

Department of Fiscal Services  
Maryland General Assembly

FISCAL NOTE

House Bill 737 (Delegate Hixson)  
Ways and Means

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**Mandatory Kindergarten - Child Care Exemptions - Repeal of Termination  
Provision**

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The bills repeals the July 1, 1997 termination date of the exemption from mandatory kindergarten for children enrolled in licensed child care centers, registered family day care homes, or Head Start program.

This bill takes effect June 1, 1997.

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**Fiscal Summary**

**State Effect:** State costs for educating kindergarten students would remain the same by continuing to exempt approximately 500 children annually from the enrollment count. Revenues would not be affected.

**Local Effect:** None.

**Small Business Effect:** Minimal. Small businesses that provide day care services and educational programs for kindergarten students would continue to benefit due to the repeal of the termination provision. Absent this bill, such businesses would lose approximately 500 clients annually, thus reducing potential revenue.

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**Fiscal Analysis**

**State Effect:** Repealing the termination of the mandatory kindergarten exemption could prevent a potential increase in State-aid in fiscal 1999. Currently, approximately 500 children are enrolled in alternative kindergarten programs annually. By repealing the termination date, these children would not be added to the September 1997 enrollment count which is used to calculate State education aid in fiscal 1999. Accordingly, State-aid under

the current expense formula would not increase by \$487,000 in fiscal 1999.

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**Information Source(s):** Department of Fiscal Services, Maryland State Department of Education

**Fiscal Note History:** First Reader - February 10, 1997

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