### HOUSE OF REPRESENTATIVES STAFF ANALYSIS

 BILL #:
 HB 821 w/CS
 Early Learning

 SPONSOR(S):
 Barreiro, Arza, Kilmer

 TIED BILLS:
 IDEN./SIM. BILLS:

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Education K-20	21 Y, 8 N w/CS	Carlson	Bohannon
2) Appropriations		Mizereck	Baker
3)			
4)			
5)			

#### SUMMARY ANALYSIS

The bill creates the Voluntary Pre-Kindergarten (VPK) program required by Article IX, Section 1 of the State Constitution. The program must be implemented by the beginning of the 2005 school year.

#### **Choice**

A parent may use the scholarship for a 540 hour program or an intensive full-day 310 hour summer program. In lieu of the scholarship, a parent may select a book-based or web-based program.

#### School Eligibility

A VPK school must be a Florida public, private or faith-based provider; offer a literacy and numeracy-based foundation curriculum emphasizing phonics, phonemic awareness and vocabulary that is appropriate to prepare 4-year old children for school; have quality teachers; and demonstrate fiscal soundness.

Each provider must meet student performance standards measured by a uniform school readiness screening that is focused on the measurement of literacy and numeracy foundation proficiency with an emphasis on phonics, phonemic awareness and vocabulary. The State Board of Education will create the screening system.

#### **Teacher Credentials**

The Florida Center for Reading Research will prepare a web-based teacher preparation and continuing education program, and teachers of 4-year old students in the VPK and school readiness programs must complete the program.

Teachers must be qualified to instill in a student the literacy, numeracy, phonics, phonemic awareness and vocabulary foundation necessary for the student meet uniform school readiness screening standards.

#### **Oversight**

The VPK program will be administered by the Agency for Workforce Innovation, which also administers the School Readiness Program for at-risk and economically disadvantaged children.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

# A. DOES THE BILL:

1.	Reduce government?	Yes[]	No[]	N/A[x]
2.	Lower taxes?	Yes[]	No[]	N/A[x]
3.	Expand individual freedom?	Yes[x]	No[]	N/A[]
4.	Increase personal responsibility?	Yes[]	No[]	N/A[x]
5.	Empower families?	Yes[x]	No[]	N/A[]

For any principle that received a "no" above, please explain:

### B. EFFECT OF PROPOSED CHANGES:

### **Background**

Article IX, section 1 of the State Constitution requires the state to provide a free, voluntary system of high quality pre-kindergarten education for all 4-year-old children beginning in 2005. It also requires that the program be funded through funds in addition to existing education, health or development program funds.

In order to most effectively implement the VPK program, in 2003 the Legislature directed the Office of Program Policy Analysis and Government Accountability (OPPAGA) and the Auditor General to conduct program audits of the School Readiness Program created in s. 411.01, F.S.<sup>1</sup>, to report on their findings regarding the implementation of that program and to report whether that program could implement VPK.<sup>2</sup>

OPPAGA and the Auditor General made numerous findings regarding the school readiness program. The key findings include:

- That the Florida Partnership for School Readiness has implemented several key components of the law, but that improvements are needed in key program areas such as in the review of coalition plans, rulemaking for eligibility determinations and implementation of the single-point of entry system;
- That the Partnership has not clarified major policy issues or provided adequate technical assistance or monitoring to local coalitions;
- That major financial management and operational issues need to be resolved to ensure that program resources are properly identified, acquired, safeguarded and utilized;
- That local coalitions have made progress implementing the school readiness program since the last OPPAGA study in 2002; and

<sup>&</sup>lt;sup>1</sup> The School Readiness Program serves at-risk and economically disadvantaged children (whose families are at 150% of the federal poverty level) age birth-to-5 years and uses a diverse statewide provider network made up of public, private and faith-based providers. It is administered by the Agency for Workforce Innovation and managed by the Florida Partnership for School Readiness. The program is intended to ensure that children served are ready for school upon entry into kindergarten.

<sup>&</sup>lt;sup>2</sup> OPPAGA released reports 03-75 and 04-06 and the Auditor General released report 2004-085 at the direction of the Legislature in Ch. 2003-93, L.O.F.

• That the School Readiness Program could provide an effective structure for implementing the Universal Pre-Kindergarten Program if state-level policy and fiscal guidance issues are resolved.<sup>3</sup>

# Senate Interim Study of Early Childhood Education

During the 2003 interim, the Senate Committee on Commerce, Economic Opportunities and Consumer Services conducted a comprehensive review of Chapters 411 and 402, F.S., as they relate to the school readiness program and child care licensing. Committee staff conducted a series of workgroups with representatives of the Florida Partnership for School Readiness, AWI, the Department of Children and Families, the Office of the Governor and House staff.

The goal of the interim project was to clarify school readiness and child care licensing laws to reflect the history of policy changes in those laws, to remove obsolete statutory references and to perform a technical "clean up" of the laws.

The interim project report<sup>4</sup> included Committee recommendations which are contained in SB 2114 (and a companion public records bill, SB 2116). SB 2114 organizes all early childhood education laws into one new chapter of Florida Statutes, updating terminology and correcting technical issues raised by stakeholders. In particular, SB 2114:

- Consolidates the laws governing early childhood education and child care, including the statefunded school readiness programs and child care licensing laws, into a new chapter of the Florida Statutes. Further, the bill merges "early childhood education" and "child care" under a single subject, "child development services." The bill organizes this new chapter (ch. 432, F.S.) into three parts: Part I (General Provisions), Part II (State-Funded Child Development Programs), and Part III (Child Development Providers).
- Repeals the current School Readiness Act (s. 411.01, F.S.) and replaces the act with multiple sections of law that, collectively, are substantially similar to provisions under current law. These sections omit certain provisions from current law, including legislative intent, provisions governing the phase-in of the school readiness programs, and provisions referring to former child care and early childhood education programs (e.g., subsidized child care program, prekindergarten early intervention program, and Florida First Start Program). The bill also revises these provisions to correct, update, or clarify obsolete and vague provisions.
- Clarifies distinctions in the licensing and registration requirements for child development
  providers by replacing references to "child care facilities" throughout the Florida Statutes with
  either the term "child care centers," in those contexts in which the bill refers specifically to the
  distinct license type, or the term "child development providers," in those contexts in which the
  bill refers generally to any type of provider. The bill redesignates "family day care homes" as
  "family child care homes." The bill further distinguishes the requirements for specialized child
  care centers for mildly ill children, family child care homes, and large family child care homes.

## Voluntary Pre-Kindergarten

The bill creates the voluntary pre-kindergarten program beginning with the 2005-2006 school year. The program will be voluntary for parents and their children and for providers.

<sup>&</sup>lt;sup>3</sup> Overview Report on Audits of the School Readiness Program, January 2004, by OPPAGA and the Auditor General. <sup>4</sup> Florida Senate, Committee on Commerce, Economic Opportunities, and Consumer Services, Administration of the School Readiness Programs, Interim Project Report 2004-116 (Dec. 2003).

### Parent Choice

The parent of a child who turns 4 on or before September 1 of the school year may request and receive from the state a scholarship in an amount set by the 2005 Legislature, indexed annually to the Consumer Price Index, for the child to attend an eligible public, private or faith-based program of the parent's choice.

In lieu of the scholarship, the parent may request and receive from the state a web-based or bookbased curriculum for 4-year-old children emphasizing literacy, numeracy, phonemic awareness, and vocabulary.

### Scholarship Options

A parent selecting a scholarship may choose from a regular program of 540<sup>5</sup> hours per year or an intensive full-day, 310 hour summer school program. A VPK program cannot be offered by a public school that is graded "D" or "F" unless there is no other VPK program in the same geographical area. In such cases, the program must be offered by a contracted provider that is an "A" or "B" school or a private or faith-based VPK Pre-K school.

The parent will be responsible for transportation and for additional hours or services for the child unless the child is eligible for subsidized services under the School Readiness Program. The scholarship will be issued by individual warrant in the name of the parent to an eligible VPK Pre-K school upon verification of the child's enrollment and attendance at the school, and the parent shall personally by signature restrictively endorse the warrant to the school for deposit in the school's account.

If a parent chooses a VPK Pre-K school that charges a fee higher than the amount set for the VPK scholarship by the Legislature, the parent will be responsible for paying that amount.

## Pre-K Schools Participating in the Program

To be eligible to provide VPK services, a Pre-K school must be a Florida public, private or faith-based school; must offer a literacy and numeracy-based foundation curriculum which emphasizes phonics, phonemic awareness and vocabulary and is appropriate to prepare 4-year old children for school; maintain an accurate school profile containing information regarding the school, its curriculum, the qualifications of its teachers and staff, and the overall performance of its students as measured by the state uniform school readiness screening and other objective measures and keep this profile readily available and easy to access and understand by parents of children attending the school and for those parents who are interested in the school.<sup>6</sup>

A participating Pre-K school must be accountable for providing each of its students with a teacher qualified to instill in the student the literacy, numeracy, phonics, phonemic awareness and vocabulary foundation necessary for the student to be measured as ready for school when the student is administered the uniform school readiness screening upon entry into public school.

As a condition of ongoing participation in the VPK program, the performance of the students taught by the Pre-K school over each two-year period must be comparable to or greater than the performance of all students assessed during that two-year period as ready for kindergarten when administered the school readiness uniform screening upon entry into public school for the first time.

<sup>&</sup>lt;sup>5</sup> Florida law requires that 540 hours be the minimum number of net instructional hours over a 180 day year for nonpublic kindergarten. See r. 6A-1.0952, Fla. Admin. Code.

<sup>&</sup>lt;sup>6</sup> A VPK provider will have to comply with existing provisions of s. 411.01, F.S., if they are a School Readiness provider and will have to comply with Ch. 402, F.S. with respect to child care facilities and personnel licensing. The bill does not substantially affect s. 411.01, F.S., or Ch. 402, F.S.

Participating Pre-K schools must also meet the antidiscrimination requirements of 42 U.S.C. s. 2000d.

# **Administration**

The Agency for Workforce Innovation will administer the VPK scholarship program, and shall be responsible for determining that a child is age-eligible and that the VPK school chosen by the parent has demonstrated fiscal soundness and is an eligible school. AWI will also maintain a clearinghouse of information that includes the VPK school profiles and may adopt rules to administer the scholarship program. However, the bill does not allow for expansion of any regulatory authority to impose additional regulation of private and faith-based pre-kindergarten schools beyond what is reasonably necessary to enforce the provisions of the bill.

# School Readiness Program

The bill provides that the existing School Readiness Program will be administered by the Florida Partnership for School Readiness if it meets the requirements of the bill to the satisfaction of the 2005 Legislature. The bill also adopts the following findings made by OPPAGA and the Auditor General in their 2004 reports on the School Readiness Program. It finds that:

- The School Readiness Program has made progress and is beginning to transform what used to be a child care system into a coordinated School Readiness Program, but substantial issues remain and more progress is needed.
- The Florida Partnership for School Readiness has taken steps to address key program issues and many local school readiness coalitions are beginning to make meaningful progress implementing key program elements.
- Improvement is needed in guidance of the program and in the program's operational and financial management.
- A new funding formula for the program that is equity based and performance based has been developed as required by law but needs to be improved and implemented.
- Some rules for the program have been adopted but additional rules are needed.
- The quality of some coalition plans and the single statewide database must be addressed.
- The school readiness uniform screening system must be implemented uniformly across the state and must provide a single score that assesses a child's readiness for school.
- Some program providers are not being required to use an appropriate curriculum.
- The partnership and school readiness coalitions have exhibited weaknesses in financial management that have led to inefficient use of resources.

The bill directs the Florida Partnership for School Readiness to provide the Legislature, no later than March 1, 2005, with evidence that the state-level policy and fiscal guidance issues identified by OPPAGA and the Auditor General have been addressed and resolved; submit a plan to consolidate the local coalitions from 50 to 28; demonstrate its commitment that its focus is on the children and families served in the School Readiness Program; and recommend statutory changes necessary to accomplish the requirements of the bill within the framework of the 2003 interim project of the Senate Committee on Commerce, Economic Opportunities, and Consumer Services.

The bill also requires the Florida Partnership for School Readiness to select a 12 member Early Learning Advisory Council to advise it made up of representatives of the following persons:

- Parents;
- Community college presidents;
- State university presidents;
- Private postsecondary educational institution presidents;

- District school superintendents;
- Florida Association of Academic Nonpublic Schools;
- School readiness coalition chairs;
- Pre-K schools specializing in children with disabilities;
- Faith-based Pre-K schools;
- Private child care Pre-K schools;
- Family child care homes that provide Pre-K education; and
- The Chambers of Commerce.

The advisory council will elect its chair annually by majority vote.

The bill also reorganizes the partnership board into a 6 member board comprised of members or designees as follows:

- The Chair of the Early Learning Advisory Council;
- The Commissioner of Education;
- The Director of the Agency for Workforce Innovation;
- The Secretary of the Department of Children and Family Services;
- The Secretary of Health; and
- The Director of the Florida Center for Reading Research at Florida State University.

The bill requires the Florida Partnership for School Readiness board to elect a chair annually by majority vote and to appoint a statewide early learning coordinator who shall serve at the pleasure of the board and shall be responsible for the state-level program administration, the coordination of quality program delivery among the 28 coalitions and the collection and dissemination of reliable and accurate data about the program.

The bill provides that until the 2005 Legislature acts, no school readiness coalition may become a provider of direct services, including eligibility determination, resource and referral, training and technical assistance and provider payments, unless such decision had been officially made by the coalition prior to January 1, 2004.

The bill gives AWI the authority to administer the T.E.A.C.H.<sup>7</sup> scholarship program and administer any statewide resource and referral functions that AWI determines are necessary for the efficient operation of local school readiness coalitions.<sup>8</sup>

## **Curriculum Identification**

The bill requires the State Board of Education to identify and provide AWI and the Florida Partnership for School Readiness with curricula that will provide an appropriate education foundation for each age grouping of children from birth to 5. The curricula shall be literacy and numeracy-based and shall emphasize phonics, phonemic awareness and vocabulary. The bill requires AWI to make the 4-year old curricula available to all Pre-K schools participating in the VPK program and requires the Florida Partnership for School Readiness to make the birth-to-5 curricula available to all 28 school readiness coalitions for incorporation into each coalition's school readiness plan.

<sup>&</sup>lt;sup>7</sup> The Teacher Education and Compensation Helps (T.E.A.C.H.) scholarship program offers scholarships for caregivers and administrators of early childhood programs, family day care homes and large family child care homes and is managed through a contract with the Department of Children and Family Services. See s. 402.3017, F.S.

<sup>&</sup>lt;sup>8</sup> The statewide resource and referral network is created in s. 402.27, F.S. and overseen by the Department of Children and Family Services. There is at least one child care resource and referral agency in each DCFS district, and each agency provides a number of services, including the identification of existing public and private child care and early childhood education services to the operation of a referral process responsive to parent needs.

## School Readiness Uniform Screening

The bill requires that, no later than August 1, 2005, the State Board of Education shall have in place throughout the public elementary schools in the state a uniform school readiness screening system that is focused on the measurement of the child's literacy and numeracy foundation proficiency with an emphasis on phonics, phonemic awareness and vocabulary. Each Pre-K school participating in the VPK program and each provider of a 4-year-old school readiness program shall be accountable for the outcome of their students as measured by the uniform school readiness screening system.

# **Teacher Preparation and Continuing Education**

The bill directs the Florida Center for Reading Research<sup>9</sup> at Florida State University to design a webbased teacher preparation and continuing education program that will provide teachers of 4-year-old children with the skills necessary to teach these children the literacy, numeracy, phonics, phonemic awareness and vocabulary foundation skills they need to be measured as ready for school when they are administered the uniform school readiness screening. The teacher preparation and continuing education programs must be designed with sufficient flexibility to accommodate the variety of curricula and teaching methodologies that may be used in public, private and faith-based prekindergarten schools.

The teacher preparation program shall be provided to AWI and the Florida Partnership for School Readiness by May 1, 2005. By June 1, 2005, AWI and the Florida Partnership for School Readiness shall make the teacher preparation program available to all VPK schools and school readiness program providers. Each school readiness coalition shall actively advertise, promote and encourage the taking of the teacher preparation program throughout the coalition. All teachers of 4-year-old children in the VPK or school readiness programs shall complete the teacher preparation and continuing education programs.

# C. SECTION DIRECTORY:

Section 1. Creates the Voluntary Pre-Kindergarten program.

Section 2. Provides findings regarding the School Readiness Program and reorganizes the Florida Partnership for School Readiness.

Section 3. Requires the State Board of Education to identify curricula for the VPK and School Readiness programs and requires it to implement a uniform school readiness screening system focused on literacy and numeracy.

Section 4. Requires the Center for Reading Research at FSU to create a web-based teacher preparation program and mandates its use by certain teachers.

Section 5. Provides effective date.

<sup>&</sup>lt;sup>9</sup> The Florida Center for Reading Research has a four part mission: To serve as part of Florida's "Leadership Triangle" for the Just Read, Florida! initiative and to provide technical assistance and support to all districts and schools receiving a Reading First Award; to conduct applied research that will have an immediate impact on policy and practices related to literacy instruction and assessment in Florida; to disseminate information about research-based practices related to literacy instruction and assessment for children in pre-school through 12th grade; and to conduct basic research on reading, reading growth, reading assessment, and reading instruction that will contribute to the scientific knowledge of reading.

# **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

- A. FISCAL IMPACT ON STATE GOVERNMENT:
  - 1. Revenues: None.
  - 2. Expenditures:

The bill will have a fiscal impact on the 2004-2005 budget with respect to the cost of the design of the teacher preparation and continuing education program, which is indeterminate; and with respect to the duties conferred on the Agency for Workforce Innovation, which may incur costs associated with the startup of their oversight planning. These costs have yet to be determined.

Economic and Demographic Research projects that by fall of 2005, there will be 213,331 4-year-olds in Florida. Assuming a 70% participation rate, 149,332 4-year-olds would participate. Georgia has experienced a 56% participation rate in their VPK. Assuming 56%, 119,465 4-year-olds would participate.

The potential fiscal impact of the bill will depend on the scholarship amount set by the 2005 Legislature and the number of children attending the program. Program costs may be reduced to the extent that children in the VPK program qualify for school readiness services.

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS:
  - 1. Revenues: None.
  - 2. Expenditures: None.
- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR: None.
- D. FISCAL COMMENTS: None.

## **III. COMMENTS**

- A. CONSTITUTIONAL ISSUES:
  - 1. Applicability of Municipality/County Mandates Provision:

The bill does not require a city or county to spend funds or to take any action requiring the expenditure of funds.

2. Other:

The bill appears to be consistent with United States Supreme Court precedent stated in *Zelman v. Simmons-Harris*, 122 S.Ct. 2460 (2002) and *Locke v. Davey*, 2004 WL 344123. The bill is subject to review under the provisions of the State Constitution and may be affected by the precedent to be established by the First District Court of Appeal in the pending case of *Bush v. Holmes*, Case No. 1D02-3160. The court has not issued an opinion in the case as of the date of this analysis.

The Florida Supreme Court has ruled that the incidental benefit to a religious institution from the neutral application of a state program does not violate the State Constitution's Establishment Clause. *Johnson v. Presbyterian Homes of the Synod of Florida, Inc.*, 239 So.2d 256 (Fla. 1970).

B. RULE-MAKING AUTHORITY:

The bill confers rulemaking authority on the Agency for Workforce Innovation for administration of the program under ss. 120.536(1) and 120.54, F.S.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill refers to each provider of VPK services as a "prekindergarten school." However, the intent of the bill is that any provider – public or private – that meets the eligibility criteria of the bill (and existing law) may offer a VPK program.

# IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

The Committee on Education K-20 adopted PCS for HB 821 on March 17, 2004. This analysis is drawn to the PCS.