

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

**BILL:** CS/SB 366 and 382

**SPONSOR:** Education Committee and Senator Holzendorf

**SUBJECT:** School Readiness Program

**DATE:** January 20, 1999                      **REVISED:** \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Harkey</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable/CS</u>
2.	_____	_____	<u>FP</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

**I. Summary:**

This bill creates a system for school readiness by creating a governing body to set state policy and local coalitions to enhance the quality and quantity of preschool programs. The bill creates the Florida Partnership for School Readiness, which is assigned to the Executive Office of the Governor for administrative purposes. The partnership will provide a unified approach to school readiness. The members of the partnership will be the Governor, Commissioner of Education, Secretary of Children and Family Services, Secretary of Health, chair of the WAGES program board of directors and 10 private citizens who are business, civic, and community leaders. The Governor will appoint the ten member of the public; eight of the appointments must come from lists provided by the President of the Senate and the Speaker of the House of Representatives.

Local governance of the school readiness system will be by coalitions of 9 to 15 individuals. The school board, the county commission and the district administrator for the Department of Children and Family Services will each appoint two members, and those six members will appoint the rest. There is a three-year time line for implementation of the coalitions. The bill establishes incentive grants for development of local coalition plans for school readiness.

The partnership will establish a statewide measure for readiness that children will undergo upon entry to kindergarten. As local coalitions form, the partnership will approve their composition and their school readiness plans.

The State Coordinating Council for Early Childhood Services established in s. 411.222 (4), F.S., will be repealed in 2002.

This bill substantially amends ss. 216.136, 414.026 and 624.91, creates ss. 229.567 and 411.011, and repeals s.411.222(4), Florida Statutes.

## II. Present Situation:

### **Readiness for School**

Readiness for school depends on what a school or school system expects a child to be able to do upon entry at kindergarten. In general the expectations can be divided into three categories: health, academic knowledge, and habits of mind. Expectations for health include documentation of immunizations and a physical exam prior to the student's entry date. Academic knowledge includes such things as showing an interest in printed materials and listening to stories, using words to describe mathematical ideas, and sorting and classifying objects. The habits of mind necessary for success in school include following rules, respecting adults as leaders, trying new experiences, staying with a task until it is completed, working independently, and engaging in conversation.

Both academic knowledge and habits of mind are learned. Some children spend their preschool years in nurturing, stimulating families and high quality preschools and others spend those years in child care centers that are safe but not educational and in families that are minimally nurturing or perhaps even neglectful. The latter group arrives at school at a severe disadvantage as compared to the first. The importance of school readiness for all children is expressed in national and state education goals.

### **National Goal 1**

In 1994, Congress passed the "Goals 2000: Educate America Act," which established eight education goals, the first of which is "Goal 1: Ready to Learn." The goal statement is: *By the year 2000, all children in America will start school ready to learn.* The National Education Goals Panel, an independent federal agency responsible for supporting system-wide education reform, issued a Special Early Childhood Report in October 1997, that contained indicators of the well being of children including prenatal care, health care, preschool attendance, and family daily reading. The report was produced to support a public engagement campaign, entitled "I Am Your Child," that was begun in 1997 by a coalition of educators and early childhood advocates to raise public awareness of the needs of children from birth to age three.

### **Florida's Goal 1**

"Readiness to Start School" is the first of Florida's eight education goals under the system of education improvement and accountability enacted by the 1991 Legislature. Section 229.591(3), F.S., establishes the school readiness goal and requires that communities and schools collaborate to prepare children and families for the children's success in school. This goal is commonly referred to as "Goal I."

The Florida Commission on Education Reform and Accountability, popularly known as The Accountability Commission, adopted two standards for Goal I. Standard # 1 is: "Before entrance to Florida public schools, children have received appropriate health and social services so that optimum learning can occur." Standard # 2 is: "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 recommended outcomes for the standards that involved optimal use of state and community programs and resources. The standards and

outcomes are in a document entitled “Florida’s System of School Improvement and Accountability” that was adopted by the State Board of Education and has the force of rule.

The Accountability Commission also adopted an indicator: *The number and percentage of students meeting the expectations of the state for school readiness as determined by a formal observation of each kindergarten student using an instrument that meets guidelines developed by the Department of Education.*

### **Florida’s Expectations for School Readiness**

In June, 1996, the Department of Education distributed a list of 16 Expectations for School Readiness that school districts must use in screening kindergarten students. The list is a compilation of the areas included in the major commercial instruments by which readiness is assessed. Those areas include the child’s health and his or her development of intellectual, social, and physical skills. While public schools have a common understanding of the elements of school readiness, they do not measure readiness in the same manner. School districts use any method they like for determining readiness. Some cite the checklist as the instrument they use, though the checklist is so general it would require much interpretation. Others use locally developed instruments or commercially purchased instruments. While the DOE reports that 80 percent of children are ready for school, the percentage is not meaningful on a state level because the measures are not the same in all school districts.

In November 1995, the Commissioner of Education issued a list of 158 schools that performed at critically low levels, using the results of reading, writing and mathematics tests to assess the performance of schools over the preceding two years. Of those, 116 were elementary schools. In 1996, the number of critically low performing schools had decreased to 71, of which 61 were elementary schools. In October 1997, 30 of Florida’s 2,300 public schools were critically low performing, and 28 of those were elementary schools. Many of the critically low performing schools were served by the prekindergarten early intervention program. We do not know whether the children were unprepared for school or whether they were ready for school but the school failed to teach them. An agreed upon method for assessing readiness is an essential tool for monitoring elementary school quality.

### **Governance of School Readiness Programs**

#### **Major Publicly Funded Programs**

A number of publicly funded programs serve children ages birth to five and provide educational activities for their parents. The three largest programs are prekindergarten early intervention, subsidized child care, and Head Start. The programs were created to serve different purposes, have differing levels of quality, and operate on different schedules and calendars. 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 major education and care programs that serve preschool children.

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

	Child Care	Prekindergarten EI	Head Start
<b>Total Funding</b>	\$332 million	\$97 million	\$152 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>	\$1.44	\$2.96	\$4.20-\$4.50
<b>Children Served</b>	72,750 (under age 5)	27,000	30,614
<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

**Subsidized Child Care**

The state and federally funded subsidized child care program, administered through the Department of Children and Family Services, provides care for children from birth through age 12 at hours that accommodate the family's work schedule. Florida has operated a subsidized child care program for approximately 20 years. The purpose of the program, 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 under 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.

**Child Care Resource and Referral Network**

A statewide child care and early childhood resource and referral network is required by s. 402.27, F.S. The Department of Children and Families (still referred to by its former name, Health and Rehabilitative Services, in the statute) is required to establish, or contract for, the statewide network. The central coordinator of the Child Care Resource and Referral Network is the Florida Children's Forum, a private, non-profit organization. The Florida Children's Forum is currently under a contract with the Department of Children and Family Services. The main purpose of this contract is to maintain a statewide system for locally-based child care resource and referral services. The Forum is the central state office that contracts for the provision of local services. Where possible, the network uses the established central agencies for child care as the local resource and referral agency. There must be at least one resource and referral agency in each district of the Department of Children and Family Services and there may be no more than one in a county.

The local resource and referral agencies must identify the existing public and private child care and early education services in the area and keep a file of the type of program, hours of service, ages of children served, number of children served, significant program information, fees and eligibility for services, and the availability of transportation. The local agencies provide information to parents; refer parents to child care facilities; maintain records of requests for service; provide technical assistance to child care providers; assist families and employers in applying for various sources of subsidy including child care, Head Start, prekindergarten early intervention programs, Project Independence, private scholarships, and the federal dependent care tax credit; assist state agencies in determining the market rate for child care; assist in negotiating discounts with child care providers; provide information and assistance to local interagency councils serving prekindergarten children who have disabilities; and receive from licensed child care centers and registered family day care homes certain information about their programs.

The department pays \$8,974,856 for the Forum's services. Of that amount, \$4.2 million pays for the network activities required by law. The remaining \$4.5 million pays for the Caring for Kids supply-building initiative, which includes the recruitment and development of more than 1,000

new family child care homes, loans for the development of infant and odd-odd-hours care, accreditation of providers, and outreach to informal providers.

### **Prekindergarten Early Intervention Program**

The prekindergarten early intervention program, established in s. 230.2305, F.S., is designed to serve economically disadvantaged 3- and 4-year-olds, the majority of whom shall be 4 years of age, in educational programs administered by district school boards. This program is funded by a direct state 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 Head Start program.

### **Head Start**

Head Start is a federally funded program that prepares children for school; while primarily serving 3- and 4-year-olds, the program also serves younger children and works with family day care providers. The funds come directly from the federal government to the local grantee, usually a private non-profit organization. Though the federal government does provide performance standards which each local grantee must meet, each local grantee is given significant autonomy in planning its curriculum.

### **The State Coordinating Council for Early Childhood Services**

Section 411.222, F.S., 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 alternates between DOE and CFS on a yearly basis. In some years the council was without support staff in its assigned agency, a situation which contributed to variation in the council's effectiveness.

### **The Governor's Commission Recommendations**

The Governor's Commission on Education was created by executive order on September 20, 1996, to conduct a wholesale review of Florida's public schools from prekindergarten through college. The commission was specifically asked to address the school readiness objective, and an appointed Readiness Committee made recommendations that were adopted by the commission on December 15, 1997. The recommendations included elevating health care, child care, and early education for children from birth to age five, and their families, to the top of Florida's agenda, statewide and in every county; reforming state and local governance and organization structures; ensuring that every program or service for children before kindergarten is recognized as part of Florida's readiness system; and improving performance measures and evaluations of early childhood care and education programs.

### **1998 Legislative Proposals**

During the 1998 Legislative Session, school readiness bills were considered in the Senate and the House of Representatives, but legislation was not enacted. The following issues were not resolved: whether or not state agency personnel would be transferred to a governing body, the

Partnership for School Readiness; whether program standards would be locally determined or set at the state level; whether kindergarten vouchers would be provided to students who were determined not to be ready for school; when, and how, local coalitions would be required; and what roles school districts, central agencies for child care, and public and private providers of child care would play in a local coalition.

### **Senate Interim Project on Readiness for School**

During the 1998 Interim, the Senate conducted a study of school readiness in order to prepare for the Legislature's consideration of school readiness legislation in the 1999 Session. Senate Interim Project report number 98-20, recommended that Florida's infrastructure for preschool education and child care, namely, Subsidized Child Care, the Prekindergarten Early Intervention Program, and Head Start, serve as the basis for a statewide system for school readiness. The report made three recommendations to enable Florida to capitalize on the assets of its early childhood infrastructure as the state establishes a system for school readiness:

1. Florida should adopt statewide measures of school readiness that take into account all aspects of a child's development. The measure should be used to inform schools about a child's strengths and needs, and should not be used to make high-stakes decisions about permanent placement in a school program.
2. Florida should establish a single statewide governing body for school readiness programs. The governing body, whether it is a state agency, a private corporation, or a commission should be responsible for overseeing the state budget for school readiness programs, assessing the need for programs and services, establishing statewide program standards, monitoring program quality, and providing assistance to local coalitions.
3. Before making prescriptive requirements for local coalitions or funding arrangements, Florida should establish a data base of information about local service needs and desired outcomes.

Senate bill 366 would implement these recommendations.

### **OPPAGA Follow-Up Review of Early Education and Care Programs**

During the 1998 Interim, the Joint Legislative Auditing Committee directed the Office of Program Policy Analysis and Government Accountability (OPPAGA) to identify the major problems or challenges affecting school readiness under the current system for providing early education and child care programs and to identify alternative governance structures for those programs. This review was a follow-up to OPPAGA's 1994 review of early education and care programs. The report found that the system consists of duplicative service delivery systems with varying quality and outcomes. The report recommended that the Legislature change the system to ensure that an entity is vested with sufficient authority to oversee the system and ensure that the state will meet its readiness goals. The report also recommended the development of uniform outcomes and standards across all early education and care programs. Local governance should be accomplished by maintaining local discretion while improving coordination among programs.

### III. Effect of Proposed Changes:

This bill creates the Florida Partnership for School Readiness, which is assigned to the Executive Office of the Governor for administrative purposes. The partnership will provide a unified approach to school readiness. The members of the partnership will be the Governor, Commissioner of Education, Secretary of Children and Family Services, Secretary of Health, chair of the WAGES program board of directors and 10 private citizens who are business, civic, and community leaders. The ten private citizens and their families must not earn their income in the early education and child care industry. The Governor will appoint the ten member of the public; eight of the appointments must come from lists provided by the President of the Senate and the Speaker of the House of Representatives.

Local governance of the school readiness system will be by coalitions of 9 to 15 individuals. The school board, the county commission and the district administrator for the Department of Children and Family Services will each appoint two members, and those six members will appoint the rest. The membership must include private sector business leaders, and local public and private leaders in the health care, education, disabilities, and child welfare systems. Three members of the coalition must be administrators representing the three major publicly funded preschool programs--the central agency for child care, the school board, and Head Start.

The partnership is required to do the following:

- Be responsible for the prudent use of a public and private funds.
- Provide leadership and aggressively establish a unified approach toward enhancement of school readiness by developing and implementing specific strategies.
- Safeguard the effective use of federal, state, local, and private resources.
- Use the resources of the State University System and community colleges.
- Work with coalitions to increase parents' involvement in their children's education.
- By May 1, 2000, establish a statewide measure for readiness that children will undergo upon entry to kindergarten. The measure must address the 16 elements in the DOE Kindergarten Checklist and specified knowledge of letters, words, numbers, and colors.
- Establish a method for collecting data and guidelines for use of the data.
- Develop and adopt performance standards and outcome measures for the readiness program.
- Contract for an evaluation.
- Approve, and periodically review, coalition plans.
- Adopt rules and recommend rules, and revision or repeal of rules for program effectiveness.
- Conduct studies and planing activities regarding school readiness.
- Consult with providers of public and private child care, representatives of district school systems, health care providers, large and small employers, experts in education for children with disabilities.
- By February 15, 2000, present to the Legislature a plan for combining funding streams for school readiness programs.
- By January 31, 2000, work with the Office of the Comptroller for electronic funds transfer.
- Provide information regarding waiting lists to a School Readiness Estimating Conference.
- Send an annual report to the President of the Senate, Speaker of the House of Representatives, and minority leaders in the House and Senate.



The coalitions must meet the following outcome measures and performance standards:

- Prepare children to be ready for school
- Extend day and year for services
- Coordinate staff development
- Expand access to community services
- Provide a single point of entry and unified waiting list
- Serve at least as many children as were served prior to the program.

The program must have the following minimum quality requirements:

- A developmentally appropriate curriculum
- A character development program to develop basic values
- Age-appropriate assessment of each child's development
- A pretest and posttest to assess children's progress
- Staff/child ratios as required by the respective programs
- A healthy and safe environment
- A resource and referral network.

Each school readiness program must provide parental choice through a purchase service order. Parental choice among programs is required by subsidized child care; this bill would require parental choice for all programs, to the maximum extent possible.

A coalition that is not a legally established corporate entity must contract with a fiscal agent who will disburse funds according to procedures approved by the partnership. If the fiscal agent is a provider of early education and care programs, the agent must act on direction from the coalition and must not take direction from its own corporate board concerning disbursement of the coalition funds. Administrative costs for a coalition must not exceed 10 percent of the total funds provided to the coalition in any fiscal year. The Office of Program Policy Analysis and Government Accountability must provide fiscal oversight of funds provided to coalitions.

Each coalition must develop a plan that provides a sliding fee scale, a choice of settings, and qualified instructional staff. In 1999-2000, coalitions will be eligible for incentive grants for planning. Coalitions that are established by January 1, 2000, will be eligible for a \$50,000 grant; those that are established by March 1, 2000, will be eligible for a \$25,000 incentive grant.

In 2000-2001, coalitions that have plans approved by July 1, 2000, will be funded by the partnership. In counties where there is no coalition, pre-K and child care programs will receive their funds from DOE and Children and Families, respectively, but those programs will not receive any increases in funding; increases will be administered through coalitions.

In 2001-2002, the partnership will request proposals from governmental agencies and nonprofit corporations to form and operate coalitions in counties where they have not been formed. Thus, by the third full year of implementation, all counties would have a coalition.

Each coalition must conduct an evaluation of the school readiness program and must provide an annual report and fiscal statement to the partnership. In its annual report, the partnership must include an analysis of the coalition reports.

The bill creates s. 229.567, F.S., to require DOE to adopt the school readiness screening instrument developed by the partnership. A school readiness estimating conference is created in s. 216.136, F.S., to provide information regarding the need for school readiness programs.

Section 414.026, F.S., is amended to add the chair of the partnership to the WAGES Program State Board of Directors. An amendment to s. 624.91, F.S., requires the Healthy Kids Corporation to cooperate with the partnership.

The State Coordinating Council for Early Childhood Services, created in s. 411.222 (4), F.S., will cease to exist on July 1, 2002. The coordinating council membership includes individuals who earn their living in the early education and child care industry and who thus would be prohibited from serving on the partnership. The coordinating council would be available to provide professional advice to the partnership as the coalitions are being formed and the readiness system is implemented.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

None.

##### **B. Public Records/Open Meetings Issues:**

None.

##### **C. Trust Funds Restrictions:**

None.

#### **V. Economic Impact and Fiscal Note:**

##### **A. Tax/Fee Issues:**

None.

##### **B. Private Sector Impact:**

None.

##### **C. Government Sector Impact:**

The annual budget for the 15-member Florida Partnership for School Readiness is an estimated \$1,579,007 for FY 1999-2000 and \$362,340 for FY 2000-2001. This consists of \$229,007 for per diem and travel for the Board members and salaries and benefits, office space, equipment and operating expenses for the Executive Director and 2 other staff in FY 1999-00. Salaries and Benefits for the 3 staff are lapsed 25 percent with an effective date of October 1, 1999. The annualized cost for the Partnership for FY 2000-01 is \$262,340. An

estimate of \$100,000 is provided for the Partnership to contract with an independent entity for consultation on the school readiness system and an evaluation of the measurement system. Coalition incentive grants are estimated at \$1,250,000 (this assumes 20 coalitions approved by January 1, 2000 eligible for a \$50,000 grant and 10 coalitions approved by March 1, 2000 eligible for a \$25,000 grant).

	<b>FY 1999-00</b>	<b>FY 2000-01</b>
Florida Partnership	229,007	262,340
Contracted Services (consultation on readiness system and evaluation)	100,000	100,000
Coalition Incentive Grants	1,250,000	
<b>TOTAL</b>	<b>1,579,007</b>	<b>362,340</b>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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