FLORIDA HOUSE OF REPRESENTATIVES FINAL BILL ANALYSIS

This bill analysis was prepared by nonpartisan committee staff and does not constitute an official statement of legislative intent.

BILL #: CS/HB 681 COMPANION BILL: CS/SB 1458 (DiCeglie)

TITLE: Apprenticeship and Preapprenticeship Program | LINKED BILLS: None

Funding RELATED BILLS: None SPONSOR(S): Melo

FINAL HOUSE FLOOR ACTION: 117 Y's 0 N's GOVERNOR'S ACTION: Pending

SUMMARY

Effect of the Bill:

The bill provides consistency and transparency in the administration of apprenticeship and preapprenticeship programs for both Local Education Agencies (LEA) and their registered apprenticeship and preapprenticeship (RA) partners. The Department of Education (DOE) must develop uniform minimum standards and policies governing apprenticeship and preapprenticeship to address open negotiations between LEAs and their RA partners as well as funding transparency. The bill amends the deadline for the DOE annual apprenticeship report and requires the report to include additional information regarding program partner responsibilities and costs. The DOE must develop a standard model contract for use by LEAs and their RA partners. Finally, the DOE must create, by July 1, 2026, an apprenticeship funding transparency tool showing historical funding amounts provided for apprenticeship and preapprenticeship programs at school districts and Florida College System institutions.

The District Workforce Education Funding Steering Committee must hold public meetings, and publish all related work papers, when conducting meetings for the purpose of taking actions or recommending the workload for a funding model to the DOE. The DOE must provide the funding model to the Legislature no less than 2 months prior to the start of the regular session of the Legislature.

Fiscal or Economic Impact:

None

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ANALYSIS

EFFECT OF THE BILL:

The bill provides consistency and transparency in the administration of apprenticeship and preapprenticeship programs for both Local Education Agencies (LEA) and their registered apprenticeship and preapprenticeship (RA) partners. The Department of Education (DOE) must develop uniform minimum standards and policies governing apprenticeship and preapprenticeship to address open negotiations between LEAs and their RA partners as well as funding transparency. Under the new standards and policies, the LEA must ensure that all parties understand the total amount of apprenticeship funding and allocations. The terms of a partnership between a RA program and the LEA must be documented in an agreement and the LEA may not impose additional fees or withhold additional funds beyond the agreed upon amount in such agreement.

The bill amends the deadline for the DOE annual apprenticeship report from September 1 to November 30, to better align with the availability of data and permit the DOE sufficient time to compile the data, and updates the required contents of the report to include a summary of LEA and RA partner responsibilities as well as program costs and expenditures. The report must now include data on the total amount of funds expended by each LEA for apprenticeship programs, total funds received and allocated by training provider, program, and occupation, and the total number of personnel hours required to administer each program. The changes will provide more transparency regarding both funding and the amount of work each LEA contributes for each apprenticeship program.

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The DOE must develop a standard model contract for use by LEAs and their RA partners. The model agreement must include, at a minimum, provisions related to all of the following:

- the parties to the contract;
- the duration of the contract:
- the funds paid or received pursuant to the contract;
- the responsibilities assigned to each party to the contract, including which party is responsible for providing equipment, related technical instruction, and on-the-job training; hiring instructors and evaluating such instructors' credentials and qualifications; and providing administrative support, including any reporting requirements;
- a requirement that each party follow all applicable federal and state law and insurance requirements; and
- the execution of such contract.

Additionally, the agreements between LEAs and RA partners must define their respective roles in the partnership agreement and establish how the funding is divided amongst them. When the LEA does not provide classroom space, related technical instruction, or on-the-job training services, the LEAs role shall be deemed to be administrative only and its funding share shall be capped at 10 percent. For agreements where the LEA and RA partner share these responsibilities, the bill requires that the manner in which they divide funding be directly tied to their responsibilities under the partnership agreement.

The DOE must create, by July 1, 2026, an apprenticeship funding transparency tool showing historical funding amounts provided to school district and Florida College System (FCS) institution apprenticeship programs from Workforce Development Funds and other funds appropriated by the Legislature. The transparency tool must be published on the DOE's website and include historical funding amounts, by source of funds, district, or FCS institution, for the preceding three fiscal years. In concert with the updated annual report, the transparency tool will permit interested parties to have a more complete perspective of apprenticeship and preapprenticeship program funding and expenditures. (Section 1).

The District Workforce Education Funding Steering Committee (Steering Committee) must hold public meetings, and publish all related work papers, when conducting meetings for the purpose of taking actions or recommending the workload for a funding model to the DOE. The required publication of work papers must occur at the time of the public notice. The public must be provided a reasonable opportunity to provide public comment during the noticed meeting. The Steering Committee may hold its meetings via communications media technology, including telephone conference, video conference or other mechanisms allowing for audible communication amongst all participants. By requiring public meetings of the Steering Committee in this manner, the bill provides transparency into the process by which the Steering Committee arrives at its recommended model without disrupting the processes necessary for the Steering Committee to meet its statutory duties or ability of its members to communicate outside of decision-making meetings.

The DOE must provide the <u>funding model</u> to the Legislature no less than 2 months prior to the start of the regular session of the Legislature, rather than the current deadline of March 1. This change allows the Legislature adequate time to review the model and incorporate it into the budgeting process in years when the regular session begins in January. (Section <u>2</u>).

Subject to the Governor's veto powers, the effective date of the bill is July 1, 2025. (Section $\underline{3}$).

RULEMAKING:

The DOE has existing rulemaking authority to adopt the uniform minimum standards and policies governing apprenticeship and preapprenticeship programs and agreements. Existing rules will need to be amended to incorporate changes made in the bill.

Lawmaking is a legislative power; however, the Legislature may delegate a portion of such power to executive branch agencies to create rules that have the force of law. To exercise this delegated power, an agency must have a grant of rulemaking authority and a law to implement.

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RELEVANT INFORMATION

SUBJECT OVERVIEW:

Apprenticeship and Preapprenticeship in Florida

In Florida, the DOE is authorized to implement and oversee apprenticeship and preapprenticeship programs.¹ The DOE is charged with establishing uniform minimum standards and policies governing apprenticeship programs and agreements.² Florida's RA programs require five core components: business involvement; structured on-the-job training; related technical instruction; rewards for skill gains; and a nationally recognized credential upon completion.³

To be eligible for an apprenticeship, a person must be at least 16 years of age;⁴ however, individuals must usually be 18 to be an apprentice in hazardous occupations.⁵ Admission requirements relating to education, physical ability, work experience, and other criteria vary based on the program's training needs.⁶

A preapprenticeship program is an organized course of instruction designed to prepare a person 16 years of age or older to become an apprentice. The program must be registered with the DOE and sponsored by a registered apprenticeship program. The program purpose is to provide training that will enable students, upon completion, to obtain entrance into a registered apprenticeship program.

The DOE must publish, annually by September 1, a report on apprenticeship and preapprenticeship programs on its website. 10 The report must include, at a minimum, the following:

- A list of registered apprenticeship and preapprenticeship programs, by local educational agency¹¹ and training sponsor.¹²
- A detailed summary of each local educational agency's expenditure of funds for apprenticeship and preapprenticeship programs, to include:
 - o The total amount of funding received for apprenticeship and preapprenticeship programs.
 - The total number of funds allocated to each trade or occupation.
 - o The total amount of funds expended for administrative costs per trade or occupation.
 - The total amount of funds expended for instructional costs per trade and occupation.
 - The number of apprentices and preapprentices per trade and occupation.
- The percent of apprentices and preapprentices who complete their respective programs in the appropriate timeframe.
- Information and resources related to applications for new apprenticeship programs and technical assistance and requirements for potential applicants.

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¹ Section <u>446.041, F.S.</u>; See also Florida Department of Education, What is Registered Apprenticeship, http://www.fldoe.org/academics/career-adult-edu/apprenticeship-programs/what-is-apprenticeship.stml (last visited Apr. 25, 2025).

² Section 446.032(1), F.S.

³ Florida Department of Education, *Florida's Annual Apprenticeship and Preaprenticeship Report: Program Year 2023-2024*, at 9-10, *available at* https://www.fldoe.org/core/fileparse.php/9904/urlt/2024ApprenticeFL-Annual.pdf.

⁴ Section <u>446.021(2)</u>, F.S.

⁵ United States Department of Labor, Wage and Hour Child Labor Fact Sheets and FAQs, *Child Labor Provisions of the Fair Labor Standards Act (FLSA) for Nonagricultural Occupations* (Dec. 2016), *available at* https://www.dol.gov/sites/dolgov/files/WHD/legacy/files/whdfs43.pdf.

⁶ Florida Department of Education, *What is Registered Apprenticeship*, http://www.fldoe.org/academics/career-adult-edu/apprenticeship-programs/what-is-apprenticeship.stml (last visited Apr. 25, 2025).

⁷ Section <u>446.021(5)</u>, F.S.

⁸ *Id*.

⁹ Rule <u>6A-23.010(1)</u>, F.A.C.

¹⁰ Section 446.032(2), F.S.

¹¹ Section 1004.02(18), F.S. "Local educational agency" means a Florida College System institution or school district.

¹² Section <u>1004.02(19)</u>, F.S. "Local sponsor" means a district school board, Florida College System institution board of trustees, public library, other public entity, or private nonprofit entity, or any combination of these entities, that provides adult literacy instruction.

- Documentation of activities conducted by the DOE to promote apprenticeship and preapprenticeship programs through public engagement, community-based partnerships, and other initiatives.
- Retention and completion rates of participants disaggregated by training provider, program, and occupation.
- Wage progression of participants as demonstrated by starting, exit, and post-apprenticeship wages at 1 and 5 years after participants exit the program.¹³

In 2023-2024, the DOE registered 32 new apprenticeship programs, for a total of 329, and 6,043 new apprentices for a total of 19,214.¹⁴ For preapprenticeship programs, the DOE reported a total of 68 registered programs.¹⁵

Examining program outcomes, for the 2023-2024 program year, 2,167 apprentices completed their program and received an apprenticeship certificate with an average median exit wage of \$27.81 per hour or an annual salary of \$57,837. For those completing, 1,162 apprentices, or 54 percent completed their program during the expected timeframe. For preapprenticeship programs, 1,001 participants completed the program, with 47 percent completing in the expected timeframe. For preapprenticeship programs, 1,001 participants completed the program, with 47 percent completing in the expected timeframe. For preapprenticeship programs, 1,001 participants completed the program with 47 percent completing in the expected timeframe. For preapprenticeship programs, 1,001 participants completed the program with 47 percent completing in the expected timeframe. For preapprenticeship programs, 1,001 participants completed the program with 47 percent completing in the expected timeframe. For preapprenticeship programs, 1,001 participants completed the program with 47 percent completing in the expected timeframe. For preapprenticeship programs, 1,001 participants completed the program with 47 percent completing in the expected timeframe.

Operating funds provided to school districts and FCS institutions may be used to support registered apprenticeship programs, but this is not a required expenditure of funds. Based on local demands and current resources, school districts and FCS institutions enter into local agreements with apprenticeship program sponsors. The agreements are not standardized statewide, but reflect the contributions of the school district or FCS institution and the program sponsor towards the costs of supporting the apprenticeship program. If a school district or FCS institution partners with the apprenticeship program, they must report the total amount of funds expended for the program in an annual cost report. As required by law, the DOE annually publishes in the appendices to the annual report financial data related to apprenticeship costs, broken down by total costs, instructional costs, and administrative costs, for each public education partner, for each trade or occupation and by trade or occupation for each education partner. For the 2022-23 program year, the total expenditure on apprenticeship reported to the DOE totaled \$26.9 million.

Registered Apprenticeship Programs

RA combines employer-driven education and employment training with structured on-the-job-training (OJT) and related technical instruction to apprentices for specific occupations. Registered apprentices have access to an experienced on-site journeyworker (or mentor); engage in classroom, online or correspondence learning; have opportunities to attain an industry-recognized and/or postsecondary credential; earn progressively higher wages as the apprentice increases their skill levels; and, upon successful completion of the apprenticeship program, earn a nationally recognized, portable completion certificate issued by the FDOE.²²

The sponsor of the RA program may be a committee, group of employers, employer, group of employees, educational institution, local workforce board, community or faith-based organization, association or any combination thereof operating an apprenticeship program and in whose name the program is registered or approved.²³ Sponsors may elect to form a partnership with a school district technical college, FCS institution, SUS

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¹³ Section 446.032(2)(a)-(f), F.S.

¹⁴ Florida Department of Education, *Florida's Annual Apprenticeship and Preaprenticeship Report: Program Year 2023-2024*, at 5, *available at* https://www.fldoe.org/core/fileparse.php/9904/urlt/2024ApprenticeFL-Annual.pdf.

¹⁵ *Id.*

¹⁶ *Id.* at 6.

¹⁷ *Id*. at 35.

¹⁸ *Id*.

¹⁹ Florida Department of Education, *Apprenticeship*, https://www.fldoe.org/academics/career-adult-edu/research-evaluation/annual-app-reports.stml (last visited Apr. 25, 2025) (download appendices excel file using "2023-24 Apprenticeship Report Appendices" link and view worksheets I-1, I-2, and I-3, respectively).

²⁰ Id.

²¹ Sections s. 446.011, F.S. and 446.032, F.S.

²² Rule 6A-23.004, F.A.C.

²³ Section <u>446.071, F.S.</u>

institution or a private training agency for the delivery of the Related Training and Instruction (RTI). The sponsor may also elect to provide all the RTI without a public educational partner.²⁴

In Florida, out of the 329 registered apprenticeship and 68 preapprenticeship programs with active registration during the 2023-24 apprenticeship year, 45 percent partnered with a school district or FCS institution for RTI. Of those 45 percent:

- 126 programs partnered exclusively with school districts for the RTI (33 percent of total registered programs);
- 31 programs partnered exclusively with FCS institutions for the RTI (8 percent of total registered programs); and
- 16 programs partnered with both school districts and FCS institutions for the RTI (4 percent of total registered programs).²⁵

The agreements between the RA programs and their public education partners reflect varying degrees of involvement in the apprenticeship programs from the school district or FCS institution ranging from simply providing administrative assistance²⁶ to providing all RTI and employing the RTI instructors.²⁷ Additionally, the compensation provided to the RA program under these agreements varies based on the level of involvement of the education partners.²⁸

School District Workforce Development Fund Allocations

Workforce development funds are a block grant provided to school districts operating adult general education, adult career education, and apprenticeship programs. The school districts have flexibility in the use of the workforce development funds in relation to any of the eligible programs. In 2024-25, the Legislature appropriated \$451.2 million in Workforce Development Funds.

Current law requires the DOE to annually provide the Legislature with the funding needs of the school districts. The process begins with a workload model³¹ developed by the District Workforce Education Funding Steering Committee (Steering Committee).³² Apprenticeship programs are not represented on the Steering Committee. The meetings are not noticed and not open to the public. Using a variety of inputs, such as types of programs offered by each school district, hours of instruction provided by the school district in each eligible program, number of students with disabilities served, and operation of high school equivalency (GED) testing center, the Steering Committee arrives at the funding need projection for each district. The results of this model are provided to the DOE who in turn provides them to the Legislature for the purpose of establishing the annual appropriation.³³

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²⁴ Section 446.051, F.S., and r. 6A-23.004, F.A.C.

²⁵ Florida Department of Education, *Florida's Annual Apprenticeship and Preaprenticeship Report: Program Year 2023-2024*, at 20, available at https://www.fldoe.org/core/fileparse.php/9904/urlt/2024ApprenticeFL-Annual.pdf.

²⁶ See e.g., Contract between Hillsborough Community College and Associated Builders and Contractors, Florida Gulf Coast Chapter, Inc., Apprenticeship Training Program Agreement, June 22, 2022, on file with the Careers & Workforce Subcommittee and Contract between Pinellas County School Board and Associated Builder and Contractors, Inc., Apprenticeship Training Program Agreement, Feb. 9, 2023, on file with the Careers & Workforce Subcommittee.

²⁷ See, e.g., Contract between Orange Technical College and Air Conditioning Contractors Association of Central Florida, Inc., Heating & Air Conditioning Installer-Servicer Apprenticeship Agreement 2022-2027, Jan. 26, 2023, on file with the Careers & Workforce Subcommittee and Contract between The School Board of Manatee County and Manasota Air Conditioning Contractors Association, Inc., The School Board of Manatee County d/b/a Manatee Technical College Apprenticeship Training Program Agreement, Oct. 4, 2022, on file with the Careers & Workforce Subcommittee.

²⁸ See notes 23 and 24, supra.

²⁹ See Specific Appropriations 7 and 119, s. 2, ch. <u>2024-231, L.O.F.</u> (Proviso language accompanying appropriation) and <u>s. 1004.02(25), F.S.</u> The following counties do not offer any of the eligible workforce education programs and, therefore, do not receive any workforce development funds from this specific appropriation: Calhoun, Duval, Gilchrist, Highlands, Holmes, Levy, Okeechobee, Putnam, St. Lucie, Seminole, and Volusia County.

³⁰ Specific Appropriations 7 and 119, s. 2, ch. <u>2024-231, L.O.F.</u>

³¹ See text accompanying note 37, infra.

³² According to the DOE, the Steering Committee is comprised of district representatives from the following counties: Bradford; Broward; Collier; Hillsborough; Lake; Lee; Manatee; Miami-Dade; Orange; Pasco; and Pinellas.

³³ Florida Department of Education, *2024-25 District Workforce Education Funding Summary*, at 3-8, *available at* https://www.fldoe.org/core/fileparse.php/7529/urlt/2024-25-District-Workforce-Summary-FINAL.pdf.

While the annual summary published by the Department provides a more detailed explanation, at its most basic, the workload model is as follows:

- Base FTE The base FTE is calculated by dividing the number of instructional hours provided in each program area by 900.
- Weighted FTE The base FTE for each program area is multiplied by weights determined by the Steering Committee to account for the different costs in implementation of different programs.
- Total Funding Need The weighted FTE is multiplied by the cost per unit³⁴ multiplied by each school district's comparable wage factor.³⁵
- Minimum Funding Need The Steering Committee annually calculates a minimum funding level for participating districts.³⁶ If the calculated Total Funding Need is less than the Minimum Funding Need the workload model recommends the Minimum Funding Need for that district.
- Supplemental Funding -
 - Funding for students with disabilities District report the student with disabilities served based on the level of services required. This supplemental funding provides a flat amount per student based on the level of services required.
 - Testing Supplement Additional funds provided to district that operate high school equivalency (GED) testing facilities to offset the costs of providing these centers to the community.
- State Funding Need The sum of the Total Funding Need (or Minimum Funding Need if greater) and Supplemental Funding minus Projected Tuition Revenue.³⁷

The DOE annually publishes the results of the Steering Committee's work, the District Workforce Education Funding Summary, on its website.³⁸

RECENT LEGISLATION:

YEAR	BILL#	HOUSE SPONSOR(S)	SENATE SPONSOR	OTHER INFORMATION
2023	<u>CS/CS/SB 240</u>	Melo	Hutson	Became law on July 1, 2023.
2021	<u>CS/CS/CS/HB</u> 1507	Yarborough, Melo	Albritton	Became law on July 1, 2021.

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 $^{^{34}}$ The cost per unit used by the Steering Committee in 2024-25 was \$5,193.73 based on the base student allocation from the 2023-24 Florida Education Finance Program. *Id* at 6.

³⁵ School district comparable wage factors are calculated pursuant to Florida statute. Section 1011.62(2)(a), F.S.

³⁶ Minimum funding policy implemented in 2011 at the recommendation of the Office of Program Policy Analysis and Government Accountability. Florida Department of Education, *2024-25 District Workforce Education Funding Summary*, at 6, *available at* https://www.fldoe.org/core/fileparse.php/7529/urlt/2024-25-District-Workforce-Summary-FINAL.pdf.

³⁸ Florida Department of Education, *State Funding for District: Funding Reports – Workload*, https://www.fldoe.org/academics/career-adult-edu/state-funding-districts/funding-reports-workload.stml (last visited Apr. 25, 2025).