Sec. 1. 829. Prekindergarten education

- (a) Definitions. As used in this section:
- (1) "Prekindergarten child" means a child who, as of the date established by the district of residence for kindergarten eligibility, is three or four years of age or is five years of age but is not yet <u>eligible to be</u> enrolled in kindergarten.
- (2) "Prekindergarten education" means services designed to provide to prekindergarten children developmentally appropriate early development and learning experiences based on Vermont's early learning standards.
- (3) "Prequalified private provider" means a private provider of prekindergarten education that is qualified pursuant to subsection (c) of this section currently licensed as a center-based child care program or family child care home to provide childcare by the Child Development Division of the Agency of Human Services.
- (4) "Public provider" means a provider of prekindergarten education that is located in public school property and is subject to the jurisdiction of a local public school board.
 - (b) Access to publicly funded prekindergarten education.
- (1) No fewer than ten hours per week of publicly funded prekindergarten education shall be available for 35 weeks annually to each prekindergarten child whom a parent or guardian wishes to enroll in an available, prequalified program
- (2) If a parent or guardian chooses to enroll a prekindergarten child in an available, program, then, pursuant to the parent or guardian's choice, the school district of residence Secretary shall:
- (A) pay tuition pursuant to subsections (d) of this section upon the request of the parent or guardian to:
 - (i) a prequalified private provider located in Vermont; or
- (ii) a <u>Vermont</u> public school <u>that operates a prekindergarten program</u> <u>whether</u> located <u>inside or</u> outside the district <u>in which the child resides that</u> operates a prekindergarten program that has been prequalified pursuant to <u>subsection</u> (c) of this section; or

- (B) enroll the child in the prekindergarten education program that it operates.
- (3) If requested by the parent or guardian of a prekindergarten child, the school district of residence shall pay tuition to a prequalified program operated by a private provider or a public school in another district even if the district of residence operates a prekindergarten education program.
- (4) If the supply of prequalified private and public providers is insufficient to meet the demand for publicly funded prekindergarten education in any region of the State, nNothing in this section shall be construed to require the State or a district to begin or expand a program to satisfy that demand; but rather, in collaboration with the Agencies of Education and of Human Services, the local Building Bright Futures Council shall meet with school districts and private providers in the region to develop a regional plan to expand capacity.
- (c) Prequalification. Pursuant to rules jointly developed and overseen by the Secretaries of Education and of Human Services and adopted by the State Board pursuant to 3 V.S.A. chapter 25, the Agencies jointly may determine that a private or public provider of prekindergarten education is qualified for purposes of this section and include the provider in a publicly accessible database of prequalified providers. shall propose rules to the State Board of Education that At a minimum, the rules Secretary shall define the process by which a provider applies for and maintains prequalification status, shall identify the minimum quality standards for prequalification, and shall include the following requirements: In order to be eligible for tuition payments for publicly funded prekindergarten:
- (1) A <u>private provider</u>, program of prekindergarten education whether provided by a school district or a private provider, shall have received, shall meet minimum program quality by:
- (A) having National Association for the Education of Young Children (NAEYC) accreditation; or
- (B) at least four stars in the Department for Children and Families' STARS system with a plan to get to at least two points in each of the five arenas; or and
- (C) three stars in the STARS system if the provider has developed a plan, approved by the Commissioner for Children and Families and the Secretary of Education, to achieve four or more stars with at least two points in each of the five arenas in no more than three years, and the provider has met intermediate

milestones(B) employing or contracting for the services of at least one teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title who is present at the program site during the hours that are publically funded.

- (2) A <u>licensed public</u> provider shall <u>meet minimum program quality by</u> employing or contracting for the services of at least one teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title <u>to provide direct instruction during the hours that are publicly funded, by meeting safety and quality rule adopted by the State Board of Education, and being under the supervision of a school district.</u>
- (3) A registered home provider that is not licensed and endorsed in early childhood education or early childhood special education shall receive regular, active supervision and training from a teacher who is licensed and endorsed in early childhood education or in early childhood special education under chapter 51 of this title.
 - (d) Tuition, budgets, payments and average daily membership.
- (1) On behalf of a resident prekindergarten child, a district the Secretary shall pay tuition for prekindergarten education for ten hours per week for 35 weeks annually to a prequalified private provider or to a public schoolprovider outside the district in which the child resides that is prequalified pursuant to subsection (c) of this section; provided, however, that the district shall pay tuition for weeks that are within the district's academic year. Tuition paid under this section shall be paid from the Education Fund at a statewide rate, which may be adjusted regionally, that is established annually through a process jointly developed and implemented by the Agencyies of Education and of Human Services. A district The Secretary shall establish procedures for payment of tuition to districts and private providers that upon require at a minimum, receiving:
- (A) receiving annual notice from the child's parent or guardian that the child is or will be admitted to the chooses to participate in publically funded prekindergarten education program operated by the prequalified private provider or the other school district; and
- (B) concurrent <u>notice from a private or public provider that enrollment of</u> the <u>prekindergarten</u> child in the district of residence for purposes of budgeting and determining average daily membership is enrolled; and

- (C) a request for reimbursement from the private or public provider that reports enrollment for the period covered by the request and certifies that the provider is eligible for public funding under subsection (c) of this section for the period covered by the request.
- (2) In addition to any direct costs of operating a prekindergarten education program, a district of residence shall include anticipated tuition payments and any administrative, quality assurance, quality improvement, transition planning, or other prekindergarten related costs in its annual budget presented to the voters.
- (3) Pursuant to subdivision 4001(1)(C) of this title, the <u>a</u> district <u>in which the child resides of residence</u> may include within its average daily membership any prekindergarten child for whom it has provided prekindergarten education <u>in excess of ten hours per week for 35 weeks annualy or on whose behalf it has paid tuition pursuant to this section and no tuition shall be charged for the child.</u>
- (4) A <u>prequalified</u> private provider, or a <u>public provider that is not the child district of residence</u>, may receive additional payment directly from the parent or guardian only for prekindergarten education in excess of the <u>publically funded</u> hours paid for <u>by the district</u> pursuant to this <u>subsection (d) of this</u> section or for child care services, or both. The provider is not bound by the statewide rate established in this subsection when determining the rates it will charge the parent or guardian <u>for excess hours</u>. It may not impose additional fees for the <u>publically funded hours</u>.
- (e) Rules. The Secretary of Education and the Commissioner for Children and Families shall jointly develop and agree to rules and present them propose rules to the State Board for adoption under 3 V.S.A. chapter 25 as follows:
- (1) To permit private providers that are not prequalified pursuant to subsection (c) of this section to create new or continue existing partnerships with school districts through which the school district provides supports that enable the provider to fulfill the requirements of subdivision (c)(2) or (3), and through which the district may or may not make in-kind payments as a component of the statewide tuition established under this section.
- (2) To authorize a district to begin or expand a school-based prekindergarten education program only upon prior approval obtained through a process jointly overseen by the Secretaries of Education and of Human Services, which shall be based upon analysis of the number of prekindergarten children residing in the

district and the availability of enrollment opportunities with prequalified private providers in the region. Where the data are not clear or there are other complex considerations, the Secretaries may choose to conduct a community needs assessment.

- (3) To require that the school district provides Secretary to provide opportunities for effective parental participation in the prekindergarten education program.
- $\frac{(4)}{(2)}$ To establish a process by which <u>tuition payments are requested and</u> made that includes the conditions in subsection $\frac{(d)}{(1)(A)}$ - $\frac{(D)}{(D)}$:
- (A) a parent or guardian notifies the district that the prekindergarten child is or will be admitted to a prekindergarten education program not operated by the district and concurrently enrolls the child in the district pursuant to subdivision (d)(1) of this section;

(B) a district:

- (i) pays tuition pursuant to a schedule that does not inhibit the ability of a parent or guardian to enroll a prekindergarten child in a prekindergarten education program or the ability of a prequalified private provider to maintain financial stability; and
- (ii) enters into an agreement with any provider to which it will pay tuition regarding quality assurance, transition, and any other matters; and
- (C) a provider that has received tuition payments under this section on behalf of a prekindergarten child notifies a district that the child is no longer enrolled.
- (5) (3) To establish a process to calculate an annual statewide tuition rate that is based upon the actual cost of delivering ten hours per week of prekindergarten education that meets all established quality standards and to allow for regional adjustments to the rate.

(6) [Repealed.]

(7) To require a district to include identifiable costs for prekindergarten programs and essential early education services in its annual budgets and reports to the community.

- (8) To require a district to report to the Agency of Education annual expenditures made in support of prekindergarten education, with distinct figures provided for expenditures made from the General Fund, from the Education Fund, and from all other sources, which shall be specified.
 - (9) (4) To provide an administrative process for:
- (A) a parent, <u>or</u> guardian, <u>or provider</u> to challenge an action of a school district or the State when the complainant believes that the district or State is in violation of State statute or rules regarding prekindergarten education <u>a</u> provider's action or inaction with respect to enrollment or billing; and
- (B) a school district to challenge an action of a provider or the State when the district believes that the provider or the State is in violation of State statute or rules regarding prekindergarten education a public or private to challenge a decision of the Secretary not to pay a request for reimbursement.
- (10) (5) To establish a system by which the Agency of Education and Department for Children and Families shall jointly Secretary shall monitor and evaluate implementation of publically funded prekindergarten education programs to promote optimal results for children that support the relevant population-level outcomes set forth in 3 V.S.A. § 2311 and to collect data that will inform future decisions. The Agency and Department shall be required to Secretary shall report annually to the General Assembly in January on the prior year. At a minimum, the system shall monitor and evaluate:
- (A) programmatic details, including the number of children served enrolled, the number of private and public programs operated, and the public financial investment made to ensure access to quality prekindergarten education;
- (B) the quality <u>criteria</u> of public and private prekindergarten education programs, and efforts to ensure continuous quality improvements through mentoring, training, and technical assistance, and otherwise; and
- (C) the results for children, including school readiness and proficiency in numeracy and literacy <u>and social and emotional development</u>.
- (11) (6) To establish a process for documenting the progress of children enrolled in <u>publically funded</u> prekindergarten education programs and to require public and private providers to use the process to:

- (A) help individualize instruction and improve program practice; and
- (B) collect and report child progress data to as required by the Secretary of Education on an annual basis-; and
 - (7) To establish safety and quality requirements for public providers.
- (f) Other provisions of law. Section 836 of this title shall not apply to this section.
- (g) Limitations. Nothing in this section shall be construed to permit or require payment of public funds to a private provider of prekindergarten education in violation of Chapter I, Article 3 of the Vermont Constitution or in violation of the Establishment Clause of the U.S. Constitution.

(h) Geographic limitations.

- (1) Notwithstanding the requirement that a district pay tuition to any prequalified public or private provider in the State, a school board may choose to limit the geographic boundaries within which the district shall pay tuition by paying tuition solely to those prequalified providers in which parents and guardians choose to enroll resident prekindergarten children that are located within the district's "prekindergarten region" as determined in subdivision (2) of this subsection.
- (2) For purposes of this subsection, upon application from the school board, a district's prekindergarten region shall be determined jointly by the Agencies of Education and of Human Services in consultation with the school board, private providers of prekindergarten education, parents and guardians of prekindergarten children, and other interested parties pursuant to a process adopted by rule under subsection (e) of this section. A prekindergarten region:
- (A) shall not be smaller than the geographic boundaries of the school district;
- (B) shall be based in part upon the estimated number of prekindergarten children residing in the district and in surrounding districts, the availability of prequalified private and public providers of prekindergarten education, commuting patterns, and other region-specific criteria; and
- (C) shall be designed to support existing partnerships between the school district and private providers of prekindergarten education.

- (3) If a school board chooses to pay tuition to providers solely within its prekindergarten region, and if a resident prekindergarten child is unable to access publicly funded prekindergarten education within that region, then the child's parent or guardian may request and in its discretion the district may pay tuition at the statewide rate for a prekindergarten education program operated by a prequalified provider located outside the prekindergarten region.
- (4) Except for the narrow exception permitting a school board to limit geographic boundaries under subdivision (1) of this subsection, all other provisions of this section and related rules shall continue to apply.

Sec. 2. 16 V.S.A. §4001 is amended to read:

§ 4001. Definitions

As used in this chapter:

(1) "Average daily membership" of a school district, or if needed in order to calculate the appropriate homestead tax rate, of the municipality as defined in 32 V.S.A. § 5401(9), in any year means:

(C) The full-time equivalent enrollment for each prekindergarten child as follows: If a child is enrolled in excess of ten hours in a public school in the district in which the child resides or more hours of prekindergarten education per week or receives 10 or more hours of essential early education services per week, the child shall be counted as one full-time equivalent pupil. If a child is enrolled in six or more but fewer than 10 hours of prekindergarten education per week or if a child receives fewer than 10 hours of essential early education services per week, the child shall be counted as a percentage of one full-time equivalent pupil, calculated as one multiplied by the number of excess hours per week divided by ten. A child enrolled in prekindergarten education for fewer than six hours per week shall not be included in the district's average daily membership. prorated to reflect the hours education provided by the district in excess of 10 hours. There is no limit on the total number of children who may be enrolled in prekindergarten education or who receive essential early education services.

Sec. 3. 33 V.S.A. § 3502 is amended to read:

§ 3502. Child care facilities; school age care in public schools; 21st Century Fund

- (a) Unless exempted under subsection (b) of this section, a person shall not operate a child care facility without a license, or operate a family child care home without registration from the Department.
- (b) The following persons are exempted from the provisions of subsection (a) of this section:

(6) a public school prekindergarten education provider as defined by 16 V.S.A. §829(a)(4), unless the public school prekindergarten education provider asks to participate in the child care subsidy program.

Sec. 4. EFFECTIVE DATE

Sections 1-4 of this bill shall take effect on June 1, 2019.

MB 1/19/18