

September 2007

Votes Count: Legislative Action on Pre-K Fiscal Year 2008







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Each year, state lawmakers around the nation are faced with the daunting task of selecting, from among Dear Colleague: countless programs, those that represent the wisest investment of taxpayer dollars. I am pleased to report that, in 2007, 36 states, including eight which anticipate enrollment-based funding increases, identified high-quality, voluntary pre-kindergarten as a cost-effective and socially responsible program worthy of increased funding. These new FY08 state pre-k investments exceed half a billion dollars.

In addition to supporting substantial new dollars, a number of state legislatures passed landmark bills, instituting important quality measures such as bachelor's degree requirements for pre-k teachers, expanding eligibility for targeted early education programs, and, most importantly, establishing pre-k for all children. These new laws reflect the growing, bipartisan understanding that providing high-quality pre-k programs to increasing numbers of children is smart public policy that improves the quality of life

And this year, the pre-k message is being heard in the halls of Congress. Three comprehensive bills were introduced during the 2007 session that would authorize federal funding to support state-administered for everyone. pre-k programs. The sponsors of these bills come from both parties and from states across the country, but their bills share the common recognition that high-quality pre-k is an essential educational program

This year's edition of "Votes Count: Legislative Action on Pre-K" celebrates those state legislatures from which all children benefit. that made smart investments and passed important legislation in support of high-quality pre-k. Yet, it also issues a call to action in those states where lawmakers continue to neglect early education, leaving their states' young children at a disadvantage compared to their peers around the country and around

Pre-K Now and The Pew Charitable Trusts commend our national and state leaders as they move to provide high-quality pre-k to more three and four year olds, and we encourage those still lagging to join the world. this powerful movement. These investments, when paired with sound policies that support and sustain quality, will pay dividends for our states, for our society, and for generations of Americans to come.

Susan K. Urahn

Managing Director The Pew Center on the States or FY08, states once again increased investments in high-quality, voluntary — pre-kindergarten programs to record levels, \$4.8 billion nationally. These increases will make pre-k available to at least 88,000 additional three and four year olds.

Also this year, another state committed to providing high-quality pre-k for all, bringing the total number of such states to seven.

Nationwide, more and more states are recognizing the wisdom of investing in pre-k, and as a result, more children will enjoy educational opportunities that prepare them for success in school and life.

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## Introduction

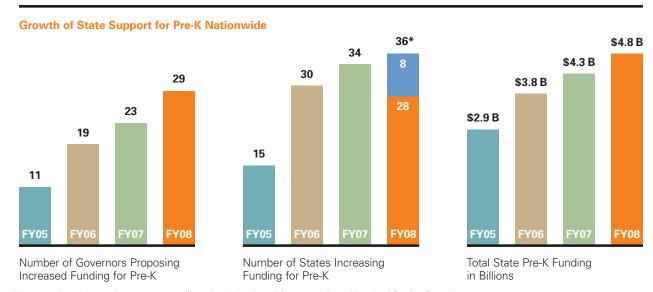
In fiscal year 2008, high-quality, voluntary, state-funded pre-kindergarten again received substantially increased financial and legislative support from lawmakers in the majority of states. New state pre-k funding exceeds \$525 million, an increase of more than 12 percent over FY07 expenditures, bringing total state investments in early education across the country to \$4.8 billion.<sup>1</sup>

One of the most important aspects of this strong pre-k momentum is the spirit of bipartisanship that characterizes legislative work on the issue. In 2007, nearly half of increasing states did so by cooperating across party lines within the legislature, between the legislature and governor, or both. This collaboration, so unusual in today's contentious political environment, is fueling a movement the Wall Street Journal recently called "one of the most significant expansions in public education in the 90 years since World War I."2

Nationwide, new state investments are expected to provide at least 88,000 additional children with the opportunity to enter kindergarten better prepared. In three states, new funding commitments ensure that targeted programs reach all eligible low-income and at-risk children, while the number of states providing or implementing pre-k for all has grown to seven.

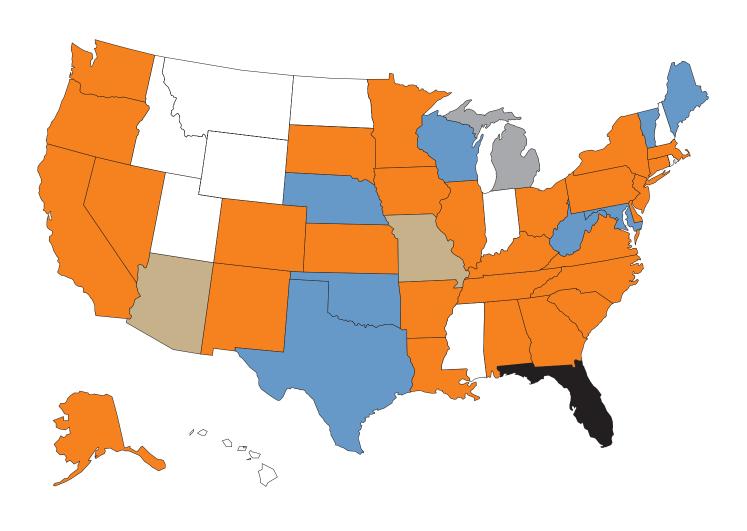
Yet, some state legislatures are still failing to lead on pre-k. For FY08, one state decreased pre-k funding, two flat funded pre-k, and 10 still provide no pre-k program at all. Even among states with increases, four failed to appropriate sufficient funds to keep up with the federal cost-of-living adjustment (COLA): a mere 3.3 percent.<sup>3</sup> As a result, pre-k programs in Alaska, Delaware, New Jersey, and South Carolina may be forced to cut access or curtail quality.

Despite this shortsighted few, nationally, states are moving ambitiously to provide pre-k to more children and, increasingly, to do so while ensuring and maintaining program quality. As lawmakers look to the future, more and more are identifying improved quality and enrollment-based funding as essential strategies to maximize early education dollars. With this report, Pre-K Now examines not only recent pre-k appropriations but also the growing commitment on the part of lawmakers to ensure that funds are buying the best possible educational experiences for young children.



At press time, 28 state increases are confirmed, and another eight are anticipated in school funding formula states Prior year figures include anticipated increases that have since been confirmed.





#### **Legislative Action on Pre-K Budgets Fiscal Year 2008**

This map shows that for FY08, 28 states increased funding for pre-k. These increases total more than \$525 million. One state decreased pre-k funding, one has not passed a budget, two states flat funded pre-k, and 10 have no program. Pre-K Now anticipates that the eight states and the District of Columbia for which final budget figures are not available will also increase funding for pre-k, bringing the total number of increasing state budgets to 36 plus the District.

Increased Investment in Pre-K

Anticipated Increased Investment in Pre-K

Flat Investment in Pre-K

Decreased Investment in Pre-K

No Budget Passed at Press Time

No State Pre-K Program



## Pre-K for All: Achieving the Goal

Nationwide, more and more state legislatures are recognizing the wisdom of providing high-quality, voluntary, state-funded pre-k programs not only to children deemed at risk but to all children. Recent findings support previous research showing that high-quality pre-k promotes school readiness and improves outcomes for all children regardless of socioeconomic, ethnic, or cultural background.4 At the same time, economic impact studies demonstrate that pre-k programs yield significant financial benefits for children, their families, and society at large.<sup>5</sup>

#### Iowa

According to studies, including one from Georgetown University,<sup>6</sup> programs open to all children maximize the benefits known to result from high-quality pre-k. In a growing number of states, this powerful evidence has led policymakers to support pre-k-for-all programs. Iowa joins as the newest member of an elite group of states - Florida, Georgia, Illinois, New York, Oklahoma, and West Virginia - that are providing or phasing in pre-k for all children in the next five years.

Tuesda

Previously, Iowa's Shared Visions pre-k program stagnated despite strong gubernatorial support, receiving no increase in funding for 12 years. In 2007, Iowa's newly elected governor garnered support from a legislature under new leadership, which passed a bill creating a new pre-k program for all Iowa four year olds. The Statewide Voluntary Four-Year-Old Preschool Program will be phased in over four years, and the bill allocates funding for each year of the process, beginning with \$15 million for FY08 and steadily increasing to \$30.3 million for the second year, \$46.1 million the third year, and \$63.75 million for the fourth year, which will be FY11.

With its new pre-k program, Iowa is starting with a sound foundation for quality, requiring bachelor's degrees for teachers and encouraging a diverse delivery model in which community-based centers are eligible to provide pre-k through contracts with local districts. Further, after the initial year of operation, district pre-k programs, funded by the state initiative, will be folded into the state's school funding formula, integrating pre-k into the larger public education system and providing stable, enrollment-based funding.

Policymakers will need to be vigilant to keep the funding for this new legislative initiative on track, assure programs are well implemented, recruit well-trained early educators, and provide more than the minimum 10 hours per week of classroom time. Only with continued leadership from lawmakers on quality and funding will Iowa's new program succeed in providing children with the experiences necessary to secure bright and successful futures for generations of young Iowans.



## Upping the Ante

For FY08, three legislatures raised the pre-k stakes in their states, passing substantial budget increases that signal a strong commitment to young children. In Alabama, New York, and Ohio, where significant gubernatorial proposals already promised to reinvigorate pre-k programs, lawmakers opted to appropriate even more funds. These new dollars will make pre-k a reality for thousands more children.

#### Alabama

In the 2005-06 school year, Alabama's small pre-k program earned recognition from the National Institute for Early Education Research (NIEER) as one of only two state pre-k programs to meet all 10 benchmarks for quality.<sup>7</sup> Though the state carefully crafted an outstanding program, stagnant funding has limited access. In his FY08 budget, the state's Republican governor proposed a 61 percent funding increase to expand program availability. With strong bipartisan support, the Democratic-majority legislature approved an even greater investment, 85 percent, bringing the total pre-k budget to \$10 million for FY08. The program's high quality was central to the effort. As Representative Lea Fite noted, "One of the biggest keys in developing successful students is to get an early start, and Alabama has one of the best pre-kindergarten programs around."8 An additional appropriation of \$950,000 for Head Start provides Alabama's first-ever state dollars for that federal early education program.

Even with these new dollars, however, Alabama pre-k will still serve only 4 percent of four year olds. State legislators wisely collaborated both between the chambers and with the executive branch to expand pre-k access. In light of recent statements by the governor in support of voluntary pre-k for all, 9 this year's cooperative efforts should serve as a springboard for more progress on behalf of the children of Alabama.

#### New York

New York legislators approved pre-k for all four year olds in the state in 1997, but over the years, funding for the program had all but stalled. In FY07, legislators finally acted to re-energize the state's Universal Prekindergarten (UPK) program with \$50 million in new funding. Then, for FY08, the state's newly elected governor held true to his campaign promise to back pre-k. He proposed an increase of nearly \$100 million for the program and committed to make full access within four years a reality rather than rhetoric. Eager to capitalize on this new spirit of cooperation, state lawmakers saw the governor's \$100 million and raised him another \$46 million, bringing total UPK funding to \$450 million and dramatically expanding access to 44,000 more four year olds. This environment of friendly competition is a win for New York's children, bringing the long-delayed promise of pre-k for all one step closer.

#### Ohio

After 17 long years of flat funding for pre-k, new leadership in the executive and legislative branches and from both parties is finally giving Ohio's Early Childhood Education program the attention and support it deserves. In his first budget, the state's new governor proposed a two-year increase of over 65 percent for the program. Fortunately, many legislators were also committed to increasing access to pre-k and appropriated even more new funds, for a total increase of more than 90 percent. In a laudable move, lawmakers included the new money within a larger early childhood funding package. These new dollars are long overdue, but they must be only a first step. As of the 2005-06 school year the Early Childhood Education program serves only 4 percent of four year olds and 1 percent of three year olds and meets just four of the 10 NIEER quality benchmarks. State policymakers in Ohio have an opportunity to both improve and expand statefunded pre-k, and they owe it to their state's children to play that hand.



# Targeting Success: Fully Funding Pre-K for At-Risk Children

Targeted pre-k programs provide early education services to children most at risk of school failure. Frequently, however, inadequate funding leaves these programs languishing with poor quality and unable to meet the needs of all eligible children. For FY08, legislators in three states – Arkansas, Louisiana, and Oregon – acted decisively to commit significant new dollars and ensure that these critical programs are available to all eligible children in their states. Even as they celebrate this important first step, early childhood leaders in these states are already looking to expand eligibility to more children.

#### Arkansas

The Arkansas Better Chance (ABC) pre-k program ranks among the nation's highest-quality, state-funded early education systems. Further, Arkansas is one of the states making the smart choice to serve three as well as four year olds. The program is open to children from low-income families earning up to 200 percent of the federal poverty threshold, 10 which, in Arkansas, accounts for nearly 50 percent of all the state's children.<sup>11</sup> ABC has long enjoyed strong bipartisan support in the legislature and has received steady funding increases, incrementally serving more low-income children. State lawmakers, with full support from the new governor, appropriated an additional \$39.8 million in ABC funding for FY08 to complete the phase-in of full targeted access. This increase is especially noteworthy because, due to term limits, nearly 30 percent of the 2007 legislators are first-term members. Many new lawmakers, despite their freshman status, stepped in boldly to fill the shoes of departing pre-k champions.

Arkansas State Senator Kim Hendren

An Arkansas success story is the growth and improvement of prekindergarten education for children from low income families.

#### Louisiana

For FY08, Louisiana legislators heeded the governor's call to fully fund the state's high-quality *LA4* pre-k program, approving an increase of \$26.5 million. The new funding will enable the program, which serves four year olds from families earning up to 185 percent of the federal poverty threshold, to reach 4,400 more children, bringing total *LA4* enrollment to 14,400 or roughly 23 percent of the state's four year olds. Louisiana is a state with a high percentage of at-risk children; so this increase in funding and access represents a significant milestone. In conjunction with the state's other pre-k programs, called *8g* and the *Non Public Schools Early Childhood Development Program*, the increase to *LA4* should enable Louisiana to serve all at-risk children beginning in fall 2007.

In a related, symbolic gesture, the program was officially renamed the Cecil 7. Picard LA4 Early Childhood Program after the late Louisiana State Superintendent of Schools who championed pre-k as crucial to alleviating the cycle of poverty in the state. Through their tribute to Superintendent Picard and their significant new financial commitment to the program that now bears his name, Louisiana lawmakers have once again made important moves in support of high-quality pre-k for at-risk four year olds. In the coming months, term limits will mean a new legislature in Louisiana. Superintendent Picard's ultimate vision was of a state that provides high-quality pre-k to all three- and four-year-old children, and the state's new lawmakers can and should begin their tenure by working to make that vision a reality.



#### Oregon

The state-funded Oregon Head Start Prekindergarten program has been providing early education opportunities for both three and four year olds from families earning up to 100 percent of the federal poverty threshold since 1987. Yet, chronically low funding has kept the program from reaching many eligible children in the state. Lawmakers responded quickly to fully fund the governor's proposal over two years, appropriating an increase of \$14 million for FY08 and \$11.8 million for FY09, for a total budget of \$53.5 million. Over the biennium, the increased funding will expand access to 3,200 more three- and four-year-old children. This expansion of pre-k was endorsed by the state's most influential business, philanthropic, and civic leaders. Additionally, Oregon's pre-k program is tied directly to the federal Head Start system, which, when reauthorized by Congress, may increase income eligibility to 130 percent of the federal poverty threshold and require that 50 percent of teachers have a bachelor's degree by 2013. Oregon is already working hard to make these improvements. By guaranteeing not one but two years of high-quality pre-k for their state's most at-risk children, Oregon legislators have chosen to invest their education dollars wisely and to make a strong commitment to improving young lives.



#### **Pre-K Momentum Trickles Up**

State-level momentum around high-quality, voluntary, publicly funded pre-k is growing more powerful each year. Increases in overall investments, expansion of targeted eligibility, and a dramatic rise in the number of states providing pre-k to all children have combined to create a national movement, which, in 2007, caught the attention of federal lawmakers.

During the 2007 session of the 110th Congress, three major bills were introduced – one in the House, one in the Senate, and one in both chambers – to provide federal funds to support states' high-quality pre-k-for-all efforts.

- The "Prepare All Kids Act," sponsored by Senator Bob Casey, Jr. (D-PA) and Representative Carolyn B. Maloney (D-NY), amends the "Omnibus Budget Reconciliation Act of 1981" to authorize \$5 billion in FY08, with annual, incremental increases of \$1 billion through FY12 for grants to "establish, expand, or enhance voluntary high-quality full-day pre-kindergarten programs."
- The "Ready to Learn Act," sponsored by Senators Hillary Rodham Clinton (D-NY) and Kit Bond (R-MO), amends the "Elementary and Secondary Education Act of 1965" to authorize "such sums as may be necessary [to provide grants to] establish and administer full day voluntary prekindergarten programs for children age 4."
- The "Providing Resources Early for Kids Act" or "PRE-K Act," sponsored by Representative Mazie Hirono (D-HI), authorizes
   \$1 billion annually from FY08 through FY13 for grants to "enhance or improve State-funded preschool programs, as defined by the State."

These bills have not been acted on, and funding has not been approved. Nevertheless, the legislation marks a critical milestone. Federal support can enable states to more quickly expand availability and to invest more in quality and professional development initiatives without sacrificing access. Partnerships between federal and state governments can also help to streamline collaboration between related federal and state programs such as *Head Start* and state-funded pre-k. Pre-K Now commends these legislators for recognizing that, as Representative Maloney eloquently stated while introducing her pre-k bill on the House floor, "If this were a stock, all of Wall Street would be buying it.... The future prosperity of our Nation rests on setting our children on a path for success early in life."\*

<sup>\*</sup> U.S. House of Representatives, Introductory Remarks by Carolyn B. Maloney on H.R. 2859, "Prepare All Kids Act of 2007," Jul. 26, 2007.



## The Good Fight

Over the past few years, Illinois and Pennsylvania have been strong leaders on high-quality, voluntary pre-k. For FY08, however, admirable and ambitious early education plans ran headlong into budgetary realities and political disagreements. The resulting battles were heated and led to differing solutions that reflect myriad concerns facing these states while also achieving continued growth in pre-k funding.

#### Illinois

In 2006, Illinois seemed poised to make pre-k history. Lawmakers voted overwhelmingly to support legislation making high-quality pre-k available to every threeand four-year-old child within five years, a move that would have made the state the nation's foremost leader in early education. The plan that formed the basis for this legislation proposed funding increases of \$40 million for each of the first three years of implementation. Yet, for FY08 lawmakers declined to fully support the governor's \$61.8 million proposal or even the planned \$40 million. Instead, Illinois legislators passed a smaller, but still significant, increase for the Early Childhood Block Grant of \$25 million. The appropriation includes \$22.25 million for Preschool for All and the annual 11 percent set aside for infant-toddler services. The pre-k increase was one of many budget priorities, but was limited enough to present legislators with even more difficult challenges over the next three years. If lawmakers are to achieve their stated goal of pre-k for all three and four year olds by 2011, upcoming budgets will need not only to meet legislated benchmarks but, now, also to exceed them.

#### Pennsylvania

In Pennsylvania, a dramatic budget standoff gained national press attention when legislators and the governor reached an impasse and state government offices were shut down. Among the disputed issues were the governor's proposed funding increases for a variety of early childhood programs, including the Pre-K Counts program. In early versions of the budget, legislators considered cutting all or part of the proposed pre-k funds. Fortunately for Pennsylvania's young children, through negotiations that continued during the shutdown, lawmakers agreed to the full FY08 proposal of \$75 million. Further, the legislation creates dedicated funding for pre-k, which had previously been funded exclusively through a larger education block grant. This decision reflects an understanding on the part of the legislature that quality pre-k is essential, and the new appropriation will make that important program available to 11,000 more Pennsylvania three and four year olds. As Representative Dwight Evans, chair of the House Appropriations Committee explains, "Every study we've seen shows us that quality pre-k programs give children the foundation they need to mature into adults who succeed personally and professionally. The dollars we invest today will pay dividends to society well into the future."12





#### **Building Sustainability: Strategies for the Future**

Nationwide, states are identifying two key strategies, high program quality and enrollment-based funding through the school funding formula, to ensure the long-term viability of pre-k programs. While neither strategy alone guarantees sustainability, together, they foster political and public support by enabling pre-k to provide better futures for more young children.

A growing number of states are using the school funding formula, which provides dedicated funds that school districts can draw down for pre-k, to promote pre-k program sustainability. Though it does not assure quality, this strategy can support improvements through existing education system initiatives such as professional development and equitable compensation for pre-k teachers. All states that currently use the school funding formula for pre-k employ mixed delivery systems that include *Head Start* and community-based providers to better meet families' needs. For FY08, Iowa and Vermont moved to include pre-k in the school funding formula and to codify it within the education continuum, bringing the number of states that support pre-k in this fashion to nine, plus the District of Columbia (see Table 1).

States that put a premium on quality are finding greater success in the pursuit of higher funding and support from policymakers and the public, which are all vital to sustainability.

This year, five of the nation's top 10 funding increases by percentage (see Table 2) come in states with pre-k programs that meet seven or more NIEER quality benchmarks.\* These include Alabama and North Carolina, the only states with programs that meet all 10 NIEER benchmarks. Such pre-k programs are built to last on strong foundations of quality.

Nine of the states identified in Tables 1 and 2 have pre-k programs that do not meet high quality standards. Of these, however, Maine, New Mexico, New York, Pennsylvania, and Washington have all passed legislation phasing in quality improvements within one to four years. Ohio and Texas expanded their pre-k programs for FY08 but did not act to provide significant quality measures that would improve outcomes. In Ohio, bachelor's degrees are not required for pre-k teachers, and Texas has no limit on pre-k class size and no maximum student-staff ratio.

By including pre-k in the school funding formula, states make clear that it is part of the larger education system and is not expendable. Yet, stable funding by itself cannot assure sustainability. Only high-quality programs provide the lasting gains for children that garner increased support from policymakers and the public. When states require high quality standards and provide stable support through the school funding formula, they cultivate pre-k program sustainability.

Table 1: Pre-K Quality in School Funding Formula States

State	Pre-K Eligibility	NIEER Quality Benchmarks Met
DC	Unrestricted <sup>‡</sup>	8.0
lowa	For all by 2011	8.0 <sup>†</sup>
Maine	Unrestricted	4.0
Maryland	Targeted	7.0
Nebraska	Targeted	8.0
Oklahoma	For all	9.0
Texas	Targeted	4.0
Vermont	Unrestricted	6.7§
West Virginia	For all by 2012	7.0
Wisconsin	Unrestricted	5.1 **

<sup>\*</sup> Unless otherwise noted, quality benchmark figures are drawn from: W. Steven Barnett, Hustedt, Jason T., Robin, Kenneth B., and Schulman, Karen L., "The State of Preschool: 2006 State Preschool Yearbook," (New Brunswick: National Institute for Early Education Research, Rutgers University, 2007).

Table 2: Pre-K Quality in States with Top 10 Funding Increases

State	Percentage Increase	NIEER Quality Benchmarks Met
Iowa	241	8.0 <sup>†</sup>
Pennsylvania	135	5.0 <sup>†</sup>
Alabama	103	10.0
Oregon	95	7.0
Ohio	92	4.0
New Mexico	75	4.8**
North Carolina	66	10.0
Arkansas	56	9.0
Washington	53	6.0
New York	48	5.6⁵

- Several school funding formula states have no eligibility restrictions, but their programs are currently only offered by a limited number of districts or schools.
- § This is a weighted average of two state programs, one of which meets at least seven benchmarks.
- \*\*This is a weighted average of two state programs, neither of which meets at least seven benchmarks.

<sup>†</sup> For Iowa and Pennsylvania, the NIEER benchmarks met are projections for the first year of the new programs. Planned changes to these programs are likely to increase the totals in future years.



## Mixed Signals

In an era when an unprecedented number of legislatures and governors are collaborating to improve access to high-quality pre-k, in North Carolina and Texas legislators who had previously supported such efforts bucked the trend, rebuffing historic gubernatorial proposals on critical early education programs. In these two states, legislators failed to seize excellent opportunities to partner with the executive branch on behalf of young children.

#### North Carolina

For the 2005-06 school year, North Carolina's More at Four pre-k program was one of only two state programs to meet all 10 NIEER quality benchmarks. In the wake of that announcement, the governor proposed a 70 percent increase in funding to make the outstanding program available to 10,000 more North Carolina four year olds – the largest single expansion in the program's six-year history - and raise per-child spending by \$400. State lawmakers, however, balked at the nearly \$60 million proposal, and instead the Senate chose to flat fund and the House to decrease the More at Four appropriation. Their resistance led the governor to issue an executive order, directing the state budget office to release expansion funds for pre-k, thereby protecting this vital educational program. Given the state's position as a national leader on early education, North Carolinians have a right to expect their policymakers to collaborate on building the high-quality More at Four program.

#### **Texas**

Sadly, improving the quality of pre-k in the Lone Star State is proving as difficult as taming the West Texas wind. Texas legislators have, in recent years, crossed the aisle to do the right thing for young children, expanding eligibility for the Early Childhood and Pre-Kindergarten Initiative, first in 2006 to the children of military parents and then, in 2007 to current and former foster children. These are the first eligibility expansions in the program's history. Further, because Texas wisely supports pre-k through the school funding formula, overall pre-k funding is increasing substantially each year to serve the state's growing population of young children. Currently, the program serves more four year olds than any other state, but the quality is lacking, meeting only four NIEER benchmarks.

Inspired by the legislature's achievement, the governor, long silent on state-funded pre-k, proposed \$40 million in new FY08 funding to improve the state pre-k program using the Texas Early Education Model (TEEM). This initiative requires that schools collaborate with community-based providers and offers strong professional development for teachers. Conditions appeared ripe for real progress on improving the quality of early education, but it was not to be. As legislators battled over who would be speaker of the state House of Representatives in 2009, important work on behalf of children was sacrificed. The same lawmakers, who recognized the need to provide more at-risk children with pre-k, neglected to ensure that those children received quality services. Texas legislators ignored calls from a coalition of business and grassroots leaders, failing to pass quality-improvement legislation and decreasing TEEM funding by 25 percent.



## **Dubious Distinction**

### Conclusion

#### Florida

In FY08, Florida's legislature chose to undercut educational opportunities for young children by decreasing pre-k funding, becoming the only state to do so since FY06. The decreased appropriation promises to undermine both the quality and availability of critical early education programs. Legislators in Florida have damaged the prospects for their state's future fiscal health and economic competitiveness as well as the foundation for success for tens of thousands of young children. This is especially troubling as Florida is the only state operating under a voter mandate to provide high-quality pre-k to all four year olds.

Despite a constitutional amendment creating the program, overwhelmingly approved by voters through a 2002 ballot initiative, the Voluntary Prekindergarten Program (VPK) has suffered from a lack of legislative support, resulting in chronic under-funding and low quality. For FY08, state lawmakers used lower-thanexpected enrollment figures to justify the decrease in pre-k funding. Though per-child spending will rise by just over \$100 for FY08, it remains among the lowest in the nation, and VPK meets only four NIEER quality benchmarks. The reduced enrollment actually presented an opportunity for legislators to invest in quality initiatives, an objective which could have been accomplished with little effort on the part of lawmakers. Indeed, had legislators simply flat funded VPK at FY07 levels, more than \$14 million would be available for improving per-child spending, professional development, or other essential quality components. Of course, such flat funding is not nearly enough to sustain a high-quality program, but by actually decreasing VPK funding, legislators missed a rare opportunity to improve quality without spending new money. Recently, the governor has acknowledged the importance of bachelor's degrees for pre-k teachers, which, if legislators are supportive, could mean significant long-term improvements in the program and better outcomes for Florida's children.

Once again, the majority of state lawmakers around the country have come together to significantly increase investments in high-quality pre-k programs. In addition, a number of states passed legislation to improve quality, expand eligibility, and implement pre-k for all four year olds. And this strong state momentum also achieved another milestone in 2007, prompting new legislation at the federal level. As recent front-page stories in the *Wall Street Journal* and the *Washington Post* suggest, <sup>13</sup> this remarkable movement reflects the growing consensus on the part of policymakers nationwide that high-quality, voluntary pre-k is one the most prudent and important investments states can make for their futures.





## FY08 Pre-K Budgets at a Glance

- \* Information on pre-k funding in biennial budgets reflects changes in those budgets over two years. All other changes are from FY07 to FY08.
- † State has a biennial budget. FY08 is the first year of the biennium.
- ‡ State has a biennial budget. FY08 is the second year of the biennium.

This chart documents pre-k budget allocations for FY08 by all 50 states and the District of Columbia. This year, 28 states have increased pre-k investments, one has decreased, two have flat funded, 10 have no program, and increases are anticipated in eight states and the District where final figures for FY08 are not yet available. One state has not passed its budget. The total annual increase comes to more than \$525 million.

State and Percent Change	Change to Budget*	Policy / Notes
Alabama	Increases pre-k funding in the Office of School Readiness from \$5.4 million to \$10 million.	The increase for the <i>Office of School Readiness</i> will serve an additional 1,300 children.
103%	Provides a <b>first-time state investment</b> in <i>Head Start</i> of \$950,000.	
Alaska	Increases funding for Ready to Read, Ready to Learn task force recommendations from \$250,000 to \$400,000.	A failed amendment to the budget bill would have added \$630,000 to Head Start.
2%	<b>Flat funds</b> state investment in <i>Head Start</i> at \$6.3 million.	
Arizona†	Flat funds the Early Childhood Block Grant (ECBG) at \$19.4 million.	The <i>ECBG</i> funds a number of early childhood programs, including pre-k. The amount allocated to pre-k is not available.
0%		An additional \$80 million will be used to fund full-day kindergarten.
Arkansas†	Increases funding for the <i>Arkansas</i> Better Chance (ABC) program from	The legislature's Committee on Administrative Rules and Regulations
56%	\$71.2 million to \$111 million per year for both years of the biennium.	rejected a proposal by the board of education to require all pre-k teachers to hold a bachelor's degree. The Division of Child Care and Early Childhood Education is currently examining options.
California	Increases funding for the State Preschool Program from \$418.6 million to \$441.7 million.	Budget figures include COLA and adjustments for enrollment growth.

6%



State and Percent Change	Change to Budget*	Policy / Notes
Colorado	Increases funding for the pre-k component of the Colorado Preschool and Kindergarten Program from	The number of pre-k slots will increase by 1,700 in FY08 for a total of 13,900 and by almost 3,000 in FY09 for a total of 16,890.
19%	\$38.4 million to \$45.7 million.	The FY09 expansion is estimated to increase the pre-k budget by another \$16.2 million.
Connecticut <sup>†</sup>	Increases School Readiness Program (SRP) funding from \$61.2 million to \$66.7 million	The budget also includes \$1.6 million for each year of the biennium for development o
	in FY08.	the Preschool Quality Rating System as well as \$575,000 for quality improvement efforts
12%	<b>Increases</b> state investment in <i>Head Start</i> from \$4.5 million to \$6.7 million.	, , , , , , , , , , , , , , , , , , , ,
Delaware	Increases Early Childhood Assistance Program funding from \$5.69 million to	
	\$5.73 million.	
0.7%		
Florida	<b>Decreases</b> funding for the Voluntary Prekindergarten Program	The funding decrease reflects a lower-than-projected enrollment rate.
<b>O</b>	from \$390 million to \$376 million.	Per-pupil spending increases by \$117.
-4%		
Georgia	Increases funding for Georgia's Pre-K Program from	The increase will allow the program to serve another 2,775 children, for a
	\$309 million to \$325 million.	total of 78,000.
5%		
Hawaii†	No state-funded pre-k program.	In December 2007, the Early Learning
		Educational Task Force, created by the 2006 state legislature, will be submitting
<b>~</b>		a proposal for a quality early learning system in the state.
N/A		



State and Percent Change	Change to Budget*	Policy / Notes
Idaho	No state-funded pre-k program.	
X		
N/A		
Illinois	Increases Preschool For All program funding from	The infant-toddler set aside increases by \$2.75 million.
8%	\$283.2 million to \$305.5 million.	The budget does not include funds for the governor's recommendation to create a matching grant program for pre-k facilities development.
Indiana†	No state-funded pre-k program or state investment in <i>Head Start</i> .	The legislature passed a bill charging the Department of Education to create standards
N/A		for a <i>Prekindergarten Grant Pilot Program</i> for four year olds and to establish criteria for evaluating applicants. No appropriation was attached to the bill.
lowa	Provides <b>inaugural funding</b> for the Statewide Voluntary Four-Year-Old	FY08 funding is the first in a series of four installments to phase in pre-k for all four
241%	Preschool Program of \$15 million.  Increases lowa's Shared Visions program funding from \$6.9 million to \$8.5 million.	year olds. The first appropriation will serve 4,580 children. After the initial year of operation, district programs funded throug the initiative will be included in the school funding formula.
Kansas	<b>Increases</b> the <i>Pre-K Pilot</i> program from \$2 million to \$5 million.	The \$3-million increase for the Pre-K Pilot program comes from
18%	<b>Flat funds</b> the <i>At-Risk Four Year Old Preschool</i> program at \$15 million.	tobacco settlement funds.
Kentucky‡	Increases funding for the Kentucky Preschool Program from \$51.6 million to \$75.1 million per year for both years of the biennium.	
46%	5. 5.5 5.5 <b></b>	



State and Percent Change	Change to Budget*	Policy / Notes
Louisiana	Increases funding for <i>LA4</i> from \$56.5 million to \$83 million.  Flat funds the <i>Non Public Schools</i> Early Childhood Development Program at \$8.5 million.	LA4 will serve an additional 4,400 children for a total of about 14,400.
34%	Flat funds the 8g block grant, \$14 million of which is projected to support pre-k.	
Maine <sup>†</sup>	The Four-Year-Old Program is included in the <b>school funding formula</b> . FY08 figures are not available. From FY06 to FY07 state	Legislation was passed creating a distinct definition of a public pre-k program (previously considered part of kindergarten) to facilitate
	pre-k funding increased from \$3.7 million	more developmentally appropriate program
Anticipated	to \$4.2 million.	standards and delivery guidelines. A distinct teaching certificate (Birth-5) is also now
Increase	<b>Increases</b> state investment in <i>Head Start</i> from \$3.8 million to \$3.9 million.	required of all public pre-k teachers.
Maryland	The <i>Prekindergarten Program</i> is included in the <b>school funding formula</b> . The	For the first time, all districts are required to serve all four year olds living at or below
	FY08 pre-k allocation is projected to be \$84.6 million.	185 percent of the federal poverty threshold and children with other risk factors.
Anticipated Increase	<b>Flat funds</b> state investment in <i>Head Start</i> at \$3 million.	
Massachusetts	Increases funding for the <i>Universal</i> Pre-Kindergarten (UPK) program from \$4.6 million to \$7.1 million. Increases state	The FY08 budget includes \$33.8 million for kindergarten expansion grants, an increase of \$6.8 million from FY07.
10%	investment in <i>Head Start</i> from \$8.5 million to \$9 million. <b>Flat funds</b> the <i>Preschool Direct Services</i> portion of <i>Community Partnerships for Children</i> at \$47.6 million. \$11.2 million was appropriated for quality improvements.	Another \$250,000 is appropriated for a quality rating system for <i>UPK</i> providers.
Michigan	Michigan's FY08 budget has not been passed. The state's fiscal year ends at the end of September 2007.	The state is in a budget crisis with a predicted revenue shortfall for FY08.
	the end of deptember 2007.	The governor has proposed an increase of \$194.6 million in pre-k funding.
Minnesota <sup>†</sup>	Increases School Readiness Program funding from \$9.1 million to \$10.1 million and	The <i>Pre-K Exploratory Projects</i> will provide \$4,000 "allowances" for parents to pay for
	state investment in <i>Head Start</i> from \$19.1 million to \$20.1 million per year for both	early childhood programs for three or four year olds living at or below 185 percent of the
21%	years of the biennium. Provides <b>inaugural funding</b> of \$2 million for FY08 for <i>Pre-K</i> Exploratory Projects and <b>increases</b> funding by \$2 million for FY09 for a total of \$4 million.	federal poverty threshold. Programs must adhere to quality standards outlined in the legislation. The budget also includes almost \$33 million to expand full-day kindergarten.



State and Percent Change	Change to Budget*	Policy / Notes
Mississippi	No state-funded pre-k program or state investment in <i>Head Start</i> .	The legislature passed a bill to implement a "voluntary early care and education grant program" to be administered by the Department of Human Services, but
N/A		no appropriation was attached. Program standards are to be developed by a committee appointed by the governor.
Missouri	<b>Flat funds</b> the <i>Missouri Preschool Project</i> at \$14.8 million.	
0%		
Montana <sup>†</sup>	No state-funded pre-k program or state investment in <i>Head Start</i> .	The budget includes \$10 million for full-day kindergarten start-up grants.
X		,
N/A		
 Nebraska	For the first time, pre-k is included in the school funding formula. For FY08,	2005 legislation allows pre-k programs that have received three years of Early Childhood
	\$1.7 million from the formula is expected to support pre-k classrooms.	Education Grant Program funding to draw down school funding formula money. Pre-k
Anticipated Increase	<b>Flat funds</b> the <i>Early Childhood Education Grant Program</i> at \$3.7 million.	programs established by schools that have not participated in the grant program will be eligible for the school funding formula following three years of program approval.
Nevada <sup>†</sup>	Increases Nevada Pre-Kindergarten Education Program funding from	
lack	\$3.1 million to \$3.2 million for FY08 and by an additional \$87,000 in FY09 for	
6%	a total budget of \$3.3 million.	
New Hampshire	No state-funded pre-k program.	State funding in FY08 for <i>Head Start</i> , which will increase to \$279,000,
X		supports quality enhancements to the program, but does not fund slots.
N/A		



State and Percent Change	Change to Budget*	Policy / Notes
New Jersey	Provides <b>inaugural funding</b> for the Preschool Expansion and Enhancement Grant of \$10 million. <b>Increases</b> funding for	The <i>Preschool Expansion and Enhancement Grant</i> is for non- <i>Abbott</i> districts.
3%	the Abbott Preschool Program from \$460.1 million to \$463.2 million. <b>Flat funds</b> Early Childhood Program Aid at \$30 million. <b>Flat funds</b> the Early Launch to Learning Initiative at \$3 million.	The budget includes \$26.2 million for full-day kindergarten supplemental aid.
New Mexico	<b>Increases</b> funding for the <i>New Mexico Pre-K Program</i> from \$8 million to \$14 million.	The funding increase will serve an additional 1,375 children.
<b>75%</b>	An additional \$3 million was appropriated as non-recurring funds for pre-k facilities.	
New York	Increases funding for the <i>Universal</i> Pre-Kindergarten (UPK) program from \$304.2 million to \$450.2 million.	The FY08 increase could serve as many as 44,000 additional children. The program formerly known as <i>Targeted Pre-Kindergarten</i> is now part of <i>UPK</i> . The New York City pre-k budget increased from \$229.5 million to \$296 million, about \$47 million of which is from the city.
North Carolina <sup>†</sup>	<b>Increases</b> <i>More at Four</i> program funding from \$84.6 million to \$140.6 million.	The increase will serve an additional 10,000 children.
66%		For the first time, children of active military personnel and of members of the National Guard or a Reserve unit who have been injured, killed, or ordered to active duty are eligible to participate in <i>More at Four</i> .
North Dakota†	No state-funded pre-k program or state investment in <i>Head Start</i> .	A bill to establish a state pre-k program did not pass.
X		
N/A		
Ohio†	Increases Early Childhood Education program funding from \$19 million to \$31 million in FY08 and by another	The budget includes approximately \$54.9 million for FY08 and \$57.4 million for FY09 for increasing the reimbursement
W	\$5.5 million for FY09, bringing the total budget to \$36.5 million.	rates for child care providers to the 65th percentile of the market rate.
92%	budget to \$36.5 million.	65th percentile of the market rate.



State and Percent Change	Change to Budget*	Policy / Notes
Oklahoma •••	The Early Childhood Four-Year-Old Program is included in the <b>school funding formula</b> . From FY06 to FY07 pre-k funding increased from \$182.2 million to \$209.5 million.	Including federal funds, total pre-k spending increased from \$209.4 million in FY06 to \$240.8 million in FY07, and enrollment increased by almost 1,000 children.
Anticipated Increase	Data for FY08 is not yet available.	Following the governor's recommendation, bill to create a pilot pre-k program for three year olds was considered but failed to pass
Oregon†  Oregon†  93%	<b>Increases</b> funding for the <i>Oregon Head Start Prekindergarten</i> program from \$27.7 million to \$41.7 million in FY08 and adds another \$11.8 million in FY09 (including COLA) for a total budget of \$53.5 million.	An additional 3,200 children will be served by the increase.
Pennsylvania	Provides a <b>first-time appropriation</b> for <i>Pre-K Counts</i> of \$75 million.	The increase to <i>Pre-K Counts</i> will serve an additional 11,000 children.
135%	Flat funds state investment in Head Start at \$40 million. Increases the Accountability Block Grant from \$250 million to \$275 million, of which \$15.7 million is projected to fund pre-k.	The increase to the <i>Accountability Block Grant</i> includes \$20 million in new, dedicated funding for full-day kindergarten and a \$5 million cost-of-living adjustment.
Rhode Island  X  N/A	No state-funded pre-k program.	
South Carolina  0.5%	Increases Child Development Education Pilot Program (CDEPP) funding from \$23.6 million to \$23.8 million, including a carry over of \$6.7 million in unspent FY07 funds.  Flat funds the EIA Half Day Child Development Program (4K) at \$22.3 million.	A bill to expand <i>CDEPP</i> to serve low-incom- children statewide did not pass. House Bill 3175 was recommitted to the House Ways and Means Committee. The companion Senate Bill 815 was introduced in June 200
South Dakota  First-time State Investment	Provides <b>inaugural funding</b> for the <i>Pre-Kindergarten Pilot Program</i> of \$700,000 from the governor's economic development fund. Including private contributions, total funding for the pilot is \$1.4 million over three years.  The legislature did not appropriate additional funding.	A bill to have the state board of education establish statewide pre-k guidelines and standards did not pass.



State and Percent Change	Change to Budget*	Policy / Notes
Tennessee	<b>Increases</b> funding for the <i>Voluntary Pre-kindergarten</i> program from \$55 million to \$80 million.	The increase will fund an additional 257 pre-k classrooms.
<b>①</b>		
45%		
Texas <sup>†</sup>	The Early Childhood and Pre-Kindergarten Initiative is in the school funding formula. FY08 data is not available. From FY06 to FY07	The budget includes a transfer of 20 million federal dollars from the Texas Workforce Commission to increase the reimbursemen
	funding increased from \$400 million to \$472	rates of child care providers who participate
Anticipated Increase	million. <b>Decreases</b> <i>Prekindergarten Expansion Grant Program</i> funding from \$92.5 million to \$91.8 million, and the <i>Texas Early Education Model</i> from \$10 million to \$7.5 million.	in the Texas Early Education Model (TEEM).
Utah	No state-funded pre-k program or state investment in <i>Head Start</i> .	
X		
N/A		
Vermont	The <i>Public Preschool Partnerships</i> program is included in the <b>school funding formula</b> . FY07 and FY08 figures are not available, but	Pre-k enrollment increased from 3,235 in FY06 to 3,461 FY07.
	funding for FY08 is expected to increase	Legislators codified pre-k as part of the
Anticipated	based on enrollment data.	school funding formula while encouraging a system of diverse delivery. The new law
Increase	<b>Flat funds</b> the <i>Early Education Initiative</i> at \$1.3 million.	also established a cap on formula-funded enrollment.
Virginia‡	<b>Increases</b> <i>Virginia Preschool Initiative</i> funding from \$49.6 million to \$53.1 million.	The legislature appropriated additional pre-k funding for FY08, the second year of the biennium.
<b>(1)</b>		
7%		
	Increases funding for the Early Childhood Education and Assistance Program (ECEAP)	The <i>ECEAP</i> funding increase will create 2,250 more slots and increase per-child
	from \$36.9 million to \$47.9 million in FY08	spending from \$6,000 to \$6,500. Over the
W	and adds another \$8.5 million in FY09 for a total budget of \$56.4 million.	next two years, the budget also includes \$148.4 million for other early childhood
53%		initiatives. An early learning advisory counci has also been created.



State and Percent Change	Change to Budget*	Policy / Notes
West Virginia	The West Virginia Early Childhood Education Program is included in the <b>school funding</b> <b>formula</b> and funding is expected to increase	Projected total pre-k enrollment for FY08 is 11,500.
	due to a rise in pre-k enrollment of 8 percent	The state is now serving all children in an
Anticipated Increase	or about 850 children in FY08.	additional five counties.
Wisconsin <sup>†</sup>	The Four-Year-Old Kindergarten (4K) program is included in the <b>school funding formula</b> . Figures for FY08 are not available. From FY06 to FY07 funding increased from	Local contributions provided an additional \$37.9 million to pre-k in FY07, an increase from \$33.2 million in FY06.
	\$62.4 million to \$73.8 million. The proposed	At press time, the state had not passed an
Anticipated Increase	budget includes \$3 million for FY09 4K start-up grants. <b>Proposed to flat fund</b> state investment in <i>Head Start</i> at \$7.2 million.	FY08 budget.
Wyoming	No state-funded pre-k program or state investment in <i>Head Start</i> .	
X		
N/A		
Washington, DC	The public school and public charter school pre-k programs are included in the <b>school funding formula</b> . Pre-k funding for FY08 is projected to increase to	Of the \$62.7 million projected for pre-k in the school funding formula, \$42.7 million is for public schools and \$20 million is for charter schools.
Anticipated	\$62.7 million.	
Increase	Flat funds the Pre-K Incentive Program at	

#### **Endnotes**

"Votes Count FY07," reported total FY07 pre-k funding of \$4.2 billion. State budget adjustments released since press time indicate a figure of \$4.3 billion, which is used here to calculate FY08 increases.

\$4.7 million.

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Pre-K Now is a project of The Pew Charitable Trusts and other funders to advance high-quality pre-k for all children. The findings and opinions expressed in this report do not necessarily reflect the views of the Trusts.

### Pre-K Now at a Glance

#### Mission

Pre-K Now collaborates with advocates and policymakers to lead a movement for high-quality, voluntary pre-kindergarten for all three and four year olds.

#### Vision

Pre-K Now's vision is a nation in which every child enters kindergarten prepared to succeed.

#### Location

Washington, DC

#### Leadership

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#### **Funders**

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#### **Pre-K Now Key Differentiators**

- Focuses exclusively on pre-k
- Provides the most up-to-date gauge of the pre-k pulse in any state
- Offers nationwide access to pre-k advocates
- Monitors and distributes daily pre-k newsclips
- Provides a national perspective on local pre-k issues
- Provides outreach, policy, and Spanish-language information targeted to the Latino community
- Leads a national movement which has gained significant momentum in the last five years

#### The Case for Pre-K

- Pre-k benefits all children academically, socially, and emotionally.
- High-quality pre-k for all nets a high return on investment in children and the community.
- The most important brain development occurs by age five.
- Pre-k is the first step to improving K-12 education.

Pre-K Now

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Votes Count: Legislative Action on Pre-K Fiscal Year 2008