

**Background and Text of the
PROPOSED AMENDMENT
TO SENATE BILL 461 AND HOUSE BILL 1433
Legislation to Fully Fund State Mandated Prekindergarten
for Economically Disadvantaged Four-Year Old Students
Beginning in FY 2018**

REVISED Bill Text

The following proposed legislation would REPLACE THE TEXT OF PENDING LEGISLATION, SENATE BILL 461 AND HOUSE BILL 1433, and instead establish a supplemental compensatory education grant program to provide each local school system additional per pupil funding for each prekindergarten student whether attending a half-day or full-day program. The amended bill language intends to capture the state and local share of the foundation amount and the additional per pupil compensatory education “weighted” funding.

Article - Education

§5-207.1

- (a) BEGINNING IN FISCAL YEAR 2018, EACH COUNTY BOARD SHALL RECEIVE A SUPPLEMENTAL PREKINDERGARTEN GRANT BASED ON:
 - a. THE NUMBER OF ELIGIBLE STUDENTS, AS DEFINED IN SECTION 7-101.1 OF THIS ARTICLE, ENROLLED IN HALF-DAY PREKINDERGARTEN ON SEPTEMBER 30 OF THE PREVIOUS SCHOOL YEAR MULTIPLIED BY 0.50 IN FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER; AND
 - b. THE NUMBER OF ELIGIBLE STUDENTS, AS DEFINED IN SECTION 7-101.1 OF THIS ARTICLE, ENROLLED IN FULL-DAY PREKINDERGARTEN ON SEPTEMBER 30 OF THE PREVIOUS SCHOOL YEAR MULTIPLIED BY 1.0 IN FISCAL YEAR 2018 AND EACH FISCAL YEAR THEREAFTER.
- (b) THE AMOUNT OF THE SUPPLEMENTAL PREKINDERGARTEN GRANT SHALL BE CALCULATED AS PROVIDED IN THIS SUBSECTION.
 - a. FOR EACH COUNTY, THE SUPPLEMENTAL PREKINDERGARTEN GRANT SHALL BE THE SUM OF:
 - i. THE STATE SHARE OF THE PER PUPIL FOUNDATION AMOUNT FOR EACH ELIGIBLE PREKINDERGARTEN STUDENT; AND

- ii. THE RESULT OF MULTIPLYING THE NUMBER OF ELIGIBLE PREKINDERGARTEN STUDENTS UNDER SECTION 5-207.1(A) BY THE PER PUPIL AMOUNT THE COUNTY BOARD IS CALCULATED TO RECEIVE UNDER SECTION 5-207 OF THIS ARTICLE.
- (c) BEGINNING IN FISCAL YEAR 2018, ELIGIBLE PREKINDERGARTEN STUDENTS ENROLLED ON SEPTEMBER 30 OF THE PREVIOUS SCHOOL YEAR SHALL BE INCLUDED IN THE ENROLLMENT COUNT USED TO DETERMINE THE LOCAL SHARE OF THE FOUNDATION PROGRAM UNDER SECTION 5-202 OF THIS ARTICLE.
- (d) NOTHING IN THIS SECTION MAY BE CONSTRUED TO AUTHORIZE THE INCLUSION OF PREKINDERGARTEN STUDENTS IN THE COUNTY OR STATEWIDE WEALTH PER PUPIL CALCULATIONS INCLUDED IN THIS ARTICLE.

§5-207.

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Aggregate State funding level for the compensatory education formula” means the product of the compensatory education per pupil amount and the statewide compensatory education enrollment count.
- (3) (i) Except as provided in subparagraph (ii) of this paragraph, “compensatory education enrollment count” means the number of students eligible for free or reduced price meals for the prior fiscal year.
- (ii) For fiscal years 2017 and 2018, “compensatory education enrollment count” means:
 - 1. The number of students eligible for free or reduced price meals for the prior fiscal year; or
 - 2. 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:
 - A. 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
 - B. Subject to subparagraph (iii) of this paragraph, 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.

(iii) For the purpose of the calculation under subparagraph (ii)2B 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.

(4) “Compensatory education per pupil amount” means 97% of the annual per pupil foundation amount calculated under § 5–202 of this subtitle multiplied by the State share of compensatory education funding.

(5) “Eligible for free or reduced price meals” means eligible for free or reduced price meals based on eligibility requirements established by the United States Department of Agriculture.

(6) “Full–time equivalent enrollment” has the meaning stated in § 5–202 of this subtitle.

(7) “Local wealth per pupil” means a county’s wealth divided by the county’s full–time equivalent enrollment.

(8) “State share of compensatory education funding” means:

- (i) 0.29 in fiscal year 2004;
- (ii) 0.37 in fiscal year 2005;
- (iii) 0.41 in fiscal year 2006;
- (iv) 0.46 in fiscal year 2007; and
- (v) 0.50 in fiscal year 2008 and each fiscal year thereafter.

(9) “Statewide wealth per pupil” means the sum of the wealth of all counties divided by the statewide full–time equivalent enrollment.

(10) “Wealth” has the meaning stated in § 5–202 of this subtitle.

(b) Each year the State shall distribute compensatory education grants to county boards.

(c) (1) The amount of the compensatory education grant distributed to a county board shall be calculated as provided in this subsection.

(2) For each county, multiply the compensatory education per pupil amount by the county’s compensatory education enrollment count.

(3) For each county, divide the result calculated under paragraph (2) of this subsection by the ratio, rounded to seven decimal places, of local wealth per pupil to statewide wealth per pupil.

(4) For each county, multiply the result calculated under paragraph (3) of this subsection for the county by the result, rounded to seven decimal places, that results from dividing the aggregate State funding level for the compensatory education formula by the sum of all of the results calculated under paragraph (3) of this subsection for all counties.

(d) (1) If the amount calculated under subsection (c)(4) of this section for any county is less than the minimum compensatory education grant amount determined under paragraph (2) of this subsection, the State shall distribute an additional grant to the county in the amount by which the minimum compensatory education grant amount exceeds the result calculated under subsection (c)(4) of this section.

(2) For purposes of paragraph (1) of this subsection, the minimum compensatory education grant amount for each county is the result obtained by multiplying the compensatory education per pupil amount by the county's compensatory education enrollment count, and multiplying this product by:

- (i) 0.50 for fiscal year 2004;
- (ii) 0.66 for fiscal year 2005;
- (iii) 0.70 for fiscal year 2006;
- (iv) 0.76 for fiscal year 2007; and
- (v) 0.80 for fiscal year 2008 and each fiscal year thereafter.

§7-101.1.

(a) (1) In this section the following terms have the meanings indicated.

(2) "Economically disadvantaged background" means a family whose income would make a child eligible for free or reduced price meals if the child were in kindergarten.

(3) "Eligible child" means a child:

- (i) Who is from an economically disadvantaged background;
- (ii) Whose parent or guardian seeks to enroll the child in a public prekindergarten program; and
- (iii) Who is 4 years old on September 1 of the school year in which the parent or legal guardian seeks to enroll the child in a public prekindergarten program.

(4) "Eligible for free or reduced price meals" means eligible for free or reduced price meals based on eligibility requirements established by the United States Department of Agriculture.

(b) By the 2007-2008 school year, all eligible children shall be admitted free of charge to publicly funded prekindergarten programs established by each of the county boards.

(c) The requirements set forth in § 7-101(b) of this subtitle regarding the domicile of a child and the residency of the child's parent or guardian shall apply to prekindergarten programs established by county boards as required by this section.

(d) In the comprehensive master plan that is submitted under § 5-401 of this article, a county board shall identify the strategies that will be used in that county to ensure that publicly funded prekindergarten programs are available to all eligible children in that county by the 2007-2008 school year.