

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

BILL: CS/SB 1258

SPONSOR: Appropriations Committee and Senator Carlton

SUBJECT: Workforce Development Education Programs

DATE: March 25, 2004 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Bryant</u>	<u>Newman</u>	<u>AED</u>	<u>Fav/CS</u>
2.	<u>Bryant</u>	<u>Coburn</u>	<u>AP</u>	<u>Fav/CS</u>
3.	_____	_____	<u>RC</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The bill revises the method of funding for workforce education programs. Reference to the Florida Workforce Development Fund is deleted. If the distribution of workforce education funds is not provided in the General Appropriations Act the amount of the appropriation shall be allocated as follows: a maximum of 90 percent based on enrollment and at least 10 percent based on performance. The Department of Education is required to develop a funding process for school district workforce development education programs that is comparable to the funding of community college workforce programs.

The bill also requires the Department of Education to develop a plan for reporting workforce development data that is compatible between community colleges and schools districts and includes: program, student, facility, personnel, cost and financial data.

This bill amends sections 1011.80 and 1011.83 of the Florida Statutes.

II. Present Situation:

Florida's community college and school district adult general education, associate in science, postsecondary vocational, and continuing workforce education programs play an important role in meeting the state's local needs for technical and vocational training. There is much demand for workforce and adult technical education since 60 percent of the projected job growth in Florida through 2010 will be in occupations requiring postsecondary education and training without a bachelor's degree. In fact, nine of the top ten fastest growing jobs in Florida through 2010 will require an associate's degree or a postsecondary vocational certificate.

The student population to meet these needs is readily available. In Florida, only 40% of ninth graders will go on the college immediately after graduation. Most of the remaining students will require basic skills and/or skilled training in order to acquire the education necessary for sustainable employment during their work careers.

Although the demand for vocational training is great, FY 2003-04 appropriations for adult and career education represented only 5.6% of the total education budget. In 1997, a performance-based budgeting and funding structure was developed for adult and career education. However in spite of this emphasis, performance-based funding for workforce education programs has not kept pace with the demand for training.

III. Effect of Proposed Changes:

In January of this year, the Council for Education Policy, Research and Improvement (CEPRI), released a report, in response to the Senate President's request which directed the Council to "develop a funding methodology for workforce/career education that provides for long term stability, accommodates growth, and rewards program performance". The report was to be developed in consultation with workforce education related stakeholders. Senate Bill SB 1258 provides a framework for implementing several recommendations in the report.

CEPRI found that since the creation of the Workforce Development Fund in 1997, by merging a portion of the community college budget and the public school adult education budget and the accompanying development of performance formulas, continual budget reductions in all except one year had occurred, while enrollment growth had been absorbed within current or reduced resources. Further, the community college workforce funds had been rebudgeted in the community college budget in FY 2002-03. CEPRI recommends returning the remaining adult and career education portion of the Workforce budget to the school district budget. Once in the respective delivery system budgets, however, common methodology and measures should be used between the two delivery systems. The bill deletes references to the "Workforce Development Education Fund" throughout the statute to conform with this budget transfer.

CEPRI also found that there were problems with the current formula methodology for adult and career education. With overall adult and career education funding not increasing for the last few years, gains in performance funding came at the expense of other programs and institutions in the system. These programs did not have the ability to determine the amount of performance gain needed in order to earn back their performance funds which were at risk. Further, no provision was made in the formula to address increasing demand for a program or workload. CEPRI recommends that a revised funding allocation model and program reporting system be developed by the DOE which acknowledges workload as well as performance. This legislation facilitates the recommendation by continuing the provision that the General Appropriations Act (GAA) may reflect allocations of base and performance funding to workforce programs. Should the GAA not include an allocation, base funding shall be allocated by DOE based on weighted enrollment not exceeding 90% of the allocation and performance funding being at least 10% of the allocation. The Department of Education is charged with developing a funding process for school district programs comparable to that for community college programs.

The bill deletes an obsolete section dealing with the reversion of funds.

School districts, mirroring the community college workforce programs, are charged with the reporting of FTE's by discipline, reflected in an annual cost report. Fee revenue is also to be reported. Finally, the DOE is to develop a plan for comparable reporting of program, student, facilities, personnel and financial data between the community colleges and the school district workforce development education programs.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Workforce education funding should become more predictable and more easily understood by the affected workforce education programs. This should lead to better planning and capacity to meet the local needs for adult vocational and technical education.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.

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