

1 H.248

2 Representative Holcombe of Norwich moves that report of the Committee  
3 on Human Services be amended by striking out all after the enacting clause  
4 and inserting in lieu thereof the following:

5 \* \* \* Publicly Funded Prekindergarten Education Generally \* \* \*

6 Sec. 1. 16 V.S.A. § 829 is amended to read:

7 § 829. PREKINDERGARTEN EDUCATION

8 (a) Definitions. As used in this section:

9 (1) “Prekindergarten child” means a child who, as of the date  
10 established by the district of residence for kindergarten eligibility, is three or  
11 four years of age or is five years of age but is not yet enrolled in kindergarten.

12 (2) “Prekindergarten education” means services designed to provide to  
13 prekindergarten children developmentally appropriate early development and  
14 learning experiences based on Vermont’s early learning standards.

15 (3) “Prequalified private provider” means a private provider of  
16 prekindergarten education that is qualified pursuant to subsection (c) of this  
17 section.

18 (4) “Prequalified public provider” means a school district that provides  
19 prekindergarten education and is qualified pursuant to subsection (c) of this  
20 section.

1 (b) Access to publicly funded prekindergarten education.

2 (1) ~~No fewer~~ Not less than ~~ten~~ 10 hours per week of publicly funded  
3 prekindergarten education shall be available for 35 weeks annually to each  
4 prekindergarten child whom a parent or guardian wishes to enroll in an  
5 available, prequalified program operated by a public school or a private  
6 provider.

7 (2)(A) If a parent or guardian chooses to enroll a prekindergarten child  
8 in an available, prequalified public program, then, pursuant to the parent or  
9 guardian's choice, the school district of residence shall:

10 ~~(A)(i)~~ pay tuition pursuant to ~~subsections~~ subsection (d) ~~and (h)~~ of  
11 this section upon the request of the parent or guardian to:

12 ~~(i) a prequalified private provider; or~~

13 ~~(ii)~~ a public school located outside the district that operates a  
14 prekindergarten program that has been prequalified pursuant to subsection (c)  
15 of this section; or

16 ~~(B)(ii)~~ enroll the child in the prekindergarten education program that  
17 it operates.

18 (B) If a parent or guardian chooses to enroll a prekindergarten child  
19 in an available, prequalified private program, then, pursuant to the parent or  
20 guardian's choice, the Department for Children and Families shall pay tuition  
21 to the prequalified private provider pursuant to 33 V.S.A. § 3551.

1           (3) ~~If requested by the parent or guardian of a prekindergarten child, the~~  
2           ~~school district of residence shall pay tuition to a prequalified program operated~~  
3           ~~by a private provider or a public school in another district even if the district of~~  
4           ~~residence operates a prekindergarten education program. [Repealed.]~~

5           (4) If the supply of prequalified private and public providers is  
6           insufficient to meet the demand for publicly funded prekindergarten education  
7           in any region of the State, nothing in this section shall be construed to require a  
8           district to begin or expand a program to satisfy that demand; but rather, in  
9           collaboration with the Agencies of Education and of Human Services, the local  
10          Building Bright Futures Council shall meet with school districts and private  
11          providers in the region to develop a regional plan to expand capacity.

12          (c) Prequalification. Pursuant to rules jointly developed and overseen by  
13          the Secretaries of Education and of Human Services and adopted by the State  
14          Board pursuant to 3 V.S.A. chapter 25, the Agencies jointly may determine  
15          that a private or public provider of prekindergarten education is qualified for  
16          purposes of this section and include the provider in a publicly accessible  
17          database of prequalified providers. At a minimum, the rules shall define the  
18          process by which a provider applies for and maintains prequalification status,  
19          shall identify the minimum quality standards for prequalification, and shall  
20          include the following requirements:

1           (1) A program of prekindergarten education, whether provided by a  
2 school district or a private provider, shall have received:

3                   (A) National Association for the Education of Young Children  
4 (NAEYC) accreditation;

5                   (B) at least four stars in the Department for Children and Families’  
6 STARS system; or

7                   (C) three stars in the STARS system if the provider has developed a  
8 plan, approved by the Commissioner for Children and Families and the  
9 Secretary of Education, to achieve four or more stars.

10           (2) A licensed provider shall employ or contract for the services of at  
11 least one teacher who is licensed and endorsed in early childhood education or  
12 in early childhood special education under chapter 51 of this title.

13           (3) A registered home provider that is not licensed and endorsed in early  
14 childhood education or early childhood special education shall receive regular,  
15 active supervision and training from a teacher who is licensed and endorsed in  
16 early childhood education or in early childhood special education under  
17 chapter 51 of this title.

18           (d) Tuition, budgets, and average daily membership.

19           (1) On behalf of a resident prekindergarten child, a district shall pay  
20 tuition for prekindergarten education for ~~ten~~ 10 hours per week for 35 weeks  
21 annually to a prequalified private provider or to a public school outside the

1 district that is prequalified pursuant to subsection (c) of this section; provided,  
2 however, that the district shall pay tuition for weeks that are within the  
3 district's academic year. Tuition paid under this section shall be at a statewide  
4 rate, which may be adjusted regionally, that is established annually through a  
5 process jointly developed and implemented by the Agencies of Education and  
6 of Human Services. A district shall pay tuition to a prequalified public  
7 prekindergarten provider located outside the district upon:

8 (A) receiving notice from the child's parent or guardian that the child  
9 is or will be admitted to the prekindergarten education program operated by the  
10 ~~prequalified private provider or~~ the other district; and

11 (B) concurrent enrollment of the prekindergarten child in the district  
12 of residence for purposes of budgeting and determining average daily  
13 membership.

14 (2) In addition to any direct costs of operating a prekindergarten  
15 education program, a district of residence shall include anticipated tuition  
16 payments and any administrative, quality assurance, quality improvement,  
17 transition planning, or other prekindergarten-related costs in its annual budget  
18 presented to the voters.

19 (3) Pursuant to subdivision 4001(1)(C) of this title, the district of  
20 residence may include within its average daily membership any  
21 prekindergarten child for whom it has provided prekindergarten education or

1 on whose behalf it has paid tuition to a prequalified public provider located  
2 outside the district, pursuant to this section.

3 (4) ~~A prequalified private provider may receive additional payment~~  
4 ~~directly from the parent or guardian only for prekindergarten education in~~  
5 ~~excess of the hours paid for by the district pursuant to this section or for child~~  
6 ~~care services, or both. The provider is not bound by the statewide rate~~  
7 ~~established in this subsection when determining the rates it will charge the~~  
8 ~~parent or guardian.~~ [Repealed.]

9 (e) Rules. The Secretary of Education and the Commissioner for Children  
10 and Families shall jointly develop and agree to rules and present them to the  
11 State Board for adoption under 3 V.S.A. chapter 25 as follows:

12 (1) To permit private providers that are not prequalified pursuant to  
13 subsection (c) of this section to create new or continue existing partnerships  
14 with school districts through which the school district provides supports that  
15 enable the provider to fulfill the requirements of subdivision (c)(2) or (3) of  
16 this section, and through which the district may or may not make in-kind  
17 payments as a component of the statewide tuition established under this  
18 section.

19 (2) To authorize a district to begin or expand a school-based  
20 prekindergarten education program only upon prior approval obtained through  
21 a process jointly overseen by the Secretaries of Education and of Human

1 Services, which shall be based upon analysis of the number of prekindergarten  
2 children residing in the district and the availability of enrollment opportunities  
3 with prequalified private providers in the region. Where the data are not clear  
4 or there are other complex considerations, the Secretaries may choose to  
5 conduct a community needs assessment.

6 (3) To require that the school district provides opportunities for effective  
7 parental participation in the prekindergarten education program.

8 (4) To establish a process by which:

9 (A) a parent or guardian notifies the district that the prekindergarten  
10 child is or will be admitted to a prequalified public prekindergarten education  
11 program not operated by the district and concurrently enrolls the child in the  
12 district pursuant to subdivision (d)(1) of this section; and

13 (B) ~~a district:~~

14 ~~(i) pays tuition pursuant to a schedule that does not inhibit the~~  
15 ~~ability of a parent or guardian to enroll a prekindergarten child in a~~  
16 ~~prekindergarten education program or the ability of a prequalified private~~  
17 ~~provider to maintain financial stability; and~~

18 ~~(ii) enters into an agreement with any provider to which it will pay~~  
19 ~~tuition regarding quality assurance, transition, and any other matters; and~~

1           ~~(C)~~ a provider that has received tuition payments under this section  
2           on behalf of a prekindergarten child notifies a district that the child is no longer  
3           enrolled.

4           (5) To establish a process to calculate an annual statewide tuition rate  
5           that is based upon the actual cost of delivering ~~ten~~ 10 hours per week of  
6           prekindergarten education that meets all established quality standards and to  
7           allow for regional adjustments to the rate.

8           (6) [Repealed.]

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

12          (8) To require a district to report to the Agency of Education annual  
13          expenditures made in support of prekindergarten education, with distinct  
14          figures provided for expenditures made from the General Fund, from the  
15          Education Fund, and from all other sources, which shall be specified.

16          (9) To provide an administrative process for:

17               (A) a parent, or guardian, ~~or provider~~ to challenge an action of a  
18               school district or the State when the complainant believes that the district or  
19               State is in violation of State statute or rules regarding prekindergarten  
20               education; ~~and~~



1 (B) a school district to challenge an action of ~~a provider or~~ the State  
2 when the district believes that ~~the provider or~~ the State is in violation of State  
3 statute or rules regarding prekindergarten education;

4 (C) a parent or guardian to challenge the action of a prequalified  
5 private provider or prequalified private provider, respectively, when the  
6 complainant believes that the provider is in violation of State statute or rules  
7 regarding prekindergarten education; and

8 (D) a prequalified private provider to challenge an action of the State  
9 when the complainant believes the State is in violation of State statute or rules  
10 regarding prekindergarten education.

11 (10) To establish a system by which the Agency of Education and  
12 Department for Children and Families shall jointly monitor and evaluate  
13 prekindergarten education programs to promote optimal results for children  
14 that support the relevant population-level outcomes set forth in 3 V.S.A.  
15 § 2311 and to collect data that will inform future decisions. The Agency and  
16 Department shall be required to report annually to the General Assembly in  
17 January. At a minimum, the system shall monitor and evaluate:

18 (A) programmatic details, including the number of children served,  
19 the number of private and public prekindergarten programs operated, and the  
20 public financial investment made to ensure access to quality prekindergarten  
21 education;

1 (B) the quality of public and private prekindergarten education  
2 programs and efforts to ensure continuous quality improvements through  
3 mentoring, training, technical assistance, and otherwise; and

4 (C) the results for children, including school readiness and  
5 proficiency in numeracy and literacy.

6 (11) To establish a process for documenting the progress of children  
7 enrolled in prekindergarten education programs and to require public and  
8 private providers to use the process to:

9 (A) help individualize instruction and improve program practice; and

10 (B) collect and report child progress data to the Secretary of  
11 Education on an annual basis.

12 (f) ~~Other provisions of law. Section 836 of this title shall not apply to this~~  
13 ~~section. [Repealed.]~~

14 (g) ~~Limitations. Nothing in this section shall be construed to permit or~~  
15 ~~require payment of public funds to a private provider of prekindergarten~~  
16 ~~education in violation of Chapter I, Article 3 of the Vermont Constitution or in~~  
17 ~~violation of the Establishment Clause of the U.S. Constitution. [Repealed.]~~

18 (h) ~~Geographic limitations.~~

19 (1) ~~Notwithstanding the requirement that a district pay tuition to any~~  
20 ~~prequalified public or private provider in the State, a school board may choose~~  
21 ~~to limit the geographic boundaries within which the district shall pay tuition by~~

1 ~~paying tuition solely to those prequalified providers in which parents and~~  
2 ~~guardians choose to enroll resident prekindergarten children that are located~~  
3 ~~within the district's "prekindergarten region" as determined in subdivision (2)~~  
4 ~~of this subsection.~~

5 ~~(2) For purposes of this subsection, upon application from the school~~  
6 ~~board, a district's prekindergarten region shall be determined jointly by the~~  
7 ~~Agencies of Education and of Human Services in consultation with the school~~  
8 ~~board, private providers of prekindergarten education, parents and guardians of~~  
9 ~~prekindergarten children, and other interested parties pursuant to a process~~  
10 ~~adopted by rule under subsection (e) of this section. A prekindergarten region:~~

11 ~~(A) shall not be smaller than the geographic boundaries of the school~~  
12 ~~district;~~

13 ~~(B) shall be based in part upon the estimated number of~~  
14 ~~prekindergarten children residing in the district and in surrounding districts, the~~  
15 ~~availability of prequalified private and public providers of prekindergarten~~  
16 ~~education, commuting patterns, and other region specific criteria; and~~

17 ~~(C) shall be designed to support existing partnerships between the~~  
18 ~~school district and private providers of prekindergarten education.~~

19 ~~(3) If a school board chooses to pay tuition to providers solely within its~~  
20 ~~prekindergarten region, and if a resident prekindergarten child is unable to~~  
21 ~~access publicly funded prekindergarten education within that region, then the~~

1 ~~child's parent or guardian may request and in its discretion the district may pay~~  
2 ~~tuition at the statewide rate for a prekindergarten education program operated~~  
3 ~~by a prequalified provider located outside the prekindergarten region.~~

4 ~~(4) Except for the narrow exception permitting a school board to limit~~  
5 ~~geographic boundaries under subdivision (1) of this subsection, all other~~  
6 ~~provisions of this section and related rules shall continue to apply. [Repealed.]~~

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

8 § 4001. DEFINITIONS

9 As used in this chapter:

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

13 \* \* \*

14 (C) The full-time equivalent enrollment for each prekindergarten  
15 child as follows: If a child is enrolled in 10 or more hours of prekindergarten  
16 education per week in a public school or receives 10 or more hours of essential  
17 early education services per week, the child shall be counted as one full-time  
18 equivalent pupil. If a child is enrolled in six or more but ~~fewer~~ less than 10  
19 hours of prekindergarten education per week in a public school or if a child  
20 receives ~~fewer~~ less than 10 hours of essential early education services per  
21 week, the child shall be counted as a percentage of one full-time equivalent

pupil, calculated as one multiplied by the number of hours per week divided by  
~~ten~~ 10. A child enrolled in prekindergarten education for ~~fewer~~ less than six  
hours per week in a public school or for any number of hours in a prequalified  
private provider shall not be included in the district's average daily  
membership. There is no limit on the total number of children who may be  
enrolled in public school prekindergarten education program or who receive  
essential early education services.

\* \* \*

(15) "Prekindergarten child" means a ~~three-or-four-year-old~~ child three  
or four years of age who is enrolled in a prekindergarten program offered by ~~or~~  
~~through~~ a school district pursuant to rules adopted under section 829 of this  
title or who is receiving essential early education services offered pursuant to  
section 2956 of this title. Prekindergarten child also means a ~~five-year-old~~  
child five years of age who otherwise meets the terms of this definition if that  
child is not yet eligible for or enrolled in kindergarten.

\* \* \* Child Care Financial Assistance Program, Supplemental Child Care  
Grants, and Prequalified Private Prekindergarten Education \* \* \*

Sec. 3. 33 V.S.A. § 3505 is amended to read:

§ 3505. SUPPLEMENTAL CHILD CARE GRANTS

(a)(1)(A) The Commissioner for Children and Families may reserve up to  
one-half of one percent of the ~~child care family assistance program~~ Child Care

1 Financial Assistance Program funds for extraordinary financial relief to assist  
2 child care programs that are at risk of closing due to experiencing financial  
3 hardship. The Commissioner may provide extraordinary financial relief under  
4 this subdivision (A) to both licensed and registered child care programs and to  
5 child care programs that are in the process of becoming licensed or registered.

6 The Commissioner shall develop guidelines for providing assistance and shall  
7 prioritize extraordinary financial relief to child care programs in areas of the  
8 State with high poverty and low access to high quality child care.

9 ~~(B) If the Commissioner determines a child care program is at risk of~~  
10 ~~closure because its operations are not fiscally sustainable, he or she may~~  
11 ~~provide assistance to~~ In order to transition children who are currently served by  
12 ~~the a child care operator program that is closing to a new child care program in~~  
13 ~~an orderly fashion and to help secure other child care opportunities for children~~  
14 ~~served by the program in an effort to minimize the disruption of services, the~~  
15 Commissioner may provide assistance to the existing or new program to  
16 minimize the disruption of services to the effected children.

17 ~~(C) The~~ As needed to implement this subdivision (1), the Commissioner  
18 has the authority to request tax returns and other financial documents to verify  
19 ~~the a child care program's~~ financial hardship and its ability to sustain or  
20 increase operations.



\* \* \*



1 Sec. 5. 33 V.S.A. § 3514 is amended to read:

2 § 3514. PAYMENT TO PROVIDERS

3 (a)(1) The Commissioner shall establish a payment schedule for purposes  
4 of ~~reimbursing~~ paying providers for full- or part-time child care services  
5 rendered to families who participate in the programs established under section  
6 3512 or 3513 of this title. The payment schedule shall ensure timely payment  
7 to child care providers by requiring payment in advance or at the beginning of  
8 the delivery of child care services. The payment schedule shall account for the  
9 age of the children served, and all providers in the same child care setting  
10 category shall receive a ~~reimbursement~~ payment in accordance with a rate  
11 payment established by the Commissioner, which shall be dependent upon  
12 whether the provider operates a child care center and preschool program,  
13 family child care home, or afterschool or summer care program. The  
14 ~~reimbursement~~ payment rate shall then be adjusted to reduce the differential  
15 between family child care homes and center-based child care and preschool  
16 programs by 50 percent.

17 (2) Payments shall be based on a child's authorized enrollment. The  
18 Department, in consultation with the Office of Racial Equity and stakeholders,  
19 shall adopt rules pursuant to 3 V.S.A. chapter 25 that define “enrollment” and  
20 the total number of allowable absences to continue participating in the Child

Care Financial Assistance Program. The Department shall minimize  
itemization of absence categories.

\* \* \*

Sec. 6. 33 V.S.A. chapter 35 is amended to read:

#### CHAPTER 35. CHILD CARE

\* \* \*

##### Subchapter 6. Prekindergarten Education

##### § 3551. PREQUALIFIED PRIVATE PREKINDERGARTEN EDUCATION

(a) A parent or guardian may choose to enroll a prekindergarten child in a  
publicly funded prekindergarten education program operated by an available,  
prequalified private provider of the parent or guardian's choice pursuant to  
16 V.S.A. § 829 by providing written notice to the Department for Children  
and Families, on a form created by the Department for this purpose, that the  
child is or will be admitted to the prekindergarten education program operated  
by a prequalified private provider.

(b)(1) Upon receiving written notice, the Department shall pay tuition to  
the prequalified private provider for not more than 10 hours per week of  
publicly funded prekindergarten education for 35 weeks annually from the  
State portion of funding appropriated for the Child Care Financial Assistance  
Program.

1           (2) The Department shall pay tuition on a schedule that does not inhibit  
2           the ability of a parent or guardian to enroll a prekindergarten child in a private  
3           prekindergarten education program or the ability of a prequalified private  
4           provider to maintain financial stability.

5           (3) Prior to making an initial tuition payment, the Department shall enter  
6           into an agreement with a prequalified private provider to which it will pay  
7           tuition on behalf of a child regarding quality assurance, compliance with 16  
8           V.S.A. § 829, and any other matters. The agreement shall require a  
9           prequalified private provider to notify the Department if a prekindergarten  
10           child for which it previously received a prekindergarten tuition payment is no  
11           longer enrolled.

12           (c) A prequalified private provider may receive additional payment directly  
13           from the parent or guardian only for prekindergarten education in excess of the  
14           hours paid for by the Department pursuant to this section or for child care  
15           services, or both.

16           (d) As used in this section, “prekindergarten child,” “prekindergarten  
17           education,” and “prequalified private provider” have the same meaning as in  
18           16 V.S.A. § 829.

19                           \* \* \* Reporting Requirement \* \* \*

## Sec. 7. REPORT; STREAMLINING APPLICATION PROCESSES

On or before December 15, 2026, the Department for Children and Families' Child Development Division shall submit a proposal to the House Committee on Human Services and to the Senate Committee on Health and Welfare for streamlining the application process for families seeking receive both a benefit for prekindergarten education provided at a prequalified private provider pursuant to 16 V.S.A. § 829 and a Child Care Financial Assistance Program subsidy pursuant to 33 V.S.A. § 3512. The proposal shall include any necessary legislative language.

\* \* \* Effective Dates \* \* \*

## Sec. 7. EFFECTIVE DATES

This section and Secs. 3 (supplemental child care grants), 4 (Child Care Financial Assistance Program; eligibility), and 5 (payment to providers) shall take effect on passage. All other sections shall take effect on September 1, 2026.

and that after passage the title of the bill be amended to read: “An act relating to Child Care Financial Assistance Program, supplemental child care grants, and prequalified private prekindergarten education”