

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

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| BILL #: | CS/CS/CS/HB 487 | FINAL HOUSE FLOOR ACTION: | |
| SPONSOR(S): | Appropriations Committee; Agriculture & Natural Resources Subcommittee; Higher Education & Workforce Subcommittee; Raburn and others | 116 Y's | 0 N's |
| COMPANION BILLS: | CS/SB 1206 | GOVERNOR'S ACTION: | Approved |

SUMMARY ANALYSIS

CS/CS/CS/HB 487 passed the House on April 25, 2014, and subsequently passed the Senate on April 29, 2014.

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 certifications 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 require students to demonstrate 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 was approved by the Governor on May 12, 2014, ch. 2014-33, L.O.F., and will become effective on July 1, 2014.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF 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.

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.fl DOE.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.fl DOE.org/workforce/fcpea/pdf/1314icfl.pdf and the Postsecondary Industry Certification Funding list available at

DOE has approved industry certification in such career fields as information technology, automotive 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 is calculated 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 (DACCS), 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:

<http://www.fldoe.org/workforce/pdf/PS-ICFL.pdf>. Industry certifications may be duplicated on the Industry Certification Funding List and the Postsecondary Industry Certification Funding List.

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

- 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 require students to demonstrate 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.

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.

