1 A bill to be entitled 2 An act relating to funding for the school readiness 3 program; amending s. 1002.81, F.S.; conforming a 4 cross-reference to changes made by the act; amending 5 s. 1002.82, F.S.; requiring the Department of 6 Education to establish procedures for the annual 7 calculation of the prevailing market rate and the 8 annual collection of certain data; conforming cross-9 references to changes made by the act; amending s. 1002.84, F.S.; establishing the distribution 10 11 methodology that early learning coalitions must use to 12 distribute school readiness program funds to eligible 13 providers; providing requirements for early learning coalitions; amending s. 1002.85, F.S.; revising the 14 15 requirements for the school readiness program plan 16 submitted to the department by early learning coalitions; amending s. 1002.87, F.S.; conforming a 17 18 cross-reference to changes made by the act; amending 19 s. 1002.89, F.S.; providing for the determination of school readiness program funding for early learning 20 21 coalitions; providing requirements for such funding 22 calculations; amending s. 1002.895, F.S.; providing 23 for the determination of the market rate schedule; 24 requiring the department to establish procedures for the annual collection of specified data; requiring the 25

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department to provide certain data to the Early
Learning Programs Estimating Conference; creating s.
1002.90, F.S.; requiring the principals of the
conference to annually develop official cost-of-care
information; providing requirements for conference
principals; requiring the department to provide
conference principals with specified data; requiring
the conference to annually provide the official costof-care information to the Legislature by a specified
date; amending s. 1002.92, F.S.; requiring certain
child care facilities to annually provide specified
data to the statewide child care and resource and
referral network; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (4) of section 1002.81, Florida Statutes, is amended to read:

1002.81 Definitions.—Consistent with the requirements of 45 C.F.R. parts 98 and 99 and as used in this part, the term:

 (4) "Direct enhancement services" means services for families and children that are in addition to payments for the placement of children in the school readiness program. Direct enhancement services for families and children may include supports for providers, parent training and involvement

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activities, and strategies to meet the needs of unique populations and local eligibility priorities. Direct enhancement services offered by an early learning coalition shall be consistent with the activities prescribed in  $\underline{s.\ 1002.89(4)(b)}$  s.  $\underline{1002.89(5)(b)}$ .

Section 2. Paragraphs (d), (m), and (p) of subsection (2) and paragraph (a) of subsection (7) of section 1002.82, Florida Statutes, are amended to read:

1002.82 Department of Education; powers and duties.-

(2) The department shall:

- (d) Establish procedures for the <u>annual</u> biennial calculation of the prevailing market rate <u>and procedures for the annual collection of data to support the calculation of the cost of care pursuant to s. 1002.90 or an alternative model that has been approved by the Administration for Children and Families pursuant to 45 C.F.R. s. 98.45(c).</u>
- (m) Provide technical support to an early learning coalition to facilitate the use of a standard statewide provider contract adopted by the department to be used with each school readiness program provider, with standardized attachments by provider type. The department shall publish a copy of the standard statewide provider contract on its website. The standard statewide contract shall include, at a minimum, contracted slots, if applicable, in accordance with the Child Care and Development Block Grant Act of 2014, 45 C.F.R. parts 98

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and 99; quality improvement strategies, if applicable; program assessment requirements; and provisions for provider probation, termination for cause, and emergency termination for those actions or inactions of a provider that pose an immediate and serious danger to the health, safety, or welfare of the children. The standard statewide provider contract shall also include appropriate due process procedures. During the pendency of an appeal of a termination, the provider may not continue to offer its services. Any provision imposed upon a provider that is inconsistent with, or prohibited by, law is void and unenforceable. Provisions for termination for cause must also include failure to meet the minimum quality measures established under paragraph (n) for a period of up to 5 years, unless the coalition determines that the provider is essential to meeting capacity needs based on the assessment under s. 1002.85(2)(i) s.  $\frac{1002.85(2)(j)}{2}$  and the provider has an active improvement plan pursuant to paragraph (n).

(p) No later than July 1, 2022, develop and adopt requirements for the implementation of a program designed to make available contracted slots to serve children at the greatest risk of school failure as determined by such children being located in an area that has been designated as a poverty area tract according to the latest census data. The contracted slot program may also be used to increase the availability of child care capacity based on the assessment under <u>s</u>.

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1002.85(2)(i) s. 1002.85(2)(j).

- (7) By January 1 of each year, the department shall annually publish on its website a report of its activities conducted under this section. The report must include a summary of the coalitions' annual reports, a statewide summary, and the following:
- (a) An analysis of early learning activities throughout the state, including the school readiness program and the Voluntary Prekindergarten Education Program.
- 1. The total and average number of children served in the school readiness program, enumerated by age, eligibility priority category, and coalition, and the total number of children served in the Voluntary Prekindergarten Education Program.
- 2. A summary of expenditures by coalition, by fund source, including a breakdown by coalition of the percentage of expenditures for administrative activities, quality activities, nondirect services, and direct services for children.
- 3. A description of the department's and each coalition's expenditures by fund source for the quality and enhancement activities described in s. 1002.89(4) (b) s. 1002.89(5) (b).
- 4. A summary of annual findings and collections related to provider fraud and parent fraud.
- 5. Data regarding the coalitions' delivery of early learning programs.

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6. The total number of children disenrolled statewide and the reason for disenrollment.

7. The total number of providers by provider type.

- 8. The number of school readiness program providers who have completed the program assessment required under paragraph (2)(n); the number of providers who have not met the minimum program assessment composite score for contracting established under paragraph (2)(n); and the number of providers that have an active improvement plan based on the results of the program assessment under paragraph (2)(n).
- 9. The total number of provider contracts revoked and the reasons for revocation.
- Section 3. Subsection (17) of section 1002.84, Florida Statutes, is amended to read:
- 1002.84 Early learning coalitions; school readiness powers and duties.—Each early learning coalition shall:
- (17) (a) Distribute the school readiness program funds as allocated in the General Appropriations Act to the eligible providers using the following methodology:
- 1. For each county in the early learning coalition, multiply the cost of care by care level as provided in s.

  1002.90 by the county's district cost differential provided in s. 1011.62(2).
- 2. If a county enacted a local ordinance before

  January 1, 2022, that establishes the county's staff-to-children

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151	ratio for licensed child care facilities below the ratio
152	established in s. 402.305(4), multiply the provider
153	reimbursement rates for that county by the adjustment factor
154	specified in the General Appropriations Act.
155	3. Apply the weight established pursuant to s. 1002.90 for
156	each provider type to calculate the minimum provider
157	reimbursement rates by care level.
158	4. Multiply the weighted provider reimbursement rates by
159	22 percent to determine the amount of the school readiness
160	allocation an early learning coalition is eligible to retain
161	pursuant to s. 1002.89(4).
162	(b) Distribute to each eligible provider the minimum
163	provider reimbursement rate, by provider type and care level,
164	regardless of the provider's private pay rate. All minimum
165	provider reimbursement rates shall be charged as direct services
166	pursuant to s. 1002.89.
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168	Each early learning coalition with approved minimum provider
169	reimbursement rates for the infant to age 5 care levels that are
170	higher than the minimum provider reimbursement rates established
171	in this subsection may continue to implement its approved
172	minimum provider reimbursement rates until the rates established
173	in this subsection exceed its approved rates Adopt a payment
L74	schedule that encompasses all programs funded under this part
175	and part V of this chapter. The payment schedule must take into

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consideration the prevailing market rate or an alternative model that has been approved by the Administration for Children and Families pursuant to 45 C.F.R. s. 98.45(c), include the projected number of children to be served, and be submitted for approval by the department. Informal child care arrangements shall be reimbursed at not more than 50 percent of the rate adopted for a family day care home.

Section 4. Paragraphs (c) through (j) of subsection (2) of section 1002.85, Florida Statutes, are redesignated as paragraphs (b) through (i), respectively, and present paragraphs (b) and (c) of that subsection are amended to read:

1002.85 Early learning coalition plans.-

- (2) Each early learning coalition must biennially submit a school readiness program plan to the department before the expenditure of funds. A coalition may not implement its school readiness program plan until it receives approval from the department. A coalition may not implement any revision to its school readiness program plan until the coalition submits the revised plan to and receives approval from the department. If the department rejects a plan or revision, the coalition must continue to operate under its previously approved plan. The plan must include, but is not limited to:
- (b) The minimum number of children to be served by care level.
  - (b) (c) The coalition's procedures for implementing the

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201	requirements of this part, including:
202	1. Single point of entry.
203	2. Uniform waiting list.
204	3. Eligibility and enrollment processes and local
205	eligibility priorities for children pursuant to s. 1002.87.
206	4. Parent access and choice.
207	5. Sliding fee scale and policies on applying the waiver
208	or reduction of fees in accordance with s. 1002.84(9).
209	6. Use of preassessments and postassessments, as
210	applicable.
211	7. Payment rate schedule.
212	7.8. Use of contracted slots, as applicable, based on the
213	results of the assessment required under paragraph (i) <del>(j)</del> .
214	Section 5. Paragraph (c) of subsection (1) of section
215	1002.87, Florida Statutes, is amended to read:
216	1002.87 School readiness program; eligibility and
217	enrollment.—
218	(1) Each early learning coalition shall give priority for
219	participation in the school readiness program as follows:
220	(c) Subsequent priority shall be given, based on the early
221	learning coalition's local priorities identified under <u>s</u> .
222	1002.85(2)(i) s. $1002.85(2)(j)$ , to children who meet the
223	following criteria:
224	1. A child from birth to the beginning of the school year

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for which the child is eligible for admission to kindergarten in

a public school under s. 1003.21(1)(a)2. who is from a working family that is economically disadvantaged, and may include such child's eligible siblings, beginning with the school year in which the sibling is eligible for admission to kindergarten in a public school under s. 1003.21(1)(a)2. until the beginning of the school year in which the sibling is eligible to begin 6th grade, provided that the first priority for funding an eligible sibling is local revenues available to the coalition for funding direct services.

- 2. A child of a parent who transitions from the work program into employment as described in s. 445.032 from birth to the beginning of the school year for which the child is eligible for admission to kindergarten in a public school under s. 1003.21(1)(a)2.
- 3. An at-risk child who is at least 9 years of age but younger than 13 years of age. An at-risk child whose sibling is enrolled in the school readiness program within an eligibility priority category listed in paragraphs (a) and (b) and subparagraph 1. shall be given priority over other children who are eligible under this paragraph.
- 4. A child who is younger than 13 years of age from a working family that is economically disadvantaged.
- 5. A child of a parent who transitions from the work program into employment as described in s. 445.032 who is younger than 13 years of age.

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6. A child who has special needs, has been determined
eligible as a student with a disability, has a current
individual education plan with a Florida school district, and is
not younger than 3 years of age. A special needs child eligible
under this paragraph remains eligible until the child is
eligible for admission to kindergarten in a public school under
s. 1003.21(1)(a)2.

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- 7. A child who otherwise meets one of the eligibility criteria in paragraphs (a) and (b) and subparagraphs 1. and 2. but who is also enrolled concurrently in the federal Head Start Program and the Voluntary Prekindergarten Education Program.
- Section 6. Section 1002.89, Florida Statutes, is amended to read:
  - 1002.89 School readiness program; funding.-
- (1) <u>DETERMINATION OF EARLY LEARNING COALITION SCHOOL</u>

  <u>READINESS PROGRAM FUNDING.—</u>Funding for the school readiness program shall be <u>used by allocated among</u> the early learning coalitions in accordance with this <u>part section</u> and the General Appropriations Act.
- (a) School readiness program allocation.—If the annual allocation for the school readiness program is not determined in the General Appropriations Act or the substantive bill implementing the General Appropriations Act, it shall be determined as follows:
  - 1. For each county in the early learning coalition, the

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total school readiness eligible population, as adopted by the Early Learning Programs Estimating Conference pursuant to s. 216.136(8), shall be multiplied by the county's district cost differential provided in s. 1011.62(2).

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- 2. If a county passed a local ordinance before January 1, 2022, that establishes the county's staff-to-children ratio for licensed child care facilities below the ratio established in s. 402.305(4), multiply the product calculated in subparagraph 1. by the adjustment factor specified in the General Appropriations Act.
- 3. Each county's school readiness allocation shall be based on the county's proportionate share of the total adjusted eligible school readiness population.
- (b) Gold Seal Quality Care Program allocation.—There is created the Gold Seal Quality Care Program allocation to provide eligible school readiness program providers the rate differential established pursuant to s. 1002.945(6). Subject to legislative appropriation, all expenditures from the Gold Seal Quality Care Program allocation shall be used by the department to help meet federal targeted requirements for improving quality to the extent allowable in the state's approved Child Care and Development Fund Plan.
- (c) Differential payment program allocation.—There is created the differential payment program allocation to provide eligible school readiness program providers the differential pay

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established pursuant to s. 1002.82(2)(o). Subject to legislative appropriation, all expenditures from the differential payment program allocation shall be used by the department to help meet federal targeted requirements for improving quality to the extent allowable in the state's approved Child Care and Development Fund Plan.

- created the special needs differential allocation.—There is eligible school readiness 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 shall be reimbursed based on actual expenditures. All expenditures from the special needs differential allocation shall be used by the department to help meet federal targeted requirements for improving quality to the extent allowable in the state's approved plan.
- (2) <u>INSTRUCTION REQUIREMENTS.—All</u> instructions to early learning coalitions for administering this section shall emanate from the department in accordance with the policies of the Legislature.
- (3) All cost savings and all revenues received through a mandatory sliding fee scale shall be used to increase the number of children served.
- (3) (4) MATCHING FUND REQUIREMENTS.—All state, federal, and local matching funds provided to an early learning coalition for

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purposes of this section shall be used for implementation of its approved school readiness program plan, including the hiring of staff to effectively operate the school readiness program.

- (4)(5) COST REQUIREMENTS.—Costs shall be kept to the minimum necessary for the efficient and effective administration of the school readiness program with the highest priority of expenditure being direct services for eligible children.

  However, no more than 5 percent of the funds allocated in paragraph (1)(a) described in subsection (4) may be used for administrative costs and no more than 22 percent of the funds allocated in paragraph (1)(a) described in subsection (4) may be used in any fiscal year for any combination of administrative costs, quality activities, and nondirect services as follows:
- (a) Administrative costs as described in 45 C.F.R. s. 98.54, which shall include monitoring providers using the standard methodology adopted under s. 1002.82 to improve compliance with state and federal regulations and law pursuant to the requirements of the statewide provider contract adopted under s. 1002.82(2)(m).
- (b) Activities to improve the quality of child care as described in 45 C.F.R. s. 98.53, which shall be limited to the following:
- 1. Developing, establishing, expanding, operating, and coordinating resource and referral programs specifically related to the provision of comprehensive consumer education to parents

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and the public to promote informed child care choices specified in 45 C.F.R. s. 98.33.

- 2. Awarding grants and providing financial support to school readiness program providers and their staff to assist them in meeting applicable state requirements for the program assessment required under s. 1002.82(2)(n), child care performance standards, implementing developmentally appropriate curricula and related classroom resources that support curricula, providing literacy supports, and providing continued professional development and training. Any grants awarded pursuant to this subparagraph shall comply with ss. 215.971 and 287.058.
- 3. Providing training, technical assistance, and financial support to school readiness program providers, staff, and parents on standards, child screenings, child assessments, child development research and best practices, developmentally appropriate curricula, character development, teacher-child interactions, age-appropriate discipline practices, health and safety, nutrition, first aid, cardiopulmonary resuscitation, the recognition of communicable diseases, and child abuse detection, prevention, and reporting.
- 4. Providing, from among the funds provided for the activities described in subparagraphs 1.-3., adequate funding for infants and toddlers as necessary to meet federal requirements related to expenditures for quality activities for

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376 infant and toddler care.

- 5. Improving the monitoring of compliance with, and enforcement of, applicable state and local requirements as described in and limited by 45 C.F.R. s. 98.40.
- 6. Responding to Warm-Line requests by providers and parents, including providing developmental and health screenings to school readiness program children.
- (c) Nondirect services as described in applicable Office of Management and Budget instructions are those services not defined as administrative, direct, or quality services that are required to administer the school readiness program. Such services include, but are not limited to:
- 1. Assisting families to complete the required application and eligibility documentation.
  - 2. Determining child and family eligibility.
  - 3. Recruiting eligible child care providers.
  - 4. Processing and tracking attendance records.
- 5. Developing and maintaining a statewide child care information system.

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As used in this paragraph, the term "nondirect services" does not include payments to school readiness program providers for direct services provided to children who are eligible under s. 1002.87, administrative costs as described in paragraph (a), or quality activities as described in paragraph (b).

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(5)(6) LIMITATION ON THE USE OF PROGRAM FUNDS.—Funds appropriated for the school readiness program may not be expended for the purchase or improvement of land; for the purchase, construction, or permanent improvement of any building or facility; or for the purchase of buses. However, funds may be expended for minor remodeling and upgrading of child care facilities which is necessary for the administration of the program and to ensure that providers meet state and local child care standards, including applicable health and safety requirements.

Section 7. Section 1002.895, Florida Statutes, is amended to read:

1002.895 Market rate schedule.—The school readiness program market rate schedule shall be implemented as follows:

- (1) The department shall establish procedures for the adoption of a market rate schedule until an alternative model that has been approved by the Administration for Children and Families pursuant to 45 C.F.R. s. 98.45(c) is available for adoption. The schedule must include, at a minimum, county-by-county rates:
- (a) The market rate, including the minimum and the maximum rates for child care providers that hold a Gold Seal Quality Care designation under s. 1002.945 and adhere to its accrediting association's teacher-to-child ratios and group size requirements.

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426		(k	)	The	mar	ket	rate	for	child	care	providers	that	do	not
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- (2) The market rate schedule, at a minimum, must differentiate rates by provider type, including, but not limited to:
- Differentiate rates by type, including, but not limited to, a Child care providers provider that hold holds a Gold Seal Quality Care designation under s. 1002.945 and adhere adheres to their its accrediting association's teacher-to-child ratios and group size requirements., a
- Child care providers facility licensed under s. 402.305, a public or nonpublic school exempt from licensure under s. 402.3025, a faith-based child care providers facility exempt from licensure under s. 402.316 that do does not hold a Gold Seal Quality Care designation, and  $\frac{1}{2}$  large family child care homes home licensed under s. 402.3131 that do not hold a Gold Seal Quality Care designation. 7
- (c) Public or nonpublic schools exempt from licensure under s. 402.3025.
- (d) or a Family day care homes home licensed or registered 446 under s. 402.313.
  - (e) Large family child care homes licensed under s. 402.3131.
  - (3) (b) The market rate schedule must differentiate rates by the type of child care services provided for children with

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special needs or risk categories, infants, toddlers, <u>2-year-old</u> children, <u>3-year-old</u> children, <u>4-year-old</u> children, <u>5-year-old</u> preschool-age children, and school-age children.

- (4) (e) The market rate schedule must differentiate rates between full-time and part-time child care services and consider discounted rates for child care services for multiple children in a single family.
- (d) Consider discounted rates for child care services for multiple children in a single family.
- (5) (3) The market rate schedule must be based exclusively on the prices charged for child care services.
- (6) The department shall establish procedures to annually collect data regarding the cost of care to include, but not be limited to:
- (a) Data from the Department of Economic Opportunity's Bureau of Workforce Statistics and Economic Research on the average salary for child care personnel to include, at a minimum, child care instructors and child care directors.
- (b) Data from child care providers as part of data collected under s. 1002.92(4) to include, at a minimum, the average annual cost of materials and curriculum, the average annual cost of food and maintenance costs, and the average annual cost of any regulatory fees or operational costs per child.
  - (7) The department shall provide all applicable data

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476 collected in this section to the Early Learning Programs 477 Estimating Conference established pursuant to s. 216.136(8). 478 (4) The market rate schedule shall be considered by an 479 early learning coalition in the adoption of a payment schedule. 480 The payment schedule must take into consideration the prevailing 481 market rate and include the projected number of children to be 482 served by each county and be submitted for approval by the 483 department. Informal child care arrangements shall be reimbursed 484 at not more than 50 percent of the rate adopted for a family day 485 care home. 486  $(8) \frac{(5)}{(5)}$  The department may contract with one or more 487 qualified entities to administer this section and provide 488 support and technical assistance for child care providers. 489 (9) <del>(6)</del> The department may adopt rules for establishing 490 procedures for the collection of child care providers' market 491 rate, the calculation of the prevailing market rate by program 492 care level and provider type in a predetermined geographic 493 market, and the publication of the market rate schedule. 494 Section 8. Section 1002.90, Florida Statutes, is created 495 to read: 496 1002.90 School readiness cost-of-care information.-497 Annually, the principals of the Early Learning Programs 498 Estimating Conference established in s. 216.136(8) shall develop 499 official cost-of-care information based on actual school 500 readiness direct services program expenditures and information

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501	provided pursuant to s. 1002.895. Conference principals shall
502	agree on the cost of child care by care level and provider type,
503	the provider type weights, and the methods of computation. The
504	department shall provide the conference principals with all
505	requested and necessary data to develop such information. The
506	data may include a matrix by early learning coalition of any
507	full-time equivalent changes made by the Division of Early
508	Learning as part of its administration of the school readiness
509	program. The Early Learning Programs Estimating Conference shall
510	provide the official cost-of-care information to the Legislature
511	at least 90 days before the scheduled annual legislative
512	session.
513	Section 9. Subsection (4) of section 1002.92, Florida
514	Statutes, is amended to read:
515	1002.92 Child care and early childhood resource and
516	referral.—
517	(4) A child care facility licensed under s. 402.305 and
518	licensed and registered family day care homes must provide the
519	statewide child care and resource and referral network with the
520	following information annually:
521	(a) Type of program.
522	(b) Hours of service.
523	(c) Ages of children served.
524	(d) Fees and eligibility for services.
525	(e) Data required under s. 1002.895.

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526	Section	10.	This	act	shall	take	effect	July	1,	2022.	

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CODING: Words  $\frac{\text{stricken}}{\text{stricken}}$  are deletions; words  $\frac{\text{underlined}}{\text{ore additions}}$ .