

**Department of Legislative Services**  
Maryland General Assembly  
2004 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Bill 52

(Delegate Kaiser, *et al.*)

Ways and Means

Education, Health, and Environmental Affairs

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**Education - Early Childhood Educational and Developmental Programs**

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This bill authorizes early childhood educational and developmental programs in Maryland to enter into an agreement to promote the programs in consultation with the Child Care Resource and Referral Network. The agreement will bring the programs together to develop a plan to provide information to the parents of low income and at-risk children regarding the importance of early childhood education and the availability of early childhood development services. The Maryland State Department of Education (MSDE) and the Department of Human Resource's Child Care Administration (CCA) must assist in the development of the agreement, monitor the results of the agreement, and submit an annual report to the General Assembly on the effectiveness of the agreement. Beginning in fiscal 2006, the Governor must include in the annual State budget an appropriation for Head Start and Judy Centers that is at least equal to the fiscal 2003 appropriation for the programs. Each year, within one week of the Governor's State budget submission, a briefing must be held to review the budgets of agencies within the Governor's Subcabinet on Children, Youth, and Families that are involved in early childhood educational and developmental programs.

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**Fiscal Summary**

**State Effect:** The proposed FY 2005 State budget includes funding for Head Start and Judy Centers that is equal to FY 2003 funding levels (\$10.6 million). Mandating that this funding continue beyond FY 2005 would reduce flexibility in the general fund budget but would not increase expenditures. Revenues would not be affected.

**Local Effect:** Local personnel involved in early childhood educational and developmental programs could participate in the establishment of an agreement and the promotion of early childhood programs with existing resources.

**Small Business Effect:** Minimal.

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## Analysis

**Current Law:** Early childhood educational and developmental programs are not specifically authorized to enter into agreements to promote the programs.

**Background:** The Child Care Resource and Referral Network is a public-private partnership made up of 13 regional child care resource and referral centers. The network began as a demonstration project and was later expanded statewide. The 13 regional centers supported by the network provide parents with information relating to child care services within their geographical areas. The network oversees the regional centers and provides services to improve the quality, availability, and affordability of child care statewide.

The enhancement of early childhood education programs was one of the recommendations of the Commission on Education Finance, Equity, and Excellence (Thornton Commission). The commission recommended that local school systems be required to implement full-day kindergarten programs for all children and pre-kindergarten programs for disadvantaged children. The recommendation was made with an appreciation of the growing body of research that demonstrates the importance of quality early childhood educational experiences. In addition, education experts who contributed to the adequacy study that was conducted for the commission emphasized early educational programs when they were designing programs that would adequately serve Maryland's students. The commission's kindergarten and pre-kindergarten recommendations were included in the Bridge to Excellence in Public Schools legislation that was enacted in 2002.

**State Expenditures:** Beginning in fiscal 2006, the bill requires the Governor to include in the annual State budget appropriations for Head Start and Judy Centers that are equal to the fiscal 2003 appropriations for the initiatives. The State provided \$3.0 million for Head Start and \$7.6 million for Judy Centers in fiscal 2003, and the proposed fiscal 2005 State budget includes the same level of funding for the programs. It is assumed that these programs would continue at the current funding levels with or without the bill; therefore, requiring the continuation of the programs has no fiscal impact. Mandating the continuation of current funding levels does, however, limit flexibility in the budgeting process.

In addition to State funding, local agencies are receiving an estimated \$75 million in federal Head Start funding in fiscal 2004. This funding goes directly from the federal government to local agencies and does not pass through the State budget. The bill, therefore, would not impact federal funding for Head Start.

MSDE and CCA could meet the administrative reporting requirements of the legislation with existing resources. This assumes, however, that the bill would not require significant enhancements to current monitoring and reporting activities performed by the agencies. If greater involvement in early childhood educational and developmental programs is required, more personnel would be needed. For example, MSDE estimates that two additional permanent positions could be needed at an annualized cost of approximately \$120,000 to \$140,000 if MSDE is expected to meet new monitoring, evaluation, and reporting requirements.

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## Additional Information

**Prior Introductions:** A similar bill was introduced at the 2003 session as HB 635. The bill was passed by the General Assembly but was vetoed by the Governor.

**Cross File:** None.

**Information Source(s):** Department of Human Resources, Maryland State Department of Education, Department of Health and Mental Hygiene, Department of Legislative Services

**Fiscal Note History:** First Reader - February 27, 2004  
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