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.)

	Prep	ared By: T	he Professional	Staff of the Commit	ttee on Educati	on
BILL:	CS/SB 138	8				
INTRODUCER:	Education Committee and Senator Garcia					
SUBJECT:	Preapprenticeship and Apprenticeship Programs					
DATE:	January 31, 2018 REVISED:					
ANALYST		STAF	F DIRECTOR	REFERENCE		ACTION
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2.				AED		
3.				AP		

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1388 creates a 20-member Task Force on Apprenticeship Expansion (task force) within the Department of Economic Opportunity (DEO); and specifies responsibilities, meeting requirements, and expiration of the task force. Specifically, the bill requires the task force to:

- Seek information from industry representatives and experts in the state's targeted industries regarding unmet need.
- Examine and make legislative and administrative recommendations regarding diversity and access, articulation, delivery of information, and funding sources.
- Consider additional topics regarding federal laws and policies and best practices.
- Hold the first meeting of the task force no later than August 15, 2018.

Additionally, the bill requires the Department of Economic Opportunity and the Department of Education to provide assistance to the task force.

The bill specifies that the task force expires July 31, 2019.

The bill takes effect July 1, 2018.

II. Present Situation:

The Legislature has established educational opportunities for young people in the state to be trained for trades, occupations, and professions suited to their abilities.¹ As of January 2018, there are 196 registered apprenticeship programs and 12,468 registered apprentices.² Nationally, there are more than 545,000 apprentices in more than 1,000 occupations.³

Federal Apprenticeship Programs

The National Apprenticeship Act (Act) of 1937 authorized the Department of Labor to formulate and promote the furtherance of labor standards necessary to safeguard the welfare of apprentices, to extend the application of such standards by encouraging their inclusion in contracts of apprenticeship, to bring together employers and labor for the formulation of programs of apprenticeship, and to cooperate with state agencies engaged in the formulation and promotion of standards of apprenticeship.⁴ In 2008, revised regulations were issued by the U.S. Department of Labor which increased program flexibility to better serve the needs of apprentices and program sponsors.⁵

Among other modifications, for State Apprenticeship Agencies (SAAs), the regulations:⁶

- Increase linkages with the workforce investment system;
- Redefine the roles and responsibilities of SAAs and State Apprenticeship Councils;
- Establish a process for continued recognition; and
- Increase flexibility for location of an SAA.

State Apprenticeship Programs

State Apprenticeship Agency

While the Federal government works in cooperation with states to oversee the nation's apprenticeship programs, the states have the authority to register apprenticeship programs through federally recognized SAAs.⁷ In Florida, the Department of Education (DOE) serves as the registering entity to ensure compliance with federal and state apprenticeship standards, provide technical assistance, and conduct quality assurance assessments.⁸

¹ Chapter 446, F.S.

² <u>Email</u>, Florida Department of Education (Jan. 5, 2018).

³ United States Department of Labor, Get the Facts On Apprenticeship,

https://www.dol.gov/apprenticeship/shareables-fact-2.htm (last visited Jan. 26, 2018).

⁴ United States Department of Labor, *Apprenticeship Programs, Labor Standards for Registration, Amendment of Regulations*, Federal Register, Vol. 73, No. 210, amending 29 CFR Part 29, *available at*

https://doleta.gov/OA/pdf/FinalRule29CFRPart29.pdf. See also 29 U.S.C. s. 50 (1937), as amended.

⁵ *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*, <u>http://www.doleta.gov/oa/regulations.cfm</u> (last visited Jan. 26, 2018).

⁶ U.S. Department of Labor, *Apprenticeship Final Rule Fact Sheet*, at 2-3, *available at* <u>http://www.doleta.gov/oa/pdf/Apprenticeship_Final_Fact_Sheet.pdf</u>.

⁷ 29 C.F.R. ss. 29.1 and 29.13 (2008).

⁸ 29 C.F.R. s. 29.2 (2008). See also s. 446.041, F.S.

The DOE has responsibility for the development of the apprenticeship and preapprenticeship uniform minimum standards⁹ for the apprenticeable trades¹⁰ and that the department is also responsible for assisting district school boards and Florida College System (FCS) institution boards of trustees in developing preapprenticeship programs.¹¹

Apprenticeship and Preapprenticeship Programs

An apprenticeship program is an organized course of instruction, registered and approved by the DOE,¹² which contains all terms and conditions for the qualifications, recruitment, selection, employment, and training of apprentices¹³ including such matters as the requirements for a written apprenticeship agreement.¹⁴

The DOE is responsible for administering, facilitating, and supervising registered apprenticeship programs, including, but not limited to:¹⁵

- Developing and encouraging apprenticeship programs.
- Cooperating with and assisting apprenticeship sponsors to develop apprenticeship standards and training requirements.
- Monitoring registered apprenticeship programs.
- Investigating complaints regarding failure to meet the standards established by the DOE.
- Canceling registration of programs that fail to comply with DOE standards and policies.

¹¹ Section 446.011(2), F.S.

¹² Registration of an apprenticeship program means acceptance and recording of such program by the Department as meeting the basic standards and requirements of the Department for approval of such program. Approval is evidenced by a certificate or other written indicia. Rule 6A-23.002(18), F.A.C. Eligibility and requirements for registration are established in State Board of Education rule. Rule 6A-23.003, F.A.C.

¹³ 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.

¹⁴ Section 446.021(6), F.S. An apprenticeship agreement may not operate to invalidate any apprenticeship provision in a collective agreement between employers and employees which establishes higher apprenticeship standards. Section 446.081(1), F.S.

¹⁵ Section 446.041, F.S.

⁹ "Uniform minimum preapprenticeship standards" means the minimum requirements established uniformly for each craft under which a preapprenticeship program is administered and includes standards of 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.

¹⁰ 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 structured, systemic program of on-the-job, supervised training and involves 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.

A preapprenticeship program is an organized course of instruction in the public school system or elsewhere, which is designed to prepare a person 16 years of age or older to become an apprentice¹⁶ and is approved by and registered with the DOE and sponsored by a registered apprenticeship program.¹⁷

The DOE, under regulations established by the State Board of Education, may administer the provisions in law¹⁸ which relate to preapprenticeship programs in cooperation with district school boards and community college district boards of trustees.¹⁹ District school boards, community college district boards of trustees, and registered program sponsors must cooperate in developing and establishing programs that include career instruction and general education courses required to obtain a high school diploma.²⁰

Additionally, the DOE, district school boards, and FCS institution boards of trustees must work together with existing apprenticeship programs so that individuals completing preapprenticeship programs.²¹ According to the DOE, there are six one-credit preapprenticeship courses, which are counted as electives for graduation purposes.²² As of September 2017, there are 19 preapprenticeship programs located throughout the state.²³

State Apprenticeship Advisory Council

The State Apprenticeship Advisory Council (Council) advises the DOE on matters related to apprenticeship.²⁴ The Council is comprised of 10 voting members appointed by the Governor to staggered 4-year terms, and two ex officio nonvoting members.²⁵ The 10 voting members appointed by the Governor consist of:²⁶

- Four members representing employee organizations.
- Four members representing employer organizations.
- Two public members who are knowledgeable about registered apprenticeship and apprenticeable occupations. One of the public members must be recommended by joint organizations and one must be recommended by nonjoint organizations.²⁷

²³ Id.

¹⁶ A "preapprentice" means any person 16 years of age or over engaged in any course of instruction in the public school system or elsewhere, which course is registered as a preapprenticeship program with the department. Section 446.021(1), F.S.

¹⁷ Section 446.021(5), F.S.

¹⁸ Sections 446.011-446.092, F.S.

¹⁹ Section 446.052(2), F.S.

 $^{^{20}}$ *Id*.

²¹ Section 446.052(3), F.S.

²² Telephone interview with staff, Florida Department of Education (Jan. 25, 2018).

²⁴ Section 446.045(2)(a), F.S.

²⁵ *Id.* at (2)(b).

²⁶ Id.

 $^{^{27}}$ *Id.* A "joint organization" means an apprenticeship sponsor who participates in a collective bargaining agreement. Section 446.045(1)(a), F.S. A "nonjoint organization" means an apprenticeship sponsor who does not participate in a collective bargaining agreement. *Id.* at (1)(b).

Two ex-officio, non-voting members of the Council are the:²⁸

- Commissioner of Education (commissioner) or the commissioner's designee.
- State director of the Office of Apprenticeship of the United States Department of Labor.

The Council must meet at least twice a year.

III. Effect of Proposed Changes:

CS/SB 1388 creates a 20-member Task Force on Apprenticeship Expansion (task force) within the Department of Economic Opportunity (DEO); and specifies responsibilities, meeting requirements, and expiration of the task force. Specifically, the bill requires the task force to:

- Seek information from industry representatives and experts in the state's targeted industries regarding unmet need.
- Examine and make legislative and administrative recommendations regarding diversity and access, articulation, delivery of information, and funding sources.
- Consider additional topics regarding federal laws and policies and best practices.
- Hold the first meeting of the task force no later than August 15, 2018.

Additionally, the bill requires the Department of Economic Opportunity and the Department of Education to provide assistance to the task force.

The bill specifies that the task force expires July 31, 2019.

Task Force on Apprenticeship Expansion

The bill creates an additional statewide task force²⁹ regarding apprenticeships. The Task Force on Apprenticeship Expansion (task force) is created within the DEO to:

- Seek information from representatives of and experts in the state's targeted industries regarding unmet workforce needs that could be addressed through the expansion of apprenticeship and preapprenticeship programs.
- Examine and make legislative and administrative recommendations regarding registered apprenticeship and preapprenticeship programs (registered programs) to:
 - Increase the recruitment of women, members of minority groups, low-income individuals, veterans, and individuals with disabilities into registered programs.
 - Enhance articulation between middle school curriculum; high school career and technical education programs, including registered programs; postsecondary institution curriculum; and workforce needs.
 - Ensure the effective delivery of information regarding career and technical education opportunities, including registered programs, to the general public, school districts, school administrators, school guidance counselors, and students enrolled in grades K-12 and their parents or guardians.
 - Implement a sustainable model for the funding of registered programs, including the development of additional revenue sources, expansion of public-private partnerships,

²⁸ Section 446.045(2)(b), F.S.

²⁹ The State Apprenticeship Advisory Council advises the DOE on matters relating to apprenticeship. Section 446.045(2)(a), F.S.

establishment of student scholarships, and replacement of funds lost through remission of tuition and fees.

- Institute limited income tax credits or economic development incentives for taxpayers employing preapprentices or apprentices through a registered program.
- Guarantee access for enrollees in registered programs ages 16 and 17 to all appropriate learning opportunities consistent with the provisions of federal worker compensation and child labor laws.

Additionally, the bill requires the task force to consider additional topics including:

- The impact of changes to federal laws and administrative policies regarding career and technical education, secondary institution curriculum, and workforce needs.
- The best practices in other states that have successfully expanded registered programs.
- The best practices in benchmark occupational standards and apprenticeship program models to initiate globally competitive workforce training programs in the state.

The bill establishes the membership of the task force, who must be appointed by July 31, 2018, to include:

- A member of the Senate, appointed by the President of the Senate.
- A member of the House of Representatives, appointed by the Speaker of the House of Representatives.
- A member appointed by the Florida Chamber of Commerce.
- A member appointed by the National Federation of Independent Business/Florida.
- A member appointed by the Florida AFL-CIO.
- A member appointed by the Florida Education Association.
- A member appointed by United Faculty of Florida.
- A member appointed by the Florida High Tech Corridor Council.
- A member appointed by the Associated General Contractors of Greater Florida.
- The Chancellor of the Division of Career and Adult Education, or his or her designee.
- The Chancellor of the Division of Florida Colleges, or his or her designee.
- The Chancellor of the State University System, or his or her designee.
- A member appointed by the Association of Florida Colleges.
- A member appointed by the Florida Association of Postsecondary Schools and Colleges.
- A member appointed by the executive director of the Department of Economic Opportunity.
- A member appointed by the President and CEO of CareerSource Florida.
- A member appointed by the Florida League of Cities.
- A member appointed by the Florida Association of Counties.
- A member appointed by the Florida Building and Construction Trades Council.
- A member appointed by the Florida Association of Apprenticeship Administrators.

The bill specifies that the task force members may not receive compensation. Additionally, the bill requires the task force to hold the first meeting no later than August 15, 2018, and to meet at least 3 times. The bill authorizes the task force to conduct meetings remotely.

The bill requires the Department of Economic Opportunity and the Department of Education to provide such assistance as reasonably necessary to support the task force. Additionally, the bill

requires the task force to submit a report detailing its activities and findings to the Governor, the President of the Senate, and the Speaker of the House of Representatives by March 1, 2019. The bill provides for an expiration of the task force effective July 31, 2019.

The creation of and recommendations from the task force may help to expand apprenticeship and preapprenticeship opportunities for students, including underrepresented groups and in areas of unmet workforce needs.

The establishment of the state Task Force on Apprenticeship Expansion seems to be consistent with a national movement toward the expansion of apprenticeship programs. A June 15, 2017, Presidential Executive Order established a federal Task Force on Apprenticeship Expansion (TFAE).³⁰ The mission of the TFAE is to identify strategies and proposals to promote apprenticeships, especially in sectors where apprenticeship programs are insufficient.³¹ The TFAE must submit to the President a report on these strategies and proposals, including:³²

- Federal initiatives to promote apprenticeships.
- Administrative and legislative reforms that would facilitate the formation and success of apprenticeship programs;
- The most effective strategies for creating industry-recognized apprenticeships; and
- The most effective strategies for amplifying and encouraging private-sector initiatives to promote apprenticeships.

Additionally, the bill clarifies the definitions of specified terms used in the bill.

The bill takes effect July 1, 2018.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

³⁰ The White House, *Presidential Executive Order Expanding Apprenticeships in America*, <u>https://www.whitehouse.gov/presidential-actions/3245/</u> (last visited Jan. 26, 2018).

 $^{^{31}}$ *Id*.

³² Id.

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 creates an undesignated section of Florida Law.

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 on January 29, 2018:

The committee substitute removes from the bill, the "Earn and Learn Grant Program" and related requirements and appropriations, but retains the Task Force on Apprenticeship Expansion (task force). The committee substitute, however, modifies the task force related provisions to:

- Increase the membership of the task force from 15 to 20 members.
- Revise the deadline for the first meeting of the task force from September 1, 2018 to August 15, 2018.
- Add the Department of Education to the Department of Economic Opportunity as agencies responsible for providing assistance to the task force.
- Specifies duties of the task force to require the task force to:
 - Seek information from industry representatives and experts in the state's targeted industries regarding unmet need.
 - Examine and make legislative and administrative recommendations regarding diversity and access, articulation, delivery of information, and funding sources.
 - o Consider additional topics regarding federal laws and policies and best practices.
- Revise the expiration of the task force from June 30, 2019 to July 31, 2019.

B. Amendments:

None.

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