

**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 Fiscal Policy

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BILL: SB 1102

INTRODUCER: Senator Calatayud

SUBJECT: School Readiness Program

DATE: April 16, 2025

REVISED: \_\_\_\_\_

ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1. Sabitsch	Bouck	ED	<b>Favorable</b>
2. Gray	Elwell	AED	<b>Favorable</b>
3. Sabitsch	Siples	FP	<b>Pre-meeting</b>

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## I. Summary:

SB 1102 expands criteria for eligibility for children with special needs served in the School Readiness (SR) program and provides specific accountability and training criteria for SR providers to be eligible to receive a special needs differential allocation.

This bill does not have an immediate fiscal impact on state expenditures. **See Section V. Fiscal Impact Statement.**

The bill takes effect on July 1, 2027.

## 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.<sup>1</sup>

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

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<sup>1</sup> 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> (last visited Mar. 19, 2025).

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.

The SR program uses the Classroom Assessment Scoring System<sup>®</sup> (CLASS) to measure the quality of teacher-child interactions in SR programs. In Fiscal Year 2023–2024, 4,699 SR providers participated in CLASS. Providers, unless exempt, must receive a score of at least 4.00 on the CLASS to be eligible to be eligible for a SR contract. In Fiscal Year 2023–2024, almost 99 percent (4,642) of participating SR providers met the minimum contracting threshold by scoring 4.00 or higher on CLASS.

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.<sup>2</sup>

### ***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.<sup>3</sup> The definition is used to determine eligibility for and priority status in the SR program.

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 SR 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.

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<sup>2</sup> 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> (last visited Mar. 19, 2025).

<sup>3</sup> Section 1002.81(6), F.S.

- 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).<sup>4</sup>

### ***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;
- 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.<sup>5</sup>

A parent may not transfer SR program services to another SR 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.<sup>6</sup>

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 ELCs for distributing the SR program funds to eligible providers come from the DOE in accordance with the policies of the Legislature.<sup>7</sup>

All state, federal, and local matching funds provided to an ELC are to be used for implementation of its approved SR program plan, including the hiring of staff to effectively operate the SR program.<sup>8</sup>

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

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<sup>4</sup> Section 1002.87(1), F.S.

<sup>5</sup> Section 1002.84(9), F.S.

<sup>6</sup> *Id.*

<sup>7</sup> Section 1002.84(17), F.S.

<sup>8</sup> Section 1002.89(3), F.S.

allocated may be used in any fiscal year for any combination of administrative costs, quality activities, and nondirect services.<sup>9</sup>

#### Gold Seal Quality Care Program Allocation.

The Gold Seal Quality Care Program allocation provides eligible SR program providers with the established rate differential. A childcare facility which achieves Gold Seal Quality status and which participates in the School Readiness program shall receive a minimum of a 20 percent rate differential for each enrolled School Readiness child by care level and unit of childcare.<sup>10</sup>

Subject to legislative appropriation, all expenditures from the Gold Seal Quality Care Program allocation are required to be used by the DOE to help meet federal targeted requirements for improving quality to the extent allowable in the state's approved Child Care and Development Fund Plan.<sup>11</sup>

#### Differential Payment Program Allocation.

The differential payment program allocation provides eligible SR program providers the differential pay<sup>12</sup> established by the DOE. Subject to legislative appropriation, all expenditures from the differential payment program allocation must be used by the DOE to help meet federal targeted requirements for improving quality to the extent allowable in the state's approved Child Care and Development Fund Plan.<sup>13</sup>

#### Special Needs Differential Allocation.

The special needs differential allocation provides assistance to eligible SR program providers to implement the special needs rate provisions defined in the state's approved Child Care and Development Fund Plan. Subject to legislative appropriation, each early learning coalition must be reimbursed based on actual expenditures. All expenditures from the special needs differential allocation must be used by the DOE to help meet federal targeted requirements for improving quality to the extent allowable in the state's approved plan.<sup>14</sup>

### **III. Effect of Proposed Changes:**

This bill modifies s. 1002.87, F.S., to expand in priorities for the School Readiness (SR) program the description of a child who has special needs to include a child who requires additional accommodations beyond those required by the Americans with Disabilities Act, and requires that a child's special needs and the associated accommodations be validated by one of the following who is not the child's parent or a person employed by the childcare provider:

- A licensed health care professional.
- A licensed mental health professional.
- An educational psychologist.

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<sup>9</sup> Section 1002.89(4), F.S.

<sup>10</sup> Section 1002.945(6), F.S.

<sup>11</sup> Section 1002.89(1), F.S.

<sup>12</sup> Section 1002.82(2)(o), F.S.

<sup>13</sup> Section 1002.89(1)(c), F.S.

<sup>14</sup> Section 1002.89(1)(d), F.S.

The bill requires the following documentation to be used in determining a child's eligibility for accommodations:

- A current individual education plan (IEP) with a Florida school district.
- A current individualized family support plan (IFSP).
- A determination of required accommodations.

The bill allows an SR provider to be eligible to receive additional funding through the special needs differential for an eligible child.

The bill modifies s. 1002.89(1), F.S., to provide eligibility requirements that must be met by July 1, 2027, in order for SR providers to receive additional funding under the special needs differential allocation that include:

- Meeting or exceeding the minimum CLASS composite score for contracting.
- Completing training on early identification of social and communication delays specified by the Department of Education (DOE).
- Completing 10 hours of training in inclusive early childhood or inclusive school-age education practices within the preceding two-year period.
- Completing an additional 10 hours of training in each subsequent five-year period as required by the DOE.

The bill takes effect on July 1, 2027.

#### **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:**

As the implementation of the bill does not occur until 2027, there is no immediate impact for the 2025–2026 fiscal year. For Fiscal Year 2025–2026 and annually thereafter, the fiscal impact to state expenditures would be an estimated \$6.7 million, if every potentially eligible child were to qualify for and receive the special needs differential. It is unknown how many additional providers/children, if any, would qualify for and receive the special needs differential. This population may receive services through other sources, reducing the potential fiscal impact.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:****Section 1**

The bill prohibits a child's parent from being able to validate special needs and accommodations. The bill sponsor may consider expanding the prohibition to include relatives of the child.

The bill requires "a determination of required accommodations" to determine a child's eligibility for accommodations. It is unclear if this determination is the documentation resulting from validation by a licensed health care professional, a licensed mental health professional, or an educational psychologist.

**Section 2**

The bill specifies that an SR provider must complete various training. The bill sponsor may wish to specify the individual who must complete the training: the owner/operator of a provider or all employees of the provider.

The bill specifies that to receive funding through the special needs differential in 2027, an SR provider must complete an additional 10 hours of training in a subsequent five-year period. Such a timeline is inconsistent with an annual award. In order to provide for annual eligibility for the special needs differential, the sponsor may wish to specify two hours of training per year.

In order to authorize SR providers to complete the required two years of training by 2027, the bill sponsor may wish to make the effective date of the bill July 1, 2025.

**VIII. Statutes Affected:**

This bill substantially amends the following sections of the Florida Statutes: 1002.87 and 1002.89.

**IX. Additional Information:**

**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

**B. Amendments:**

None.

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This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

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