

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

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

Prepared By: The Professional Staff of the Committee on Education

BILL: CS/SB 1202

INTRODUCER: Education Committee and Senator Montford

SUBJECT: Career Centers and Charter Technical Career Centers

DATE: March 27, 2014

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Graf	Klebacha	ED	Fav/CS
2.			AED	
3.			AP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1202 expands the authority of career centers and charter technical career centers to operate as “technical colleges” and award college credit certificates and associate in applied science (AAS) degrees.

Specifically, the bill:

- Authorizes a career center to use the technical college designation, with the approval of its district school board, if the career center:
 - Offers college credit certificate programs or is authorized to offer AAS degree programs,
 - Offers only career and technical education programs that are approved by an accrediting agency recognized by the United States Department of Education, and
 - Confirms that at least 75 percent of the career and technical education programs with enrollment during the current school year lead to an industry certification or licensure.
- Requires a career center that obtains approval to change its name to technical college to remain under the control of the district school board of the school district in which the center is located.
- Establishes a review and approval process for the AAS degree program proposals.
- Renames “applied technology diploma program” as “college credit certificate program.”
- Codifies standard tuition per contact hour and out-of-state fee for workforce education programs.

- Eliminates an automatic annual increase of tuition and out-of-state fee per contact hour and credit hour for postsecondary workforce education programs and specifies that the tuition and out-of-state fee must be based on the levels provided in the General Appropriations Act.
- Maintains current law regarding the out-of-state fee for adult general education programs.
- Revises the calculation methodology for workforce education programs and provides for performance funding for such programs.

The bill takes effect on July 1, 2014.

II. Present Situation:

Career Centers

A career center is an educational institution offering terminal courses of a technical nature, and courses for out-of-school youth and adults.¹ A district school board is authorized to establish and operate a career center after obtaining approval from the Florida Department of Education (DOE).² In addition, district school boards of contiguous districts may enter into an agreement to organize, establish and operate, or acquire and operate a career center after obtaining approval from DOE.³

Currently, 48 public career centers are operating in 30 school districts in Florida.⁴ Forty-seven of the career centers are accredited by the Council on Occupational Education (COE). Gadsden Technical Institute became a candidate for accreditation in 2013.⁵ The COE is recognized as a national institutional accrediting agency by the United States Secretary of Education for participation in Title IV programs.⁶ COE accredits educational institutions in 35 states, the District of Columbia, and two foreign countries⁷ that includes accreditation of non-degree-granting and applied associate degree-granting postsecondary occupational education institutions.⁸

Additionally, workforce education programs are offered by both school districts and Florida College System (FCS) institutions.⁹ FCS institutions are accredited by the Southern Association of Colleges and Schools (SACS) Commission on Colleges, which is the regional accrediting body, recognized by the United States Secretary of Education, in the eleven southern states in the United States (i.e., Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North

¹ Section 1001.44(3), F.S.

² Section 1001.44(1), F.S.

³ Section 1001.44(2), F.S.

⁴ Department of Education, *District Technical Centers*, available at <http://www.fldoe.org/workforce/pdf/DistrictTechnicalCenterDirectors.pdf>.

⁵ Council on Occupational Education, *Accredited Institutions – August 2013*, <http://www.council.org/accredited-institutions/> (last visited March 23, 2014).

⁶ U.S. Department of Education, *Financial Aid for Postsecondary Students: Accreditation in the United States*, http://www2.ed.gov/admins/finaid/accred/accreditation_pg6.html (last visited March 23, 2014).

⁷ Council on Occupational Education, *Accredited Institutions – August 2013*, available at <http://www.council.org/accredited-institutions/>.

⁸ Council on Occupational Education, *Handbook of Accreditation: 2013 Edition (Amended: 4-26-13)*, <http://www.council.org/manuals/> (last visited March 23, 2014).

⁹ Section 1011.80(2), F.S.

Carolina, South Carolina, Tennessee, Texas, and Virginia) and in Latin America for those institutions of higher education that award associate, baccalaureate, master's, or doctoral degrees.¹⁰ The Commission also accepts applications from other international institutions of higher education.¹¹ Workforce education program offerings include: adult general education programs; career certificate programs; applied technology diploma programs; continuing workforce education courses; degree career education programs; and apprenticeship and preapprenticeship programs.¹² During 2012-2013, career centers enrolled 46,739 students in career and technical education programs.¹³

Career centers in Florida are not authorized to award college credit or degrees. However, if an associate in applied science (AAS) or an associate in science (AS) degree contains within it an occupational completion point that confers a certificate or applied technology diploma (ATD), that portion of the program may be conducted by a school district career center.¹⁴

Charter Technical Career Centers

A charter technical career center is a public school or a public technical center operated under a charter granted by a district school board, FCS institution board of trustees, or consortium of district school boards and FCS institution boards of trustees, that includes the district in which the facility is located, that is nonsectarian in its programs, admission policies, employment practices, and operations, and is managed by a board of directors.¹⁵ The purpose of a charter technical center is to:

- Develop a competitive workforce to support local business and industry and economic development;
- Create a training and education model that is reflective of marketplace realities;
- Offer a continuum of career educational opportunities using a school-to-work, tech-prep, technical, academy, and magnet school model; and
- Provide career pathways for lifelong learning and career mobility.¹⁶

Charter technical career centers are authorized, through charters with their school district or FCS institution, to offer workforce education programs.¹⁷ Charter technical career centers are not currently authorized to award college credit or degrees. However, if an associate in applied science or an associate in science degree program contains within it an occupational completion

¹⁰ Southern Association of Colleges and Schools Commission on Colleges, *About the Commission*, <http://www.sacscoc.org/about.asp> (last visited March 23, 2014); see also U.S. Department of Education, *Financial Aid for Postsecondary Students: Accreditation in the United States*, http://www2.ed.gov/admins/finaid/accred/accreditation_pg6.html (last visited March 23, 2014).

¹¹ Southern Association of Colleges and Schools Commission on Colleges, <http://www.sacscoc.org/> (last visited March 23, 2014)

¹² Section 1011.80(1), F.S.

¹³ Florida Department of Education Presentation, *Postsecondary Education in District Technical Centers*, available at http://flsenate.gov/PublishedContent/Committees/2012-2014/AED/MeetingRecords/MeetingPacket_2435.pdf

¹⁴ Section 1011.80(2), F.S.

¹⁵ Section 1002.34(3)(a), F.S.

¹⁶ Section 1002.34(2), F.S.

¹⁷ Section 1002.34(3)(a), F.S.

point¹⁸ that confers a certificate or applied technology diploma, that portion of the program may be conducted by a school district career center.¹⁹

Currently, two charter technical career centers are operating in Florida: Lake Technical Center in Eustis and First Coast Technical College in St. Augustine. Both charter technical career centers are accredited by the COE.²⁰

Applied Technology Diploma

An “applied technology diploma program” (ATD) is “a course of study that is part of a technical degree program, is less than 60 credit hours, and leads to employment in a specific occupation.”²¹ ATD may consist of either technical (clock hour) or college credit. A public school district may offer ATD only as a technical credit, with college credit awarded to a student upon articulation to a FCS institution. Statewide articulation regarding transferability of transferability of credits is guaranteed among public schools and FCS institutions, subject to the guidelines and standards adopted by the State Board of Education (SBE or state board).²²

Workforce Education Postsecondary Student Fees

A student who enrolls in workforce education postsecondary programs is charged tuition and other fees, unless the student is eligible for an exemption or a waiver.²³ The Legislature establishes the standard tuition and out-of-state fee per contact hour. Since July 1, 2011, for programs leading to a career certificate or an applied technology diploma, the standard tuition is \$2.22 per contact hour for residents and nonresidents. The out-of-state fee for such programs is \$6.66 per contact hour.²⁴ For adult general education programs, a block tuition of \$45 per half year or \$30 per term is assessed for residents and nonresidents. The out-of-state fee for such programs is \$135 per half year or \$90 per term.²⁵ Residency of students enrolled in workforce education programs must be determined in accordance with the requirements specified in law²⁶ regarding establishing resident status for tuition purposes.²⁷

Workforce Education Funding

Funds provided for career and charter technical centers are appropriated separately in the

¹⁸ Many occupational programs offer the option of occupational completion points. An occupational completion point is a group of competencies or skills for a specific occupation as identified by the Directory of Occupational Titles (DOT), an Occupational Employment Statistics (OES) code, or an industry-defined title. Florida Department of Education, *Career and Adult Education*, <http://www.fl DOE.org/workforce/programs/ss5.asp> (last visited March 23, 2014).

¹⁹ Section 1011.80(2), F.S., Although the subsection states school district career center, charter technical center is implied through its authorization by the school district career center under s. 1002.34(3)(a), F.S.

²⁰ Office of Program Policy and Governmental Accountability, *Technical Centers*, presentation to Higher Education and Workforce Subcommittee (Jan. 8, 2014), available at <http://www.oppaga.state.fl.us/Presentations.aspx>.

²¹ Section 1004.02(8), F.S.

²² Section 1004.02(8), F.S.

²³ Sections 1009.22(1)-(2), 1009.25, and 1009.26, F.S.

²⁴ Section 1009.22(3)(c), F.S.

²⁵ Section 1009.22(3)(c), F.S.

²⁶ Section 1009.21, F.S.

²⁷ Section 1009.22(3)(a), F.S.

General Appropriations Act (GAA) from other K-12 programs. Proviso language included in the GAA specifies that the funds appropriated shall not be used to support K-12 programs or district K-12 administrative indirect costs. The Auditor General is required to verify compliance with this requirement during scheduled audits of these institutions.²⁸

III. Effect of Proposed Changes:

CS/SB 1202 expands the authority of career centers and charter technical career centers to operate as “technical colleges” and award college credit certificates and associate in applied science (AAS) degrees.

Specifically, the bill:

- Authorizes a career center to use the technical college designation, with the approval of its district school board, if the career center:
 - Offers college credit certificate programs or is authorized to offer AAS degree programs,
 - Offers only career and technical education programs that are approved by an accrediting agency recognized by the United States Department of Education (USDOE), and
 - Confirms that at least 75 percent of the career and technical education programs with enrollment during the current school year lead to an industry certification or licensure.
- Requires a career center that obtains approval to change its name to technical college to remain under the control of the district school board of the school district in which the center is located.
- Establishes a review and approval process for the AAS degree program proposals.
- Renames “applied technology diploma program” as “college credit certificate program.”
- Codifies standard tuition per contact hour and out-of-state fee for workforce education programs.
- Eliminates an automatic annual increase of tuition and out-of-state fee per contact hour and credit hour for postsecondary workforce education programs and specifies that the tuition and out-of-state fee must be based on the levels provided in the General Appropriations Act (GAA).
- Maintains current law regarding the out-of-state fee for adult general education (AGE) programs.
- Revises the calculation methodology for workforce education programs and provides for performance funding for such programs.

Career Centers and Charter Technical Career Centers

The bill modifies the definition of career centers to specify that career centers are authorized to offer postsecondary education programs. Specifically, the bill defines a career center as “an educational institution that offers postsecondary career and technical education programs and is under the control of the district school board of the school district in which the center is located.”

²⁸ Chapter 2013-40, L.O.F., *see also* Specific Appropriation 117 proviso referencing Specific Appropriations 10, 115, 117 and 117A.

The bill authorizes career centers and charter technical career centers to offer college credit certificates and AAS degrees. Such centers may also offer college credit certificates and AAS degrees through partnership with Florida College System (FCS) institutions.

The bill establishes a process for the submission of AAS degree proposals by the centers to the SBE for approval. Forty-five days before submitting an AAS degree proposal to the State Board of Education (SBE), a center must submit a notice of its intent to offer the AAS degree to the Division of Career and Adult Education (Division) within the Florida Department of Education (DOE) and the local FCS institution. The process is somewhat similar to the baccalaureate degree program proposals submitted by FCS institutions. Florida law requires FCS institutions to submit a notice of intent to the Division of Florida Colleges within DOE at least 100 days before the submission of baccalaureate degree program proposal.²⁹ The bill specifies program information that must be included in the notice of intent (i.e., description, geographic region to be served, estimated timeframe for implementation, evidence of discussion with the local FCS institution about addressing need, demand, and impact).

AAS degree proposals must be submitted to the Division, and include, at least, the following:

- A description of the planning process and timeline for implementation.
- An analysis of workforce demand and unmet need for graduates of the program on a district or regional basis, including workforce projections by entities independent of the institution.
- Identification of the facilities, equipment, and library and academic resources to be used for program delivery.
- An analysis of costs associated with creating a new AAS degree program.
- The program's admission requirements, academic content, curriculum, faculty credentials, student-to-teacher ratios, and accreditation plan.
- Feedback from the local FCS institution regarding the notice of intent to offer an AAS degree program.
- The program's enrollment projections and funding requirements.
- A description of outcome measures used to determine success including, at a minimum, program completion, placement, licensure, and feedback from employers regarding job performance of graduates.
- A plan that describes how the center's college credit courses will meet the equivalency of faculty credentials for such courses to be included in the statewide course numbering system.³⁰
- A plan of action if the program is terminated.

Consistent with the requirements for the Division of Florida Colleges regarding review of baccalaureate degree program proposals, the bill requires the Division of Career and Adult Education to:

- Review each AAS degree program proposal,
- Notify the center, in writing, of any deficiencies within 30 days after receipt of the proposal, and
- Provide the center with an opportunity to correct deficiencies.

²⁹ Section 1007.33(5)(a), F.S.

³⁰ Section 1007.24(7), F.S.

Within 45 days after receipt of the finalized proposal by the Division, the Commissioner of Education (commissioner) must recommend to the SBE approval or disapproval of the proposal which the state board must consider at the next scheduled meeting. This process and associated timelines are consistent with the consideration of FCS institutions' baccalaureate degree program proposals by the state board. The bill requires the SBE to provide a written explanation to the center if the state board does not approve the proposal. If the SBE approves the proposal, the center must obtain accreditation as an associate-in-applied-science-degree-granting institution from an accrediting agency that is recognized by the USDOE. FCS institutions are accredited by the Southern Association of Colleges and Schools (SACS) Commission on Colleges, which is recognized by the USDOE.³¹ As a result, FCS institutions are not required to obtain accreditation from another agency recognized by the USDOE.

The bill requires the centers to notify the accrediting agency about the degree programs that are approved by the state board. Additionally, the centers must annually, upon request of the SBE, the Division Chancellor, or the Legislature, submit a status report regarding using the following performance and compliance indicators:

- Obtaining and maintaining appropriate accreditation.
- Maintaining qualified faculty and institutional resources.
- Maintaining enrollment in previously approved programs.
- Managing fiscal resources appropriately.
- Measuring program success, including program completion, placement, licensure, and feedback from employers regarding job performance of graduates.

The bill authorizes the SBE to require the centers to modify or terminate an AAS degree program based on the state board's review of the centers' performance and compliance indicators.

The SBE must adopt rules for receiving reviewing, and approving AAS degree program proposals. Additionally, the rules must:

- Specify an annual deadline for the submission of such proposals.
- Require a presentation to the SBE to assist the state board with decision-making regarding the proposal.

The bill authorizes a career center or a charter technical career center to use the designation "technical college" if the local district school board approves the use of such designation and the center offers:

- College credit certificate program or
- AAS degree program if such program is approved by the state board.

The bill clarifies charter career technical centers are eligible for funding from workforce education funds and the Florida Education Finance Program (FEFP) if the center offers adult general education, career certificate, college credit certificate, continuing workforce education courses, degree career education, and apprenticeship and preapprenticeship programs.

³¹ Southern Association of Colleges and Schools Commission on Colleges, *About the Commission*, <http://www.sacscoc.org/about.asp> (last visited March 23, 2014); see also U.S. Department of Education, *Financial Aid for Postsecondary Students: Accreditation in the United States*, http://www2.ed.gov/admins/finaid/accred/accreditation_pg6.html (last visited March 23, 2014).

Applied Technology Diploma and Workforce Education

To align the “applied technology diploma program” with the centers’ ability to offer college credit courses, the bill renames “applied technology diploma program” (ATD) as “college credit certificate program.” The bill modifies the description of a college credit certificate program to mean “a course of study that is part of a technical degree program, is less than 60 credit hours, and leads to employment in a specific occupation.” The bill retains the statewide articulation guarantee regarding transferability of credits among public schools and FCS institutions, subject to the guidelines and standards adopted by the SBE. As a result, faculty teaching college credit certificate courses must meet the specified guidelines and standards.

The bill adds conforming references to reflect the name change.

Workforce Education Postsecondary Student Fees

The bill maintains current law³² regarding residency determination for tuition purposes for students enrolled in workforce education programs. The bill also maintains current law regarding the out-of-state fee (currently, \$135 per half year or \$90 per term) for adult general education (AGE) programs.

The bill codifies standard tuition and out-of-state fees per contact hour for workforce education programs. Specifically, for programs leading to a career certificate, the standard tuition must be \$2.33 per contact hour for residents and nonresidents. The out-of-state fee for such programs must be \$6.66 per contact hour. For programs leading to a college credit certificate or an AAS degree, the standard tuition must be \$71.98 per college credit hour for residents and nonresidents. The out-of-state fee for such programs must be \$215.94 per credit hour.

The bill eliminates an automatic annual increase of tuition per contact hour and out-of-state fee for workforce education programs. Instead, the bill specifies that the increase in the tuition and out-of-state fee for such programs must be based on the levels provided in the General Appropriations Act (GAA). If the rate is not provided in the GAA, the tuition and out-of-state fee must revert to the tuition and out-of-state fee level for the prior fiscal year. The bill also eliminates an obsolete provision regarding the five percent cap on the maximum increase in resident tuition for a school district or FCS institution over the tuition charged in the prior year. The cap was applicable for the 2007-2008 fiscal year.

Additionally, the bill eliminates specific authority for the SBE to adopt rules regarding the definitions and procedures that district school boards and FCS institution boards of trustees use to calculate costs borne by students.

Workforce Education Funding

The bill maintains current law that specifies that an AAS degree may be awarded only by a FCS institution but clarifies that if the AAS degree program contains within it a college credit certificate, that portion of the program may be offered by a school district career center. The bill

³² Sections 1009.22(3)(a) and 1009.21, F.S.

authorizes career centers to offer general education courses associated with the AAS degree program approved by the state board.

In addition, the bill requires each school district and FCS institution that receives state appropriations for workforce education programs to maintain adequate and accurate records, including a system to record secondary workforce education funding and expenditures as distinct from the postsecondary workforce education expenditures. Such records must be filed with the department in correct and proper form by a specified date established by law or SBE rule.

School districts must report full-time equivalent students by discipline category for workforce education and workforce education program. The bill requires an annual cost analysis of the school district workforce education programs. School districts must submit and accurately report annual financial reports on student fee revenues by fee type for the workforce education programs. The bill requires the DOE to develop a plan for comparable reporting of program, student, facility, personnel, and financial data between the FCS institutions and the school district workforce education programs.

The bill revises the calculation methodology for workforce education programs and requires that operational funding must be provided to school districts for workforce education programs based on weighted student enrollment and program costs determined by cost categories which must be used to identify high-cost programs, medium-cost programs, and low cost-programs. The cost analysis to determine the cost categories of workforce education programs must include at least both direct and indirect instructional costs, consumable supplies, equipment, and standard program length.

The bill also provides for performance funding for workforce education programs contingent on with recommended formulae, criteria, timeframes, and mechanisms for distributing performance funds by March 1. Programs must be rewarded if such programs:

- Prepare people to enter high-skill/high wage occupations identified by the Workforce Estimating Conference.
- Prepare adults who are eligible for public assistance or who are economically disadvantaged, disabled, not proficient in English, or dislocated workers for high-wage occupations.
- Increase student achievement in adult general education courses by measuring performance output and outcome measures.
- Award industry certifications.

The bill takes effect on July 1, 2014.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. **Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

Increased enrollment in college credit certificate and AAS degree programs is indeterminate.

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

None.

VIII. **Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 1001.44, 1002.34, 1004.02, 1007.23, 1007.25, 1009.22, 1009.53, 1009.532, 1009.536, and 1011.80.

IX. **Additional Information:**

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Education on March 25, 2014:

The committee substitute differs from SB 1202 in that the committee substitute:

- Adds criteria that a career center must meet to use the technical college designation.
- Eliminates an automatic annual increase of tuition and out-of-state fee per contact hour and credit hour for postsecondary workforce education programs and specifies that the increase in the tuition and out-of-state fee per must be based on the levels provided in the General Appropriations Act.
- Maintains current law regarding residency determination for tuition purposes for students enrolled in workforce education programs.
- Maintains current law regarding the out-of-state fee for adult general education programs.

- Revises the calculation methodology for workforce education programs and provides for performance funding for such programs.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
