

By Senator Bennett

21-1195-04

1                                   A bill to be entitled  
2           An act relating to workforce development  
3           funding; amending s. 1011.80, F.S.; revising  
4           criteria for funding workforce development  
5           programs; replacing performance-based funding  
6           with funding based on workload plus  
7           performance; requiring the Department of  
8           Education to develop funding-allocation models  
9           for community colleges and for school district  
10          programs; deleting references to the Workforce  
11          Development Education Fund; allowing certain  
12          workload measures to be adjusted to account for  
13          the length of program segments; requiring  
14          workload estimates to be agreed upon by the  
15          Education Estimating Conference and requiring  
16          that funding for workload be added to base  
17          funding on the basis of such estimates;  
18          increasing the maximum percentage that base  
19          funding may constitute of the total allocation  
20          for workforce development programs for the  
21          current fiscal year; requiring that the  
22          calculation of certain performance incentives  
23          be based on empirical evidence; providing  
24          restrictions on base funding; providing for  
25          allocation of the base funding; requiring local  
26          educational agencies to return unused funds to  
27          the state; requiring that, when a program moves  
28          from one local educational agency to another,  
29          the funds move to the new agency within a  
30          specified period of time; providing an  
31          effective date.

1 Be It Enacted by the Legislature of the State of Florida:

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3 Section 1. Subsections (4), (5), (6), (8), and (9) of  
4 section 1011.80, Florida Statutes, are amended, present  
5 subsection (10) of that section is redesignated as subsection  
6 (11), and a new subsection (10) is added to that section, to  
7 read:

8 1011.80 Funds for operation of adult technical  
9 education programs.--

10 (4) ~~The Florida Workforce Development Education Fund~~  
11 ~~is created to provide~~ Performance-based funding for all  
12 workforce development programs, whether the programs are  
13 offered by a school district or a community college, must be  
14 provided on a workload plus performance basis. The Department  
15 of Education shall develop for the 2005-2006 fiscal year an  
16 allocation model for community colleges and an allocation  
17 model for school district programs using a common set of  
18 criteria. ~~Funding for all workforce development education~~  
19 ~~programs must be from the Workforce Development Education Fund~~  
20 ~~and must be based on cost categories, performance output~~  
21 ~~measures, and performance outcome measures.~~

22 (a) ~~The cost categories must be calculated to identify~~  
23 ~~high-cost programs, medium-cost programs, and low-cost~~  
24 ~~programs. The cost analysis used to calculate and assign a~~  
25 ~~program of study to a cost category must include at least both~~  
26 ~~direct and indirect instructional costs, consumable supplies,~~  
27 ~~equipment, and standard program length.~~

28 (a)(b)1. The workload ~~performance output~~ measure for  
29 career and technical education programs of study is student  
30 completion of a career and technical program of study that  
31 leads to an occupational completion point associated with a

1 certificate; an apprenticeship program; or a program that  
2 leads to an applied technology diploma or an associate in  
3 applied science or associate in science degree. Performance  
4 output measures for registered apprenticeship programs shall  
5 be based on program lengths that coincide with lengths  
6 established pursuant to the requirements of chapter 446. The  
7 workload measure for career and technical education programs  
8 may be adjusted to account for program segment length.

9           2. The workload ~~performance output~~ measure for an  
10 adult general education course of study is measurable  
11 improvement in student skills. This measure shall include  
12 improvement in literacy skills, grade level improvement as  
13 measured by an approved test, or attainment of a State of  
14 Florida diploma or an adult high school diploma. The workload  
15 measure for adult general education programs may be adjusted  
16 to account for program segment length.

17           (c) The performance outcome measures for workforce  
18 development education ~~programs funded through the Workforce~~  
19 ~~Development Education Fund~~ are associated with placement and  
20 retention of students after reaching a completion point or  
21 completing a program of study. These measures include  
22 placement or retention in employment that is related to the  
23 program of study; placement into or retention in employment in  
24 an occupation on the Workforce Estimating Conference list of  
25 high-wage, high-skill occupations with sufficient openings, or  
26 other High Wage/High Skill Program occupations as determined  
27 by Workforce Florida, Inc.; and placement and retention of  
28 participants or former participants in the welfare transition  
29 program in employment. Continuing postsecondary education at a  
30 level that will further enhance employment is a performance  
31 outcome for adult general education programs. Placement and

1 retention must be reported pursuant to ss. 1008.39 and  
2 1008.43.

3 (5) State funding and student fees for workforce  
4 development instruction ~~funded through the Workforce~~  
5 ~~Development Education Fund~~ shall be established as follows:

6 (a) For a continuing workforce education course, state  
7 funding shall equal 50 percent of the cost of instruction,  
8 with student fees, business support, quick-response training  
9 funds, or other means making up the remaining 50 percent.

10 (b) For all other workforce development education  
11 ~~funded through the Workforce Development Education Fund~~, state  
12 funding shall equal 75 percent of the average cost of  
13 instruction with the remaining 25 percent made up from student  
14 fees. Fees for courses within a program shall not vary  
15 according to the cost of the individual program, but instead  
16 shall be based on a uniform fee calculated and set at the  
17 state level, as adopted by the State Board of Education,  
18 unless otherwise specified in the General Appropriations Act.

19 (c) For fee-exempt students pursuant to s. 1009.25,  
20 unless otherwise provided for in law, state funding shall  
21 equal 100 percent of the average cost of instruction.

22 (6)(a) A school district or a community college that  
23 provides workforce development education ~~funded through the~~  
24 ~~Workforce Development Education Fund~~ shall receive funds in  
25 accordance with distributions for workload plus base and  
26 performance funding established by the Legislature in the  
27 General Appropriations Act, pursuant to the following  
28 conditions:

29 1. A college's or district's base funding may shall  
30 not exceed 90 ~~85~~ percent of the current fiscal year total  
31 ~~Workforce Development Education Fund~~ allocation for workforce

1 development programs, which shall be distributed by the  
2 Legislature in the General Appropriations Act based on a  
3 maximum of 90 ~~85~~ percent of the institution's prior year total  
4 allocation from base and performance funds.

5 2. Workload estimates must be agreed upon by the  
6 Education Estimating Conference. Funding for workload shall be  
7 added to an institution's base funding based on these  
8 estimates.

9 3.2. Performance funding shall be at least 10 ~~15~~  
10 percent of the current fiscal year total ~~Workforce Development~~  
11 ~~Education Fund~~ allocation for workforce development programs,  
12 which shall be distributed by the Legislature in the General  
13 Appropriations Act based on the previous fiscal year's  
14 achievement of output and outcomes in accordance with formulas  
15 adopted pursuant to subsection (9). ~~Performance funding must~~  
16 ~~incorporate payments for at least three levels of placements~~  
17 ~~that reflect wages and workforce demand. Payments for~~  
18 ~~completions must not exceed 60 percent of the payments for~~  
19 ~~placement.~~ School districts and community colleges shall be  
20 awarded funds pursuant to this paragraph based on performance  
21 output data and performance outcome data available in that  
22 year.

23 4.3. If a local educational agency achieves a level of  
24 performance sufficient to generate a full allocation as  
25 authorized by the workforce development funding formula, the  
26 agency may earn performance incentive funds as appropriated  
27 for that purpose in a General Appropriations Act. If  
28 performance incentive funds are funded and awarded, these  
29 funds must be added to the local educational agency's prior  
30 year total allocation for workforce development programs ~~from~~  
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1 ~~the Workforce Development Education Fund~~ and shall be used to  
2 calculate the following year's base funding.

3 (b) A program is established to assist school  
4 districts and community colleges in responding to the needs of  
5 new and expanding businesses and thereby strengthening the  
6 state's workforce and economy. The program may be funded in  
7 the General Appropriations Act. A school district or community  
8 college may expend funds under the program without regard to  
9 performance criteria set forth in subparagraph (a)3.~~(a)2.~~The  
10 district or community college shall use the program to provide  
11 customized training for businesses which satisfies the  
12 requirements of s. 288.047. Business firms whose employees  
13 receive the customized training must provide 50 percent of the  
14 cost of the training. Balances remaining in the program at the  
15 end of the fiscal year shall not revert to the general fund,  
16 but shall be carried over for 1 additional year and used for  
17 the purpose of serving incumbent worker training needs of area  
18 businesses with fewer than 100 employees. Priority shall be  
19 given to businesses that must increase or upgrade their use of  
20 technology to remain competitive.

21 (8) The State Board of Education and Workforce  
22 Florida, Inc., shall provide the Legislature with recommended  
23 formulas, criteria, timeframes, and mechanisms for  
24 distributing performance funds. The commissioner shall  
25 consolidate the recommendations and develop a consensus  
26 proposal for funding. The Legislature shall adopt a formula  
27 and distribute the performance funds to the State Board of  
28 Education for community colleges and school districts through  
29 the General Appropriations Act. These recommendations shall be  
30 based on formulas that would discourage low-performing or  
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1 low-demand programs and encourage through performance-funding  
2 awards:

3 (a) Programs that prepare people to enter high-wage  
4 occupations identified by the Workforce Estimating Conference  
5 created by s. 216.136 and other programs as approved by  
6 Workforce Florida, Inc. ~~At a minimum,~~ Performance incentives  
7 shall be calculated for adults who reach completion points or  
8 complete programs that lead to specified high-wage employment  
9 and to their placement in that employment.

10 (b) Programs that successfully prepare adults who are  
11 eligible for public assistance, economically disadvantaged,  
12 disabled, not proficient in English, or dislocated workers for  
13 high-wage occupations. At a minimum, performance incentives  
14 shall be calculated at an enhanced value for the completion of  
15 adults identified in this paragraph and job placement of such  
16 adults upon completion, based on empirical evidence of the  
17 additional effort required to serve these students. In  
18 addition, adjustments may be made in payments for job  
19 placements for areas of high unemployment.

20 (c) Programs that are specifically designed to be  
21 consistent with the workforce needs of private enterprise and  
22 regional economic development strategies, as defined in  
23 guidelines set by Workforce Florida, Inc. Workforce Florida,  
24 Inc., shall develop guidelines to identify such needs and  
25 strategies based on localized research of private employers  
26 and economic development practitioners.

27 (d) Programs identified by Workforce Florida, Inc., as  
28 increasing the effectiveness and cost efficiency of education.

29 (9) A high school student dually enrolled under s.  
30 1007.271 in a workforce development program ~~funded through the~~  
31 ~~Workforce Development Education Fund~~ and operated by a

1 community college or school district technical center  
2 generates the amount calculated by the funding formula  
3 ~~Workforce Development Education Fund~~, including any payment of  
4 performance funding, and the proportional share of full-time  
5 equivalent enrollment generated through the Florida Education  
6 Finance Program for the student's enrollment in a high school.  
7 If a high school student is dually enrolled in a community  
8 college program, including a program conducted at a high  
9 school, the community college earns the funds generated  
10 through the formula ~~Workforce Development Education Fund~~ and  
11 the school district earns the proportional share of full-time  
12 equivalent funding from the Florida Education Finance Program.  
13 If a student is dually enrolled in a technical center operated  
14 by the same district as the district in which the student  
15 attends high school, that district earns the funds generated  
16 through the formula ~~Workforce Development Education Fund~~ and  
17 also earns the proportional share of full-time equivalent  
18 funding from the Florida Education Finance Program. If a  
19 student is dually enrolled in a workforce development program  
20 provided by a technical center operated by a different school  
21 district, the funds must be divided between the two school  
22 districts proportionally from the two funding sources. A  
23 student may not be reported for funding in a dual enrollment  
24 workforce development program unless the student has completed  
25 the basic skills assessment pursuant to s. 1004.91.

26 (10)(a) With respect to base funding as identified in  
27 subparagraph (6)(a)1., funds provided for apprenticeship  
28 training may be used only for registered and approved state  
29 apprenticeship programs as defined in s. 446.071 and must be  
30 distributed to school districts and community colleges based  
31 on no less than \$3,500 per full-time-equivalency (FTE)



1 enrollment figures for the immediately previous year.

2 Providers shall certify and attest to the accuracy of the  
3 amount of the contributions, in real dollars, of contractors  
4 and other sources. Records relating to provider funds must be  
5 maintained for a period of 3 years and are subject to audit by  
6 the local educational agency (LEA) or its designee.

7 (b) Base funding must be allocated as follows:

8 1. Ten percent of the FTE to the provider of  
9 classrooms.

10 2. Twenty percent of the FTE to the provider of labs.

11 3. Thirty percent of the FTE to the LEA for fixed  
12 overhead and costs for instructors and administrators.

13 4. Accredited or state-certified program providers in  
14 charge of the technical training shall receive \$3 of Workforce  
15 Development Education funds for each \$1 of funds in actual  
16 dollars, not in-kind contributions, generated by contractors  
17 or other providers, up to but not exceeding 40 percent of the  
18 program FTE.

19 (c) The LEA shall return any unused funds to the  
20 state. If an approved program moves from one LEA to another,  
21 the funding for that program must move to the new LEA in the  
22 next fiscal year, provided that the program switched LEAs  
23 between school years, not after the school year began.

24 Section 2. This act shall take effect July 1, 2004.  
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SENATE SUMMARY

Amends criteria for funding workforce development programs. Replaces performance-based funding with funding based on workload plus performance. Requires the Department of Education to develop funding-allocation models for community colleges and for school district programs. Deletes references to the Workforce Development Education Fund. Allows certain workload measures to be adjusted to account for the length of program segments. Requires workload estimates to be agreed upon by the Education Estimating Conference and requires that funding for workload be added to base funding on the basis of such estimates. Increases from 85 to 90 percent the maximum percentage that base funding may constitute of the total allocation for workforce development programs for the current fiscal year. Provides that the calculation of certain performance incentives must be based on empirical evidence. Provides restrictions on base funding. Provides for allocation of the base funding. Requires local educational agencies to return unused funds to the state. Requires that, when a program moves from one local educational agency to another, the funds move to the new agency in the next fiscal year, if the program switched agencies between school years.