

HOUSE BILL 297

F1, O4

4r0139
CF SB 332

By: **The Speaker (By Request – Administration) and Delegates Rosenberg, Hixson, Kaiser, Barkley, Busch, Guzzone, Hammen, Howard, Hucker, Lafferty, Luedtke, Nathan–Pulliam, Olszewski, Pena–Melnik, Pendergrass, Reznik, Swain, Tarrant, V. Turner, ~~and A. Washington~~ A. Washington, and Carr**

Introduced and read first time: January 20, 2014

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted with floor amendments

Read second time: March 12, 2014

CHAPTER _____

1 AN ACT concerning

2 **Prekindergarten Expansion Act of 2014**

3 FOR the purpose of expanding prekindergarten services to certain 4–year–old
4 children; altering the name of the Judith P. Hoyer Early Child Care and
5 Childhood Education Enhancement Program; changing the name of a certain
6 grant; establishing a Preschool Services Grant; authorizing the Department of
7 Education to distribute a certain grant to be used for a certain purpose;
8 requiring certain providers to obtain accreditation by a certain date; requiring
9 the Department to establish certain procedures for certain grants; requiring
10 certain recipients of certain grants to perform certain duties; requiring the
11 Department to conduct a certain evaluation; requiring a certain report by a
12 certain date; establishing the Prekindergarten Expansion Grant Program;
13 identifying the purpose of the Program; requiring the Department to administer
14 the Program; requiring the Program to be a competitive grant program for
15 certain providers; requiring the Department to take measures to achieve
16 geographic diversity among certain vendors; establishing certain criteria for
17 priority consideration to participate in the Program; establishing certain uses
18 for grant funds; authorizing the Department to establish certain policies and
19 procedures and additional eligibility criteria for certain purposes; requiring a
20 certain qualified vendor to receive a grant in a certain year under certain
21 circumstances; requiring funds for the Program to be as provided in a certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 budget; requiring certain vendors to certify certain information prior to
2 receiving a certain grant; authorizing the Governor to provide funds for certain
3 purposes; requiring a certain funding level to be maintained if funds are
4 provided in the budget; prohibiting certain uses of funds; requiring the
5 Department to perform certain functions; establishing the Prekindergarten
6 Expansion Fund as a special, nonlapsing fund; specifying the purpose of the
7 Fund; requiring the Department to administer the Fund; requiring the State
8 Treasurer to hold the Fund and the Comptroller to account for the Fund;
9 specifying the contents of the Fund; specifying the purpose for which the Fund
10 may be used; providing for the investment of money in and expenditures from
11 the Fund; requiring the Department to make a certain report to the General
12 Assembly on or before a certain date annually; exempting a certain fund from a
13 certain provision of law; defining certain terms; requiring a certain study to
14 include certain information and certain findings; requiring a certain study and
15 a certain plan to be submitted by a certain date; and generally relating to the
16 Prekindergarten Expansion Grant Program.

17 BY repealing and reenacting, with amendments,
18 Article – Education
19 Section 5–217
20 Annotated Code of Maryland
21 (2008 Replacement Volume and 2013 Supplement)

22 BY repealing and reenacting, without amendments,
23 Article – Education
24 Section 7–101.1
25 Annotated Code of Maryland
26 (2008 Replacement Volume and 2013 Supplement)

27 BY adding to
28 Article – Education
29 Section 7–101.2
30 Annotated Code of Maryland
31 (2008 Replacement Volume and 2013 Supplement)

32 BY repealing and reenacting, without amendments,
33 Article – State Finance and Procurement
34 Section 6–226(a)(1) and (2)(i)
35 Annotated Code of Maryland
36 (2009 Replacement Volume and 2013 Supplement)

37 BY repealing and reenacting, with amendments,
38 Article – State Finance and Procurement
39 Section 6–226(a)(2)(ii)76. and 77.
40 Annotated Code of Maryland
41 (2009 Replacement Volume and 2013 Supplement)

1 BY adding to
2 Article – State Finance and Procurement
3 Section 6–226(a)(2)(ii)78.
4 Annotated Code of Maryland
5 (2009 Replacement Volume and 2013 Supplement)

6 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
7 MARYLAND, That the Laws of Maryland read as follows:

8 **Article – Education**

9 5–217.

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

11 (2) “Accreditation” means the determination that a program meets
12 quality standards defined by the accrediting agency beyond State child care
13 regulations.

14 (3) “Accrediting agency” means a State agency or national
15 organization that has developed a recognized accrediting process.

16 (4) “Credentialing” means the process through which an individual is
17 awarded a professional certificate based on education and experience.

18 (5) “Early [Child Care and] **CHILDHOOD** Education Enhancement
19 Grant” means a grant that is distributed under subsection [(e)] **(E–1)** of this section.

20 (6) “Full day” means a period of time during the day that:

21 (i) Meets the needs of families; and

22 (ii) Is not less than 7 hours or more than 12 hours per day.

23 (7) “Judy Center” means a site where comprehensive early [child care
24 and] **CHILDHOOD** education services are provided to young children and their
25 families for the purpose of promoting school readiness through collaboration with
26 participating agencies and programs.

27 (8) “Judy Center Grant” means a grant that is distributed under
28 subsection (d) of this section.

29 (9) “Local management board” means a local management board as
30 defined under § 8–101(l) of the Human Services Article.

31 (10) “Participating agencies and programs” includes:

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- 1 (i) Public prekindergarten and kindergarten programs;
- 2 (ii) Head Start programs;
- 3 (iii) Family literacy programs and services;
- 4 (iv) Local infants and toddlers programs;
- 5 (v) Child care centers and family child care homes;
- 6 (vi) Family support centers;
- 7 (vii) Healthy family sites;
- 8 (viii) Parent involvement programs;
- 9 (ix) Early childhood programs affiliated with institutions of
10 higher education; and
- 11 (x) Other home visiting, community health, family support
12 services, and child care resource and referral agencies.

13 **(11) “PRESCHOOL SERVICES GRANT” MEANS A GRANT THAT IS**
14 **DISTRIBUTED UNDER SUBSECTION (E) OF THIS SECTION.**

15 ~~[(11)]~~ **(12)** “Program” means the Judith P. Hoyer Early [Child Care
16 and] **CHILDHOOD** Education Enhancement Program established under this section.

17 (b) (1) There is a Judith P. Hoyer Early [Child Care and] **CHILDHOOD**
18 Education Enhancement Program in the Department.

19 (2) The purpose of the Program is to promote school readiness through
20 the development and expansion of collaborative approaches to the delivery of high
21 quality, comprehensive, full-day early [child care and] **CHILDHOOD** education
22 programs and family support services.

23 (c) (1) The Program shall be funded as provided in the State budget.

24 (2) Funds that are allocated to the Program in the State budget may
25 be used:

26 (i) To cover the costs incurred by the Department in
27 implementing and administering the Program;

28 (ii) For Judy Center Grants, as provided under subsection (d) of
29 this section;

1 **(III) FOR PRESCHOOL SERVICES GRANTS, AS PROVIDED**
2 **UNDER SUBSECTION (E) OF THIS SECTION;**

3 [(iii)] **(IV)** For Early [Child Care and] **CHILDHOOD** Education
4 Enhancement Grants, as provided under subsection [(e)] **(E-1)** of this section; and

5 [(iv)] **(V)** To fund the statewide implementation of the
6 Department's Early Childhood Assessment System, as provided under subsection (f) of
7 this section.

8 (d) The Department may distribute a Judy Center Grant to a county board if
9 the county board submits an application to the Department that includes:

10 (1) A memorandum of understanding between the county board, the
11 participating agencies and programs, and, in the discretion of the county board, the
12 local management board that includes:

13 (i) The terms of the collaboration to be undertaken by the
14 county board, the participating agencies and programs, and, if applicable, the local
15 management board, including the roles and responsibilities of each of these entities;
16 and

17 (ii) A plan for establishing ongoing communication between
18 private service providers and public school early education programs; and

19 (2) Documentation that shows that:

20 (i) The Department's Early Childhood Assessment System will
21 be implemented at the Center;

22 (ii) All participating agencies and programs that provide early
23 [child care and] **CHILDHOOD** education services through the Center have voluntarily
24 obtained accreditation or, by the date of the Grant application, have voluntarily
25 initiated and are actively pursuing the process of obtaining accreditation; and

26 (iii) The Center will provide comprehensive, full-day early [child
27 care and] **CHILDHOOD** education services and family support services.

28 (e) (1) The Department may distribute [an Early Child Care and
29 Education Enhancement] **A PRESCHOOL SERVICES** Grant [to a county board] to be
30 used to [purchase early child care and education services and family support services
31 from providers] **PROVIDE PREKINDERGARTEN SERVICES FOR 4-YEAR-OLD**
32 **CHILDREN WHOSE BIRTHDAYS FALL ON OR BEFORE SEPTEMBER 1 OF THE**
33 **SCHOOL YEAR DURING WHICH SERVICES WILL BE PROVIDED AND WHOSE**
34 **FAMILY INCOME IS BELOW A LEVEL SET BY THE DEPARTMENT.**

1 **(2) PRIVATE PROVIDERS** that have voluntarily obtained
2 accreditation or have voluntarily initiated and are actively pursuing accreditation **BY**
3 **THE DATE OF THE GRANT APPLICATION MUST OBTAIN ACCREDITATION BEFORE**
4 **RECEIVING A GRANT AWARD.**

5 **[(2)] (E-1)** The Department may distribute an Early [Child Care and]
6 **CHILDHOOD** Education Enhancement Grant to a private provider of early [child care
7 and] **CHILDHOOD** education services to be used:

8 **[(i)] (1)** To assist the provider in voluntarily obtaining
9 accreditation; or

10 **[(ii)] (2)** For professional development activities leading to
11 increased competency and appropriate credentialing that is related to early [child care
12 and] **CHILDHOOD** education services.

13 (f) The Department may distribute funds to a county board for the purpose
14 of implementing the Department's Early Childhood Assessment System in the
15 county's public schools.

16 (g) (1) The Department shall:

17 (i) Establish application procedures for obtaining Judy Center
18 **GRANTS, PRESCHOOL SERVICES GRANTS,** and Early [Child Care and]
19 **CHILDHOOD** Education Enhancement Grants as provided under this section;

20 (ii) Supervise and monitor the use of Grant funds distributed
21 under this section; and

22 (iii) Evaluate whether Grant recipients are meeting annual
23 benchmarks established by the Department.

24 (2) For Judy Center Grants, the Department may award multiyear
25 funding.

26 (h) A county board that is selected to receive a Judy Center Grant or [an
27 Early Child Care and Education Enhancement Grant for the purpose of purchasing
28 early child care and education services] **A PRIVATE PROVIDER THAT HAS BEEN**
29 **SELECTED FOR A PRESCHOOL SERVICES GRANT OR AN EARLY CHILDHOOD**
30 **EDUCATION ENHANCEMENT GRANT** shall:

31 (1) Administer the Grant award;

32 (2) Submit fiscal and program reports as required by the Department;
33 and

1 (3) Coordinate the involvement of participating agencies and programs
2 in any evaluation process conducted by the Department.

3 (i) Grants awarded under this section may not be used:

4 (1) To supplant existing funding for any services provided by
5 participating agencies and programs; or

6 (2) For capital improvements.

7 (j) The Department shall [select through a competitive bidding process and
8 supervise an evaluator who shall design and implement] **CONDUCT** an evaluation
9 process to measure the effectiveness of:

10 (1) The Judy Centers; and

11 (2) Early [child care and] **CHILDHOOD** education services and family
12 support services that are purchased with funds from **PRESCHOOL SERVICES**
13 **GRANTS AND** Early [Child Care and] **CHILDHOOD** Education Enhancement Grants.

14 (k) The Department shall submit to the Governor and, subject to § 2–1246 of
15 the State Government Article, the General Assembly:

16 (1) On or before November 1 of each year, a report on the
17 implementation of the Program and the participating agencies and programs,
18 including a description of the Program’s and the participating agencies’ and programs’
19 expenditures, enrollment, and statewide performance data, including school readiness
20 data disaggregated by program and by jurisdiction; and

21 (2) On or before January 1, [2004] **2016**, a separate report that
22 includes an evaluation, based on objective performance criteria established by the
23 Department, of the effectiveness of:

24 (i) The Judy Centers; and

25 (ii) Early [child care and] **CHILDHOOD** education services and
26 family support services that are purchased with funds from **PRESCHOOL SERVICES**
27 **GRANTS AND** Early [Child Care and] **CHILDHOOD** Education Enhancement Grants.

28 (l) The Department may adopt regulations as necessary to implement the
29 Program.

30 7–101.1.

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

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

4 (3) “Eligible child” means a child:

5 (i) Who is from an economically disadvantaged background;

6 (ii) Whose parent or guardian seeks to enroll the child in a
7 public prekindergarten program; and

8 (iii) Who is 4 years old on September 1 of the school year in
9 which the parent or legal guardian seeks to enroll the child in a public
10 prekindergarten program.

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

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

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

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

24 **7–101.2.**

25 **(A) (1) IN THIS SECTION THE FOLLOWING TERMS HAVE THE**
26 **MEANINGS INDICATED.**

27 **(2) “ADDITIONAL ELIGIBLE CHILD” MEANS A CHILD:**

28 **(I) WHO IS FROM AN ECONOMICALLY DISADVANTAGED**
29 **BACKGROUND;**

30 **(II) WHOSE PARENT OR LEGAL GUARDIAN SEEKS TO**
31 **ENROLL THE CHILD IN A PUBLICLY FUNDED PREKINDERGARTEN PROGRAM**
32 **ESTABLISHED UNDER THIS SECTION; AND**

1 **(III) WHO IS 4 YEARS OLD ON SEPTEMBER 1 OF THE SCHOOL**
2 **YEAR IN WHICH THE PARENT OR LEGAL GUARDIAN SEEKS TO ENROLL THE**
3 **CHILD IN A PUBLICLY FUNDED PREKINDERGARTEN PROGRAM ESTABLISHED**
4 **UNDER THIS SECTION.**

5 **(3) “ECONOMICALLY DISADVANTAGED BACKGROUND” MEANS A**
6 **FAMILY WHOSE INCOME IS NO MORE THAN 300% OF THE FEDERAL POVERTY**
7 **GUIDELINES.**

8 **(4) “FUND” MEANS THE PREKINDERGARTEN EXPANSION FUND.**

9 **(5) “JUDY CENTER” HAS THE SAME MEANING AS PROVIDED IN §**
10 **5–217 OF THIS ARTICLE.**

11 **(6) “PROGRAM” MEANS THE PREKINDERGARTEN EXPANSION**
12 **GRANT PROGRAM.**

13 **(7) “QUALIFIED VENDOR” MEANS:**

14 **(I) IF PARTNERING WITH A COUNTY BOARD UNDER A**
15 **MEMORANDUM OF UNDERSTANDING, A STATE ACCREDITED OR NATIONALLY**
16 **ACCREDITED CHILD CARE CENTER OR A NONPUBLIC SCHOOL APPROVED BY THE**
17 **DEPARTMENT TO PROVIDE PREKINDERGARTEN SERVICES;**

18 **(II) A COUNTY BOARD THAT PROVIDES PREKINDERGARTEN**
19 **SERVICES UNDER § 7–101.1 OF THIS SUBTITLE; AND**

20 **(III) A JUDY CENTER OR PRIVATE PROVIDER OF**
21 **PRESCHOOL SERVICES THAT MEETS THE GRANT REQUIREMENTS UNDER § 5–217**
22 **OF THIS ARTICLE.**

23 **(B) (1) THERE IS A GRANT PROGRAM KNOWN AS THE**
24 **PREKINDERGARTEN EXPANSION GRANT PROGRAM IN THE STATE.**

25 **(2) THE PURPOSE OF THE PROGRAM IS TO BROADEN THE**
26 **AVAILABILITY OF PREKINDERGARTEN AND SCHOOL READINESS SERVICES**
27 **THROUGHOUT THE STATE FOR CHILDREN AND THEIR FAMILIES IN**
28 **COORDINATION WITH THE FOLLOWING PROGRAMS:**

29 **(I) THE PUBLICLY FUNDED PREKINDERGARTEN PROGRAM**
30 **ESTABLISHED UNDER § 7–101.1 OF THIS ARTICLE; AND**

1 **(II) THE JUDITH P. HOYER EARLY CHILDHOOD**
2 **EDUCATION ENHANCEMENT PROGRAM ESTABLISHED UNDER § 5-217 OF THIS**
3 **SUBTITLE.**

4 **(3) THE DEPARTMENT SHALL ADMINISTER THE PROGRAM.**

5 **(4) (I) THE PROGRAM SHALL BE A COMPETITIVE GRANT**
6 **PROGRAM TO PROVIDE FUNDS TO QUALIFIED VENDORS.**

7 **(II) THE DEPARTMENT SHALL TAKE MEASURES TO ACHIEVE**
8 **GEOGRAPHIC DIVERSITY AMONG PARTICIPATING QUALIFIED VENDORS.**

9 **(III) PRIORITY FOR PARTICIPATION IN THE PROGRAM**
10 **SHALL BE GIVEN TO QUALIFIED VENDORS:**

11 **1. THAT ARE LOCATED IN AREAS OF THE STATE**
12 **THAT HAVE AN UNMET NEED FOR PREKINDERGARTEN OR COMPREHENSIVE**
13 **EARLY CHILDHOOD EDUCATION SERVICES;**

14 **2. THAT INCLUDE A PLAN FOR LONG-TERM**
15 **SUSTAINABILITY, INCLUDING COMMUNITY AND BUSINESS PARTNERSHIPS AND**
16 **MATCHING FUNDS TO THE EXTENT POSSIBLE; AND**

17 **3. THAT INCORPORATE PARENTAL ENGAGEMENT**
18 **AND THE BENEFITS OF EDUCATIONAL ACTIVITIES BEYOND THE CLASSROOM**
19 **INTO THE VENDORS' PROGRAMS.**

20 **(IV) PREKINDERGARTEN EXPANSION GRANTS MAY BE USED**
21 **TO EXPAND PREKINDERGARTEN SERVICES, INCLUDING:**

22 **1. ~~HALF-DAY~~ ESTABLISHING OR EXPANDING**
23 **EXISTING HALF-DAY PREKINDERGARTEN FOR ADDITIONAL ELIGIBLE CHILDREN**
24 **AS DEFINED IN THIS SECTION;**

25 **2. ~~FULL-DAY~~ ESTABLISHING OR EXPANDING**
26 **FULL-DAY PREKINDERGARTEN FOR ELIGIBLE CHILDREN AS DEFINED IN §**
27 **7-101.1 OF THIS SUBTITLE OR ADDITIONAL ELIGIBLE CHILDREN AS DEFINED IN**
28 **THIS SECTION; ~~AND~~**

29 **3. ESTABLISHING OR EXPANDING EXISTING JUDY**
30 **CENTERS FOR THE FAMILIES OF ELIGIBLE CHILDREN AS DEFINED IN § 7-101.1**
31 **OF THIS SUBTITLE OR ADDITIONAL ELIGIBLE CHILDREN AS DEFINED IN THIS**
32 **SECTION WHO ARE LOCATED IN TITLE I SCHOOL ATTENDANCE AREAS; AND**

1 **4. EXPANDING EXISTING HALF-DAY**
2 **PREKINDERGARTEN PROGRAMS INTO FULL-DAY PREKINDERGARTEN**
3 **PROGRAMS FOR ELIGIBLE CHILDREN AS DEFINED IN § 7-101.1 OF THIS**
4 **SUBTITLE OR ADDITIONAL ELIGIBLE CHILDREN AS DEFINED IN THIS SECTION.**

5 **(V) THE DEPARTMENT MAY ESTABLISH:**

6 **1. ADDITIONAL ELIGIBILITY CRITERIA FOR THE**
7 **SELECTION OF QUALIFIED VENDORS;**

8 **2. APPLICATION AND AWARD PROCESSES**
9 **INCLUDING THE SUBMISSION DATE FOR APPLICATIONS, RENEWAL**
10 **PROCEDURES, AND APPLICATION REVIEW PROCESSES FOR MAKING AWARDS**
11 **UNDER THE PROGRAM; AND**

12 **3. ANY OTHER POLICIES AND PROCEDURES**
13 **NECESSARY TO IMPLEMENT THE PROGRAM.**

14 **(5) A QUALIFIED VENDOR THAT HAS RECEIVED A**
15 **PREKINDERGARTEN EXPANSION GRANT IN THE CURRENT YEAR SHALL BE**
16 **AWARDED A GRANT IN THE NEXT YEAR IF THE QUALIFIED VENDOR CONTINUES**
17 **TO SATISFY THE REQUIREMENTS ESTABLISHED UNDER THIS SECTION.**

18 **(C) BEFORE APPROVING QUALIFIED VENDORS FOR PREKINDERGARTEN**
19 **SERVICES TO RECEIVE A GRANT UNDER THIS SECTION, A QUALIFIED VENDOR**
20 **SHALL CERTIFY TO THE DEPARTMENT THAT FOR EACH CLASSROOM FUNDED**
21 **UNDER THIS SECTION THE VENDOR WILL:**

22 **(1) MAINTAIN A STUDENT-TO-TEACHER RATIO OF NO MORE**
23 **THAN 10 TO 1 WITH AN AVERAGE OF 20 CHILDREN PER CLASSROOM;**

24 **(2) PROVIDE IN EACH CLASSROOM AT LEAST ONE TEACHER**
25 **CERTIFIED IN EARLY CHILDHOOD EDUCATION BY THE STATE AND AT LEAST ONE**
26 **TEACHER'S AIDE WHO HAS AT LEAST A HIGH SCHOOL DEGREE; AND**

27 **(3) OPERATE AN EDUCATIONAL PROGRAM FOR:**

28 **(I) 5 DAYS PER WEEK;**

29 **(II) 180 DAYS PER YEAR, IN ACCORDANCE WITH THE PUBLIC**
30 **SCHOOL CALENDAR ESTABLISHED BY THE LOCAL SCHOOL BOARD; AND**

31 **(III) 1. FOR HALF-DAY PROGRAMS, AT LEAST 2.5 HOURS**
32 **PER DAY; OR**

1 **2. FOR FULL-DAY PROGRAMS, AT LEAST 6.5 HOURS**
2 **PER DAY.**

3 **(D) (1) FUNDS FOR THE PROGRAM SHALL BE AS PROVIDED IN THE**
4 **STATE BUDGET.**

5 **(2) THE AMOUNT OF STATE FUNDS PROVIDED FOR THE**
6 **PROGRAM EACH FISCAL YEAR SHALL BE AT LEAST AS MUCH AS WAS**
7 **APPROPRIATED IN THE PRIOR FISCAL YEAR.**

8 **(3) THE GOVERNOR MAY PROVIDE FUNDS TO THE DEPARTMENT**
9 **TO ADMINISTER THE PROGRAM.**

10 **(E) GRANTS AWARDED UNDER THIS SECTION MAY NOT BE USED:**

11 **(1) TO SUPPLANT EXISTING FUNDING FOR PREKINDERGARTEN**
12 **SERVICES; OR**

13 **(2) FOR CAPITAL IMPROVEMENTS.**

14 **(F) THE DEPARTMENT SHALL:**

15 **(1) LEVERAGE CHILD CARE SUBSIDY PROGRAM FUNDS WHEN**
16 **MAKING GRANT AWARDS TO PRIVATE PROVIDERS THAT PARTICIPATE IN THE**
17 **CHILD CARE SUBSIDY PROGRAM;**

18 **(2) ENCOURAGE PRIVATE PROVIDERS THAT RECEIVE GRANTS TO**
19 **PURSUE LEVEL 5 IN THE DEPARTMENT'S VOLUNTARY QUALITY RATING AND**
20 **IMPROVEMENT SYSTEM KNOWN AS "MARYLAND EXCELS";**

21 **(3) SUPERVISE AND MONITOR THE USE OF GRANT FUNDS**
22 **DISTRIBUTED UNDER THIS SECTION; AND**

23 **(4) EVALUATE WHETHER GRANT RECIPIENTS ARE MEETING**
24 **ANNUAL BENCHMARKS ESTABLISHED BY THE DEPARTMENT.**

25 **(G) (1) THERE IS A PREKINDERGARTEN EXPANSION FUND.**

26 **(2) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDS TO THE**
27 **PROGRAM.**

28 **(3) THE DEPARTMENT SHALL ADMINISTER THE FUND.**

1 **(4) (I) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS**
2 **NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT**
3 **ARTICLE.**

4 **(II) THE STATE TREASURER SHALL HOLD THE FUND**
5 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

6 **(5) THE FUND CONSISTS OF:**

7 **(I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE**
8 **FUND;**

9 **(II) INVESTMENT EARNINGS OF THE FUND; AND**

10 **(III) ANY OTHER MONEY FROM ANY OTHER SOURCE,**
11 **INCLUDING DONATIONS, ACCEPTED FOR THE BENEFIT OF THE FUND.**

12 **(6) THE FUND MAY BE USED ONLY FOR GRANTS MADE BY THE**
13 **DEPARTMENT FOR THE PROGRAM.**

14 **(7) (I) THE STATE TREASURER SHALL INVEST THE MONEY OF**
15 **THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

16 **(II) INVESTMENT EARNINGS OF THE FUND SHALL BE PAID**
17 **INTO THE FUND.**

18 **(8) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN**
19 **ACCORDANCE WITH THE STATE BUDGET.**

20 **(H) IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT**
21 **ARTICLE, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY BY**
22 **NOVEMBER 1 OF EACH YEAR ON THE IMPLEMENTATION OF THE PROGRAM.**

23 **Article – State Finance and Procurement**

24 6-226.

25 **(a) (1) Except as otherwise specifically provided by law or by regulation of**
26 **the Treasurer, the Treasurer shall credit to the General Fund any interest on or other**
27 **income from State money that the Treasurer invests.**

28 **(2) (i) Notwithstanding any other provision of law, and unless**
29 **inconsistent with a federal law, grant agreement, or other federal requirement or with**
30 **the terms of a gift or settlement agreement, net interest on all State money allocated**
31 **by the State Treasurer under this section to special funds or accounts, and otherwise**

1 entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue
2 to the General Fund of the State.

3 (ii) The provisions of subparagraph (i) of this paragraph do not
4 apply to the following funds:

5 76. the Baltimore City Public School Construction
6 Financing Fund; [and]

7 77. the Spay/Neuter Fund; AND

8 **78. THE PREKINDERGARTEN EXPANSION FUND.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That, when the Maryland
10 State Department of Education issues a contract to conduct a study of the adequacy of
11 education funding in the State, as required by Chapter 288 of the Acts of the General
12 Assembly of 2002, the study shall include providing universal access to
13 prekindergarten services for Maryland children from families at different income
14 levels. The study shall also examine removing funding of prekindergarten services for
15 economically disadvantaged 4-year-old children from the compensatory education
16 funding formula and instead incorporating prekindergarten students into the
17 enrollment-based education funding formulas originally enacted by Chapter 288 of the
18 Acts of the General Assembly of 2002 that may be revised based on the findings of the
19 adequacy study.

20 SECTION 3. AND BE IT FURTHER ENACTED, That, the Maryland State
21 Department of Education, the Maryland Department of Health and Mental Hygiene,
22 and the Maryland Department of Planning shall report jointly on the aggregate
23 estimated number of 3-year-old and 4-year-old children and the subcategory that
24 includes the estimated number of ~~economically disadvantaged~~ 3-year-old and
25 4-year-old children from an economically disadvantaged background as defined in §§
26 7-101.1 and 7-101.2 of the Education Article, as enacted by Section 1 of this Act, in
27 each county (including Baltimore City) in Maryland for the current school year and the
28 next 5 school years. The report shall be submitted to the Governor and, in accordance
29 with § 2-1246 of the State Government Article, the Senate Budget and Taxation
30 Committee, the Senate Education, Health, and Environmental Affairs Committee, the
31 House Ways and Means Committee, and the House Appropriations Committee by
32 September 1, 2014.

33 SECTION 4. AND BE IT FURTHER ENACTED, That, the Maryland State
34 Department of Education shall conduct a study on the best practices to engage parents
35 and guardians in early education programs and services. The Department shall
36 develop an outreach plan based on best practices identified by the study, in
37 collaboration with existing programs for working families, that promotes the benefits
38 of early education programs and services, particularly in communities with low
39 participation rates in early education. The Department shall report on the study and
40 outreach plan to the Governor and, in accordance with § 2-1246 of the State

1 Government Article, the Senate Budget and Taxation Committee, the Senate
2 Education, Health, and Environmental Affairs Committee, the House Ways and
3 Means Committee, and the House Appropriations Committee on or before December 1,
4 2014.

5 SECTION 5. AND BE IT FURTHER ENACTED, That this Act shall take effect
6 June 1, 2014.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.