

**Department of Legislative Services**  
Maryland General Assembly  
2005 Session

**FISCAL AND POLICY NOTE**

House Bill 1490  
Ways and Means

(Delegate Marriott, *et al.*)

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**Education - Local School Systems - School Facilities - Partnerships with  
Alternative Providers**

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This bill requires a local board of education to determine its capacity to provide the required kindergarten and prekindergarten programs with each annual update to its comprehensive master plan. If the local board's capacity is insufficient to meet the requirements that full-day kindergarten be provided to all students and prekindergarten be provided to all disadvantaged four-year old children by the 2007-2008 school year, the county must contract with alternative early learning and child care providers to provide the services. A local board of education may only contract with a provider that is licensed by the Department of Human Resources and is accredited or commits to becoming accredited by the Maryland State Department of Education (MSDE) or a national accrediting body recognized by MSDE. A local board of education may not request State funding to build additional classroom space or purchase relocatable classroom space unless it demonstrates that it has fully explored the use of alternative early learning and child care providers.

The bill takes effect July 1, 2005.

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**Fiscal Summary**

**State Effect:** Requests for State funding of public school construction projects could decrease due to the requirement that local school systems explore alternative child care providers before requesting funding for kindergarten and prekindergarten space. However, the bill would not impact total State funding for public school construction.

**Local Effect:** The distribution of State funding for public school construction could change somewhat, but the total amount of funding would not be affected. Local school

systems currently have the authority to contract with alternative early learning and child care providers.

**Small Business Effect:** Meaningful.

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## Analysis

**Current Law:** By the 2007-2008 school year, all local school systems are required to provide full-day kindergarten to all students and offer prekindergarten to economically disadvantaged four-year old children. Local school systems submit updates to their comprehensive master plans by August 15 of each year. Comprehensive master plans must include the strategies the local boards of education will use to ensure that the required programs are available by the 2007-2008 school year.

**Background:** In appreciation of the growing body of research that demonstrates the positive impact of early childhood educational experiences, the Commission on Education, Finance, Equity, and Excellence (Thornton Commission) recommended that full-day kindergarten programs be provided for all students and that prekindergarten programs be available to all disadvantaged four-year old children. These recommendations were codified in the Bridge to Excellence in Public Schools Act of 2002, and local school systems are required to provide the services by the 2007-2008 school year. Increased formula funding under the Act is tied to these mandates. Funding for full-day kindergarten is provided through an increase (from 0.5 to 1.0) in the kindergarten full-time equivalent rate used to calculate State aid. Funding for prekindergarten is provided through the compensatory education formula. State aid formulas enacted in the Bridge to Excellence legislation are scheduled to reach their full funding levels by fiscal 2008, when the mandates go into effect.

**Local Fiscal Effect:** Local school systems are already required to include in their comprehensive master plan updates the strategies they will use to ensure that the Bridge to Excellence kindergarten and prekindergarten requirements are met. Furthermore, they have the authority to contract with licensed alternative providers to meet the requirements. It is anticipated that, under current law, alternative providers will be used by local school systems that are unable to meet the requirements through other means.

However, the requirement that local school systems fully explore the use of alternative early learning and child care providers before requesting school construction funds from the State could affect requests for State funding and the distribution of State funding. School systems that intend to build additional capacity in public schools instead of

contracting with available alternative providers could receive less public school construction funding from the State.

**Small Business Effect:** Local school systems where alternative early learning and child care providers are located would be required to use the providers before requesting State funding to build additional classroom space for kindergarten and prekindergarten. Although school systems have the authority to contract with alternative providers, they are not currently required to do so. The bill, therefore, would benefit small business early learning and child care providers.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland State Department of Education, Public School Construction Program, Department of Legislative Services

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