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SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

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

Date: March 19, 1998 Revised: \_\_\_\_\_

Subject: Early Education & Child Care

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Crosby</u>	<u>Whiddon</u>	<u>CF</u>	<u>Favorable/CS</u>
2.	<u>Harkey</u>	<u>O'Farrell</u>	<u>ED</u>	<u>Favorable/CS</u>
3.	_____	_____	<u>WM</u>	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

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**I. Summary:**

This bill establishes a State Readiness Commission as a 12-member citizen board appointed by the Governor to coordinate efforts toward school readiness and to provide independent policy analysis and recommendations to the Governor, the State Board of Education, and the Legislature. A 27-member School Readiness Coordinating Council is created and is responsible for advising the School Readiness Commission regarding policies for local implementation.

The bill establishes the early education and child care program with participation at the option of each county. This program may be implemented in any county by agreement of the district school system and the Department of Children and Family Services, with the approval of the School Readiness Commission. School Readiness Coalitions must develop a plan for implementation, including scheduled activities and instruction; develop a reimbursement rate schedule to encompass all publicly funded early education and child care programs; conduct an evaluation, including performance standards and outcome measures; and submit a report to the School Readiness Commission and the Legislature. A fiscal agent must be selected to provide all administrative and direct funding services. Parental choice is ensured to the maximum extent possible. Nothing in this act will increase the standards which must be met by family child care providers, but children served by family child care providers will be assessed for school readiness upon entering public or private kindergarten or first grade.

This act takes effect upon becoming a law.

This bill creates section 402.265 and repeals section 411.222(4), Florida Statutes.

## **II. Present Situation:**

### **Readiness for School**

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

Both academic knowledge and habits of mind are learned. As some children spend their preschool years in nurturing, stimulating families and high quality preschools and others spend those years in child care centers that are safe but not educational and in families that are minimally nurturing or perhaps even neglectful, the latter group arrives at school at a severe disadvantage compared to the first. While public schools have a common understanding of the elements of school readiness, they do not measure readiness in the same way. And the school personnel's understanding of what constitutes readiness has not been communicated to society in general.

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

If all children are to be ready for school, information about the elements of readiness and how it is measured must be available to all families, whether or not their children are in child care or preschool programs. In order for any measure to be meaningful, readiness should be determined in a uniform way across the state. The instrument for determining readiness must be administered by a person who is properly trained to use the instrument to screen children for readiness. The screening should be available in various locations, not just in schools. The data collected from the screening should be information that is useful to program providers to let them know how well they are preparing children for school.

## **National Goal I**

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

## **Florida’s Goal 1**

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

The Florida Commission on Education Reform and Accountability, popularly known as The Accountability Commission, adopted two standards for Goal I. Standard # 1 is: “Before entrance to Florida public schools, children have received appropriate health and social services so that optimum learning can occur.” Standard # 2 is: “At entrance to Florida public schools, children will be at a developmental level of physical, social and intellectual readiness necessary to ensure success as a learner.” The Accountability Commission recommended outcomes for the standards that involved optimal use of state and community programs and resources.

The standards and outcomes are in a document entitled Florida’s System of School Improvement and Accountability that was adopted by the State Board of Education and has the force of rule. The Accountability Commission also adopted an accountability indicator: *The number and percentage of students meeting the expectations of the state for school readiness as determined by a formal observation of each kindergarten student using an instrument that meets guidelines developed by the Department of Education.*

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

In June, 1996, the Department of Education distributed a list of 16 Expectations for School Readiness that school districts must use in screening kindergarten students. The list is a compilation of the areas included in the major commercial instruments by which readiness is assessed. School districts use any method they like for determining readiness. Some cite the checklist as the instrument they use, though the checklist is so general it would require much interpretation. Others use locally developed instruments or commercially purchased instruments.

While the DOE reports that 80 percent of children are ready for school, the percentage is not meaningful because the measures are all different.

### **Performance Measures for Subsidized Child Care**

Florida's subsidized child care program is gathering information from school districts regarding the readiness of children who were in a subsidized center or family child care home for nine consecutive months prior to kindergarten. This information is proposed as an outcome measure in the performance based budgeting for the subsidized child care program.

### **The Readiness Committee Recommendations**

The Governor's Commission on Education, was created by executive order on September 20, 1996, to conduct a wholesale review of Florida's public schools from prekindergarten through college. The commission was specifically asked to address the objective of improving readiness for school, and an appointed Readiness Committee made recommendations that were adopted by the commission on December 15, 1997. The recommendations are as follows:

1. Elevate health care, child care, and early education for children 0-5, and their families, to the top of Florida's agenda, statewide and in every county.
2. Recognizing the primacy of parental responsibility, enhance all parents' understanding of child development. Maximize their involvement in publicly funded care and education programs.
3. Reform state and local governance and organization structures.
  - A. To elevate the well-being of children from birth to five to a top priority at the state level, the Legislature should create a Florida Children's Policy Council.
  - B. The state should create a Children's Cabinet, reporting to the Florida Children's Policy Council....
  - C. The role of the State Coordinating Council for Early Childhood Services...should be re-examined.
  - D. Each county should be encouraged, with significant incentive funding and waiver authority, to create or designate local children's services councils or their equivalents....
4. Ensure that every program or service for children before kindergarten is recognized as part of Florida's readiness system.
  - A. Blend early childhood funding streams over which the state and local governments have control to maximize services from existing funding.
  - B. Increase the quality of early childhood programs, particularly child care.
    1. Review regulatory requirements and licensing and registration standards.
    2. Improve professional development to improve the quality of care giving, to provide opportunities for increased pay, and to reduce turnover.

3. Encourage accreditation.
4. Link program training and delivery at the local level.
5. Use new federal funding and tobacco liability funds to pay for early childhood health enhancements to increase readiness for school.
6. Make a multi-year commitment to fully fund comprehensive child care and quality early education, as developed in local coalitions, through a combination of federal, state, local, and private resources.
7. Enhance the role of public schools in the provision of coordinated early childhood services.
8. Increase private sector involvement.
9. Improve performance measures and evaluations of early childhood care and education programs.
  - A. Competitive outside evaluation of all state funded children's readiness programs, including subsidized child care should be resumed.
  - B. The Department of Education should complete its refinement of the kindergarten readiness system to gather more useful information regarding the background of all children assessed in kindergarten for performance budgeting purposes.
  - C. The standards (required of the Departments of Education and Children and Families by the 1996 Legislature) should be finalized and become the basis for performance based budgeting and any other accountability reporting by early childhood care and education programs.

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

Chapter 411, F.S., requires collaboration between DOE and CFS to provide early assistance to children who are handicapped or at risk of developmental delay in order to help the children achieve optimum growth and development. This chapter creates the State Coordinating Council for Early Childhood Services which advises the Governor, the Legislature, and state agencies regarding the coordination of the various programs serving preschool children. The council members represent the various public and private programs and services for preschool children and their families. The council is not assigned to a single agency, but rather floats back and forth between DOE and C&F in alternate years. In some years the council was without support staff in its assigned agency, a situation which contributed to an unevenness in the council's effectiveness. The Readiness Committee recommended re-examining the role of this council.

### **Publicly Funded Early Education and Care Programs**

A number of publicly funded programs serve children ages birth to five and provide educational activities for their parents. The three largest programs--prekindergarten early intervention,

subsidized child care, and Head Start--serve approximately 126,000 preschool children. According to the report of the Readiness Committee, approximately 70 percent of eligible children are served by those three programs. The programs were created to serve different purposes, have differing levels of quality, and operate on different schedules and calendars. Coordination across these and other early education programs and services at the local level is reportedly varied.

#### *Subsidized Child Care*

The state and federally funded subsidized child care program, administered through the Department of Children and Family Services, provides care for children from birth through age 12 at hours that accommodate the family's work schedule. Florida has operated a subsidized child care program for approximately 20 years. The purpose of the program, as described in s. 402.3015, F.S., is "to provide quality child care to enhance the development, including language, cognitive, motor, social, and self-help skills of children who are at risk of abuse or neglect and children of low-income families." The goal is to promote financial self-sufficiency and life skills for the families of these children. Priority for participation in the subsidized child care program is accorded to children under 13 years of age who are determined to be at risk of abuse, neglect, or exploitation and who are currently clients of the Department's Children and Families Services Program Office; children at risk of welfare dependency, including children of participants in the WAGES Program, children of migrant farm workers, children of teen parents, and children of other families at risk of welfare dependency; and, children of working poor families.

#### *Prekindergarten Program*

The prekindergarten program established in s. 230.2305, F.S., is designed to serve economically disadvantaged 3- and 4-year-olds, the majority of whom shall be 4 years of age, in educational programs administered by district school boards. This program is funded by a direct appropriation of lottery dollars. School districts may spend the funds they receive to implement and conduct a prekindergarten program or to contract with public or non-public entities to serve eligible children. Each school district's prekindergarten plan is developed by the school board in coordination with the local interagency coordinating council on early childhood services. Each coordinating council must include private and subsidized child care program representatives as well as representatives from the federally funded Head Start program.

#### *Head Start*

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

The following chart shows requirements, funding levels, and eligibility for the three programs.

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

	<b>Child Care</b>	<b>Prekindergarten EI</b>	<b>Head Start</b>
<b>Total Funding</b>	\$332 million	\$97 million	\$152 million
<b>Avg. Expenditure Per Child Per Year</b>	\$3,750	\$3,200	\$4,968 (for comprehensive services)
<b>Hours of Service</b>	10 hours per day, 249 days per year	6 hours per day, 180 days per year	6-12 hours per day, 180-260 days per year
<b>Avg. Expenditure Per Child Per Hour</b>	\$1.44	\$2.96	\$4.20-\$4.50
<b>Children Served</b>	72,750 (under age 5)	27,000	30,614
<b>Maximum Family Income</b>	150% of federal poverty level	130% of federal poverty level	100% of federal poverty level
<b>Parent Fees Charged</b>	Yes; sliding scale	No	No
<b>Staff Requirements</b>	Centers have 1 CDA or equivalent per 20 children  Family day care homes complete 3-hour course. No requirements for informal providers.	DOE-certified teacher or CDA with supervision from certified teacher; others complete a 30-hour training	Teacher must have CDA or equivalent. Aide must have diploma and be enrolled in CDA program.
<b>Staff: Child Ratios</b>			
<b>Birth-12 Months</b>	1:4		Birth through 3 1:4
<b>12-24 Months</b>	1:6		
<b>2-year-olds</b>	1:11		
<b>3-year-olds</b>	1:15	1:10	1:7.5
<b>4-year-olds</b>	1:20	1:10	1:10

**III. Effect of Proposed Changes:**

**School Readiness Commission**

This bill creates the 12-member School Readiness Commission to serve as a citizen board to coordinate the efforts toward school readiness in the state. The members must be business, community, and civic leaders in the state who are not elected to public office and who do not earn

their income in the early education and child care industry. The commission will be appointed by the Governor and will serve staggered four-year terms. The members must be approved by three members of the State Board of Education, other than the Governor, and must be confirmed by the Senate. The commission will be assigned to the Executive Office of the Governor for administrative purposes. The commission will appoint an executive director who will be the chief administrative officer of the commission. Members of the commission will receive per diem and reimbursement for travel expenses.

The commission will do the following things:

Prepare and submit to the State Board of Education a system for measuring school readiness. The system must include a screening instrument, or instruments, to provide objective data regarding the sixteen expectations for school readiness published by the Department of Education. The system must provide all children in the state the opportunity to undergo the screening before their entry into kindergarten. The screening instrument and the training required to administer it must be available to public and private providers of preschool and child care programs.

Establish a method for collecting data from the screening and guidelines for using the data.

Contract with an independent entity to conduct an evaluation of the measurement system.

Adopt rules to implement the specific activities required of the commission and recommend to the Governor, the Commissioner, and the State Board of Education rules, and revisions or repeal of rules, to provide regulatory flexibility that would increase the effectiveness of programs that prepare children for school.

Consult with representatives of district school systems, providers of public and private child care, health care providers, large and small employers, and experts in child development as the system is developed and implemented.

Approve local plans and award incentive grants to school readiness coalitions.

### **School Readiness Coordinating Council**

The bill establishes the School Readiness Coordinating Council to advise the School Readiness Commission regarding policies for local implementation. The council is housed in the Executive Office of the Governor for administrative purposes. Membership is specified as follows: the Deputy Commissioner of Education Programs, Department of Education; the Secretary of the Department of Children and Family Services or a designee; the Secretary of the Department of Health or a designee; the Chair of the Child Care Partnership Board; the Executive Director of the State WAGES Board; the President of the Florida Pediatric Society; the Chair of the Florida



Council of 100; the President of the Head Start Directors Association; the President of the Florida Children's Forum; the Chair of the Developmental Disabilities Council; the Director of the Healthy Start Coalition Association; the President of the Florida School Board Association; the Chair of the Florida Association of Family Child Care Homes; the Chair of a School Readiness Coalition; the Chair of the Florida Association of Child Care Management; the Executive Director of the Early childhood Association; the Chair of the Florida Interagency Coordinating Council for Infants and Toddlers; the Coordinator of the Florida Parent Resource Organization; a representative of the Family Network on Disabilities of Florida; the President of the Children's Services Council Association of Florida; the Director of the Agency for Health Care Administration; the President of the State of Florida P.T.A.; and an additional five members from the private sector business community.

### **The Early Education and Child Care Program**

The bill creates s. 402.265, F.S., to establish the early education and child care program. Implementation of the program is optional, on a county-by-county basis. If a county does implement a program, all publicly funded early education and child care programs, including prekindergarten, Head Start, public and private child care, preschool programs for children with disabilities, programs for migrant children, Title I programs, subsidized child care, teen parent programs and others must be coordinated to prepare children for school.

Eligibility for admission to the program is as follows:

- ▶ Children of participants in the WAGES program are the only children eligible for services funded through the federal Temporary Assistance for Needy Families program;
- ▶ Children under 6 years of age who are current clients of the Department of Children and Families and who are determined to be at risk of abuse, neglect or exploitation; children at risk of welfare dependency, and children of the working poor;
- ▶ Children who meet the eligibility requirements for the prekindergarten early intervention program under s. 230.2305, F.S.

Performance standards and outcome measures are established which all publicly funded early education and child care programs must meet. Standards and measures include preparing preschool children to enter kindergarten ready to learn, providing extended day and extended year services when possible, coordinating staff development and teaching opportunities, expanding access to community services and resources for families to help achieve economic self-sufficiency, providing a simplified point of entry and unified waiting list, and serving at least as many children as were served prior to implementation of the program.

Programs must contain the following elements:

- ▶ staff-child interaction;
- ▶ developmentally appropriate curriculum;
- ▶ an appropriate staff to child ratio;
- ▶ continuity of care;

- ▶ group size;
- ▶ a healthy and safe environment;
- ▶ varied family components;
- ▶ quality services at an identified cost; and
- ▶ a resource and referral network to assist parents in making informed choices.

Each county that decides to have an early education and child care program must establish a School Readiness Coalition to prepare a plan and submit it to the School Readiness Commission for approval. The School Readiness Coalition will consist of a minimum of 12 members and must include an administrator from the three major program providers: the school board, the central agency for child care and the Head Start program. If a county elects to participate in the early education and child care program, the School Readiness Coalition will replace the district interagency coordinating council in that county.

The program may be implemented in any county by agreement of the district school system and the Department of Children and Family Services district, with the approval of the School Readiness Commission. School Readiness Coalitions shall prepare and submit the plan for implementation. The early education and child care program shall include minimum standards and provisions for a sliding fee scale, a choice of settings, and trained instructional staff. Two or more counties may join together to plan and implement a program of this type.

The School Readiness Coalition must develop a reimbursement rate schedule to encompass all publicly funded early education and child care programs.

The fiscal agent must be a public entity or a private non-profit organization. The fiscal agent will provide all administrative and direct funding services as required by the coalition. The fiscal agent must ensure that funds are expended in the manner and for the purpose required by the funding source.

The program must ensure parental choice through flexibility in early education and child care arrangements, as well as payment arrangements. The program can be directly operated or provided through by voucher or contract. The subsidized child care program requires vouchers as an option; thus, these three methods reflect current practice. The Department of Children and Family Services, in consultation with the Comptroller, must establish an electronic disbursement system for disseminating funds and vouchers.

Each School Readiness Coalition must conduct an evaluation and provide an annual report and accounting to the School Readiness Commission and the Legislature.

In the event of a conflict between state and federal requirements, federal requirements control. Nothing in this act will increase the standards which must be met by family child care providers; children served by family child care providers will be assessed upon entering public or private kindergarten or first grade.

Subsection (4) of s. 411.222, F.S., is repealed.

The bill takes effect upon becoming a law.

**IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

The corresponding trust fund is established in Senate Bill 180, in compliance with Art. III, s. 19(f)(2) of the Florida Constitution, which requires that a trust fund be created in a separate bill for that purpose only.

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

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The system for measuring school readiness should provide useful information to private providers of preschool and child care regarding the success of their programs in preparing children for school.

C. Government Sector Impact:

The annual budget for the 23-member Florida Commission on Education Reform and Accountability is approximately \$370,000. An estimated cost for the School Readiness Commission--for per diem and travel for 12 commissioners and staff, salaries and benefits for the executive director and staff, office space, equipment and operating expenses--would cost approximately \$250,000 to \$300,000.

The State Coordinating Council for Early Childhood Services receives an annual appropriation of \$77,500 to cover the cost of members' travel and per diem. When that Council is replaced by the School Readiness Coordinating Council, the same funds could support the new council.

This bill requires each School Readiness Coalition to conduct an evaluation and submit an annual report to the State Readiness Commission and Legislature. No estimated cost and/or increase in cost is provided to staff by the Departments of Children and Family Services or Education.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.