

Provisions in HB 1507 - Workforce Related Programs and Services

passed by the 2021 Legislature

(from the House of Representatives Staff Analysis)

To create a system-wide approach to improve the equity and access for all Floridians to have the opportunity to achieve self-sufficiency, the bill:

- Authorizes the Governor to seek federal waivers to create greater flexibility and strategic investment in Florida's implementation of the Workforce Innovation and Opportunity Act (WIOA).
- Creates the Office of Reimagining Education and Career Help (Office) in the Executive Office of the Governor to provide coordination and alignment in Florida's workforce development system.
- Requires the Office to create a "no-wrong-door" entry strategy whereby Floridians may access services from any workforce partner with a common intake form and case management system.
- Creates a publicly available online opportunity portal to provide Floridians with access to identify in-demand jobs, the skills needed, where to obtain those skills, available services, and program performance employability and economic mobility.
- Requires the DEO and the DCF to evaluate the impact of workforce services on participants receiving benefits and welfare transition programs, to include performance reports on participant earnings.
- Requires local workforce development boards (LWDB) to be assigned a letter grade, which must be made public, based on improvement of participant long-term self-sufficiency and return on investment.
- Charges the Labor Market Estimating Conference as the entity responsible for determining Florida's real-time supply and demand in the labor market.
- Requires the Talent Development Council to coordinate Florida's efforts to meet state healthcare workforce needs, by conducting a gap analysis and provide trend information on nursing programs.
- Requires the DEO to establish WIOA eligible training provider criteria focused on participant outcomes.
- Requires the CareerSource state board to appoint a Credentials Review Committee to identify degree and nondegree credentials of value, develop a Master Credentials List for performance funding, and establish policy direction for funding which prioritizes outcomes and leverages resources to support vulnerable populations.
- Creates the Open Door Workforce Grant Program to provide grants to school districts and Florida College System (FCS) institutions to cover up to two-thirds of the cost of short-term, high-demand programs.
- Creates the Money-Back Guarantee Program, requiring each school district and FCS institution to refund the cost of tuition to students who are not able to find a job within 6 months of completing select programs.
- Creates a new workforce performance funding model for school district and FCS institution workforce programs, requiring one-third of performance funding to be based on rewarding student job placement

and the remaining two-thirds be based on student earnings, with a focus on increasing the economic mobility of underserved populations.

- Requires that students entering a public postsecondary institution in 2022-2023, and thereafter, must be able to earn nationally recognized digital credentials for competencies within the general education core courses which demonstrate career readiness.

FISCAL ANALYSIS & ECONOMIC IMPACT

State Expenditures:

The bill creates the Office of Reimagining Education and Career Help (REACH) within the Executive Office of the Governor to facilitate alignment and coordination of the state's workforce development entities. Based on standard salaries/benefits and expense packages for a policy coordinator and associated analysts within the Governor's office, staffing the REACH office is estimated to be 8 full time equivalent positions, and \$887,503.

The bill requires implementation of a consumer-first workforce information system which requires coordination among various state entities, including: the Departments of Economic Opportunity, Education, Children and Families, as well as CareerSource, the EOG REACH office and local partners. The cost of implementing an automated and coordinated system among the state's workforce partners is indeterminate and cannot be quantified at this time as each entity currently operates its own data systems. Detailed analysis is required to include data governance for shared data across all entities, engineering of data interoperability and new business processes, and documentation of detailed functional requirements for the procurement of supporting technologies. Analysis should also include how current data and intake systems can be enhanced or augmented to include these functionalities. Based on historical costs related to planning information technology systems, such an analysis could cost between \$1.5 million and \$2 million.

Funding for the consumer-first workforce information system will be dependent upon consideration of the General Appropriations Act for Fiscal Year 2021-22.

The bill requires the DOE to develop a workforce development metrics dashboard to measure the state's investments in workforce development and measure the return on investment for workforce-related programs. The department estimates they would need 2 additional FTE who will assist with data collections and outcome reporting requirements. Based on standard salaries/benefits and expense packages associated with the personnel handling this workload, the cost will be \$268,265.

The DOE further estimates department workload associated with the new reporting requirements in the Pathways to Career Opportunities Grant Program. The department estimates a need of two additional FTE to successfully implement these provisions. While costs for these positions are estimated to be \$199,496, the department states the cost for the new positions can be absorbed within the current, recurring appropriations for the program.

Additionally, the bill establishes the Open Door Grant Program, where grants are available to institutions for students enrolling in eligible technical education or certificate programs. Grants will cover 2/3 of program costs with a student being responsible for 1/3 cost or any unmet need after student aid is

accounted for. To the extent the Legislature provides funding for the new program, it would have an indeterminate, negative impact based on the amount of appropriations made available.

Funding requirements for the personnel and the grant program provisions within the bill will be dependent upon consideration of the General Appropriations Act for Fiscal Year 2021-22.

The bill specifies the Credentials Review Committee will develop the Master Credentials List used for the distribution of performance funds for Florida Colleges and District Workforce Education and develop a returned-value funding formula to allocate performance funds for Florida Colleges and District Workforce Education. These changes may affect the distribution of funds currently being allocated; however, the affect is indeterminate.

The Money Back Guarantee Program will refund the cost of tuition to students unable to find a job within six months of completion of select workforce-related programs that prepare students for in demand, middle-level to high-level wage occupations. Actual expenditures will vary depending on the number of guarantees that must be honored and the cost of tuition for those students.

ECONOMIC IMPACT ON PRIVATE SECTOR: The bill creates a robust and transparent workforce portal to provide Floridians with real-time resources to support their long-term earning potential. The bill provides important data and resources for Floridians to access and evaluate workforce services at a participant's time of need. Additionally, the bill identifies and categorizes in-demand credentials and degree programs and requires information to be made available to the public to determine the performance of these programs and training providers offering these programs, as well as long term earning results and impact to self-sufficiency.