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 Commerce and Tourism SB 130 BILL: Senator Hutson INTRODUCER: Florida Job Growth Grant Fund SUBJECT: October 14, 2019 DATE: **REVISED:** ANALYST STAFF DIRECTOR REFERENCE ACTION 1. Reeve McKay CM **Favorable** ED 2. _____ 3. AP

I. Summary:

SB 130 authorizes the Governor to approve workforce training grants from the Florida Job Growth Grant Fund to certain charter schools.

The bill takes effect July 1, 2020.

II. Present Situation:

Florida Job Growth Grant Fund

The Florida Job Growth Grant Fund (fund) was created in 2017 to promote economic opportunity by improving public infrastructure and enhancing workforce training. The fund is housed within the Department of Economic Opportunity (department) and may not be used for the exclusive benefit of any single company, corporation, or business entity.¹

Section 288.101, F.S., provides that the department and Enterprise Florida, Inc., a nonprofit corporation acting as the state's economic development organization, may identify projects, solicit proposals, and make funding recommendations to the Governor. The Governor is authorized to approve:

• State or local public infrastructure projects² to promote economic recovery in specific regions of the state, economic diversification, or economic enhancement in a targeted industry;³

¹ Ch. 2017-233, s. 15, Laws of Fla.

 $^{^{2}}$ Section 288.101(3)(b), F.S., defines public infrastructure as infrastructure that is owned by the public, and is for public use or predominately benefits the public.

³ Section 288.101(3)(c), F.S., defines targeted industry as any industry identified in the most recent list provided to the Governor, the President of the Senate, and the Speaker of the House of Representatives in accordance with s. 288.106(2)(q), F.S.

- Infrastructure funding to accelerate the rehabilitation of the Herbert Hoover Dike;⁴ and
- Workforce training grants to support programs at state colleges and state technical centers that provide participants with transferable, sustainable workforce skills applicable to more than a single employer, and for equipment with these programs. The department must work with CareerSource Florida to ensure programs are offered to the public based on criteria established by the state college or technical center and do not exclude applicants who are unemployed or underemployed.

Eligible entities must submit an application that provides a description of how a proposed project will promote economic opportunity and a breakdown of its estimated costs,⁵ though the application process is not provided for in statute. There are currently no statutory limits on the amount of funds that can be requested per project, the number of projects that may be approved, the number of approved projects that must promote public infrastructure versus workforce training, or the time period for which an approved project may receive funds.⁶

During the 2018-2019 fiscal year the fund was appropriated \$85 million,⁷ and 15 infrastructure projects and eight workforce training projects were approved.⁸

The fund was appropriated \$40 million for Fiscal Year 2019-2020.9

Career and Technical Education

The Career and Technical Education (CTE) graduation pathway was established in the 2019 Regular Session as an alternative pathway to earning a standard high school diploma. A student completing the CTE pathway option must meet specified grade point average requirements; fulfill the requirements of the statewide, standardized assessment requirements to receive a standard high school diploma; and complete certain credits in career and technical education and work-based learning programs.¹⁰ The CTE Programs section of the Department of Education is responsible for developing and maintaining programs that prepare students for occupations in 17 career clusters important to Florida's economic development, such as agriculture, food, and natural resources; engineering and technology education; and transportation, distribution, and logistics.¹¹

⁶ Florida Department of Economic Opportunity, *Florida Job Growth Grant Fund Frequently Asked Questions*, <u>http://floridajobs.org/docs/default-source/communicationsfiles/florida-job-growth-grant-fund-faq--08092019.pdf?sfvrsn=8</u> (last visited Oct. 14, 2019).

⁴ Section 288.101(3)(a), F.S., defines infrastructure as any fixed capital expenditure or fixed capital costs associated with the construction, reconstruction, or improvement of facilities that have a left expectancy of five or more years and any land acquisition, land improvement, design, and engineering costs related thereto.

⁵ Applications for infrastructure and workforce training projects can be found at <u>https://www.enterpriseflorida.com/florida-job-growth-grant-fund/</u>.

⁷ Ch. 2018-9, s. 6, Laws of Fla.

⁸ Florida Department of Economic Opportunity, *Florida Job Growth Grant Fund Awarded Proposals 2018-2019*, <u>http://www.floridajobs.org/jobgrowth/2018-19-awarded-proposals</u> (last visited Oct. 14, 2019).

⁹ Ch. 2019-115, s. 6, Laws of Fla.

¹⁰ Section 1003.4282(11), F.S.

¹¹ Florida Department of Education, *Career and Technical Education*, <u>http://cdn.fldoe.org/academics/career-adult-edu/career-tech-edu/</u> (last visited Oct. 14, 2019).

III. Effect of Proposed Changes:

The bill amends ss. 288.101 and 1002.33, F.S., authorizing the Governor to approve workforce training grants to support programs at charter schools that exclusively offer the Career and Technical Education graduation pathway pursuant to s. 1003.4282(11). Charter schools that exclusively offer the CTE pathway would be eligible to apply for grant funds available through the Florida Job Growth Grant Fund. Because application requirements for the fund are not provided for in statute, the submission requirements may be subject to change with the implementation of the bill.

The bill takes effect July 1, 2020.

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:

None.

VI. **Technical Deficiencies:**

None.

VII. **Related Issues:**

None.

VIII. **Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 288.101 and 1002.33.

IX. **Additional Information:**

Α.

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

None.

Β. Amendments:

None.

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