate bureau in the Department of Education, the Bureau of Workforce Outcome Information Services.

III. Effect of Proposed Changes:

This Committee Substitute amends a number of laws. For a narrative description of the general effect of the changes, see the Summary. Following is a brief index to the bill sections.

Section 1: Names the act the “Workforce Development Implementation Act of 1998.”

Section 2: Creates the Workforce Development Capitalization Grant Program administered by the Commissioner of Education.

Section 3: Delays implementation dates of funding formula and fees. Requires schedule for database development. The single, unified data base is called the Workforce Development Information System and is housed in the Bureau of Workforce Outcome Information Services in the Department of Education.

Section 4: Amends s. 229.551, F.S. Adds nonpublic colleges to articulation coordinating committee as in CS/SB 2160. Deletes obsolete provisions.

Section 5: Amends s. 229.8075, F.S., the Florida Education and Training Placement Information Program. Requires FETPIP to collect retention data.

Section 6: Amends s. 236.081, F.S., the Florida Education Finance Program. Addresses the issue of high school students co-enrolled in community colleges. Provides for payment to community colleges as provided in the annual General Appropriations Act.

Section 7: Amends s. 239.105, F.S., vocational education definitions. Adds definitions and changes the term “Associate in Applied Technology Degree” to “Applied Technology Diploma.” The diploma program may be offered by a school district technical center or a community college, and if a technical center is accredited to grant degrees, courses within the program generate credit towards the degree. If the technical center is not accredited at the degree level, a statewide

articulation agreement will determine how much credit will transfer to a community college. Also changes the term, "single course that does not lead to an occupational completion point" to "continuing workforce education."

Section 8: Amends s. 239.115, funding for workforce development programs. The total amount available for "base" funding is 85 percent of the total state funding, counting the previous year's earnings of both enrollment funding and performance funding, instead of 85 percent of the cost of the program. The remaining 15 percent is generated by student completions and placements. A provision is retained from SB 1688 that allows an educational agency to generate an additional amount if its performance is successful above 15 percent. That amount can be up to 25 percent of the total state funding. It requires that, in the transition year, at least 15 percent of current funding is designated to pay for completions and placements, and that there must be at least three levels of performance awards. Requires that at least 60 percent of performance must be for placements. Authorizes districts to report elderly students for funding in a different category if the General Appropriations Act of 1999 creates one. Districts will be eligible for this new category if they have enrolled at least 10,000 elderly students during each of the past 2 years. Finally, it allows extra or "enhanced" funding for designated populations and placements in high unemployment areas.

Section 9: Amends s. 239.227, F.S., vocational education fees. Deletes fees for AS degree programs from chapter 239. Deletes college-preparatory fees. Clarifies that fees for workforce development can be the same for all programs regardless of program cost, so long as the total generated in fees is 25 percent of the cost of all programs with occupational completion points and 50 percent of continuing education courses.

Section 10: Amends s. 239.213, F.S., vocational-preparatory instruction. Requires students enrolled in program of any length to take basic skills test within the first 6 weeks. This change will have no effect on the present situation.

Section 11: Amends s. 239.229, F.S., vocational standards. Adds retention rates to vocational standards.

Section 12: Amends s. 239.233, F.S., reporting requirements. Adds retention rates.

Section 13: Amends s. 239.301, F.S., adult general education. Provides for additional funding for adults with disabilities from the workforce development fund if they are expected to complete the program and seek competitive employment, and from both the workforce development fund and a categorical fund if they are not.

Section 14: Amends s. 240.115, the articulation agreement. Requires the agreement to apply to students who transfer from vocational programs that confer certificates to those that confer degrees. The agreement must assure that each community college awards the same amount of credit to a student who earns an Applied Technology Diploma.

Addresses the issue of nonpublic colleges in the common course numbering system. Requires course-equivalency decisions to include faculty credentials and accreditation standards. Receiving institutions may not be required to accept credits unless courses are equivalent in content and faculty credentials as required by the accrediting association.

Sections 15 & 16: Amend ss. 240.30301, and 240.311, F.S., to change name of State Community College System to Florida Community College System.

Section 17: Amends s. 240.35, F.S., community college fees. Authorizes same level of fees for students in AA, AS, and college preparatory programs. Raises the amount small community colleges can use for athletic scholarships (and other types of scholarships for extracurricular programs) from \$250,000 to \$300,000. Makes technical corrections to statute cites and deletes obsolete provisions.

Section 18: Amends s. 240.235, F.S., to authorize funding for college preparatory courses to be allocated to community colleges.

Section 19: Amends s. 246.013, F.S., nonpublic colleges participation in common course numbering system. Clarifies that colleges and not schools may participate if they are properly accredited. Allows the Department of Education to review equivalency of courses offered by nonpublic colleges in 1-year cycles, with the beginning of each cycle set by the department. Not-for-profit colleges may participate without paying a fee.

Sections 20 - 22:

Amend ss. 446.011, 446.041, 446.052, F.S. Requires the Division of Workforce Development to work with pre-apprenticeship programs instead of the Division of Public Schools and Community Education. Students in pre-apprenticeship programs are adults.

Section 23: Provides an effective date.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

Nonpublic, not-for-profit colleges that want to participate in the common course numbering system will not be charged a fee.

Some students may benefit from the increase in funds authorized for community college athletic and other scholarships.

Adult students with disabilities may benefit from greater access to programs if the increase in funding for their educational agency takes effect through the workforce development funding formula or the categorical fund.

C. Government Sector Impact:

The changes in the funding formula will not take effect until July 1, 1999.

The data base requirements will require an increase in resources in the current year. As of this date, an appropriation is included in the budget for the Bureau of Workforce Outcome Information Services in the Department of Education.

Additional funds will be required to implement the provision that adult students with severe disabilities may generate funds from both the workforce development fund and another source. It is not possible at this time to estimate exactly how many would qualify for the extra funding source. As of this date, funds are included in the Senate's proposed budget for this category.

Also, beginning in 1999, elderly students in districts in which at least 10,000 are currently served by adult education may generate funding from a different source. The Legislature will determine how much to authorize for that category. The bill requires that student fees must be adequate to pay for 10 percent of the cost of instruction, which causes a greater proportion of state funding than for workforce development programs.

The Department of Education will incur the expense of including courses from nonpublic, not-for-profit colleges in the Common Course Numbering System. The expense will depend on how many request to be included. Currently, only three nonpublic colleges are included and one has requested inclusion.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.
