

**STORAGE NAME:** h2399.bdt

**DATE:** April 18, 2000

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
BUSINESS DEVELOPMENT & INTERNATIONAL TRADE  
ANALYSIS**

**BILL #:** HB 2399 (PCB BDIT 00-01)

**RELATING TO:** Workforce Innovation

**SPONSOR(S):** Committee on Business Development & International Trade  
and Representative Bradley

**TIED BILL(S):**

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

- (1) BUSINESS DEVELOPMENT & INTERNATIONAL TRADE YEAS 7 NAYS 0
  - (2)
  - (3)
  - (4)
  - (5)
- 

**I. SUMMARY:**

The bill would consolidate the administration of workforce programs by clarifying relationships between workforce system components. Among its provisions, the bill would:

- \* Improve workforce system service delivery by enhancing integration and effectiveness of the one-stop delivery system, improving the connection between Florida's education system and the state's economic development strategy by creating an initiative to encourage delivery of adult basic and incumbent worker education services in the workplace, implementing a Better Jobs/Better Wages strategy to facilitate career advancement for incumbent workers, reviewing apprenticeship programs to expand access, and by creating a "response fund" for state and local workforce education and training providers to encourage responsiveness to local business workforce needs.
- \* Provide information essential to the success of Florida's workforce system by implementing an integrated management information system to support one-stop service delivery and establishing an Internet-based system to match employers with job seekers and provide timely local labor market information.

This bill changes the name and composition of the Occupational Forecasting Conference, renaming it as the Workforce Estimating Conference. This bill would encourage the training of broadband digital media specialists at state universities and community colleges. It provides for the establishment of a digital media incubator to encourage companies developing digital content and technology and requires ITFlorida and EFI to develop a marketing plan to promote the state as digital media ready.

A total of \$4 million in General Revenue and \$20 million of Temporary Assistance for Needy Families funds are appropriated to implement the requirements, programs and initiatives contained in the bill.

Except as otherwise expressly provided in the bill, the bill would take effect July 1, 2000.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- |                                   |                              |                             |   |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u>         | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" 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:

B. PRESENT SITUATION:

In an effort to help address the connection between business needs and workforce initiatives, the Legislature, during the 1999 legislative session, required each regional workforce development board to establish a high skills/high wages committee consisting of representatives from private-sector businesses and from the educational and workforce communities. The committees are directed under s. 288.9953(7), F.S., to make recommendations to the state Workforce Development Board on policies to enhance the responsiveness of high skills/high wages programs to business and economic development opportunities.

As part of its economic development efforts, Florida has in place a variety of programs that are designed to encourage the location of new businesses and support the expansion and retention of existing businesses in the state. In particular, the Quick-Response Training (QRT) Program, ss. 288.046 and 288.047, F.S., reflects the relationship between economic development and workforce issues. Under this program, specially tailored job training is provided on behalf of a new, expanding, or existing Florida business. The training is delivered through, and funds are allocated to, Florida's community colleges, school districts, area vocational-technical centers, state universities, and, under certain conditions, private post-secondary institutions. The instruction, which cannot exceed 18 months, must promote economic development by providing specialized entry-level skills to new workers or supplemental skills to current employees whose job descriptions are changing. Program funds may not be expended to subsidize the ongoing staff development program of any business or industry or to provide training related to retail businesses. The program is administered by Enterprise Florida, Inc., acting through its Workforce Development Board. Section 288.047(5), F.S., specifies that for the first six months of each fiscal year, Enterprise Florida, Inc., shall set aside 30 percent of the amount appropriated for the QRT Program by the Legislature to fund instructional programs for businesses located in an enterprise zone or to instruct residents of an enterprise zone.

One of the tools Florida employs to try and ensure that individuals are trained and educated for occupations in demand is the Occupational Forecasting Conference. Codified in s. 216.136(10), F.S., the conference is responsible for identifying demand for high-skill, high-wage jobs by occupation and industry. The principals on the conference include 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 Employment

Security, and the coordinator of the legislative Office of Economic and Demographic Research. Originally utilized primarily to support the Performance-Based Incentive Funding Program, the conference today has assumed a broader role in Florida's workforce system. The conference develops a statewide targeted occupations list that is used in assessing training efforts of community colleges and school districts under Florida's Workforce Development Education Fund.

To remain competitive, employers must respond to advancements in technology and changes in the marketplace by modernizing equipment, reengineering production methods, and retooling business practices. These changes frequently require their employees to enhance their current job skills or acquire new ones. Both employers and employees need incumbent worker training that is tailored to meet their needs and available at convenient hours and reasonable cost. Fifteen percent of the funds received under Title I of the federal Workforce Investment Act are retained at the state level. Florida law specifies that such funds shall be dedicated to state administration and used to design, develop, induce, and fund innovative Individual Training Account pilots, demonstrations, and programs. Currently, Florida reserves five percent of these state-level funds for an Incumbent Worker Training Program to provide grant funding for continuing education and training of incumbent employees at existing businesses in the state. (See s. 288.9956(3), F.S.) For continuing workforce education courses in community colleges and school districts, state funding is set at 50 percent of the cost of instruction, with student fees, business support, quick-response training funds, or other sources making up the remainder.

Less than 12 percent of all jobs in Florida are in businesses with fewer than 10 employees, but these businesses comprise 82 percent of all employers in Florida.<sup>1</sup> Most small business owners have limited resources to devote to human resource issues including recruitment and employee training. The workforce system should be prepared to respond to the particular needs of small businesses because these businesses have traditionally provided entry-level job opportunities for first-time wage earners. Also, new small businesses in Florida are being created by entrepreneurs in response to developments in advanced technology. These small businesses can grow quickly in response to the global marketplace and become a source for high wage/high skill jobs.

Florida spends more than \$4.2 billion on programs related to workforce development, of which \$3.6 billion (87 percent) is spent within the education system. Yet, the state spends more than \$30 million annually on remediation,<sup>2</sup> and Florida employers consistently cite the lack of qualified employees as a barrier to business growth. As stated by a representative of the Florida Chamber of Commerce: "Florida's efforts to attract new businesses and retain current businesses will be severely disadvantaged without a more successful workforce education system."<sup>3</sup> The \$470 million spent on workforce programs outside the education system is divided among many governmental entities, each of which has its own approach to resource management and performance accountability.

In August 1998, the federal Workforce Investment Act (WIA) was signed into law (Pub. L. No. 105-220), representing a significant change in federal policy governing job training and

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<sup>1</sup> Bureau of Labor Market and Performance Information, Florida Department of Labor and Employment Security, January 2000.

<sup>2</sup> Florida State Board of Community Colleges, January 2000.

<sup>3</sup> Presentation to Select Committee on November 3, 1999, by Allen Brown, Director of Government Affairs, Florida Chamber of Commerce.

other workforce activities. WIA is grounded upon seven principles, including better integration of services, individual empowerment, universal access, increased accountability, strong roles for local workforce partners and the private sector, state and local flexibility, and improved youth programs. WIA requires each state to establish a state workforce investment board, as well as boards representing local service areas. In a number of respects, Florida's workforce system was already aligned with the requirements of WIA. As a result of action taken by the Legislature in 1996, for example, Florida had by statute established the state Workforce Development Board (WDB) (also commonly referred to as the Jobs and Education Partnership) of Enterprise Florida, Inc., as the entity responsible for overseeing workforce development activities. In addition, Florida had provided for the chartering of regional workforce development boards and for the establishment of one-stop career centers. (See ch. 96-404, L.O.F.)

With respect to funding, WIA specifies three federal funding streams to the states: adults, dislocated workers, and youth. Section 288.9956, F.S., governs part of Florida's implementation of WIA. For Fiscal Year 1999-2000, the state Workforce Development Board contracts with the Florida Department of Labor and Employment Security to serve as the administrative entity for WIA funding.

A core component of WIA is the emphasis on the delivery of workforce development services through a system of "one-stop" centers in local communities throughout the state. WIA prescribes the programs and activities that are required to be part of each one-stop center and authorizes each local workforce board to select a one-stop operator through a competitive process or designate a consortia that includes at least three of the federal one-stop partners to operate the center. Federal law requires each local board to develop and enter into a memorandum of understanding with the one-stop partners concerning the operation of the area's one-stop delivery system.

In Florida, the one-stop system is managed through 24 regional workforce development boards. The more than 170 one-stop facilities in Florida vary widely in size and program configuration. However, they share a common challenge: delivering coordinated, customer-focused services in an environment where most of the employees take their direction from Tallahassee. Employees of the Division of Workforce and Employment Opportunities of the Department of Labor and Employment Security, funded with federal Wagner-Peyser revenues, constitute the majority of one-stop system staffing. Section 288.9951, F.S., provides for a memorandum of understanding between a regional workforce board and the department governing the delivery of employment services under the Wagner-Peyser Act. This section also prescribes the variety of services that are required to be available through the centers.

Enacted in 1933, the Wagner-Peyser Act provides for the establishment of a national employment system and cooperation with the states to promote the system (29 U.S.C. ss. 49-49I-1 (1998), amended by Pub. L. No. 105-220 (1998), ss. 301-311). Through its secretary, the U.S. Department of Labor (USDOL) is designated to coordinate the state public employment services throughout the country. One method by which the Act mandates that the USDOL increase the usefulness of employment services among the states is by developing and prescribing "minimum standards of efficiency." USDOL requires by rule that individuals who deliver services funded by Wagner-Peyser be employed in a state merit system.

Despite requests from many states to modify this rule, USDOL recently reiterated its insistence on state merit system employment. Amendments to Wagner-Peyser comprise one of the five titles of WIA; however, Wagner-Peyser retains separate authorization, as

well as a separate funding stream. WIA does require that the public labor exchange services authorized under Wagner-Peyser be part of the one-stop system. One challenge for states is to find a way to integrate management of the one-stop delivery system while conforming to USDOL rule.

Of the more than 1,200 full time equivalent (FTE) positions in the DLES Division of Workforce and Employment Opportunities, 993.5 FTE perform service delivery functions in field offices and one-stop centers. The remaining staff are based in Tallahassee and perform administrative duties including supervision, quality assurance, customer support, and information technology. Although the number of field staff may be appropriate for current workload demand, the number of administrative staff could be considered excessive for either the public or private sector.

Information for Florida's workforce and WAGES programs is currently provided by more than seven independent information systems for which ownership and maintenance responsibility is spread among several agencies and departments. These "legacy" systems are focused on record keeping and federal reporting rather than on supporting an integrated workforce system. Florida has neither a one-stop management information system nor an automated job matching system. Under s. 288.9951(9), F.S., the Department of Management Services is charged with coordinating a plan for a One-Stop Center Electronic Network, which is to assure that a uniform method is used to determine eligibility for and management of services provided by agencies conducting workforce development activities. The department also is directed to develop strategies allowing access to the databases and management information systems of a number of workforce-related systems. The statute requires the systems to be fully coordinated by January 1, 2000; however, this deadline has not been met.

At least seven entities of Florida government receive funding associated with the workforce system. The current fragmentation of workforce responsibilities at the state level makes it virtually impossible to maintain accountability for improving performance outcomes and resource management. At the local level, the multiple organizational structure and lines of accountability create daunting challenges for front-line service workers and managers.

The State Workforce Development Board, established in 1996 and revised in 1999, operates as a separately-incorporated division of Enterprise Florida, Inc., and is given the purpose "...to design and implement strategies that help Floridians enter, remain in, and advance in the workplace, becoming more highly skilled and successful, benefiting these Floridians, Florida businesses, and the entire state."(See s. 288.9952, F.S.) The Workforce Development Board is governed by a 25-voting member board of directors whose membership must be consistent with the federal Workforce Investment Act and contain three representatives of organized labor.

In 1996, the Legislature provided for the dissolution of the Florida Department of Commerce and the assumption of comparable economic development and trade development activities by Enterprise Florida, Inc. (EFI). Section 288.9015, F.S., designates EFI as the principal economic development organization for the state, responsible for leading business development by establishing a unified approach to Florida's international trade and reverse investment efforts; marketing the state as a pro-business location for potential new investment; and assisting in the retention and expansion of existing businesses and the creation of new businesses. Chapter 96-320, L.O.F., created the Office of Tourism, Trade, and Economic Development (OTTED) to serve, among other duties, as administrator of the state's contract with EFI and other public-private

partnerships, and to monitor the activities of the public-private partnerships and state agencies to promote coordinated program implementation (s.14.2015, F.S.).

**C. EFFECT OF PROPOSED CHANGES:**

The bill would consolidate the administration of workforce programs by clarifying relationships between workforce system components. Among its provisions, the bill would:

- \* Improve workforce system service delivery by enhancing integration and effectiveness of the one-stop delivery system, improving the connection between Florida's education system and the state's economic development strategy by creating an initiative to encourage delivery of adult basic and incumbent worker education services in the workplace, implementing a Better Jobs/Better Wages strategy to facilitate career advancement for incumbent workers, reviewing apprenticeship programs to expand access, and by creating a "response fund" for state and local workforce education and training providers to encourage responsiveness to local business workforce needs.
- \* Provide information essential to the success of Florida's workforce system by implementing an integrated management information system to support one-stop service delivery and establishing an Internet-based system to match employers with job seekers and provide timely local labor market information.

In addition to these provisions, this bill changes the name and composition of the Occupational Forecasting Conference, renaming it as the Workforce Estimating Conference.

This bill would encourage the training of broadband digital media specialists at state universities and community colleges. It provides for the establishment of a digital media incubator to encourage companies developing digital content and technology and requires ITFlorida and EFI to develop a marketing plan to promote the state as digital media ready.

A total of \$4 million in General Revenue and \$20 million of Temporary Assistance for Needy Families funds are appropriated to implement the requirements, programs and initiatives contained in the bill.

**D. SECTION-BY-SECTION ANALYSIS:**

**Section 1** Office of Tourism, Trade and Economic Development; creation; powers and duties - Includes workforce programs and the Workforce Development Board within the oversight and coordination responsibilities of the Office of Tourism, Trade, and Economic Development. The office is charged with ensuring linkages between the workforce and economic development goals and strategies of the state. Leaders in education and workforce are also included among the participants in the annual economic summits organized by OTTED. Amends s. 14.2015, F.S.

**Section 2** Consensus estimating conferences - Changes name to the "Workforce Estimating Conference;" adds the Workforce Development Board as a principal; eliminates the Department of Labor and Employment Security as a principal; directs conference to review local and regional occupational data generated through the Internet-based job-matching and labor-market information system, and to consider such data in developing its forecasts for statewide employment demand; directs conference to use the data as the

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basis for making recommendations to the Workforce Development Board on additions or deletions to local target occupation lists; directs conference to seek participation of non-principals, including executive director of the State Board of Community Colleges, the chancellor of the State University System, a representative of the Independent Colleges and Universities of Florida, Inc., a representative of the Florida Association of Postsecondary Schools and Colleges, and the president of Enterprise Florida, Inc., or their designees. Amends s. 216.136(10), F.S.

**Section 3** Funds for operation of adult general education and vocational education - Makes conforming changes and creates a response fund for school districts and community colleges to provide customized training to businesses. Amends s. 239.115, F.S.

**Section 4** Vocational standards - Requires industry-driven benchmarks for vocational, adult, and community education programs to be updated every 3 years. Amends s. 239.229, F.S.

**Section 5** Workforce Development Capitalization Incentive Grant Program - Makes conforming changes only. Amends s. 239.514, F.S.

**Section 6** Board of Regents; powers and duties - Amends to require the Board of Regents to include industry-driven competencies in the program reviews of high-tech programs. Amends s. 240.209, F.S.

**Section 7** Requires the State Board of Community Colleges to identify, using the Critical Jobs Initiative, the occupational forecasting conference, or other mechanism, programs to train broadband digital media specialists. Such programs would be added to the statewide lists for demand occupations if they meet high skill / high wage criteria. Amends s. 240.311, F.S.

**Section 8** Encourages community colleges to establish incubator facilities for small businesses engaged in the development of content and technology for digital broadband media and digital broadcasting. Creates s. 240.3341(5), F.S.

**Section 9** Florida Gold Seal Vocational Scholars - Makes conforming changes only. Amends s. 240.40207, F.S.

**Section 10** Creates the Digital Media Education Coordination Group, composed of representatives of the universities in the state university system, who will work with the State Board of Community Colleges, and the Articulation Coordination Committee. The Group will develop a plan to enhance the state's ability to meet the current and future workforce needs of the digital media industry. Provides purposes for the plan. Creates s. 240.710, F.S.

**Section 11** Quick Response Training - Amends legislative intent to remove reference to "Florida's Targeted Industrial Clusters." Amends s. 288.046, F.S.

**Section 12** Quick Response training for economic development - Amends to provide for the Workforce Development Board to administer the Quick Response Training Program and eliminates references to the Quick Response Advisory Committee. Currently the program authorizes supplemental-skills training for current employees whose job descriptions are changing; amendments authorize retraining for current employees to meet changing skill requirements caused by new technology or new product lines and to prevent potential layoffs. Specifies that the grant term may not exceed 24 months; provides that

businesses located in brownfield areas are included, along with enterprise zone businesses, in a provision setting aside a specified portion of QRT funds at the start of each fiscal year for instructional programs for these businesses; eliminates set-aside funding at the start of each fiscal year for instruction for residents of enterprise zones; specifies that matching funds generated under the QRT Program may count toward the requirements for Enterprise Florida, Inc., to generate private-sector support; requires Enterprise Florida, Inc., and the Workforce Development Board to establish a single point of contact for businesses. Amends s. 288.047, F.S.

**Section 13** Rural Economic Development Initiative - Makes conforming changes only. Amends s. 288.0656, F.S.

**Section 14** Revises provisions relating to the one-stop delivery system to emphasize the delivery of services through the Internet; requires the integration of a comprehensive service system to simplify core services by maintaining knowledgeable staff at one-stop delivery system centers and establishing an automated, integrated intake screening and eligibility process. Defines and precludes conflicts of interest in role of administrative entities. Requires that, beginning October 1, 2000, any memorandum of understanding governing the delivery of workforce services must be performance based. Amends s. 288.9951, F.S.

**Section 15** Designates the Workforce Development Board as the principal workforce organization for the state; requires the chairperson of the Workforce Development Board to establish standing committees known as the First Jobs/First Wages Council, the Better Jobs/Better Wages Council, and the High Skills/High Wages Council; and assigns the responsibility for policy direction relating to workforce development and the supervision of the management, administration, and expenditure of funds for multiple, specified workforce programs to the Workforce Development Board. Amends s. 288.9952, F.S.

**Section 16** Provides for the Workforce Development Board to establish by October 1, 2000, and maintain until September 30, 2002, three standing councils: the First Jobs/First Wages Council, the Better Jobs/Better Wages Council, and the High Skills/High Wages Council. The councils are charged with developing strategies in their respective subject areas for approval by the board of directors of the Workforce Development Board. A majority of the members of each council must be members from the board of directors of the Workforce Development Board, but each council shall include non-board members as well. Each council must meet at least quarterly. Creates s. 288.99521, F.S.

Directs the Workforce Development Board, in conjunction with state and local workforce partners, to develop a strategic plan for workforce development; requires plan to include workforce marketing plan designed to educate individuals inside and outside the state about the employment market and employment conditions in Florida. Creates s. 288.99522, F.S.

Workforce system information technology - Establishes principles to guide development of workforce information systems; establishes expectation for information sharing and procedures for waiver of confidentiality of some information to facilitate integrated service provision. Creates s. 288.99523, F.S.

Workforce information systems - Directs the implementation of workforce information systems, subject to legislative appropriation. Creates s. 288.99524, F.S.



Small business workforce service initiative - Directs the Workforce Development Board to award funds on a competitive basis to regional workforce boards for the provision of workforce and human-resource support services to small businesses. Eligible uses of funds include identifying common training needs among small businesses, developing curriculum to address common training needs of small businesses, facilitating the provision of training services for small businesses through eligible training providers, assisting small businesses in the identification of incentives and completion of incentive-related paperwork, and establishing single points-of-contact for the provision of pre-employment and post-employment services to small businesses. Creates s. 288.99255, F.S.

**Section 17** Provides that no person appointed to a regional workforce board may serve more than two consecutive terms. Requires each regional workforce board to appoint a chairman and requires that any person appointed as a chairman must have earned a university degree in education or business. Specifies that business representatives on the regional workforce boards shall not include providers of workforce services; requires fair and competitive process for selecting administrative entities; requires boards to establish standing committees on first jobs/first wages, better jobs/better wages, and high skills/high wages; specifies that the high skills/high wages committee must include at least five private-sector business representatives appointed by the primary county economic development organization within the region, in consultation with local chambers of commerce, and a representative of each primary county economic development organization in the region requires high-skills/high wages committees to report to the Workforce Development Board on occupations in the region deemed critical to business retention, expansion, and recruitment; requires better jobs/better wages and first jobs/first wages committees to each include at least five members; provides that initial appointments to the first/jobs first wages committee shall include at least three members of the local WAGES coalition established pursuant to ch. 96-175, Laws of Florida. Amends s. 288.9953, F.S.

**Section 18** Makes conforming changes to statute governing Florida's implementation of the Workforce Investment Act (WIA). Provides for \$2 million of WIA Title I funds retained at the state level to be reserved for the Incumbent Worker Training Program. Provides for up to 75 percent of such state-level funds to be allocated to Individual Training Accounts and other workforce-development strategies. Amends s. 288.9956, F.S.

**Section 19** Directs the Workforce Development Board to reserve up to \$1 million for Incumbent Worker Training for the digital media industry from FY 2000-2001 funds.

**Section 20** Procedure concerning claims - Makes conforming changes. Amends s. 443.151(8), F.S.

**Section 21** Florida Training Investment Program - Makes conforming changes. Amends s. 443.231(6), F.S.

**Section 22** Rural Workforce Services Act - Makes conforming changes; changes name of Rural Manpower Services Act to "Rural Workforce Services Act." Amends s. 446.40, F.S.

**Section 23** Legislative intent with respect to rural workforce training and development - Makes conforming changes. Amends s. 446.41, F.S.

**Section 24** General Purpose of the Rural Workforce Services Program - Makes conforming changes. Amends s. 446.42, F.S.

**Section 25** Scope and coverage of Rural Workforce Services Program - Makes conforming changes. Amends s. 446.43, F.S.

**Section 26** Duties of Rural Workforce Services Program - Makes conforming changes. Amends s. 446.44, F.S.

**Section 27** Conforming changes only. Amends s. 239.249, F.S.

**Section 28** Conforming changes only. Amends s. 288.9950, F.S.

**Section 29** Conforming changes only. Amends s. 288.9953, F.S. **Note: Bill drafting error causes this section to conflict with section 17 of the bill.**

**Sections 30 - 40** Conforming changes only. Amends ss. 288.9954, 288.9957, 288.9958, 288.9959, 411.01, 413.82, 414.028, 414.055, 414.065, 414.20, and 414.223, F.S.

**Section 41** Requires the Workforce Development Board to develop a plan for the use of Targeted Assistance to Needy Families (TANF) funds, Workforce Investment Act (WIA) funds, Quick Response funds, Incumbent Worker Training funds, and other training related resources to enhance the workforce of digital media related industries. Provides that the plan must the industry with a program to train and assess the status of workforce readiness for the digital era.

**Section 42** Report on programs - Requires the Workforce Development Board to submit recommendations to the Legislature by January 1, 2001, regarding improving the efficiency of apprenticeship and other formalized on-the-job training programs for skilled trades, decreasing the cost of these programs, and increasing the number of program completers.

**Section 43** Requires EFI to convene an organizational meeting for industries involved in broadband digital media and facilitate the ongoing activities of such a group. EFI is directed to designate digital media as a priority for its recruitment & retention efforts.

**Section 44** Directs EFI to award a contract for the establishment of a digital media incubator which will encourage companies developing content and technology for digital broadband media and digital broadcasting to locate and grow businesses in the state. Provides qualifications for such incubator.

Appropriates \$2 million from the General Revenue Fund to provide operational and investment seed funding to encourage participation by venture capital firms, corporate and institutional sponsors, and targeted start-up companies in the establishment of the incubator. Requires private sector matching funds and provides that a leveraging of funds is a priority consideration in locating an incubator.

**Section 45** Directs ITFlorida, in consultation with EFI, to develop a marketing plan to promote the state as digital media friendly. The plan will identify roles for the various public and private partners and establish time lines and goals.

**Section 46** Severability - Includes standard severability clause.

**Section 47** Appropriates \$1M in nonrecurring GR for Small Business Workforce Service Initiative and \$20M in nonrecurring TANF for workforce information systems.

**Section 48** Effective date - Provides that, except as otherwise provided, the act shall take effect July 1, 2000.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

2. Expenditures:

Appropriates \$1M in nonrecurring GR for Small Business Workforce Service Initiative, encourages the Workforce Development Board to reserve up to \$1 million for Incumbent Worker Training for the digital media industry, appropriates \$1 million for the upgrading of media labs to assist in meeting workforce needs for the digital media industry, appropriates \$2 million from the General Revenue Fund to provide operational and investment seed funding and \$20M in nonrecurring TANF for workforce information systems.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

N/A

2. Expenditures:

N/A

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

N/A

D. FISCAL COMMENTS:

The Revenue Estimating Conference has not addressed this bill.

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

A. APPLICABILITY OF THE MANDATES PROVISION:

N/A

B. REDUCTION OF REVENUE RAISING AUTHORITY:

N/A

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

N/A

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

The bill contains a drafting error. Conforming changes in section 29 of the bill conflict with substantive changes made in section 17 of the bill.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON BUSINESS DEVELOPMENT & INTERNATIONAL TRADE:

Prepared by:

Staff Director:

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James Marshall Cox

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J. Paul Whitfield, Jr.