

The Florida Senate
PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Higher Education Appropriations Committee

BILL: CS/CS/SB 918

INTRODUCER: Higher Education Appropriations Committee, Higher Education Committee and Senator Wise

SUBJECT: Florida Work Experience Program

DATE: April 13, 2007 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Harkey</u>	<u>Matthews</u>	<u>HE</u>	<u>Fav/CS</u>
2.	<u>Kuleshova</u>	<u>Hamon</u>	<u>HI</u>	<u>Fav/CS</u>
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The bill expands the eligibility criteria for the Florida Work Experience Program (FWEP), a work-study financial aid program for students, to include postsecondary students attending a community college or school district operated career center. The bill also allows students with baccalaureate degrees who are pursuing a teaching career to participate in the program if they are enrolled in an Educator Preparation Institute (EPI) and demonstrate financial need. The bill specifies that each participating postsecondary educational institution must furnish the full cost of all pre-employment requirements such as background screening and tuberculosis testing. The bill also deletes the requirement for the FWEP to be budgeted through the State Student Financial Assistance Trust Fund.

This bill amends sections 1009.50 and 1009.77 of the Florida Statutes.

II. Present Situation:

Florida Work Experience Program

The Florida Work Experience Program (FWEP) is a work-study financial aid program that enables certain Florida postsecondary students to gain work experience in their field of study. Participating students work for an employer in their field of study and employers receive reimbursement from the student's postsecondary institution for wages paid to the student. The program is open only to certain students pursuing associate or baccalaureate degrees at eligible postsecondary institutions. Currently, institutions participating in the Florida Work Experience Program only serve college credit students. Job placements may be up to 25 percent on campus

and/or up to 100 percent off campus. The program is decentralized so the institution performs the following operational functions:

- Students are advised of the program and financial need eligibility is determined, including the amount of aid the student is eligible to receive.
- The staffs at the institution work with the student and the instructional program to identify the types of work experience that would be beneficial to the student and their program of study.
- Staff recruits employers to participate in the program, explain how it works and provide students to be interviewed.
- Once a student is selected for hire, the staff develops a contract with the employer.
- The staff is responsible for helping the student prepare for the interview and secure the job placement.
- After the student is employed, the staff must monitor the expenditures to ensure that the Florida Work Experience Program does not authorize more funds than the student is eligible to receive. This also includes monitoring the amount the employer provides above the 70 percent provided by the program because the total amount of earnings is counted against the student's aid capacity. (70 percent paid by FWEP and 30 percent paid by employer).

Eligible Institutions

Students must be enrolled at an eligible postsecondary institution to participate in the FWEP. An eligible institution is any one of the following types of institutions:

- A state university or community college;
- A non-profit college or university which is accredited by the Commission on Colleges of the Southern Association of Colleges and Schools and chartered as a Florida domestic corporation;
- A college or university licensed by the Commission for Independent Education; or
- A private nursing diploma school approved by the Florida Board of Nursing.

A participating institution may use up to 25 percent of its FWEP allocation to employ students within the institution. Each institution may retain up to 10 percent of its total FWEP allocation to cover the cost of administering the program.

Ninety postsecondary institutions are currently eligible to participate in the FWEP. Many eligible postsecondary institutions choose not to participate in the FWEP. According to DOE, many institutions find that the cost and burdens associated with administering the program outweigh the 10 percent of total FWEP funds that they are allowed to allocate to program administration.

Student Eligibility Requirements

Florida law specifies several criteria that students must meet to participate in the FWEP. A student must:

- Be enrolled as an undergraduate in good standing at an eligible college or university as no less than a half-time student;
- Meet the requirements for receipt of student financial aid contained in s. 1009.40, F.S., except as otherwise provided;
- Demonstrate financial need; and
- Maintain a 2.0 cumulative grade point average for all college coursework.

The program is not open to students: (a) who are pursuing postsecondary career-technical education programs; or (b) who have previously attained a baccalaureate degree and who are pursuing teacher certification at an Educator Preparation Institute (EPI).

Students may participate in the FWEP for a maximum of eight semesters or twelve quarters, or until attainment of a first baccalaureate degree. Participating students must interview with the employer to secure employment. Each student is paid an hourly wage by the employer. Wages earned must not exceed the student's net financial need by more than \$300 per academic year.

Each employer receives reimbursement from the student's postsecondary institution. Reimbursements are paid from State Student Financial Assistance Trust Fund monies received by the postsecondary institution. Public secondary or elementary schools that employ students must be reimbursed for 100 percent of student wages paid. All other employers must be reimbursed for 70 percent of student wages paid.

The 2005 Legislature appropriated \$1,069,922 to fund the FWEP for 2005-2006. Three hundred thirty-nine students received awards that year. The average award was \$2,388. A total of \$809,560 was distributed to students.¹ Although ninety postsecondary institutions are currently eligible, only twenty-three participated in 2005-2006. The 2006 Legislature appropriated \$1,069,922 to fund the FWEP for 2006-2007.

Pilot Program

According to the Department of Education, there was a very successful pilot program that expanded access to vocational students from 1999-2001. The pilot program was funded by the Legislature for three years with a plan to expand it to all community colleges. After the extensive workforce budget cuts following the September 11, 2001 attacks on the United States, this program was eliminated. The pilot was located at Florida Community College at Jacksonville. During the duration of the pilot, 56 vocational students were served in such career fields as: automotive, welding, electricity, brick mason, plumbing, carpentry, commercial heating and air, computer electronics, early childhood education, network support, and office supervision/administrative assistant.

Career Certificate Program

Section 1004.02, F.S. defines "Career certificate program" to mean a course of study that leads to at least one occupational completion point. The program may also confer credit that may articulate with a diploma or career degree education program, if authorized by rules of the State Board of Education. Any credit instruction designed to articulate to a degree program is subject to guidelines and standards adopted by the Department of Education pursuant to chapter 1007. The term is interchangeable with the term "certificate career education program."

Career Centers

Section 1001.44, F.S. authorizes district school boards to operate career centers. Such centers are part of the overall district school system, and must be approved by the DOE. Career centers may

¹ Florida Department of Education. Office of Student Financial Assistance. "Annual Report to the Commissioner 2005-2006." P. 11.

provide career-technical education to secondary students, out-of-school youth, and adults. Career centers offer a variety of programs, including:

- Workforce education certificate programs;
- Apprenticeship programs;
- Continuing career education programs; and
- Adult general education programs.

III. Effect of Proposed Changes:

The bill expands eligibility for the FWEP to include postsecondary students attending a community college or school district operated career center. Eligible career education programs must be approved by the DOE, and must consist of no less than 450 hours of instruction. Eligible programs may be delivered at a community college or a district school board operated career center. Further, the bill allows students pursuing teacher certification at an EPI to participate in the FWEP. The bill allows these students to be eligible for the FWEP despite having already obtained a baccalaureate degree. The bill maintains the current requirement that other students, who are eligible for the FWEP, may not have a baccalaureate degree.

The bill specifies that each participating postsecondary educational institution must furnish the full cost of all pre-employment requirements such as background screening and tuberculosis testing.

The bill amends employer reimbursement provisions requiring participating postsecondary institutions to reimburse 70 percent of student wages paid to students by employers. Rather than require full reimbursement of 70 percent of student wages, the bill allows postsecondary institutions to reimburse employers for “up to” 70 percent of the student’s wages.

The bill deletes the requirement for the FWEP to be budgeted through the State Student Financial Assistance Trust Fund due to the Legislature discontinuing the double budgeting of funds within the state student financial aid program during the last few years.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Individuals wanting to change careers to pursue a teaching career or to find expanded access to career vocational education would find access to work-study, need-based financial aid to students. This could be especially helpful to students who otherwise might not have the financial resources to pursue postsecondary workforce training. Under current law, vocational students do not have access to any need-based financial aid from the state; they must rely upon scholarships, federal aid or student loans. By providing them an opportunity to earn their financial aid, the burden of student debt may be eliminated or reduced.

C. Government Sector Impact:

According to the Department of Education, only six community colleges currently participate in FWEP, and in 2005-2006 they expended \$685,329 on college credit students who typically have longer programs than vocational students. \$124,231 was used by other higher education institutions that participated in the program for a total of \$809,560. There were 23 institutions that participated (8 community colleges and 15 others) in 2005-06 though an additional 69 institutions were eligible. Unless more institutions dedicate more staff to implement the program few additional colleges are expected to participate. Although there are 45 career centers, it is anticipated that it will take a few years before they will be able to develop the program to utilize large sums of the money.

The Senate proposed 2007-08 General Appropriations Act (SB 2800) provides \$500,000 from non-recurring funds for this purpose.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Summary of Amendments:

None.

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