

**Department of Legislative Services**  
 Maryland General Assembly  
 2024 Session

**FISCAL AND POLICY NOTE**  
**First Reader**

House Bill 395 (Prince George's County Delegation)  
 Ways and Means and Appropriations

**Prince George's County - Early Childhood Education Program and High School  
 Child Care Centers - Established**  
**PG 504-24**

This bill requires the Prince George’s County Board of Education, beginning in the 2025-2026 school year, to (1) establish a child care center in each public high school in the county in which the pregnancy rate among students is greater than 1%, as specified and (2) require public high schools that must establish a child care center to offer a career and technical education (CTE) program in early childhood education. Beginning in fiscal 2026, the Governor must include in the annual budget bill an appropriation of \$5.0 million to the Prince George’s County Board of Education to carry out the bill’s child care center requirements and provide grants to Child Resource Connect in Prince George’s County, as specified. **The bill takes effect July 1, 2024.**

**Fiscal Summary**

**State Effect:** General fund expenditures increase by \$5.0 million beginning in FY 2026 to provide the required funding to the Prince George’s County Board of Education. Revenues are not affected. **This bill establishes a mandated appropriation beginning in FY 2026.**

(\$ in millions)	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	0	5.0	5.0	5.0	5.0
Net Effect	\$0.0	(\$5.0)	(\$5.0)	(\$5.0)	(\$5.0)

*Note: ( ) = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease*

**Local Effect:** Local revenues and expenditures for Prince George’s County Public Schools (PGCPS) increase by \$5.0 million annually beginning in FY 2026 to reflect the mandated

appropriation. Expenditures likely further increase significantly beginning in FY 2025, as discussed below. **This bill imposes a mandate on a unit of local government.**

**Small Business Effect:** Minimal.

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## Analysis

### Bill Summary:

#### *Career and Technical Education Program Requirements*

Beginning in the 2025-2026 school year, the Prince George's County Board of Education must require each public high school required to establish a child care center under the bill's provisions to offer a CTE program in early childhood education that prepares students for additional education and careers in early childhood education and care.

An early childhood education program established pursuant to the bill's requirements must be (1) aligned with any standards for CTE programs as established by State law and (2) available to any student attending the school.

#### *Child Care Centers and Maryland State Department of Education Assistance*

A child care center established as required by the bill must:

- enroll only the children of students who (1) actively attend a public high school in Prince George's County and (2) register to receive services with Child Resource Connect in the county; and
- provide services at no cost to students and their families.

If a public high school lacks sufficient space to establish a child care center as required by the bill, the local school board must (to the extent practicable) arrange for any students attending the school and their children to be transported to another school with a child care center.

The Maryland State Department of Education (MSDE) must assist the local school system by:

- providing for the licensing of child care centers;

- ensuring the space designated within a public high school or nearby buildings complies with the prevailing local and State safety building codes for child care centers; and
- applying the relevant child care center regulations.

### **Current Law/Background:**

#### *Career and Technical Education*

The Strengthening Career and Technical Education for the 21st Century Act is the 2018 reauthorization of the federal Carl D. Perkins Career and Technical Education Act (Perkins), which was last overhauled in 2006. The new Perkins law provides approximately \$1.2 billion in formula grants to states to implement CTE programs in their secondary schools and postsecondary institutions. The new law allows states to set their own goals for CTE programs, requires them to make progress toward those goals, and makes other changes to federal CTE law. Generally, Perkins requires states to develop sequences of academic and CTE coursework, called programs of study, that prepare students for postsecondary degrees or industry-recognized credentials. Many of the programs of study – which range from plumbing and culinary arts to aerospace engineering and cybersecurity – include or encourage apprenticeship or pre-apprenticeship opportunities.

Federal law does not allow Perkins funds to be used to pay teacher salaries, but the funds can otherwise be used to support CTE programs in public schools, including providing professional development and purchasing supplies and equipment for CTE instruction. In federal fiscal 2023, Maryland's total Perkins allocation is \$20.6 million. In addition, the Blueprint provides per-pupil foundation funding to local school systems for students who have met the college and career readiness standard to pursue advanced courses of study, including CTE. The per-pupil amount was initially set at \$517 for fiscal 2022 and it increases with inflation each year.

#### *Child Care Centers*

Subject to limited exception, child care centers may not operate in the State unless they are licensed. The State Board of Education is required to adopt regulations that relate to the licensing and operation of child care centers. A child care center is an agency, institution, or establishment that, for part or all of a day, or on a 24-hour basis on a regular schedule, and at least twice a week, offers or provides child care to children who do not have the same parentage except as otherwise provided for in law or regulation.

**State/Local Expenditures:** General fund expenditures increase by \$5.0 million annually beginning in fiscal 2026 to reflect the mandated appropriation to the Prince George's

County Board of Education. MSDE notes that there are more than 30 high schools in the county and, as a result, there may be a meaningful number of new child care centers that require licensing. Depending on the exact number of new child care centers established under the bill, MSDE licensing staff may be affected by an influx of new licensing requests as the bill is implemented. While MSDE notes additional staff may be required, the Department of Legislative Services advises that any influx of licensing applications is likely temporary and thus should not require additional permanent, ongoing licensing staff.

Although a precise comprehensive estimate is not available, PGCPS advises that the bill has a significant impact on school system finances and operations. PGCPS expenditures are expected to increase significantly under the bill and are likely not fully covered by the \$5.0 million mandated appropriation. Although the mandate is not required (and therefore received by PGCPS) until fiscal 2026, significant expenditures are likely to be incurred in fiscal 2025 in order to meet the bill's requirements for implementation beginning in the 2025-2026 school year.

*For illustrative purposes only*, PGCPS advises that adding a new CTE program as required under the bill may cost approximately \$126,000 per school, which includes personnel costs and training as well as equipment and textbooks. With regard to adding child care center programs, PGCPS estimates that adding a program to one school may total as much as \$1.1 million annually. This figure includes hiring several teachers and assistant/paraprofessional teachers, furniture and materials, food costs, and program evaluation/licensing costs. The estimate is further based on each program consisting of four classrooms, each of which would support children of varying ages (*i.e.*, one infant room, one three-year old room, and one four-year old room). However, the estimate does not include any capital costs, which are likely to be significant.

**Additional Comments:** [Child Resource Connect](#) in Prince George's County provides family support services to over 1,500 families and training to over 2,000 child care providers, parents and human services workers. This work is done through home visits, child development education, links to community services, and adult education.

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### **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland State Department of Education; Department of Budget and Management; Maryland Department of Labor; Prince George's County Public Schools; Child Resource Connect; Department of Legislative Services

**Fiscal Note History:** First Reader - January 30, 2024  
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