Florida House of Representatives - 1998

HB 4753

By the Committee on Business Development & International Trade and Representative Valdes

1	A bill to be entitled
2	An act relating to WAGES and Job Training
3	Partnership Act participants; amending s.
4	212.096, F.S.; including Job Training
5	Partnership Act and WAGES Program participants
6	within the definition of new employee for
7	purposes of additional eligibility for the
8	enterprise zone jobs credit against sales tax;
9	amending ss. 220.03 and 220.181, F.S.;
10	including Job Training Partnership Act and
11	WAGES Program participants within the
12	definition of new employee for purposes of
13	additional eligibility for the enterprise zone
14	jobs credit against corporate tax; amending s.
15	414.25, F.S.; delaying the expiration of an
16	exemption from leased property requirements;
17	amending s. 414.028, F.S.; requiring the WAGES
18	Program State Board of Directors to ensure that
19	local WAGES coalitions have specific
20	performance standards and measurable outcomes
21	on their program and financial plans; requiring
22	such standards and outcomes comply with the
23	statewide WAGES Program plan; authorizing the
24	board to revoke the charter of local WAGES
25	coalitions under certain circumstances;
26	amending s. 414.026, F.S.; allowing the board
27	to establish a grant program for innovative
28	transportation projects; amending s. 414.065,
29	F.S.; removing provisions requiring repayment
30	of certain subsidies by employers under the
31	WAGES Program; providing that subsidy

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1	agreements will not be continued with certain
2	employers; providing for paying a WAGES
3	training bonus to employers that hire certain
4	WAGES Program participants; allowing local
5	WAGES coalitions to establish a
6	prequalification employment screening process;
7	providing issues that may be included in the
8	process; authorizing the board to grant funds
9	appropriated by the Legislature for the
10	development and administration of such
11	processes; creating s. 414.110, F.S.; creating
12	the Work Credit Program; delineating
13	eligibility requirements for individuals to
14	receive assistance under the program; amending
15	s. 446.603, F.S.; removing a six-month
16	employment requirement in order to receive
17	incentive payments under the Untried Worker
18	Placement and Employment Incentive Act;
19	providing an effective date.
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21	Be It Enacted by the Legislature of the State of Florida:
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23	Section 1. Paragraph (c) of subsection (1) and
24	paragraphs (a) and (b) of subsection (3) of section 212.096,
25	Florida Statutes, are amended to read:
26	212.096 Sales, rental, storage, use tax; enterprise
27	zone jobs credit against sales tax
28	(1) For the purposes of the credit provided in this
29	section:
30	(c) "New employee" means a person residing in an
31	enterprise zone, <u>a qualified Job Training Partnership Act</u>
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classroom training participant, or a WAGES Program participant 1 2 who begins employment with an eligible business after July 1, 3 1995, and who has not been previously employed within the preceding 12 months by the eligible business, or a successor 4 5 eligible business, claiming the credit allowed by this б section. 7 8 A person shall be deemed to be employed if the person performs duties in connection with the operations of the business on a 9 regular, full-time basis, provided the person is performing 10 11 such duties for an average of at least 36 hours per week each month, or a part-time basis, provided the person is performing 12 13 such duties for an average of at least 20 hours per week each 14 month throughout the year. The person must be performing such duties at a business site located in the enterprise zone. 15 16 (3) In order to claim this credit, an eligible business must file under oath with the governing body or 17 enterprise zone development agency having jurisdiction over 18

19 the enterprise zone where the business is located, as 20 applicable, a statement which includes:

21 (a) For each new employee for whom this credit is 22 claimed, the employee's name and place of residence, including the identifying number assigned pursuant to s. 290.0065 to the 23 enterprise zone in which the employee resides, or 24 documentation that the employee is a qualified Job Training 25 26 Partnership Act classroom training participant or WAGES 27 Program participant, as applicable. 28 (b) If applicable, the name and address of each

29 permanent employee of the business, including, for each 30 employee who is a resident of an enterprise zone, the 31 identifying number assigned pursuant to s. 290.0065 to the

3

HB 4753

enterprise zone in which the employee resides and, for each 1 2 employee who qualifies, documentation that the employee is a 3 qualified Job Training Partnership Act classroom training 4 participant or a WAGES Program participant. 5 Section 2. Paragraph (q) of subsection (1) of section б 220.03, Florida Statutes, is amended to read: 7 220.03 Definitions.--8 (1) SPECIFIC TERMS.--When used in this code, and when not otherwise distinctly expressed or manifestly incompatible 9 with the intent thereof, the following terms shall have the 10 11 following meanings: 12 (q) "New employee," for the purposes of the enterprise 13 zone jobs credit, means a person residing in an enterprise 14 zone, or a qualified Job Training Partnership Act classroom training participant, or a WAGES Program participant employed 15 16 at a business located in an enterprise zone who begins employment in the operations of the business after July 1, 17 1995, and who has not been previously employed within the 18 19 preceding 12 months by the business or a successor business 20 claiming the credit pursuant to s. 220.181. A person shall be deemed to be employed by such a business if the person 21 22 performs duties in connection with the operations of the business on a full-time basis, provided she or he is 23 performing such duties for an average of at least 36 hours per 24 25 week each month, or a part-time basis, provided she or he is 26 performing such duties for an average of at least 20 hours per 27 week each month throughout the year. The person must be 28 performing such duties at a business site located in an 29 enterprise zone. The provisions of this paragraph shall expire and be void on June 30, 2005. 30 31

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1 Section 3. Paragraphs (a) and (b) of subsection (2) of 2 section 220.181, Florida Statutes, is amended to read: 3 220.181 Enterprise zone jobs credit.--4 (2) When filing for an enterprise zone jobs credit, a 5 business must file under oath with the governing body or б enterprise zone development agency having jurisdiction over 7 the enterprise zone where the business is located, as 8 applicable, a statement which includes: (a) For each new employee for whom this credit is 9 claimed, the employee's name and place of residence during the 10 11 taxable year, including the identifying number assigned 12 pursuant to s. 290.0065 to the enterprise zone in which the 13 new employee resides, or documentation that the employee is a 14 qualified Job Training Partnership Act classroom training 15 participant or WAGES Program participant, as applicable. 16 (b) If applicable, the name and address of each permanent employee of the business, including, for each 17 employee who is a resident of an enterprise zone, the 18 19 identifying number assigned pursuant to s. 290.0065 to the 20 enterprise zone in which the employee resides and, for each employee who qualifies, documentation that the employee is a 21 22 qualified Job Training Partnership Act classroom training 23 participant or a WAGES Program participant. 24 Section 4. Section 414.25, Florida Statutes, is 25 amended to read: 26 414.25 Exemption from leased real property 27 requirements.--In order to facilitate implementation of this 28 chapter with respect to establishing jobs and benefits 29 offices, the Department of Labor and Employment Security and the Department of Children and Family Services are exempt from 30 31 the requirements of s. 255.25 which relate to the procurement

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HB 4753

1 of leased real property. This exemption expires June 30, 2000 2 1998.

Section 5. Subsection (3) of section 414.028, Florida 3 Statutes, is amended, and paragraph (g) is added to subsection 4 5 (4) of said section, to read:

414.028 Local WAGES coalitions. -- The WAGES Program 6 7 State Board of Directors shall create and charter local WAGES 8 coalitions to plan and coordinate the delivery of services 9 under the WAGES Program at the local level. The boundaries of the service area for a local WAGES coalition shall conform to 10 the boundaries of the service area for the regional workforce 11 development board established under the Enterprise Florida 12 13 workforce development board. The local delivery of services under the WAGES Program shall be coordinated, to the maximum 14 extent possible, with the local services and activities of the 15 16 local service providers designated by the regional workforce 17 development boards.

18 (3)(a) The statewide implementation plan prepared by the WAGES Program State Board of Directors shall prescribe and 19 20 publish the process for chartering the local WAGES coalitions.

21 (b) The board shall ensure that each local coalition 22 has specific performance standards and measurable outcomes to 23 measure the impact of their program and financial plans. The board shall ensure that such measures correspond and comply 24 with the measures established in the statewide plan pursuant 25 26 to s. 414.027. The board shall review the performance measure 27 outcomes of each local coalition annually to determine whether 28 each coalition is meeting its goals, and may take any action 29 deemed necessary to ensure that the state goals are being met, including, but not limited to, revoking the charter of any 30 31

coalition that is not in compliance.

6

(4) Each local WAGES coalition shall perform the 1 2 planning, coordination, and oversight functions specified in 3 the statewide implementation plan, including, but not limited 4 to: 5 (g) Developing specific performance standards and б measurable outcomes that correspond and comply with the 7 measures established in the statewide plan pursuant to s. 8 414.017 to measure the impact of their program and financial 9 plans. 10 Section 6. Subsection (4) of section 414.026, Florida 11 Statutes, is renumbered as subsection (5) and new subsection 12 (4) is added to said section to read: 13 414.026 WAGES Program State Board of Directors .--14 (4) The board may establish a grant program to award 15 available funds to local WAGES coalitions for innovative 16 transportation projects that promote the placing of WAGES Program participants in jobs. Such funds shall be awarded in 17 compliance with federal laws and regulations. 18 19 Section 7. Paragraph (b) of subsection (1) of section 20 414.065, Florida Statutes, is amended, and subsection (12) is added to said section, to read: 21 22 414.065 Work requirements .--23 (1) WORK ACTIVITIES.--The following activities may be 24 used individually or in combination to satisfy the work 25 requirements for a participant in the WAGES Program: 26 (b) Subsidized private sector employment.--Subsidized 27 private sector employment is employment in a private 28 for-profit enterprise or a private not-for-profit enterprise 29 which is directly supplemented by federal or state funds. A subsidy may be provided in one or more of the forms listed in 30 31 this paragraph.

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HB 4753

1 1. Work supplementation.--A work supplementation 2 subsidy diverts a participant's temporary cash assistance 3 under the program to the employer. The employer must pay the 4 participant wages that equal or exceed the applicable federal 5 minimum wage. Work supplementation may not exceed 6 months. At б the end of the supplementation period, the employer is 7 expected to retain the participant as a regular employee 8 without receiving a subsidy for at least 12 months. Work 9 supplementation agreements will not be continued with 10 employers who exhibit a pattern of failing to provide 11 participants with continued employment after work 12 supplementation has expired. The work supplementation 13 agreement must provide that if the employee is dismissed at 14 any time within 12 months after termination of the supplementation period due in any part to loss of the 15 16 supplement, the employer shall repay some or all of the 17 supplement previously paid as a subsidy to the employer under 18 the WAGES Program. 19 2. On-the-job training.--On-the-job training is 20 full-time, paid employment in which the employer or an 21 educational institution in cooperation with the employer 22 provides training needed for the participant to perform the skills required for the position. The employer or the 23 24 educational institution on behalf of the employer receives a 25 subsidy to offset the cost of the training provided to the 26 participant. Upon satisfactory completion of the training, the 27 employer is expected to retain the participant as a regular 28 employee without receiving a subsidy. On-the-job training 29 agreements will not be continued with employers who exhibit a pattern of failing to provide participants with continued 30 employment after on-the-job training subsidies have expired. 31

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1 The on-the-job training agreement must provide that in the 2 case of dismissal of a participant due to loss of the subsidy, 3 the employer shall repay some or all of the subsidy previously 4 provided by the department and the Department of Labor and 5 Employment Security.

6 3. Incentive payments. -- The department and the 7 Department of Labor and Employment Security may provide 8 additional incentive payments to encourage employers to employ 9 program participants. Incentive payments may include payments to encourage the employment of hard-to-place participants, in 10 11 which case the amount of the payment shall be weighted 12 proportionally to the extent to which the participant has 13 limitations associated with the long-term receipt of welfare 14 and difficulty in sustaining employment. In establishing incentive payments, the department and the Department of Labor 15 16 and Employment Security shall consider the extent of prior receipt of welfare, lack of employment experience, lack of 17 education, lack of job skills, and other appropriate factors. 18 19 A participant who has complied with program requirements and 20 who is approaching the time limit for receiving temporary cash assistance may be defined as "hard-to-place." Incentive 21 22 payments may include payments in which an initial payment is made to the employer upon the employment of a participant, and 23 the majority of the incentive payment is made after the 24 25 employer retains the participant as a full-time employee for 26 at least 12 months. Incentive agreements will not be continued 27 with employers who exhibit a pattern of failing to provide 28 participants with continued employment after incentives have 29 expired. The incentive agreement must provide that if the employee is dismissed at any time within 12 months after 30 termination of the incentive payment period due in any part to 31 9

loss of the incentive, the employer shall repay some or all of 1 2 the payment previously paid as an incentive to the employer 3 under the WAGES Program. 4 Tax credits.--An employer who employs a program 4. 5 participant may qualify for enterprise zone property tax credits under s. 220.182, the tax refund program for qualified 6 7 target industry businesses under s. 288.106, or other federal 8 or state tax benefits. The department and the Department of 9 Labor and Employment Security shall provide information and 10 assistance, as appropriate, to use such credits to accomplish 11 program goals. 12 5. WAGES training bonus. -- An employer who employs a 13 WAGES participant who has less than 6 months of cash 14 assistance payments remaining may receive \$240 for each full month of employment of such participant for a period not to 15 16 exceed 3 months. Employment is defined as 35 hours per week 17 at a wage of no less than minimum wage. Training bonuses shall not be continued with employers who exhibit a pattern of 18 19 failing to provide participants with continued employment 20 after bonuses have expired. (12) PREQUALIFICATION EMPLOYMENT SCREENING.--Local 21 22 WAGES coalitions, with the approval of the WAGES Program State Board of Directors, may establish a process to determine the 23 ability of participants to satisfy work requirements at the 24 time of application. Such process may include, but is not 25 26 limited to, screening for drug and alcohol dependency and job 27 skills. Local WAGES coalitions shall ensure that any 28 prequalification process emphasizes the ability to work, 29 self-sufficiency, and personal responsibility while meeting the transitional needs of program participants who may need 30 short-term assistance in order to satisfy work requirements. 31

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If appropriated by the Legislature, the WAGES Program State 1 2 Board of Directors may make grant funds available to assist local WAGES coalitions in the development and administration 3 of prequalification employment screening processes. 4 5 Section 8. Section 414.110, Florida Statutes, is б created to read: 7 414.110 Work Credit Program.--8 (1) For individuals subject to the time limitation 9 under s. 414.105 who are employed and continue to be eligible for temporary cash assistance, a month in which the individual 10 works full time, as defined in this section, does not count 11 12 towards the 24 cumulative month time in a consecutive 60 month 13 period or the 36 cumulative month time limit in a 72 month 14 time limit described in s. 414.105. 15 (2) For purposes of this section, full-time employment 16 is defined as employment of not less than 160 hours per month. 17 (3) A month which does not count towards the 24 month cumulative time limit or the 36 month cumulative time limit as 18 19 described in subsection (1) does count as a month of 20 assistance in the lifetime cumulative total of 48 months of assistance as described in s. 414.105. 21 22 Section 9. Subsection (4) of section 446.603, Florida Statutes, is amended to read: 23 24 446.603 Untried Worker Placement and Employment 25 Incentive Act. --26 (4) In these pilots, incentive payments will be made 27 to for-profit or not-for-profit agents selected by the 28 Regional Workforce Development Boards who successfully place 29 untried workers in full-time employment for 6 months with an employer after the employee successfully completes a 30 31 probationary placement of no more than 6 months with that

employer. Full-time employment that includes health care benefits will receive an additional incentive payment. Section 10. This act shall take effect upon becoming a law. HOUSE SUMMARY Includes Job Training Partnership Act and WAGES Program participants to the definition of new employee for purposes of additional eligibility for the enterprise zone jobs credit against the sales tax and the corporate income tax. Requires the WAGES Program State Board of Directors to ensure that local WAGES coalitions have specific performance standards and measurable outcomes on specific performance standards and measurable outcomes on their program and financial plans, requires that such standards and outcomes comply with the statewide WAGES Program plan, and authorizes the board to revoke the charter of local WAGES coalitions for failure to comply. Allows the board to establish a grant program for innovative transportation projects. Revises WAGES Program provisions relating to repayment of subsidies discontinuance of subsidy agreements, and paying WAGES training bonuses to employers that hire WAGES Program participants. Authorizes local WAGES coalitions to establish a prequalification employment screening process and allows the board to grant funds appropriated by the Legislature for the development and administration of the process. Creates the Work Credit Program to provide assistance to individuals subject to specified time limitations under a temporary cash assistance program. limitations under a temporary cash assistance program.