

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Limited Government – The bill creates a new employment program funded by state dollars for the benefit of at-risk and disadvantaged youth.

Empower Families – The bill provides for the employment of at-risk and disadvantaged youth during the summer.

B. EFFECT OF PROPOSED CHANGES:

Present Situation

The Agency for Workforce Innovation (AWI), created by the Workforce Innovation Act of 2000, acts as administrator for Florida's workforce development and early learning programs. AWI's responsibility includes administrative oversight, implementation and financial management of the state's workforce development, welfare transition, unemployment compensation, labor-market information initiatives and other related programs. The agency's authority for workforce development is contained in the Workforce Investment Act, Public Law 105-220 and chapter 445, F.S.

Workforce Florida, Inc. (WFI), is the state's chief workforce policy organization. Its mission is to develop and retain a highly competitive workforce that is responsive to the needs of Florida's employers. WFI is organized as a non-profit public/private partnership and provides policy and oversight to Florida's 24 Regional Workforce Boards. WFI also administers two statewide training incentive programs: Quick Response Training and Incumbent Worker Training. WFI is governed by a 45-member state board of directors appointed by the Governor and contracts with AWI to administer workforce programs, funding and to provide staff and administrative oversight. WFI is created in s. 445.004, F.S.

Effect of Proposes Changes

The bill creates the Florida Youth Summer Jobs Pilot Program, which will provide summer jobs for at-risk and disadvantaged youth in partnership with local communities and private or public employers. The program is intended to foster improved work and academic skills and performance. The program will be operated in workforce development district 22 served by the Broward Workforce Development Board.

Program participants must be at least 14 years of age but not older than 18 years of age and must be one of the following:

- Children at risk of welfare dependency, including economically disadvantaged children, children of participants in the welfare transition program, children of migrant farmworkers, and children of teen parents;
- Children of working families whose family income does not exceed 150 percent of the federal poverty level;
- Juvenile offenders;
- Children in foster care; or
- Children with disabilities.

For purposes of eligibility, the definition of “economically disadvantaged children” is defined to mean those children whose family income is below 150 percent of the federal poverty level.

The pilot program shall:

- Provide the program participant with a work experience that teaches personal responsibility and reinforces the obligations and rewards of holding a job;
- Allow for an academic enrichment component that will assist the program participant in remaining in or returning to school;
- Provide documented learning experiences relevant to the type of work performed and tailored to the needs of the program participant; and
- Allow for the provision of life skills training by the local community or a third-party provider contracted by the local community if such training takes up no more than 10 percent of the program participant’s work time.

An employer is eligible to participate in the program if it:

- Meets the broad program requirements;
- Pays the state minimum wage to the program participant;
- Limits the maximum working hours for the program participant to 30 hours per week; and
- Complies with state and federal child labor and antidiscrimination laws.

The bill provides for program governance by the Broward Workforce Development Board in consultation with Workforce Florida, Inc. The bill requires the regional workforce board to report to Workforce Florida, Inc., on the number of children who enter the program, the types of work activities they participated in and the number of those children who returned to school, went on to postsecondary school or entered the workforce full-time at the end of the program. Workforce Florida, Inc., must report to the Legislature by November 1 of each year on the performance of the program.

The bill requires the workforce development board to use funds appropriated specifically for the pilot program, consistent with state and federal laws, to provide wage payments and educational enrichment activities. The board or local communities may obtain private or state and federal grants or other sources of funds in addition to any appropriated funds.

The bill requires that 85 percent of the funds be used for youth wage payments or educational enrichment activities, and requires that these funds be matched on a one-to-one basis by each local community that participates in the program. It allows for a maximum of two percent of the funds to be used for administrative purposes. The remainder of the funds may be used for transportation assistance, childcare assistance or other assistance to enable a program participant to enter or remain in the program.

Each employer participating in the program shall receive a payment by the regional workforce board of one-half of the wages paid to the program participant. These payments must be made monthly for the duration that the program participant is employed as documented by the employer and confirmed by the regional workforce board.

The bill provides funding for the Florida Youth Summer Jobs Pilot Program will be funded by specific legislative appropriation.

C. SECTION DIRECTORY:

Section 1. Creates the Florida Youth Summer Jobs Pilot Program; provides eligibility requirements; provides program requirements; provides governance requirements; and provides for funding.

Section 2. Provides an effective date of October 1, 2005.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill appears not to have any impact on state government revenues.

2. Expenditures:

The bill provides funding for the Florida Youth Summer Jobs Pilot Program will be funded by specific legislative appropriation.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill appears not to have an impact on local government revenues.

2. Expenditures:

The bill will require a local government to provide matching funds if that government decides to participate in the program. The bill does not require use of specific funds, and these funds may be raised through grant, private donation, or other means as well as through local government expenditure.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will allow employers to hire summer employees at half the effective hourly wage required by the Florida Constitution.

D. FISCAL COMMENTS:

The bill does not appropriate any funds for the program. However, the House of Representatives General Appropriations Act (HB 1885, First Engrossed) provides \$500,000 of federal Workforce Investment Act funds from the Employment Security Administration Trust Fund for the Florida Youth Summer Youth Program.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill requires the matching of program funds with funds provided by a local community, but only if that community chooses to participate in the program. It does not require a municipality or county to expend funds or to take any action requiring the expenditure of funds. The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate. The bill does not reduce the percentage of state tax shared with municipalities or counties.

2. Other:

The bill creates a pilot project located in a distinct region of the state – the regional workforce district served by the Broward Workforce Development Board. The board's service area encompasses Broward County. Regional workforce boards are chartered by Workforce Florida, Inc., pursuant to s. 445.004, F.S. Because the bill creates the pilot in a distinct region, it raises the possibility that it is a

local law requiring notice or a referendum pursuant to Article III, s. 10 of the State Constitution. See *Martin Memorial Medical Center, Inc., v. Tenet Healthsystem Hospitals, Inc.*, 875 So.2d 797 (Fla. 1st DCA 2004).

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

The Economic Development, Trade and Banking Committee adopted a strike-everything amendment to the bill on March 24, 2005.

The amendment created a pilot program within workforce development district 22, served by the Broward Workforce Development Board. That board will manage the program in consultation with Workforce Florida, Inc. The amendment removed requirements for an individual service plan and the authority of AWI and Workforce Florida, Inc., to oversee the program. It also removed related rulemaking provisions. The amendment also reduced the amount of the administrative funding from five percent to two percent.

On April 15, 2005, the Transportation and Economic Development Appropriations Committee adopted one amendment to the bill providing funding for the Florida Youth Summer Jobs Pilot Program will be funded by specific legislative appropriation.