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Montana Association of School Business Officials | Montana Federation of Public Employees | Montana Quality Education Coalition | Montana Rural Education Association | Montana School Boards Association | School Administrators of Montana

February 28, 2019

Governor Steve Bullock  
Representative Eric Moore  
Representative Casey Schreiner  
Representative Llew Jones

Dear Governor Bullock and Representatives Moore, Schreiner and Jones:

The undersigned public education advocacy groups partnering in the Montana Public Education Center have been working on what we hope will be embraced as a consensus/compromise on addressing the critical issue of early childhood education in Montana. Each of you have been key leaders in the discussions between the executive and legislative branches and between the republican and democratic caucuses on this issue and we thought it might be helpful to provide you with a consensus/compromise proposal upon which all of our groups have reached agreement and that might provide a path forward for your own consensus/compromise on this issue.

As we have contemplated the concept of a public/private model, one of our key goals has been to develop something sustainable that will provide a stable, state-funded platform for early childhood education where it is most needed, among children who are at risk and/or who have special needs/circumstances.

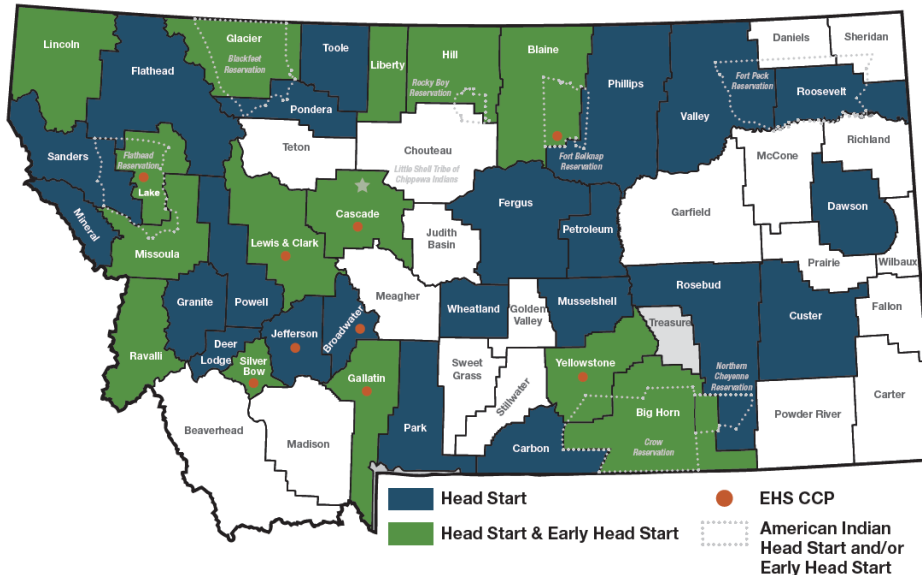
We have drafted the attached bill that will, if adopted by the Legislature, codify sustainable, formula-based funding for early childhood education in both the public and private sectors as further described below. Our groups are unified behind this proposal and would provide enthusiastic support for its passage if you choose to embrace it as we have.

### **Private Side, Head Start**

On the private side, we have an existing, well-regulated and highly performing vehicle in the federally-funded Head Start program. There are Head Start programs currently operating throughout the state which include a combination of public and private, for profit and nonprofit organizations.

If the state is to invest in private education of any kind, from our perspective, it should be through the structure of Head Start, which will incentivize the creation of new Head Start programs where they are not already operating. The following is a map of current Head Start programs, with those counties in white representing counties, largely rural, where such programs do not currently exist but might if provided with a state funding stream:

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Under federal law, 42 USC 9836 provides:

*“The Secretary of Public Health and Welfare is authorized to designate as a Head Start agency any local **public or private nonprofit** agency, including **community-based and faith-based** organizations, or **for-profit agency**, within a community, pursuant to the requirements of this section.”*

In short, Head Start programs may be operated by any public or private, nonprofit or for profit organization. Please note that the only deviation from this authority that we have proposed in terms of receipt of state funding is to require that the organization be nonsectarian. With the Montana Supreme Court’s conclusive opinion in the Espinoza case, we believe this is a necessary and appropriate exception from the manner in which federal funding flows to Head Start programs.

We have drafted a one section provision in the attached bill that would be easy to implement (by requiring proof of approved Head Start status under the federal program), using existing funding (direct state aid portion of ½ time ANB) and distribution mechanisms (K-12 Base Aid distribution schedule by month). Our proposal would provide approximately \$1,273 in state funding (equivalent to what would be distributed to a public school for the direct state aid portion of half time ANB) per 4 year old being educated in an approved Head Start program. This is a big reach for our groups, and is the only way that we could support public funding for private early childhood education.

### Public Side, ANB, Exceptional Circumstances

On the public side, we are proposing key modifications and corresponding use of existing authority of trustees to enroll and claim ANB for children under the age of 5 under exceptional circumstances. We have also proposed reasonable restrictions on existing authority, which is unlimited both by enrollment (up to full time) and age (0-4) in the spirit of compromise and in exchange for removal of the restriction on educating such children in a preschool, as opposed to a kindergarten, setting.

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## Existing Law, Exceptional Circumstances

There is an existing structure in place on the public side that is ready to provide preschool opportunities for children who are under 5 and admitted under exceptional circumstances. The current law, 20-5-101(3), MCA, already authorizes trustees to enroll, admit and claim ANB funding for any child under the age of 5 who is enrolled under exceptional circumstances. There are some twists in the current law that we are proposing to resolve. For example:

1. There is no lower age limit for claiming ANB (0-4) and there is no cap on the level of enrollment (which can be up to full time). At its extreme, current law would allow trustees, for example, to declare exceptional circumstances, enroll a child who is 2 years old in a kindergarten program and claim full-time ANB for that child.
2. There is no definition of exceptional circumstances and those circumstances could include anything the board identifies as justifying a waiver of the lower age limit, which makes its fiscal impact hard to predict.
3. There are only two sentences in existing law, 20-9-309(7), and 20-7-117, that limit current practice in these cases to enrollment in kindergarten only. We are proposing to modify these sentences in the bill to provide a strategic limitation and structure on early enrollments that will align with the constitutional rights of children under the Legislature's definition of quality.

In short, our proposal on the public side is to:

1. Authorize the enrollment of 4 year olds under exceptional circumstances as defined in the bill;
2. ANB based on the aggregate hours of instruction provided to such children, not to exceed  $\frac{1}{2}$  time ANB.
3. Like Governor Bullock's and Representative Schreiner's House Bill 225, districts would have flexibility regarding whether to offer and families would have flexibility regarding whether to access public preschool. Also consistent with House Bill 225, the district could serve students from 180-539 hours, with ANB to flow at either  $\frac{1}{4}$  or  $\frac{1}{2}$  time based on the hours of instruction provided.

## Summary:

We have worked hard to gain consensus among us regarding a public/private preschool option. The bill we have drafted together would, if adopted, provide a public/private preschool option with assurances of quality for children and family throughout the state of Montana. By delaying the effective date until July 1, 2020, the costs of this bill will be lower than what was originally proposed in Governor Bullock's budget and would ensure affordability in the context of all other funding priorities pending in the 2019 Legislature.

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