F1 3lr1797

By: Delegate Smith

Introduced and read first time: February 10, 2023

Assigned to: Appropriations

## A BILL ENTITLED

1	AN ACT concerning								
2 3	Education – Compensatory Education – Maryland Neighborhood Tier System Calculation								
4 5 6 7 8	FOR the purpose of altering and adding certain definitions related to the calculation of the compensatory education funding amount; requiring the State Department of Education to monitor certain actions of county boards of education; requiring the Department to establish the Maryland Neighborhood Tier System; and generally relating to the Maryland Neighborhood Tier System.								
9 10 11 12 13	BY repealing and reenacting, with amendments, Article – Education Section 5–222 Annotated Code of Maryland (2022 Replacement Volume)								
14 15	SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:								
16	Article - Education								
17	5-222.								
18	(a) (1) In this section the following words have the meanings indicated.								
19	(2) (i) "Compensatory education enrollment" means:								
20 21	1. Except as provided in subparagraph (iii) of this paragraph, for fiscal years 2017 through 2026, the greater of:								
22 23	A. The number of students eligible for free or reduced price meals for the prior fiscal year;								



1 2 3	B. For county boards that participate, in whole or in part, in the United States Department of Agriculture community eligibility provision, the number of students equal to the greater of:				
4 5 6 7 8 9	I. The sum of the number of students in participating schools identified by direct certification for the prior fiscal year, plus the number of students identified by the income information provided by the family to the school system on an alternative form developed by the Department for the prior fiscal year, plus the number of students eligible for free and reduced price meals from any schools not participating in the community eligibility provision for the prior fiscal year; or				
10 11 12 13 14	II. Subject to paragraph (3) of this subsection, the number of students eligible for free and reduced price meals at schools not participating in the community eligibility provision for the prior fiscal year, plus the product of the percentage of students eligible for free and reduced price meals at participating schools for the fiscal year prior to opting into the community eligibility provision multiplied by the prior fiscal year enrollment; [or]				
16 17	C. The number of students directly certified and who are enrolled in a public school in the county in the prior fiscal year; [and] OR				
18 19	D. THE MARYLAND NEIGHBORHOOD TIER SYSTEM TOTAL; AND				
20 21	2. For fiscal year 2027 and each fiscal year thereafter, the greater of:				

- A. The number of students eligible for free or reduced price meals using the United States Department of Agriculture count or the alternative State
- 24 form for the prior fiscal year; [or]
- B. The number of direct certification students who are enrolled in a public school in the county in the prior fiscal year; **OR**

## 27 C. THE MARYLAND NEIGHBORHOOD TIER SYSTEM 28 TOTAL.

- (ii) For the purpose of the calculation under subparagraph (i)1BII of this paragraph, the schools participating in the community eligibility provision during the pilot year may use the percentage of students identified for free and reduced price meals during the pilot year.
- 33 (iii) For the purpose of the calculation under subparagraph (i)1 of this 34 paragraph, direct certification multiplied by the multiplier may be used only for schools 35 that did not exist prior to the year the school system opted into the United States

1	Department of Agriculture community eligibility provision.								
2 3									
4	(	(i)	For fiscal year 2022, 91%;						
5	(	(ii)	For fiscal year 2023, 89%;						
6	(	(iii)	For fiscal year 2024, 87%;						
7	(	(iv)	For fiscal year 2025, 86%;						
8	(	(v)	For fiscal year 2026, 85%;						
9	(	(vi)	For fiscal year 2027, 80%;						
10	(	(vii)	For fiscal year 2028, 78%;						
11	(	(viii)	For fiscal year 2029, 76%;						
12	(	(ix)	For fiscal year 2030, 76%;						
13	(	(x)	For fiscal year 2031, 75%;						
14	(	(xi)	For fiscal year 2032, 71%; and						
15	(	(xii)	For fiscal year 2033 and each fiscal year thereafter, 73%.						
16 17	· · ·								
18	(	(i)	Supplemental Nutrition Assistance Program;						
19	(	(ii)	Temporary Assistance for Needy Families;						
20	(	(iii)	Foster care;						
21	(	(iv)	Head Start;						
22	(	(v)	Even Start;						
23	(	(vi)	Migrant students;						
24	(	(vii)	Homeless students; and						
25	(	(viii)	Medicaid and the Maryland Children's Health Program, up to						

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1	189% of the federal poverty level.
2 3 4	(5) "Eligible for free or reduced price meals" means eligible for free or reduced price meals based on eligibility requirements established by the United State Department of Agriculture.
5 6 7 8	(6) "MARYLAND NEIGHBORHOOD TIER SYSTEM STUDENT VALUE MEANS THE VALUE ASSIGNED TO EACH STUDENT BASED ON THE TIER TO WHICH THIS STUDENT IS ASSIGNED MULTIPLIED BY THE MARYLAND NEIGHBORHOOD TIES SYSTEM TIER WEIGHT OF THAT TIER.
9 10	(7) "MARYLAND NEIGHBORHOOD TIER SYSTEM TIER WEIGHT MEANS THE WEIGHT ASSIGNED TO EACH TIER AS FOLLOWS:
11	(I) TIER 1, NON-ECONOMICALLY DISADVANTAGED - 0;
12	(II) TIER 1, ECONOMICALLY DISADVANTAGED – 0.90;
13	(III) TIER 2, NON-ECONOMICALLY DISADVANTAGED - 0;
14	(IV) TIER 2, ECONOMICALLY DISADVANTAGED – 1.00;
15	(V) TIER 3, NON-ECONOMICALLY DISADVANTAGED - 0.60;
16	(VI) TIER 3, ECONOMICALLY DISADVANTAGED – 1.10;
17	(VII) TIER 4, NON-ECONOMICALLY DISADVANTAGED - 0.70;
18	(VIII) TIER 4, ECONOMICALLY DISADVANTAGED – 1.20;
19	(IX) TIER 5, NON-ECONOMICALLY DISADVANTAGED - 0.80; AND
20	(X) TIER 5, ECONOMICALLY DISADVANTAGED – 1.30.
21 22 23	(8) "MARYLAND NEIGHBORHOOD TIER SYSTEM TOTAL" MEANS, FOI EACH SCHOOL, THE TOTAL OF EACH STUDENT'S MARYLAND NEIGHBORHOOD TIER SYSTEM VALUE.
24 25	(9) "MARYLAND NEIGHBORHOOD TIER SYSTEM VALUE" MEANS THE VALUE ASSIGNED TO EACH TIER AS FOLLOWS:
26	(I) TIER $1-1$ ;

(II) TIER 2-2;

1	(III) TIER 3 – 3;
2	(IV) TIER 4 – 4; OR
3	(V) TIER $5-5$ .
4 5	(b) (1) Each fiscal year, the State shall distribute the State share for compensatory education to each county board.
6 7 8	(2) Each fiscal year, the county board shall distribute to each school the minimum school funding amount for compensatory education calculated under $\S$ 5–234 of this subtitle.
9 10 11	(3) THE DEPARTMENT SHALL MONITOR COUNTY BOARD PLANNING AND SPENDING OF FUNDS DISTRIBUTED TO A SCHOOL UNDER THIS SECTION TO ENSURE THE FUNDS ARE USED FOR:
12 13	(I) INVESTMENTS IN RESEARCH-BASED EFFORTS TO CLOSE SUBGROUP STUDENT OPPORTUNITY AND ACHIEVEMENT GAPS;
14 15	(II) INCREASING STUDENT SUBGROUP PROFICIENCY RATES, AS MEASURED BY STATE ASSESSMENTS; AND
16 17 18	(III) TARGETING RESOURCES TO SCHOOLS THAT SERVE STUDENTS LIVING IN NEIGHBORHOODS WITH THE HIGHEST CONCENTRATION OF POVERTY.
19 20 21	(c) (1) By school year 2022–2023, the State alternative income eligibility form shall be collected by each school that is participating in the United States Department of Agriculture community eligibility provision and may be collected by all other schools.
22 23 24	(2) The State alternative income eligibility form shall be developed by the Department and shall include a statement indicating that the income information requested on the form is used to determine local and State funding for education.
25 26 27	(D) (1) THE DEPARTMENT SHALL DEVELOP A MARYLAND NEIGHBORHOOD TIER SYSTEM AND ASSIGN EACH NEIGHBORHOOD IN THE STATE TO A NEIGHBORHOOD TIER.
28	(2) THE MARYLAND NEIGHBORHOOD TIER SYSTEM GROUPS EACH

CENSUS BLOCK IN THE STATE INTO A TIER BASED ON THE CENSUS BLOCK'S:

MEDIAN HOUSEHOLD INCOME;

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SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 27 28 1, 2023.