

## ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

1  
2 An act relating to regional workforce boards; amending s.  
3 445.003, F.S.; requiring certain funds to be expended on  
4 Individual Training Accounts; revising items that qualify  
5 as account expenditures; amending s. 445.007, F.S., and  
6 reenacting subsections (10) and (11), relating to  
7 restrictions on the use of state and federal funds  
8 provided to regional workforce boards and contracts  
9 between regional workforce boards and members of regional  
10 workforce boards; providing for maximum board membership;  
11 providing additional membership requirements; requiring  
12 certain board members to file a statement of financial  
13 interests; authorizing the Governor to remove board  
14 members for cause; requiring the Department of Economic  
15 Opportunity to assign staff for performance and compliance  
16 review; prohibiting regional workforce boards from  
17 restricting the choice of training providers based on  
18 certain factors; authorizing a board to restrict the  
19 amount of training resources available to any one client  
20 under certain conditions; providing requirements for the  
21 procurement and expenditure of certain funds; providing  
22 grounds for removal for cause; deleting an obsolete  
23 expiration date for provisions relating to restrictions on  
24 the use of state and federal funds provided to regional  
25 workforce boards; revising procedures relating to the  
26 approval of contracts between regional workforce boards  
27 and members of regional workforce boards; deleting an  
28 obsolete expiration date for provisions relating to such

ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

29 | contracts; requiring each board to develop a budget for  
 30 | certain purposes, subject to the approval of the chief  
 31 | elected official, and submit the budget to Workforce  
 32 | Florida, Inc.; requiring Workforce Florida, Inc., to  
 33 | evaluate the means to establish a single, statewide  
 34 | workforce-system brand for the state; providing reporting  
 35 | requirements; amending s. 445.009, F.S.; deleting the  
 36 | expiration of a provision providing that participants in  
 37 | adult or youth work experience activities are employees of  
 38 | the state for purposes of workers' compensation coverage;  
 39 | providing an effective date.

40 |

41 | Be It Enacted by the Legislature of the State of Florida:

42 |

43 | Section 1. Paragraph (a) of subsection (3) of section  
 44 | 445.003, Florida Statutes, is amended to read:

45 | 445.003 Implementation of the federal Workforce Investment  
 46 | Act of 1998.—

47 | (3) FUNDING.—

48 | (a) Title I, Workforce Investment Act of 1998 funds;  
 49 | Wagner-Peyser funds; and NAFTA/Trade Act funds will be expended  
 50 | based on the 5-year plan of Workforce Florida, Inc. The plan  
 51 | shall outline and direct the method used to administer and  
 52 | coordinate various funds and programs that are operated by  
 53 | various agencies. The following provisions shall also apply to  
 54 | these funds:

55 | 1. At least 50 percent of the Title I funds for Adults and  
 56 | Dislocated Workers that are passed through to regional workforce

## ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

57 | boards shall be allocated to and expended on Individual Training  
58 | Accounts unless a regional workforce board obtains a waiver from  
59 | Workforce Florida, Inc. Tuition, books, and fees of training  
60 | providers and other training services prescribed and authorized  
61 | by the Workforce Investment Act of 1998 qualify as ~~an~~ Individual  
62 | Training Account expenditures ~~expenditure,~~ ~~as do other programs~~  
63 | ~~developed by regional workforce boards in compliance with~~  
64 | ~~policies of Workforce Florida, Inc.~~

65 |         2. Fifteen percent of Title I funding shall be retained at  
66 | the state level and shall be dedicated to state administration  
67 | and used to design, develop, induce, and fund innovative  
68 | Individual Training Account pilots, demonstrations, and  
69 | programs. Of such funds retained at the state level, \$2 million  
70 | shall be reserved for the Incumbent Worker Training Program,  
71 | created under subparagraph 3. Eligible state administration  
72 | costs include the costs of: funding for the board and staff of  
73 | Workforce Florida, Inc.; operating fiscal, compliance, and  
74 | management accountability systems through Workforce Florida,  
75 | Inc.; conducting evaluation and research on workforce  
76 | development activities; and providing technical and capacity  
77 | building assistance to regions at the direction of Workforce  
78 | Florida, Inc. Notwithstanding s. 445.004, such administrative  
79 | costs shall not exceed 25 percent of these funds. An amount not  
80 | to exceed 75 percent of these funds shall be allocated to  
81 | Individual Training Accounts and other workforce development  
82 | strategies for other training designed and tailored by Workforce  
83 | Florida, Inc., including, but not limited to, programs for  
84 | incumbent workers, displaced homemakers, nontraditional

## ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

85 employment, and enterprise zones. Workforce Florida, Inc., shall  
86 design, adopt, and fund Individual Training Accounts for  
87 distressed urban and rural communities.

88 3. The Incumbent Worker Training Program is created for  
89 the purpose of providing grant funding for continuing education  
90 and training of incumbent employees at existing Florida  
91 businesses. The program will provide reimbursement grants to  
92 businesses that pay for preapproved, direct, training-related  
93 costs.

94 a. The Incumbent Worker Training Program will be  
95 administered by Workforce Florida, Inc. Workforce Florida, Inc.,  
96 at its discretion, may contract with a private business  
97 organization to serve as grant administrator.

98 b. To be eligible for the program's grant funding, a  
99 business must have been in operation in Florida for a minimum of  
100 1 year prior to the application for grant funding; have at least  
101 one full-time employee; demonstrate financial viability; and be  
102 current on all state tax obligations. Priority for funding shall  
103 be given to businesses with 25 employees or fewer, businesses in  
104 rural areas, businesses in distressed inner-city areas,  
105 businesses in a qualified targeted industry, businesses whose  
106 grant proposals represent a significant upgrade in employee  
107 skills, or businesses whose grant proposals represent a  
108 significant layoff avoidance strategy.

109 c. All costs reimbursed by the program must be preapproved  
110 by Workforce Florida, Inc., or the grant administrator. The  
111 program will not reimburse businesses for trainee wages, the  
112 purchase of capital equipment, or the purchase of any item or

## ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

113 service that may possibly be used outside the training project.  
114 A business approved for a grant may be reimbursed for  
115 preapproved, direct, training-related costs including tuition;  
116 fees; books and training materials; and overhead or indirect  
117 costs not to exceed 5 percent of the grant amount.

118 d. A business that is selected to receive grant funding  
119 must provide a matching contribution to the training project,  
120 including, but not limited to, wages paid to trainees or the  
121 purchase of capital equipment used in the training project; must  
122 sign an agreement with Workforce Florida, Inc., or the grant  
123 administrator to complete the training project as proposed in  
124 the application; must keep accurate records of the project's  
125 implementation process; and must submit monthly or quarterly  
126 reimbursement requests with required documentation.

127 e. All Incumbent Worker Training Program grant projects  
128 shall be performance-based with specific measurable performance  
129 outcomes, including completion of the training project and job  
130 retention. Workforce Florida, Inc., or the grant administrator  
131 shall withhold the final payment to the grantee until a final  
132 grant report is submitted and all performance criteria specified  
133 in the grant contract have been achieved.

134 f. Workforce Florida, Inc., may establish guidelines  
135 necessary to implement the Incumbent Worker Training Program.

136 g. No more than 10 percent of the Incumbent Worker  
137 Training Program's total appropriation may be used for overhead  
138 or indirect purposes.

139 4. At least 50 percent of Rapid Response funding shall be  
140 dedicated to Intensive Services Accounts and Individual Training

## ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

141 Accounts for dislocated workers and incumbent workers who are at  
142 risk of dislocation. Workforce Florida, Inc., shall also  
143 maintain an Emergency Preparedness Fund from Rapid Response  
144 funds which will immediately issue Intensive Service Accounts  
145 and Individual Training Accounts as well as other federally  
146 authorized assistance to eligible victims of natural or other  
147 disasters. At the direction of the Governor, for events that  
148 qualify under federal law, these Rapid Response funds shall be  
149 released to regional workforce boards for immediate use. Funding  
150 shall also be dedicated to maintain a unit at the state level to  
151 respond to Rapid Response emergencies around the state, to work  
152 with state emergency management officials, and to work with  
153 regional workforce boards. All Rapid Response funds must be  
154 expended based on a plan developed by Workforce Florida, Inc.,  
155 and approved by the Governor.

156 Section 2. Subsections (1), (2), (3), (6), and (9) of  
157 section 445.007, Florida Statutes, are amended, subsections (10)  
158 and (11) are reenacted and amended, and subsections (12) and  
159 (13) are added to that section, to read:

160 445.007 Regional workforce boards.—

161 (1) One regional workforce board shall be appointed in  
162 each designated service delivery area and shall serve as the  
163 local workforce investment board pursuant to Pub. L. No. 105-  
164 220. The membership of the board shall be consistent with Pub.  
165 L. No. 105-220, Title I, s. 117(b) but may not exceed the  
166 minimum membership required in Pub. L. No. 105-220, Title I, s.  
167 117(b) (2) (A) and in this subsection. Upon approval by the  
168 Governor, the chief elected official may appoint additional

## ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

169 members above the limit set by this subsection. If a public  
170 education or training provider is represented on the board, a  
171 representative of a private nonprofit provider and a  
172 representative of a private for-profit provider must also be  
173 appointed to the board. The board shall include one nonvoting  
174 representative from a military installation if a military  
175 installation is located within the region and the appropriate  
176 military command or organization authorizes such representation.  
177 It is the intent of the Legislature that membership of a  
178 regional workforce board include persons who are current or  
179 former recipients of welfare transition assistance as defined in  
180 s. 445.002(2) or workforce services as provided in s. 445.009(1)  
181 or that such persons be included as ex officio members of the  
182 board or of committees organized by the board. The importance of  
183 minority and gender representation shall be considered when  
184 making appointments to the board. The board, its committees,  
185 subcommittees, and subdivisions, and other units of the  
186 workforce system, including units that may consist in whole or  
187 in part of local governmental units, may use any method of  
188 telecommunications to conduct meetings, including establishing a  
189 quorum through telecommunications, provided that the public is  
190 given proper notice of the telecommunications meeting and  
191 reasonable access to observe and, when appropriate, participate.  
192 Regional workforce boards are subject to chapters 119 and 286  
193 and s. 24, Art. I of the State Constitution. If the regional  
194 workforce board enters into a contract with an organization or  
195 individual represented on the board of directors, the contract  
196 must be approved by a two-thirds vote of the board, a quorum

ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

197 having been established, and the board member who could benefit  
 198 financially from the transaction must abstain from voting on the  
 199 contract. A board member must disclose any such conflict in a  
 200 manner that is consistent with the procedures outlined in s.  
 201 112.3143. Each member of a regional workforce board who is not  
 202 otherwise required to file a full and public disclosure of  
 203 financial interests pursuant to s. 8, Art. II of the State  
 204 Constitution or s. 112.3144 shall file a statement of financial  
 205 interests pursuant to s. 112.3145. The executive director or  
 206 designated person responsible for the operational and  
 207 administrative functions of the regional workforce board who is  
 208 not otherwise required to file a full and public disclosure of  
 209 financial interests pursuant to s. 8, Art. II of the State  
 210 Constitution or s. 112.3144 shall file a statement of financial  
 211 interests pursuant to s. 112.3145.

212 (2) (a) The regional workforce board shall elect a chair  
 213 from among the representatives described in Pub. L. No. 105-220,  
 214 Title I, s. 117(b) (2) (A) (i) to serve for a term of no more than  
 215 2 years and shall serve no more than two terms.

216 (b) The Governor may remove a member of the board, the  
 217 executive director of the board, or the designated person  
 218 responsible for the operational and administrative functions of  
 219 the board for cause. As used in this paragraph, the term "cause"  
 220 includes, but is not limited to, engaging in fraud or other  
 221 criminal acts, incapacity, unfitness, neglect of duty, official  
 222 incompetence and irresponsibility, misfeasance, malfeasance,  
 223 nonfeasance, or lack of performance.

224 (3) The Department of Economic Opportunity, under the

## ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

225 direction of Workforce Florida, Inc., shall assign staff to meet  
226 with each regional workforce board annually to review the  
227 board's performance and to certify that the board is in  
228 compliance with applicable state and federal law.

229 (6) The regional workforce board shall designate all local  
230 service providers and may not transfer this authority to a third  
231 party. Consistent with the intent of the Workforce Investment  
232 Act, regional workforce boards should provide the greatest  
233 possible choice of training providers to those who qualify for  
234 training services. A regional workforce board may not restrict  
235 the choice of training providers based upon cost, location, or  
236 historical training arrangements. However, a board may restrict  
237 the amount of training resources available to any one client.  
238 Such restrictions may vary based upon the cost of training in  
239 the client's chosen occupational area. The regional workforce  
240 board may be designated as a one-stop operator and direct  
241 provider of intake, assessment, eligibility determinations, or  
242 other direct provider services except training services. Such  
243 designation may occur only with the agreement of the chief  
244 elected official and the Governor as specified in 29 U.S.C. s.  
245 2832(f)(2). Workforce Florida, Inc., shall establish procedures  
246 by which a regional workforce board may request permission to  
247 operate under this section and the criteria under which such  
248 permission may be granted. The criteria shall include, but need  
249 not be limited to, a reduction in the cost of providing the  
250 permitted services. Such permission shall be granted for a  
251 period not to exceed 3 years for any single request submitted by  
252 the regional workforce board.

## ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

253 (9) For purposes of procurement, regional workforce boards  
254 and their administrative entities are not state agencies and are  
255 exempt from chapters 120 and 287. The regional workforce boards  
256 shall apply the procurement and expenditure procedures required  
257 by federal law and policies of the Department of Economic  
258 Opportunity and Workforce Florida, Inc., for the expenditure of  
259 federal, state, and nonpass-through funds. The making or  
260 approval of smaller, multiple payments for a single purchase  
261 with the intent to avoid or evade the monetary thresholds and  
262 procedures established by federal law and policies of the  
263 Department of Economic Opportunity and Workforce Florida, Inc.,  
264 is grounds for removal for cause. Regional workforce boards,  
265 their administrative entities, committees, and subcommittees,  
266 and other workforce units may authorize expenditures to award  
267 suitable framed certificates, pins, or other tokens of  
268 recognition for performance by units of the workforce system.  
269 Regional workforce boards; their administrative entities,  
270 committees, and subcommittees; and other workforce units may  
271 authorize expenditures for promotional items, such as t-shirts,  
272 hats, or pens printed with messages promoting Florida's  
273 workforce system to employers, job seekers, and program  
274 participants. However, such expenditures are subject to federal  
275 regulations applicable to the expenditure of federal funds. All  
276 contracts executed by regional workforce boards must include  
277 specific performance expectations and deliverables.

278 (10) State and federal funds provided to the regional  
279 workforce boards may not be used directly or indirectly to pay  
280 for meals, food, or beverages for board members, staff, or

ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

281 employees of regional workforce boards, Workforce Florida, Inc.,  
 282 or the Department of Economic Opportunity ~~Agency for Workforce~~  
 283 ~~Innovation~~ except as expressly authorized by state law.

284 Preapproved, reasonable, and necessary per diem allowances and  
 285 travel expenses may be reimbursed. Such reimbursement shall be  
 286 at the standard travel reimbursement rates established in s.  
 287 112.061 and shall be in compliance with all applicable federal  
 288 and state requirements. Workforce Florida, Inc., shall develop a  
 289 statewide fiscal policy applicable to the state board and all  
 290 regional workforce boards, to hold both the state and regional  
 291 boards strictly accountable for adherence to the policy and  
 292 subject to regular and periodic monitoring by the Department of  
 293 Economic Opportunity ~~Agency for Workforce Innovation~~, the  
 294 administrative entity for Workforce Florida, Inc. Boards are  
 295 prohibited from expending state or federal funds for  
 296 entertainment costs and recreational activities for board  
 297 members and employees as these terms are defined by 2 C.F.R.  
 298 part 230. ~~This subsection expires July 1, 2011.~~

299 (11) To increase transparency and accountability, a  
 300 regional workforce board must ~~boards shall~~ comply with the  
 301 requirements of this section before contracting with a member of  
 302 the ~~regional workforce board~~ or a relative, as defined in s.  
 303 112.3143(1) (b), of a board member or of an employee of the  
 304 board. Such contracts may ~~shall~~ not be executed before or  
 305 without the approval of Workforce Florida, Inc. Such contracts,  
 306 as well as documentation demonstrating adherence to this section  
 307 as specified by Workforce Florida, Inc., must be submitted to  
 308 the Department of Economic Opportunity ~~Agency for Workforce~~

ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

309 ~~Innovation~~ for review and recommendation according to criteria  
 310 to be determined by Workforce Florida, Inc. Such a contract  
 311 ~~Contracts between relatives, as defined in s. 112.3143(1)(b), of~~  
 312 ~~a board member or employee of a board~~ must be approved by a two-  
 313 thirds vote of the entire board, a quorum having been  
 314 established; all conflicts of interest must be disclosed before  
 315 ~~prior to~~ the vote; and any member who may benefit from the  
 316 contract, or whose relative may benefit from the contract, must  
 317 abstain from the vote ~~and the contract must be reviewed and~~  
 318 ~~approved as stated above. A contract~~ Contracts under \$25,000  
 319 between a regional workforce board and a member of that board or  
 320 between a relative ~~relatives~~, as defined in s. 112.3143(1)(b),  
 321 of a board member or of an employee ~~employees~~ of the ~~a~~ board is  
 322 not required to have the prior approval of Workforce Florida,  
 323 Inc., ~~are exempt from the review and recommendation process~~ but  
 324 must be approved by a two-thirds vote of the entire board, a  
 325 quorum having been established, and must be reported to the  
 326 Department of Economic Opportunity ~~Agency for Workforce~~  
 327 ~~Innovation~~ and Workforce Florida, Inc., within 30 days after  
 328 approval. If a contract cannot be approved by Workforce Florida,  
 329 Inc., a review of the decision to disapprove the contract may be  
 330 requested by the regional workforce board or other parties to  
 331 the disapproved contract. ~~This subsection expires July 1, 2011.~~

332 (12) Each regional workforce board shall develop a budget  
 333 for the purpose of carrying out the duties of the board under  
 334 this section, subject to the approval of the chief elected  
 335 official. Each regional workforce board shall submit its annual  
 336 budget for review to Workforce Florida, Inc., no later than 2

ENROLLED

CS/HB 7023, Engrossed 1

2012 Legislature

337 weeks after the chair approves the budget.

338 (13) Workforce Florida, Inc., shall evaluate the means to  
 339 establish a single, statewide workforce-system brand for the  
 340 state and shall submit its recommendations to the Governor by  
 341 November 1, 2012.

342 Section 3. Subsection (11) of section 445.009, Florida  
 343 Statutes, is amended to read:

344 445.009 One-stop delivery system.—

345 (11) A participant in an adult or youth work experience  
 346 activity administered under this chapter shall be deemed an  
 347 employee of the state for purposes of workers' compensation  
 348 coverage. In determining the average weekly wage, all  
 349 remuneration received from the employer shall be considered a  
 350 gratuity, and the participant shall not be entitled to any  
 351 benefits otherwise payable under s. 440.15, regardless of  
 352 whether the participant may be receiving wages and remuneration  
 353 from other employment with another employer and regardless of  
 354 his or her future wage-earning capacity. ~~This subsection expires~~  
 355 ~~July 1, 2012.~~

356 Section 4. This act shall take effect July 1, 2012.