



A G E N D A

CareerSource Broward
2890 West Cypress Creek Road, Fort Lauderdale, FL 33309

The Committee is reminded of the conflict of interest provisions. In declaring a conflict please refrain from voting or discussion and declare the following information: 1) Your name and position on the Board, 2) the nature of the conflict and 3) who will gain or lose as a result of the conflict. Please also fill out form 8B prior to the meeting.

SELF-INTRODUCTIONS

APPROVAL OF MINUTES

Approval of the Minutes of the September 9, 2019, Executive Committee meeting.

RECOMM	Approval
ACTION	Motion for Approval
EXHIBIT	Minutes

Pages 4 – 8

NEW BUSINESS

1. 2020 BWDB Legislative Agenda

Review of the 2020 Florida Workforce Development Association (FWDA) Legislative Agenda. This will be incorporated into the BWDB 2020 State Legislative Agenda.

ACTION	Approval
EXHIBIT	BWDB Legislative Agendas and position papers FWDA Legislative Agenda

Pages 9 – 22

2. BWDB and Executive 2020 Schedule

Consideration of the 2020 meeting Schedule for the BWDB and Executive Committee meetings.

RECOMM	Approval
ACTION	Motion for Approval
EXHIBIT	BWDB and Executive Schedule

Page 23

REPORTS

1. Presentation on Industry Profiles on CSBD Website

Tony Ash, Vice President of Communications and Business Relations, will provide a presentation on Industry Profiles on our website.

ACTION	None
EXHIBIT	None

2. Presentations Broward County Public Schools

Robert Runcie, Superintendent, is scheduled to provide a presentation on apprenticeships.

ACTION	None
EXHIBIT	None

3. Appointment of New Board Member

On 9/26 CSBD was notified by Superintendent Robert Runcie through Daniel Gohl, Chief Academic Officer, with Broward County Public Schools that Enid Valdez was no longer the designated representative for the Education and Training Provider.

RECOMM	None
ACTION	None

MATTERS FROM THE EXECUTIVE COMMITTEE

MATTERS FROM THE FLOOR

MATTERS FROM THE PRESIDENT/CEO

ADJOURNMENT

NEXT EXECUTIVE COMMITTEE MEETING WILL BE HELD ON TBD, 2020.



**Broward Workforce Development Board
Executive Committee**

**Monday September 9, 2019
12:00 Noon – 1:30 p.m.**

**Call In Number: (888) 585-9008
Passcode: 219-169-288**

**MINUTES
CAREERSOURCE BROWARD
2890 West Cypress Creek Road – Main Conference Room, Ft. Lauderdale, FL 33309**

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SELF-INTRODUCTIONS

Dr. Ben Chen, Paul Farren, Marjorie Walters, Frank Horkey, Dr. Lisa Knowles, and Michael Carn

APPROVAL OF MINUTES

Approval of the Minutes of the July 15, 2019, Executive Committee meeting.

On a motion made by Frank Horkey and seconded by Michael Carn the Executive Committee unanimously approved the minutes of the July 15, 2019, Executive Committee.

NEW BUSINESS

1. Membership Renewals

Consideration of BWDB membership renewals of Broward Workforce Development Board members whose terms have expired in 9/19 and who are eligible for renewal for a two-year term. The renewal of their terms is through September 2021. The two members are 1) Dr. Mildred Coyne of Broward College and 2) Cynthia Gaber of the Department of Vocational Rehabilitation. CareerSource Broward Council of Elected officials appoints board members by a vote of the Council following a recommendation from the Board.

On a motion made by Frank Horkey and seconded by Michael Carn the Executive Committee unanimously approved the BWDB membership renewals.

NOTE: For all recommendations except the membership renewals, items are being brought straight to the Executive Committee. One Stop Services and Employer Services had to be canceled due to Hurricane Dorian however; all items and back up were sent to the Committee members. Comments/concerns will be brought to the Executive Committee.

2. Recommendation for Selection of the One Stop Operator (OSO)

On 6/17/19 CSBD released a Request for Quotes for the OSO. We received three (3) proposals. A review committee composed of Board and One Stop Services members met to review, rate, and rank the proposals. Consideration to award the contract to the #1 ranked proposer, Workforce Guidance Associates, LLC with a budget not to exceed \$55,765. The contract will be for one (1) year with two (2) yearly renewals for a total of three (3) years.

Michael Carn stated that he believes Nadine Gregoire-Jackson is the perfect choice for the One Stop Operator.

Dr. Lisa Knowles mentioned there were 3 proposals however; Nadine Gregoire-Jackson has the workforce experience as she previously worked as the One-Stop Senior Program Manager and she knows WIOA and the local system very well.

On a motion made by Michael Carn and seconded by Frank Horkey the Executive Committee unanimously approved the recommendation for selection of the OSO.

3. Additional Courses for Existing ITA Provider – McFatter Technical College

Consideration to approve existing training provider McFatter Technical College applications to add 1) Electricity and 2) Professional Culinary Arts & Hospitality programs to the Workforce Innovation and Opportunity Act Individual Training Account (ITA) list and 3) Forklift Certification course to the Welfare Transition Program ITA list. CareerSource Broward (CSBD) reviewed the applications for completeness and to ensure that Board mandated criteria are met. Because Enid Valdez is a Board member and is employed by Broward County Public Schools this recommendation must be approved by a 2/3 vote of the members present with an established quorum at the Board meeting.

Mason Jackson stated that the Electricity and Professional Culinary Arts & Hospitality programs will go on our ITA list because they are targeted items. The Forklift Certification course will be added to the WTP ITA list.

On a motion made by Michael Carn and seconded by Frank Horkey the Executive Committee unanimously approved the additional courses for existing ITA provider – McFatter Technical College.

4. Registered Apprenticeship Upgrade OJT contract with Advanced Roofing

Consideration to approve an upgrade On-the-Job Training (OJT) contract and/or a separate IWT contract if some of the 10 must be served as incumbent workers with Advanced Roofing for up to \$137,280. Advanced Roofing has requested an OJT contract with CSBD to train ten (10) employees as part of their registered apprenticeship program for roofing. The funding will be used to pay a portion of the employees' wages while in training. Each employee will receive

up to one thousand forty (1,040) hours of training where they will advance in construction careers earning average wages of \$17 per hour. Because Kevin Kornahrens, is a Board member and employed by Advanced Roofing this recommendation must be approved by a 2/3 vote of the members present with an established quorum at the Board meeting.

Mason Jackson advised that we can upgrade the OJT contract and/or a separate IWT contract, however, it will depend on the eligibility of the customers.

On a motion made by Frank Horkey and seconded by Paul Farren the Executive Committee unanimously approved the registered apprenticeship upgrade OJT contract with Advanced roofing.

5. Additional Courses for Existing ITA Provider – The Academy of South Florida

Consideration to approve existing training provider The Academy of South Florida applications to add 1) Cisco Certified Network Associate (CCNA) & Network+ Test Preparation 2) Cyber Security Professional 3) Helpdesk Technician and 4) Network Technician programs to the ITA list. CSBD reviewed the application for completeness and to ensure that Board mandated criteria are met for the training program and related occupational title.

On a motion made by Michael Carn and seconded by Paul Farren the Executive Committee unanimously approved the additional courses for existing ITA provider – The Academy of South Florida.

6. New Training Provider – Florida Vocational Institute

Consideration to 1) approve Florida Vocational Institute's application to become an eligible training provider and 2) add Cyber Security and Network Technician and 3) Web Development training programs to the ITA list. Staff reviewed the applications for completeness and to ensure that Board mandated criteria are met for the school and the training programs and related occupational titles.

Michael Carn inquired if Florida Vocational Institute is a full-service Institute and if we are adding them as a provider and their courses. Mason Jackson responded yes.

On a motion made by Frank Horkey and seconded by Dr. Ben Chen the Executive Committee unanimously approved the new training provider – Florida Vocational Institute.

7. New Training Provider – AAA School of Dental Assisting

Consideration to 1) approve AAA School of Dental Assisting to become a training provider and 2) add Entry Level Dental Assisting with Expanded Functions & Radiology program to the Individual Training Account (ITA) list. CSBD reviewed the application for completeness and to ensure that Board mandated criteria are met for the training program and related occupational title.

Dr. Ben Chen inquired if we go out to the location of the new providers. Mason Jackson responded that we go out to the physical location and we make sure they have an appropriate physical environment.

On a motion made by Michael Carn and seconded by Frank Horkey the Executive Committee unanimously approved the new training provider – AAA School of Dental Assisting.

REPORTS

1. Janitorial Services

In January 2019, in accordance with our procurement process, CSBD reported that we would give the lowest bidder for janitorial services for our Administrative Offices, a three month trial for an annual cost of \$55,080. We extended the trial through June and prior to returning to the Board for contract approval, we resurveyed the market to obtain additional quotes. We received a lower-priced vendor of \$42,240 for a comparable array of services. We have entered into a one year contract and are reporting this contract for Janitorial Services to the Board. Because it is a single purchase of over \$10, 000, a report is required to the CSBD governing boards.

Mason Jackson stated that we had a cleaning company for a short trial period; however, we were not happy with their services. We went out for bids and found a less expensive service.

2. Employer Services Info-graph May - July 2019

CSBD hosted 55 mass recruitment events for employers seeking to fill over 900 vacant positions. Also through the industry intermediaries, CSBD posted 78 available jobs for employers in Broward's targeted industries during this time period.

Paul Farren stated that we have done 55 mass recruitments to fill over 900 vacancies.

Mason Jackson stated that we are going to be assisting a new business coming to Fort Lauderdale called Shipmonk. Shipmonk will be bringing 400 very good jobs to zip code 33311, which is one of the targeted distressed communities under the Greater Fort Lauderdale Alliance's "Pathways to Prosperity initiative".

3. CSBD Info-graph Calendar YTD Through June 2019

CSBD's Info-graph was created to assist Board members with information to discuss with elected officials about CSBD. The info-graph summarizes key data points on Labor Market Information, customers served, business services delivered, community involvement, and reflects the numbers calendar year to date through June 2019.

MATTERS FROM THE EXECUTIVE COMMITTEE

Michael Carn stated that our marketing is coming along and looks great.

Michael Carn stated that the City of Oakland Park will be celebrating Hispanic Heritage month on 9/20 at 6:00 p.m. at Jaco Pastorius Park.

Dr. Ben Chen mentioned that Robert Legg has passed away and he suggested that we have a moment of silence at the board meeting.

MATTERS FROM THE FLOOR

None

MATTERS FROM THE PRESIDENT/CEO

- Mason Jackson stated that he is working on the FWDA Legislative Agenda and wanted it on the agenda, but he pulled it to be able to provide more clarification. Mr. Jackson stated that the first page of the Legislative Agenda will be on a 3x5 palm card. Dr. Ben Chen requested that the page palm card include: 1) bill number 2) what we want them to vote for 3) the sponsor of the bill and 4) party affiliations.
- Dr. Chen inquired if the Florida Business Competitiveness Fund from Unemployment Compensation trust funds needs to go through legislatures or can we propose a budget administratively. Mason Jackson responded that he will look into it.
- Mason Jackson advised that Christina Johnson was promoted from our ITA Program Manager to our Central One Stop Center Manager. She will be our staff spotlight at the September Board meeting.
- Mason Jackson advised that we are renting nine parking spaces for approximately \$5,000 a year and that will go into our General Fund.
- Mason Jackson mentioned that the Workforce Summit is Wednesday – Friday and Rochelle, Carol and himself, along with front line staff, will be attending the summit. He further noted that Afiesha Payne, Operations Research and Data Analyst, will be singing the National Anthem at the Summit. Frank Horkey stated that he and Dr. Knowles will be attending the FWDA & FWCA chairs meeting.

ADJOURNMENT: 1:20 p.m.

NEXT EXECUTIVE COMMITTEE MEETING WILL BE HELD ON OCTOBER 7, 2019.



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Broward Workforce Development Board Florida 2020 Legislative Agenda

Items one and two, in that order, are the top BWDB priorities.

1. Establish the Skills Training Allocation Assessment with a tax offset from the unemployment compensation trust fund's collection system or from the Penalty and Interest Fund: Target \$20 million
2. Support full use of the Sadowski Act funding for affordable housing benefiting employers, the workforce and seniors
3. Continue Apprenticeship Expansion by; covering workers' compensation insurance for pre-apprentices 18 years and younger; developing real-time funding for apprenticeships; and preserving flexibility in USDOL IRAPS; allowing Bright Futures Scholarships to apply to apprenticeship and post-secondary certificate programs
4. Designate the CareerSource system as a single-state platform for matching talent to job openings and connecting with other platforms in use by statewide entities

HOW ARE FLORIDA'S SADOWSKI HOUSING PROGRAMS FUNDED?

The doc stamp tax on all real estate transactions was increased in 1992. The additional money generated is dedicated to the state and local housing trust funds. 70% is directed to local governments (all 67 counties) and Florida's entitlement cities to fund the SHIP program. 30% is used by the Florida Housing Finance Corporation for programs such as SAIL.

\$352,378,000*

IS AVAILABLE FOR APPROPRIATION FROM THE SADOWSKI HOUSING TRUST FUNDS IN FY 2019-2020

THE FLORIDA LEGISLATURE CAN CREATE MORE THAN 30,000 JOBS AND OVER \$4 BILLION IN POSITIVE ECONOMIC IMPACT FOR FLORIDA IF IT APPROPRIATES THE HOUSING TRUST FUND MONIES FOR HOUSING.

*Based upon documentary stamp projection plus projected balance in housing trust funds as of December 2018 and the Governor's proposed budget.



CREATES 30,870 JOBS

From construction workers to retailers, an investment in housing creates jobs for Floridians. Housing dollars will put Florida's housing industry to work repairing homes and improving the real estate market. SHIP funds can be used for rehabilitation/renovation of existing empty housing stock to ready it for families to move in.

SHIP

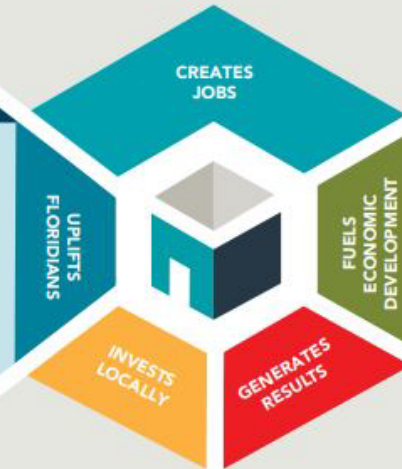
The State Housing Initiatives Partnership Program (SHIP) is a nationally-acclaimed model for effectively and efficiently meeting housing needs at the community level. SHIP provides sustainable homeownership for Florida's workforce, helps prevent homelessness, and provides emergency repairs and disaster recovery for Florida's most vulnerable residents, including the frail elderly, persons with disabilities and veterans.

SAIL

The State Apartment Incentive Loan Program (SAIL) produces apartments for Florida's workforce, rehabilitates existing apartments in dire need of repair, as well as apartments that house Florida's most vulnerable populations, including the frail elderly and persons with disabilities who might otherwise need to live in an institutional setting.

Fuels Florida's Economy

Using Florida's housing funds solely for housing creates a positive economic impact for Florida by fueling economic development, creating jobs, investing in our local communities, and contributing to the well-being of Florida's families, veterans, elderly, persons with disabilities, persons experiencing homelessness and deserving Floridians in need across the state. For more information, visit SadowskiCoalition.com.



FUELS ECONOMIC DEVELOPMENT

The appropriation would result in a positive economic impact of

\$4 BILLION

In Florida, the Fair Market Rent (FMR) for a 2-bedroom apartment is \$1,118. In order to afford this, a household must earn at least \$44,716 annually (\$21.50/hour). For that same 2-bedroom apartment, a minimum wage Floridian earning \$8.25/hour must work 104 hours/week/year round or the household must include 2.6 minimum wage earners working year round.



INVESTS LOCALLY

SHIP has been successfully operating statewide, from large urban areas to small rural communities for more than 20 years.

SHIP program flexibility allows local housing programs to meet their community's individual needs and revise strategies in accordance with changes in the local market, provided they continue to meet statutory criteria.

GENERATES RESULTS

The Florida Legislature can create more than 30,000 jobs and over \$4 billion in positive economic impact for Florida if it appropriates the housing trust fund monies for housing.

SHIP and SAIL have proven track records for performance, transparency, and accountability. Floridians need affordable housing. Using the housing trust fund monies solely for housing is the right thing to do-for Floridian's in need; for the benefit of all Florida taxpayers; and for the growth of Florida's economy.

BWDB 2020 Legislative Agenda

Apprenticeships

The 2019 Legislature took bold steps to increase workforce competitiveness with changes to FS 446 to expand Apprenticeship Training. The Florida Workforce Development Association (FWDA) representing CareerSource Boards throughout the state, believes additional changes and considerations would continue that expansion and would align with Gubernatorial and Legislative intent. They are as follows:

Legislative Considerations

- Cover registered pre-apprenticeship programs with state worker compensation similar to the coverage which is provided to the workforce system's work experience programs for apprentices 18 and younger.
- Develop a method to allow for real time funding of apprenticeships and post-secondary programs similar to the FTE system used in secondary education. Currently funding lags by three years which cannot track changes needed in the skills needed for today's jobs. If enrollment declines, local postsecondary and apprenticeship programs have surplus money but if job opportunities increase and the needs for post-secondary and apprenticeship programs increase then there is insufficient funding.
- Assure that when USDOL issues final guidance on Industry Recognized Apprenticeship Programs that all the flexibility inherent in the program is maintained at the Florida level. That is, no additional requirements are added in state law or administratively.
- Allow Bright Futures scholarships to also fund Apprenticeships and Career & Technical Education programs.

BWDB 2020 Legislative Agenda

CareerSource Florida And Employ Florida As Florida's Central Talent Source

Background

When Workforce Florida commissioned a brand survey prior to adoption of the “CareerSource” brand the two key customers- businesses and job candidates responded with these primary answers to the question of why they did not use Employ Florida: “You don’t have the talent I need” and “You don’t have the types of jobs I am looking for.”

At the local CareerSource board level, boards throughout Florida have tried to respond to this criticism by reaching out to their state colleges and the universities in their workforce areas. With varying degrees of success, local boards have connected to a broader array of talent graduating from these institutions. Similar efforts have produced similar results with local school districts throughout Florida

State College career centers, while connecting with their own business communities, have not established employment connections to today’s workforce “footprint”- a one and a half to two hour radius from their location. School districts, often focused on college preparation, have failed to connect their graduates seeking work to businesses other than those firmly connected with their individual high schools.

Universities, while connected with alumni and larger businesses through their career centers and career events, fail to effectively reach businesses seeking college graduates beyond these two core constituencies.

Florida businesses are by and far disconnected from the larger section of talented college and university graduates unless they can effectively navigate the array of college and university sites to find their career centers and post their jobs. This disconnect contributes to the impression that Florida does not have a strong talent stream that is easily accessible to all businesses. As school districts focus more on career and technical education, it fails to support the fine programs and skilled graduates that they offer.

Proposed Solution

The CareerSource Florida Network of twenty-four local workforce boards should be designated as “**Florida’s Central Talent Source.**”

This does not mean that those universities and colleges with career centers and placement functions should cease to exist. Nor should local school districts with such efforts give them up.

Rather, these institutions should partner with CareerSource Florida as it procures a new labor exchange and case management system to develop the labor exchange portion of that system to:

- Accept graduate/student information in a format that protects the privacy and personal information of those only seeking employment.
 - Minimal information should include a resume, with both telephone and email information and education and training information relevant to their job search.
 - Should they need intensive service, local boards can garner the additional information that is required to determine eligibility and enter them into the case management portion of the system.
- Develop a standard set of profile questions that accomplish the above to be used by the system.

CareerSource Florida can lead a marketing campaign aimed at educating graduates, students and businesses of the ***central talent source***.

The development of this central talent source will:

- Place Florida in the national forefront of talent development and marketing.
- Afford the economic development teams throughout Florida with a new tool to recruit higher skilled industries to Florida.
- Provide all Florida businesses with a means of searching for talent with a commuting radius of their businesses or an efficient means of reaching the graduates of every college and university with skills they require.
- Allow students to gain career opportunities within the state that they love or in which they chose to pursue their education.

Timing is critical as the procurement of the new system is currently underway.

Broward Workforce Development Board

Florida 2020 Legislative Agenda

Items one and two, in that order, are the top FWDA priorities.

1. Florida Skills Training Allocation

Restrictions placed on federal dollars often hamper creativity and nimbleness when trying to respond to the training needs of businesses. Non-federal dollars would give us the flexibility and nimbleness to respond to employer needs in creative ways. For example, when using our workforce funding for Apprenticeships, we are limited to WIOA eligibility requirements which directs the funds to people with barriers to employment. This limits our capability to help many businesses. If you are a student living with your parents and going to school, you are usually under their income requirements.

Since Businesses pay into the unemployment compensation program, it makes sense to use some of the money collected to meet employers needs for talent. It would help put the unemployed back to work, move the underemployed up the wage ladder or help incumbent works add skills and avoid layoffs. The proposal seeks an assessment for contributory employers under the Reemployment Assistance (RA) system with a tax offset or to use some of the penalty and interest monies to help training unemployed underemployed and employed workers to increase their skills. No increase in taxes is recommended and would be suspended when a positive adjustment to the RA fund was needed. Target amount would be \$20 million allocated to the local Workforce Boards.

2. Support full use of the Sadowski Act funding for affordable housing benefiting employers, the workforce and seniors.

Lack of affordable housing has now been identified as a major barrier to attracting and retaining our workforce. The ALICE report shows that a significant number of households young and old are cost burdened in securing housing. We recommend full funding of the Sadowski Act for the purposes of affordable housing.

3. Continue Apprenticeship Expansion

The 2019 Legislature took bold steps to increase workforce competitiveness with changes to FS 446 to expand Apprenticeship Training. We believe additional changes would continue that expansion and would be in line with Gubernatorial and legislative intent. These changes are:

- a. Have pre-apprentices covered by state worker compensation coverage similar to that which is provided to work experience participants. This would be for pre-apprentices 18 and under.
- b. Develop a method to allow for real time funding of apprenticeships and post-secondary programs similar to the FTE system used in secondary education.
- c. Allow Bright Futures scholarships to be used to fund apprenticeships and career and technical education.
- d. Industry Recognized Apprenticeship Programs are a recent expansion of the path to apprenticeships by the US Department of Labor. We recommend no further restrictions at the legislative or administrative level. Please allow all the flexibility allowed under the new rules from the US Department of Labor.

4. The CareerSource network should be a single source for a wide range of talent within Florida.

Employ Florida should connect with graduates from our High Schools, State College and State University Systems. Current job banks systems they use or have developed should link with Employ Florida. This would improve the career links for all graduates of our educational system. It would also improve coordination and reduction of unnecessary duplication. Employers would have a single source for all their talent needs.

Skills Training Allocation

Background

Talent acquisition is the number one concern of businesses with far too many industries indicating that they can't find workers with the skills they need to fill vacant positions. Rapid advances in technology will continue to accelerate the gap between the level of skills and experience that employers need and the skill level of individuals seeking employment. This results in jobs that are available but not filled and workers that don't have the required skills needed to secure gainful employment who remain unemployed or underemployed for long periods of time.

Available talent rather than incentives has become the new economic development currency. Florida must have world class talent in order to attract and retain world class businesses that require higher skills and pay higher wages. Proactively and pragmatically addressing the existing skills gap to meet the needs of business by enhancing the talent level of Florida's workforce is the primary way to increase prosperity for all Floridians.

Objectives and Issues to address

- Create a funding source for "skills gap training" to support the continued growth of Florida businesses.
- Ensure the flexibility exists to meet the unique requirements of individual businesses in a timely manner.
- No additional costs for the business community or the creation of a cumbersome reporting/collection process.
- Implement a system that is aligned with and will complement other workforce development initiatives and programs.
- No federal conformity or compliance issues.
- Present the benefits of skills gap training and the mechanics of the assessment and the corresponding offset in an employer's Reemployment Assistance Tax Rate in a user friendly easy to understand manner.

Flexibility

- A source of non-federal dollars for "skills gap training" will provide additional flexibility and creativity to address the unique needs of businesses in Florida and facilitate timely responses.
- The dollars will be allocated to Regional Workforce Development Boards who understand the local workforce development conditions and are positioned to support and address the specific needs of the local business community.

Proposed Solution

Summary

Divert dollars that employers would otherwise have paid into the Unemployment Compensation Trust Fund into dollars that can be utilized for skills gap training. The concept is that a small portion of the dollars employers otherwise would pay in reemployment assistance taxes can best be utilized by providing skills gap training. Funds that go into the Unemployment Compensation Trust Fund can't be used for anything other than the payment of benefits. So the only cost neutral way to generate the funding is to create an assessment designated for skills based training and give employers a corresponding decrease in their Reemployment Assistance (unemployment compensation) tax rate. The dollars generated in this case are never in the UC Trust Fund. The assessment or diversion would trigger off when there was a positive adjustment to the employer tax rate and would not affect businesses at the maximum rate.

Alternative Interest Rate Approach - Use a portion of the interest earned on the balance in the Unemployment Compensation Trust Fund which goes quarterly into the Special Employment Security Trust Fund (Penalty and Interest Fund) in Section 443.221 (2) for skills gap training. The dollars earned through interest can be utilized by states for purposes other than the payment of Reemployment Assistance benefits. This would also be cost neutral and would not require the creation of an assessment and a corresponding offset or a trigger off mechanism.

Alignment with other Workforce Related Programs

- Florida's Reemployment Assistance (unemployment compensation) program is designed to provide temporary wage replacement to workers who are unemployed due to no fault of their own with the goal of facilitating their prompt return to suitable work. "Skills Based Training" supports and is aligned with this objective.
- Reemployment Assistance Tax Rates. Reemployment Assistance benefits are financed by a state tax on Florida employers. Employers paid a total of 514 million dollars in Reemployment Assistance taxes in 2018 that were deposited in Florida's Unemployment Insurance Trust Fund. Reemployment Assistance benefits in Florida are paid out of this Trust Fund to eligible unemployed workers. The use of funds to provide skills-based training will benefit both Florida employers and the workforce.
- Since Reemployment Assistance benefits are financed by a tax on Florida employers, reducing the amount of dollars that an employer would otherwise pay in Reemployment Assistance taxes and applying them to skills-based training is a way to utilize resources to help employers find the qualified workers they need to fill vacant jobs.
- Section 303 (a) (5) of the Federal Unemployment Tax Act (FUTA) requires the expenditure of all monies withdrawn from the state's unemployment fund be used only for the payment of unemployment compensation, exclusive of the expenses of administration. As a result, funding for training can't be paid out of the UI Insurance Trust. To avoid a federal conformity issue, a separate assessment for the skills-based training is needed with the funds going into a separate

dedicated fund. The skills-based training assessment is made cost-neutral by giving the employer a corresponding reduction in their state Reemployment Assistance (unemployment compensation) tax rate.

- It is important that Florida's Unemployment Insurance Trust Fund remain solvent to ensure the ability to pay Reemployment Assistance benefits in the event of an economic downturn. Florida's current UC Trust Fund balance meets USDOL solvency standards that compare the balance in the fund against the highest years of benefit payments.
- The balance in Florida's Unemployment Trust Fund as of September 2019 is over four billion dollars (4,090,030,795). Solvency concerns are addressed by providing that the "skills gap assessment" and corresponding offset will not be implemented during any year in which the balance in the Unemployment Compensation Trust Fund triggers the positive adjustment factor contained in 443.131 (3) (e) 2. a. (III). The positive adjustment factor is triggered if the balance in the fund is less than four percent of the total statewide taxable payrolls.
- In 2018 a total of 24.01 percent of the individuals exhausted their Reemployment Assistance claims before returning to work. A total of 337,730 claims were filed in 2018 with 81,073 individuals exhausting their benefits. "Skills Gaps Training" will provide the opportunity for some unemployed workers to return to work sooner than they otherwise would have which will reduce the amount of benefits that otherwise would have been paid to these individuals out of the Unemployment Compensation Trust Fund.
- Any expenses that are incurred in connection with the reporting and collection of the "Skills Gap Assessment Training" will have to come out of the funding provided and not come out of funding provided for the administration of the Reemployment Assistance program. This can be addressed in coordination with the Florida Department of Revenue.

Funding sources:

- Create a "Skills Gap Training Allocation" through an assessment of one-twentieth (1/20) of one percent (.05%) for contributory employers under Florida's Reemployment Assistance (unemployment compensation) program who have a tax rate below the maximum rate of 5.4%. The assessment would be collected quarterly using the same taxable wage base (\$7,000) and other criteria in Chapter 443.131 applicable to the payment of contributions under the Reemployment Assistance program.
- An assessment of one-twentieth (1/20) of one percent (.05%) based on data applicable to the one-year period covering the last two calendar quarter of 2017 and the first two calendar quarters of 2018 would generate in excess of twenty million dollars per year. The Florida Department of Revenue can perform an analysis to determine the amount of dollars that different assessment percentages would generate. The assessment percentage utilized would remain the same yearly but the amount of dollars generated annually would vary based primarily upon the number of businesses at the maximum tax rate of 5.4% for any given year.

No Additional Costs or Burden to Businesses

- To ensure that the quarterly assessment is cost-neutral, employers who pay the assessment (those with a tax rate under the maximum rate of 5.4%) will receive a corresponding decrease in their quarterly Reemployment Assistance tax.
- The “skills gap assessment” proposal excludes employers who are at the maximum tax rate of 5.4% from the assessment and the corresponding reduction in their state tax rate. The Federal Unemployment Tax Act requires that states have a maximum tax rate of at least 5.4% in order for employers to receive an offset against their federal unemployment tax rate. If the reduction in the state tax rate to offset the assessment was applied to those employers at the maximum rate then employers in Florida would not be able to receive the state offset against their federal tax rate since the maximum tax rate in Florida would be below 5.4%.
- Currently 11,293 (2 percent) of employers in Florida are at the maximum tax rate of 5.4% and would be exempt from the assessment and the corresponding offset. Currently 539,609 employers have a rate below the maximum tax rate and would potentially qualify for the assessment and the offset. A total of 342,473 (62%) employers are at the minimum rate of .1%, 132,476 (24%) at the initial tax rate of 2.7, and 64,660 (12%) at a rate between the minimum and the maximum.
- The mechanics of the assessment reporting and collection process should be coordinated with the Florida Department of Revenue to ensure that it is as seamless as possible and does not require additional paperwork or computation by employers. The assessment would be “merged” in with the quarterly Reemployment Assistance tax reporting and collection process.

Amend Section 445.015 Florida Statutes to:

- Create a separate quarterly assessment of 1/20th of one percent (.05%) that will be utilized for “Skills Gap Training” to address the existing gap between the skills and experience that employers need to fill vacant jobs and the skill level of individuals seeking employment.
- Provide that during any year in which the balance in the Unemployment Trust Fund does not require a positive adjustment factor (as provided in section 443.131 (3) (e) 2. a. (III) of the Florida Statutes) that every employer with a Reemployment Assistance Tax rate below the maximum contribution rate of 5.4% will be assessed one-twentieth of one percent of the wages paid by the employer under section 443.1217 Florida Statutes. The funds generated by the assessment will be deposited in the State Treasury for “Skills Gap Training.”
- Provide that the assessment will be collected in the same manner as employer contributions (taxes) under the Reemployment Assistant program.
- Provide that the dollars generated by the assessment will be allocated to Regional Workforce Development Boards and guidelines developed for evaluating applications for funding.

Amend Section 443.131 Florida Statutes to:

- Provide that the Reemployment Assistance tax rate of those employers who are charged with the quarterly “skills-based training assessment” will be reduced by the same percentage as the assessment.

Other State Initiatives: (A cursory review indicated the following)

Texas created a Skills Development Fund that is funded through general revenue dollars that is designed to provide training to employers.

Nebraska created a Training and Support Cash Fund that provides that the interest earned from its State Unemployment Insurance Trust fund that can be utilized to support job training programs to train, retrain, or upgrade the work skills of existing Nebraska workers for-profit and non-profit businesses.

Other Possible Solutions:

Allocate a percentage of the excess funds generated through the interest earned on the funds in Florida's Unemployment Compensation Trust Fund which is contained in Section 443.191 Florida Statutes) to the Regional Workforce Boards for the purpose of providing skills based training to Florida businesses.

- The interest earned on the Unemployment Compensation Trust Fund is transferred quarterly from Florida's Unemployment Compensation Trust Fund to Florida's Special Employment Security Administration Trust Fund which is contained in Section 443.211(2) of the Florida Statutes. This fund is commonly known as the Penalty and Interest Fund.
- This fund is managed by the Florida Department of Economic Opportunity. DEO would know the balance in this fund.
- The advantage of this approach is that it would not require an assessment for employers and a corresponding offset against employer Reemployment Assistance Tax rates.
- Utilizing these dollars in this manner would not create a federal conformity under Section 303 (a) (5) of the Federal Unemployment Tax Act since it does not involve monies from the state's unemployment fund that is used for the payment of benefits.
- Amend Section 443.211 (2) to provide that a percentage of any interest earned on money in Florida's Unemployment Compensation Trust Fund shall be utilized by Regional Workforce Boards to provide skills for skills based training to Florida's employers.
- Add by statute or rule if appropriate the criteria by which dollars would allocated to Regional Workforce Development Boards and the criteria by which Workforce Boards would evaluate applications for skills based related training funding.
- Target allocation would be \$20 million distributed among 24 local workforce development boards.



Florida Workforce Development Association

Florida 2020 Legislative Agenda

Items one and two, in that order, are the top FWDA priorities.

1. Florida Skills Training Allocation

Restrictions placed on federal dollars often hamper creativity and nimbleness when trying to respond to the training needs of businesses. Non-federal dollars would give us the flexibility and nimbleness to respond to employer needs in creative ways. For example, when using our workforce funding for Apprenticeships, we are limited to WIOA eligibility requirements which directs the funds to people with barriers to employment. This limits our capability to help many businesses. If you are a student living with your parents and going to school, you are usually under their income requirements.

Since Businesses pay into the unemployment compensation program, it makes sense to use some of that money to meet employers needs for talent. It would help put the unemployed back to work, move the underemployed up the wage ladder or help incumbent works add skills and avoid layoffs. The proposal seeks an assessment for contributory employers under the Reemployment Assistance (RA) system with a tax offset or to use some of the interest and penalty monies to help training unemployment underemployed and employed workers to increase their skills. No increase in taxes is recommended and would be suspended when a positive adjustment to the RA fund was needed. Target amount would be \$20 million allocated to the local Workforce Boards.

2. Support full use of the Sadowski Act funding for affordable housing benefiting employers, the workforce and seniors.

Lack of affordable housing has now been identified as a major barrier to attracting and retaining our workforce. The ALICE report shows that a significant number of households young and old are cost burdened in securing housing. We recommend full funding of the Sadowski Act for the purposes of affordable housing.

3. Continue Apprenticeship Expansion

The 2019 Legislature took bold steps to increase workforce competitiveness with changes to FS 446 to expand Apprenticeship Training. We believe additional changes would continue that expansion and would be in line with Gubernatorial and legislative intent. These changes are:

- a. Have pre-apprentices covered by state worker compensation coverage similar to that which is provided to work experience participants. This would be for pre-apprentices 18 and under.
- b. Allow Bright Futures scholarships to be used to fund apprenticeships and career and technical education.
- c. Amend Statute 1009.25 to allow the State College system, University or School District to recover costs to support Apprenticeship programs. Currently the language exempts the payment of tuition or fees for apprenticeship programs. The following is suggested language to foster this change to State Statute 1009.25: This exemption does not include student apprentices enrolled in a degree-seeking program, or career certificate program of study, that specializes in highly technical academic coursework and lab training required in Advanced Manufacturing, Commercial Space, Aerospace, Defense, Aviation, IT, Cybersecurity, Supply Chain Logistics and Medical industries at a State university, Florida college institution, or school district.
- d. Develop a method to allow for real time funding of apprenticeships and post-secondary programs similar to the FTE system used in secondary education.
- e. Industry Recognized Apprenticeship Programs are a recent expansion of the path to apprenticeships by the US Department of Labor. We recommend no further restrictions at the legislative or administrative level. Please allow all the flexibility allowed under the new rules from the US Department of Labor.

4. The CareerSource network should be a single source for a wide range of talent within Florida.

Employ Florida should connect with graduates from our High Schools, State College and State University Systems. Current job banks systems they use or have developed should link with Employ Florida. This would improve the career links for all graduates of our educational system. It would also improve coordination and reduction of unnecessary duplication. Employers would have a single source for all their talent needs.

2020 MEETING SCHEDULE
Broward Workforce Development Board, Inc./CareerSource Broward
Council of Elected Officials and
Executive Committee

EXECUTIVE COMMITTEE MEETINGS

MONTH	DAY
JANUARY	13
FEBRUARY	10
MARCH	16
APRIL	13
MAY	11
JUNE	15
JULY	13
AUGUST	No meeting
SEPTEMBER	14
OCTOBER	12
NOVEMBER	No meeting
DECEMBER	No meeting

Unless otherwise indicated, all Executive Committee meetings are scheduled at 12 noon

*CareerSource Broward
2890 West Cypress Creek RD, Ft. Lauderdale, 33309*

BOARD MEETINGS

MONTH	DAY
JANUARY	23
FEBRUARY	20
MARCH	26
APRIL	23
MAY	28
JUNE	25
JULY	23
AUGUST	No meeting
SEPTEMBER	24
OCTOBER	22
NOVEMBER	No meeting
DECEMBER	Board & Planning Session 10

All BWDB, Inc/CareerSource Broward Council of Elected Officials Partnership Meetings are scheduled at 8:00 a.m.

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