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Maryland General Assembly
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FISCAL AND POLICY NOTE
First Reader

Senate Bill 821
(Senator Watson, *et al.*)

Education, Energy, and the Environment

Primary and Secondary Education - Student Immunization - Temporary Admission Period

This bill codifies and extends from 20 to 60 days the current temporary admission period for a student unable to provide proof of immunization. A local board of education must admit a student to school if the parent or guardian presents evidence of the student's appointment with a health care provider or local health department (LHD) to receive a required immunization, reconstruct a lost record, or acquire evidence of age-appropriate immunity on a form provided by the Maryland Department of Health (MDH). The date of the appointment must be within 60 calendar days from the date the student is granted temporary admission (rather than 20 days under current regulations). A parent or guardian of a temporarily admitted student must provide evidence of the student's required immunization on the next school day following the student's appointment with a health professional or LHD. **The bill takes effect July 1, 2025.**

Fiscal Summary

State Effect: To the extent public school enrollment increases under the bill, State expenditures increase for additional State education aid, most of which is expended on a per pupil basis. MDH can update regulations as needed with existing budgeted resources. Revenues are not affected.

Local Effect: To the extent public school enrollment increases, local revenues increase from additional State education aid. Local expenditures may increase to fund the required minimum local effort relative to State aid dollars. Local school systems may also face additional administrative burdens to adjust enrollment counts as needed to properly capture students under an extended period of temporary admission. Local school systems and LHDs may experience operational impacts to accommodate the extended period to provide immunization.

Small Business Effect: None.

Analysis

Current Law:

Immunizations

Under § 7-403 of the Education Article, MDH, in cooperation with the State Board of Education and the Statewide Advisory Commission on Immunizations, must adopt rules and regulations regarding immunizations required of children entering schools. Unless the Secretary of Health declares an emergency or an epidemic of disease, a child whose parent or guardian objects to immunization on the ground of a conflict with *bona fide* religious beliefs and practices may not be required to present a physician's certification of immunization in order to be admitted to school. The Secretary of Health must adopt related regulations. The Maryland State Department of Education works collaboratively with MDH to ensure that students provide proof of the required school immunizations upon entry into school.

Maryland regulations (10.06.04.03) specify the required immunizations a student generally must obtain for enrollment in preschool or school in Maryland. For a preschool program, this includes evidence of age-appropriate immunity against haemophilus influenzae type B and pneumococcal disease. For preschool or kindergarten through second grade, this includes evidence of age-appropriate immunity against pertussis. For preschool or kindergarten through grade 12, this includes evidence of age-appropriate immunity against tetanus, diphtheria, poliomyelitis, measles (rubeola), mumps, rubella, hepatitis B, varicella, meningitis, and tetanus-diphtheria-acellular pertussis (Tdap) acquired through a Tdap vaccine.

Maryland regulations (10.06.04.04 - .05) further specify that immunization requirements do not apply to (1) a student who presents a licensed physician's or health officer's written statement that the student's immunization against a disease is medically contraindicated or (2) as noted above, to a student whose parent or guardian objects on the ground that immunization conflicts with the parent's or guardian's *bona fide* religious beliefs.

Temporary Admission Period

Maryland regulations (10.06.04.06) provide that a preschool, public school, or private school, must temporarily admit a student or retain a student in preschool or school if the student is homeless or if the student's parent or guardian is unable to provide proof of immunization as specified in the regulations described above. In order for the student to be temporarily admitted or retained in a preschool or school, the student's parent or guardian must present evidence of the student's appointment with a health care provider or LHD to receive a required immunization, reconstruct a lost record, or acquire evidence of

age-appropriate immunity on a form provided by MDH. The date of appointment may not be later than 20 calendar days following the date the student was temporarily admitted or retained. A preschool, public school, or private school must exclude from school a student who has been temporarily admitted or retained on the next school day following the appointment date if the student's parent or guardian fails to provide evidence of required immunizations.

Enrollment Count and Full-time Equivalent Enrollment

Full-time equivalent (FTE) enrollment is a key factor in determining most of the direct State aid provided to local school systems. FTE enrollment is also a key factor in determining required minimum funding, or effort, that county governments (including Baltimore City) must provide to local school systems. FTE enrollment means the sum of:

- the number of students enrolled in kindergarten through grade 12 or their equivalent in regular day school programs on September 30 of the prior school year;
- the number of FTE students enrolled in evening high school programs during the prior school year; and
- the number of Pathways in Technology Early College High students.

The foundation formula grant was altered by Chapter 36 of 2021, such that the count of students to be funded, or "enrollment count" is the greater of (1) the prior year FTE enrollment or (2) the three-year moving average of FTE enrollment, thus providing additional funding for school systems experiencing declining enrollment.

Enrollment and State Education Aid

The majority of mandatory State and local education funding for public schools in Maryland is based on funding formulas that include public school student enrollment as key variables. This includes the foundation formula, which is based upon "enrollment count," (described above) and includes targeted enrollment-based funding of compensatory education formula grants, concentration of poverty grants (CPGs), English language-learners grants, special education grants, and full-day prekindergarten grants. Funding mandates via these formulas in a given fiscal year are generally based on actual enrollment counts in the fall of the prior fiscal year – the most recent actual counts available at the time of State budget formulation. Chapter 36 substantially increased per pupil State and county funding of public schools and initiated several additional funding formulas.

Each of the above-named programs includes an enrollment-based local share. Annually, the county government (including Baltimore City) must appropriate funds to the local board of education equivalent to the greater of the Maintenance of Effort (MOE) requirement or the local share amount of all wealth-equalized formulas. The per pupil

MOE amount is based upon the “enrollment count,” as described above. Only counties that benefit from the compensatory education State funding floor are required to fund the local share of CPGs. However, for some counties, the combined local share across these several programs is subject to certain adjustments.

Maintenance of Effort and Local Share

Each year, the county government (including Baltimore City) is required to appropriate funds to the local board of education equivalent to the greater of the MOE requirement or the local share amount of all wealth-equalized formulas. The per pupil MOE amount is based upon the enrollment count as defined above. The local share amount equals the local share of the foundation formula, compensatory education, English language learner, special education, comparable wage index (CWI), full-day prekindergarten, college and career ready, transitional supplemental instruction (through fiscal 2026), and career ladder grant programs. Also, counties that benefit from the compensatory education State funding floor are required to fund the local share of the concentration of poverty grant programs. However, for some counties, the combined local share across these several programs is subject to adjustments.

Education Effort Adjustment to Local Share Requirement

Local governments are required to fund the local share of the foundation program and the required local shares for several existing and new funding formula programs. Statute includes a mechanism for establishing a maximum local share that a county must fund each year. This involves “local education effort,” which is determined for each county by dividing the county’s local share of major education aid by the county’s wealth. An “education effort index,” which is the local education effort divided by the “State average education effort” is then determined. A “maximum local share” is calculated for each county, which is the county’s local wealth multiplied by the State average education effort.

Each county with an education effort above 1.0 for two consecutive years receives relief based upon its “education effort adjustment,” which is the amount by which the calculated local share exceeds the maximum local share. This relief (which results in increases to State aid) is provided to counties within one of three tiers, based on whether the education effort is (1) greater than 1.0 but less than 1.15; (2) at least 1.15 but less than 1.27; or (3) at least 1.27. State relief for the first tier is phased up from 15% of the education effort adjustment in fiscal 2023 to 50% by fiscal 2030. State relief for the second tier is phased up from 20% of the education effort adjustment in fiscal 2023 to 100% by fiscal 2030. State relief for the third tier is 100% beginning in fiscal 2023. However, the education effort adjustment for a county is only allowed to the degree that per pupil MOE is met each year.

Additional Reductions to Local Share

A county may be eligible for a reduction in the required local share of major aid formulas in three additional ways: (1) if a county receives State funds from the guaranteed tax base program, the local share may be reduced by the amount of guaranteed tax base funds, except that for Baltimore City only the amount above \$10 million may be reduced from the local share; (2) if a county receives State funds to support the minimum funding floors of 15% for the foundation and 40% for the targeted programs; and (3) if a county has a CWI of at least 0.13, the local share of CWI may be reduced by 50%. However, in all of these cases, the local share may not be reduced below the required per pupil MOE amount.

State Expenditures: The bill generally does not alter the requirements for enrollment in a public school in the State nor does the bill directly alter the process of counting students for enrollment. However, to the extent there are newly enrolling students who are not able to qualify for temporary enrollment under the current 20-day temporary enrollment period but are able to qualify under the bill's 60-day temporary enrollment period, such students may be newly captured on the September 30 enrollment count in the student's first year of enrollment and total State aid may increase in the following fiscal year only. It is unknown how many students' enrollment status may be affected by the bill.

For context, the fiscal 2027 per pupil foundation amount is set in statute at \$9,732 per pupil. This amount is split between State and local shares of the total program amount such that for every additional student in the enrollment count, State expenditures increase by approximately \$4,866. Beyond potential foundation amounts, there may be additional increases to State aid to the extent newly counted students will be special education students, students eligible for free and reduced-price meals, students with limited English proficiency, and/or prekindergarten students. Additionally, any changes to FTE enrollment will result in adjustments to the State aid funding allocated via the education effort adjustment and guaranteed tax base.

Local Fiscal Effect: To the extent the bill increases enrollment, additional students will result in additional State aid in the year after the additional students first enroll in public school systems. For some local school systems, this additional aid may be significant.

Enrollment growth also increases the minimum local effort calculations that establish the minimum funding level that each county must provide in support of the local school system.

In fiscal 2025, local jurisdictions are spending an average of \$9,655 per student. The actual impact will vary across local school systems and total amounts will depend on the number of additional students captured in enrollment counts under the bill.

Additional Information

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

Designated Cross File: HB 608 (Delegate Taylor, *et al.*) - Ways and Means.

Information Source(s): Maryland State Department of Education; Maryland Department of Health; Maryland Association of County Health Officers; Baltimore City Public Schools; Anne Arundel County Public Schools; Montgomery County Public Schools; Prince George's County Public Schools; St. Mary's County Public Schools; Department of Legislative Services

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