## SENATE BILL 1062

## By: Senator Hershey

Introduced and read first time: February 2, 2024
Assigned to: Education, Energy, and the Environment and Budget and Taxation

A BILL ENTITLED

AN ACT concerning

## Education - Prekindergarten and Withholding of County Board Funding (Blueprint Accountability and Flexibility Act of 2024)

FOR the purpose of altering certain dates related to the family share for Tier II children in publicly funded prekindergarten; altering certain dates related to the proportion of eligible private provider prekindergarten slots; repealing the authorization for the State Department of Education to exclude by annual waiver Tier I children who are 4 years old from a certain prekindergarten slot calculation; establishing a process for the Accountability and Implementation Board to withhold certain funding from a county board of education under certain circumstances; and generally relating to publicly funded prekindergarten and county board of education funding.

BY repealing and reenacting, with amendments, Article - Education
Section 5-229(a), (c), and (e), 7-1A-03, and 7-1A-04(a)
Annotated Code of Maryland
(2022 Replacement Volume and 2023 Supplement)
BY adding to
Article - Education
Section 5-415
Annotated Code of Maryland
(2022 Replacement Volume and 2023 Supplement)
SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

> Article - Education

5-229.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.
(a) (1) In this section the following words have the meanings indicated.
(2) "County program amount" means, for each county, the product of the per pupil amount and the prekindergarten enrollment.
(3) "Family share" means the amount calculated under subsection (e) of this section rounded to the nearest whole dollar.
(4) "Local share" means, for each county, the result of the county program amount minus the State share rounded to the nearest whole dollar.
(5) "Per pupil amount" means:
(i) In fiscal year 2023, $\$ 10,094$;
(ii) In fiscal year 2024, $\$ 11,594$;
(iii) In fiscal year 2025, $\$ 13,003$;
(iv) In fiscal year 2026, $\$ 14,473$;
(v) In fiscal year 2027, $\$ 15,598$;
(vi) In fiscal year 2028, $\$ 16,811$;
(vii) In fiscal year 2029, $\$ 18,118$;
(viii) In fiscal year 2030, $\$ 19,526$; and
(ix) In subsequent fiscal years, the per pupil amount for the prior fiscal year increased by the inflation adjustment rounded to the nearest whole dollar.
(6) "Prekindergarten enrollment" means:
(i) Beginning in fiscal year 2023, the number of Tier I children enrolled with an eligible prekindergarten provider; and
(ii) Beginning in fiscal year [2025] 2028, the number of Tier I and Tier II children enrolled with an eligible prekindergarten provider.
(7) "State share" means, for each county, rounded to the nearest whole dollar, the following calculations multiplied by 0.5 :
(i) Multiply the per pupil amount by the county's prekindergarten enrollment;
(ii) Divide the result calculated under item (i) of this paragraph by the ratio, rounded to seven decimal places, of local wealth per pupil to statewide wealth per pupil; and
(iii) Multiply the result calculated under item (ii) of this paragraph by the result, rounded to seven decimal places, that results from dividing the total program amount by the sum of all of the results calculated under item (ii) of this paragraph for all counties.
(8) "Tier I child" has the meaning stated in § 7-1A-01 of this article.
(9) "Tier II child" has the meaning stated in § 7-1A-01 of this article.
(10) "Tier III child" has the meaning stated in § 7-1A-01 of this article.
(11) "Total program amount" means the product of the per pupil amount and the statewide prekindergarten enrollment.
(c) (1) (i) As calculated under subsection (d) of this section, there is a State share and local share of the per pupil amount for Tier I children.
(ii) There is no family share for Tier I children.
(2) As calculated under subsection (e) of this section and beginning in fiscal year [2025] 2028, there is a State share, local share, and family share of the per pupil amount for Tier II children.
(3) Tier III children are not eligible for funding under this section.
(e) (1) On or before July 1, 2022, the Department shall establish a sliding scale to calculate the family share required for Tier II children.
(2) The sliding scale developed by the Department shall be increased on a linear basis with:
(i) A lower limit of $\$ 0$ per pupil for a family with an income that is $300 \%$ of the federal poverty level; and
(ii) An upper limit of the per pupil amount for a family with an income that is more than $300 \%$ but less than $600 \%$ of the federal poverty level.
(3) (i) Beginning in fiscal year [2025] 2028, the family shall pay the family share to the publicly funded prekindergarten provider.
(ii) A county board may provide up to $100 \%$ of the family share on behalf of the family.

5-415.
(A) THE BOARD SHALL ESTABLISH A PLAN TO WITHHOLD FUNDING FROM A COUNTY BOARD FOR:
(1) INAPPROPRIATE SPENDING IDENTIFIED IN A FISCAL AUDIT, AN ANNUAL SCHOOL-BASED EXPENDITURE REPORT, OR AN INVESTIGATION BY THE Inspector General in the Maryland Office of the Inspector General FOR EDUCATION; AND
(2) UNSATISFACTORY RESULTS ON THE MARYLAND Comprehensive Assessment Program (MCAP).
(B) THE BOARD SHALL ESTABLISH THE FISCAL STANDARDS AND MCAP STANDARDS THAT WOULD REQUIRE FUNDING TO BE WITHHELD FROM A COUNTY BOARD FOR THE NEXT FISCAL YEAR OR FOR THE CURRENT FISCAL YEAR, DEPENDING ON THE SEVERITY OF THE VIOLATION.
(C) IF THE BOARD FINDS THAT A COUNTY BOARD HAS INAPPROPRIATELY SPENT FUNDS OR HAS UNSATISFACTORY MCAP RESULTS, THE BOARD MAY DIRECT THAT THE GREATER OF THE FOLLOWING AMOUNTS BE WITHHELD FOR THE NEXT FISCAL YEAR:
(1) UP TO 25\% OF THE STATE SHARE OF MAJOR EDUCATION AID, AS DEFINED IN § 5-201 OF THIS TITLE; OR
(2) AN AMOUNT EQUAL TO THE AMOUNT OF INAPPROPRIATE SPENDING IN THE STATE SHARE OF MAJOR EDUCATION AID.
(D) (1) IF THE BOARD FINDS THAT FUNDING SHOULD NOT BE RELEASED UNDER SUBSECTION (C) OF THIS SECTION, THE BOARD SHALL, ON OR BEFORE DECEMBER 1, ISSUE AN INITIAL WARNING TO THE COUNTY SUPERINTENDENT THAT FUNDS MAY NOT BE RELEASED IN THE NEXT FISCAL YEAR.
(2) A WARNING ISSUED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL INFORM THE COUNTY SUPERINTENDENT OF:
(I) THE FINDINGS BY THE BOARD AND THE REASONING FOR THE FINDINGS; AND
(II) ANY STEPS THAT MAY BE UNDERTAKEN TO REMEDY THE FINDINGS.
(3) ON OR BEFORE FEBRUARY 1, THE BOARD SHALL MAKE A FINAL DETERMINATION ON WHETHER TO RELEASE OR NOT RELEASE FUNDS FOR THE NEXT FISCAL YEAR AND SHALL NOTIFY THE COUNTY SUPERINTENDENT.
(E) (1) ON OR BEFORE JUNE 1, THE BOARD SHALL NOTIFY THE STATE SUPERINTENDENT AND THE COMPTROLLER FOR PURPOSES OF § 5-205 OF THIS TITLE OF THE BOARD'S FINAL DECISION TO RELEASE OR NOT RELEASE FUNDS UNDER SUBSECTION (D) OF THIS SECTION FOR THE NEXT FISCAL YEAR.
(2) THE BOARD SHALL NOTIFY THE GOVERNOR, THE PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE HOUSE OF ITS DECISION UNDER PARAGRAPH (1) OF THIS SUBSECTION.
(F) (1) IF THE BOARD FINDS THAT FUNDING SHOULD NOT BE RELEASED UNDER SUBSECTION (C) OF THIS SECTION FOR THE CURRENT FISCAL YEAR, THE BOARD SHALL NOTIFY THE COUNTY SUPERINTENDENT AND THE STATE SUPERINTENDENT AND THE COMPTROLLER AS SOON AS PRACTICABLE FOR PURPOSES OF § 5-205 OF THIS TITLE.
(2) THE BOARD SHALL NOTIFY THE GOVERNOR, THE PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE HOUSE OF ITS DECISION UNDER PARAGRAPH (1) OF THIS SUBSECTION.
(G) THE BOARD SHALL DIRECT FUNDS WITHHELD IN ACCORDANCE WITH THIS SECTION TO BE RELEASED IF THE BOARD FINDS THAT A COUNTY BOARD HAS MET THE GUIDELINES DEVELOPED BY THE BOARD TO RELEASE WITHHELD FUNDING.
(H) THE BOARD SHALL DEVELOP AN APPEALS PROCESS THROUGH WHICH A COUNTY BOARD, LOCAL SCHOOL SYSTEM, OR PUBLIC SCHOOL MAY CONTEST THE WITHHOLDING OF FUNDS UNDER THIS SECTION.

7-1A-03.
(a) Except as provided under subsection (b) of this section, a county board shall ensure that:
(1) Beginning in the 2022-2023 school year, prekindergarten slots provided by eligible private providers shall account for at least $30 \%$ of the total prekindergarten slots provided by eligible prekindergarten providers in each county;
(2) [The proportion of eligible private provider prekindergarten slots in each county increases by 5 percentage points every school year, until, in the 2026-2027] BY THE 2029-2030 school year, eligible private provider prekindergarten slots SHALL
account for at least $50 \%$ of eligible prekindergarten provider prekindergarten slots in each county; and
(3) In each year after the [2026-2027] 2029-2030 school year, the proportion of eligible private provider prekindergarten slots in each county shall continue to constitute at least $50 \%$ of eligible prekindergarten provider prekindergarten slots in each county.
(b) (1) The Department shall issue a waiver from the requirements of this section to a county board if:
(i) All families in the county who desire to enroll their eligible children with eligible prekindergarten providers are able to do so; or
(ii) After reasonable cross-jurisdictional or regional efforts, there are too few eligible private providers to meet the minimum requirements of this section.
(2) The Department may exclude by annual waiver Tier I children who are 3 years old in a county from the calculation under subsection (a) of this section until the 2029-2030 school year.
(3) [The Department may exclude by annual waiver Tier I children who are 4 years old in a county from the calculation under subsection (a) of this section until the 2026-2027 school year.
(4)] The Department shall establish waiver application procedures to carry out the provisions of this subsection.
$7-1 \mathrm{~A}-04$.
(a) (1) Except as provided in paragraph (2) of this subsection, all eligible prekindergarten providers shall include structural elements that are evidence-based and nationally recognized as important for ensuring program quality, including:
(i) Beginning in the [2027-2028] 2030-2031 school year:

1. High staff qualifications, including teachers who, at a minimum, hold:
A. State certification for teaching in early childhood education; or
B. A bachelor's degree in any field and are pursuing residency through the Maryland Approved Alternative Preparation Program, which includes early childhood coursework, clinical practice, and evidence of pedagogical content knowledge; and
2. Teaching assistants who have at least:
A. A Child Development Associate (CDA) certificate; or
B. An associate's degree;
(ii) Professional development for all staff;
(iii) A student-to-classroom personnel ratio of no more than 10 to 1 in each class;
(iv) Class sizes of no more than 20 students per classroom;
(v) A full-day prekindergarten program;
(vi) Inclusion of students with disabilities to ensure access to and full participation in all program opportunities;
(vii) For at least 1 year before a student's enrollment in kindergarten, learning environments that:
3. Are aligned with State Early Learning and Development

Standards;
2. Use evidence-based curricula; and
3. Use instruction methods that are:
A. Developmentally appropriate; and
B. Culturally and linguistically responsive;
(viii) Individualized accommodations and supports for all students;
(ix) Instructional staff salaries and benefits that are comparable to the salaries and benefits of instructional staff employed by the county board of the county in which the early learning program is located;
(x) Program evaluation to ensure continuous program improvement;
(xi) On-site or accessible comprehensive services for students;
(xii) Community partnerships that promote access to comprehensive services for families of students; and
(xiii) Evidence-based health and safety standards.
(2) An eligible prekindergarten provider that is a Montessori school or Montessori program shall include all of the structural elements listed in paragraph (1) of this subsection except the following:
(i) For staff qualifications, the eligible prekindergarten provider shall employ teachers who:

1. Hold a bachelor's degree in any field; and
2. Hold a Montessori credential issued by:
A. The Association Montessori Internationale;
B. The American Montessori Society; or
C. A program accredited by the Montessori Accreditation Council for Teacher Education; and
(ii) For the student-to-classroom personnel ratio, the prekindergarten provider shall maintain a student-to-classroom personnel ratio of:
3. No more than 10 to 1 , with a maximum of 20 students per classroom if all of the students are under the age of 5 years; and
4. No more than 14 to 1 , with a maximum of 28 students per classroom if some of the students are at least 5 years old.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2024.

