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.)

Prepared By: The Professional Staff of the Appropriations Committee on Pre-K - 12 Education

BILL:	CS/SB 1382
INTRODUCER:	Appropriations Committee on Pre-K - 12 Education; and Senator Calatayud
SUBJECT:	Access to School Readiness Programs for Economically Disadvantaged Households
DATE:	April 14, 2025 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Sabitsch	Bouck	ED	**Favorable**
2.	Gray	Elwell	AED	**Fav/CS**
3.			FP	

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1382 modifies the definition of "economically disadvantaged" used for determining eligibility in the School Readiness (SR) program and makes changes to implement the new definition and modifies tracking of children on waiting lists for SR services. Specifically, the bill:

- Revises the definition of "economically disadvantaged" by replacing "income that does not exceed 150 percent of the federal poverty level" with "income that does not exceed 65 percent of the state median income" for families seeking SR services.
- Modifies various references to the SR waitlists that require the tracking of children on waitlists by family income and priority.
- Modifies the data collected by the Department of Education (DOE) to reflect the change in definition related to income.
- Modifies the priorities for children from economically disadvantaged families by separating the first subsequent priority group into two groups based on income.
- Requires estimates adopted by the Early Learning Programs Estimating Conference to consider county specific trends and changes.

This bill has an indeterminate fiscal impact on state revenues and expenditures. **See Section V. Fiscal Impact Statement.**

The bill takes effect on July 1, 2025.

II. Present Situation:

School Readiness Program

Overview

Florida's School Readiness (SR) program offers low-income families financial assistance to facilitate access to high-quality childcare and early education for their children while parents work or participate in job training. The Division of Early Learning (DEL), under the Department of Education (DOE), administers the program at the state level while early learning coalitions (ELCs) administer the SR program at the county and regional levels. Funding comes from four sources including the Child Care and Development Block Grant, the Temporary Assistance for Needy Families Block Grant, the Social Services Block Grant, and the State of Florida.

The program's two main goals are to help families become financially self-sufficient and help each child from a qualifying family develop school readiness skills. The program gives children access to a quality early learning environment and supports parents with information about child development and family engagement. The quality environment of each SR provider is measured by the administration of a widely recognized tool that assesses the interactions between adults and children in the classroom.

In Fiscal Year 2023-2024, there were 212,062 children participating in the SR program at 6,889 early learning providers. Total expenditures were $990 million, which included $36 million in administrative expenses, $59 million in non-direct services expenditures, and $80 million in quality expenditures. [1]

School Readiness Eligibility and Priorities

Florida statute defines "economically disadvantaged" as having a family income that does not exceed 150 percent of the federal poverty level and includes being a child of a working migratory family as defined by 34 C.F.R. s. 200.81(d) or (f) or an agricultural worker who is employed by more than one agricultural employer during the course of a year, and whose income varies according to weather conditions and market stability.[2] The definition is used to determine eligibility for and priority status in the SR program.

According to the 2023 Poverty Guidelines Computations from the U.S. Department of Health and Human Services, for a family of three the federal poverty level was $24,860 per year. Meaning a family of three would need to earn $37, 290 or less per year to not exceed the 150 percent threshold for "economically disadvantaged.[3] For comparison, the 2023 State Median

[1] Florida Department of Education, *Division of Early Learning 2023-2024 Annual Report (2024), available at* https://www.fldoe.org/file/20628/2324-DEL-AnnualReport.pdf.
[2] Section 1002.81(6), F.S.
[3] U.S. Department of Health and Human Services, 2023 Poverty Guidelines Computations, https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines/prior-hhs-poverty-guidelines-federal-register-references/2023-poverty-guidelines-computations (last visited Mar. 19, 2025)

Income (SMI) for Florida was $71,771, meaning a family would need to earn $46,612.15 or less to not exceed 65 percent of the state median income.[4]

Each ELC is required to give priority to receive services under the SR program as follows:

- Children under the age of 13 from a family that includes a parent who is receiving temporary cash assistance and is subject to the federal work requirements or a parent who has an Intensive Service Account or an Individual Training Account.
- An at-risk child younger than nine years of age.
- Subsequent priority is given based on the ELC's local priorities to children who meet the following criteria:
  - A child from birth to the beginning of the school year for which the child is eligible for admission to kindergarten in a public school who is from a working family that is economically disadvantaged.
  - A child of a parent who transitions from the work program into employment from birth to the beginning of the school year for which the child is eligible for admission to kindergarten.
  - An at-risk child who is at least nine years of age but younger than 13 years of age, however an at-risk child whose sibling is enrolled in the school readiness program within a specific eligibility priority category shall be given priority over other children who are eligible.
  - A child who is younger than 13 years of age from a working family that is economically disadvantaged.
  - A child of a parent who transitions from the work program into employment who is younger than 13 years of age.
  - A child who has special needs and has been determined eligible as a student with a disability who has a current individual education plan (IEP) with a Florida school district and is not younger than three years of age.
  - A child who otherwise meets one of the first two eligibility criteria but who is also enrolled concurrently in the federal Head Start Program and the Voluntary Prekindergarten Education Program (VPK). [5]

School Readiness Waitlists

During Fiscal Year 2023-2024 there were 117,981 SR enrollments of children aged birth to four years of age compared to an estimated population of 357,199 children aged birth to four years of age from families below 150 percent of the federal poverty level, meaning statewide only 33 percent of children below this threshold were served by the SR program. The percentages varied by ELC from a low of 19 percent of children served by the Santa Rosa ELC to a high of 48 percent served by the ELC of the Big Bend. [6]

[4] Florida Department of Health, 2023 Median Household Income, https://www.flhealthcharts.gov/ChartsDashboards/rdPage.aspx?rdReport=NonVitalIndGrp.Dataviewer&cid=0293 (last visited Mar. 19, 2025).
[5] Section 1002.87(1), F.S.
[6] Florida Department of Education, *Division of Early Learning 2023-2024 Annual Report (2024), available at* https://www.fldoe.org/file/20628/2324-DEL-AnnualReport.pdf.

Since not all eligible children are served by the SR program, there are waitlists to organize those waiting for services. Florida law requires that the "single point of entry" system where families apply for services for both SR and the Voluntary Prekindergarten (VPK) programs utilize a uniform waitlist to track eligible children waiting for enrollment into the SR program.[7] The DOE is required to adopt specific program support services that include a single point of entry and a uniform waitlist for the SR program.[8]

Each ELC is required to establish a uniform waitlist to track eligible children waiting for enrollment in the SR program.[9] The State Board of Education has adopted a rule to provide guidelines to the ELCs on the development of waitlists for families seeking services. The adopted rules provide guidance for the following:

- Definitions of terms.
- Prequalifying questions and applications for services.
- Eligibility Screening.
- Waitlist management.
- Reapplication for services after removal from waitlist. [10]

As part of each ELC's SR program plan, the ELC is required to include in its plan procedures for implementing the requirement for a uniform waitlist for SR services.[11] Additionally ELCs are required to collect and report to the DOE with data about SR program delivery to include data about:

- Progress in reducing the number of children on waitlists.
- The percentage of children served as compared to the number of administrative staff and overhead.
- The percentage of children served compared to the number of children under the age of five from families below 150 percent of the federal poverty level.
- Provider payment processes and fraud intervention.
- Child attendance and stability.
- Use of Child Care Resource and Referral (CCR&R) services.
- Child outcomes related to school readiness. [12]

School Readiness Funding

Each ELC is required to establish a parent sliding fee scale that provides for a parent copayment that is not a barrier to families receiving SR program services. Coalitions may waive copayments for at-risk children or temporarily waive the copayment children whose family income is at or below the federal poverty level. Coalitions may also waive copayments for a child whose family experiences a natural disaster or an event that limits the parent's ability to pay including:

- Incarceration;
- Placement in residential treatment;
- Becoming homeless;

[7] Section 1002.81(13), F.S.
[8] Section 1002.82(2)(f), F.S.
[9] Section 1002.84(2), F.S.
[10] Rule 6A-4.300, F.A.C.
[11] Section 1002.85(2), F.S.
[12] Section 1002.85(5), F.S.

- An emergency situation such as a household fire or burglary; or
- While the parent is participating in parenting classes or participating in an Early Head Start program or Head Start Program.

A parent may not transfer SR program services to another school readiness program provider until the parent has submitted documentation from the current provider to the ELC stating that the parent has satisfactorily fulfilled the copayment obligation.[13]

Each ELC is required to distribute the SR program funds as allocated in the General Appropriations Act (GAA) to the eligible providers. All instructions to early learning coalitions for distributing the school readiness program funds to eligible providers come from the DOE in accordance with the policies of the Legislature.[14]

Costs for the SR program must be kept to the minimum necessary for the efficient and effective administration of the SR program with the highest priority of expenditure being direct services for eligible children. No more than five percent of the funds allocated in the general appropriations act may be used for administrative costs and no more than 22 percent of the funds allocated may be used in any fiscal year for any combination of administrative costs, quality activities, and nondirect services.[15]

III. Effect of Proposed Changes:

This bill modifies s. 1002.81, F.S., to change the definition of "economically disadvantaged" used for determining eligibility for the School Readiness (SR) program. The bill changes the threshold for "economically disadvantaged" from families with an income that does not exceed "150 percent of the federal poverty level" to "65 percent of the state median income." This change means that more families will meet the definition of "economically disadvantaged" than under the current definition. By some estimates adopting the 65 percent of state median income threshold will potentially mean an additional 31,000 families with 54,000 children may be eligible for SR services.[16]

The bill modifies ss. 1002.81, 1002.82, 1002.84, 1002.85, and 1002.87, F.S., to require that the uniform waitlists track children on the waitlist based on family household income and by the priorities specified in Florida law.

The bill modifies s. 1002.85, F.S., to require that the data collected from Early Learning Coalitions (ELCs) by the Department of Education (DOE) reflect the change in the definition of "economically disadvantaged" using state median income instead of federal poverty levels.

The bill modifies s. 1002.87, F.S., to separate the first subsequent priority group for children waiting to be served in the SR program that is in current Florida law.[17]

[13] Section 1002.84.(9), F.S.
[14] Section 1002.84(17), F.S.
[15] Section 1002.89(4), F.S.
[16] Email, Association of Early Learning Coalitions, Inc. (Mar. 14, 2025).
[17] Section 1002.87(1), F.S.

- To be in the first subsequent priority group, a child will need to be aged from birth to the beginning of the school year the child is eligible for kindergarten and is from a working family that is "economically disadvantaged" with an income at or less than 55 percent of the state median income.
- To be in the second subsequent priority group, a child will need to be aged from birth to the beginning of the school year the child is eligible for kindergarten and is from a working family that is "economically disadvantaged" with an income greater than 55 percent, but less than 65 percent of the state median income.

The change may offer greater opportunities to receive services to struggling families that are well below the state median income.

The bill modifies s. 1002.89, F.S., to require that the data for the total number of unweighted full-time equivalent SR children that is adopted by the Early Learning Program Estimating conference must consider the historical trends of children served and population changes for each county.

The bill takes effect on July 1, 2025.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

This bill has an indeterminate fiscal impact. The transition from 150 percent of the federal poverty level to 65 percent of the state median income could result in additional eligible families and children. However, since the federal poverty level threshold is much lower compared to the state's minimum wage, the number of eligible families will continue to decrease and could result in fewer families being served if the transition does not occur. The number of school readiness children served is based on the annual appropriation each year provided in the GAA. If the forecasted number of eligible children should increase, without additional funding, there would be an increased number of children placed on the waitlist.

VI. Technical Deficiencies:

None.

VII. Related Issues:

VIII. Statutes Affected:

This bill substantially amends the following sections of the Florida Statutes: 1002.81, 1002.82, 1002.84, 1002.85, 1002.87, and 1002.89.

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 Appropriations Committee on Pre-K - 12 Education on April 10, 2025:
The committee substitute modifies the bill to specify the first subsequent priority group for participation in the School Readiness program includes household incomes at or less than 55 percent of the state median income.

B. Amendments:

None.