

**STORAGE NAME:** h0259s1.ei

**DATE:** January 20, 1999

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
EDUCATION INNOVATION  
ANALYSIS**

**BILL #:** CS/HB 259

**RELATING TO:** School Readiness

**SPONSOR(S):** Committee on Education Innovation and Representatives Warner, Lynn, Murman, Chestnut, and Melvin and others

**COMPANION BILL(S):** HB 233 (C); CS/SB 366 & 382 (C) and SB 708 (C)

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) EDUCATION INNOVATION YEAS 7 NAYS 1
- (2) EDUCATION APPROPRIATIONS
- (3)
- (4)
- (5)

---

I. SUMMARY:

CS/HB 259 coordinates existing child care and early education programs into a seamless, integrated system for school readiness. The bill combines funding streams, eligibility standards, points of entry, and waiting lists for the various programs. The system is governed at the state level by a State School Readiness Governing Board and at the county level by local coalitions.

Each coalition that is not a legally incorporated entity must have a school readiness agent to provide administration, support, funding, and monitoring services. The school readiness agent must act on the policy direction of the coalition as provided by contract. The school readiness program will be phased in with one time coalition initiation grants being offered for earlier approved coalitions: \$50,000 for approval by December 1, 1999; and \$25,000 for approval by March 1, 2000.

The state governing board will develop the school readiness program performance standards, outcome measures, data collection method, and guidelines for using the data, and will approve and review local school readiness coalitions and plans. The data collection must include the ability to track school readiness information back to the preschool program to assist in measuring program effectiveness.

The school readiness program will operate in conjunction with the district school system but will not be part of the district school system. The program will be for children from birth to kindergarten age who meet the eligibility guidelines. A sliding fee scale will be used to help fund the local school readiness program. Each coalition will develop a reimbursement rate schedule which will take into consideration relevant market rates. The bill creates a School Readiness Program Estimating Conference to develop information on the programs, including forecast of program needs.

Appropriations for combined school readiness programs will not be less than on an uncombined basis. The fiscal impact would come from one time coalition initiation grants and incentive bonuses. The bill also provides for a one time incentive bonus on a per-child served basis for the coalition plan's ability to clearly show enhancement in the quality and standards of the school readiness program without diminishing the number of children served. These bonuses are subject to an appropriation from the Legislature. Other fiscal impacts will result from hiring sufficient staff to administer the program as well as per diem and travel expenses for the state governing board. These amounts are undetermined at this time.

II. SUBSTANTIVE ANALYSIS:

**A. PRESENT SITUATION:**

Currently there are three major publicly funded early child care and education programs: the subsidized child care program, administered by the Department of Children and Families; the prekindergarten early intervention program, administered by the Department of Education; and the Head Start program, administered through various local agencies by contract with the federal government.

The Legislature has established in s. 229.591, F.S., eight education goals that the state as a whole shall work toward. Goal 1 is readiness to start school and requires that communities and schools collaborate to prepare children and families for children's success in school. The Florida Commission on Education Reform and Accountability (Accountability Commission) which was created in s. 229.593, F.S., by the 1990 Legislature to oversee the establishment and implementation of a new system of school improvement and education accountability from preschool to grade 12, and the Commissioner of Education have set two standards to support successful outcomes associated with this goal:

- ◆ "Before entrance to Florida public schools, children have received appropriate health and social services so that optimum learning can occur."
- ◆ "At entrance to Florida public schools, children will be at a developmental level of physical, social, and intellectual readiness necessary to ensure success as a learner"

The Accountability Commission's measure for Goal 1 is the percentage of children meeting readiness expectations determined by school district assessment. The Department of Education has developed a check list of readiness expectations to be used by districts for the readiness assessment. If a child meets 75% of the expectations, the child is considered to be ready for kindergarten. There is no uniformity among districts or even among schools within a district in administering the check list.

**Subsidized Child Care**

Florida has operated a subsidized child care program for approximately 20 years. The purpose of the current subsidized child care program, administered by the Department of Children and Families, as described in s. 402.3015, F.S., is "to provide quality child care to enhance the development, including language, cognitive, motor, social, and self-help skills of children who are at risk of abuse or neglect and children of low-income families." The goal is to promote financial self-sufficiency and life skills for the families of these children.

Priority for participation in the subsidized child care program is accorded to children less than 13 years of age who are determined to be at risk of abuse, neglect, or exploitation and who are currently clients of the Department's Children and Families Services Program Office; children at risk of welfare dependency, including children of participants in the WAGES Program, children of migrant farm workers, children of teen parents, and children of other families at risk of welfare dependency, and children of working poor families. Performance measures approved for this program

in fiscal year 1998-99 state that 80 percent of children age four placed with contracted providers, who have been in care for nine months will enter kindergarten ready to learn as determined through DOE or local school systems' readiness assessment. Kindergarten readiness assessments utilizing the Department of Education check list indicate that currently 80% of all children enter school ready to learn.

### **Prekindergarten Program**

The prekindergarten program is established pursuant to s. 230.2305, F.S., and is designed to serve economically disadvantaged three and four-year-olds, the majority of whom shall be four years of age, in educational programs administered by Florida's school districts. This program is funded by a direct appropriation of lottery dollars. School districts may spend the funds they receive to implement and conduct a prekindergarten program or to contract with public or non-public entities to serve eligible children.

Each school district's prekindergarten plan is developed by the school board in coordination with the local interagency coordinating council on early childhood services. Each coordinating council must include private and subsidized child care program representatives as well as representatives from the federally funded Head Start program.

### **Head Start**

Head Start is a federally funded comprehensive program serving three, four, and five-year-olds. The funds come directly from the federal government to the local grantee, usually private non-profits or local governmental agencies. Though the federal government does provide stringent performance standards which each local grantee must meet, each local grantee is given some autonomy in planning its curriculum.

Head Start focuses on the entire child and the entire family's well-being. Included in services are health (medical, dental, and mental health services are provided), parent involvement, social services, education, and community volunteerism components. Services are also provided for children with disabilities.

The Head Start program contains a strong parental involvement element; 51 percent of the membership of the local Head Start Policy Council must be parents of an enrolled child. The remaining members are community members.

In the belief that the earlier the services, the better for the child, Congress has authorized an Early Head Start program, including five grantees in Florida, serving several hundred expectant families with children below the age of four.

Coordination across these and other early education programs and services at the local level is reportedly varied.

The following chart shows requirements, funding levels, and eligibility for the three programs.

## Major Early Care and Education Programs For Children Under The Age of Five

	Child Care	Pre-K Early Intervention	Head Start
<b>Total Funding</b>	\$353.6 million	\$97.1 million	\$144.7 million
<b>Avg. Expenditure Per Child Per Year</b>	\$3,750	\$3,200	\$4,968 (for comprehensive services)
<b>Hours of Service</b>	10 hours per day, 249 days per year	6 hours per day, 180 days per year	6-12 hours per day, 180-260 days per year
<b>Avg. Expenditure Per Child Per Hour</b>	\$1.19	\$2.96	\$2.56
<b>Children Served</b>	111,150 (under age 5)	30,014	29,523
<b>Maximum Family Income</b>	150% of federal poverty level	130% of federal poverty level	100% of federal poverty level
<b>Parent Fees Charged</b>	Yes; sliding scale	No	No
<b>Staff Requirements</b>	Centers have 1 CDA or equivalent per 20 children  Family day care homes complete 3-hour course. No requirements for informal providers.	DOE-certified teacher or CDA with supervision from certified teacher; others complete a 30-hour training	Teacher must have CDA or equivalent. Aide must have diploma and be enrolled in CDA program.
<b>Staff: Child Ratios</b>			
Birth-12 Months	1:4		Birth through 3 1:4
12-24 Months	1:6		
Two-year-olds	1:11		
Three-year-olds	1:15	1:10	1:7.5
Four-year-olds	1:20	1:10	1:10

\* Information in the chart is from OPPAGA's 1998 Follow-Up Review of Early Education and Child Care Programs and the Florida House of Representatives Committee on Children and Family Empowerment Interim Project: "School Readiness and Developmental Assessment in Child Care Arrangements", Fall 1998.

### Child Care Licensing

The Department of Children and Families Services (CFS) licenses child care facilities and some family day care homes and maintains a registry of other family day care homes that are not subject to licensure. All child care facilities must have their licenses renewed annually and must meet specified licensing standards delineated in s. 402.305, F.S., including minimum staff credentials, sanitation and safety, and child discipline. Child care centers and certain homes are subject to periodic inspections to ensure compliance with state requirements.

## **Chapter 411 and The State Coordinating Council for Early Childhood Services**

Chapter 411, F.S., requires collaboration between DOE and CFS to provide early assistance to children who are handicapped or at risk of developmental delay in order to help the children achieve optimum growth and development. This chapter creates the State Coordinating Council for Early Childhood Services which advises the Governor, the Legislature, and state agencies regarding the coordination of the various programs serving preschool children. The council members represent the various public and private programs and services for preschool children and their families. The council is not assigned to a single agency, but rather floats back and forth between DOE and CFS in alternate years. In some years the council was without support staff in its assigned agency, a situation which contributed to an unevenness in the council's effectiveness.

### **The Office of Program Policy Analysis and Government Accountability (OPPAGA)**

The Office of Program Policy Analysis and Government Accountability (OPPAGA) conducted a study in 1995 and a follow up to that study in 1998. Their recommendations were that the Legislature make changes to the current early childhood education and child care system that will:

- ◆ ensure that an entity is vested with sufficient authority to oversee the system and ensure that the state will meet its school readiness goals;
- ◆ facilitate the development of uniform program outcomes and standards across all early education and child care programs; and
- ◆ maintain local discretion, but improve coordination among programs at the local level by providing clear guidance and tools that would build upon the success of the current system.

### **The Readiness Committee Recommendations**

The Governor's Commission on Education was created by executive order on September 20, 1996, to conduct a review of Florida's public schools from prekindergarten through college. The commission was specifically asked to address the objective of improving readiness for school, and an appointed Readiness Committee made recommendations that were published by the commission in their November 1998 report "Fixing Florida Schools: Mission Incomplete." The recommendations are:

- ◆ First, state policy makers should act in 1999 to make the state's first education goal a reality, not merely an attractive platitude. Assisting communities and schools in collaborations to prepare children and families for success in school, as Goal 1 states, requires action. Florida should become the national leader in addressing early childhood services and school readiness in a coherent, coordinated fashion. It should do so in part by elevating the condition of children 0-5 to the top of Florida's agenda, statewide and in every county.
- ◆ Second, a new system of early childhood services must achieve improved collaboration and coordination, at both the state and local levels. A new state governing or administrative structure for early childhood should be created. At the

local level, the new system should build upon, and not uproot, the service delivery capacity already in place. Community-based efforts, granted flexibility to address local problems with localized solutions, within the boundaries of appropriate state standards, hold the most promise for significant improvements in the state of readiness of Florida's children.

- ◆ Third, state policy and community collaborations must recognize that every program, service and activity before kindergarten--including health care, child care and formal preschool--either contributes to or detracts from school readiness. All must be considered part of a coherent approach to early childhood services, and all state and local government services in these areas should be linked to a new early childhood organizational structure.
- ◆ Fourth, quality is essential. Quality includes the education and training of care givers, the number of children for which each care giver is responsible, and curriculum. Quality in existing programs must not be diluted, and poor quality programs must be improved. Specifically, there is no-good reason to abandon the Prekindergarten Early Intervention Program, to raise its student-teacher ratios, or to otherwise retreat from the quality assurances built into the program.
- ◆ Fifth, increased investment will be necessary to make a reality of Goal 1. That investment will take the form of additional faith-based, charitable, private-sector and other community-based resources, as well as additional funds from federal, state and local governments.

**B. EFFECT OF PROPOSED CHANGES:**

The intent of the CS/HB 259 is to coordinate existing early education programs and to create a seamless programmatic funding stream to assure enhanced funding and fiscal responsibility. The school readiness program would work to assure that all early education programs:

- ◆ are developmentally appropriate;
- ◆ involve parents;
- ◆ serve as preventive measures for children at risk of future school failure;
- ◆ enhance the educational readiness of eligible children;
- ◆ support family education;
- ◆ provide health screening and referral; and
- ◆ operate on a full-day year round basis when needed.

School readiness programs are not to exist as isolated programs. Implementation on a county by county basis assures integration of all programs operating within that county. Funding streams are combined for various existing early education programs. The appropriations will not be less than combined programs would receive in any fiscal year. The readiness programs are to operate in conjunction with district school systems but

are not to be construed as part of the system of free public schools. A sliding fee scale is made uniform. All participants make co-payments. It is the intent of the Legislature to preserve the federal child care income tax credit for all school readiness programs.

### **Governance**

The bill creates the State School Readiness Governing Board as the state level governing entity. Local School Readiness Coalitions are established on a county-by-county basis. Two or more counties may combine to form a coalition. The Local School Readiness Coalition submits a school readiness implementation plan for the state governing board's approval.

### **State School Readiness Governing Board**

The State School Readiness Governing Board is established in the Executive Office of The Governor and the Governor shall select the chair and vice chair. The chair of the State School Readiness Governing Board shall also be a member of the WAGES Program State Board of Directors. Membership of the board consists of:

- ◆ the Lieutenant Governor, or his or her designee;
- ◆ the Secretary of the Department of Children and Family Services;
- ◆ the Commissioner of Education, or his or her designee;
- ◆ the chair of the WAGES program State Board of Directors;
- ◆ the Secretary of Health;
- ◆ the chair of the Child Care Extensive Partnership Board; and
- ◆ five members appointed by the Governor to staggered terms.

Four of the Governor's appointees shall be appointed from a list of six nominees, of which three have been submitted by the President of the Senate, and three have been submitted by the Speaker of the House of Representatives. The appointed members are to be business, community, and civic leaders in the state who are not elected to public office and do not earn their income in the early education and child care industry. The members are also to be geographically and demographically representative of the state. For purposes of administration of the Federal Child Care and Development Fund, the governing board may be designated by the Governor as the lead agency. The duties of the governing board are:

- ◆ to establish a reading and literacy partnership with the Governor, the Commissioner of Education, the chairs and ranking minority members of the appropriate Senate and House education committees, and the coalitions for purposes of receiving federal Reading Excellence Act grants;
- ◆ to safeguard prudent use of all public and private funds in accordance with all legal and contractual requirements;

- ◆ to strategically use federal, state, and private resources to maximize the effectiveness of school readiness;
- ◆ to provide final approval and periodic review of local coalitions and plans;
- ◆ to provide leadership for enhancement of school readiness in this state by aggressively establishing a unified approach to the state's efforts toward enhancement of school readiness;
- ◆ to safeguard the effective use of federal, state, local, and private resources;
- ◆ to adopt a uniform statewide system for measuring school readiness that provides objective data regarding the expectations for school readiness;
- ◆ to develop a method for collecting data and establish guidelines for using data so that the measurement, data collection, and use of the data serve the statewide readiness goal that all children will be ready for school;
- ◆ to develop and adopt performance standards and outcome measures;
- ◆ to submit an annual report of activities to the Governor, the executive director of the Florida Health Kids Corporation, the President of the Senate, the Speaker of the House of Representatives, and the minority leaders of both houses of the legislature; and
- ◆ to work with school readiness coalitions to increase parents' training for and involvement in their child's preschool education.

Additionally, the board may develop and implement strategies that increase the effectiveness of school readiness; make recommendations for staff changes to the appropriate oversight entity; and adopt rules necessary to administer this program including rules that pertain to the issuance of waivers.

Members of the governing board are subject to the ethics provisions of chapter 112, F.S. and may not derive any financial benefit from the funds administered by the governing board. The members of the governing board serve without compensation but are entitled to reimbursement for per diem and travel expenses and other necessary and actual expenses.

### **Eligibility**

The school readiness program will be established for children under the age of kindergarten eligibility. It is funded by the current funding for existing programs and any additional funds appropriated for this purpose. The existing programs are:

- ◆ Florida First Start programs;
- ◆ Even-Start programs;
- ◆ prekindergarten early intervention programs;



- ◆ Head Start programs;
- ◆ programs offered by public and private providers of child care;
- ◆ preschool programs for children with disabilities;
- ◆ programs for migrant children;
- ◆ Title I programs;
- ◆ subsidized child care programs;
- ◆ teen parent programs; and
- ◆ other services.

The bill gives eligibility priority to participants in the school readiness program who fit one or more of the following criteria: children who are determined to be at risk of abuse, neglect, or exploitation and who are clients of the Department of Children and Family Services, children at risk of welfare dependency, including the economically disadvantaged, children of participants in the WAGES program, children of migrant farm workers, children of teen parents, and children in a family whose income is at or below poverty level, children in families between 100 percent and 150 percent of poverty level, children served through a home visitor program, and intensive parent education programs. A child who is described as “economically disadvantaged” is defined as a child whose family income is below 150 percent of the federal poverty level.

### **Standards and Outcome Measures**

All publicly funded school readiness programs will be required to meet the performance standards and outcome measures developed and approved by the governing board. These performance standards and outcome measures will be applicable on a state-wide basis and must:

- ◆ help prepare preschool children to enter kindergarten ready to learn, as measured by a methodology adopted by the governing board with input from the Department of Education;
- ◆ provide extended-day services and extended-year services when needed;
- ◆ include a staff development plan to ensure that the program has qualified professionals;
- ◆ provide for expanded access to community services and resources, including adult literacy assistance, to help families achieve economic self-sufficiency;
- ◆ provide for a simplified point of entry and unified waiting list;
- ◆ serve at least as many children as were served prior to implementation of the program;

- ◆ establish a community plan to address the needs of all eligible children;
- ◆ meet all state licensing guidelines where applicable; and
- ◆ assess the developmental status of each child upon entry into a school readiness program and exit from the program for the purpose of assisting program effectiveness determinations.

The coalition shall be responsible for monitoring to ensure the achievement of these performance standards and outcome measures. It is the responsibility of the governing board to develop a phase-in schedule through which all publicly funded school readiness programs will be measured by the standards and outcomes.

In addition to adhering to standards and outcome measures, all publicly funded school readiness programs are required to implement a comprehensive program of children and family services that will enhance the cognitive, social, and physical development of children.

### **Local School Readiness Coalitions**

Local School Readiness Coalitions shall consist of at least 14 members but not more than 21 members. Members are:

- ◆ the Department of Children and Family Services district administrator his deputy or the equivalent;
- ◆ the district superintendent of schools or his deputy or the equivalent;
- ◆ the regional workforce development board or chair;
- ◆ the county health department director or his or her designee;
- ◆ the Children's Services Council chair or executive director;
- ◆ the child care licensing agency head;
- ◆ two members appointed by the Department of Children and Family Services district administrator;
- ◆ two members appointed by the board of county commissioners;
- ◆ two members appointed by the district school board;
- ◆ the central child care agency administrator;
- ◆ the Head Start director or directors; and
- ◆ up to 7 additional members appointed by the coalition.

All members are voting members except that a member shall not vote on an issue relating to funding for an entity represented by that member. No member may appoint a

designee to act in his or her place. (They may send a representative to the meeting but that representative cannot vote on their behalf.)

Members of the Local Readiness Coalition are subject to the ethics provisions in s. 112, F.S.

### **Implementation**

The school readiness program is to be phased-in . Until the coalition implements its plan, the county will continue to receive funds in the current manner and will continue to receive services. The local coalition must submit a school readiness plan to the governing board for approval. The plan must address eligibility requirements, performance standards and outcome measures, reimbursement rates, a sliding fee scale, and a business plan which must include the contract with a school readiness agent if the coalition is not a legally established corporate entity. The coalition has two waiver opportunities:

- ◆ The coalition may request the Governor to apply for a waiver, on their behalf, to allow the county to administer the Head Start Program to accomplish the purposes of the school readiness program.
- ◆ If any school readiness plan can demonstrate that specific statutory goals can be achieved more effectively by using procedures that require modification of existing rules, policies, or procedures, a request for a waiver to the governing board may be made as part of the coalition's readiness plan.

Once the plan is approved by the governing board, services are provided through the coalition. Any provisions approved by the governing board in a coalition's plan supersede and prevail over statutory provisions in:

- ◆ s. 228.061(1) and (2), F.S., other preschool programs;
- ◆ s. 230.2303, F.S., Florida First Start Program;
- ◆ s. 230.2305, F.S., prekindergarten early intervention program;
- ◆ s. 230.2306, F.S., prekindergarten children service needs assessments;
- ◆ s. 230.23166, F.S., teenage parent programs;
- ◆ s. 232.01(a) 3 and (e), F.S., prekindergarten school attendance and pre-K disabilities program school attendance;
- ◆ s. 383.011, F.S., administration of maternal and child care health programs;
- ◆ s. 402.3015, F.S., subsidized child care programs;
- ◆ s. 411.204, F.S., program evaluation design and independent third-party evaluation;
- ◆ s. 411.221, F.S., prevention and early assistance strategic plan;

- ◆ s. 411.222, F.S., intra-agency and interagency coordination responsibilities;
- ◆ s. 411.223, F.S., uniform standards for early childhood services; and
- ◆ s. 411.232, F.S., the Children's Early Investment Program.

Upon approval of the local coalition's plan, the plan will then be utilized to issue a request for proposals for:

- ◆ System support services, including a central agency, child care resources and referral, eligibility determinations, and training of providers, parent support and involvement; and
- ◆ direct enhancement services to families and children.

Both of the above services are in addition to payments for the placement of children in school readiness programs.

Two or more counties may join for the purpose of planning and implementing a school readiness program.

### **Coalition Initiation Grants**

One time coalition initiation grants are provided in amounts of \$50,000 to coalitions approved by the governing board by December 1, 1999, and \$25,000 to coalitions approved by the governing board by March 1, 2000, in order to support the coalition in developing its plan. Coalitions that have their plan approved by March 1, 2000, shall receive their funding through the governing board in fiscal year 2000-2001 and each year after. Each year thereafter any increases for school readiness are administered through the coalition. If a county does not have a coalition by March 1, 2001, the governing board will request proposals for coalition operation, unless the county has requested and has been granted by the governing board a waiver for good cause.

A one time incentive bonus is available on a per-child served basis for the coalition plan's ability to clearly show enhancement in the quality and standards of the school readiness program without diminishing the number of children served. The incentive bonus is subject to an appropriation by the Legislature.

### **Funding**

The legislative intent is to establish an integrated and quality seamless service delivery system for all publicly funded early childhood education and child care programs operating in this state. All funds designated for the services specified shall be transferred to the school readiness agent. Guidelines are established for investment and distribution of funds. State funds appropriated for school readiness may not be used for construction of new facilities or to purchase school buses. The governing board distributes all funds as block grants, including funding for the pre-kindergarten disabilities program which would no longer be funded as part of the Florida Education Finance Program (FEFP). Each coalition is required to create a reimbursement rate schedule that encompasses all programs funded by that coalition. The reimbursement

rate must include the projected number of children, be approved by the governing board, and take into consideration relevant market rates.

By February 15, 2000, the governing board will present to the Legislature recommendations for combining funding streams for the school readiness programs into a School Readiness Trust Fund as well as recommendations for providing necessary transportation services for school readiness programs.

The governing board shall annually distribute all eligible funds as block grants to assist coalitions in integrating services and funding to develop a quality service delivery system. Subject to appropriation, the governing board may also provide financial awards to coalitions demonstrating success in merging and integrating funding streams to serve children and school readiness programs.

### **School Readiness Agent**

If the coalition is not a legally established corporate entity, the coalition must designate a school readiness agent. The school readiness agent is required to provide financial and administrative services pursuant to a contract with the coalition. The cost of the financial and administration services shall be negotiated between the school readiness agent in accordance with the contract with the coalition.

If the school readiness agent is a provider of early education and care programs, the contract must specify that the school readiness agent will act on policy direction from the coalition and will not receive policy direction from its own corporate or governance board regarding disbursement of coalition funds.

The school readiness agent disburses funds in accordance with the coalition school readiness plan and base billing and disbursement procedures approved by the governing board. The school readiness agent must conform to all data-reporting requirements established by the governing board.

### **Parental Choice**

The school readiness program provides parental choice pursuant to a purchase service order that ensures flexibility in school readiness programs and payment agreements. Funds are disseminated through an electronic transfer system established by DOE and the Office of the Comptroller. The Office of Program Policy Analysis and Government Accountability (OPPAGA) will assess the implementation, efficiency, and outcomes of the revised school readiness program and report findings to the President of the Senate and the Speaker of the House by January 1, 2002. A parent may choose an informal child care arrangement according to federal regulations. The guidelines governing the use of purchase orders are:

- ◆ Any provider who is found to have provided cash or other unlawful remuneration to the beneficiary in return for receiving the purchase order, the school readiness agent shall refer the matter to the Division of Public Assistance Fraud for investigation.

- ◆ The governing board shall adopt an electronic transfer system for the dissemination of funds which shall be fully implemented within 3 years after plan implementation, unless a waiver is obtained from the governing board.

### **Evaluation**

Each coalition shall conduct an evaluation of the effectiveness of its school readiness program including performance standards and outcome measure, and shall provide an annual report to the governing board.

### **Conflict Provisions**

In the event of a conflict between the provisions of this section and federal requirements, the federal requirements shall control.

### **School Readiness Screening System**

The Department of Education shall require that the school readiness screening system adopted by the State School Readiness Governing Board be utilized uniformly by all school districts.

### **School Readiness Program Estimating Conference**

The School Readiness Program Estimating Conference will develop official information relating to the state's system of school readiness programs including forecasts of school readiness program needs in, but not limited to, subsidized child care, Head Start, prekindergarten early intervention, prekindergarten disabilities, Even-Start literacy, Florida First Start, migrant prekindergarten, and Title 1 prekindergarten. The conference will also estimate the unduplicated count of children who are eligible for services. The principals of the School Readiness Program Needs Assessment Conference will be representatives from:

- ◆ the Executive Office of the Governor (this representative will preside over conference sessions);
- ◆ the Director of Economic and Demographic Research; and
- ◆ professional staff who have forecasting expertise from the State School Readiness Governing Board, the Department of Children and Family Services, the Department of Education, the Senate, and the House of Representatives, or their designees.

The state governing board will provide information or needs and waiting lists for school readiness program services.

C. APPLICATION OF PRINCIPLES:

1. Less Government:

a. Does the bill create, increase or reduce, either directly or indirectly:

(1) any authority to make rules or adjudicate disputes?

Yes, authorizes the School Readiness Governing Board to make rules.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes, the bill establishes the School Readiness Governing Board to implement a cohesive school readiness statewide program for at-risk children from birth to kindergarten, and calls for local School Readiness Coalitions to implement local school readiness plans.

(3) any entitlement to a government service or benefit?

No; however, it will expand existing subsidized child care entitlement if successfully implemented.

b. If an agency or program is eliminated or reduced:

(1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

The district interagency councils and their duties are replaced by the Local School Readiness Coalitions. The State Coordinating Council for Early Childhood Education is phased out.

(2) what is the cost of such responsibility at the new level/agency?

Anticipated costs are: per diem for governing board members, salaries and operating expenses of an Executive Director and Staff for the governing board, funds for advertising publication campaign for readiness, coalition incentive grants for new local coalitions established and approved within the specified deadlines.

(3) how is the new agency accountable to the people governed?

The local coalitions include representatives of the people governed and the coalitions operate in their behalf. The State Governing Board facilitates the local coalitions.

2. Lower Taxes:

- a. Does the bill increase anyone's taxes?

No

- b. Does the bill require or authorize an increase in any fees?

No

- c. Does the bill reduce total taxes, both rates and revenues?

No

- d. Does the bill reduce total fees, both rates and revenues?

No

- e. Does the bill authorize any fee or tax increase by any local government?

No

3. Personal Responsibility:

- a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

No

- b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

Yes, the school readiness program features a sliding fee scale pursuant to which all beneficiaries pay a co-payment for services.

4. Individual Freedom:

- a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

Yes, local coalitions will expand services to enable parents to place their children in the programs the parents choose to best suit their needs.



- b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

No

5. Family Empowerment:

- a. If the bill purports to provide services to families or children:

- (1) Who evaluates the family's needs?

The provider contracted by the Local School Readiness Coalition evaluates the family's needs.

- (2) Who makes the decisions?

The State Governing Board establishes policies. The local coalitions work out local plans. The providers contracted by the Local School Readiness Coalition work directly with children and families.

- (3) Are private alternatives permitted?

Yes

- (4) Are families required to participate in a program?

No

- (5) Are families penalized for not participating in a program?

No

- b. Does the bill directly affect the legal rights and obligations between family members?

No

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:

(1) parents and guardians?

Yes, in the power to select the program they find best for their child.

(2) service providers?

Yes, as partners with the local coalitions.

(3) government employees/agencies?

Yes, the control of the statewide program will be by the State School Readiness Governing Board through its approval and periodic review of local coalitions and plans.

**D. STATUTE(S) AFFECTED:**

Creates sections 411.01 and 229.567, Florida Statutes

**E. SECTION-BY-SECTION ANALYSIS:**

**Section 1**

Establishes legislative intent; defines governing board, coalition, and plan; establishes State School Readiness Governing Board with membership and duties; establishes criteria for program eligibility; establishes criteria for the creation of standards and outcome measures in consultation with the Office of Program Policy Analysis and Government Accountability (OPPAGA); directs the governing board to develop a phase-in schedule through which all publicly funded school readiness programs will be measured by these standards and measures; provides for membership of the Local School Readiness Coalition with all members voting except on issues relating to funding for an entity represented by that member; provides for phased-in implementation with counties continuing to receive funds in the current manner until plans are approved by the governing board; specifies required components and authorizes waiver requests as parts of plan; provides for superseding specific statutes upon plan approval; provides for plan to be used to develop request for proposals for specific services; allows for two or more counties to join for implementing program.

Provides one time coalition initiation grants; provides for coalitions to receive funding through the governing board; provides for a one time incentive bonus, subject to appropriation, on a per-child served basis; establishes an integrated and quality seamless service delivery system for all publicly funded early childhood education and child care programs operating in this state with funds transferred to the school readiness agent; establishes guidelines for investment and distribution of funds; provides that state funds appropriated for school readiness may not be used for construction of new facilities or purchase of school buses; requires each coalition to create a reimbursement rate schedule encompassing all programs and taking into consideration the relevant market rate; establishes that if a coalition is not legally established corporate entity a school readiness agent is designated to provide certain services and monitoring

responsibilities; provides that if agent is provider, contract specifies that policy direction is from coalition; provides parental choice that ensures flexibility; requires the governing board to adopt an electronic transfer system for the dissemination of funds; provides for evaluation, reports and conflicts with federal law.

**Section 2**

Requires that the school readiness screening system adopted by the State School Readiness Governing Board are to be uniformly utilized by all school districts.

**Section 3**

Establishes a School Readiness Program Estimating Conference to develop information and forecasts of school readiness program needs and estimate the unduplicated count of children who are eligible for services with information provided by the state governing board; provide for principals of the conference.

**Section 4**

Amends s. 236.013 (2) & (5) to remove pre-kindergarten exceptional programs and half-day kindergarten programs from the Florida Education Finance Program (FEFP).

**Section 5**

Adds the chair of the State School Readiness Governing Board to the WAGES Program State Board of Directors.

**Section 6**

Encourages the Florida Healthy Kids Corporation to work cooperatively with the State School Readiness Governing Board.

**Section 7**

Authorizes the Governor to transfer funds from the relevant state departments or agencies to the School Readiness Governing Board to fund local school readiness coalitions during the phase-in period.

**Section 8**

Authorizes State School Readiness Governing Board to recommend appropriations and positions to be transferred from the Department of Children and Family Services to the governing board.

**Section 9**

Provides an effective date upon becoming a law.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

One time coalition initiation grants and incentive bonuses--Provides \$50,000 to coalitions approved by the governing board by December 1, 1999, and \$25,000 to coalitions approved by the governing board by March 1, 2000, to support the coalition in developing its plan. Coalitions that have their plan approved by March 1, 2000, shall receive their funding through the governing board in fiscal year 2000-2001 and each year after. Provides for a one time incentive bonus on a per-student served basis for coalition's plan's ability to clearly show enhancement in the quality and standards of the school readiness program without diminishing the number of children served. Incentive bonuses are subject to appropriation.

2. Recurring Effects:

Program funding for the combined program will continue in the same amount as appropriated for the uncombined programs.

Funding will be needed for Executive Director, staff, and per diem of State Governing Board.

Coalitions that have their plan approved by March 1, 2000, shall receive their funding through the governing board in fiscal year 2000-2001 and each year after.

3. Long Run Effects Other Than Normal Growth:

Indeterminate, but if the program is successful in enhancing statewide school readiness, the long term effects could significantly reduce statewide education costs, eliminate inferior programs, and consequently enhance funding for superior programs.

4. Total Revenues and Expenditures:

The funding for this program would be the funding level as appropriated by the Legislature for early childhood education and child care programs currently in operation. The fiscal impact would come from one time coalition initiation grants and incentive bonuses. One time coalition initiation grants and incentive bonuses provide \$50,000 to coalitions approved by the governing board by December 1, 1999, and \$25,000 to coalitions approved by the governing board by March 1, 2000, to support the coalition in developing its plan.

Coalitions that have their plan approved by March 1, 2000, shall receive their funding through the governing board in fiscal year 2000-2001 and each year after. A one time incentive bonus is provided on a per-student served basis for coalition plan's ability to clearly show enhancement in the quality and standards of the school readiness program without diminishing the number of children served. Incentive bonuses are subject to an appropriation by the Legislature. Other fiscal impacts

would result from hiring an executive director and staff to administer the program as well as per diem and travel expenses for the State Governing Board.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:**

1. Non-recurring Effects:

One time coalition initiation grants and incentive bonuses--Provides \$50,000 to coalitions approved by the governing board by December 1, 1999, and \$25,000 to coalitions approved by the governing board by March 1, 2000, to support the coalition in developing its plan. Coalitions that have their plan approved by March 1, 2000, shall receive their funding through the governing board in fiscal year 2000-2001 and each year after. Provides for a one time incentive bonus on a per-child served basis for coalition's plan's ability to clearly show enhancement in the quality and standards of the school readiness program without diminishing the number of children served. Incentive bonuses are subject to appropriation.

2. Recurring Effects:

An increase in funds is possible through block grant funding to the local school readiness agent.

3. Long Run Effects Other Than Normal Growth:

Indeterminate, but if program is successful, it could significantly reduce school district education costs and result in greater funding for superior programs.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

1. Direct Private Sector Costs:

All participants pay a co-payment on a sliding fee scale.

2. Direct Private Sector Benefits:

Improvements in school readiness could ultimately result in a better-prepared group of employees for the job market.

3. Effects on Competition, Private Enterprise and Employment Markets:

Increased options for parental choice could result in increased competition and better services.

**D. FISCAL COMMENTS:**

N/A

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to expend funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of counties or municipalities to raise revenue.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of state tax shared with counties and municipalities.

V. COMMENTS:

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

HB 259 was amended in the Education Innovation Committee of the House on January 20, 1999, and made into a committee substitute. The committee substitute differs from the original bill in the following ways:

- ◆ Revises language to appropriately indicate the Legislature's findings and intent.
- ◆ Amends intent language to clarify terminology that the state readiness board shall have staff sufficient to carry out its mission; provides clarification that it is the coalition and not the county that shall have the availability of funding for school readiness; clarifies program terminology for consistency in the bill; clarifies that the State School Readiness Governing Board will determine the necessary staff; clarifies that the performance standards developed by the state governing board are school readiness performance standards; clarifies the combined/uncombined appropriations language is not an entitlement for future appropriations.
- ◆ Replaces appointment of the chair of the State Workforce Development Board with the Secretary of Health.
- ◆ Revises state governing board membership to include the chair of the Child Care Extensive Partnership Board and reduces the number of members appointed by the Governor to five and staggers member terms.
- ◆ Requires that the Governor and not the governing board that selects the chair and vice chair of the state governing board.

- ◆ Inserts new language to initiate a reading and literacy partnership in order for coalitions to receive and utilize federal funding from the Reading Excellence Act grants.
- ◆ Changes the initial state governing board meeting date from August to October.
- ◆ Clarifies that the state governing board makes recommendations for staff changes to the appropriate oversight entity; clarifies intent for the state governing board to strategically use federal, state, local and private resources to maximize the effectiveness of school readiness programs. Revises current language to further identify the data collection role of the state governing board, clarifies school readiness screening method language; clarifies language “the statewide goal” as the “statewide readiness goal,” corrects school readiness goal language for consistency; requires that the data collection must include the ability to track school readiness information back to the preschool program to assist in measuring program effectiveness.
- ◆ Clarifies that the state board shall establish rules for the issuance of waivers; inserts language that requires the governing board to be responsible for recommending rules for repeal or revision that would increase the effectiveness of school readiness; provides for the state governing board to submit an annual report of activities, provides that report shall be submitted in a time frame that allows for incorporation of findings of coalition reports and estimating conference; makes state governing board reports and recommendations available to other interested parties; expands cooperation between the governing board and the coalitions to increase parental training and involvement.
- ◆ Stipulates the priority for participation is not a rank order but an inclusive listing of who shall be given a priority; revises current language to further clarify poverty level and identify children to be served; deletes obsolete federal school lunch program language.
- ◆ Requires OPPAGA to provide consultation services to assist the state governing board in development measures and standards; clarifies performance review by OPPAGA and authorizes future reviews to be conducted at the direction of the Legislature.
- ◆ Revises language to require the community plan to address the needs of all eligible children; requires that performance standards and outcome measures shall also assess the developmental status of each child upon the child’s entry into and exit from a school readiness program to determine program effectiveness; deletes the involvement of the school readiness agent in monitoring and reporting performance standards and outcome measures.
- ◆ Expands coalition members to a total of 14 to 21 and provides that up-to an additional seven members may be appointed by the local readiness coalition.
- ◆ Provides for a Children and Family Services district administrator and school superintendent to appoint his/her deputy of equivalent.
- ◆ Deletes provision that stipulates that the central agency administrator and Head Start Director(s) are nonvoting members and stipulates that all members are voting members except on matters relating to funding for an entity represented by that member.
- ◆ Stipulates that if a member of the local coalition is unable to attend a meeting, they may send a representative.

- ◆ Provides that members of the local coalition are subject to the ethics provision of Chapter 112, F.S.
- ◆ Corrects that “coalition” not “county” implements the school readiness plan and deletes duplicative word “services”; provides that the coalition implements its “plan” and not its “school readiness program.”
- ◆ Requires that the coalition plan also include a sliding fee scale, and business plan which must include the contract with the school readiness agent, if any; authorizes multiple-county contracts among coalitions for efficiency purposes as part of the business plan.
- ◆ Clarifies that the school readiness coalition implements the approved plan and that services provided under the plan are controlled by the coalition and not the previous entities; clarifies that the school readiness plan must adequately address the substance of current law before statutes are superseded; expands RFP provision to include parental support and involvement.
- ◆ Revises first year initiation grant start-up deadline from October to December.
- ◆ Changes “per student” to “per child” served.
- ◆ Clarifying language to provide that the funds transfer to the coalition; provides that funds may be used to hire sufficient staff necessary to effectively operate the program.
- ◆ Deletes trust fund language and specifies that the state governing board shall present a plan to the Legislature for combining funding streams into a School Readiness Trust Fund; provides that funds are block granted by the state governing board to assist coalitions in integrating services; specifies that financial awards are subject to appropriation by the Legislature and that action by the state governing boards in providing financial awards is permissive for coalitions demonstrating success; inserts new language requiring the state governing board to present a ‘necessary’ transportation to the Legislature.
- ◆ Stipulates that if the coalition is not a legally established corporate entity, it must designate and contract with a school readiness agent; the readiness agent is required to fulfill all contract obligations to include administrative and financial services; remuneration for services to be negotiated between the readiness agent and the coalition as provided by contract and shall disburse funds in accordance with the approved coalition plan; provides that the readiness agent contract is a part of the school readiness plan.
- ◆ Requires that the reimbursement rate must take into consideration relevant market rates.
- ◆ Deletes references to signatures on purchase orders in order to provide leeway for future changes in technology.
- ◆ Further clarifies illegal activity used by providers to entice prospective clients in exchange for purchase orders.
- ◆ Specifies that the state governing board shall adopt the electronic transfer system; clarifies that the system itself shall be fully implemented within 3 years.



- ◆ Clarifies the language used to designate the school readiness screening system for consistency in terminology; appropriately changes the name of the “needs conference to “estimating” conference and moves language to chapter 216, F.S. with other similar estimating conferences.
- ◆ Inserts a new section authorizing the Governor to transfer funds from the relevant agencies to the state governing board for funding local school readiness during the initial phase-in.
- ◆ Inserts a new section amending current law to change the composition of the WAGES Program State Board of Directors to include the chairperson of the state governing board; provides additional legislative intent to current law to encourage that the Florida Healthy Kids Corporation work cooperatively with the state governing board.
- ◆ Inserts a new section providing that the state governing board may recommend to the Legislature the transfer of current DCFS contract manager funding and positions to the state governing board for use in program staffing.
- ◆ Inserts a new section deleting ½ day Kindergarten and fiscal references to pre-K disabilities funding as part of the FEFP.

VII. SIGNATURES:

COMMITTEE ON EDUCATION INNOVATION:

Prepared by:

Staff Director:

---

Pamela M. Allen

---

Ouida J. Ashworth