HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1251 Florida Construction Workforce Task Force SPONSOR(S): Porter TIED BILLS: IDEN./SIM. BILLS: SB 1642

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Careers & Competition Subcommittee	12 Y, 0 N	Brackett	Anstead
2) Higher Education Appropriations Subcommittee			
3) Commerce Committee			

SUMMARY ANALYSIS

In 2016, the Legislature created the Construction Industry Workforce Taskforce (CIWT) to address the critical shortage of individuals trained in building construction and inspection. The CIWT submitted a final report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, on January 27, 2017, which included ten recommendations.

In 2017, the Legislature passed, and the Governor signed into law, House Bill 1021 (HB 1021). HB 1021 required the Department of Education, in conjunction with the Department of Economic Opportunity, to develop a plan to implement the CIWT's recommendations, and submit the plan to the CIWT by July 1, 2018. HB 1021 also implemented some of the CIWT's recommendations related to building code enforcement professionals, and required CareerSource Florida Inc. to create a plan to fund construction training programs recommended by the CIWT using existing federal funds and provide the plan to the CIWT by July 1, 2018.

The bill provides that DOE must submit a plan to implement five of the CIWT's ten recommendations and submit it to the Governor, Speaker of the House, and the President of the Senate, by July 1, 2019.

The bill is not expected to have a significant fiscal impact on state government. The bill is not expected to have a fiscal impact on local governments.

The bill takes effect upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Current Situation

Construction Industry Workforce Taskforce

In 2016, the Legislature created the Construction Industry Workforce Taskforce (CIWT) to address the critical shortage of individuals trained in building construction and inspection. The CIWT's goals are to:

- Develop a consensus path for training the next generation of construction workers in the state;
- Determine the causes for the current shortage of a trained construction industry work force and address the impact of the shortages on the recovery of the real estate market;
- Review current methods and resources available for construction training;
- Review the state of construction training available in K-12 schools; and
- Address the training issues relating to building code inspectors to increase the number of qualified inspectors.¹

The CIWT is made up of 22 members representing various construction associations in Florida as well as members representing the Florida House of Representatives and the Florida Senate. Members include the following:

- A member of the House of Representatives appointed by the Speaker;
- A member of the Senate appointed by the President of the Senate;
- One representative of the Florida Associated General Contractors Council;
- One representative of the Associated Builders and Contractors of Florida;
- One representative of the Florida Home Builders Association;
- One representative of the Florida Fire Sprinkler Association;
- One representative of the Florida Roofing, Sheet Metal and Air Conditioning Contractors Association;
- One representative of the Florida Refrigeration and Air Conditioning Contractors Association;
- One representative of the Florida Plumbing-Heating-Cooling Contractors Association;
- One representative the Florida Swimming Pool Association;
- One representative of the National Utility Contractors Association of Florida;
- One representative of the Florida Concrete and Products Association;
- One representative of the Alarm Association of Florida;
- One representative of the Independent Electrical Contractors;
- One representative the Florida Building Construction Trades Council within the Florida AFL-CIO;
- One representative of the Building Officials Association of Florida.
- One representative of the Asphalt Contractors Association of Florida.
- One representative of the American Fire Sprinkler Association-Florida Chapter
- One representative of the Florida Carpenters Regional Council; and
- One representative of the Florida Chapter of the National Electrical Contractor Association
- One representative of the Florida Electrical Workers Association; and
- The chair of the Florida Building Commission.²

¹ Ch. 2016-129, Laws of Fla. ² *Id.*

The Legislature required the University of Florida M.E. Rinker, Sr., School of Construction Management to assist the CIWT in carrying out its responsibilities. The Legislature also required the CIWT to submit a final report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by February 1, 2017.³

The CIWT submitted their final report on January 27, 2017. The report included the following ten recommendations for the Legislature:

- Expand the definition of a Local Educational Agency (LEA), as used in apprenticeship programs in Florida, to include institutions other than public schools, such as private training organization (for profit and nonprofit), labor unions, industry trade associations or other community based organizations;
- Create a legislative study to consider the appropriateness of moving apprenticeship programs from the Department of Education (DOE) to the Department of Economic Opportunity(DEO);
- Require DOE to recognize the National Center for Construction Education and Research (NCCER) curriculum, or other comparable national curriculum, as eligible for high school credits, college credits, and state supported scholarships (e.g., bright futures);
- Provide additional state Career and Technical Education (CTE) support to be directed towards K-12 programs so that "shop" or other construction related programs are added back into CTE programs;
- Extend the 'sunset' timeframe for CIWT four additional years and provide funding of \$100,000 per year, and a mechanism to obtain matching funds to continue to coordinate CIWT. Funding will be used to continue data collection and analysis, ongoing economic impact studies, and subsequent strategies, implementation planning, and follow up;
- Direct CareerSource Florida (CSF) to set aside existing federal training dollars for construction training programs using the previous state-wide 'Florida Rebuilds' program as an implementation model;
- Provide funding from the existing DBPR "Building Permit Surcharge" trust fund dedicated to better code compliance through the recruitment and training of a qualified workforce;
- Allow for an alternative instructor certification process through the DOE that does not require certification through an LEA;
- Create a joint legislative audit committee to review compliance of s. 553.80(7), F.S., across the state regarding use of building permit fees beyond the scope of supporting the building department activities;
- The taskforce also recommended support for the work of Building Officials Association of Florida, Inc., in the development of the following initiatives to further opportunities for potential building code enforcement professionals:
 - Alternative Internship Certification Program to current standard qualifications;
 - Add Residential Inspector and Plan Examiner categories for all trades;
 - Do not restrict provisional and 120-day period to newly hired or promoted staff;
 - Inter-agency service agreement inspections and plan examination for standard certified building officials across jurisdictions of populations 50,000 or less;
 - Have Building Code Administrators and Inspectors Board (BCAIB) streamline application for certification process by providing online electronic submissions and combining the examination registration with provisional application;
 - Provide high school education guidance material for construction related careers;
 - Support higher education code curriculum in engineering, architecture and construction management degrees; and
 - Need for a comprehensive compensation study for building code compliance personnel.⁴

 $^{^{3}}$ Id.

⁴ James Sullivan, Charles J. Kibert, Andriel E. Fenner, Shirley N. Morque, FLORIDA CONSTRUCTION WORKFORCE TASKFORCE: Legislative Recommendations 7 (Jan. 27 2017), *available at* <u>https://www.cce.ufl.edu/wp-</u> <u>content/uploads/2016/12/Florida-Construction-Workforce-Taskforce-Report</u> -Legislative-Recommendations-2.pdf

The 2017 Legislative Session

The Legislature passed, and the Governor signed into law, House Bill 1021 of the 2017 Legislative session (HB 1021). HB 1021 required DOE and DEO to create a plan to implement the recommendations of the CIWT. DOE must submit the plan to the CIWT by July 1, 2018.⁵

HB 1021 also enacted the following recommendations of the CIWT:

- Provided that in addition to performing plans examinations or inspections in a building official's jurisdiction a building official may perform plans examinations and inspections in jurisdictions with a population of 50,000 or less under interagency agreements;⁶
- Created an internship certification program as a qualification to take the building inspector or plans examiner examination;⁷
- Provided that provisional certificates and the 120 day application period are not restricted to newly hired or promoted inspectors or plans examiners; and⁸
- Added a residential plans examiner category.⁹

HB 1021 also required CareerSource Florida, Inc. (CareerSource) to create a plan to fund construction training programs recommended by the CIWT using existing federal funds and provide the plan to the CIWT by July 1, 2018. HB 1021 required CareerSource to use the Florida reBuilds Initiative as the implementation model.¹⁰ CareerSource is a not-for-profit corporation administratively housed within DEO and is the principal workforce policy organization for the state. CareerSource designs and implements strategies that help Floridians enter, remain in, and advance in the workplace. CareerSource procures and disburses funds for workforce development.¹¹ The Florida reBuilds Initiative was a program formed in 2005, in part, to counter the growing shortage of construction workers.¹²

Effect of the Bill

The bill provides that DOE must create a plan to implement the following recommendations of the CIWT:

- Expand the definition of a LEA, as used in apprenticeship programs in Florida, to include institutions other than public schools, such as private training organization (for profit and nonprofit), labor unions, industry trade associations or other community based organizations;
- Create a legislative study to consider the appropriateness of moving apprenticeship programs from DOE to DEO;
- Require DOE to recognize the NCCER curriculum, or other comparable national curriculum, as eligible for high school credits, college credits, and state supported scholarships (e.g., bright futures);
- Provide additional state CTE support to be directed towards K-12 programs so that "shop" or other construction related programs are added back into CTE programs; and
- Allow for an alternative instructor certification process through the DOE that does not require certification through an LEA.

DATE: 1/23/2018

⁵ Ch. 17-149, Laws of Fla.

⁶ s. 468.603(2), F.S.

⁷ s. 468.609(2)(c), F.S.

⁸ s. 468.609(7), F.S.

⁹ s. 468.603(8), F.S.

¹⁰ Ch. 17-149, Laws of Fla.

¹¹ s. 445.004, F.S.

¹² Florida Division of Emergency Management, Lt. Governor Jennings Unveils Florida Rebuilds Initiative to Assist with Labor Shortage and Hurricane Recovery (December 13, 2005), available at http://www.floridadisaster.org/eoc/eoc_Activations/ Wilma05/Reports/FLRebuilds.pdf. STORAGE NAME: h1251a.CCS

The bill provides that DOE must submit the plan to the Governor, Speaker of the House, and the President of the Senate by July 1, 2019.

- B. SECTION DIRECTORY:
 - **Section 1.** Provides that DOE must submit a detailed plan to carry out five of the CIWT's recommendations to the Governor, President of the Senate, and the Speaker of the House by July 1, 2019.
 - **Section 2.** Provides an effective date.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

- A. FISCAL IMPACT ON STATE GOVERNMENT:
 - 1. Revenues:

None.

2. Expenditures:

See Fiscal Comments.

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS:
 - 1. Revenues:

None.

2. Expenditures:

None.

- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR: None.
- D. FISCAL COMMENTS:

DOE must create a study to implement the CIWT's recommendations. This will result in minimal administrative costs.¹³

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

¹³ Department of Economic Opportunity, Agency Analysis of 2017 House Bill 1021, p. 4 (Jul. 1, 2017). STORAGE NAME: h1251a.CCS DATE: 1/23/2018

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

An agency bill analysis has not been done for this bill. DEO completed an agency bill analysis for HB 1021 of the 2017 Legislative session. DEO's agency bill analysis is referenced for the Fiscal Analysis & Economic Impact Statement of this bill analysis.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES