

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 Appropriations Subcommittee on Education

BILL: SB 522

INTRODUCER: Senator Diaz

SUBJECT: Apprenticeship Programs

DATE: April 15, 2019

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Brick</u>	<u>Sikes</u>	<u>ED</u>	Favorable
2.	<u>Underhill</u>	<u>Elwell</u>	<u>AED</u>	Pre-meeting
3.	_____	_____	<u>AP</u>	_____

I. Summary:

SB 522 establishes a new reporting requirement and funding source to expand apprenticeship and preapprenticeship opportunities. Specifically, the bill:

- Requires the Department of Education (DOE) to report specified information to the Legislature and the State Apprentice Advisory Council regarding apprenticeship and preapprenticeship training in Florida.
- Requires the DOE to provide information on its website explaining how a Florida College System institution or a school district may assume the responsibilities of a local education agency for the purposes of administering an apprenticeship program.
- Creates the Florida Apprenticeship Grant (FLAG) Program, which provides eligibility for grant awards to registered apprenticeship program sponsors who do not require assistance from a career educational institution.
- Assigns to the DOE the responsibility for the administration and supervision of related and supplemental education and training of apprentices whose apprenticeship programs have received a FLAG Program award.

The provisions within the bill are subject to an annual appropriation.

The bill takes effect July 1, 2019.

II. Present Situation:

Federal and State Administration of Apprenticeships

The National Apprenticeship Act (also known as the Fitzgerald Act in honor of its author, Congressman William J. Fitzgerald)¹ delegates to the U.S. Secretary of Labor the responsibility to formulate and promote labor standards necessary to safeguard the welfare of apprentices.²

On August 22, 2018, the U.S. Department of Labor published a Funding Opportunity Announcement regarding the availability of \$150 million to fund approximately 15-30 apprenticeship grant awards to accelerate the expansion of apprenticeships to new industry sectors reliant on H-1B visas, promote the large-scale expansion of apprenticeships across the nation, and increase apprenticeship opportunities for all Americans.³

The federal government also offers other resources to assist with funding registered apprenticeship programs, which include:⁴

- Federal Student Aid funds;
- Federal Workforce Funds for Registered Apprenticeship;
- GI Bill and Veterans Programs;
- Supplemental Nutrition Assistance Program;
- Federal Highway Administration On-the-Job Training and Supportive Services Program; and
- Covered Housing and Urban Development Financial Assistance Programs

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 (State Apprenticeship Agencies).⁵ 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.⁶

Apprenticeships and Preapprenticeships in Florida

Florida law states that it is the intent of the State of Florida to provide educational opportunities for its young people so that they can be trained for trades, occupations, and professions suited to their abilities and benefit from the valuable training opportunities developed when on-the-job training is combined with academic-related classroom experiences.⁷

¹ U.S. Department of Labor, *History and Fitzgerald Act*, <http://www.doleta.gov/oa/history.cfm> (last visited Mar. 6, 2019). See 29 U.S.C. s. 50 (1937), as amended.

² 29 U.S.C. s. 50

³ U.S. Department of Labor, Employment and Training Administration, *NOTICE OF AVAILABILITY OF FUNDS AND FUNDING OPPORTUNITY ANNOUNCEMENT FOR: Scaling Apprenticeship Through Sector-Based Strategies*, available by visiting <https://www.grants.gov/web/grants/view-opportunity.html?oppId=307212>, clicking on the related documents tab, and opening the pdf link titled "FOA-ETA-18-08.pdf," (last visited Mar. 6, 2019).

⁴ U.S. Department of Labor, Employment and Training Administration, *The Federal Resources Playbook for Registered Apprenticeship*, available at <https://www.doleta.gov/oa/federalresources/playbook.pdf>.

⁵ 29 C.F.R. ss. 29.1 and 29.13.

⁶ 29 C.F.R. s. 29.2.

⁷ Section 446.011, F.S.

An apprenticeable occupation is a skilled trade possessing 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).⁸

An “apprentice” is 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 should be combined with properly coordinated studies of technical and supplementary subjects. An apprentice must enter into an apprentice agreement with a registered apprenticeship sponsor who may be either an employer, an association of employers, or a local joint apprenticeship committee.⁹

Potential candidates for apprenticeships may apply with a registered apprenticeship program sponsor, who determines whether the candidate meets the required qualifications.¹⁰ Apprenticeship program sponsors may provide private classroom instruction or coordinate with a local educational agency¹¹ to provide related supplemental classroom instruction.¹² The apprentices are exempt from paying tuition and fees at a school district technical center, Florida College System institution, or state university.¹³

The apprenticeship program sponsor operates and registers an agreed-upon apprenticeship program.¹⁴ An apprenticeship program is an organized course of instruction, registered and approved by the DOE that contains all terms and conditions for the qualifications, recruitment, selection, employment, and training of apprentices.¹⁵ A preapprenticeship program is an organized course of instruction which is designed to prepare a person 16 years of age or older to become an apprentice.¹⁶

The administration and supervision of related and supplemental instruction for apprentices, coordination of such instruction with job experiences, and selection and training of teachers and coordinators for such instruction is the responsibility of the appropriate career education institution.¹⁷ The career education institution is encouraged to provide facilities, equipment and

⁸ Section 446.092, F.S. The hours identified are in addition to the time spent at related classroom instruction. *Id.*

⁹ Section 446.021(2), F.S.

¹⁰ Florida Department of Education, Apprenticeship Program, *What is Registered Apprenticeship?*, <http://www.fldoe.org/academics/career-adult-edu/apprenticeship-programs/what-is-apprenticeship.stml>, (last visited March 6, 2019).

¹¹ Though not defined in the federal regulations governing the U.S. Department of Labor, the U.S. Department of Education regulations define a *local educational agency* as a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public educational institution or agency having administrative control and direction of a vocational education program. 34 C.F.R. s. 400.4.

¹² Section 446.051(2), F.S.

¹³ Section 1009.25(1)(b), F.S.

¹⁴ Rule 65A-23.002(21), F.A.C.

¹⁵ 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.

¹⁶ Section 446.021(5), F.S.

¹⁷ Section 446.051(1), F.S.

supplies, and instructors' salaries for the performance of related and supplemental instruction associated with the registered program.¹⁸

The State Apprenticeship Advisory Council (Council) advises the DOE on matters related to apprenticeship.¹⁹ The Commissioner of Education (commissioner) or the commissioner's designee must serve ex officio as chair of the Council, but may not vote.²⁰ The Council is comprised of 10 voting members appointed by the Governor and two ex officio nonvoting members.²¹ The voting members include:

- Four members representing employee organizations,
- Four members representing employer organizations, and
- Two members who are knowledgeable about registered apprenticeship and apprenticeable occupations, of which one must be recommended by joint organizations and one must be recommended by nonjoint organizations.²²

Participation in apprenticeship is expanding throughout the country.²³ 3,229 new apprenticeship programs were established nationwide in 2018.²⁴ In Florida:

- 221 registered apprenticeship programs served 12,207 apprentices.²⁵
- 5,233 new apprentices were registered.
- 22 apprenticeship programs were formed.²⁶
- 1,500 apprentices graduated their respective programs.²⁷
- 31 preapprenticeship programs throughout the state served adults and youth.²⁸

As of 2016, the nationwide average age of a registered apprentice was 28.²⁹

In June of 2018, an apprenticeship workgroup including members of CareerSource Florida, the Department of Economic Opportunity, and the DOE suggested enhancing the data and

¹⁸ Section 446.051(2), F.S.

¹⁹ Section 446.045(2)(a), F.S.

²⁰ Section 446.045(2)(b), F.S.

²¹ *Id.*

²² *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).

²³ U.S. Department of Labor, *Registered Apprenticeship National Results Fiscal Year (FY) 2018 (10/01/2018-1 to 9/30/2018)*, https://www.doleta.gov/OA/data_statistics.cfm (last visited Mar. 6, 2019).

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ *Id.*

²⁸ Florida Department of Education, *Youth Preapprenticeship Programs (2018)*, available at <http://www.fldoe.org/core/fileparse.php/5626/urlt/hs-preapprenticeship.pdf>, and Florida Department of Education, *Adult Preapprenticeship Programs (2018)*, available at <http://www.fldoe.org/core/fileparse.php/5626/urlt/adult-preapprenticeship.pdf>.

²⁹ Keith Rolland, *Apprenticeships and Their Potential in the U.S.*, Federal Reserve Bank of Philadelphia Cascade, No. 90, Winter 2016, available at https://www.philadelphiafed.org/community-development/publications/cascade/90/01_apprenticeships.

information available on the DOE website as a means to increase awareness of apprenticeship options.³⁰

Department of Education Responsibilities

The DOE is responsible for administering, facilitating, and supervising registered apprenticeship programs, including, but not limited to:³¹

- 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 standards³² established by the DOE.
- Canceling registration of programs that fail to comply with DOE standards and policies.

The DOE must establish uniform minimum standards and policies governing apprenticeship programs and agreements. The standards and policies must govern the terms and conditions of the apprentice's employment and training, including the quality training of the apprentice for, but not limited to, such matters as ratios of apprentices to journeymen, safety, related instruction, and on-the-job training. In addition, the DOE must establish procedures to be used by the State Apprenticeship Advisory Council.³³

The DOE, along with district school boards and Florida College System institution boards of trustees, must work with existing apprenticeship programs so that individuals completing preapprenticeship programs are able to receive credit towards completing registered apprenticeship programs.³⁴

III. Effect of Proposed Changes:

The bill expands the class of intended beneficiaries of apprenticeship training to include all residents and not just young people.

The bill requires the Department of Education (DOE) to provide an annual report to the Legislature and the State Apprenticeship Advisory Council on apprenticeship and preapprenticeship training in this state. The report must include:

- The number of apprenticeship and preapprenticeship programs.

³⁰ Apprenticeship Florida, *Filling Florida's Skills Gap Through Apprenticeships*, available at https://careersourceflorida.com/wp-content/uploads/2018/07/2018-5-31_CSF_Apprenticeship_Booklet-Version-2_NoCrops.pdf, (last visited Mar. 7, 2019); and Apprenticeship Florida, *Workgroups Findings and Recommendations Report* (2018), available at <https://careersourceflorida.com/wp-content/uploads/2018/07/Apprenticeship-Workgroups-Report.pdf>.

³¹ Section 446.041, F.S.

³² F.S.; Rule 6A-23.004, F.A.C. "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.

³³ Section 446.032, F.S.

³⁴ Section 446.052(3), F.S.

- The number of apprenticeship sponsors.
- The number of apprentices and preapprentices for each apprenticeable trade and occupation.
- The amount of state funding per apprentice and per apprenticeable trade and occupation.

Additionally, the bill requires the DOE to provide information under the apprenticeship programs section of its website explaining how a Florida College System institution or a school district may assume the responsibilities of a local educational agency for the purposes of administering an apprenticeship program.

The bill creates the Florida Apprenticeship Grant (FLAG) Program, which authorizes registered apprenticeship program sponsors who do not require assistance from a career education institution to apply to the DOE for grant awards to assist in funding apprenticeship programs. If a registered program sponsor has received a FLAG Program award, the bill provides that the DOE is responsible for the administration and supervision of supplemental instruction for apprentices, coordination of such instruction with job experiences, and selection and training of teachers and coordinators for such instruction.

The FLAG Program awards may increase the number of available apprenticeship programs by providing an additional source of funding for eligible apprenticeship program sponsors. The FLAG Program, along with the additional reporting and DOE website information required by the bill, may increase participation in apprenticeship programs.

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:

The Florida Apprenticeship Grant Program is subject to a legislative appropriation.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 446.011, 446.032, and 446.051.

This bill creates the following section of the Florida Statutes: 446.042.

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.