

1 Introduced by Committee on Human Services

2 Date:

3 Subject: Education; prekindergarten education; Agency of Education; Agency
4 of Human Services; education finance

5 Statement of purpose of bill as introduced: This bill proposes to makes
6 miscellaneous changes to publicly funded prekindergarten education.

7 An act relating to the provision of publicly funded prekindergarten
8 education

9 It is hereby enacted by the General Assembly of the State of Vermont:

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

11 § 829. PREKINDERGARTEN EDUCATION

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

13 (1) “Prekindergarten child” means a child who, as of the date
14 established by the district of residence for kindergarten eligibility, is ~~three or~~
15 four years of age or is five years of age but is not yet ~~enrolled~~ eligible to enroll
16 in kindergarten.

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

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

4 (b) Access to publicly funded prekindergarten education.

5 (1) No fewer than ~~ten~~ 20 hours per week of publicly funded
6 prekindergarten education shall be available for 35 weeks annually to each
7 prekindergarten child whom a parent or guardian wishes to enroll in an
8 available, prequalified program operated by a public school or a private
9 provider.

10 (2) If a parent or guardian chooses to enroll a prekindergarten child in an
11 available, prequalified program, then, pursuant to the parent or guardian’s
12 choice, the school district of residence shall:

13 (A) pay tuition pursuant to subsections (d) and (h) of this section
14 upon the request of the parent or guardian to:

15 (i) a prequalified private provider; or

16 (ii) a public school located outside the district that operates a
17 prekindergarten program that has been prequalified pursuant to subsection (c)
18 of this section; or

19 (B) enroll the child in the prekindergarten education program that it
20 operates.

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.

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 (5) School districts shall be responsible for providing or arranging for
13 the provision of prekindergarten education to ensure all resident students have
14 access to a prequalified provider.

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

1 shall identify the minimum quality standards for prequalification, and shall
2 include the following requirements:

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

5 (A) National Association for the Education of Young Children
6 (NAEYC) accreditation;

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

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

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

15 (B) A licensed public provider shall employ or contract for the
16 services of at least one teacher who is licensed and endorsed in early childhood
17 education or in early childhood special education under chapter 51 of this title
18 who is present and actively teaching during the hours prekindergarten
19 education is provided.

20 (3) A registered home provider that is not licensed and endorsed in early
21 childhood education or early childhood special education shall receive regular,

1 active supervision and training from a teacher who is licensed and endorsed in
2 early childhood education or in early childhood special education under
3 chapter 51 of this title.

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

5 (1) On behalf of a resident prekindergarten child, a district shall pay
6 tuition for prekindergarten education for ~~ten~~ 20 hours per week for 35 weeks
7 annually to a prequalified private provider or to a public school outside the
8 district that is prequalified pursuant to subsection (c) of this section; provided,
9 however, that the district shall pay tuition for weeks that are within the
10 district's academic year. Tuition paid under this section shall be at a statewide
11 rate, which may be adjusted regionally, that is established annually through a
12 process jointly developed and implemented by the Agencies of Education and
13 of Human Services. A district shall pay tuition upon:

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

17 (B) concurrent enrollment of the prekindergarten child in the district
18 of residence for purposes of budgeting and determining average daily
19 membership.

20 (2) In addition to any direct costs of operating a prekindergarten
21 education program, a district of residence shall include anticipated tuition

1 payments and any administrative, quality assurance, quality improvement,
2 transition planning, or other prekindergarten-related costs in its annual budget
3 presented to the voters.

4 (3) ~~Pursuant to subdivision 4001(1)(C) of this title, the district of~~
5 ~~residence may include within its average daily membership any~~
6 ~~prekindergarten child for whom it has provided prekindergarten education or~~
7 ~~on whose behalf it has paid tuition pursuant to this section. [Repealed.]~~

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

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

17 (1) To permit private providers that are not prequalified pursuant to
18 subsection (c) of this section to create new or continue existing partnerships
19 with school districts through which the school district provides supports that
20 enable the provider to fulfill the requirements of subdivision (c)(2) or (3), and

1 through which the district may or may not make in-kind payments as a
2 component of the statewide tuition established under this section.

3 (2) To authorize a district to begin or expand a school-based
4 prekindergarten education program only upon prior approval obtained through
5 a process jointly overseen by the Secretaries of Education and of Human
6 Services, which shall be based upon analysis of the number of prekindergarten
7 children residing in the district and the availability of enrollment opportunities
8 with prequalified private providers in the region. Where the data are not clear
9 or there are other complex considerations, the Secretaries may choose to
10 conduct a community needs assessment.

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

13 (4) To establish a process by which:

14 (A) a parent or guardian notifies the district that the prekindergarten
15 child is or will be admitted to a prekindergarten education program not
16 operated by the district and concurrently enrolls the child in the district
17 pursuant to subdivision (d)(1) of this section;

18 (B) a district:

19 (i) pays tuition pursuant to a schedule that does not inhibit the
20 ability of a parent or guardian to enroll a prekindergarten child in a

1 prekindergarten education program or the ability of a prequalified private
2 provider to maintain financial stability; and

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

5 (C) a provider that has received tuition payments under this section
6 on behalf of a prekindergarten child notifies a district that the child is no longer
7 enrolled.

8 (5) To establish a process to calculate an annual statewide tuition rate
9 that is based upon the actual cost of delivering ~~ten~~ 20 hours per week of
10 prekindergarten education that meets all established quality standards and to
11 allow for regional adjustments to the rate.

12 (6) [Repealed.]

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

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

20 (9) To provide an administrative process for:

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

4 (B) a school district to challenge an action of a provider or the State
5 when the district believes that the provider or the State is in violation of State
6 statute or rules regarding prekindergarten education.

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

14 (A) programmatic details, including the number of children served,
15 the number of private and public programs operated, and the public financial
16 investment made to ensure access to quality prekindergarten education;

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

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

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

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

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

7 (f) Other provisions of law. Section 836 of this title shall not apply to this
8 section.

9 (g) Limitations. Nothing in this section shall be construed to permit or
10 require payment of public funds to a private provider of prekindergarten
11 education in violation of Chapter I, Article 3 of the Vermont Constitution or in
12 violation of the Establishment Clause of the U.S. Constitution.

13 (h) Geographic limitations.

14 (1) Notwithstanding the requirement that a district pay tuition to any
15 prequalified public or private provider in the State, a school board may choose
16 to limit the geographic boundaries within which the district shall pay tuition by
17 paying tuition solely to those prequalified providers in which parents and
18 guardians choose to enroll resident prekindergarten children that are located
19 within the district’s “prekindergarten region” as determined in subdivision (2)
20 of this subsection.

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

7 (A) shall not be smaller than the geographic boundaries of the school
8 district;

9 (B) shall be based in part upon the estimated number of
10 prekindergarten children residing in the district and in surrounding districts, the
11 availability of prequalified private and public providers of prekindergarten
12 education, commuting patterns, and other region-specific criteria; and

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

15 (3) If a school board chooses to pay tuition to providers solely within its
16 prekindergarten region, and if a resident prekindergarten child is unable to
17 access publicly funded prekindergarten education within that region, then the
18 child’s parent or guardian may request and in its discretion the district may pay
19 tuition at the statewide rate for a prekindergarten education program operated
20 by a prequalified provider located outside the prekindergarten region.

1 who is present and actively teaching during the hours prekindergarten
2 education is provided.

3 * * *

4 Sec. 3. 16 V.S.A. § 4001(1) is amended to read:

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

8 * * *

9 (C) The full-time equivalent enrollment for each ~~prekindergarten~~
10 child receiving essential early education as follows: If a child ~~is enrolled in 10~~
11 ~~or more hours of prekindergarten education per week or~~ receives 10 or more
12 hours of essential early education services per week, the child shall be counted
13 as one full-time equivalent pupil. If a child ~~is enrolled in six or more but fewer~~
14 ~~than 10 hours of prekindergarten education per week or if a child~~ receives
15 fewer than 10 hours of essential early education services per week, the child
16 shall be counted as a percentage of one full-time equivalent pupil, calculated as
17 one multiplied by the number of hours per week divided by ten. ~~A child~~
18 ~~enrolled in prekindergarten education for fewer than six hours per week shall~~
19 ~~not be included in the district’s average daily membership.~~ There is no limit
20 on the total number of children who ~~may be enrolled in prekindergarten~~
21 ~~education or who~~ receive essential early education services.

1 Sec. 4. 16 V.S.A. § 4001(1) is amended to read:

2 (1) “Average daily membership” of a school district in any year means:

3 * * *

4 (C) The full-time equivalent enrollment for each ~~prekindergarten~~
5 child receiving essential early education as follows: If a child ~~is enrolled in 10~~
6 ~~or more hours of prekindergarten education per week or~~ receives 10 or more
7 hours of essential early education services per week, the child shall be counted
8 as one full-time equivalent pupil. If a child ~~is enrolled in six or more but fewer~~
9 ~~than 10 hours of prekindergarten education per week or if a child~~ receives
10 fewer than 10 hours of essential early education services per week, the child
11 shall be counted as a percentage of one full-time equivalent pupil, calculated as
12 one multiplied by the number of hours per week divided by ten. ~~A child~~
13 ~~enrolled in prekindergarten education for fewer than six hours per week shall~~
14 ~~not be included in the district’s average daily membership.~~ There is no limit
15 on the total number of children who ~~may be enrolled in prekindergarten~~
16 ~~education or~~ who receive essential early education services.

17 Sec. 5. 16 V.S.A. § 4001(15) is amended to read:

18 (15) ~~“Prekindergarten child~~ “Child receiving essential early education”
19 means a ~~three or four year old child who is enrolled in a prekindergarten~~
20 ~~program offered by or through a school district pursuant to rules adopted under~~
21 ~~section 829 of this title or~~ who is three or four years of age and who is three or

1 four years of age and who is receiving essential early education services
2 offered pursuant to section 2956 of this title. ~~Prekindergarten child~~ “Child
3 receiving essential early education” also means a ~~five-year-old~~ child who is
4 five years of age and who otherwise meets the terms of this definition if that
5 child is not yet eligible for or enrolled in kindergarten.

6 Sec. 6. 16 V.S.A. § 4020 is added to read:

7 § 4020. PREKINDERGARTEN EDUCATION GRANTS

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

9 (1) “Enrollment” means the number of prekindergarten children who are
10 enrolled in a prequalified public prekindergarten program and prequalified
11 prekindergarten private provider, as that term is defined in subdivision
12 829(a)(3) of this title, and on whose behalf the school district pays tuition
13 pursuant to subsection 829(d) of this title on October 1.

14 (2) “Prekindergarten child” means a child who is four years of age or is
15 five years of age but is not yet eligible to enroll in kindergarten who is enrolled
16 in a prekindergarten program offered by or through a school district pursuant
17 to rules adopted under section 829 of this title.

18 (3) “Two-year average enrollment of prekindergarten children” means
19 the average enrollment of prekindergarten children of the two most recently
20 completed school years.

1 (b) Prekindergarten education grants. Annually, the Secretary shall pay a
2 prekindergarten education grant to each school district in an amount
3 determined by multiplying the district’s two-year average enrollment of
4 prekindergarten children by the statewide rate, which may be adjusted
5 regionally, that is established annually through a process jointly developed and
6 implemented by the Agencies of Education and of Human Services.

7 (c) Inflationary adjustment. Each dollar amount under subsection (b) of
8 this section shall be adjusted for inflation annually on or before November 15
9 by the Secretary. As used in this subsection, “adjusted for inflation” means
10 adjusting the dollar by the National Income and Product Accounts (NIPA)
11 implicit price deflator for state and local government consumption
12 expenditures and gross investment published by the U.S. Department of
13 Commerce, Bureau of Economic Analysis, from fiscal year 2026 through the
14 fiscal year for which the amount is being determined, and rounding upward to
15 the nearest whole dollar amount.

16 Sec. 7. EFFECTIVE DATE

17 This act shall take effect on July 1, 2026, except that Sec. 2 shall take effect
18 on July 1, 2029 and Sec. 4 shall take effect upon the occurrence of the
19 contingencies set forth in 2025 Acts and Resolves No. 73, Sec. 70(f).