

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/CS/CS/HB 487 Agricultural Industry Certifications

SPONSOR(S): Appropriations Committee; Agriculture & Natural Resources Subcommittee; Higher Education & Workforce Subcommittee; Raburn and others

TIED BILLS: None **IDEN./SIM. BILLS:** CS/SB 1206

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Higher Education & Workforce Subcommittee	12 Y, 0 N, As CS	Thomas	Sherry
2) Agriculture & Natural Resources Subcommittee	12 Y, 0 N, As CS	Kaiser	Blalock
3) Appropriations Committee	25 Y, 0 N, As CS	Lolley	Leznoff

SUMMARY ANALYSIS

Current law requires the State Board of Education (state board) to work with Workforce Florida, Inc., to develop and adopt rules for implementing an industry certification process.

The bill requires the Department of Agriculture and Consumer Services (DACs), in cooperation with the Institute of Food and Agricultural Science at the University of Florida and the College of Agriculture and Food Sciences at Florida Agriculture and Mechanical University, to annually provide to the state board and the Department of Education (DOE) information and industry certifications for farm occupations to be considered for placement on the Industry Certification Funding List and the Postsecondary Industry Certification Funding List. The information and industry certification provided must be based on the best available data.

The bill defines industry certification as:

- A voluntary process through which students are assessed by an independent, third-party certifying entity using predetermined standards for knowledge, skills, and competencies, resulting in the award of a credential that is nationally recognized and must be:
 - Within an industry that addresses a critical local or statewide economic need;
 - Linked to an occupation that is included in the workforce system's targeted occupation list; or
 - Linked to an occupation that is identified as emerging.

The bill requires the state board to use the expertise of DACs to develop and adopt rules for implementing an industry certification process, and specifies that, for farm occupations, industry certification must demonstrate student skill proficiency and be based upon the best available data to address critical local or statewide economic needs. The bill also requires the list of industry certifications approved by Workforce Florida, Inc., DACs, and DOE to be published and updated annually.

The bill does not appear to have a fiscal impact on state or local governments or the private sector.

The bill provides an effective date of July 1, 2014.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Industry Certifications

Section 1003.492, F.S., requires the State Board of Education (state board) to work with Workforce Florida, Inc., to develop and adopt rules for implementing an industry certification process. The Department of Economic Opportunity (DEO) is required to define industry certification based upon the highest available national standards for specific industry certification to ensure student skill proficiency and to address emerging labor market and industry trends.¹

DEO currently defines industry certification as “a voluntary process, through which individuals are assessed by an independent, third-party certifying entity using predetermined standards for knowledge, skills and competencies, resulting in the award of a time-limited credential that is nationally recognized and applicable to an occupation that is included in the workforce system’s targeted occupation list or determined to be an occupation that is critical, emerging, or addresses a local need.”²

The selection of industry certifications for academy courses and career-themed courses occurs in two phases. First, Workforce Florida, Inc. must identify industry certifications that meet the DEO definition and compile them into a comprehensive list.³ Second, the Department of Education (DOE) must:

- Review the comprehensive list;⁴
- Identify certifications that are academically rigorous and at least 150 hours in length;⁵
- Compile a preliminary list of industry certifications that qualify for additional weighted funding;⁶
- Consider district requests that industry certifications be added to the approved list;⁷ and
- Annually publish a final list.⁸

However, a regional workforce board or a school principal may apply to Workforce Florida, Inc., to request additions to the approved list of industry certification based on high-skill, high-wage, and high-demanding job requirements in the regional economy.⁹

Workforce Florida, Inc.’s, comprehensive list includes 428 industry certifications.¹⁰ From this list, DOE has identified 201 industry certifications and 287 postsecondary industry certifications as funding-eligible for the 2013 - 2014 school year.¹¹ Most industry certifications require passage of a subject area examination and some combination of work experience, educational attainment, or on-the-job training. DOE has approved industry certification in such career fields as information technology, automotive

¹ Section 1003.492(2), F.S.

² Florida Department of Education, Division of Career and Adult Education, *Career and Professional Education Act CAPE*, at 1 (2012), available at <http://www.fldoe.org/workforce/pdf/CAPE-Act-TechAssist.pdf>.

³ Section 1003.492(2), F.S.; Rule 6A-6.0573(1)-(3), F.A.C.; A regional workforce board or a school principal may apply to Workforce Florida, Inc., to request additions to the approved list of industry certification based on high-skills, high-wage, and high-demand job requirements in the regional economy.

⁴ Rule 6A-6.0573(3), F.A.C.

⁵ Rule 6A-6.0573(3)(b), F.A.C.

⁶ Rule 6A-6.0573(4), F.A.C.

⁷ Rule 6A-6.0573(4)(a) and (4)(b), F.A.C.

⁸ Rule 6A-6.0573(8), F.A.C.

⁹ Section 1003.492(2), F.S.

¹⁰ Workforce Florida, Inc. Career and Professional Education (CAPE), *2013-14 Comprehensive Industry Certification List*, <http://careersourceflorida.com/wp-content/uploads/2014/02/2013-14ComprehensiveCondensedFINAL.pdf>.

¹¹ Rule 6A-6.0573(6), F.A.C. The Industry Certification Funding List is incorporated by reference in the rule. See also Florida Department of Education, Division of Career and Adult Education, *2013-14 Final Industry Certification Funding List* (2013), available at www.fldoe.org/workforce/fcpea/pdf/1314icfl.pdf.

and aircraft mechanics, welding, and nursing. Certifying entities include Adobe Systems, Apple Computer, Inc., Hewlett-Packard, Microsoft Corporation, the National Institute for Automotive Services Excellence, the American Welding Society, the Federal Aviation Administration, and the Florida Department of Health.¹²

Industry certifications on the final approved list are eligible for additional weighted funding through the Florida Education Finance Program (FEFP). A value of 0.1 or 0.2 full-time equivalent student membership is calculated for each student who completes a career-themed course and who is issued an industry certification. A value of 0.2 full-time equivalent is calculated for each student who is issued an industry certification that articulates for college credits and a value of 0.1 for those industry certifications that do not articulate for college credit. Each district must allocate at least 80 percent of the funds provided for industry certification to the program that generated the funds. The allocation may not be used to supplant funds provided for basic operation of the program. The appropriation is limited to \$60 million annually. If the appropriation is insufficient, it is prorated.¹³

The approved list may include both industry certifications that are achievable in a secondary education program and those that have requirements, such as minimum age, grade-level, diploma or degree, or post-graduation work experience of at least 12 months that make it impossible for the student to obtain full certification while in a public secondary school program. Funding industry certifications in which full certification cannot be achieved in a secondary program allows students to work toward certifications while in high school, without having to fulfill all requirements before graduation.¹⁴

DOE must also collect student achievement and performance data in industry-certified career education programs and career-themed courses and must work with Workforce Florida, Inc., in the analysis of collected data. The data collection and analyses must examine the performance of participating students over time. Performance factors must include, but are not limited to, graduation rates, retention rates, Florida Bright Futures Scholarship awards, additional educational attainment, employment records, earnings, industry certification, and employer satisfaction.¹⁵

Effect of Proposed Change

Industry Certifications

The bill requires the Department of Agriculture and Consumer Services (DACS), in cooperation with the Institute of Food and Agricultural Science at the University of Florida and the College of Agriculture and Food Sciences at Florida Agriculture and Mechanical University, to annually provide to the state board and DOE information and industry certifications for farm occupations to be considered for placement on the Industry Certification Funding List and the Postsecondary Industry Certification Funding List. The information and industry certification provided must be based on the best available data.

The bill defines industry certification as:

- A voluntary process through which students are assessed by an independent, third-party certifying entity using predetermined standards for knowledge, skills, and competencies, resulting in the award of a credential that is nationally recognized and must be:
 - Within an industry that addresses a critical local or statewide economic need;

¹² See Florida Department of Education, Division of Career and Adult Education, *Industry Certification Descriptions*, <http://app1.fldoe.org/WEIndCert/Default.aspx> (last visited Mar. 12, 2014).

¹³ Section 1011.62(1)(o), F.S.; rule 6A-6.0573(3), F.A.C.

¹⁴ Section 1008.44(3), F.S. For industry certifications in which full certification cannot be achieved in a secondary program, the Commissioner of Education must differentiate the content, instructional, and assessment requirements for such industry certifications in determining funding. This allows students to work toward these certifications while in high school, without having to fulfill all requirements before graduation. *Id.*

¹⁵ Section 1003.492(3), F.S. A report of data on academies and career-themed courses must be submitted to the President of the Senate and Speaker of the House of Representatives by December 31, each year.

- Linked to an occupation that is included in the workforce system's targeted occupation list; or
- Linked to an occupation that is identified as emerging.

The bill requires the state board to use the expertise of DACS to develop and adopt rules for implementing an industry certification process, and specifies that, for farm occupations, industry certification must demonstrate student skill proficiency and be based upon the best available data to address critical local or statewide economic needs. The list of industry certifications approved by Workforce Florida, Inc., DACS, and DOE must be published and updated annually.

The bill requires DOE to include DACS in the analysis of collected student achievement and performance data in industry-certified career education programs and career-themed courses.

B. SECTION DIRECTORY:

Section 1: Amends s. 570.07, F.S., requiring the Department of Agriculture and Consumer Services to annually provide to the State Board of Education and the Department of Education industry certifications for farm occupations to be considered for placement on industry certification funding lists.

Section 2: Amends s. 1003.492, F.S., defining industry certification as part of career education programs; requiring the state board to adopt rules for implementing an industry certification process for farm occupations.

Section 3: Amends s. 1003.4935, F.S., conforming a cross-reference.

Section 4: Provides an effective date of July 1, 2014.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None

2. Expenditures:

None

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None

2. Expenditures:

None

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None

D. FISCAL COMMENTS:

The bill is not expected to have a fiscal impact since the industry certification courses generate bonus funding within the Florida Education Finance Program (FEFP) in addition to the funding provided for basic operations. The additional funding is limited to \$60 million annually and is prorated if the appropriation is insufficient.

The Department of Agriculture and Consumer Services anticipates that the responsibilities required by the bill can be achieved within existing resources.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require municipalities or counties to expend funds or to take any action requiring the expenditure of funds, reduce the authority that municipalities or counties have to raise revenues in the aggregate, or reduce the percentage of state tax shared with municipalities or counties.

2. Other:

B. RULE-MAKING AUTHORITY:

The bill requires the state board to include the expertise of the Department of Agriculture and Consumer Services for implementing an industry certification process. The state board would have to amend the current industry certification process.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On March 5, 2014, the Higher Education & Workforce Subcommittee reported HB 487 favorably as a committee substitute. There was a strike-all amendment to the bill that:

- Requires DACS, in cooperation with the Institute of Food and Agricultural Science at the University of Florida and the College of Agriculture and Food Sciences at Florida Agriculture and Mechanical University, to annually provide to the state board and DOE information and industry certifications for farm occupations to be considered for placement on the Industry Certification Funding List and the Postsecondary Industry Certification Funding List.
- Provides a definition of industry certification.
- Requires the state board to use the expertise of DACS to develop and adopt rules for implementing an industry certification process.
- Requires DOE to include DACS in the analysis of collected student achievement and performance data in industry-certified career education programs and career-themed courses.

This analysis is drafted to the committee substitute as passed by the Higher Education & Workforce Subcommittee.

On March 18, 2014, the Agriculture and Natural Resources Subcommittee reported CS/HB 487 favorably as a committee substitute. There were two amendments to CS/HB 487.

The first amendment removed the words "time-limited" as used to describe the industry certification process. Many of the industry certifications on the state's industry certification list and post-secondary industry certification list are not time limited, meaning a person does not have to be recertified. The second amendment amended the definition of "agritourism activity" to include skydiving.

This analysis is drafted to the committee substitute as passed by the Agriculture and Natural Resources Subcommittee.

On April 10, 2014, the Appropriations Committee reported CS/CS/HB 487 favorable as a committee substitute. There was one amendment.

The amendment removed the agritourism section of the bill that added skydiving as an agritourism activity.

This analysis is drafted to the committee substitute as passed by the Appropriations Committee.