

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

This bill does not appear to implicate any of the House Principles.

B. EFFECT OF PROPOSED CHANGES:

Current Situation:

Current Florida law requires the AWI to administer the state's early learning programs.¹ AWI is responsible for maintaining and improving the quality of publicly funded early learning programs.² Federal regulations governing the Child Care and Development Fund (CCDF) require that at least 4 percent of federal funding from the CCDF be devoted to quality initiatives.³ Florida currently spends \$24.2 million, constituting 5.4 percent of its CCDF funds, on quality initiatives.⁴

According to the AWI, there is no state system in place that rates or provides incentives to providers based on higher quality services or performance. However, early learning service providers that meet certain national standards may earn a Gold Seal Quality Care designation pursuant to s. 402.281, F.S.

Section 409.178, the Child Care Executive Partnership Act, establishes the Child Care Executive Partnership Program. The Child Care Executive Partnership Program uses state and federal funds to match local funds derived from various sources, to create community based partnerships with employers and provide child care subsidies to low-income working parents.⁵ The Legislature is required to annually review the effectiveness of the program and reevaluate the percentage of additional state or federal funds, if any, that can be used for the program's expansion.⁶

Effect of Proposed Changes:

House Bill 1233 requires the ELAC, in conjunction with AWI, to contract for a study of early learning quality rating and incentive systems in Florida and other states. The study must provide recommendations on:

- An early learning quality incentives and rating system with uniform standards and financial incentives for participating providers; and
- The establishment, cost and benefits of a quality incentive pilot program.

The bill requires the Office of Program Policy Analysis and Government Accountability (OPPAGA) to conduct a study of the administrative and operational structure of the Child Care Services Program Office of the Department of Children and Family Services (DCF). The study must include recommendations for the appropriate administrative and operational structures and state agency to regulate child care in Florida.

The bill also requires OPPAGA, in cooperation with the ELAC, to conduct a study of the effectiveness of the Child Care Executive Partnership Act that includes a comparison of the funds expended and return on investment.

¹ Section 411.01(4), F.S.

² Section 411.01(4)(b)3., F.S.

³ 45 C.F.R. § 98.51.

⁴ Agency for Workforce Innovation, Legislative Bill Analysis for SB 2376.

⁵ Section 409.178(3), F.S.

⁶ Section 409.178(5)(a), F.S.

Each study with required recommendations must be submitted to the Governor, President of the Senate, and Speaker of the House of Representatives by February 15, 2007.

C. SECTION DIRECTORY:

Section 1. Creates an unnumbered section of law requiring the ELAC to contract for a study.

Section 2. Creates an unnumbered section of law requiring OPPAGA to study the Child Care Services Program Office of the DCF.

Section 3. Creates an unnumbered section of law requiring OPPAGA to study the effectiveness of the Child Care Executive Partnership Act.

Section 4. Provides that the bill is effective upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

This bill does not appear to have a fiscal impact on state government revenues.

2. Expenditures:

This bill has a fiscal impact on state government expenditures. See Fiscal Comments.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

This bill does not appear to have a fiscal impact on local government revenues.

2. Expenditures:

This bill does not appear to have a fiscal impact on local government expenditures.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This bill does not appear to have a fiscal impact on the private sector.

D. FISCAL COMMENTS:

The AWI, the ELAC, and OPPAGA will incur costs associated with conducting the required studies.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require a city or county to spend funds or to take any action requiring the expenditure of funds.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

On March 21, 2006, the PreK-12 Committee adopted a strike-all amendment. This bill analysis reflects the bill as amended.