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**HOUSE OF REPRESENTATIVES
COMMITTEE ON
WORKFORCE AND TECHNICAL SKILLS
ANALYSIS**

BILL #: HB 313
RELATING TO: Job Training
SPONSOR(S): Representative Jordan

TIED BILL(S):

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

- (1) WORKFORCE AND TECHNICAL SKILLS YEAS 9 NAYS 0
 - (2) EDUCATION APPROPRIATIONS
 - (3) COUNCIL FOR LIFELONG LEARNING
 - (4)
 - (5)
-

I. SUMMARY:

The Legislature created the Job for Florida Graduates Program (JFG) in 1998 to help high-risk students make the transition from school to work. The program targets high school seniors and provides services to help these students graduate and to either continue their education or find meaningful employment within 12 months of their graduation.

HB 313 makes the following changes to the JFG:

- Deletes the initial 5-year time limitation for the JFG school to work program
- Increases the scope of schools and students who can participate in the program
- Revises certain provisions relating to the qualifications and composition of the Board Of Directors
- Revises criteria for certain outcome goals, reporting requirements, and rule making authority
- Deletes provisions of an endowment fund and start-up funding
- Repeals language relating to a temporary pilot apprenticeship program

HB 313 takes effect July 1, 2001.

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 checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |

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

B. PRESENT SITUATION:

The Legislature created the Job for Florida Graduates Program in 1998 to help high-risk students make the transition from school to work. The program targets high school seniors and provides services to help these students graduate and to either continue their education or find meaningful employment within 12 months of their graduation. Florida’s program is part of a 20-year nation wide initiative coordinated by the Job’s for American Graduates, Inc. (JAG), based in Arlington, VA. This organization is currently working with high school seniors in 28 states in the United States.

The National Jobs for America’s Graduates Program

Jobs for America’s Graduates (JAG) is a nationally-networked program founded in 1980. The JAG mission is to assist at-risk youth in graduating from high school, or receiving a general education diploma (GED), and in finding and keeping quality jobs through a statewide school-to-work transition system. The program is currently serving 55,000 young people in 28 states and territories. It leverages nearly \$55 million in public and private funds. The JAG program model consists of three parts: school-based activities, work-based activities, and connecting activities.

School-based activities include competency-based instruction, pre/post assessment, graduation plan, career plan, student-led organization (JAG Career Association), guidance and counseling, JAG documentation system, guest speakers, and vocational education linkage.

Work-based activities include job shadowing, mentors, tours/field trips, work/field trips, work experience (paid and unpaid), cooperative experience (vocational education linkage), youth internship, and youth apprenticeship.

Connecting activities include employer marketing and job development, placement services, follow-up services (nine month minimum), business advisory councils, community partners, career fairs, and state career association activities.

According to JAG, the program costs approximately \$1,100 to \$1,500 per participant for 18 months of services. National success rates quoted for the 18-month service period for each student are:

- 90% graduation rate (high school diploma or GED)
- 80% positive outcome rate (employed, in the military, or furthering education)
- 60% employment rate (full, part-time, or military)

Foundation

The Florida Endowment Foundation for Florida's Graduates, a not for profit organization, serves as a direct support organization of the Department of Education to operate Jobs for Florida's Graduates. It is funded by a combination of state funds and private contributions primarily from the private sector beneficiaries of the program.

Board of Directors

The foundation is operated by a board of directors. The board is charged with increasing and administering the endowment and with entering into such agreements as are necessary to carry out the Jobs for Americas Graduates model within the state. The board consists of 15 members appointed by the Commissioner of Education. At least 9 members are selected from the private sector. The remaining board members may come from secondary education, vocational education or job training programs. The chair of the board will be appointed for a 2-year term and not allowed to serve more than 6 consecutive years. Board members are appointed to staggered 3-year terms. All members are accountable to the Commissioner for proper performance of job duties.

Members of the board are to will have an interest in school to work transition and, insofar as practicable, shall have skills in:

- foundation/fundraising activities, financial consulting, investment banking or policymaking or senior management level positions or
- be distinguished in the fields of education, business, or industry.

The board is required to:

- Solicit and receive bequests, gifts, grants, donations, goods, and services to increase and administer the endowment;
- Enter into contracts with the Federal Government, state or local agencies, private entities;
- Fund Jobs for Florida's Graduates programs;
- Fund programs to foster job training;
- Advertise and solicit applications for funding and evaluate applications and program proposals;
- Plan, research, and conduct policy development for school-to-work transition issues;
- Establish an operating account;
- Hire and fire employees (both at the state and local levels) based upon their performance (Such employees will not be considered state employees);
- Ensure that outcome goals are met (see next section);
- Make gifts or grants to state or political subdivisions or any public agency of state or local government corporations, trusts, associations, or foundations which are organized and operated exclusively for charitable, educational, or scientific purposes; the department for purposes of program recognition and marketing, public relations and education, professional development, and technical assistance and workshops for grant applicants and recipients; and the business community.

Program Goal

An outcome goal of the program is to have a minimum of 300 high schools participating in the program by the end of the 2000-2001 school year. Currently, the program is operating in 34 schools.

Performance Standards

The program operates in accordance with the process and outcome standards of Jobs for Americas Graduates, Inc. All graduation, training, and employment rates will be counted on March 31 of the year following the end of the academic year in which the participant's respective high school classes graduated.

The average wage of all JFG students who are working shall be equal to or above the national average for all participants in JAG programs. In addition the following performance standards are set:

Year one:

- 82% of JFG students achieve a high school diploma or GED
- 70-75% must be employed (in the civil sector or military) or in postsecondary training that equals at least 40 hours per week

Year two:

- 85% of the JFG students achieve a high school diploma or GED
- 75-78% must be employed (in the civil sector or military) or in postsecondary training that equals at least 40 hours per week.

Years three through five:

- 90% of the JFG students achieve a high school diploma or GED
- 80% must be employed (in the civil sector or military) or in postsecondary training that equals at least 40 hours per week.

Accreditation, Audit, Assessment, and Annual Report

The state affiliate of Jobs for Florida's Graduates will make application for national accreditation by Jobs for Americas Graduates within the first 5 years.

An independent certified accountant will audit the foundations financial accounts and submit the audit to the Auditor General and the department.

Jobs for Florida's Graduates conducted a review of the program's activities and submitted a report to the Office of Program Policy Analysis and Government Accountability (OPPAGA). OPPAGA audited the report and made recommendations to the board regarding expansion, curtailment, modification, or continuation of the program. The OPPAGA report¹ concluded:

"The Jobs for Florida's Graduates program has improved its operations and was awarded "Standard Accreditation" status by the national program in 2000. The program appears likely to meet or exceed its statutory performance goal with respect to graduation rate. However, it is less certain that the program will meet its performance goals with respect to employment and earnings when all participants are included in the calculation. In addition, the program will need to significantly expand its operations over the next year to meet the statutory goal to operate in 300 schools at the end of the 2001-02 school year; it currently operated in only 34 high schools.

¹ A complete copy of the March 2001 OPPAGA Status Report (Report No. 01-19) can be view online at <http://www.oppaga.state.fl.us>

Based upon the program's improved performance and general attainment of its statutory goals, we recommend that the Legislature continue the program, but future reports of the program performance need to be consistent with the established statutory goals."

The board is required to summarize the performance of the endowment fund and the foundations fundraising activities and performance. The report will be forwarded to the Governor, the President of the Senate, the Speaker of the House, and the Commissioner of Education.

The Department of Education is assigned rule making authority to implement all aspects of the school-to-work transition program previously discussed.

One-Year Pilot Apprenticeship Program

Okaloosa-Walton Community College is recognized as an apprenticeship sponsor and is allotted four positions in order to survey and identify within its service area all business and industry which may benefit from an apprenticeship program, to develop programs to meet those needs, and to implement the programs utilizing the funding from the affected industry.

Okaloosa-Walton Community College is entitled to apply for continued funding of these positions for one additional year provided that it can prove substantial progress toward meeting its charge. However, it is the intent of the Legislature that beginning with the third academic year costs of this program will be borne substantially by the businesses and industries which take part in the program and that Okaloosa-Walton Community College will provide all interested areas with a full report on the program.

The long run effects could be to provide a model program for revising a traditional job-training program to meet Florida's future technical needs. The method of instruction would be cost-effective and program participants would attain high-wage, technically skilled employment. In addition, the potential work force would be well trained.

The pilot apprenticeship program at Okaloosa-Walton Community College could develop and implement a model program, which could be replicated throughout the state of Florida.

C. EFFECT OF PROPOSED CHANGES:

Participation Criteria and Duration of Program

The bill would change the Jobs for Florida's Graduates Act from a five year school-to work legislated program to an on going program by removing the five year limitations within current law. The bill increases the scope of students who can participate in the program by removing the criteria that students be classified as 12th-grade at-risk students to any at-risk students pursuant to the Jobs for America's Graduates model on which the Jobs for Florida's Graduates is based. The bill also allows charter schools to be among the schools chosen by the board to participate in the program.

Endowment Fund

The bill deletes provisions relating to the endowment fund and transfers all principle and interest in the endowment fund to the Board of Directors of the Florida Endowment Foundation for Florida's Graduates to be used for the Jobs for Florida's Graduates Program. The bill removes the Florida Endowment Foundation as a direct support organization of the Department of Education operating under contract with the Department of Education. It also removes the distribution criteria of the earnings on the endowment fund principle along with the provisions relating to the startup funding.

Board of Directors

The bill allows for the Board to consist of *at least 15 members a majority of which shall be from the private sector*. The bill removes language referring that members be from the public sector and the qualifications of those members. The bill also requires the chair to be from the private sector. Initially, the chair and all the board members shall be appointed by the Commissioner of Education. Effective July 1, 2001, all reappointments shall be made by a membership committee comprised of current board members.

Assessment, Rules and Annual Reports

The bill changes the current reporting date from March 31 to June 30. This change corrects an inconsistency allowing the Florida JFG program to be in line with the JAG Model allowing the Legislature and the Office of Program and Policy Analysis and Government Accountability to:

- Compare JFG participants with the Florida control group for longitudinal research and evaluation purposes.
- Compare JFG participants with other JAG affiliates.

The bill changes the methodology of how certain performance outcomes are calculated using only subsets of participating rather than all participants.

The bill requires the Department of Education to adopt, rather than promulgate, rules.

One-Year Pilot Apprenticeship Program

The bill repeals the temporary apprenticeship program created in section 3 of Chapter 98-218, Laws of Florida.

D. SECTION-BY-SECTION ANALYSIS:

This section need be completed only in the discretion of the Committee.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

N/A

2. Expenditures:

N/A

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:

N/A

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

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to expend funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of counties or municipalities to raise revenue.

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

This bill does not reduce the percentage of state tax shared with counties and municipalities.

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

N/A

B. RULE-MAKING AUTHORITY:

N/A

C. OTHER COMMENTS:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On April 2, 2001, the Committee on Workforce and Technical Skills adopted one amendments to the bill which funded the Jobs for Florida's Graduates Program in the amount of \$3 million in the General Appropriations Act.

VII. SIGNATURES:

COMMITTEE ON WORKFORCE AND TECHNICAL SKILLS:

Prepared by:

Staff Director:

Alex Amengual

Ken Winker

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