

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

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

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Prepared By: The Professional Staff of the Committee on Finance and Tax

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BILL: CS/SB 990

INTRODUCER: Finance and Tax Committee and Senator Grall

SUBJECT: Child Care and Early Learning Providers

DATE: April 12, 2023

REVISED: 4/13/23

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	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Sabitsch</u>	<u>Bouck</u>	<u>ED</u>	<b>Favorable</b>
2.	<u>Gross</u>	<u>Babin</u>	<u>FT</u>	<b>Fav/CS</b>
3.	<u>                    </u>	<u>                    </u>	<u>AP</u>	<u>                    </u>

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**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

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**I. Summary:**

CS/SB 990 provides programmatic and financial supports for child care facilities and early learning providers. Specifically the bill:

- Modifies requirements for Voluntary Prekindergarten (VPK) classroom instructors, program and child assessments, and implementation of the accountability measures for VPK programs.
- Establishes a program to deliver intensive reading interventions to VPK students with substantial deficiencies in early literacy.
- Modifies requirements for obtaining and maintaining the Gold Seal Quality Care designation.
- Directs early learning coalitions to support the Teacher Education and Compensation Helps (T.E.A.C.H.) Scholarship Program by assisting with co-pays for providers.
- Modifies requirements related to licensing of child care facilities by the Department of Children and Families.
- Provides an exemption from licensing for child care facilities owned by certain corporations.
- Clarifies cancelation and coverage from residential property insurance for large family child care homes.

The bill takes effect on July 1, 2023.

**II. Present Situation:**

The present situation is presented in Section III under the Effect of Proposed Changes.

### III. Effect of Proposed Changes:

#### Voluntary Prekindergarten Program

##### *Present Situation*

##### The Voluntary Prekindergarten Education Program

The Voluntary Prekindergarten Education Program (VPK) prepares early learners for success in kindergarten and beyond. VPK helps build a strong foundation for school using educational material corresponding to various stages in a child's development. To be eligible, children must live in Florida and be 4 years old on or before September 1 of the current school year.<sup>1</sup> Parents whose children are born between February 2 and September 1 can postpone enrolling their 4-year-old until the following year when their child is age 5. Private child care centers and schools, public schools, and specialized instructional services providers offer VPK. Since the program began in 2005-2006, more than 2.6 million children have benefited from VPK. Data collected by the Department of Education (DOE) show that children who participate in VPK are more ready for kindergarten than children who do not participate in VPK.<sup>2</sup>

For the 2021-2022 VPK program year, 150,212 children participated in the school year VPK program and 2,882 children participated in the summer VPK program. Program participation was 64.14 percent of the 4-year-old population.<sup>3</sup>

##### VPK Administration

The DOE is responsible for ensuring that administrative expenditures are kept to the minimum necessary for efficient and effective administration of the VPK Program. Each early learning coalition (coalition) may retain and expend no more than four percent of the funds paid by the coalition to VPK providers. Funds retained by a coalition may be used only for administering the VPK Program.<sup>4</sup> Total administrative expenditures across all coalitions equaled \$12.1 million for the 2021-2022 VPK program year with only 12 of 30 coalitions spending the full four percent allowed.<sup>5</sup>

The DOE is required to establish a single statewide information system that each coalition must use for the purposes of managing the single point of entry, tracking children's progress, coordinating services among stakeholders, determining eligibility of children, tracking child attendance, and streamlining administrative processes for providers and early learning coalitions.<sup>6</sup>

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<sup>1</sup> Section 1002.53(2), F.S.

<sup>2</sup> Florida Division of Early Learning, *About Voluntary Prekindergarten*, available at <https://www.floridaearlylearning.com/vpk/floridas-vpk-program> (last visited April 6, 2023).

<sup>3</sup> Office of Economic & Demographic Research, *Early Learning Programs Estimating Conference Prekindergarten Education Program, February 16, 2023, Conference Package*, available at <http://edr.state.fl.us/Content/conferences/vpk/index.cfm> (last visited April 6, 2023).

<sup>4</sup> Section 1002.71(7), F.S.

<sup>5</sup> Florida Department of Education, Division of Early Learning, *Annual Report 2021-22*, available at <https://www.floridaearlylearning.com/Content/Uploads/floridaearlylearning.com/images/DEL%20Annual%20Report%202021-2022%20FINAL.pdf> (last visited April 6, 2023).

<sup>6</sup> Section 1002.82, F.S.

Each coalition administers the VPK Program at the county or regional level for students enrolled in a school-year VPK program delivered by a private prekindergarten provider.<sup>7</sup> Each coalition is composed of at least 15 but not more than 30 members. The Governor appoints the chair and two other members of each early learning coalition, who must each meet the qualifications of a private sector business member. The coalition may appoint additional private sector business members.<sup>8</sup>

To be eligible to deliver the VPK program, a private prekindergarten provider must be a licensed or licensed-exempt child care facility.<sup>9</sup> Exempt providers include certain nonpublic schools that primarily serve children at least 5 years of age or older,<sup>10</sup> accredited faith-based child care providers that are members of a larger organization with published health, safety, and sanitation standards,<sup>11</sup> and certain accredited child development programs on military bases.<sup>12</sup>

### VPK Personnel

All providers, including licensed-exempt providers, must meet requirements for certification of personnel and background screening.<sup>13</sup> For the school year VPK program, a VPK instructor must successfully complete three emergent literacy training courses that include developmentally appropriate and experiential learning practices for children and a student performance standards training course approved by the DOE. The prekindergarten instructor must also complete an emergent literacy training course at least once every five years after initially completing the three emergent literacy training courses.<sup>14</sup>

VPK personnel may also earn a literacy micro-credential and receive a \$2,000 stipend.<sup>15</sup> The literacy micro-credential provides instructional personnel with high-quality, evidence-based strategies for developing emergent literacy skills.<sup>16</sup> Enrollment in the program began on December 31, 2022.<sup>17</sup>

Instructor requirements are more stringent for the summer VPK program. Each summer VPK program provider must have, for each prekindergarten class, at least one prekindergarten instructor who is a certified teacher or holds a bachelor's or higher degree in early childhood education, prekindergarten or primary education, preschool education, or family and consumer

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<sup>7</sup> Section 1002.55(1), F.S.

<sup>8</sup> Section 1002.83(6), F.S.

<sup>9</sup> Section 1002.55(3)(a), F.S.

<sup>10</sup> Section 402.3025(2), F.S.

<sup>11</sup> Section 402.316(1), F.S.

<sup>12</sup> Section 1002.55(3)(a), F.S.

<sup>13</sup> Section 1002.55(3)(b)3., F.S.

<sup>14</sup> Section 1002.59, F.S.

<sup>15</sup> University of Florida Lastinger Center, *Emergent Literacy Micro-Credential*, available at <https://lastinger.center.ufl.edu/work/literacy/flamingo-literacy/literacy-microcredentials/emergent-literacy-microcredential/> (last visited April 6, 2023).

<sup>16</sup> Section 1003.485(2)(h)1., F.S.

<sup>17</sup> University of Florida Lastinger Center, *Emergent Literacy Micro-Credential*, available at <https://lastinger.center.ufl.edu/work/literacy/flamingo-literacy/literacy-microcredentials/emergent-literacy-microcredential/> (last visited April 6, 2023).

science, or hold a certificate to teach any age from birth through grade 6 and holds a bachelor's or higher degree in elementary education and is not otherwise disqualified.<sup>18</sup>

### VPK Accountability

Each VPK provider may select or design the curriculum that the provider uses to implement the VPK Program. The curriculum must be developmentally appropriate and must:<sup>19</sup>

- Be designed to prepare a student for early literacy and provide for instruction in early math skills.
- Enhance the age-appropriate progress of students in attaining the performance standards adopted by the DOE.
- Support student learning gains through differentiated instruction that shall be measured by the coordinated screening and progress monitoring program.

All VPK providers are required to participate in a program assessment of each VPK classroom beginning with the 2022-2023 VPK Program. The program assessment measures the quality of teacher-child interactions, including emotional support, classroom organization, and instructional support for children ages 3 to 5 years. Early learning coalitions are responsible for the administration of the program assessments.<sup>20</sup>

The program assessment score must constitute at least half of the provider performance metric to be developed by the DOE beginning with the 2022-2023 VPK program year. The performance metric must include program assessment scores, learning gains, and learning outcomes from the coordinated screening and progress monitoring system. The methodology is required to include a statistical latent profile analysis developed by the DOE that produces a limited number of performance metric profiles which summarize the profiles of all VPK programs in designations consisting of “unsatisfactory,” “emerging proficiency,” “proficient,” “highly proficient,” and “excellent” or similar designations.<sup>21</sup> Beginning with the 2023-2024 program year, each VPK provider will be assigned a designation within 45 days after the conclusion of the VPK Program.<sup>22</sup>

The coordinated screening and progress monitoring program is the statewide, standardized assessment program known as Florida's Assessment of Student Thinking (FAST) using Star Early Literacy. This program is used to assess student achievement in early literacy and mathematics.<sup>23</sup> VPK Programs began implementing the FAST using Star Early Literacy in the 2022-2023 VPK Program Year.

A VPK student who exhibits a substantial deficiency in early literacy skills in accordance with the standards and based upon the results of the administration of the final coordinated screening and progress monitoring must be referred to the local school district and may be eligible to

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<sup>18</sup> Section 1002.61(4), F.S.

<sup>19</sup> Section 1002.67(2), F.S.

<sup>20</sup> Section 1002.68(2), F.S.

<sup>21</sup> Section 1002.68(4)(a), F.S.

<sup>22</sup> Section 1002.68(4)(f), F.S.

<sup>23</sup> Florida Division of Early Learning, *Florida's Assessment of Student Thinking (FAST) using Star Early Literacy*, available at <https://www.floridaearlylearning.com/vpk/fast> (last visited April 6, 2023).

receive intensive reading interventions before participating in kindergarten. Such intensive reading interventions must be paid for using funds from the district's evidence-based reading instruction allocation.<sup>24</sup>

### *Effect of Proposed Changes*

#### VPK Personnel

The bill modifies s. 1002.55, F.S., to allow a VPK instructor to complete the required three emergent literacy training courses within 45 days after commencing employment rather than as a pre-condition of employment.

The bill modifies s. 1002.61, F.S., to add options for personnel to satisfy the certification requirements for instructors in the summer VPK program. The bill allows a person to serve as an instructor of a summer VPK program if the person possesses either a Child Development Associate (CDA), or a credential approved by the Department of Children and Families as equal or greater than a CDA, as long as the instructor has completed the early literacy micro-credential program or has an instructional support score of 3 or higher on the program assessment.

#### VPK Administration

The bill modifies s. 1002.82, F.S., to expand the requirements of the statewide data information program to include the Florida Education Identifier for all instructors and enrolled children in the VPK and school readiness programs. The bill also directs the DOE to contract for, rather than establish, a single statewide information system to manage all early learning programs and child care licensing and training. The bill requires the system to allow parents to locate early learning programs online, including the provider performance profile by October 1, 2024. It is unclear if this system is intended to replace the current EFS Modernization Portal.

The bill amends s. 1002.71, F.S., to modify the method used to determine the amount of administrative funds an early learning coalition may retain for the VPK program. The bill requires the administrative fee that may be retained by an early learning coalition to be based on the number of VPK applications processed by the coalition instead of payments made to providers for VPK enrollments.

This may increase the administrative funds available to a coalition. For example, the base student allocation for the 2021-2022 VPK school year program was \$2,486 for each full-time student.<sup>25</sup> Payments made to VPK providers equaled \$342.8 million, which meant that administrative funds were limited to 4 percent or approximately \$13.7 million.<sup>26</sup> The reported number of applications processed by all early learning coalitions was 204,576.<sup>27</sup> Multiplying the base student allocation

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<sup>24</sup> Section. 1008.25(5), F.S.

<sup>25</sup> Specific Appropriation 86, ch. 2021-36, Laws of Fla.

<sup>26</sup> Florida Division of Early Learning, *Annual Report 2021-22*, available at <https://www.floridaearlylearning.com/Content/Uploads/floridaearlylearning.com/images/DEL%20Annual%20Report%202021-2022%20FINAL.pdf> (last visited April 8, 2023). Actual administrative expenditures equaled \$12.1 million, below the 4 percent limitation.

<sup>27</sup> Email correspondence, Florida Department of Education (March 9, 2023) (on file with the Committee on Finance and Tax).

of \$2,486 by the number of applications processed (204,576), and if each coalition retained the full 4 percent as allowed, administrative funds available across all coalitions would have amounted to \$20.3 million. An increase of \$7.2 million available for coalition expenditures.

The bill modifies s. 1002.83, F.S., to allow early learning coalitions to appoint additional at-large members to their board as long as the at-large members do not comprise more than one-third of the board's composition. The bill also removes an explicit restriction that the appointed members be comprised of private sector business members, which would allow a coalition to appoint "at-large" members from public or private institutions.

### ***VPK Accountability***

The bill modifies s. 1002.67, F.S., to prohibit a public or private VPK provider's curriculum from:

- Utilizing the coordinated screening and progress monitoring program for direct student instruction; and
- The use of electronic devices except to complete the coordinated screening and monitoring program.

The bill modifies s. 1002.68, F.S., to postpone from program year 2022-2023 to 2023-2024 the requirement that private VPK providers participate in a program assessment. The bill specifies that the program assessment may be conducted only when at least 75 percent of enrolled students are in attendance.

The bill also postpones, from program year 2022-2023 to 2023-2024, the requirement for the DOE to adopt the methodology for calculating each VPK provider's performance metric. The bill removes the responsibility for the DOE to develop the performance metric and instead requires the methodology for the performance metric to include an analysis that has been conducted by an independent expert with experience in relevant quantitative analysis, early childhood assessment, and designing state-level accountability systems. The bill requires the independent expert to be identified through competitive procurement before the 2023-2024 program year and retained through the 2025-2026 program year.

Finally, the bill postpones from VPK program year 2023-2024 to 2024-2025 the requirement for the DOE to issue a performance designation based on the provider's performance metric.

The bill modifies s. 1008.25, F.S., to clarify eligibility for children in the VPK program who exhibit a substantial deficiency in early literacy skills. The bill requires that the student receive intensive reading interventions in the summer prior to kindergarten. The bill authorizes public or private VPK providers to provide the interventions if they are qualified to offer the summer VPK program. The bill provides that the summer intensive reading interventions program must consist of no more than 4 hours per day and be limited to 140 hours. The bill requires the program to be funded in the General Appropriations Act in accordance with the rate set for the Summer VPK program.

## **School Readiness Program Administration**

### ***Present Situation***

The School Readiness (SR) Program provides subsidies for child care services and early childhood education for children of low-income families; children in protective services who are at risk of abuse, neglect, or abandonment; and children with disabilities.<sup>28</sup> The SR Program offers financial assistance for child care to support working families and help children to develop skills for success in school. The program also provides developmental screening and referrals to health and education specialists where needed.<sup>29</sup>

The DOE is required to monitor the alignment and consistency of the standards developed and adopted by DOE that address the age-appropriate progress of children in the development of school readiness skills. The standards for children from birth to kindergarten entry in the SR Program must be aligned with the performance standards adopted for children in the VPK Program and must address the following domains:<sup>30</sup>

- Approaches to learning.
- Cognitive development and general knowledge.
- Numeracy, language, and communication.
- Physical development.
- Self-regulation.

Early learning coalitions may award grants and provide financial support to SR Program providers and their staff. The grants and financial support should assist them in meeting applicable state requirements for program assessment, child care performance standards, implementation of developmentally appropriate curricula, and related classroom resources. Early learning coalitions provide training, technical assistance, and financial support to school readiness program providers, staff, and parents on standards, child screenings, child assessments, child development research and best practices, developmentally appropriate curricula, character development, teacher-child interactions, age-appropriate discipline practices, health and safety, nutrition, first aid, cardiopulmonary resuscitation, the recognition of communicable diseases, and child abuse detection, prevention, and reporting.<sup>31</sup>

### ***Effect of Proposed Changes***

The bill modifies s. 1002.89, F.S., to specifically authorize early learning coalitions to use School Readiness program funds to improve quality by:

- Implementing a developmentally appropriate curriculum that meets the performance standards for the School Readiness program.
- Supporting parent engagement.
- Supporting professional development through the Teacher Education and Compensation Helps (TEACH) Scholarship program.

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<sup>28</sup> Section 1002.87, F.S.

<sup>29</sup> Section 1002.86, F.S.

<sup>30</sup> Section 1002.82, F.S.

<sup>31</sup> Section 1002.89, F.S.

- Providing training aligned to the early learning professional development standards and career pathways.
- Reimbursing providers for the cost for background screening.

### Gold Seal Quality Care Program

#### *Present Situation*

The DOE administers the Gold Seal Quality Care program. In 1996,<sup>32</sup> the Florida Legislature established the Gold Seal Quality Care Program to recognize child care facilities and family day care homes that have gone above the required minimum licensing standards to become accredited by recognized agencies whose standards reflect quality in the level of care and supervision provided to children. The Gold Seal Quality Care Program is not an accreditation, but a designation with potential benefits to those that participate including, but not limited to:<sup>33</sup>

- A positive marketing tool for prospective parents.
- Tax exemptions. The Department of Revenue issues the exemption certificates for sales tax. This exemption is for certain educational materials.
- Higher reimbursement for School Readiness providers.
- Eligibility to participate in Voluntary Prekindergarten (VPK).

As of March 1, 2023, 2,890 providers are listed as a Gold Seal Quality Care provider.<sup>34</sup>

In order to obtain and maintain a designation as a Gold Seal Quality Care provider, a child care facility, large family child care home, or family day care home must have:

- No class I<sup>35</sup> violations within preceding 2 years;
- Less than 3 class II<sup>36</sup> violations within preceding 2 years;
- Less than 3 class III<sup>37</sup> violations within the preceding 2 years that were not corrected within 1 year.<sup>38</sup>

The DOE has not terminated any providers from the program. The Children's Forum has denied renewal applications for 33 Gold Seal Quality Care Program providers.<sup>39</sup>

<sup>32</sup> Ch. 96-175, s. 72, Laws of Fla.

<sup>33</sup> Florida Division of Early Learning, *About the Gold Seal Quality Care Program*, available at <https://www.floridaearlylearning.com/providers/gold-seal-quality-care-program> (last visited April 8, 2023).

<sup>34</sup> Department of Children and Families, *Child Care Provider List, 3-1-2023*, available at <https://www.myflfamilies.com/sites/default/files/2023-03/Public%20-%202023-3-1%20-%20Statewide.pdf> (last visited April 8, 2023).

<sup>35</sup> Class "I" violations are those conditions or occurrences related to the operation and maintenance of a provider or to the care of clients which the agency determines present an imminent danger to the clients of the provider or a substantial probability that death or serious physical or emotional harm would result therefrom. Section 408.813, F.S.

<sup>36</sup> Class "II" violations are those conditions or occurrences related to the operation and maintenance of a provider or to the care of clients which the agency determines directly threaten the physical or emotional health, safety, or security of the clients, other than class I violations. *Id.*

<sup>37</sup> Class "III" violations are those conditions or occurrences related to the operation and maintenance of a provider or to the care of clients which the agency determines indirectly or potentially threaten the physical or emotional health, safety, or security of clients, other than class I or class II violations. *Id.*

<sup>38</sup> Section 1002.945, F.S.

<sup>39</sup> Email correspondence, Florida Department of Education (Mar. 9, 2023) (on file with the Committee on Finance and Tax).



***Effect of Proposed Changes***

The bill amends s. 1002.945, F.S., to modify requirements for obtaining or maintaining the Gold Seal Quality Care designation. The bill specifies that a provider must not have three or more of the same Class II violations, rather than just three or more class II violations in general.

**T.E.A.C.H. Scholarship Program*****Present Situation***

The DOE administers the Teacher Education and Compensation Helps (T.E.A.C.H.) Scholarship Program in partnership with the Children’s Forum, which provides educational scholarships to caregivers and administrators of early childhood programs, family day care homes, and large family child care homes. The goal of the program is to increase the education and training for caregivers, increase the compensation for child caregivers who complete the program requirements, and reduce the rate of participant turnover in the field of early childhood education.<sup>40</sup>

The Legislature appropriated \$3 million in recurring funds and \$7 million in nonrecurring funds for the T.E.A.C.H. Program in Fiscal Year 2022-2023.<sup>41</sup> According to the T.E.A.C.H. 2020-2021 annual report, the DOE provided \$9,999,885 in funding to support 4,215 scholarships. In 2020-2021, the DOE waived employer and scholar copays.<sup>42</sup>

***Effect of Proposed Changes***

The bill modifies 1002.95, F.S., to clarify that T.E.A.C.H. scholarship program recipients are “instructors” and not “caregivers,” the bill directs early learning coalitions to support the T.E.A.C.H. scholarship program by reimbursing child care providers for the co-pay portion of the program for each instructor who completes a child development associate credential in his or her service area.

**Child Care Licensing Program*****Present Situation***

The child-care licensing program is a component of the services provided by Department of Children and Families (DCF). The program is accountable for the statewide licensure of Florida's child-care facilities, specialized child-care facilities for the care of mildly ill children, large family child-care homes, and licensure or registration of family day care homes. The purpose of the program is to ensure a healthy and safe environment for the children in child-care settings and to improve the quality of their care through regulation and consultation. DCF ensures that licensing requirements are met through on-going inspections of child-care facilities and homes,

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<sup>40</sup> Section 1002.945, F.S.

<sup>41</sup> Chapter 2022-156, s. 2, Specific Appropriation 78, Laws of Fla.

<sup>42</sup> T.E.A.C.H. Early Childhood Scholarship Program, *Annual Report 2021*, available at <https://teach-fl.org/download/t-e-a-c-h-annual-report-for-2021/> (last visited April 8, 2023).

thus preventing the continued operation of substandard child-care programs.<sup>43</sup> There are over 8,000 licensed child care programs in Florida.<sup>44</sup>

Florida's child-care law<sup>45</sup> provides for any county whose licensing standards meet or exceed the state minimum standards to designate by ordinance a local licensing agency in their county. Counties not choosing to administer their own child care licensing programs are licensed by (DCF).

### *Effect of Proposed Changes*

The bill modifies s. 402.302, F.S. to define “preschool” to mean any childcare care facility that is licensed pursuant to the standards of the DCF and serves children under 5 years of age.

## **Child Care Facility Standards**

### *Present Situation*

The DCF establishes licensing standards that each licensed child care facility must meet regardless of the origin or source of the fees used to operate the facility or the type of children served by the facility. The standards are required to address the following areas:<sup>46</sup>

- The health, sanitation, safety, and adequate physical surroundings for all children in child care.
- The health and nutrition of all children in child care.
- The child development needs of all children in child care.

All standards established by the DCF must be consistent with the rules adopted by the State Fire Marshal for child care facilities. However, if the facility is operated in a public school, the DCF is required to use the public school fire code, as provided in the rules of the State Board of Education, as the minimum standard for fire safety.<sup>47</sup>

The DCF child-care licensing staff are responsible for the inspection and licensure of child-care facilities and homes in 63 out of 67 counties, as well as registration of family day care homes in those counties which do not require licensure. Four counties have elected to regulate licensing of child care facilities and homes,<sup>48</sup> which are Broward, Palm Beach, Pinellas, and Sarasota.<sup>49</sup>

The DCF and local governmental agencies that license child care facilities must develop and implement a plan to eliminate duplicative and unnecessary inspections of child care facilities. In

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<sup>43</sup> Florida Department of Children and Families, *About Child Care Licensure*, available at <https://www.myflfamilies.com/services/child-family/child-care/child-care-providers-and-staff/about-child-care-licensure> (last visited April 8, 2023).

<sup>44</sup> Florida Department of Children and Families, *Child Care Provider List, 3-1-2023*, available at <https://www.myflfamilies.com/sites/default/files/2023-03/Public%20-%202023-3-1%20-%20Statewide.pdf> (last visited April 8, 2023).

<sup>45</sup> Sections 402.301-319 F.S.

<sup>46</sup> Section 402.305, F.S.

<sup>47</sup> Section 402.305(1)(b), F.S.

<sup>48</sup> Section 402.306, F.S.

<sup>49</sup> Florida Department of Children and Families, *Child Care Licensure*, available at <https://www.myflfamilies.com/services/licensing/child-care-licensure> (last visited April 8, 2023).

addition, the DCF and the local governmental agencies are required to develop and implement an abbreviated inspection plan for child care facilities that have had no Class 1 or Class 2 deficiencies for at least 2 consecutive years. The abbreviated inspection must include those elements identified by the DCF and the local governmental agencies as being key indicators of whether the child care facility continues to provide quality care and programming.<sup>50</sup>

### *Effect of Proposed Changes*

The bill amends s. 402.305, F.S., to modify the scope of required licensing standards for child care facilities. Specifically the bill:

- Removes from the scope of the DCF licensing standards health and nutrition and child development needs.
- Clarifies that fire safety regulations for child care facilities are directed by the State Fire Marshal.
- Removes periodic health examinations from licensing requirements.
- Removes the requirement for child care facilities to provide parents of children enrolled in the facility detailed information regarding:
  - The causes, symptoms, and transmission of the influenza virus and the importance of immunizing their children.
  - The potential for a distracted adult to fail to drop off a child at the facility and instead leave the child in the adult's vehicle upon arrival at the adult's destination.
- Removes the requirements that the written plan for the daily provision of age-appropriate activities include a program to assist the children in preventing and avoiding physical and mental abuse.
- Removes minimum standards for specialized child care facilities of the care of mildly ill children.

The bill modifies s. 402.3115, F.S., to add family day care homes and large family child care homes to the list of facilities that the DCF must include in its plan to eliminate duplicative and unnecessary inspections.

The bill expands the requirement for the DCF and local government agencies to develop an abbreviated inspection plan for certain child care facilities. The bill requires the DCF and local government agencies to develop and implement an abbreviated inspection plan for child care facilities that:

- Have been licensed for a period of not less than 2 consecutive years, and do not have a Class 1 and no more than two of the same Class 2 deficiencies, for at least 2 consecutive years.
- Have received at least two full onsite renewals in the most recent 2 years.
- Do not have any current uncorrected violations.
- Do not have any open regulatory complaints or active child protective services investigations.

The bill requires the DCF to annually calculate efficiencies and moneys saved due to the implementation of abbreviated inspections and use the savings to focus resources and technical

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<sup>50</sup> Section 402.305, F.S.

assistance to support child care facilities, family day care homes, and large family child care homes that are having difficulty maintaining compliance with licensing requirements based on a history of violations, regulatory complaints, or active child protective violations.

The bill modifies s. 402.316, F.S., to add an exemption from licensing for a child care provider that receives a child care tax credit and is attended only by children or grandchildren of employees of the corporation claiming the credit.

## **Child Care Personnel**

### ***Present Situation***

The DCF establishes minimum standards for child care personnel that include minimum requirements for good moral character based upon background screening.<sup>51</sup> This screening must be conducted using the level 2 standards for screening which include employment history checks, a search of criminal history records, sexual predator and sexual offender registries, and the child abuse and neglect registry of any state in which the current or prospective child care personnel resided during the preceding 5 years.<sup>52</sup>

The DCF also establishes minimum training requirements for child care personnel. The DCF has adopted the Child Care Facility Handbook to describe these requirements in detail.<sup>53</sup> The minimum standards for training must ensure that all child care personnel take an approved 40-clock-hour introductory course in child care covering the following topic areas:<sup>54</sup>

- State and local rules and regulations which govern child care.
- Health, safety, and nutrition.
- Identifying and reporting child abuse and neglect.
- Child development, including typical and atypical language, cognitive, motor, social, and self-help skills development.
- Observation of developmental behaviors, including using a checklist or other similar observation tools and techniques to determine the child's developmental age level.
- Specialized areas, including computer technology for professional and classroom use and early literacy and language development of children from birth to 5 years of age, as determined by the DCF, for owner-operators and child care personnel of a child care facility.
- Developmental disabilities, including autism spectrum disorder and Down syndrome, and early identification, use of available state and local resources, classroom integration, and positive behavioral supports for children with developmental disabilities.<sup>55</sup>

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<sup>51</sup> Section. 405.305(15), F.S.

<sup>52</sup> Section. 435.04, F.S.

<sup>53</sup> Florida Department of Children and Families, *Child Care Facility Handbook, October 2021*, available at [https://www.myflfamilies.com/sites/default/files/2022-12/FacilityHandbook\\_0.pdf](https://www.myflfamilies.com/sites/default/files/2022-12/FacilityHandbook_0.pdf) (last visited April 8, 2023).

<sup>54</sup> Florida Department of Children and Families, *Child Care Facility Handbook, October 2021*, available at [https://www.myflfamilies.com/sites/default/files/2022-12/FacilityHandbook\\_0.pdf](https://www.myflfamilies.com/sites/default/files/2022-12/FacilityHandbook_0.pdf) (last visited April 8, 2023).

<sup>55</sup> Section. 402.305, F.S.

The DCF is required to evaluate or contract for an evaluation to determine the status of and means to improve staff training requirements and testing procedures. The evaluation must be conducted every 2 years. The evaluation must include, but is not be limited to, determining:<sup>56</sup>

- The availability, quality, scope, and sources of current staff training.
- The need for specialty training.
- Ways to increase in-service training.
- Ways to increase the accessibility, quality, and cost-effectiveness of current and proposed staff training.

The DCF also establishes minimum standards for:

- Sanitary and safety conditions, first aid treatment, emergency procedures, and pediatric cardiopulmonary resuscitation. The minimum standards must require that at least one staff person trained in cardiopulmonary resuscitation, as evidenced by current documentation of course completion, must be present at all times that children are present.<sup>57</sup>
- Admissions and recordkeeping. During the months of August and September of each year, each child care facility must provide parents of children enrolled in the facility detailed information regarding
  - The causes, symptoms, and transmission of the influenza virus and the importance of immunizing their children.
  - The potential for a distracted adult to fail to drop off a child at the facility and instead leave the child in the adult's vehicle upon arrival at the adult's destination.<sup>58</sup>
  - A plan of activities which must ensure that each child care facility has and implements a written plan for the daily provision of varied activities and active and quiet play opportunities appropriate to the age of the child.<sup>59</sup>
  - Specialized child care facilities for the care of mildly ill children.<sup>60</sup>

### ***Effect of Proposed Changes***

The bill amends s. 402.305 to modify minimum standards for child care personnel. Specifically, the bill:

- Requires the 40-clock-hour introductory course in child care to be taken by child care personnel to include online training coursework, provided at no cost by the DCF, to meet minimum training standards for child care personnel.
- Clarifies that the child care personnel competency examination will be either in-person or online.
- Requires a child care operator have two persons, instead of one, trained in cardiopulmonary resuscitation present at all times that children are present.

The bill specifies a timeline for the DCF to provide background screening results of personnel to providers. The bill requires the DCF to complete the background screening and provide results to the child care facility within 5 business days. Upon failure to do so, the bill requires the DCF to issue a current or prospective child care personnel a 45-day provisional hire status while all

<sup>56</sup> Section. 402.305(2), F.S.

<sup>57</sup> Section. 402.305(7), F.S.

<sup>58</sup> Section. 402.305(9), F.S.

<sup>59</sup> Section. 402.305(13), F.S.

<sup>60</sup> Section. 402.305(17), F.S.

required information is being requested and the DCF is awaiting results. During the 45-day period, the current or prospective child care personnel must be under the direct supervision of a screened and trained staff member when in contact with children.

The bill modifies the required evaluation by the DCF, or a contracted entity, to determine the status of and means to improve staff training requirements and testing procedures. The bill removes existing requirements for the evaluation and requires, by December 31, 2023, the DCF to evaluate or contract for an evaluation of:

- The current training requirements and coursework offered to child care personnel and make recommendations to increase the quality and relevancy of training.
- The licensing and regulation of child care facilities to:
  - Identify rules that exceed specific delegated legislative authority.
  - Identify rules that are arbitrary, vague, or redundant.
  - Streamline the standards used to classify violations and eliminate redundancy or subjectivity in application by licensing counselors.

The bill provides that once the evaluation is completed, the DCF must begin revising the regulation of child care facilities to simplify ongoing licensure inspections, increase objectivity, and provide a greater emphasis on technical assistance. The evaluation must be conducted every 5 years.

## **Insurance**

### ***Present Situation***

Homeowners' insurance is a specific type of property insurance. Homeowners' insurance covers damage or loss by theft and against perils which can include fire, and storm damage. It also may insure the owner for accidental injury or death for which the owner may be legally responsible. Mortgage lenders usually require homeowners' insurance as part of the mortgage terms.<sup>61</sup>

While homeowners' insurance can specifically refer to the insurance of a house, it also encompasses the insurance of other types of structures associated with personal residences, including tenants (renters) and condominium unit owners.<sup>62</sup>

Florida recognizes that family day care homes fulfill a vital role in providing child care and that residential property insurance coverage should not be canceled, denied, or fail to be renewed solely on the basis of the family day care services at the residence. The potential liability of residential property insurers is substantially increased by the operation of child care services on the premises. Contractual liabilities that arise in connection with the operation of the family day care home are excluded from residential property insurance policies unless they are specifically included in such coverage.<sup>63</sup>

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<sup>61</sup> Florida Office of Insurance Regulation, *Homeowners' Insurance*, available at <https://floir.com/Sections/PandC/Homeowners/default.aspx> (last visited April 8, 2023).

<sup>62</sup> *Id.*

<sup>63</sup> Section 627.70161, F.S.

In addition to family day care services, there are also over 400 large family day care services in Florida.<sup>64</sup> A large family day care home is an occupied residence in which child care is regularly provided for children from at least two unrelated families where there is payment for the care provided and which has at least two full-time child care personnel on the premise during hours of operation.<sup>65</sup> The insurance protections for family day care homes do not extend to large family day care homes.<sup>66</sup>

### ***Effect of Proposed Changes***

The bill modifies s. 627.70161, F.S., to add specific language to include large family child care homes to existing law to prevent cancelation of the residential property insurance solely on the basis of offering those services at a residence, and to include “large family child care homes” in language stating the liabilities arising out of such services are excluded from property insurance policies specifically included in that coverage.

The bill takes effect July 1, 2023.

## **IV. Constitutional Issues:**

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

Not applicable. The bill does not require counties or municipalities to spend funds, reduce counties’ or municipalities’ authority to raise revenue, or reduce the percentage of state tax shared with counties and municipalities.

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

None.

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

None.

### **D. State Tax or Fee Increases:**

Not applicable. The bill does not create or increase a state tax or fee or repeal an exemption or credit. Thus, Art. VII, s. 19 of the Florida Constitution does not apply.

### **E. Other Constitutional Issues:**

None identified.

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<sup>64</sup> Department of Children and Families, *Child Care Provider List, 3-1-2023*, available at <https://www.myflfamilies.com/sites/default/files/2023-03/Public%20-%202023-3-1%20-%20Statewide.pdf> (last visited April 8, 2023).

<sup>65</sup> Section 402.302(11), F.S.

<sup>66</sup> Section 627.70161, F.S.

**V. Fiscal Impact Statement:****A. Tax/Fee Issues:**

The bill does not affect state or local revenue receipts.

**B. Private Sector Impact:**

The bill may reduce costs to School Readiness and Voluntary Prekindergarten providers by providing reimbursements for:

- Background screening of personnel; and
- Co-pays for providers related to the TEACH scholarship program.

**C. Government Sector Impact:**

The Department of Children and Families estimates annual expenditures equal to \$1.3 million to contract with a vendor for the development and coordination of online examinations for introductory training for child care personnel. The department estimates a need of three to four additional FTE positions to meet a five-day turnaround for background screening. The employment cost estimates equal up to \$0.3 million recurring and a marginal amount nonrecurring. The total estimated cost for Fiscal Year 2023-2024 is as high as \$338,010.

Additionally, \$250,000 is the minimum amount of expenditure needed to contract with an existing information system or to contract for the development of a new information system to implement provisions in the bill.<sup>67</sup>

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 39.101, 402.302, 402.305, 402.3115, 402.316, 627.70161, 1002.55, 1002.61, 1002.67, 1002.68, 1002.71, 1002.82, 1002.83, 1002.89, 1002.945, 1002.95, 1008.25, 1002.57, and 1002.59.

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<sup>67</sup> Florida Department of Children and Families, *2023 Agency Legislative Bill Analysis of SB 990* (Mar. 12, 2023) (on file with the Finance and Tax Committee).



**IX. Additional Information:****A. Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Finance and Tax on April 12, 2023:

The amendment:

- Removes a proposed special assessment exemption for property owned and used by a public or private preschool.
- Removes a tax credit that would have been available to taxpayers of severance tax, certain sales and use tax, corporate income tax, alcohol beverage tax, and insurance premium tax if the taxpayer paid for child care on behalf of an employee.
- Removes a tax credit that would have been available for corporate income taxpayers who established and operated a child care facility.
- Makes other technical changes.

**B. Amendments:**

None.