

JLARC Meeting – December 11, 2017

## MINUTES

### Attending

#### JLARC Members:

Delegate Robert Orrock, Chairman; Delegate Betsy B. Carr; Delegate M. Kirkland Cox, Senator Emmett Hanger, Senator Janet Howell, Delegate Chris Jones, Delegate R. Steven Landes, Delegate James P. Massie, Senator Ryan McDougle, Senator Thomas K. Norment, Delegate John M. O'Bannon, Delegate Kenneth Plum, Senator Frank Ruff, Ms. Martha Mavredes, Ex Officio.

#### JLARC Staff:

Hal Greer, Director; Justin Brown, Senior Associate Director; Tracey Smith, Associate Director; Kimberly Sarte, Associate Director; Kate Agnelli; Lauren Axselle, Erik Beecroft, Sarah Berday-Sacks, Jamie Bitz, Danielle Childress, Drew Dickinson, Kathy DuVall, Nick Galvin, Maria Garnett, Mark Gribbin, Paula Lambert, Jeff Lunardi, Liana Major, Joe McMahon, Ellen Miller, Jordan Paschal, Ellie Rigsby, Nathan Skreslet, Brittany Utz, Nichelle Williams, Christine Wolfe.

#### Others:

Dawn Hendricks (Virginia Department of Education); Catherine Hancock (Department of Behavioral Health and Developmental Services); Barbara Newlin (Virginia Department of Social Services); Pam Northam, David Cary (Chief of Staff to Pam Northam); Patricia Bishop, Cynthia Wilkinson, Curt Mattson, Rory Badura, Ron Schmitz, Jeanne Chenault (Virginia Retirement System); Jordan Forbes (VA529); Dan Wolf (VITA); Mike Tweedy, Sarah Herzog (Senate Finance Committee staff); Michael Jay, Susan Hogge (House Appropriations Committee staff); Alex Thorup (Director of Policy and Legislation for Delegate Kirk Cox); Ashley Everette (Voices for Virginia's Children); Lisa Howard (E3: Elevate Early Education); Mark Smith (George Mason University); Lynn McNeal (Integrus Applied); Michael Martz (Richmond Times Dispatch).

The meeting was called to order at 10:00 a.m. by Delegate Orrock, Chairman. Delegate Orrock recognized Hal Greer, JLARC staff Director, who shared some remarks in recognition of Delegate Massie and Delegate O'Bannon, both of whom are departing members of JLARC. Mr. Greer presented both members with a framed resolution, then provided the Commission with a brief overview of the meeting agenda.

### **Improving Virginia's Early Childhood Development Programs**

Mr. Greer then provided the Commission with some brief remarks about the *Improving Virginia's Early Childhood Development Programs* report and introduced Drew Dickinson, the project leader for the study, who provided the Commission with a

presentation on the report. Mr. Dickinson responded to several questions from the Commission throughout his presentation.

Delegate Orrock asked how more families can be served than children through the voluntary home visiting programs. Mr. Dickinson indicated that the number of families (about 10,700) also includes pregnant women. Delegate Plum asked if the team has a breakdown of the school readiness of those who participated in state-supported voluntary home visiting programs. Mr. Dickinson said that there is no state-level data available to answer that question, but that the report includes a recommendation for the Virginia Department of Health to help provide that kind of data.

Delegate Orrock asked if any other states have implemented a cost match for their home visiting programs. Mr. Dickinson stated that the team can look into this and provide some additional information to the Commission.

Delegate Cox stated that the challenges with providing professional development for teachers will be to focus on what matters the most in order for it to be effective. He further stated that he does not want Members to hear several years from now that the training provided has not been effective. Mr. Brown stated that the report's recommendations are intended to ensure that the professional development provided to VPI teachers is relevant and useful and can help improve the quality of teacher-child interactions in VPI classrooms. Delegate Orrock said that they will not be able to determine the effectiveness until a statewide assessment has been implemented and has an objective measure. He also said that the training should focus on the desired outcomes.

Delegate Plum commented that there have been issues with VPI in the past regarding who has ownership of the program. He asked if this issue is addressed in the report. Mr. Dickinson said that the report describes the cost-sharing relationship between the state and localities, but does not directly address who should "own" the program. Delegate Plum then asked if the report includes the number of children served through the program compared to the number of children in need of services. Mr. Brown stated that this is acknowledged in the report and the last chapter includes suggestions to expand certain programs to younger children.

Senator Howell said that there is a big difference with providing training for pre-K teachers versus those in K-12, and that she was pleased to see the report focusing on training, not credentials. She further stated that teachers make up a large portion of the workforce who are poorly compensated, so training would be an excellent addition for them.

Senator McDougle asked about the challenges where children may perform better in math or reading but struggle with social skills, and commented that it is more difficult to address the latter. Mr. Dickinson said that social skills could also be assessed for children entering kindergarten and that targeted support could then be provided for children who lack these skills. Mr. Brown said that training curricula improvements would focus specifically on areas where there is a need for improvement because it is important for children to have the social skills needed before entering kindergarten.

Delegate Jones asked whether poverty was a necessary criterion for being eligible for the Child Care Subsidy Program. Mr. Dickinson confirmed that this is the case. Delegate Jones also asked if there were any federal limitations to requiring providers to meet certain quality levels. Mr. Brown indicated he did not believe so, largely because other states require providers who receive higher reimbursements to meet higher quality standards. Delegate Jones then said that families can choose a child care provider but that it should be a quality rated program based on federal requirements. Delegate Orrock commented that there may be issues with requiring families to choose a quality rated provider—particularly when you have both licensed and unlicensed providers. Delegate Jones said that ensuring quality does not necessitate that you be licensed and that both unlicensed and licensed could participate.

Delegate Orrock asked about other states' subsidy reimbursement rates and whether they have incentivized quality child care. Mr. Dickinson said the team does not have information about the extent to which other states' increases in reimbursement rates increased quality.

Delegate Massie asked whether there were any common characteristics among the 34 percent of children who were identified as not being fully ready for kindergarten. Mr. Dickinson said that the majority of these children were economically disadvantaged (i.e. eligible for free and reduced lunch). Delegate Massie asked if there were any other common characteristics for this group of children. Mr. Dickinson said that the team can follow up with some additional information about this. Delegate O'Bannon commented that the social status of these children is not unique to education.

Senator Ruff asked about the states identified as doing a better job with their substance abuse home visiting programs than Virginia's Project LINK. Mr. Dickinson said that the team can follow up with additional information about this.

Senator Howell said that the report seems to be suggesting that the child care tax deduction be "cannibalized" in order to pay for other programs. Delegate Jones said that it makes sense to consider eliminating the child care tax deduction if it is not effective, particularly if you can help improve the effectiveness of other programs. He said that the budget is about tradeoffs, and the report provides good information for members to consider that could help improve the programs.

Delegate Plum commented that he appreciated the team's focus on brain study results and said that he believed investing in children early—including those in daycare and pre-K—is important because children begin learning at a very early age. He then asked about the report's suggestion that the Virginia Child Care and Dependent Expenses Deduction is minimally effective. Mr. Dickinson re-stated that the deduction was determined to be minimally effective because its benefit to individual families is too low to have a meaningful effect on their ability to afford child care, which is the purpose of the program. Mr. Dickinson also noted that families have to file their tax return and wait to get their refund, which does not necessarily help families who lack sufficient funds each month to pay for care.

Delegate Plum then asked how many children are eligible once programs are in place, and what responsibility the state has to provide these services for all children. Mr. Dickinson said that due to limited resources in Virginia, the intent is to target those children who are known to be at-risk. Mr. Brown noted that Table 1 in the report calculates this for all children, but that Virginia has to prioritize to serve those children who are most at-risk.

Delegate Cox said that the danger with having a universal model is if all children are included, the state will not be as effective in providing quality services due to limited resources. Delegate Jones stated that a partnership with the community is needed to be successful and ensure that children are receiving quality services.

At the conclusion of the Commission's questions and comments, Delegate Orrock stated that the Commission will approve the *Improving Virginia's Early Childhood Development Programs* report by general consensus. There being no objections, the report was approved unanimously by the Commission.

### **Virginia Retirement System Oversight Report**

Mr. Greer then introduced Joe McMahon who provided the Commission with a presentation on the *Virginia Retirement System Oversight Report*. Delegate Landes asked if the \$92 million increase in expenses (over a five-year period) includes incentive compensation for VRS investment staff. Mr. McMahon stated that it does, but most of the increase is for fees paid to external investment managers. Delegate Landes asked if the report includes a breakdown of this increase. Mr. McMahon stated that Figure 4 in the report includes a breakdown of VRS investment department expenses and fees paid to external managers.

At the conclusion of Mr. McMahon's presentation, Delegate Orrock stated that the Commission will approve the *Virginia Retirement System Oversight Report* by general consensus. There being no objections, the report was approved unanimously by the Commission.

### **State Spending on the K-12 Standards of Quality: 2017 Update**

Mr. Greer then introduced Justin Brown, Senior Associate Director, who provided the Commission with a brief presentation on the *State Spending on the K-12 Standards of Quality: 2017 Update* report and a demonstration of the interactive K-12 SOQ data available on JLARC's website.

Delegate Plum asked if there is an option to select a different timeframe. Mr. Brown said that could be an option using the historical data maintained by JLARC staff, but the user currently does not have the ability to choose a different timeframe.

Senator Norment asked if it would be possible to present interactive higher education data for the public four-year institutions. Mr. Brown said that this would be possible if JLARC staff has the data available.

At the conclusion of Mr. Brown's presentation, Delegate Orrock stated that the Commission will approve the *State Spending on the K-12 Standards of Quality: 2017 Update* report by general consensus. There being no objections, the report was approved unanimously by the Commission.

### Adjournment

Lastly, Mr. Greer announced that this is JLARC's last meeting of 2017, and that the next Commission meeting will be scheduled for May of 2018.

There being no further business, the Commission rose at 11:30 a.m.

Approved by: Hal E. Greer  
Hal E. Greer, Director

Date: 12/20/17

Prepared by: Paula C. Lambert  
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