1

A bill to be entitled

2 An act relating to regional workforce boards; amending s. 3 445.003, F.S.; requiring certain funds to be expended on 4 Individual Training Accounts; revising items that qualify 5 as account expenditures; amending s. 445.007, F.S., and 6 reenacting subsections (10) and (11), relating to 7 restrictions on the use of state and federal funds 8 provided to regional workforce boards and contracts 9 between regional workforce boards and members of regional 10 workforce boards; providing for maximum board membership; 11 providing additional membership requirements; requiring certain board members to file a statement of financial 12 interests; authorizing the Governor to remove board 13 14 members for cause; requiring the Department of Economic 15 Opportunity to assign staff for performance and compliance 16 review; prohibiting regional workforce boards from restricting the choice of training providers based on 17 18 certain factors; authorizing a board to restrict the 19 amount of training resources available to any one client 20 under certain conditions; providing requirements for the 21 procurement and expenditure of certain funds; providing 22 grounds for removal for cause; deleting an obsolete 23 expiration date for provisions relating to restrictions on 24 the use of state and federal funds provided to regional 25 workforce boards; revising procedures relating to the 26 approval of contracts between regional workforce boards 27 and members of regional workforce boards; deleting an 28 obsolete expiration date for provisions relating to such Page 1 of 13

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb7023-02-e1

29 contracts; requiring each board to develop a budget for 30 certain purposes, subject to the approval of the chief 31 elected official, and submit the budget to Workforce 32 Florida, Inc.; requiring Workforce Florida, Inc., to evaluate the means to establish a single, statewide 33 34 workforce-system brand for the state; providing reporting 35 requirements; amending s. 445.009, F.S.; deleting the 36 expiration of a provision providing that participants in adult or youth work experience activities are employees of 37 38 the state for purposes of workers' compensation coverage; 39 providing an effective date. 40 41 Be It Enacted by the Legislature of the State of Florida: 42 43 Section 1. Paragraph (a) of subsection (3) of section 44 445.003, Florida Statutes, is amended to read: 45 445.003 Implementation of the federal Workforce Investment 46 Act of 1998.-47 (3) FUNDING.-48 (a) Title I, Workforce Investment Act of 1998 funds; 49 Wagner-Peyser funds; and NAFTA/Trade Act funds will be expended 50 based on the 5-year plan of Workforce Florida, Inc. The plan 51 shall outline and direct the method used to administer and 52 coordinate various funds and programs that are operated by various agencies. The following provisions shall also apply to 53 54 these funds: 55 1. At least 50 percent of the Title I funds for Adults and

56 Dislocated Workers that are passed through to regional workforce

Page 2 of 13

CODING: Words stricken are deletions; words underlined are additions.

hb7023-02-e1

57 boards shall be allocated to and expended on Individual Training 58 Accounts unless a regional workforce board obtains a waiver from Workforce Florida, Inc. Tuition, books, and fees of training 59 60 providers and other training services prescribed and authorized 61 by the Workforce Investment Act of 1998 qualify as an Individual 62 Training Account expenditures expenditure, as do other programs 63 developed by regional workforce boards in compliance with 64 policies of Workforce Florida, Inc.

65 2. Fifteen percent of Title I funding shall be retained at the state level and shall be dedicated to state administration 66 67 and used to design, develop, induce, and fund innovative Individual Training Account pilots, demonstrations, and 68 69 programs. Of such funds retained at the state level, \$2 million 70 shall be reserved for the Incumbent Worker Training Program, 71 created under subparagraph 3. Eligible state administration 72 costs include the costs of: funding for the board and staff of 73 Workforce Florida, Inc.; operating fiscal, compliance, and 74 management accountability systems through Workforce Florida, 75 Inc.; conducting evaluation and research on workforce 76 development activities; and providing technical and capacity 77 building assistance to regions at the direction of Workforce 78 Florida, Inc. Notwithstanding s. 445.004, such administrative 79 costs shall not exceed 25 percent of these funds. An amount not to exceed 75 percent of these funds shall be allocated to 80 81 Individual Training Accounts and other workforce development strategies for other training designed and tailored by Workforce 82 Florida, Inc., including, but not limited to, programs for 83 84 incumbent workers, displaced homemakers, nontraditional

Page 3 of 13

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb7023-02-e1

85 employment, and enterprise zones. Workforce Florida, Inc., shall 86 design, adopt, and fund Individual Training Accounts for 87 distressed urban and rural communities.

3. The Incumbent Worker Training Program is created for the purpose of providing grant funding for continuing education and training of incumbent employees at existing Florida businesses. The program will provide reimbursement grants to businesses that pay for preapproved, direct, training-related costs.

a. The Incumbent Worker Training Program will be
administered by Workforce Florida, Inc. Workforce Florida, Inc.,
at its discretion, may contract with a private business
organization to serve as grant administrator.

98 b. To be eligible for the program's grant funding, a 99 business must have been in operation in Florida for a minimum of 100 1 year prior to the application for grant funding; have at least one full-time employee; demonstrate financial viability; and be 101 102 current on all state tax obligations. Priority for funding shall 103 be given to businesses with 25 employees or fewer, businesses in 104 rural areas, businesses in distressed inner-city areas, 105 businesses in a qualified targeted industry, businesses whose 106 grant proposals represent a significant upgrade in employee 107 skills, or businesses whose grant proposals represent a significant layoff avoidance strategy. 108

109 c. All costs reimbursed by the program must be preapproved 110 by Workforce Florida, Inc., or the grant administrator. The 111 program will not reimburse businesses for trainee wages, the 112 purchase of capital equipment, or the purchase of any item or

Page 4 of 13

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb7023-02-e1

113 service that may possibly be used outside the training project. 114 A business approved for a grant may be reimbursed for 115 preapproved, direct, training-related costs including tuition; 116 fees; books and training materials; and overhead or indirect 117 costs not to exceed 5 percent of the grant amount.

d. A business that is selected to receive grant funding 118 119 must provide a matching contribution to the training project, including, but not limited to, wages paid to trainees or the 120 121 purchase of capital equipment used in the training project; must 122 sign an agreement with Workforce Florida, Inc., or the grant 123 administrator to complete the training project as proposed in 124 the application; must keep accurate records of the project's 125 implementation process; and must submit monthly or quarterly 126 reimbursement requests with required documentation.

e. All Incumbent Worker Training Program grant projects shall be performance-based with specific measurable performance outcomes, including completion of the training project and job retention. Workforce Florida, Inc., or the grant administrator shall withhold the final payment to the grantee until a final grant report is submitted and all performance criteria specified in the grant contract have been achieved.

f. Workforce Florida, Inc., may establish guidelines
necessary to implement the Incumbent Worker Training Program.

g. No more than 10 percent of the Incumbent Worker
Training Program's total appropriation may be used for overhead
or indirect purposes.

At least 50 percent of Rapid Response funding shall be
 dedicated to Intensive Services Accounts and Individual Training
 Page 5 of 13

CODING: Words stricken are deletions; words underlined are additions.

141 Accounts for dislocated workers and incumbent workers who are at 142 risk of dislocation. Workforce Florida, Inc., shall also 143 maintain an Emergency Preparedness Fund from Rapid Response 144 funds which will immediately issue Intensive Service Accounts 145 and Individual Training Accounts as well as other federally 146 authorized assistance to eligible victims of natural or other 147 disasters. At the direction of the Governor, for events that 148 qualify under federal law, these Rapid Response funds shall be 149 released to regional workforce boards for immediate use. Funding shall also be dedicated to maintain a unit at the state level to 150 151 respond to Rapid Response emergencies around the state, to work 152 with state emergency management officials, and to work with 153 regional workforce boards. All Rapid Response funds must be 154 expended based on a plan developed by Workforce Florida, Inc., 155 and approved by the Governor.

Section 2. Subsections (1), (2), (3), (6), and (9) of section 445.007, Florida Statutes, are amended, subsections (10) and (11) are reenacted and amended, and subsections (12) and (13) are added to that section, to read:

160

445.007 Regional workforce boards.-

161 One regional workforce board shall be appointed in (1)162 each designated service delivery area and shall serve as the 163 local workforce investment board pursuant to Pub. L. No. 105-164 220. The membership of the board shall be consistent with Pub. 165 L. No. 105-220, Title I, s. 117(b) but may not exceed the minimum membership required in Pub. L. No. 105-220, Title I, s. 166 117(b)(2)(A) and in this subsection. Upon approval by the 167 Governor, the chief elected official may appoint additional 168

Page 6 of 13

CODING: Words stricken are deletions; words underlined are additions.

members above the limit set by this subsection. If a public

CS/HB 7023, Engrossed 1

169

170

171

172

173

174

175

176

177

178

179

180

181 182

183

184

185

186

187

188

189

190

191

192

193

194

195

education or training provider is represented on the board, a representative of a private nonprofit provider and a representative of a private for-profit provider must also be appointed to the board. The board shall include one nonvoting representative from a military installation if a military installation is located within the region and the appropriate military command or organization authorizes such representation. It is the intent of the Legislature that membership of a regional workforce board include persons who are current or former recipients of welfare transition assistance as defined in s. 445.002(2) or workforce services as provided in s. 445.009(1) or that such persons be included as ex officio members of the board or of committees organized by the board. The importance of minority and gender representation shall be considered when making appointments to the board. The board, its committees, subcommittees, and subdivisions, and other units of the workforce system, including units that may consist in whole or in part of local governmental units, may use any method of telecommunications to conduct meetings, including establishing a quorum through telecommunications, provided that the public is given proper notice of the telecommunications meeting and reasonable access to observe and, when appropriate, participate. Regional workforce boards are subject to chapters 119 and 286 and s. 24, Art. I of the State Constitution. If the regional

196 must be approved by a two-thirds vote of the board, a quorum

Page 7 of 13

workforce board enters into a contract with an organization or

individual represented on the board of directors, the contract

CODING: Words stricken are deletions; words underlined are additions.

197	having been established, and the board member who could benefit
198	financially from the transaction must abstain from voting on the
199	contract. A board member must disclose any such conflict in a
200	manner that is consistent with the procedures outlined in s.
201	112.3143. Each member of a regional workforce board who is not
202	otherwise required to file a full and public disclosure of
203	financial interests pursuant to s. 8, Art. II of the State
204	Constitution or s. 112.3144 shall file a statement of financial
205	interests pursuant to s. 112.3145. The executive director or
206	designated person responsible for the operational and
207	administrative functions of the regional workforce board who is
208	not otherwise required to file a full and public disclosure of
209	financial interests pursuant to s. 8, Art. II of the State
210	Constitution or s. 112.3144 shall file a statement of financial
211	interests pursuant to s. 112.3145.
212	(2) <u>(a)</u> The regional workforce board shall elect a chair
213	from among the representatives described in Pub. L. No. 105-220,
214	Title I, s. 117(b)(2)(A)(i) to serve for a term of no more than
215	2 years and shall serve no more than two terms.
216	(b) The Governor may remove a member of the board, the
217	executive director of the board, or the designated person
218	responsible for the operational and administrative functions of
219	the board for cause. As used in this paragraph, the term "cause"
220	includes, but is not limited to, engaging in fraud or other
221	criminal acts, incapacity, unfitness, neglect of duty, official
222	incompetence and irresponsibility, misfeasance, malfeasance,
223	nonfeasance, or lack of performance.
224	(3) The Department of Economic Opportunity, under the
	Page 8 of 13

Page 8 of 13

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

225 <u>direction of</u> Workforce Florida, Inc., shall assign staff to meet 226 with each regional workforce board annually to review the 227 board's performance and to certify that the board is in 228 compliance with applicable state and federal law.

229 The regional workforce board shall designate all local (6) 230 service providers and may not transfer this authority to a third 231 party. Consistent with the intent of the Workforce Investment 232 Act, regional workforce boards should provide the greatest 233 possible choice of training providers to those who qualify for 234 training services. A regional workforce board may not restrict 235 the choice of training providers based upon cost, location, or 236 historical training arrangements. However, a board may restrict 237 the amount of training resources available to any one client. 238 Such restrictions may vary based upon the cost of training in the client's chosen occupational area. The regional workforce 239 240 board may be designated as a one-stop operator and direct 241 provider of intake, assessment, eligibility determinations, or 242 other direct provider services except training services. Such 243 designation may occur only with the agreement of the chief 244 elected official and the Governor as specified in 29 U.S.C. s. 245 2832(f)(2). Workforce Florida, Inc., shall establish procedures 246 by which a regional workforce board may request permission to 247 operate under this section and the criteria under which such permission may be granted. The criteria shall include, but need 248 249 not be limited to, a reduction in the cost of providing the permitted services. Such permission shall be granted for a 250 period not to exceed 3 years for any single request submitted by 251 252 the regional workforce board.

Page 9 of 13

CODING: Words stricken are deletions; words underlined are additions.

253 For purposes of procurement, regional workforce boards (9) 254 and their administrative entities are not state agencies and are 255 exempt from chapters 120 and 287. The regional workforce boards 256 shall apply the procurement and expenditure procedures required 257 by federal law and policies of the Department of Economic 258 Opportunity and Workforce Florida, Inc., for the expenditure of 259 federal, state, and nonpass-through funds. The making or approval of smaller, multiple payments for a single purchase 260 261 with the intent to avoid or evade the monetary thresholds and procedures established by federal law and policies of the 262 263 Department of Economic Opportunity and Workforce Florida, Inc., 264 is grounds for removal for cause. Regional workforce boards, 265 their administrative entities, committees, and subcommittees, 266 and other workforce units may authorize expenditures to award suitable framed certificates, pins, or other tokens of 267 268 recognition for performance by units of the workforce system. 269 Regional workforce boards; their administrative entities, 270 committees, and subcommittees; and other workforce units may 271 authorize expenditures for promotional items, such as t-shirts, 272 hats, or pens printed with messages promoting Florida's 273 workforce system to employers, job seekers, and program 274 participants. However, such expenditures are subject to federal 275 regulations applicable to the expenditure of federal funds. All 276 contracts executed by regional workforce boards must include 277 specific performance expectations and deliverables.

(10) State and federal funds provided to the regional
workforce boards may not be used directly or indirectly to pay
for meals, food, or beverages for board members, staff, or

Page 10 of 13

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb7023-02-e1

281 employees of regional workforce boards, Workforce Florida, Inc., 282 or the Department of Economic Opportunity Agency for Workforce 283 Innovation except as expressly authorized by state law. 284 Preapproved, reasonable, and necessary per diem allowances and 285 travel expenses may be reimbursed. Such reimbursement shall be 286 at the standard travel reimbursement rates established in s. 287 112.061 and shall be in compliance with all applicable federal 288 and state requirements. Workforce Florida, Inc., shall develop a 289 statewide fiscal policy applicable to the state board and all regional workforce boards, to hold both the state and regional 290 291 boards strictly accountable for adherence to the policy and 292 subject to regular and periodic monitoring by the Department of 293 Economic Opportunity Agency for Workforce Innovation, the 294 administrative entity for Workforce Florida, Inc. Boards are prohibited from expending state or federal funds for 295 296 entertainment costs and recreational activities for board 297 members and employees as these terms are defined by 2 C.F.R. 298 part 230. This subsection expires July 1, 2011.

299 To increase transparency and accountability, a (11)300 regional workforce board must boards shall comply with the 301 requirements of this section before contracting with a member of 302 the regional workforce board or a relative, as defined in s. 303 112.3143(1)(b), of a board member or of an employee of the board. Such contracts may shall not be executed before or 304 without the approval of Workforce Florida, Inc. Such contracts, 305 306 as well as documentation demonstrating adherence to this section as specified by Workforce Florida, Inc., must be submitted to 307 308 the Department of Economic Opportunity Agency for Workforce

Page 11 of 13

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

309 Innovation for review and recommendation according to criteria 310 to be determined by Workforce Florida, Inc. Such a contract 311 Contracts between relatives, as defined in s. 112.3143(1)(b), of 312 a board member or employee of a board must be approved by a two-313 thirds vote of the entire board, a quorum having been established; all conflicts of interest must be disclosed before 314 315 prior to the vote; and any member who may benefit from the 316 contract, or whose relative may benefit from the contract, must 317 abstain from the vote and the contract must be reviewed and approved as stated above. A contract Contracts under \$25,000 318 between a regional workforce board and a member of that board or 319 320 between a relative relatives, as defined in s. 112.3143(1)(b), 321 of a board member or of an employee employees of the a board is 322 not required to have the prior approval of Workforce Florida, 323 Inc., are exempt from the review and recommendation process but 324 must be approved by a two-thirds vote of the entire board, a 325 quorum having been established, and must be reported to the 326 Department of Economic Opportunity Agency for Workforce 327 Innovation and Workforce Florida, Inc., within 30 days after 328 approval. If a contract cannot be approved by Workforce Florida, 329 Inc., a review of the decision to disapprove the contract may be 330 requested by the regional workforce board or other parties to 331 the disapproved contract. This subsection expires July 1, 2011. 332 (12) Each regional workforce board shall develop a budget for the purpose of carrying out the duties of the board under 333 this section, subject to the approval of the chief elected 334 335 official. Each regional workforce board shall submit its annual 336 budget for review to Workforce Florida, Inc., no later than 2

Page 12 of 13

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

337 weeks after the chair approves the budget.

338 (13) Workforce Florida, Inc., shall evaluate the means to 339 establish a single, statewide workforce-system brand for the 340 state and shall submit its recommendations to the Governor by 341 November 1, 2012.

342 Section 3. Subsection (11) of section 445.009, Florida 343 Statutes, is amended to read:

344

445.009 One-stop delivery system.-

345 (11) A participant in an adult or youth work experience 346 activity administered under this chapter shall be deemed an 347 employee of the state for purposes of workers' compensation 348 coverage. In determining the average weekly wage, all 349 remuneration received from the employer shall be considered a 350 gratuity, and the participant shall not be entitled to any 351 benefits otherwise payable under s. 440.15, regardless of 352 whether the participant may be receiving wages and remuneration 353 from other employment with another employer and regardless of 354 his or her future wage-earning capacity. This subsection expires 355 July 1, 2012.

356

Section 4. This act shall take effect July 1, 2012.

CODING: Words stricken are deletions; words underlined are additions.