

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 437  
SPONSOR(S): Attkisson  
TIED BILLS:

University Growth Funding

IDEN./SIM. BILLS: SB 1260

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REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Education Appropriations Committee		Hamon	Hamon
2) Community Colleges & Workforce Committee			
3) Fiscal Council			
4)			
5)			

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SUMMARY ANALYSIS

Beginning with the 2006-2007 fiscal year, the bill requires all enrollment growth funds for state universities, community colleges and postsecondary workforce education programs to be appropriated to the Department of Education (DOE) and distributed under a request for proposal process.

The bill directs Workforce Florida, Inc. to advise the Legislature of the state’s most pressing workforce needs for postsecondary instruction and the geographic locations of these needs by March 1 of each year. The Legislature shall annually establish a priority list for enrollment funds in the General Appropriations Act (GAA).

Proposals for enrollment funding under the provisions of the bill may be submitted to DOE by an accredited public or nonpublic postsecondary educational institution in the state that provides instruction in a field specified in the GAA. The rankings and decisions of the request for proposal process shall be made by a nine member committee, appointed by the Governor, and shall be based on the priority list of needs established in the GAA.

The bill does not have a direct fiscal impact; however, it does specify future postsecondary education budget policy. Please see FISCAL COMMENTS.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. HOUSE PRINCIPLES ANALYSIS:

The bill does not appear to implicate any of the House Principles.

#### B. EFFECT OF PROPOSED CHANGES:

Currently, state appropriations for enrollment growth are appropriated directly to each delivery system in the General Appropriations Act. For example, the House General Appropriations Bill for Fiscal Year 2005-06 (HB 1885) provides state appropriations of approximately \$31.6 million for state university enrollment growth, \$38.7 million for community college enrollment growth, and \$21.8 million for public school workforce center enrollment growth.

Under current law, the Workforce Estimating Conference (s. 216.136(9), F.S.) establishes a targeted occupations list. The Workforce Estimating Conference develops official information on the workforce development process as it relates to the personnel needs of current, new, and emerging industries. Such information includes: short-term and long-term forecasts of employment demand for jobs by occupation and industry; entry and average wage forecasts among those occupations; and estimates of the supply of trained and qualified individuals available or potentially available for employment in those occupations, with special focus upon those occupations and industries which require high skills and have high entry wages and experienced wage levels. In the development of workforce estimates, the conference uses local occupational and workforce forecasts and estimates.

The bill requires all future enrollment growth funds for state universities, community colleges and postsecondary workforce education programs to be appropriated to DOE or a trust fund administered by DOE. DOE is required to develop and issue requests for proposals for the appropriated enrollment growth funds. The proposals:

- May be submitted by accredited public or nonpublic postsecondary educational institutions in a field specified in the priority list;
- Must indicate the number and fields of postsecondary diplomas, certificates, or degrees that the institution will award using these funds; and
- Must indicate how the funds will be leveraged for other grants and scholarships and how the funds will be used to offset student tuition costs.

By March 1 of each year the chair of Workforce Florida, Inc. shall advise the legislature of the state's most pressing workforce needs and the geographic locations of these needs. The Legislature will establish a priority list for the funds included in the GAA.

The rankings and decisions of the requests for proposal process shall be made by a committee based on the priority list. The committee will consist of nine (9) members appointed by the Governor. None of the members shall be elected officials. The members shall serve staggered four-year terms.

#### C. SECTION DIRECTORY:

**Section 1.** Creates s. 1011.96, F.S., to create a postsecondary enrollment funding model based on requests for proposals for instructional programs in high demand workforce fields.

**Section 2.** Provides an effective date of July 1, 2005.

### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

See FISCAL COMMENTS.

2. Expenditures:

See FISCAL COMMENTS.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

The bill does not appear to have a fiscal impact on local government revenues.

2. Expenditures:

The bill does not appear to have a fiscal impact on local government expenditures.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill directs state appropriations for enrollment growth funding to programs in areas with the most pressing workforce needs. To the extent the bill increases production of graduates in these high demand workforce fields, the private sector may experience an increase in the number of qualified employees available for high demand jobs.

D. FISCAL COMMENTS:

The bill does not have a direct fiscal impact; however, it does specify future postsecondary education budget policy. Currently, state appropriations for enrollment growth are appropriated directly to each delivery system in the General Appropriations Act. For example, the House General Appropriations Bill for Fiscal Year 2005-06 (HB 1885) provides state appropriations of approximately \$31.6 million for state university enrollment growth, \$38.7 million for community college enrollment growth, and \$21.8 million for public school workforce center enrollment growth. The amount of enrollment growth funding to be distributed under the provisions of the bill, in the 2006-07 fiscal year, cannot be determined. Such Legislative appropriations would be made during the 2006 Legislative Session in the General Appropriations Act for Fiscal Year 2006-07.

The bill requires all future appropriations for enrollment growth to be distributed under a competitive request for proposals process. This competitive process may result in a redistribution of appropriated funds between the delivery systems. Also, since non-public institutions are eligible for funding under the provisions of the bill, a portion of the enrollment growth funding may be redistributed to non-public institutions. The amount of redistribution between the various institutions and delivery systems cannot be determined.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require a municipality or county to spend funds or to take any action requiring the expenditure of funds.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

**IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES**