By: The President (By Request – Administration) and Senators King, Ferguson, Astle, Benson, Conway, Currie, Klausmeier, Miller, Peters, Raskin, Robey, Rosapepe, and Zirkin Zirkin, Colburn, DeGrange, Dyson, Edwards, Getty, Jones-Rodwell, Kasemeyer, Kittleman, Madaleno, Manno, McFadden, Montgomery, and Pinsky

Introduced and read first time: January 17, 2014 Assigned to: Budget and Taxation and Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments Senate action: Adopted with floor amendments Read second time: March 4, 2014

CHAPTER _____

1 AN ACT concerning

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Prekindergarten Expansion Act of 2014

3 FOR the purpose of expanding prekindergarten services to certain 4-year-old 4 children; altering the name of the Judith P. Hoyer Early Child Care and $\mathbf{5}$ Childhood Education Enhancement Program; changing the name of a certain 6 grant; establishing a Preschool Services Grant; authorizing the Department of 7 Education to distribute a certain grant to be used for a certain purpose; 8 requiring certain providers to obtain accreditation by a certain date; requiring 9 the Department to establish certain procedures for certain grants; requiring 10 certain recipients of certain grants to perform certain duties; requiring the 11 Department to conduct a certain evaluation; requiring a certain report by a 12certain date; establishing the Prekindergarten Expansion Grant Program; 13identifying the purpose of the Program; requiring the Department to administer 14 the Program; requiring the Program to be a competitive grant program for 15certain providers; requiring the Department to take measures to achieve 16 geographic diversity among certain vendors; establishing certain criteria for 17priority consideration to participate in the Program; establishing certain uses 18 for grant funds; authorizing the Department to establish certain policies and 19procedures and additional eligibility criteria for certain purposes; requiring a 20certain gualified vendor to receive a grant in a certain year under certain 21circumstances; requiring funds for the Program to be as provided in a certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

Strike out indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 budget; requiring certain vendors to certify certain information prior to $\mathbf{2}$ receiving a certain grant; authorizing the Governor to provide funds for certain 3 purposes; requiring a certain funding level to be maintained if funds are 4 provided in the budget; prohibiting certain uses of funds; requiring the $\mathbf{5}$ Department to perform certain functions; establishing the Prekindergarten 6 Expansion Fund as a special, nonlapsing fund; specifying the purpose of the 7Fund; requiring the Department to administer the Fund; requiring the State 8 Treasurer to hold the Fund and the Comptroller to account for the Fund; 9 specifying the contents of the Fund; specifying the purpose for which the Fund 10 may be used; providing for the investment of money in and expenditures from the Fund; requiring the Department to make a certain report to the General 11 12Assembly on or before a certain date annually; exempting a certain fund from a 13 certain provision of law; defining certain terms; requiring a certain study to 14include certain information and certain findings; requiring a certain study and 15a certain plan to be submitted by a certain date; and generally relating to the Prekindergarten Expansion Grant Program. 16

- 17 BY repealing and reenacting, with amendments,
- 18 Article Education
- 19 Section 5–217
- 20 Annotated Code of Maryland
- 21 (2008 Replacement Volume and 2013 Supplement)
- 22 BY repealing and reenacting, without amendments,
- 23 Article Education
- 24 Section 7–101.1
- 25 Annotated Code of Maryland
- 26 (2008 Replacement Volume and 2013 Supplement)
- 27 BY adding to
- 28 Article Education
- 29 Section 7–101.2
- 30 Annotated Code of Maryland
- 31 (2008 Replacement Volume and 2013 Supplement)
- 32 BY repealing and reenacting, without amendments,
- 33 Article State Finance and Procurement
- 34 Section 6–226(a)(1) and (2)(i)
- 35 Annotated Code of Maryland
- 36 (2009 Replacement Volume and 2013 Supplement)
- 37 BY repealing and reenacting, with amendments,
- 38 Article State Finance and Procurement
- 39 Section 6–226(a)(2)(ii)76. and 77.
- 40 Annotated Code of Maryland
- 41 (2009 Replacement Volume and 2013 Supplement)

$ \begin{array}{c} 1 \\ 2 \\ 3 \\ 4 \\ 5 \end{array} $	BY adding to Article – State Finance and Procurement Section 6–226(a)(2)(ii)78. Annotated Code of Maryland (2009 Replacement Volume and 2013 Supplement)				
6 7	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:				
8	Article – Education				
9	5-217.				
10	(a) (1) In this section the following words have the meanings indicated.				
$11 \\ 12 \\ 13$	(2) "Accreditation" means the determination that a program meets quality standards defined by the accrediting agency beyond State child care regulations.				
$\begin{array}{c} 14 \\ 15 \end{array}$	(3) "Accrediting agency" means a State agency or national organization that has developed a recognized accrediting process.				
$\begin{array}{c} 16 \\ 17 \end{array}$	(4) "Credentialing" means the process through which an individual is awarded a professional certificate based on education and experience.				
$\frac{18}{19}$	(5) "Early [Child Care and] CHILDHOOD Education Enhancement Grant" means a grant that is distributed under subsection [(e)] (E-1) of this section.				
20	(6) "Full day" means a period of time during the day that:				
21	(i) Meets the needs of families; and				
22	(ii) Is not less than 7 hours or more than 12 hours per day.				
23 24 25 26	and] CHILDHOOD education services are provided to young children and their families for the purpose of promoting school readiness through collaboration with				
$\begin{array}{c} 27 \\ 28 \end{array}$	(8) "Judy Center Grant" means a grant that is distributed under subsection (d) of this section.				
29 30	(9) "Local management board" means a local management board as defined under § 8–101(l) of the Human Services Article.				
31	(10) "Participating agencies and programs" includes:				

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1		(i)	Public prekindergarten and kindergarten programs;				
2		(ii)	Head Start programs;				
3		(iii)	Family literacy programs and services;				
4		(iv)	Local infants and toddlers programs;				
5		(v)	Child care centers and family child care homes;				
6		(vi)	Family support centers;				
7		(vii)	Healthy family sites;				
8		(viii)	Parent involvement programs;				
9 10	higher educatior	(ix) n; and	Early childhood programs affiliated with institutions of				
$\begin{array}{c} 11 \\ 12 \end{array}$	services, and chi	(x) ld care r	Other home visiting, community health, family support esource and referral agencies.				
13 14			ESCHOOL SERVICES GRANT" MEANS A GRANT THAT IS UBSECTION (E) OF THIS SECTION.				
$\begin{array}{c} 15\\ 16\end{array}$							
17 18			e is a Judith P. Hoyer Early [Child Care and] CHILDHOOD Program in the Department.				
19 20 21 22	(2) The purpose of the Program is to promote school readiness through the development and expansion of collaborative approaches to the delivery of high quality, comprehensive, full-day early [child care and] CHILDHOOD education programs and family support services.						
23	(c) (1)	The F	Program shall be funded as provided in the State budget.				
$\begin{array}{c} 24 \\ 25 \end{array}$	(2) be used:	Fund	s that are allocated to the Program in the State budget may				
$\frac{26}{27}$	implementing a	(i) nd admir	To cover the costs incurred by the Department in histering the Program;				
28 29	this section;	(ii)	For Judy Center Grants, as provided under subsection (d) of				

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(III) FOR PRESCHOOL SERVICES GRANTS, AS PROVIDED UNDER SUBSECTION (E) OF THIS SECTION: For Early [Child Care and] CHILDHOOD Education (iii)] **(IV)** Enhancement Grants, as provided under subsection [(e)] (E-1) of this section; and **(**(iv)**] (V)** To fund the statewide implementation of the Department's Early Childhood Assessment System, as provided under subsection (f) of this section. The Department may distribute a Judy Center Grant to a county board if (d) the county board submits an application to the Department that includes: (1)A memorandum of understanding between the county board, the participating agencies and programs, and, in the discretion of the county board, the local management board that includes: The terms of the collaboration to be undertaken by the (i) county board, the participating agencies and programs, and, if applicable, the local management board, including the roles and responsibilities of each of these entities; and A plan for establishing ongoing communication between (ii) private service providers and public school early education programs; and (2)Documentation that shows that: (i) The Department's Early Childhood Assessment System will be implemented at the Center; (ii) All participating agencies and programs that provide early [child care and] CHILDHOOD education services through the Center have voluntarily obtained accreditation or, by the date of the Grant application, have voluntarily initiated and are actively pursuing the process of obtaining accreditation; and (iii) The Center will provide comprehensive, full-day early [child] care and] CHILDHOOD education services and family support services. The Department may distribute [an Early Child Care and (e) (1)Education Enhancement] A PRESCHOOL SERVICES Grant [to a county board] to be used to [purchase early child care and education services and family support services from providers] PROVIDE PREKINDERGARTEN SERVICES FOR 4-YEAR-OLD CHILDREN WHOSE BIRTHDAYS FALL ON OR BEFORE SEPTEMBER 1 OF THE

32 CHILDREN WHOSE BIRTHDAYS FALL ON OR BEFORE SEPTEMBER 1 OF THE
33 SCHOOL YEAR DURING WHICH SERVICES WILL BE PROVIDED AND WHOSE
34 FAMILY INCOME IS BELOW A LEVEL SET BY THE DEPARTMENT.

1 (2) PRIVATE PROVIDERS that have voluntarily obtained 2 accreditation or have voluntarily initiated and are actively pursuing accreditation BY 3 THE DATE OF THE GRANT APPLICATION MUST OBTAIN ACCREDITATION BEFORE 4 RECEIVING A GRANT AWARD.

5 [(2)] (E-1) The Department may distribute an Early [Child Care and] 6 CHILDHOOD Education Enhancement Grant to a private provider of early [child care 7 and] CHILDHOOD education services to be used:

8 [(i)] (1) To assist the provider in voluntarily obtaining 9 accreditation; or

10 [(ii)] (2) For professional development activities leading to 11 increased competency and appropriate credentialing that is related to early [child care 12 and] CHILDHOOD education services.

13 (f) The Department may distribute funds to a county board for the purpose 14 of implementing the Department's Early Childhood Assessment System in the 15 county's public schools.

16 (g) (1) The Department shall:

(i) Establish application procedures for obtaining Judy Center
 GRANTS, PRESCHOOL SERVICES GRANTS, and Early [Child Care and]
 CHILDHOOD Education Enhancement Grants as provided under this section;

20 (ii) Supervise and monitor the use of Grant funds distributed 21 under this section; and

(iii) Evaluate whether Grant recipients are meeting annual
 benchmarks established by the Department.

24 (2) For Judy Center Grants, the Department may award multiyear 25 funding.

(h) A county board that is selected to receive a Judy Center Grant or [an
Early Child Care and Education Enhancement Grant for the purpose of purchasing
early child care and education services] A PRIVATE PROVIDER THAT HAS BEEN
SELECTED FOR A PRESCHOOL SERVICES GRANT OR AN EARLY CHILDHOOD
EDUCATION ENHANCEMENT GRANT shall:

31 (1) Administer the Grant award;

32 (2) Submit fiscal and program reports as required by the Department;

33 and

Coordinate the involvement of participating agencies and programs 1 (3) $\mathbf{2}$ in any evaluation process conducted by the Department. 3 (i) Grants awarded under this section may not be used: 4 (1)To supplant existing funding for any services provided by participating agencies and programs; or $\mathbf{5}$ 6 (2)For capital improvements. 7 The Department shall [select through a competitive bidding process and (i) 8 supervise an evaluator who shall design and implement] CONDUCT an evaluation 9 process to measure the effectiveness of: 10 (1)The Judy Centers; and 11 (2)Early [child care and] CHILDHOOD education services and family 12support services that are purchased with funds from **PRESCHOOL SERVICES** 13**GRANTS AND** Early [Child Care and] **CHILDHOOD** Education Enhancement Grants. The Department shall submit to the Governor and, subject to § 2–1246 of 14(k) 15the State Government Article, the General Assembly: 16On or before November 1 of each year, a report on the (1)implementation of the Program and the participating agencies and programs, 1718 including a description of the Program's and the participating agencies' and programs' 19expenditures, enrollment, and statewide performance data, including school readiness 20data disaggregated by program and by jurisdiction; and 21On or before January 1, [2004] 2016, a separate report that (2)22includes an evaluation, based on objective performance criteria established by the 23Department, of the effectiveness of: 24(i) The Judy Centers; and 25Early [child care and] CHILDHOOD education services and (ii) 26family support services that are purchased with funds from **PRESCHOOL SERVICES** 27**GRANTS AND** Early [Child Care and] **CHILDHOOD** Education Enhancement Grants. 28(1)The Department may adopt regulations as necessary to implement the 29Program. 30 7-101.1. 31(1)In this section the following terms have the meanings indicated. (a)

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1 (2) "Economically disadvantaged background" means a family whose 2 income would make a child eligible for free or reduced price meals if the child were in 3 kindergarten.

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(3) "Eligible child" means a child:

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(i) Who is from an economically disadvantaged background;

6 (ii) Whose parent or guardian seeks to enroll the child in a 7 public prekindergarten program; and

8 (iii) Who is 4 years old on September 1 of the school year in 9 which the parent or legal guardian seeks to enroll the child in a public 10 prekindergarten program.

(4) "Eligible for free or reduced price meals" means eligible for free or
reduced price meals based on eligibility requirements established by the United States
Department of Agriculture.

14 (b) By the 2007–2008 school year, all eligible children shall be admitted free 15 of charge to publicly funded prekindergarten programs established by each of the 16 county boards.

17 (c) The requirements set forth in § 7–101(b) of this subtitle regarding the 18 domicile of a child and the residency of the child's parent or guardian shall apply to 19 prekindergarten programs established by county boards as required by this section.

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

24 **7–101.2**.

25 (A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE 26 MEANINGS INDICATED.

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(2) "ADDITIONAL ELIGIBLE CHILD" MEANS A CHILD:

28 (I) WHO IS FROM AN ECONOMICALLY DISADVANTAGED 29 BACKGROUND;

30 (II) WHOSE PARENT OR LEGAL GUARDIAN SEEKS TO
 31 ENROLL THE CHILD IN A PUBLICLY FUNDED PREKINDERGARTEN PROGRAM
 32 ESTABLISHED UNDER THIS SECTION; AND

(III) WHO IS 4 YEARS OLD ON SEPTEMBER 1 OF THE SCHOOL 1 $\mathbf{2}$ YEAR IN WHICH THE PARENT OR LEGAL GUARDIAN SEEKS TO ENROLL THE 3 CHILD IN A PUBLICLY FUNDED PREKINDERGARTEN PROGRAM ESTABLISHED UNDER THIS SECTION. 4 $\mathbf{5}$ "ECONOMICALLY DISADVANTAGED BACKGROUND" MEANS A (3) FAMILY WHOSE INCOME IS NO MORE THAN 300% OF THE FEDERAL POVERTY 6 7 GUIDELINES. 8 "FUND" MEANS THE PREKINDERGARTEN EXPANSION FUND. (4) "JUDY CENTER" HAS THE SAME MEANING AS PROVIDED IN § 9 (5) 10 5–217 OF THIS ARTICLE. (6) "PROGRAM" MEANS THE PREKINDERGARTEN EXPANSION 11 **GRANT PROGRAM.** 12"QUALIFIED VENDOR" MEANS: 13(7) 14**(I)** IF PARTNERING WITH A COUNTY BOARD UNDER A 15MEMORANDUM OF UNDERSTANDING, A STATE ACCREDITED OR NATIONALLY 16 ACCREDITED CHILD CARE CENTER OR A NONPUBLIC SCHOOL APPROVED BY THE 17**DEPARTMENT TO PROVIDE PREKINDERGARTEN SERVICES;** 18 (II) A COUNTY BOARD THAT PROVIDES PREKINDERGARTEN SERVICES UNDER § 7–101.1 OF THIS SUBTITLE; AND 19 20JUDY (III) A **CENTER OR PRIVATE PROVIDER** OF PRESCHOOL SERVICES THAT MEETS THE GRANT REQUIREMENTS UNDER § 5-217 2122OF THIS ARTICLE. 23**(B)** (1) THERE IS A GRANT PROGRAM KNOWN AS THE 24PREKINDERGARTEN EXPANSION GRANT PROGRAM IN THE STATE. THE PURPOSE OF THE PROGRAM IS TO BROADEN THE 25(2) 26AVAILABILITY OF PREKINDERGARTEN AND SCHOOL READINESS SERVICES 27THROUGHOUT THE STATE FOR CHILDREN AND THEIR FAMILIES IN **COORDINATION WITH THE FOLLOWING PROGRAMS:** 2829THE PUBLICLY FUNDED PREKINDERGARTEN PROGRAM **(I)** ESTABLISHED UNDER § 7–101.1 OF THIS ARTICLE; AND 30

(II) THE JUDITH P. HOYER EARLY CHILDHOOD 1 $\mathbf{2}$ EDUCATION ENHANCEMENT PROGRAM ESTABLISHED UNDER § 5-217 OF THIS 3 SUBTITLE. 4 (3) THE DEPARTMENT SHALL ADMINISTER THE PROGRAM. $\mathbf{5}$ (4) THE PROGRAM SHALL BE A COMPETITIVE GRANT **(I)** 6 PROGRAM TO PROVIDE FUNDS TO QUALIFIED VENDORS. 7 **(II)** THE DEPARTMENT SHALL TAKE MEASURES TO ACHIEVE 8 GEOGRAPHIC DIVERSITY AMONG PARTICIPATING QUALIFIED VENDORS. 9 (III) PRIORITY FOR PARTICIPATION IN THE PROGRAM 10 SHALL BE GIVEN TO QUALIFIED VENDORS: THAT ARE LOCATED IN AREAS OF THE STATE 11 1. THAT HAVE AN UNMET NEED FOR PREKINDERGARTEN OR COMPREHENSIVE 1213 **EARLY CHILDHOOD EDUCATION SERVICES;** 142. THAT INCLUDE A PLAN FOR LONG-TERM SUSTAINABILITY, INCLUDING COMMUNITY AND BUSINESS PARTNERSHIPS AND 1516 MATCHING FUNDS TO THE EXTENT POSSIBLE; AND 173. THAT INCORPORATE PARENTAL ENGAGEMENT 18 AND THE BENEFITS OF EDUCATIONAL ACTIVITIES BEYOND THE CLASSROOM 19 INTO THE VENDORS' PROGRAMS. 20(IV) PREKINDERGARTEN EXPANSION GRANTS MAY BE USED 21TO EXPAND PREKINDERGARTEN SERVICES, INCLUDING: 221. HALF-DAY PREKINDERGARTEN FOR ADDITIONAL ELIGIBLE CHILDREN AS DEFINED IN THIS SECTION: 23242. FULL-DAY PREKINDERGARTEN FOR ELIGIBLE CHILDREN AS DEFINED IN § 7-101.1 OF THIS SUBTITLE OR ADDITIONAL 25ELIGIBLE CHILDREN AS DEFINED IN THIS SECTION; AND 26273. JUDY CENTERS FOR THE FAMILIES OF ELIGIBLE CHILDREN AS DEFINED IN § 7–101.1 OF THIS SUBTITLE OR ADDITIONAL 2829ELIGIBLE CHILDREN AS DEFINED IN THIS SECTION WHO ARE LOCATED IN TITLE 30 I SCHOOL ATTENDANCE AREAS. 31(V) THE DEPARTMENT MAY ESTABLISH:

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1 ADDITIONAL ELIGIBILITY CRITERIA FOR THE 1. $\mathbf{2}$ **SELECTION OF QUALIFIED VENDORS;** 3 2. APPLICATION AND PROCESSES AWARD 4 THE SUBMISSION DATE FOR APPLICATIONS, RENEWAL INCLUDING PROCEDURES, AND APPLICATION REVIEW PROCESSES FOR MAKING AWARDS $\mathbf{5}$ 6 UNDER THE PROGRAM; AND 7 3. ANY OTHER POLICIES AND PROCEDURES NECESSARY TO IMPLEMENT THE PROGRAM. 8 9 (5) A QUALIFIED VENDOR THAT HAS RECEIVED A 10 PREKINDERGARTEN EXPANSION GRANT IN THE CURRENT YEAR SHALL BE 11 AWARDED A GRANT IN THE NEXT YEAR IF THE QUALIFIED VENDOR CONTINUES 12 TO SATISFY THE REQUIREMENTS ESTABLISHED UNDER THIS SECTION. 13**(C) BEFORE APPROVING QUALIFIED VENDORS FOR PREKINDERGARTEN** SERVICES TO RECEIVE A GRANT UNDER THIS SECTION, A QUALIFIED VENDOR 14 SHALL CERTIFY TO THE DEPARTMENT THAT FOR EACH CLASSROOM FUNDED 15UNDER THIS SECTION THE VENDOR WILL: 16 17MAINTAIN A STUDENT-TO-TEACHER RATIO OF NO MORE (1) THAN 10 TO 1 WITH AN AVERAGE OF 20 CHILDREN PER CLASSROOM; 18 19 (2) PROVIDE IN EACH CLASSROOM AT LEAST ONE TEACHER 20CERTIFIED IN EARLY CHILDHOOD EDUCATION BY THE STATE AND AT LEAST ONE TEACHER'S AIDE WHO HAS AT LEAST A HIGH SCHOOL DEGREE; AND 2122(3) **OPERATE AN EDUCATIONAL PROGRAM FOR:** 23**(I) 5** DAYS PER WEEK; 24**(II) 180 DAYS PER YEAR, IN ACCORDANCE WITH THE PUBLIC** 25SCHOOL CALENDAR ESTABLISHED BY THE LOCAL SCHOOL BOARD; AND 26(III) 1. FOR HALF-DAY PROGRAMS, AT LEAST 2.5 HOURS 27PER DAY; OR 2. FOR FULL-DAY PROGRAMS, AT LEAST 6.5 HOURS 2829PER DAY. FUNDS FOR THE PROGRAM SHALL BE AS PROVIDED IN THE 30 **(**D**)** (1) 31 STATE BUDGET.

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1	(2) THE AMOUNT OF STATE FUNDS PROVIDED FOR THE
$\frac{2}{3}$	PROGRAM EACH FISCAL YEAR SHALL BE AT LEAST AS MUCH AS WAS APPROPRIATED IN THE PRIOR FISCAL YEAR.
4 5	(3) THE GOVERNOR MAY PROVIDE FUNDS TO THE DEPARTMENT TO ADMINISTER THE PROGRAM.
6	(E) GRANTS AWARDED UNDER THIS SECTION MAY NOT BE USED:
7 8	(1) TO SUPPLANT EXISTING FUNDING FOR PREKINDERGARTEN SERVICES; OR
9	(2) FOR CAPITAL IMPROVEMENTS.
10	(F) THE DEPARTMENT SHALL:
$11 \\ 12 \\ 13$	(1) LEVERAGE CHILD CARE SUBSIDY PROGRAM FUNDS WHEN MAKING GRANT AWARDS TO PRIVATE PROVIDERS THAT PARTICIPATE IN THE CHILD CARE SUBSIDY PROGRAM;
14 15 16	(2) ENCOURAGE PRIVATE PROVIDERS THAT RECEIVE GRANTS TO PURSUE LEVEL 5 IN THE DEPARTMENT'S VOLUNTARY QUALITY RATING AND IMPROVEMENT SYSTEM KNOWN AS "MARYLAND EXCELS";
17 18	(3) SUPERVISE AND MONITOR THE USE OF GRANT FUNDS DISTRIBUTED UNDER THIS SECTION; AND
19 20	(4) EVALUATE WHETHER GRANT RECIPIENTS ARE MEETING ANNUAL BENCHMARKS ESTABLISHED BY THE DEPARTMENT.
21	(G) (1) THERE IS A PREKINDERGARTEN EXPANSION FUND.
$\begin{array}{c} 22\\ 23 \end{array}$	(2) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDS TO THE PROGRAM.
24	(3) THE DEPARTMENT SHALL ADMINISTER THE FUND.
$25 \\ 26 \\ 27$	(4) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.
$28 \\ 29$	(II) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

1	(5)	THE	FUND CONSISTS OF:
$2 \\ 3$	Fund;	(I)	MONEY APPROPRIATED IN THE STATE BUDGET TO THE
4		(II)	INVESTMENT EARNINGS OF THE FUND; AND
$5 \\ 6$	INCLUDING DON		ANY OTHER MONEY FROM ANY OTHER SOURCE, S, ACCEPTED FOR THE BENEFIT OF THE FUND.
7 8	(6) Department fo		FUND MAY BE USED ONLY FOR GRANTS MADE BY THE E PROGRAM.
9 10	(7) THE FUND IN TH	.,	THE STATE TREASURER SHALL INVEST THE MONEY OF E MANNER AS OTHER STATE MONEY MAY BE INVESTED.
$\begin{array}{c} 11 \\ 12 \end{array}$	INTO THE FUND.	(II)	INVESTMENT EARNINGS OF THE FUND SHALL BE PAID
$\frac{13}{14}$	(8) ACCORDANCE WI		ENDITURES FROM THE FUND MAY BE MADE ONLY IN TE STATE BUDGET.
$15 \\ 16 \\ 17$	ARTICLE, THE D) EPAR'	DANCE WITH § 2–1246 OF THE STATE GOVERNMENT TMENT SHALL REPORT TO THE GENERAL ASSEMBLY BY YEAR ON THE IMPLEMENTATION OF THE PROGRAM.
18		Arti	icle – State Finance and Procurement
19	6–226.		
20 21 22		e Treas	pt as otherwise specifically provided by law or by regulation of surer shall credit to the General Fund any interest on or other y that the Treasurer invests.
23 24 25	the terms of a gift	t or set	Notwithstanding any other provision of law, and unless cal law, grant agreement, or other federal requirement or with telement agreement, net interest on all State money allocated under this section to special funds or accounts, and otherwise
26 27 28	entitled to receive to the General Fu		st earnings, as accounted for by the Comptroller, shall accrue ne State.

76.

the

1 2 Financing Fund; [and]

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77. the Spay/Neuter Fund; AND

78. THE PREKINDERGARTEN EXPANSION FUND.

Baltimore City Public School Construction

SECTION 2. AND BE IT FURTHER ENACTED, That, when the Maryland $\mathbf{5}$ 6 State Department of Education issues a contract to conduct a study of the adequacy of 7education funding in the State, as required by Chapter 288 of the Acts of the General 8 Assembly of 2002, the study shall include providing universal access to 9 prekindergarten services for Maryland children from families at different income levels. The study shall also examine removing funding of prekindergarten services for 10 economically disadvantaged 4-year-old children from the compensatory education 11 12funding formula and instead incorporating prekindergarten students into the 13enrollment-based education funding formulas originally enacted by Chapter 288 of the 14Acts of the General Assembly of 2002 that may be revised based on the findings of the adequacy study. 15

16 SECTION 3. AND BE IT FURTHER ENACTED, That, the Maryland State Department of Education, the Maryland Department of Health and Mental Hygiene. 1718and the Maryland Department of Planning shall report jointly on the estimated 19number of 3-year-old and 4-year-old children and the estimated number of 20economically disadvantaged 3-year-old and 4-year-old children from an economically 21disadvantaged background as defined in §§ 7-101.1 and 7-101.2 of the Education 22Article, as enacted by Section 1 of this Act, in each county (including Baltimore City) 23in Maryland for the current school year and the next 5 school years. The report shall 24be submitted to the Governor and, in accordance with § 2-1246 of the State 25Government Article, the Senate Budget and Taxation Committee, the Senate 26Education, Health, and Environmental Affairs Committee, the House Ways and 27Means Committee, and the House Appropriations Committee by September 1, 2014.

28SECTION 4. AND BE IT FURTHER ENACTED, That, the Maryland State 29Department of Education shall conduct a study on the best practices to engage parents 30 and guardians in early education programs and services. The Department shall 31develop an outreach plan based on best practices identified by the study, in 32collaboration with existing programs for working families, that promotes the benefits 33 of early education programs and services, particularly in communities with low participation rates in early education. The Department shall report on the study and 34outreach plan to the Governor and, in accordance with § 2-1246 of the State 35 Government Article, the Senate Budget and Taxation Committee, the Senate 36 37 Education, Health, and Environmental Affairs Committee, the House Ways and 38 Means Committee, and the House Appropriations Committee on or before December 1, 39 2014.

40 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect 41 June 1, 2014.