

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 Appropriations Subcommittee on Education

BILL: PCS/CS/SB 1568 (219554)

INTRODUCER: Appropriations Subcommittee on Education; Education Committee and Senator Hutson

SUBJECT: Education

DATE: February 26, 2020

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Bouck</u>	<u>Sikes</u>	<u>ED</u>	Fav/CS
2.	<u>Underhill</u>	<u>Elwell</u>	<u>AED</u>	Recommend: Fav/CS
3.	_____	_____	<u>AP</u>	_____

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

PCS/CS/SB 1568 modifies Florida's career and technical education program to provide supports for students in work-based learning programs, modify funding incentives for industry certifications, and establish a process to evaluate innovative delivery of career instruction. Specifically, the bill:

- Requires that certain individuals in a work-based learning experience are deemed to be employees of the state for purposes of workers' compensation, and:
 - Establishes a reporting requirement about students participating in specified programs or courses.
 - Specifies responsibilities for the costs of workers' compensation and payments to the Division of Risk Management of the Department of Financial Services.
- Changes provisions related to Career and Professional Education (CAPE) industry certifications by:
 - Clarifying Commissioner of Education authority regarding CAPE industry certifications and CAPE Digital Tool Certificates.
 - Modifying the award and use of CAPE industry certification bonus funds relating to credit awarded under statewide articulation agreements.
 - Providing bonus funds for aviation and aerospace industry certifications.
- Requires the Commissioner of Education to submit a report by December 1, 2020, meeting specified requirements, to determine the feasibility of implementing a Pathways in Technology Early College High School (P-TECH), or similar program, in Florida.

The revisions to the award of CAPE industry certification bonus funds and bonus funds for completion of Federal Aviation Administration industry certifications may affect the amount a school district annually earns in the FEFP or the amount a school district or college earns in Performance Based Incentive funding in the General Appropriations Act depending on the number of industry certifications completed by students; however, the revisions to the bonus awards do not require an additional appropriation.

The bill requires the Department of Education to pay the Division of Risk Management four equal payments of \$470,000 in the 2020-2021 fiscal year to cover the additional claim costs for participants in preapprenticeship and work-based learning programs.

The fiscal impact is discussed in section V.

The bill takes effect on July 1, 2020.

II. Present Situation:

Work-based Learning

Federal legislation defines work-based learning (WBL) as “sustained interactions with industry or community professionals in real workplace settings, to the extent practicable, or simulated environments at an educational institution that foster in depth, firsthand engagement with the tasks required in a given career field, that are aligned to curriculum and instruction.”¹ Learning set in the real-world context of work not only makes academic learning more accessible to many students but also increases their engagement in schooling. WBL can play a crucial role in improving outcomes for at-risk students by increasing their engagement in learning, whether in or out of school.²

WBL takes many forms, such as internships, job shadowing, service learning or preapprenticeships, and is defined by activities and experiences that occur when a student or worker:³

- Goes to a workplace or works with an employer.
- Does meaningful job tasks that develop his or her skills, knowledge, and readiness for work and support entry or advancement in a particular career field.

WBL is comprised of identified courses that involve on-the-job training which is an instructional method whereby students acquire knowledge and skills exclusively on-site with a business or industry partner instead of a traditional classroom setting. WBL may also be delivered through

¹ Perkins V (The Strengthening Career and Technical Education for the 21st Century Act) and other federal legislation reference and support work-based learning, including in the Every Student Succeeds Act of 2015 (ESSA), and the Workforce Innovation and Opportunity Act of 2014 (WIOA).

² Email from Jared Ochs, Director of Legislative Affairs, Florida Department of Education (Jan. 23, 2020) (on file with the Senate Committee on Education).

³ Jobs for the Future, Center for Apprenticeship & Work-Based Learning, *What is Work-Based Learning?*, <https://center4apprenticeship.jff.org/work-based-learning/> (last visited Jan. 23, 2020). See also Southern Regional Education Board, *Work-Based Learning*, <https://www.sreb.org/node/1923> (last visited Jan. 23, 2020).

utilization of the cooperative method of instruction which is delivered through formal classroom instruction and on-the-job learning, on-site, with a business or industry partner.⁴

Recent research, policy literature, and federal legislation suggest that comprehensive WBL programs contain three key components: the alignment of classroom and workplace learning; application of academic, technical, and employability skills in a work setting; and support from classroom or workplace mentors.⁵

In 2018-2019, there were 19,992 students enrolled in secondary on-the-job training, preapprenticeship, work experience, and other WBL courses.⁶

Workers' Compensation

Workers' compensation is a form of insurance designed to provide wage replacement and medical benefits for employees who are injured in the course of employment, in exchange for giving up the right to sue the employer for negligence. In Florida, workers' compensation is governed by ch. 440, F.S., the "Workers' Compensation Law." The law prescribes coverage requirements, medical and indemnity benefits, the rights and responsibilities of employers, injured employees, medical providers, and carriers, as well as procedures for dispute resolution.

In general, employers are required to provide medical and indemnity benefits to a worker who is injured due to an accident arising out of and during the course of employment.⁷ For such injuries, an employer is responsible for providing medical treatment,⁸ and compensation in the event of employee disability or death.⁹ Specific employer coverage requirements are based on the type of industry, number of employees, and entity organization.¹⁰

State Risk Management Program

The Division of Risk Management (DRM)¹¹ located within the DFS is responsible for ensuring that state agencies and universities participating in the state's self-insurance program receive quality coverage for workers' compensation, general liability, federal civil rights, auto liability, and property insurance at reasonable rates. The DRM's operations and the state's insurance coverage are funded by annual agency assessments, which are deposited into the State Risk Management Trust Fund (SRMTF). The SRMTF provides coverage that protects state property

⁴ Email from Jared Ochs, Director of Legislative Affairs, Florida Department of Education (Jan. 23, 2020) (on file with the Senate Committee on Education).

⁵ United States Department of Education, *Work-Based Learning Toolkit*, <https://cte.ed.gov/wbltoolkit/> (last visited Jan 23, 2020).

⁶ Email from Jared Ochs, Director of Legislative Affairs, Florida Department of Education (Jan. 23, 2020) (on file with the Senate Committee on Education).

⁷ Section 440.09(1), F.S.

⁸ Section 440.13, F.S.

⁹ See ss. 440.15 and 440.16, F.S.

¹⁰ Division of Workers' Compensation, *Coverage Requirements*, <https://www.myfloridacfo.com/division/wc/Employer/coverage.htm> (last visited on Jan. 2, 2018).

¹¹ Section 20.121(2)(h), F.S.

and workforce members that are exposed to the risk of financial losses through damage, injuries, and alleged negligent or improper acts.¹²

Career and Professional Education Industry Certifications

The purpose of career education is to enable students who complete career programs to attain and sustain employment and realize economic self-sufficiency.¹³

In 2007, the Legislature passed the Career and Professional Education (CAPE) Act,¹⁴ to provide a statewide planning partnership between the business and education communities in order to attract, expand, and retain targeted, high-value industry and to sustain a strong, knowledge-based economy.¹⁵

An industry certification is 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.¹⁶ Industry certifications that generate bonus funds for school districts are included on the CAPE Industry Certification Funding List,¹⁷ which also contains the industry certifications on the career pathways list approved for the Florida Gold Seal Vocational Scholars award.¹⁸

The Department of Education (DOE) identifies career certificates, industry certifications, and career courses. At least annually, the DOE and the commissioner must identify additional career certificates, industry certifications, and career courses, which includes CAPE industry certifications identified on the CAPE Industry Certification Funding List that must be applied in the distribution of funding to school districts.¹⁹

The CAPE Act provides multiple options for students to attain digital skills through digital tools and industry certifications.²⁰ Digital tools are certificates reflecting core computer skills. The DOE is required to annually identify, and the commissioner may recommend, up to 15 CAPE Digital Tool certificates for inclusion on a CAPE Industry Certification Funding List.²¹

¹² Florida Department of Economic Opportunity, Economic and Demographic Research, *Risk Management Trust Fund* (Dec. 18, 2019), available at <http://edr.state.fl.us/Content/conferences/riskmanagement/riskmanagementexecsumm.pdf>.

¹³ Section 1004.92(1), F.S.

¹⁴ Chapter 2007-216, L.O.F.

¹⁵ Section 1003.491, F.S.

¹⁶ Rule 6A-6.0573(2)(e), F.A.C.

¹⁷ The “CAPE Industry Certification Funding List” means a list of industry certifications, certificates, and courses adopted by the State Board of Education for implementation of the Florida CAPE Act. Rule 6A-6.0573(2)(b), F.A.C.

¹⁸ Section 1008.44(1)(a), F.S. *See also* s. 1009.536, F.S., for the requirements of a Florida Gold Seal Vocational Scholars award.

¹⁹ Section 1008.44(1), F.S.

²⁰ Section 1003.4203, F.S.

²¹ Section 1008.44(1)(b), F.S. In 2018-2019, secondary students earned 61,873 digital tools. Florida Department of Education, *2018-2019 Career and Adult Education Quick Facts*, available at <http://www.fldoe.org/core/fileparse.php/9904/urlt/1819quickfacts.pdf>.

The commissioner may limit CAPE industry certifications and CAPE Digital Tool certificates to students in certain grades based on formal recommendations by providers of CAPE industry certifications and CAPE Digital Tool certificates.²²

Funding for Workforce Education Programs

Workforce education may be conducted by a Florida College System (FCS) institution or a school district, and includes:²³

- Adult general education programs designed to improve the employability skills of the state's workforce.
- Career certificate programs.
- Applied technology diploma programs.
- Continuing workforce education courses.
- Degree career education programs.
- Apprenticeship and preapprenticeship programs.

A school district or an FCS institution that provides workforce education programs receive funds in accordance with distributions for base and performance funding established by the Legislature in the General Appropriations Act (GAA).²⁴

Performance funding for industry certifications for school district workforce education programs²⁵ and FCS institutions²⁶ is contingent upon a specific appropriation in the GAA and is determined by criteria specified in law,²⁷ which specifies that each school district or FCS institution must be provided \$1,000 for each industry certification earned by a workforce education or FCS institution student. If funds are insufficient to fully fund the calculated total award, such funds are prorated.

Bonus Funds for CAPE Industry Certifications

School districts are eligible for bonus funds for student completion of specified career courses and industry certifications. In addition to full-time equivalent (FTE) bonus funding for CAPE Digital Tool Certificates, CAPE Innovation courses,²⁸ and CAPE Acceleration certifications,²⁹ the district may receive:

²² Section 1008.44(4)(b), F.S.

²³ Section 1011.80(1) and (2), F.S.

²⁴ Section 1011.80(7)(a), F.S.

²⁵ Section 1011.80(7), F.S.

²⁶ Section 1011.81(2), F.S.

²⁷ See ss. 1011.80(7) and 1011.81(2), F.S.

²⁸ CAPE Innovation courses are up to five courses annually approved by the commissioner that combine academic and career content, and performance outcome expectations that, if achieved by a student, shall articulate for college credit and be eligible for additional full-time equivalent membership. Section 1003.4203(5)(a), F.S.

²⁹ CAPE Acceleration are industry certifications, annually approved by the commissioner, that articulate for 15 or more college credit hours and, if successfully completed, are eligible for additional FTE bonus funds. Section 1003.4203(5)(b), F.S.

- A value of 0.1 or 0.2 FTE student membership³⁰ for each student who completes a career-themed course³¹ or courses with embedded CAPE industry certifications and who earns a CAPE industry certification.
- A value of 0.2 FTE for each student who is issued a CAPE industry certification that has a statewide articulation agreement for college credit approved by the SBE.
- A value of 0.1 FTE for each student who is issued a CAPE industry certifications that does not articulate for college credit.

Each district must allocate at least 80 percent of the bonus funds provided for CAPE industry certification to the program that generated the funds. This allocation may not be used to supplant funds provided for basic operation of the program.³²

In 2019-2020, the estimated value of the FTE bonus for career-themed courses and industry certifications in all school districts is approximately \$81.7 million.

Pathways in Technology Early College High School (P-TECH)

P-TECH, co-developed by the IBM Corporation, is an approach to education that blends high school, community college and workplace skills.³³ P-TECH schools are primarily public schools, governed and supported by the local school district, although there are some examples of similar charter schools. P-TECH is designed to help close the achievement gap among underserved youth. Within six years of enrolling in ninth grade, students graduate with their high school diplomas, no-cost associate degrees and applicable credentials, and participate in workplace learning opportunities.³⁴

P-TECH schools are defined by a set of six key tenets:³⁵

- Public-private partnership;
- Six year integrated program;
- Workplace learning including internships;
- Open enrollment with no grade or testing requirements;
- Cost-free; and
- First in-line for job openings with industry partners.

³⁰ A 0.1 FTE bonus would equal \$427.95, and a 0.2 FTE bonus would equal \$855.90; based on the base student allocation of \$4,279.49 in the Florida Education Finance Program, identified in Specific Appropriation 93, s. 2, ch. 2019-115, L.O.F.

³¹ A “career-themed course” is a course, or a course in a series of courses, that leads to an industry certification identified in the CAPE Industry Certification Funding List pursuant to rules adopted by the State Board of Education. Career-themed courses have industry-specific curriculum aligned directly to priority workforce needs established by the local workforce development board or the Department of Economic Opportunity. Section 1003.493(1)(b), F.S.

³² Section 1011.62(1)(o)2., F.S.

³³ P-TECH, *P-TECH About* <http://www.ptech.org/about/> (last visited Dec. 17, 2019).

³⁴ P-TECH, *P-TECH Mission* <http://www.ptech.org/about/mission/> (last visited Dec. 17, 2019).

³⁵ *Id.*

The P-TECH model has expanded to 200 schools³⁶ in 23 countries and eight states³⁷, serving 100,000 students³⁸ since its founding in 2011. The P-TECH programs currently in operation have developed 12 different pathways based on regional workforce demand, including:³⁹

- Construction technology;
- Process technology;
- Cybersecurity;
- Business;
- Mechanical engineering;
- Energy management;
- Healthcare;
- Advanced manufacturing;
- Machining;
- Early childhood education;
- Computer science; and
- Networking technology.

III. Effect of Proposed Changes:

The bill modifies Florida's career and technical education program to provide supports for students in work-based learning programs, modify funding incentives for industry certifications, and establish a process to evaluate innovative delivery of career instruction. Specifically, the bill:

- Requires that certain individuals in a work-based learning experience are deemed to be employees of the state for purposes of workers' compensation, and:
 - Establishes a reporting requirement about students participating in specified programs or courses.
 - Specifies responsibilities for the costs of workers' compensation and payments to the Division of Risk Management of the Department of Financial Services.
- Changes provisions related to Career and Professional Education (CAPE) industry certifications by:
 - Clarifying Commissioner of Education authority regarding CAPE industry certifications and CAPE Digital Tool Certificates.
 - Modifying the award and use of CAPE industry certification bonus funds relating to credit awarded under statewide articulation agreements.
 - Providing bonus funds for aviation and aerospace industry certifications.
- Requires the Commissioner of Education to submit a report by December 1, 2020, meeting specified requirements, to determine the feasibility of implementing a Pathways in Technology Early College High School (P-TECH), or similar program, in Florida.

³⁶IBM, *P-TECH: when skills meet opportunity, success happens* <https://www.ibm.com/thought-leadership/ptech/index.html> (last visited Jan. 8, 2020).

³⁷P-TECH, *P-TECH Our Schools* <http://www.ptech.org/resources/schools-map/> (last visited Jan. 8, 2020).

³⁸IBM, *P-TECH: when skills meet opportunity, success happens* <https://www.ibm.com/thought-leadership/ptech/index.html> (last visited Jan. 8, 2020).

³⁹ P-TECH, *P-TECH Network, Our Schools, USA* <http://www.ptech.org/p-tech-network/our-schools/usa/> (last visited Dec. 17, 2019).

Work-based Learning

The bill creates s. 446.541, F.S. to provide a definition of “work-based learning” as synonymous with “on-the-job training” and means interactions with industry or community professionals in off-campus workplaces which foster in-depth, firsthand engagement with the tasks required in a given career field and which are aligned to curriculum and instruction, through an apprenticeship program or a pre-apprenticeship program or as a student in a course identified in the Course Code Directory (CCD).⁴⁰

The bill provides that the following participants in work-based learning are deemed to be employees of the state for purposes of workers’ compensation, and insured in the manner provided pursuant to chapter 284, except as otherwise provided:

- Individuals 18 years of age or younger who are enrolled in a Florida-registered preapprenticeship program that requires work-based learning or a registered apprenticeship program administered under ss. 446.011 through 446.092, F.S.
- Any students in grades 6 through 12 who are enrolled in a course identified in the CCD which incorporates a work-based learning component or an activity that is unpaid.

The bill establishes a reporting requirement for program and course providers and the Department of Education (DOE), as follows:

- Each preapprenticeship program and apprenticeship program registered with the DOE, and each school board, community college, or career center offering courses identified in the CCD that incorporates a work-based learning component or an activity that is unpaid, must provide the following information to the DOE not later than 30 days after a participant begins his or her participation in work-based learning:
 - The name of each such participant;
 - The amount hourly compensation to be paid to such participant, if any; and
 - The number of hours per week that such participant will be receiving on-the job training as a participant in and required for the preapprenticeship program, apprenticeship program, or course which incorporates a work-based learning component or an activity that is unpaid.
- The DOE is required to provide such information to the Division of Risk Management of the Department of Financial Services (division), together with any additional information required by the division for the purposes of administering chapter 284, regarding state risk management.

The bill establishes the responsibility for payment of workers’ compensation costs, and a process for payments to the division. The bill specifies that workers’ compensation costs associated with participants must not be included or combined with the premiums otherwise due from the DOE relating to state risk management in chapter 284. Such costs must be billed separately to the DOE’s workforce education programs and are payable solely from appropriations provided to the DOE’s workforce education programs or specifically for the payment of such costs.

⁴⁰ The Course Code Directory (CCD) lists all public preK-12 and postsecondary career and technical education courses available for use by school districts. Programs and courses funded through the Florida Education Finance Program and courses or programs for which students may earn credit toward high school graduation must be listed in the CCD. The CCD maintains course listings for administration and service assignments, K-12 education, exceptional student education, career and technical education, and adult education. Rule 6A-1.09441, F.A.C.

The bill provides that, notwithstanding provisions in ss. 284.36 and 284.44, F.S., relating to premium payments and salary indemnification costs, the DOE is responsible for paying workers' compensation costs for such participants who are entitled to workers' compensation benefits, solely from funds appropriated to the DOE for such purpose. Coverage for such workers compensation benefits must be provided by the division. The bill specifies that, for the 2020-2021 fiscal year, the DOE must pay the division \$470,000 on August 15, 2020, on November 15, 2020, on February 1, 2021, and on May 15, 2021, for such costs. For subsequent fiscal years, the division must bill the DOE for such workers compensation costs quarterly, based on such costs from the preceding state fiscal year. The DOE must pay such quarterly bills on August 15, on October 15, on February 15, and on May 15, of each fiscal year.

Career and Professional Education Industry Certifications

The bill modifies s. 1008.44, F.S., to require that the DOE and the commissioner identify industry certifications for the CAPE industry certification list that are associated with aviation-related and aerospace-related occupations. The bill specifies that such industry certifications are eligible for additional full-time equivalent membership bonus funds. The bill also provides greater authority to the commissioner to limit CAPE industry certifications and digital tools to certain grades for the purposes of calculating additional FTE membership for the industry certification bonus funding. These limitations no longer require recommendations by CAPE providers.

The bill also changes a reference from the Florida Gold Seal Vocational Scholars award to the Florida Gold Seal CAPE Scholars award for the identification of CAPE industry certifications on the career pathways list. This corrects the reference to the appropriate Bright Futures Scholarship Program award. The Florida Gold Seal Vocational Scholars award does not require completion of CAPE industry certifications. The Florida Gold Seal CAPE Scholars award requires a student to earn a minimum of five postsecondary credit hours through approved CAPE industry certifications which articulate for college credit.⁴¹

Funding for Workforce Education Programs

The bill maintains in ss. 1011.80 and 1011.81, F.S., the \$1,000 bonus for school districts and FCS institutions for industry certifications earned by students. In addition, effective on July 1, 2021, for each professional-level, Federal Aviation Administration (FAA) industry certification earned by a student, each school district or FCS institution must be provided a total of \$6,000. If funds are insufficient to fully fund the calculated total award, such funds must be prorated.

Bonus Funds for CAPE Industry Certifications

The bill modifies, effective on July 1, 2021, the FTE bonus funding in s. 1011.62, F.S., for CAPE industry certifications with a statewide articulation agreement for college credit, and specifies that:

- A value of 0.2 FTE is calculated for a CAPE industry certification that has a statewide articulation agreement of 4 to 14 college credits.

⁴¹ Section 1009.536(2), F.S.

- A value of 0.2 FTE is calculated for a CAPE industry certification that has a statewide articulation agreement of 1 to 3 college credits and is deemed by the department to be of sufficient rigor and to be linked to a high-skill occupation.
- A value of 0.1 FTE is calculated for all other CAPE industry certifications with a statewide articulation agreement of 1 to 3 college credits.
- A supplemental value of 0.2 FTE is calculated for industry certifications identified on the CAPE Industry Certification Funding List as leading to employment in aviation-related or aerospace-related occupations and meeting specified criteria prescribed by the DOE.

The bill removes the prohibition that additional FTE calculations for an elementary or middle school student may not exceed 0.1 for certificates or industry certifications earned in the same fiscal year. The bill also provides flexibility to the school district by removing the requirement that the bonus funds must be provided to the teachers employed by the district in the year that the FTE bonus funds is included in the calculation.

According to information published on the DOE website, there are 115 industry certification articulation agreements that generate from 1 to 3 credits, and 25 articulation agreements that generate from 4 to 14 college credits.⁴² In addition to the three FAA Aviation programs, there is only one other articulation agreement that generates over 14 college credits;⁴³ the bonus funding level for that agreement is unclear.

This modification will provide a lower bonus (0.1 from 0.2 FTE) for those CAPE industry certifications that generate from 1 to 3 colleges credits in an articulation agreement, but have not been identified by the DOE as rigorous or linked to a high-skill occupation.

The bill also specifies that the 20 percent of bonus funds that are not required to be allocated to the program that generated the bonus may be used for other CAPE program expenses, such as administrative costs, which may not exceed five percent of the funds provided, and new industry certification programs. All such funds must be used for CAPE programs, and may not be used to supplant operations funds, such as teacher salaries and other costs that are funded with non-CAPE funds for other courses.

Pathways in Technology Early College High School (P-TECH)

The bill requires the P-TECH program, or a similar program, to achieve the following:

- Incorporate secondary and postsecondary education with workforce education and work experience in a flexible 6-year integrated model.
- Allow students to earn a high school diploma, an associate degree, and applicable industry certifications and gain work experience, within six years after enrolling in the 9th grade.
- Have an open enrollment policy that encourages a diverse student body, including students from low-income families and first-generation college students.
- Support student success through flexible class scheduling, advising and mentoring, and other wrap-around services.

⁴² Florida Department of Education, *Quick Reference Guide for Active Gold Standard Career Pathways Articulation Agreements* (May 2019), available at <http://www.fldoe.org/core/fileparse.php/7525/urlt/active-articulation-summary.xls>.

⁴³ The agreement is: MSSC Certified Production Technician (CPT) (15 credits). *Id.*

- Provide seamless articulation to Florida’s postsecondary institutions.

The commissioner’s report must, at a minimum, include the following:

- Timelines for implementing a P-TECH program, or similar program, including courses of study which support completion in four to six years and which meet regional workforce demand.
- A funding model that provides the P-TECH program, or similar program, at no cost to students and may incorporate K-12, postsecondary, and workforce funding, grants, scholarships, and other funding options.
- Partnerships with industries and businesses, including private investment, work-based job training, internships, and priority placement for job opportunities after graduation.
- Recommendations for modifications, if any, to the school and school district accountability requirements.⁴⁴

The bill provides that this section of law will be effective upon becoming law and expire on December 1, 2020.

The bill takes effect on July 1, 2020, unless otherwise specified.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

⁴⁴ Section 1008.34, F.S.

B. Private Sector Impact:

School districts that pay workers' compensation expenses for participants in work-based learning programs would likely see a reduction in workers' compensation costs. The reduction in workers' compensation costs is not known.⁴⁵

C. Government Sector Impact:

The Division of Risk Management (DRM) would incur additional claims costs for covering participants in preapprenticeship and work-based learning programs.⁴⁶

Using a two percent annual claim rate seen in similar programs, and assuming most of the estimated 46,606 participants were working on a part-time basis, a total of 23,303 FTE participants could be added to the count for workers' compensation coverage, with an additional 466 new claims per year. Such an increase in the number of claims would require a minimum of two additional FTE in order to handle the increased workload. The estimated recurring cost of this FTE is \$119,400.

Based on statistics for other programs, the DRM has paid an average of \$3,176 per year, per claim, for medical, legal, and expense costs. For 466 new claims each year, the DRM estimates annual medical claim costs, legal costs and expenses of approximately \$1,480,016 would be paid for the new participants.

The bill requires the Department of Education to pay the Division of Risk Management four equal payments of \$470,000 in the 2020-2021 fiscal year to cover the additional claim costs for covering participants in preapprenticeship and work-based learning programs. For subsequent years, the bill specifies further that these premium costs will be billed separately to the department's workforce education programs and are payable solely from appropriations provided for such programs or specifically for the payment of such costs.

The restructuring of the CAPE industry certification bonus awards in the FEFP will potentially affect the amount of bonus funding that each school district earns. In addition, the new \$6,000 bonus for Federal Aviation Administration industry certifications for the Performance Based Incentive funding in the GAA for school district workforce programs and colleges will also potentially increase the earned bonus funds for school districts and colleges. No additional appropriation is required.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

⁴⁵ Florida Department of Financial Services, *2020 Legislative Bill Analysis* (Feb. 17, 2020).

⁴⁶ *Id.*

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1008.44, 1011.62, 1011.80 and 1011.81.

This bill creates section 446.541 of the Florida Statutes.

This bill creates an unnumbered section of law.

IX. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

Recommended CS/CS by Appropriations Subcommittee on Education on February 25, 2020:

The committee substitute:

- Removes from the bill the provisions relating to:
 - Apprenticeship and preapprenticeship programs, the State Apprenticeship Advisory Council, and the Florida Pathways to Career Opportunities Grant Program.
 - The change from a required to an optional course the middle school course in career and education planning and the authorization for the Florida Virtual School to offer the course.
 - The authorization for school districts and regional consortia to recommend career-themed courses for approval.
 - The modifications to the use of computer science teacher incentive funds.
 - The requirement for the Articulation Coordinating Committee to identify specified mathematics pathways.
- Maintains the provision relating to the requirement that certain individuals in a work-based learning experience are deemed to be employees of the state for purposes of workers' compensation, with the following modifications:
 - Establishes a reporting requirement about students participating in specified programs or courses.
 - Specifies responsibilities for the costs of workers' compensation and payments to the Division of Risk Management of the Department of Financial Services.
- Maintains the provisions, related to Career and Professional Education (CAPE) industry certifications but establishes an effective date, which:
 - Clarify Commissioner of Education authority regarding CAPE industry certifications and CAPE Digital Tool Certificates.
 - Modify the award and use of CAPE industry certification bonus funds relating to credit awarded under statewide articulation agreements, effective July 1, 2021.
 - Provide CAPE industry certification, and workforce education and Florida College System bonus funds, for aviation and aerospace industry certifications, effective July 1, 2021.
- Adds to the bill a requirement that the Commissioner submit a report by December 1, 2020, meeting specified requirements, to determine the feasibility of implementing a

Pathways in Technology Early College High School (P-TECH), or similar program, in Florida.

CS by Education on January 27, 2020:

The committee substitute maintains the substance of the bill, which

- Broadens the scope of apprenticeship and preapprenticeship programs (programs) to additional apprenticeship program sponsors (sponsors) and occupations, and:
 - Clarifies that sponsors are responsible for program supervision, subject to uniform minimum standards developed by the Department of Education (DOE).
 - Clarifies the duties of the DOE regarding apprenticeship and preapprenticeship programs.
 - Revises the membership and scope of the State Apprenticeship Advisory Council.
 - Changes the selection criteria and use of funds for the Florida Pathways to Career Opportunities Grant Program.
- Specifies that students in a preapprenticeship program or courses with a work-based component are deemed to be employees of the state for workers' compensation purposes.
- Modifies provisions related to elementary and secondary career education to:
 - Make optional the middle school course in career and education planning.
 - Authorize school districts and regional consortia to work with national providers to submit career-themed courses for approval.
 - Modify the requirement for computer science instruction in elementary school, and expand the use of computer science teacher incentive funds.
- Changes provisions related to Career and Professional Education (CAPE) industry certifications to clarify Commissioner of Education authority, associated CAPE scholarship, and also modify the award and use of CAPE industry certification bonus funds.
- Requires the Articulation Coordinating Committee to identify mathematics pathways aligned to programs, meta-majors, and careers.

The committee substitute also:

- Makes technical changes to the section created in the bill regarding work-based learning (WBL) to clarify that the provision in the bill that students in WBL or preapprenticeship programs are employees of the state for workers' compensation coverage applies only to medical care as a result of injury.
- Includes state universities as partners to provide related technical instruction as a part of an apprenticeship program, and to ensure completers of a registered apprenticeship program is able to receive college credit.
- Reinstates the references to "registered" apprenticeship that was removed in the bill.
- Encourages school districts, Florida College System (FCS) institutions, and state universities to cooperate to ensure that apprenticeship completers can earn college credit.
- Provides flexibility to the Department of Education to determine the "need" for an apprenticeship program in the approval process.
- Specifies that the Florida Virtual School may offer the middle school course in career and education planning.

- Adds industry certifications associated with aviation and aerospace to the requirement for addition to the CAPE industry certification list, and:
 - Provides a 0.2 FTE bonus for CAPE industry certifications in aviation or aerospace, subject to repeal on July 1, 2023.
 - Clarifies that articulation agreements used to determine CAPE industry certification bonus funds are statewide articulation agreements.
 - Limits the use of bonus funds for administrative costs to 5 percent.
- Provides a \$6,000 bonus to a school district or FCS institution for each FAA industry certification earned by one of its students.

B. Amendments:

None.