

Department of Legislative Services  
Maryland General Assembly  
2003 Session

FISCAL AND POLICY NOTE

House Bill 412 (Carroll County Delegation)  
Ways and Means

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Education - Carroll County - Exemption from Full Day Kindergarten

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This bill exempts Carroll County from the requirement that local school systems provide full-day kindergarten for all students by the 2007-2008 school year.

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Fiscal Summary

**State Effect:** None. State education aid to Carroll County and overall State funding for the Public School Construction Program would not be affected.

**Local Effect:** Carroll County Public Schools (CCPS) would realize a \$921,700 decrease in operating expenditures in FY 2005 and a \$4.7 million decrease by FY 2008.

County school construction expenditures will decline by an estimated \$3.0 million, which would have been expended from FY 2005 to 2008 to build new kindergarten classrooms. State school construction funding for the county would decrease by \$2 million, resulting in a net cost savings for the county of approximately \$1 million.

**Small Business Effect:** Minimal.

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Analysis

**Current Law:** Local school systems must provide full-day kindergarten programs for all students by the 2007-2008 school year.

**Background:** One of the recommendations of the Thornton Commission was to require full-day kindergarten programs in every public school. This recommendation was

enacted in the Bridge to Excellence in Education Act of 2002 (Chapter 288), which requires local school systems to provide full-day kindergarten for all students by the 2007-2008 school year. The new funding formulas established in the legislation are set for full implementation in the same school year.

To recognize the fiscal impact of the full-day kindergarten mandate, the formulas phase in a higher full-time equivalent (FTE) count for kindergarten students. For purposes of calculating State aid, kindergarten students will be counted the way that other primary and secondary students are counted, as 1.0 FTE. Historically, kindergarten students have been counted as 0.5 FTE (except in Garrett County) because most kindergarten programs have been half-day. Carroll County Public Schools advises that, rather than implement full-day kindergarten, additional funding would be used to develop performance benchmarks for its students and implement strategies to achieve the benchmarks.

Approximately 56,600 children currently attend public school kindergarten programs in Maryland. All kindergarten students in Baltimore City and Allegany, Caroline, Garrett, and Prince George's counties attend full-day programs. The full-day kindergarten programs in the other local school systems are primarily concentrated in schools with greater proportions of economically disadvantaged students. For the 2002-2003 school year, a preliminary count by the Maryland State Department of Education shows that more than half (30,400 or 54%) of the State's kindergarten students attend full-day or extended day programs. Three school systems (Calvert, Howard, and Kent counties) do not provide any full-day kindergarten classes but instead offer extended day kindergarten programs for students who have special academic needs.

**Local Fiscal Effect:** If this bill is not enacted, CCPS advises that it will begin to phase in full-day kindergarten programs as required by law in fiscal 2005. Therefore, no fiscal impact would occur until then. In fiscal 2005, CCPS estimates operating cost savings of \$921,700, including both ongoing personnel expenses (\$851,700) and one-time equipment purchases (\$70,000). The amount of the expenditure reduction increases to an estimated \$2.5 million in fiscal 2006, an estimated \$3.4 million in fiscal 2007, and an estimated \$4.7 million in fiscal 2008. Under the bill, the cost savings would not be accompanied by reductions in revenues from the State, but could be accompanied by reduced local appropriations to the school board. If the annual savings do not result in reduced local appropriations, the funding would be available to finance other education initiatives supported by CCPS.

In addition to the operating savings, Carroll County would also avoid capital expenditures needed to construct additional classrooms for full-day kindergarten. CCPS estimates that this would save the county approximately \$3 million between fiscal 2005 and 2008. The State provides 65% of the eligible school construction costs in Carroll

County. Therefore, it is assumed that county school construction revenues from the State would be reduced by approximately \$2 million, meaning the county would realize a net savings of \$1 million.

**State Expenditures:** The legislation does not alter State education aid formulas and therefore would have no impact on total expenditures or the distribution of State aid for school operating expenses. Although the distribution of State school construction funding could be altered by this legislation, it is assumed that overall expenditures for the Public School Construction Program would not be affected.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland State Department of Education, Carroll County, Department of Legislative Services

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