

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 Fiscal Policy

BILL: CS/SB 742

INTRODUCER: Education Pre-K - 12 Committee and Senator Simon

SUBJECT: Workforce Education

DATE: April 21, 2025

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Brick</u>	<u>Bouck</u>	<u>ED</u>	Fav/CS
2.	<u>Gray</u>	<u>Elwell</u>	<u>AHE</u>	Favorable
3.	<u>Brick</u>	<u>Siples</u>	<u>FP</u>	Pre-meeting

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 742 allows charter schools to directly access funding through the Workforce Development Capitalization Incentive Grant Program. This funding may be used to cover some or all costs associated with the creation or expansion of career and technical education programs that lead to industry certifications included on the CAPE Industry Certification Funding List.

Additionally, the bill increases from three to six the number of programs for which each career center and Florida College System institution must offer a money-back guarantee.

The bill may have an indeterminate negative fiscal impact on local governments. **See Section V., Fiscal Impact Statement.**

The bill takes effect July 1, 2025.

II. Present Situation:

Workforce Development Capitalization Incentive Grant Program

The Workforce Development Capitalization Incentive Grant Program (CAP Grant) provides grants to school districts and Florida College System (FCS) institutions to support the creation or expansion of career and technical education programs leading to industry certifications included on the CAPE Industry Certification Funding List. These programs may serve secondary students

or postsecondary students, provided the postsecondary career and technical education program also serves secondary students.¹

Grant funds may be used for instructional equipment, laboratory equipment, supplies, personnel, student services, or other expenses related to the establishment or expansion of career and technical education programs serving secondary students. Expansion may include increasing program enrollment or adding new areas of specialization. However, grant funds may not be used for recurring instructional costs or institutions' indirect costs.²

The Department of Education (DOE) administers the program, and the State Board of Education is authorized to adopt rules for its administration. When ranking applications, the State Board of Education must consider the statewide geographic dispersion of grant funds and prioritize applications from education agencies that maximize workforce development funding by offering high-performing, high-demand programs.³

In both 2023⁴ and 2024,⁵ the Legislature provided \$100 million for the CAP Grant.

Money-back Guarantee Program

The Money-back Guarantee Program aims to help individuals achieve self-sufficiency by requiring each school district and FCS institution to refund tuition costs for students who fail to secure employment in their trained field within six months of successfully completing an eligible workforce education program. These programs must prepare students for in-demand, middle- to high-wage occupations.⁶

Each school district and FCS institution must offer a money-back guarantee for at least three programs and establish student eligibility criteria, which may include:

- Student attendance.
- Program performance.
- Career Service or Career Day attendance.
- Internship or work-study participation.
- Job search documentation.
- Development of a career plan with the institution's career services department.⁷

The DOE is required to submit an annual report on the Money-back Guarantee Program. By November 1 of each year, the DOE must report performance results for each participating school district, FCS institution, and program to the Governor, the President of the Senate, and the Speaker of the House of Representatives.⁸

¹ Section 1011.801, F.S.

² Section 1011.801(1), F.S.

³ Section 1011.801(2), F.S.

⁴ Section 51, ch. 2023-81, L.O.F.

⁵ Specific Appropriation 120, s. 2, ch. 2024-231, L.O.F.

⁶ Section 1011.803(1), F.S.

⁷ Section 1011.803(2), F.S.

⁸ Section 1011.803(4), F.S.

Five school districts do not meet the three-program requirement because they only operate two qualifying programs under the Money-back Guarantee Program.⁹ A total of 3,872 students have enrolled in an eligible program, including 790 students at FCS institutions and 3,082 students at school districts. To date, no students have requested refunds for any program.¹⁰

Work Search Requirements under Reemployment Assistance Law

To receive reemployment assistance benefits, an individual must be able to work and available for work during each week of claimed unemployment. To be considered “available for work,” a claimant must be actively seeking employment, which is defined as engaging in systematic and sustained efforts to find work, including contacting at least five prospective employers each week.

Alternatively, a claimant may satisfy this requirement by reporting in person to a one-stop career center to meet with a center representative and access reemployment services. The center must maintain records of the services provided and make them available to the department upon request.

The law further provides that a claimant’s job search documentation may not include the same prospective employer at the same location for three consecutive weeks, unless the employer has indicated that it is hiring again since the initial contact.

For claimants residing in small counties, as defined in Section 120.52(19), Florida Statutes, the minimum number of required employer contacts is reduced to three per week. Union members may satisfy the work search requirement by reporting daily to their union hiring hall, if that is their customary method of seeking work.¹¹

III. Effect of Proposed Changes:

This bill amends s. 1011.801, F.S., to allow charter schools to directly access funding through the Workforce Development Capitalization Incentive Grant Program. This funding may be used to cover costs associated with the creation or expansion of career and technical education programs that lead to industry certifications included on the CAPE Industry Certification Funding List.

The bill also amends s. 1011.803, F.S., relating to the Money-back Guarantee Program, to:

- Require each school district and Florida College System (FCS) institution to increase the number of programs for which a money-back guarantee is offered from three to six by July 1, 2026, and to notify the State Board of Education of the additional programs.
- Clarify that enrollment in a qualifying program constitutes enrollment in the money-back guarantee program.
- Provide that eligibility criteria related to job search documentation and internship or work-study participation may not exceed the work search requirements under Reemployment Assistance Law.

⁹ [School District: MBG Program Offerings](#) (last visited April 8, 2025).

¹⁰ Florida Department of Education, *2024 Money Back Guarantee Program Report* (November 2024), at 4.

¹¹ Section 443.091(1), F.S.

The bill also expands the Department of Education's annual reporting requirement to include the eligibility criteria for tuition reimbursement by school district, FCS institution, and program, in addition to performance results.

The bill takes effect July 1, 2025.

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.

B. Private Sector Impact:

None.

C. Government Sector Impact:

While the bill does not require an appropriation of state funds, requiring additional programs under the Money-back Guarantee Program may result in increased costs for school districts and FCS institutions if they have to start a new program to meet the requirement or if students in the additional programs are unable to find jobs within six months of program completion.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1011.801 and 1011.803.

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 Pre-K - 12 on March 31, 2025:

The committee substitute:

- Includes a conforming change to clarify charter school eligibility provided in the bill for the Workforce Development Capitalization Incentive Grant Program.
- Replaces the bill's immediate increase from three to six required programs with a phased approach, requiring an additional three programs to be added by July 1, 2026, bringing the total to six programs at that time and:
 - Requires notification to the State Board of Education of the three additional programs.
 - Specifies that enrollment in a qualifying program constitutes enrollment in the money-back guarantee program.
- Caps eligibility criteria for job search documentation and internship/work-study participation by requiring they not exceed the work search requirements in s. 443.091, F.S. (which governs reemployment assistance).
- Expands the Department of Education's existing annual report (due Nov. 1) to include not just performance results, but also the eligibility criteria for tuition reimbursement by school district, FCS institution, and program.
- Includes a title change to an act related to "workforce education."

B. Amendments:

None.