The bill modifies provisions relating to the school readiness program. Specifically, the bill:

- Requires the Office of Early Learning (OEL) to:
  - Identify observation-based child assessments for use by school readiness program providers at least three times a year, and specifies related requirements.
  - Adopt a program assessment for school readiness program providers that measures the quality of teacher-child interactions, including supports such as classroom organization and instructional supports, for children ages birth to 5 years, and specifies related requirements.
  - Develop a differential payment of 15 percent for school readiness program providers based on teacher-child interaction quality measures, with no more than 5 percent of the 15 percent total differential provided to providers who submit valid and reliable observation-based assessment data.
  - Revise the standard statewide provider contract to include contracted slots; quality improvement strategies, if applicable; and program assessment requirements.
  - Provide that termination of the standard statewide provider contract for cause, for up to 5 years, must also include failure to meet minimum quality measures of the program assessment, unless the early learning coalition (ELC) determines that the provider is essential to meeting capacity needs and the provider has an active improvement plan.
  - Modify the single statewide information system to provide access to a parent to monitor the development of his or her child and enable analysis at the state, regional, and local level to measure child growth over time, program impact, and quality improvement and investment decisions.
  - Modify the annual report published on the OEL’s website to include specified data regarding school readiness program providers’ compliance with requirements relating to the program assessment.
- Revises ELC plans to add information regarding:
  - An assessment of local priorities within the respective county or multi-county region based on the needs of families and provider capacity using available community data.
  - Local eligibility priorities for children, the use of contracted slots, as applicable, in the ELC’s procedures for program implementation, a payment rate schedule, and quality improvement strategies in the description of the ELC’s quality activities and services.
- Revises the child eligibility priorities for participation in the school readiness program based on the ELC’s local priorities; and also revise the definition of “at-risk” children for eligibility purposes.
• Revises the eligibility requirements for providers to deliver the school readiness program to specify that the providers must participate in a program assessment that measures the quality of teacher-child interactions.
• Authorizes the use of the award of grants and financial supports to school readiness program providers and their staff to meet program assessment requirements.

The bill appropriates $6 million in nonrecurring funds for the 2018-2019 fiscal year from the Child Care and Development Block Grant Trust Fund to the OEL to implement the program assessment for school readiness program providers.

If approved by the Governor, these provisions take effect July 1, 2018.
Vote: Senate 36-1; House 114-0