

STORAGE NAME: h1889.ccc

DATE: March 14, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
COMMUNITY COLLEGES AND CAREER PREP
ANALYSIS**

BILL #: HB 1889 (PCB CCCP 00-01)

RELATING TO: Consensus Estimating Conferences

SPONSOR(S): Committee on Community Colleges and Career Prep and Representative Harrington

TIED BILL(S):

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

- (1) COMMUNITY COLLEGES AND CAREER PREP YEAS 10 NAYS 0
- (2)
- (3)
- (4)
- (5)

SUMMARY:

The proposed committee bill renames the Occupational Forecasting Conference (OFC) to the Workforce and Economic Development Estimating Conference (WEDEC).

The proposed committee bill expands the scope of the information to be provided by the Conference to include Florida's economic development efforts.

The proposed committee bill changes the minimum requirement of information to be included in the Conference consensus report.

- Forecasts of employment demand for *all* jobs, by occupation and industry, with a *special focus* on high demand occupations with high skills required, with high *entry* wages and with *experienced* wage levels must be reported. Current law requires only high-skill/high-wage occupational information be reported.
- The type of wage forecasts to be made among the occupations is clarified - entry and average wages.
- A requirement to provide information on trained and qualified individuals that will *potentially* be available for employment in the identified occupations is added.

The proposed committee bill adds a requirement to utilize quantitative and qualitative research methods in constructing the required consensus Conference information.

The proposed committee bill adds a requirement for the Conference to utilize, to the fullest extent possible, local occupational and workforce forecasts and estimates.

The proposed committee bill requires the Conference to meet as an Impact Conference during the legislative session to determine the effects of proposed legislation on the state's workforce and economic development efforts. It also requires that the Impact Conference do this utilizing quantitative and qualitative analysis.

The proposed committee bill expands the number of principals to the Conference, adding the following: the Chancellor of the State University System, the Executive Director of the State Board of Community Colleges, the Executive Director of the State Board of Nonpublic Career Education, the Chairman of the State Workforce Development Board, and professional legislative staff from the Senate and House of Representatives who have substantive and forecasting expertise. Non-principal participants are also added - a representative of the Florida Chamber of Commerce and other interested parties.

The proposed committee bill specifies that the WEDEC will meet in February and August each year and other times as needed. The Impact Conference will meet during the legislative session and other times, if needed.

The bill provides that this act shall be effective upon becoming law.

I. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|------------------------------|--|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> | N/A <input type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

The proposed committee bill expands the duties of the renamed Occupational Forecasting Conference and expands the number of governmental principals to serve as conferees.

B. PRESENT SITUATION:

HISTORY AND HOW THE OFC CURRENTLY WORKS

The Occupational Forecasting Conference (OFC) was established in law in 1993 as a consensus estimating conference. It was originally created in order to provide information on the vocational education planning process, with the Commissioner of Education's designee being the presiding officer. In 1996, the words "vocational education" were replaced with "workforce development system". In addition, a change to law in 1996 specifically required information to be reported on high-skill/high-wage jobs.

The Bureau of Workforce Education and Outcome Information Services (BWEOIS) of the Department of Education supports the OFC. Occupational data from the Bureau of Labor Market Information, within the Department of Labor and Employment Security, and from the Florida Education and Training Placement Information Program (FETPIP) are examined, analyzed and manipulated by the BWEOIS into useful information for review by the conferees. The resulting consensus product is a list of high demand, high-skill/high-wage occupations, ranked by their projected number of openings, projected growth rate, and expected entry level wage rates. The occupations are also ranked along with vocational program outcomes that include instructional-related placement rates, full-time employment placement rates, and the full-time earnings at placement. The BWEOIS also provides support in the development of the local targeted occupations list.

This information produced by the conference has proved beneficial in several capacities:

- The list provides a starting place for identifying programs that are targeted in the performance based funding formula for workforce development programs.
- Several community colleges and the Division of Workforce Development have featured high ranking occupations, as identified by the Conference, in publications.

- Some local areas have adopted the Conference's consensus process and methodology to develop local versions of the list.
- Community colleges, local Workforce Development Boards, and school districts have used these local lists to target training areas.

DUTIES

- ▼ The OFC is currently required in s. 216.136(10), F.S., to develop information as it relates to the *workforce development planning process*. The information produced should relate to personnel needs of current, new and emerging industries, including at *least* the following:
 - short-term and long-term forecasts of employment demand for *high-skill/high-wage* jobs by occupation and industry;
 - *relative* wage forecasts among those occupations; and
 - estimates of the supply of trained and qualified individuals available for employment in those occupations.
- ▼ Current law does not specify research methods to be used in gathering and interpreting the data into useful information. Quantitative tools are presently used.
- ▼ There is no statutory requirement to utilize any local workforce and occupational forecasts and estimates.
- ▼ The Occupational Forecasting Conference currently has *no* duty to meet as an *impact* conference and analyze proposed legislation for effects on workforce development and economic development initiatives.

PRINCIPALS

The principals required by law are as follows: The Commissioner of Education, the Executive Office of the Governor, the director of the Office of Tourism, Trade, and Economic Development, the Secretary of Labor, and the coordinator of the Office of Economic and Demographic Research, or their designees. The Commissioner of Education, or his/her designee, is the presiding principal of Conference sessions. Currently, the Bureau Chief for the BWEOIS is the Commissioner's designee and chair of the conference.

According to the current conference chair, participation in the OFC has been actively sought from the Postsecondary Education Planning Commission, Enterprise Florida, the SBCC, the Board of Regents, Private School Licensure Boards, local Workforce Development Boards, Chambers of Commerce and employer groups.

MEETINGS

The Conference is not statutorily required to meet at any specified time. Currently, they meet annually and on an "as needed" basis.

C. EFFECT OF PROPOSED CHANGES:

NAME

The proposed committee bill renames the Occupational Forecasting Conference as the Workforce and Economic Development Estimating Conference. This name reflects the inclusive, cross-jurisdictional nature of all of the data that is processed in order to arrive at conference results and the use for the results. Estimates and data regarding employment needs, wages, workforce supply and demand, workforce programs, outcomes, and placements are used in comprising a consensus list of high demand, high-skill/high-wage occupations. These results would then be used by workforce professionals at both the state and local levels to further initiatives that would provide the needed workforce to foster economic development.

Workforce and Economic Development Estimating Conference is a broader name than Occupational Forecasting Conference and would be consistent with the idea that workforce development and economic development are fundamentally tied.

Additionally, adding "Estimating" to the name makes it consistent with the other Conferences created in s. 216.136, F.S., - Economic Estimating Conference, Demographic Estimating Conference, Revenue Estimating Conference, Education Estimating Conference, Criminal Justice Estimating Conference, Social Services Estimating Conference, Transportation Estimating Conference, Child Welfare System Estimating Conference, Juvenile Justice Estimating Conference, and School Readiness Program Estimating Conference.

DUTIES

- ▼ The proposed committee bill expands the scope of the information to be provided by the conference to include *Florida's economic development efforts*.
- ▼ The proposed committee bill changes the minimum requirement of information to be included in the consensus report.
 - Forecasts of employment demand for *all* jobs, by occupation and industry must be reported, with a *special focus* on high demand occupations with high skills required, with high *entry* wages and with *experienced* wage levels.

This change allows the Conference to maintain the focus on high-skill/high wage occupational forecasting, while examining more comprehensively the needs of the state's employers. Occupations, for example, that may be in high demand but are not high-skill or high-wage are not currently identified or targeted, yet these occupations are a serious workforce need (e.g., child care workers and patient care assistants). In addition, further analysis of all occupations may lead to better forecasting of *emerging* occupations, allowing the state to begin to address the needs for a trained workforce in a particular area before there becomes a great need and a shortage.
 - The type of wage forecasts to be made among the occupations is clarified - *entry* and *average* wages.

- A requirement to provide information on trained and qualified individuals that will *potentially* be available for employment in the identified occupations is added.
- ▼ The proposed committee bill adds a requirement to utilize quantitative and qualitative research methods in constructing the required Conference information.
- ▼ The proposed committee bill adds a requirement for the Conference to utilize, to the fullest extent possible, local occupational and workforce forecasts and estimates.
- ▼ The proposed committee bill requires the Conference to meet as the Workforce and Economic Development Impact Conference prior to and during the legislative session to determine the effects of proposed and filed legislation on the state's workforce and economic development efforts. It also requires that the Impact Conference conduct their analysis of legislation utilizing quantitative and qualitative methods.

The principals of the Impact Conference are those who are principals of the WEDEC. Additionally, non-principal participants in the Impact Conference will include a representative of the Florida Chamber of Commerce and other interested parties.

Legislation often addresses issues that cross over jurisdictional lines. The Impact Conference brings together persons from the various jurisdictions of workforce and economic development. By developing an analysis tool that uses both qualitative and quantitative measures, the Conference should be able to plug in information from an introduced or proposed bill - something added, something taken away, something transferred - and find out what kind of effect it would have on various efforts of workforce and economic development.

PRINCIPALS

The proposed committee bill expands the number of principals to the Conference, adding the following: the Chancellor of the State University System (SUS), the Executive Director of the State Board of Community Colleges (SBCC), the Executive Director of the State Board of Nonpublic Career Education, the Chairman of the State Workforce Development Board, and professional legislative staff from the Senate and House of Representatives who have substantive and forecasting expertise.

Non-principal participants are also added - a representative of the Florida Chamber of Commerce and other interested parties.

The addition of the Chairman of the State Workforce Development Board and the non-principals would be necessary, since the proposed committee bill expands the duties of the Conference to include information on all occupations and to analyze proposed and filed legislation.

The addition of "legislative staff" and "other interested parties" is left unspecified. Staff position titles within the legislature and the committee structure of the legislature itself is subject to change. "Other interested parties" are stated as such for a similar reason. Workforce and economic development are rapidly growing and ever changing in our state. Relevant parties should be determined depending on the business make-up of our state at any given time.

The proposed committee bill also changes the presiding officer of the Conference to the principal representing the Executive Office of the Governor.

MEETINGS

The proposed committee bill specifies that the WEDEC will meet in February and August each year and others times as needed. The Impact Conference will meet during legislative session and other times, if needed.

D. SECTION-BY-SECTION ANALYSIS:

Section 1: Amends subsection (10) of s. 216.136, F.S., changing the name of the Occupational Forecasting Conference(OFC) to the Workforce and Economic Development Estimating Conference (WEDEC). It expands the duties of the conference by requiring that they develop official information on *Florida's economic development efforts*, using quantitative *and qualitative* research methods. The Conference is directed to supply an estimate of the number of qualified individuals that are *potentially* available for employment in the identified occupations as well as *entry and average* wages among the occupations. The information produced must focus on but not be limited to occupations and industries that require high skills and have high *entry and experienced* wages. The proposed committee bill also requires that in the development of workforce estimates, local occupational and workforce forecasts and estimates be utilized to the fullest extent possible.

The Chancellor of the SUS, the Executive Director of the SBCC, the Executive Director of the State Board of Nonpublic Career Education, the Chairman of the State Workforce Development Board, and professional legislative staff who have forecasting and substantive expertise from the Senate and the House of Representatives are added as principals of the WEDEC. A representative of the Florida Chamber of Commerce and other interested parties are added as non-principal participants to the Conference. The duty of the presiding principal during sessions of the conference is shifted from the Commissioner of Education to the principal representing the Executive Office of the Governor.

The WEDEC is given the additional responsibility of meeting during legislative session, and other times as necessary, as the Workforce and Economic Development Impact Conference to evaluate proposed legislation for effects on the state's workforce and economic development efforts. The Impact Conference will consist of the principals of the WEDEC as well as non-principal participants, including a representative of the Florida Chamber of Commerce and other interested parties. Qualitative and quantitative research methods will be used to measure the impact of legislation related to workforce and economic development issues.

The WEDEC will meet at least two times per calendar year - February and August. Other meetings may be scheduled as needed. The Impact Conference will meet during the legislative session and other times if needed.

Section 2: Amends paragraph (c) of subsection (4) and paragraph (a) of subsection (9) of s. 239.115, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference.

STORAGE NAME: h1889.ccc

DATE: March 14, 2000

PAGE 7

- Section 3: Amends paragraph (a) of subsection (3) and subsection (11) of s. 239.249, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference.
- Section 4: Amends subsection (3) of section 239.514, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference.
- Section 5: Amends paragraph (a) of subsection (1) of section 240.40207, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference.
- Section 6: Amends subsection (3) of section 288.7091, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference in order to make cross reference to 216.136(10) correct.
- Section 7: Amends paragraph (g) of subsection (3) of section 288.9950, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference in order to make cross reference to 216.136 correct.
- Section 8: Amends paragraph (a) of subsection (8) of s. 288.9951, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference in order to make cross reference to 216.136 correct.
- Section 9: Amends paragraph (e) of subsection (6) and subparagraph (1) of paragraph (b) of subsection (9) of s. 288.9952, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference.
- Section 10: Amends subsection (1) of s. 288.9958, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference.
- Section 11: Amends subparagraph (2) of paragraph (g) of subsection (1) of s. 414.065, F.S., renaming the Occupational Forecasting Conference the Workforce and Economic Development Estimating Conference in order to make cross reference to 216.136 correct.
- Section 12: Provides that this act shall be effective upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See Fiscal Comments

2. Expenditures:

See Fiscal Comments

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

See Fiscal Comments

D. FISCAL COMMENTS:

There could be future potential revenue to both the state and to the private sector through better development of workforce and economic development efforts as a result of the Conference. However, there is no direct fiscal impact on revenues at this time.

There may be staff expenditures associated with the shift of the presiding officer to the representative of the Executive Office of the Governor.

Costs will also be incurred by the Conference meeting at least twice annually, and there will be costs associated with the Impact Conference meeting(s) as well. The costs should not be extraordinary as most of the principals and non-principals to the Conferences would be located in Tallahassee. In addition, the materials produced for the Conference should not be excessive in quantity.

III. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

The proposed committee bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The proposed committee bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

The proposed committee bill does not reduce the percentage of a state tax shared with counties or municipalities.

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

Although there is no statutory requirement, local input does play a role in the current occupational forecasting process. However, the Bureau of Workforce Education and Outcome Services has concerns about how local forecasts are brought into the overall targeting processes. Presently, the State Board of Workforce Development administers the process by which additions are made to the targeted occupations list. Educational institutions tend to be the driving force behind these additions to ensure that programs they offer are on the high-skill/high-wage targeted occupation list (e.g., critical jobs initiative). Therefore, the current occupational forecasting process does not always identify new and emerging jobs, critical jobs, and new and emerging industries at the local level. The Bureau of Workforce Education and Outcome Services believes the processes for obtaining and incorporating local input into the overall targeting process needs to be better developed.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VI. SIGNATURES:

COMMITTEE ON COMMUNITY COLLEGES AND CAREER PREP:

Prepared by:

Staff Director:

Maria L. Eckard

Ken Winker