

SENATE BILL 878

F1, C7

2lr0425

By: **Senator Ferguson**

Introduced and read first time: February 3, 2012

Assigned to: Budget and Taxation and Education, Health, and Environmental Affairs

A BILL ENTITLED

1 AN ACT concerning

2 **Education – Preschool for All – Establishment and Funding**

3 FOR the purpose of establishing certain funding for prekindergarten students by
4 altering a certain definition to include prekindergarten students in the number
5 of students enrolled; altering a certain funding calculation to phase in a
6 reduction of certain funding; altering a certain definition to make certain
7 children eligible for prekindergarten; requiring certain prekindergarten
8 programs to be established by a certain school year; authorizing county boards
9 to use qualified vendors to provide prekindergarten programs; requiring the
10 State Department of Education to establish provider rates for qualified vendors;
11 requiring the Department to provide a certain list to each local school system;
12 requiring the Department to evaluate qualified vendors using certain criteria at
13 least every 3 years; authorizing the Department to evaluate qualified vendors
14 more frequently and to revoke certification under certain circumstances;
15 requiring the Department to adopt certain regulations; requiring the
16 Department to develop a certain media campaign; authorizing the Department
17 to adopt regulations; naming the Preschool for All program; requiring each
18 prekindergarten program under the jurisdiction of a county board to be open
19 during a certain number of hours over a certain number of months for certain
20 students; authorizing certain funds to be used to provide funding for universal
21 prekindergarten; defining certain terms; authorizing the State to allow certain
22 licensees to offer certain table games; requiring the Comptroller to make certain
23 distributions from certain proceeds; prohibiting certain licensees from being
24 charged a certain fee; authorizing the State Lottery Commission to make
25 certain determinations; making this Act subject to a certain contingency;
26 authorizing certain funds to be used to provide funding for certain purposes;
27 establishing a certain funding calculation for a certain year; providing for the
28 application of this Act; submitting this Act to a referendum of the qualified
29 voters of the State; and generally relating to education funding and access for
30 prekindergarten.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing and reenacting, without amendments,
2 Article – Education
3 Section 5–202(a)(1) and (5), 5–207(a)(1), and 7–103(a)
4 Annotated Code of Maryland
5 (2008 Replacement Volume and 2011 Supplement)

6 BY repealing and reenacting, with amendments,
7 Article – Education
8 Section 5–202(a)(6), 5–207(a)(4), 7–101.1, and 7–103(f)
9 Annotated Code of Maryland
10 (2008 Replacement Volume and 2011 Supplement)

11 BY repealing
12 Article – Education
13 Section 7–103(f)
14 Annotated Code of Maryland
15 (2008 Replacement Volume and 2011 Supplement)

16 BY adding to
17 Article – Education
18 Section 7–103(f)
19 Annotated Code of Maryland
20 (2008 Replacement Volume and 2011 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article – State Government
23 Section 9–1A–30
24 Annotated Code of Maryland
25 (2009 Replacement Volume and 2011 Supplement)

26 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
27 MARYLAND, That the Laws of Maryland read as follows:

28 **Article – Education**

29 5–202.

30 (a) (1) In this section the following words have the meanings indicated.

31 (5) “Foundation program” means the product of the annual per pupil
32 foundation amount and a county’s full–time equivalent enrollment.

33 (6) “Full–time equivalent enrollment” means the sum of:

34 (i) The number of students enrolled in grades 1 through 12 or
35 their equivalent in regular day school programs on September 30 of the [previous]
36 **PRIOR** school year;

1 (ii) [Except as provided in item (iii) of this paragraph, the] **THE**
 2 [product of the] number of students enrolled in kindergarten programs on September
 3 30 of the prior school year [and:

- 4 1. 0.60 in fiscal year 2004;
 5 2. 0.70 in fiscal year 2005;
 6 3. 0.80 in fiscal year 2006;
 7 4. 0.90 in fiscal year 2007; and
 8 5. 1.00 in fiscal year 2008 and each fiscal year
 9 thereafter];

10 (iii) [In Garrett County, the number of students enrolled in
 11 kindergarten programs on September 30 of the prior school year; and

12 (iv) **1. THE NUMBER OF STUDENTS WHOSE FAMILY**
 13 **INCOME WOULD MAKE THE CHILD, IF THE CHILD WERE IN KINDERGARTEN,**
 14 **ELIGIBLE FOR FREE OR REDUCED PRICE MEALS, AS DEFINED IN § 5-207(A) OF**
 15 **THIS SUBTITLE, ENROLLED IN PREKINDERGARTEN PROGRAMS ON SEPTEMBER**
 16 **30 OF THE PRIOR SCHOOL YEAR MULTIPLIED BY 1.0; AND**

17 **2. THE NUMBER OF STUDENTS WHOSE FAMILY**
 18 **INCOME WOULD NOT MAKE THE CHILD, IF THE CHILD WERE IN KINDERGARTEN,**
 19 **ELIGIBLE FOR FREE OR REDUCED PRICE MEALS, AS DEFINED IN § 5-207(A) OF**
 20 **THIS SUBTITLE, ENROLLED IN PREKINDERGARTEN PROGRAMS ON SEPTEMBER**
 21 **30 OF THE PRIOR SCHOOL YEAR MULTIPLIED BY 0.50; AND**

22 (IV) The number of full-time equivalent students, as determined
 23 by a regulation of the Department, enrolled in evening high school programs during
 24 the [previous] **PRIOR** school year.

25 5-207.

26 (a) (1) In this section the following words have the meanings indicated.

27 (4) “Compensatory education per pupil amount” means [97%] **A**
 28 **PERCENT** of the annual per pupil foundation amount calculated under § 5-202 of this
 29 subtitle multiplied by the State share of compensatory education funding **AS**
 30 **FOLLOWS:**

31 **(I) 97% IN FISCAL YEARS 2012 AND 2013;**

- 1 **(II) 96% IN FISCAL YEAR 2014;**
 2 **(III) 95% IN FISCAL YEAR 2015;**
 3 **(IV) 94% IN FISCAL YEAR 2016; AND**
 4 **(V) 93% IN FISCAL YEAR 2017 AND EACH FISCAL YEAR**
 5 **THEREAFTER.**

6 7–101.1.

7 (a) (1) In this section the following terms have the meanings indicated.

8 (2) [“Economically disadvantaged background” means a family whose
 9 income would make a child eligible for free or reduced price meals if the child were in
 10 kindergarten.

11 (3)] “Eligible child” means a child:

12 (i) [Who is from an economically disadvantaged background;

13 (ii)] Whose parent or guardian seeks to enroll the child in a
 14 public prekindergarten program; and

15 [(iii)] **(II)** Who is 4 years old on September 1 of the school year
 16 in which the parent or legal guardian seeks to enroll the child in a public
 17 prekindergarten program.

18 [(4) “Eligible for free or reduced price meals” means eligible for free or
 19 reduced price meals based on eligibility requirements established by the United States
 20 Department of Agriculture.]

21 **(3) “QUALIFIED VENDOR” MEANS A STATE-ACCREDITED OR**
 22 **NATIONALLY ACCREDITED CHILD CARE CENTER OR A NONPUBLIC SCHOOL**
 23 **APPROVED BY THE DEPARTMENT TO PROVIDE PREKINDERGARTEN SERVICES.**

24 (b) **(1)** By the [2007–2008] **2015–2016** school year, all eligible children
 25 shall be admitted free of charge to publicly funded prekindergarten programs
 26 established by each of the county boards.

27 **(2) (I) COUNTY BOARDS MAY USE QUALIFIED VENDORS TO**
 28 **PROVIDE PREKINDERGARTEN PROGRAMS.**

1 **(II) THE DEPARTMENT SHALL ESTABLISH PROVIDER RATES**
2 **FOR QUALIFIED VENDORS.**

3 (c) The requirements set forth in § 7–101(b) of this subtitle regarding the
4 domicile of a child and the residency of the child’s parent or guardian shall apply to
5 prekindergarten programs established by county boards as required by this section.

6 (d) In the comprehensive master plan that is submitted under § 5–401 of this
7 article, a county board shall identify the strategies that will be used in that county to
8 ensure that publicly funded prekindergarten programs are available to all eligible
9 children in that county by the [2007–2008] **2015–2016** school year.

10 **(E) (1) THE DEPARTMENT SHALL PROVIDE TO EACH LOCAL SCHOOL**
11 **SYSTEM ANNUALLY A LIST OF QUALIFIED VENDORS.**

12 **(2) THE DEPARTMENT SHALL EVALUATE QUALIFIED VENDORS**
13 **FOR RECERTIFICATION EVERY 3 YEARS TO ENSURE THE VENDOR PROVIDES**
14 **SERVICES THAT COMPLY WITH ASSESSMENT STANDARDS ESTABLISHED BY THE**
15 **DEPARTMENT.**

16 **(3) THE DEPARTMENT MAY EVALUATE QUALIFIED VENDORS**
17 **MORE FREQUENTLY TO ENSURE COMPLIANCE WITH ASSESSMENT STANDARDS.**

18 **(4) THE DEPARTMENT MAY REVOKE CERTIFICATION ON A**
19 **FINDING OF NONCOMPLIANCE WITH ASSESSMENT STANDARDS.**

20 **(F) THE DEPARTMENT SHALL ADOPT REGULATIONS ESTABLISHING**
21 **ASSESSMENT STANDARDS THAT SHALL INCLUDE A REQUIREMENT THAT**
22 **STAFFING FOR EACH CLASSROOM INCLUDES AN EARLY CHILDHOOD TEACHER**
23 **WHO POSSESSES A VALID STATE CERTIFICATE IN EARLY CHILDHOOD**
24 **EDUCATION.**

25 **(G) (1) THE DEPARTMENT SHALL DEVELOP A MEDIA CAMPAIGN TO**
26 **ADVERTISE THE AVAILABILITY OF PREKINDERGARTEN TO ALL 4–YEAR–OLD**
27 **STUDENTS IN THE STATE.**

28 **(2) THE MEDIA CAMPAIGN MAY INCLUDE TELEVISION, RADIO,**
29 **AND WRITTEN MATERIALS.**

30 **(3) THE DEPARTMENT SHALL COLLABORATE WITH LOCAL**
31 **SCHOOL SYSTEMS TO DEVELOP THE MEDIA CAMPAIGN.**

32 **(H) THE DEPARTMENT MAY ADOPT REGULATIONS NECESSARY TO**
33 **CARRY OUT THE PROVISIONS OF THIS SECTION.**

1 (b) (1) There shall be credited to the Education Trust Fund all proceeds
2 allocated to the Fund under § 9–1A–27 of this subtitle.

3 (2) Money in the Education Trust Fund shall be invested and
4 reinvested by the Treasurer, and interest and earnings shall accrue to the Fund.

5 (c) Money in the Education Trust Fund shall be used to:

6 (1) provide funding for public elementary and secondary education,
7 through continuation of the funding and formulas established under the programs
8 commonly known as the Bridge to Excellence in Public Schools Act, first enacted by
9 Chapter 288 of the Acts of the General Assembly of 2002, including the funding for
10 regional differences in the cost of education under § 5–202(f) of the Education Article;

11 (2) **PROVIDE FUNDING FOR THE PRESCHOOL FOR ALL PROGRAM**
12 **ESTABLISHED UNDER § 7–101.1 OF THE EDUCATION ARTICLE;**

13 (3) provide funds to construct public school buildings and provide
14 public school capital improvements in accordance with §§ 5–301 through 5–303 of the
15 Education Article; and

16 [(3)] (4) provide funds for capital projects at community colleges and
17 public senior higher education institutions.

18 (d) Expenditures from the Education Trust Fund shall be made each fiscal
19 year in accordance with the State budget.

20 SECTION 2. AND BE IT FURTHER ENACTED, That:

21 (a) (1) The State may authorize a holder of a video lottery operation
22 license under Article XIX of the Maryland Constitution to offer table games to the
23 public in the State.

24 (2) On a properly approved transmittal prepared by the State Lottery
25 Commission, the Comptroller shall pay the following amounts from the proceeds of
26 table games at each video lottery facility:

27 (i) 65% to the video lottery operation licensee; and

28 (ii) the remainder to the Education Trust Fund established
29 under § 9–1A–30 of the State Government Article for the sole purpose of providing
30 prekindergarten to all eligible 4–year–olds in Maryland.

31 (3) A holder of a video lottery operation license who offers table games
32 may not be charged a license fee.

1 (b) Subject to subsection (c) of this section, table games authorized under
2 subsection (a) of this section may include:

3 (1) roulette, baccarat, blackjack, craps, big six wheel, minibaccarat,
4 poker, pai gow poker, and sic bo, or any variation and composites of such games; and

5 (2) gaming tournaments in which players compete against one
6 another in one or more of the games authorized under item (1) of this subsection.

7 (c) The State Lottery Commission may determine the suitability of:

8 (1) the use of any variations or composites of the table games under
9 subsection (b) of this section after an appropriate test or experimental period under
10 terms and conditions that the Commission may deem appropriate; and

11 (2) any other game that is compatible with the public interest and
12 suitable for casino use after an appropriate test or experimental period deemed
13 appropriate by the Commission.

14 SECTION 3. AND BE IT FURTHER ENACTED, That the provisions of Section
15 2 of this Act authorize a video lottery operation licensee to offer table games in the
16 State, subject to a referendum of the qualified voters of Maryland as provided in
17 Section 4 of this Act, and on voter approval of this Act at the general election to be
18 held in November 2012, legislation shall be required to provide for the operation and
19 regulation of table games at a licensed video lottery facility in the State.

20 SECTION 4. AND BE IT FURTHER ENACTED, That the State Department of
21 Education shall dedicate, to the extent allowable, funds from the federal Challenge
22 grant awarded to Maryland to assist local school systems and qualified vendors to
23 increase capacity, training, and teacher certification for the enhancement and
24 sustainability of the Preschool for All program.

25 SECTION 5. AND BE IT FURTHER ENACTED, That, for the calculation in §
26 5–202(d)(1)(ii) of the Education Article, for fiscal year 2014, the State Department of
27 Education shall divide the fiscal year 2013 local appropriation by the full–time
28 equivalent enrollment used for State aid calculations in fiscal year 2013 plus the
29 actual number of full–time equivalent prekindergarten students enrolled on
30 September 30, 2011.

31 SECTION 6. AND BE IT FURTHER ENACTED, That before this Act, which
32 authorizes additional forms and an expansion of commercial gaming, becomes effective
33 it shall first be submitted to a referendum of the qualified voters of the State at the
34 general election to be held in November 2012, in accordance with Article XIX, § 1(e) of
35 the Maryland Constitution. The State Board of Elections shall do those things
36 necessary and proper to provide for and hold the referendum required by this section.
37 If a majority of the votes cast on the question are “For the referred law” the provisions
38 of this Act shall become effective on the 30th day following the official canvass of votes

1 for the referendum, but if a majority of the votes cast on the question are “Against the
2 referred law” the provisions of this Act are of no effect and null and void.

3 SECTION 7. AND BE IT FURTHER ENACTED, That, subject to the provisions
4 of Section 6 of this Act and for the sole purpose of providing for the referendum
5 required by Section 6 of this Act, this Act shall take effect July 1, 2012.