

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.)

BILL: CS/SB 1014

SPONSOR: Fiscal Policy Committee and Senator Cowin

SUBJECT: School Readiness Trust Fund

DATE: February 18, 1999 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>McKee</u>	<u>Hadi</u>	<u>FP</u>	<u>Favorable/CS</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

This bill creates the School Readiness Trust Fund, to be administered by the Executive Office of the Governor. Funds are to be used as provided in CS/SB 366 and 382 or similar legislation.

The bill will take effect July 1, 1999, if CS/SB 366 and 382 or similar legislation is adopted in the same legislative session or an extension thereof.

II. Present Situation:

Currently there are three major publicly funded early child care and education programs: the subsidized child care program, administered by the Department of Children and Families, the Pre-Kindergarten program, administered by the Department of Education, and the Head Start program, administered through various local agencies by contract with the federal government.

CS/SB 366 and 382 creates the Florida Partnership for School Readiness. One of the responsibilities of the Partnership is to present to the Legislature a plan for combining funding streams for school readiness programs into a School Readiness Trust Fund. Currently there is no such fund.

III. Effect of Proposed Changes:

Section 1 creates the School Readiness Trust Fund, to be administered by the Executive Office of the Governor.

Section 2 specifies that the funds budgeted for the prekindergarten early intervention program, the subsidized child care program, and other state or locally funded education and care programs for preschool children may be transferred to the School Readiness Trust Fund. Additional funds, including state-appropriated incentive funds, may be placed in the trust fund for purposes of this section.

All funds transferred to and retained in the trust fund are to be invested pursuant to s. 18.125, Florida Statutes. Any undisbursed balance remaining in the trust fund and interest accruing to the trust fund not distributed at the end of the fiscal year shall remain in the trust fund to increase the total funds available for the coalitions.

The Partnership for School Readiness shall annually distribute to the fiscal agent funds from the trust fund for the benefit of that coalition. Additional funds and investment income from the trust fund shall be distributed to the coalitions implementing school readiness programs based on achievement of performance outcomes or need, or a combination thereof.

State funds appropriated for the school readiness program may not be used for the construction of new facilities, the transportation of students, or the purchase of buses, but may be used for educational field trips that enhance the curriculum.

Section 3 specifies that the termination date of the trust fund is July 1, 2003. Prior to its scheduled termination, the trust fund shall be reviewed as provided in Section 215.3206 (1) and (2), Florida Statutes.

Section 4 creates an effective date of July 1, 1999, if CS/SB 366 and 382 or similar legislation is adopted in the same legislative session or an extension thereof.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

Funds are to be distributed to the coalitions implementing school readiness programs. Funds may not be used for construction of new facilities, the transportation of students, or the purchase of buses, but may be used for educational field trips that enhance the curriculum.

D. Other Constitutional Issues:

None

V. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None

C. Government Sector Impact:

CS/SB 366 and 382 creates the Florida Partnership for School Readiness. One of the responsibilities of the Partnership is to present to the Legislature by February 15, 2000, a plan for combining funding streams for school readiness programs into a School Readiness Trust Fund.

In CS/SB 1014, the trust fund is to be created in the State Treasury, to be administered by the Executive Office of the Governor. The Partnership for School Readiness, which is administratively assigned to the Governor's Office in CS/SB 366 and 382, will determine the distribution of funds to the coalitions. The impact of this workload will be absorbed within the resources provided to the Partnership to implement CS/SB 366 and 382.

VI. Technical Deficiencies:

None

VII. Related Issues:

None.

VIII. Amendments:

None.