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 B	y: The P	rofessional Staf	f of the Committee	on Higher Education	
BILL:	SB 1522					
INTRODUCER:	Senator Detert					
SUBJECT:	Workforce Training					
DATE:	March 20, 2015		REVISED:			
ANALYST		STAFF DIRECTOR		REFERENCE	ACTION	
1. Graf		Klebacha		HE	Pre-meeting	
2				AED		
3.				AP		

I. Summary:

SB 1522 requires the Department of Education (DOE) and the Department of Economic Opportunity (DEO) to collaborate to improve preapprenticeship and apprenticeship programs; and requires DOE to submit to the Governor, President of the Senate, Speaker of the House of Representatives, and the Higher Education Coordinating Council, program accountability and operational reports.

Specifically, the bill:

- Revises the definition of "Journeyman" to "Journeyworker" and associated responsibilities.
- Adds industry certifications as an organized course of instruction in preapprenticeship and apprenticeship programs.
- Requires DOE and DEO to identify and recommend apprenticeship and preapprenticeship programs that are aligned with the state and regional workforce needs

The bill takes effect July 1, 2015.

II. Present Situation:

Registered Apprenticeship (RA) "connects job seekers looking to learn new skills with employers looking for qualified workers, resulting in a workforce with industry-driven training and employers with a competitive edge." ¹

¹ U.S. Department of Labor, *Apprentices*, http://www.doleta.gov/oa/apprentices.cfm (last visited March 2, 2015).

Federal Law

The United States Congress enacted the National Apprenticeship Act (also known as the Fitzgerald Act in honor of its author, Congressman William J. Fitzgerald)² in 1937.³ Following the passage of the act, RA programs consisted mainly of manufacturing, construction, and utilities industries.⁴ Since 1937, RA programs have grown to 24,000 programs providing education and training to approximately 400,000 apprentices in emerging and high-growth sectors such as energy conservation, health care, and information technology, in addition to traditional industries such as manufacturing and construction.⁵ "As the need for skilled workers increases and our economy faces greater global competition, RA continues to be a competitive advantage for all parties-individuals, businesses, labor management organizations, education, the workforce investment system and government. For these reasons, [the Employment and Training Administration, U.S. Department of Labor] issued revised regulations that increase program flexibility to better serve the needs of today's apprentices and program sponsors."⁶

For apprentices and program sponsors, the regulations:⁷

- Incorporate technology-based learning;
- Provide additional pathways to certification;
- Introduce interim credentials;
- Improve registration and review process;
- Update the reciprocal registration provision; and
- Introduce provisional registration.

For State Apprenticeship Agencies (SSAs), the regulations:⁸

- Increase linkages with the workforce investment system;
- Redefine the roles and responsibilities of SSAs and State Apprenticeship Councils (SACs);
- Establish a process for continued recognition; and
- Increase flexibility for location of an SSA.

For the U.S. Department of Labor, the regulations:⁹

- Enhance program accountability; and
- Ensure national conformity with federal apprenticeship legislation and regulations.

² U.S. Department of Labor, *Workforce System Results* (Sep. 30, 2012), *available at* http://www.doleta.gov/Farmworker/pdf/workforceSystemResultsSept2012.pdf, at 4 of 38.

³ U.S. Department of Labor, *Registered Apprenticeship*, http://www.doleta.gov/oa/history.cfm (last visited March 2, 2015); see 29 U.S.C., s. 50.

⁴ U.S. Department of Labor, *Registered Apprenticeship*, http://www.doleta.gov/oa/history.cfm (last visited March 2, 2015). ⁵ *Id*.

⁶ *Id.* "These revised regulations published, on October 29, 2008, update Title 29 CFR, part 29 and provide a framework that supports an enhanced, modernized apprenticeship system." U.S. Department of Labor, *Regulations*, http://www.doleta.gov/oa/regulations.cfm (last visited March 2, 2015).

⁷ U.S. Department of Labor, *Apprenticeship Final Rule Fact Sheet, available at* http://www.doleta.gov/oa/pdf/Apprenticeship Final Fact Sheet.pdf, at 1-2 of 4.

⁸ U.S. Department of Labor, *Apprenticeship Final Rule Fact Sheet*, *available at* http://www.doleta.gov/oa/pdf/Apprenticeship_Final_Fact_Sheet.pdf, at 2-3 of 4.

⁹ U.S. Department of Labor, *Apprenticeship Final Rule Fact Sheet*, available at http://www.doleta.gov/oa/pdf/Apprenticeship Final Fact Sheet.pdf, at 3 of 4.

Eligibility and Requirements

Registered apprenticeship program sponsors (i.e., employers, employer associations, and labor management organizations)¹⁰ identify the minimum qualifications to apply into their apprenticeship program.¹¹ An individual must be at least 16 years of age to be an apprentice.¹² In hazardous occupations, individuals must usually be 18 years of age.¹³ Program sponsors may also identify additional minimum qualifications and credentials to apply (e.g., education, ability to physically perform the essential functions of the occupation, and proof of age). All applicants are required to meet the minimum qualifications. Based on the selection method utilized by the sponsor, additional qualification standards, such as fair aptitude tests and interviews, school grades, and previous work experience may be identified.¹⁴

Program Length

Apprenticeship programs range from 1 year to 6 years, but the majority are 4 years in length. During the program, the apprentice receives both structured, on-the-job learning (OJL) and related classroom instruction (RTI). For each year of the apprenticeship, the apprentice typically receives 2,000 hours of on-the-job training and a recommended minimum of 144 hours of related classroom instruction. To

State Law

Florida law provides educational and training opportunities, in the form of apprenticeship and preapprenticeship programs, to prepare individuals in the state for trades, occupations, and professions suited to their abilities.¹⁸

An apprenticeship program means "an organized course of instruction, registered and approved by the department, which course shall contain all terms and conditions for the qualifications, recruitment, selection, employment, and training of apprentices¹⁹ including such matters as the

¹⁰ Registered Apprenticeship program sponsors vary from small, privately owned businesses to national employer and industry associations. There are nearly 29,000 sponsors representing more than 250,000 employers, such as UPS, the United States Military Apprenticeship Program, Werner Enterprises, and CVS/pharmacy. U.S. Department of Labor, *Apprentices*, http://www.doleta.gov/oa/apprentices.cfm (last visited March 2, 2015).

¹¹ U.S. Department of Labor, Apprentices, http://www.doleta.gov/oa/apprentices.cfm (last visited March 2, 2015).

¹² *Id*.

¹³ U.S. Department of Labor, *Apprentices*, http://www.doleta.gov/oa/apprentices.cfm (last visited March 2, 2015).

¹⁵ U.S. Department of Labor, *Apprentices*, http://www.doleta.gov/oa/apprentices.cfm (last visited March 2, 2015).

¹⁶ *Id*. ¹⁷ *Id*.

¹⁸ Section 446.011(1), F.S.

¹⁹ An apprentice means "a person at least 16 years of age who is engaged in learning a recognized skilled trade through actual work experience under the supervision of journeyman craftsmen, which training should be combined with properly coordinated studies of technical and supplementary subjects, and who has entered into a written agreement, which may be cited as an apprentice agreement, with a registered apprenticeship sponsor who may be either an employer, an association of employers, or a local joint apprenticeship committee." Section 446.021(2), F.S. A journeyman means "a person working in an apprenticeable occupation who has successfully completed a registered apprenticeship program or who has worked the number of years required by established industry practices for the particular trade or occupation." Section 446.021(4), F.S. An apprenticeable occupation is a skilled trade which possesses all of the characteristics that are specified in law (e.g., customarily learned in a practical way through a structures, systemic program of on-the-job, supervised training and involves

requirements for a written apprenticeship agreement."²⁰ A preapprenticeship program means "an organized course of instruction in the public school system or elsewhere, which course is designed to prepare a person 16 years of age or older to become an apprentice and which course is approved by and registered with the department and sponsored by a registered apprenticeship program."²¹

Duties of the Department of Education

The Department of Education (DOE or department) is responsible for administering, facilitating, and supervising registered apprenticeship programs (e.g., developing and encouraging apprenticeship programs, cooperating with and assisting apprenticeship sponsors to develop apprenticeship standards and training requirements, monitoring RA programs, investigating complaints regarding failure to meet the standards²² established by the department, and canceling registration of programs that fail to comply with the standards and policies of the department).²³

Additionally, the department, the district school boards, and the community college district boards of trustees must work together with existing apprenticeship programs so that individuals completing the preapprenticeship programs may be able to receive credit towards completing a registered apprenticeship program.²⁴

The Commissioner of Education (commissioner) must recommend, at least annually, the CAPE Postsecondary Industry Certification Funding List to the State Board of Education (SBE or state board) and may at any time recommend adding industry certifications. ²⁵ The Chancellor of the State University System, the Chancellor of the Florida College System, and the Chancellor of Career and Adult Education must work with local workforce boards, other postsecondary institutions, businesses, and industry to identify, create, and recommend to the commissioner industry certifications to be placed on the funding list. ²⁶

State Apprenticeship Advisory Council

The purpose of the State Apprenticeship Advisory Council (Council) is to advise the department on matters related to apprenticeship.²⁷ The Council is comprised of 10 voting members appointed

manual, mechanical, or technical skills and knowledge which require a minimum of 2,000 hours of work and training, which hours are excluded from the time spent at related instruction). Section 446.092, F.S.

²⁰ Section 446.021(6), F.S.

²¹ Section 446.021(5), F.S.

²² The Department of Education (DOE or department) is responsible for developing apprenticeship and preapprenticeship uniform minimum standards for the apprenticeable trades and assisting district school boards and community college district boards of trustees in developing preapprenticeship programs. Sections 446.011(2), 446.032, and 446.052, F.S. Uniform minimum preapprenticeship standards means "the minimum requirements established uniformly for each craft under which a preapprenticeship program is administered and includes standards for admission, training goals, training objectives, curriculum outlines, objective standards to measure successful completion of the preapprenticeship program, and the percentage of credit which may be given to preapprenticeship graduates upon acceptance into the apprenticeship program." Section 446.021(8), F.S.

²³ Section 446.041, F.S.

²⁴ Section 446.052(3), F.S.

²⁵ Section 1008.44(2), F.S.

²⁶ Id.

²⁷ Section 446.045(2)(a), F.S.

by the Governor and two ex officio nonvoting members.²⁸ The Commissioner of Education or the commissioner's designee must serve ex officio as chair of the Council, but may not vote.²⁹

III. Effect of Proposed Changes:

SB 1522 primarily fosters collaboration between the Department of Education (DOE) and the Department of Economic Opportunity (DEO) to identify and recommend apprenticeship and preapprenticeship programs that are aligned with the state and regional workforce needs and requires DOE to submit to the Governor, President of the Senate, Speaker of the House of Representatives, and the Higher Education Coordinating Council, program accountability and operational reports. This provision will facilitate the engagement of both the educational entities and the business community, as partners, in preparing individuals with the necessary skills to secure gainful employment and meet the workforce needs of the state. In addition, the bill also amends definition of apprenticeship and preapprenticeship programs and journeyworker.

The bill specifies accountability and operational reporting requirements for DOE and DEO regarding preapprenticeship and apprenticeship programs.

Annual Accountability Report

The bill requires DOE to collaborate with DEO to identify and recommend apprenticeship and preapprenticeship programs that are aligned with the statewide demand for a skilled labor force in high-demand occupations and to regional workforce needs. Beginning with the 2015-2016 fiscal year, annually by December 31, DOE must, in collaboration with DEO, must submit to the Governor, President of the Senate, Speaker of the House of Representatives, and the Higher Education Coordinating Council, an accountability report on the status and summary information regarding program and student performance outcomes. The accountability report may assist with creating a purposeful approach for the state to strategically invest in apprenticeship and preapprenticeship programs based on employers' needs.

In addition, DOE must post on the department website, program information which, at a minimum, must include program admission requirements, program standards and training requirements, and a summary of program and student performance outcomes. Such information may create public awareness about the apprenticeship and preapprenticeship programs which could boost program enrollment and sponsorship.

Operational Report

The bill requires DOE, in collaboration with DEO, to submit to the Governor, President of the Senate, Speaker of the House of Representatives, and the Higher Education Coordinating Council, an operational report by December 31, 2015. The operational report must summarize:

• The strategies employed by DOE and DEO to engage school districts, Florida College System institutions, technical centers, and businesses as partners in the workforce system to expand employment opportunities for individuals including, but not limited to, individuals with unique abilities, which must include work-based learning experiences such as

²⁸ *Id*.

²⁹ Section 446.045(2)(b), F.S.

apprenticeships and preapprenticeships. The partnership may facilitate the consolidation of efforts to educate and train individuals to meet workforce needs of the state.

- Recommendations made by DOE and DEO to gain efficiency in program funding and make
 program governance changes to improve the delivery and management of apprenticeship and
 preapprenticeship programs based on workforce needs.
- Recommendations and strategies for DEO to ensure that employers in the state have access to information and consultative services, at no cost to the employers, regarding sponsorship of demand-driven registered apprenticeship and preapprenticeship programs. This provision is similar to the mission of South Carolina's Apprenticeship CarolinaTM program which is to make "certain all employers in South Carolina have access to information and consultative services, at no charge, regarding sponsorship of a demand-driven registered apprenticeship program." The goal of the provision is that businesses in Florida be able to access the necessary information to start or continue sponsoring apprenticeship and preapprenticeship programs.

Additionally, the bill modifies the definition of preapprenticeship and apprenticeship programs and journeyworker. The bill:

- Expands the definitions of apprenticeship and preapprenticeship programs by specifying that
 the organized course of instruction associated with the two programs include, but not be
 limited to, industry certifications that are identified on the industry certification funding list
 and adopted in rule by the State Board of Education. Industry certifications demonstrate to
 potential employers, mastery of specific skills, abilities, and competencies associated with
 such industry-approved certifications.
- Clarifies, in its definition, that a journeyworker is a mentor, technician, specialist, or other skilled worker who has documented attainment of skills and knowledge of an occupation, through formal apprenticeship or practical, on-the-job experience or formal training. The bill also makes conforming changes to relevant statutes to reflect the change to the definition of a journeyworker.

The bill takes effect July 1, 2015.

IV. Constitutional Issues:

A.

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	None.					
B.	Public Records/Open Meetings Issues:					
	None.					
C.	Trust Funds Restrictions:					
	None.					

Municipality/County Mandates Restrictions:

³⁰ Apprenticeship CarolinaTM SC Technical College System, *About Us*, http://www.apprenticeshipcarolina.com/about.html (last visited March 2, 2015).

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 446.021, 446.032, 446.052, and 446.091.

This bill creates undesignated section of Florida law.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.