

October 2006

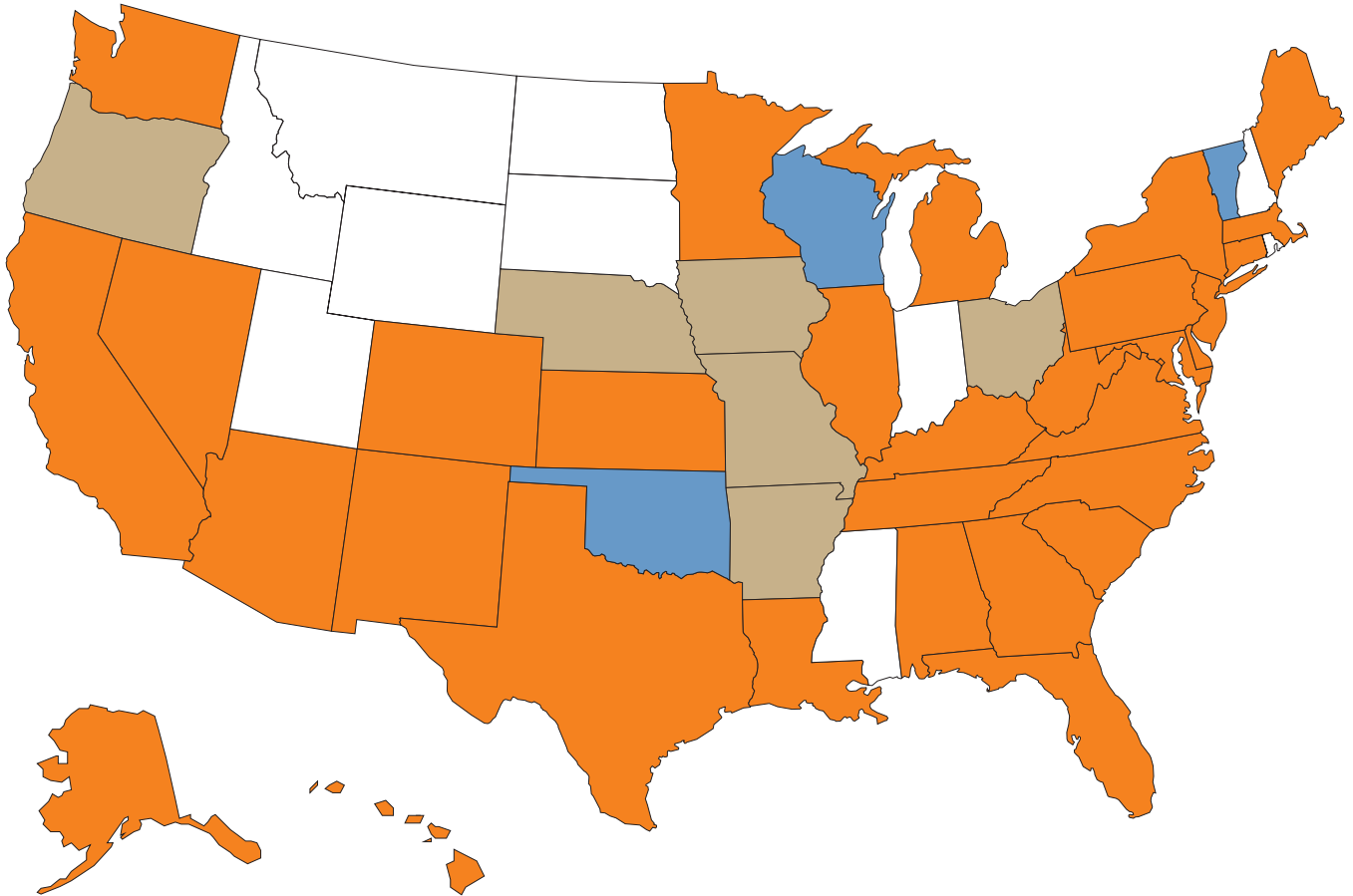
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Legislative Action on Pre-K
Fiscal Year 2007



In fiscal year 2007, not a single state legislature decreased its investment in pre-kindergarten. At the same time, more states than ever before – 31 and the District of Columbia – increased their financial commitments to early education. Over the past two years state pre-k investments have grown by more than \$1 billion.

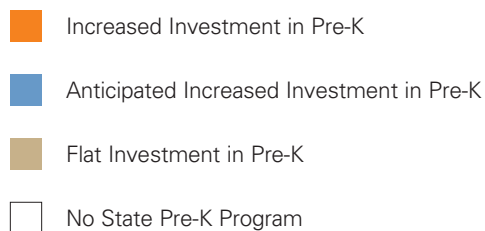
Even more promising are the trends toward access for all three and four year olds and toward improved quality. The message of FY07 is that pre-k is here to stay because it pays bona fide dividends to states, to schools, and, most importantly, to children.

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Legislative Action on Pre-K Budgets Fiscal Year 2007

This map shows that no state legislature voted to decrease pre-k funding for FY07. Thirty-one states and the District of Columbia increased funding for pre-k, totaling more than \$450 million. Six states flat funded pre-k and 10 have no program. Pre-K Now anticipates that the three states for which budget figures are not available will also increase funding for pre-k, bringing the total number of states with increases to 34.



Introduction

In 2006, the pre-kindergarten movement reached a significant goal: Not one state legislature voted to decrease funding for state pre-k programs. Overall, lawmakers in 31 states and the District of Columbia appropriated more than 450 million new dollars for early education, an increase of nearly 12 percent over 2005. In just the past two years, states have added over \$1 billion to pre-k budgets nationwide. These increases have enjoyed robust bipartisan support and, this year, won passage in 15 Democrat-led and 10 Republican-led legislatures as well as six states where legislative control is split. Without a doubt, pre-k's positive impact on budgets, its value as a key school-reform strategy, and most importantly its potential to transform children's futures have produced a powerful national momentum that is changing the face of public education.

This year's most exciting trend was the push by state legislatures in Illinois and Massachusetts to provide high-quality pre-k for all their children. Research clearly shows that offering high-quality services to every child produces remarkable financial returns and educational benefits. In states where pre-k for all has been in place for several years, such as Georgia and Oklahoma, the programs are already yielding significant gains.¹

The force of this national movement is also beginning to be felt in the Pre-K Wilderness – the 10 states that currently provide no state pre-k services. Although the barriers to high-quality pre-k in Idaho are significant, legislators made a cautious first move toward offering early education, showing that pre-k's message of success is resonating even into the wilderness.

Of course, with increased success comes increased scrutiny. This year, in two states – Vermont and Wisconsin – where pre-k is a part of the education systems and is included in the school funding formulas, critics launched vigorous challenges to the validity of

early education. The resulting task force reviews, if they honestly examine the research, should embrace these states' strong commitments to pre-k and seek only to improve upon the existing systems.

Further, 12 states provided only flat funding or increases that fall below the federal cost-of-living adjustment (COLA) of 4.1 percent.² Legislatures in these states left programs without sufficient resources to maintain the levels of service provided the previous year. In some cases, the number of children served actually fell as a result of these limited appropriations. It is absolutely essential that lawmakers prevent program rollbacks by providing annual increases that meet or exceed COLA minimums.

However, new dollars and greater access are neither the only nor the most important measures of program success or of leadership in the pre-k arena. Economic research consistently shows that only high-quality programs generate the impressive fiscal returns for which pre-k is now well known.³ Likewise, the exceptional educational benefits to children are only realized when programs adhere to high quality standards. Small classes taught by bachelor's degree-holding teachers with low teacher-child ratios and developmentally appropriate curricula are the most essential elements of quality, and they are the difference between dollars merely expended and those invested wisely for the future.

This year, one state in particular made the smart choice to put quality first, and another saw a commitment to quality pay off in enthusiastic legislative and financial support. A new pilot pre-k program in Kansas that is designed to meet most of the National Institute for Early Education Research (NIEER) benchmarks for quality⁴ will provide a solid, high-quality foundation from which to expand. In Tennessee, a pre-k program that began as a high-quality pilot received significant new investments to serve 5,000 more children. By

Pre-K for All: Achieving the Goal

contrast, three states – California, Florida, and Iowa – opted to ignore quality and expand access to services that are not of sufficient quality to generate sizeable fiscal or educational returns. This strategy risks squandering both the dollars and the political will needed to support pre-k.

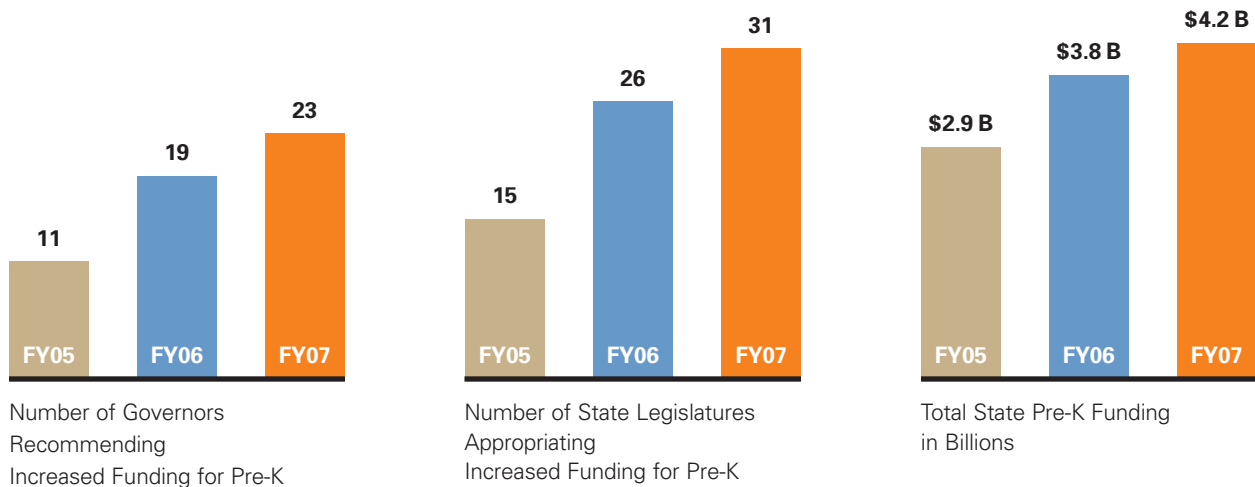
In the coming year, high-quality, voluntary, state-funded pre-k is poised to make terrific gains once again, fueled by new dollars, new ideas, and new leadership in many states. Legislatures nationwide have embraced pre-k as a great investment that promises across-the-board returns to state coffers and to children’s futures. The momentum is strong and the benefits are proven, but advocates must remain vigilant to preserve a sense of urgency around pre-k in the minds of lawmakers. Now is not the time to rest on our laurels. Instead, pre-k advocates and policymakers must adapt their efforts to this new climate where pre-k is expected but not yet fully available and where the rapid expansion of early education is inviting closer inspection and, sometimes, stronger opposition. As leaders, our duty is to build upon the collaborative and bipartisan atmosphere that has surrounded pre-k in recent years to finally secure voluntary, high-quality pre-k for all our children.

While Florida, Georgia, and Oklahoma wisely offer pre-k to all four year olds, most states currently target pre-k services to a limited number of at-risk children. Though serving the greatest need is a good place to start, research indicates that all children reap measurable gains from high-quality pre-k. In 2006, legislators in two states – Massachusetts and Illinois – recognized that the best strategy is to phase in voluntary, high-quality pre-k for all children.

Early education has long been a priority of the **Illinois** legislature. Their firm commitment over the past decade has helped to build a high-quality foundation of services for young children across the state. When the governor, in early 2006, proposed to dramatically expand pre-k to serve all three and four year olds by 2011, the vast majority of Illinois’s legislators stood ready and eager to help.

The legislature acted decisively to support the expansion of pre-k to all Illinois children, passing substantive legislation unanimously in the house and with strong bipartisan support in the senate. The FY07 pre-k budget features an appropriation of \$283.2 million dollars, an increase of \$40 million over FY06. These new dollars will provide a pre-k education to 10,000 more children

Growth of State Support for Pre-K Nationwide



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this school year. The Illinois pre-k legislation also benefits younger children, appropriating the equivalent of 11 cents of every pre-k dollar – \$5 million for FY 07 – for birth-to-three services.

Though many dollars and much work are still needed if pre-k for all Illinois children is to become a reality by 2011, the state legislature's proven record of bipartisan support gives every reason to believe the goal will be met.

In contrast, **Massachusetts's** legislature was thwarted in its pre-k-for-all effort by a governor who does not value pre-k. In 2006, the legislature passed, by unanimous vote, House Bill No. 4755, "An Act Relative to Early Education," which would further a state-funded system of high-quality pre-k for all three, four, and five year olds in the Commonwealth. However, the governor, calling pre-k an "expensive new entitlement"⁵ and without regard for its positive fiscal impacts, vetoed the legislation.

Fortunately, the final FY07 budget did provide a \$4.6 million appropriation for pilot implementation grants for the *Massachusetts Universal Pre-Kindergarten* program. As a result, the pilot program will go forward and H.4755 awaits further action by the legislature.

Despite the setbacks this year, the chairs of the legislature's Joint Education Committee, Representative Patricia A. Haddad (D) and Senator Robert A. Antonioni (D), remain committed to pursuing pre-k for all in Massachusetts. As they noted in a recent, jointly authored op-ed, "We intend to reintroduce this bill in the next session and we look forward to working cooperatively with a new administration to pass it and bring high quality early education opportunities to all our young people."⁶

Gaining Ground

While the motivations for high-quality pre-k for all may be common among all states – greater school readiness, improved educational outcomes, and better economic opportunities for children, families, and communities – the strategies for initiating and growing pre-k programs are as varied as the states themselves. This year, legislatures in Idaho, Pennsylvania, Washington, and Louisiana found ways to overcome ideological differences, fiscal limitations, constitutional constraints, and even Mother Nature in an effort to create pre-k opportunities for children.

As a member of the Pre-K Wilderness – the 10 states that currently offer no state pre-k program – **Idaho** has a great deal of work to do for its young children. To that end, the 2006 legislature created the Legislative Early Childhood Education Task Force, charged with exploring the possibility of state-funded pre-k. House Speaker Bruce Newcomb (R) and Senate President Pro Tem Robert L. Geddes (R) each appointed members to the task force, indicating that interest in voluntary pre-k is growing in both houses. Currently, education spending in Idaho is statutorily defined as starting with five year olds, meaning schools are prohibited from using state funds for pre-k.⁷ This is one of the unique challenges facing the pre-k task force.

Though support for pre-k is still in its infancy in the Idaho legislature, what was once intractable resistance is becoming a willingness to learn. As Senator Geddes frankly notes, "It's something I think is a trend in the country. I've generally not supported even mandatory kindergarten; I think that's all under the authority of parents to decide what's best for their children. But certainly they can't decide if options aren't available."⁸ Though not fiscally significant, the appointment of this task force represents a major shift in attitudes toward pre-k and could be Idaho's first step out of the wilderness.

No state has faced more adversity during the past year than **Louisiana**. In June, despite a dramatic reduction in the state's population and enormous fiscal losses after Hurricanes Katrina and Rita as well as countless urgent needs across the state, the legislature still made pre-k a priority, increasing funding by \$1.5 million. Both the governor, who proposed the increase at the urging of Superintendent Cecil Picard, and the legislature have understood the importance of pre-k to Louisiana's future and have made budgetary decisions that reflect that understanding.

In 2006, the Republican-dominated **Pennsylvania** legislature demonstrated its support for high-quality pre-k by approving the governor's proposed FY07 early education funding increase of \$60 million. The new dollars include \$10 million for *Head Start* and \$50 million for the state's Accountability Block Grant. This will mean roughly 16 million new dollars for pre-k if districts follow their 2006 spending patterns and will bring the total number of children served in Pennsylvania to approximately 13,000.

In March, **Washington's** legislature passed House Bill 2964, establishing the new Department of Early Learning (DEL). The bill enjoyed strong bipartisan support from its inception, with 23 original sponsors in the house, and won overwhelming approval in both chambers. Passage of the bill comes on the heels of an executive order creating Thrive by Five, a public-private partnership, funded in part by a grant from the Bill and Melinda Gates Foundation.

The DEL, which received initial setup funds of \$1.4 million, will provide improved accountability and program management by assuming responsibilities previously spread across three different state agencies. The DEL will oversee childcare administration and *Head Start* collaboration as well as the state's pre-k system, the *Early Childhood Education and Assistance Program (ECEAP)*, which also received a small funding increase of \$1.09 million, intended primarily for quality improvements. However, more will be needed to significantly improve *ECEAP*. The DEL, in collaboration with Thrive by Five, should make quality its first pre-k priority.

Re-imagining Eligibility

In **Texas**, pre-k services are funded as part of public education but are available only to the state's most at-risk children: those from the lowest-income families, children with disabilities, English language learners, and children who are homeless. In 2006, the state legislature took a creative approach to pre-k access, designating a new category of eligibility: children of active-duty members of the armed forces, National Guardspersons, activated Reservists, and military personnel killed or wounded in action. This legislation made 1,400 more children eligible for state-funded pre-k services.

For legislators in Texas, adding these children seemed a natural next step in the evolution of their state's pre-k eligibility guidelines. State Senator Leticia Van de Putte (D)

explains, "[This is] something that we really wanted to look at. What is the real definition of at-risk? For these military families the mobility issue, moving from state to state as the deployment and duty stations change. But it's also the fear of these children when mom or dad have to be deployed."*

Re-imagining the terms of targeted eligibility allowed Texas to serve the needs of a large new block of children within the state's existing political context. What better way to honor the sacrifices of our nation's servicemen and women than by providing their children with high-quality early education, so they, in turn, can help build a strong national future?

*Leticia Van de Putte, "Remarks," in *Effective Advocacy in the Pre-K Movement* (National Satellite Conference: Pre-K Now, 2006).

Revived Momentum

Several state pre-k programs, originally launched with much fanfare and enthusiasm, have, since, suffered from prolonged fiscal neglect and failed to deliver on their initial promise. This year, legislatures in three of those states – New York, Michigan, and Kentucky – made significant new pre-k investments, signaling renewed commitments to providing a high-quality early education for many more children.

Nine years ago, the **New York** legislature passed a bill establishing state-funded pre-k for all. Since that time, however, a combination of severe budgetary challenges and combative politics, particularly on the part of the governor, effectively stagnated the growth of pre-k in the state. Until now.

For FY07, the New York legislature took decisive action to jump-start the state's stalled *Universal Pre-Kindergarten* program, appropriating an increase of \$50 million in defiance of the governor's proposal for continued flat funding. The new funds will make services available to 14,000 more children statewide.

The bill was widely supported in the legislature, particularly among the leaders of both parties. Senate Majority Leader Joseph L. Bruno (R) and Speaker of the Assembly Sheldon Silver (D) both backed the legislation. In explaining the legislature's decision to expand education funding and recommit to pre-k this year, Speaker Silver says, "New York State can no longer wait... We can simply not afford to lose another generation to inaction."⁹

Pre-k in **Michigan** dates back to the establishment in 1986 of the *Michigan School Readiness Program (MSRP)*. Funding for *MSRP* grew at a slow but steady pace for nearly 15 years until 2001 when support for the



continued growth of pre-k in the state ceased. This year, however, despite tight fiscal circumstances and in response to long-standing support from the governor, Michigan's legislature has pledged to grow *MSRP*.

As a first step in this new effort, the Republican majority, led by Senator Ron Jelinek (R) and Representative John Moolenaar (R) as well as Senator Patti Birkholz (R) and Representative Barb Vander Veen (R), co-chairs of the Children's Caucus, joined with Democratic pre-k supporters like Senator Martha G. Scott (D) and Representative Marsha Cheeks (D) to allocate \$90.9 million for FY07, an increase of \$6 million. These welcome new dollars will make available an additional 1,800 pre-k slots.

In addition, the legislature passed two new provisions. One allows districts to allot two spaces to a single child in order to provide full-day services, which, while good for working families, means fewer children have access to pre-k. The second allows providers to hire teachers with 90 credit hours, equivalent to three years of undergraduate training, when they are unable to secure BA-degreed teachers. *MSRP* currently meets only four NIEER quality benchmarks, and this measure serves to underscore the poor quality of the program. In the coming year, Michigan lawmakers should take steps to address increased demand for services and, critically, to guarantee that every pre-k child has a degreed and certified teacher.

The high-quality *Kentucky Preschool Program*, founded in 1990, had been languishing, hamstrung by flat and even declining funding for almost six years. This year, however, the state's bipartisan legislature committed to re-energize the program. Kentucky lawmakers approved a 45.5 percent increase of \$23.5 million in each year of the biennium, allowing the program to serve all three and four year olds with disabilities and four year olds from families earning up to 150 percent of federal poverty guidelines.¹⁰

Pre-k leaders in the house such as Representative Harry Moberly, Jr. (D) had proposed an eligibility threshold of 200 percent of federal poverty guidelines, but state senators recommended the 150 percent figure with the remaining dollars funding other K-12 reforms. Though legislators have much more work to do to rejuvenate and expand the *Kentucky Preschool Program*, the state's recent history of cooperation and bipartisanship on school reform issues, including pre-k, is guiding Kentucky toward a system of high-quality pre-k-12 public education.

Branching Out

Many forces drive state legislatures: their constituents, governors, and businesses among them. However, sometimes, other motivators are needed. At the end of 2005, the **South Carolina** third circuit court of common pleas held, in *Abbeville County School District v. State of South Carolina*, that the state was not meeting constitutional obligations to provide "minimally adequate education"* in poor, rural school districts. The ruling required that access to high-quality, publicly supported pre-k services be broadly expanded.

Because the governor declined to lead on pre-k, state legislators were left to interpret and fulfill the court mandate on their own. South Carolina lawmakers took the court's words to heart. Senator John Courson (R), chairman of the Senate Education Committee, explains, "We need to get children, primarily children from economically disadvantaged backgrounds, into school earlier."** This straightforward sentiment, culled from the court's decision, prompted legislators not only to approve a small increase for the state's existing half-day pre-k program in public schools and the *First Steps* program, but also to establish and fund an entirely new pre-k system, the *Child Development Education Pilot Program (CDEPP)*.

The additional resources, totaling \$23.3 million, will make pre-k services available to 3,000 more children in the state's lowest-performing school districts for the coming year. Hopefully, legislators across the state will appreciate the true value of that investment and will make high-quality pre-k a reality for all children in South Carolina in the near future.

* *Abbeville County School District v. State*, Startingat3.org (3rd. Cir. C.C.P. 2005).

** Molly A. Hunter, "South Carolina Court Orders Preschool through Third-Grade Interventions to Counter Poverty, Declares State Education Funding System Unconstitutional," *Schoolfunding.info* Litigation News (2006), <http://www.schoolfunding.info/news/litigation/12-29-05sctrialct.php3>.

Pilots Pay Off

States use many strategies to launch new publicly funded pre-k systems and to ensure that those programs are effective, efficient, and accountable. One approach that has proven reliable both in evaluating programs and in educating stakeholders about the benefits of high-quality pre-k is pilot programs. In 2006, one state, Kansas, adopted the pilot strategy for the first time, while another, Tennessee, saw the pilot strategy pay off when the state's high-quality pre-k program received a second consecutive substantial increase in funding.

For nearly a decade, families in **Kansas** watched as their neighbors in Oklahoma enjoyed the benefits of high-quality, voluntary, state-funded pre-k for all four year olds. Meanwhile, in their own state, a small program for at-risk children offered relatively poor-quality services to fewer than 20 percent of four year olds.

For FY07, the state legislature has changed the state's pre-k story, approving the governor's proposed *Pre-K Pilot* program. The \$2 million pilot will serve 600 children in six counties. Though small, the pilot



Tennessee State Senator Jamie Woodson (R)

I really believe that this will be an investment that will far, far exceed the dollars we put in currently.

is structured to meet most of the NIEER benchmarks for quality. Further, regulatory changes and increased funding were instituted that will substantially improve the existing state program's quality standards.

In yet another sign that pre-k in Kansas is on the right track, the pilot initiative has critical backing from some of the state's biggest business interests, including Hallmark, Sprint, Bank of America, and Kansas City Power & Light. Motivated by the data on economic returns and K-12-reform impacts of pre-k, these business leaders encouraged legislators to support the program. The new pilot is a solid step for pre-k in Kansas and will erect a strong foundation on which a high-quality program for all the state's four year olds can be built.

Fiscal Year 2007 represents a new high point for pre-k in **Tennessee**. Born as a pilot program in 1998, the *Tennessee Early Childhood Education Program* is now a fast-growing, high-quality program with broad support across the state. This year, the legislature approved, with near-unanimous support from both parties, a 57 percent, \$20 million increase in funding for the program. With these new dollars, 5,000 additional children will be served.

Fueled by growing enthusiasm among legislators, collaboration across the branches of government, and tremendous innovation among advocates, Tennessee's pre-k pilot has become an impressive, high-quality early education system that will pay dividends for all the state's citizens for generations to come.

Under the Microscope

Success always garners increased attention. Though advocates know good research consistently supports high-quality pre-k, the concern in Vermont and Wisconsin is that recently appointed pre-k task forces could be precursors to concerted efforts to undermine long-standing traditions of state-funded pre-k. If these task forces eschew a predetermined agenda and study the vast body of research on pre-k, citizens in Wisconsin and Vermont can expect endorsements of the existing programs and funding systems and recommendations for improved quality and expansion of services to all three and four year olds.

Vermont currently serves nearly 4,000 three and four year olds through two quality pre-k programs: the *Early Education Initiative (EEI)* and the school funding formula-supported *Average Daily Membership-funded (ADM) Prekindergarten*. Unfortunately, funding for *EEI* has been flat or in decline for the past five years, and the use of general education dollars to support the *ADM* program – and the corresponding availability to all three and four year olds – are the result of state board of education administrative rules that are not codified in law.

In this context, the task force, spearheaded by Senator Don Collins (D) in response to calls for a review of the state program, can either become an instrument to undermine Vermont pre-k or, hopefully, a catalyst to new pre-k momentum. Despite the recent opposition, many in the legislature still support pre-k. State Senator James C. Condos (D) expressed his confidence in the program this way: “I’m a sincere believer that over time this is going to save the state lots of money, millions and millions of dollars...”¹¹ The task force’s findings are due to the legislature in early 2007.

Historically, **Wisconsin’s** *Four-Year-Old Kindergarten (4K)* has been strongly supported. Recently, however, it has come under attack by groups who oppose pre-k programs. Earlier this year, a task force was established to examine the program statewide. Representative Debi Towns (R) explained the task force’s mandate as follows: “The task force will evaluate the merits of *4K* programs and consider changes to their structure. The information will allow us to make better decisions when looking at the overall picture for public education funding.”¹²

Despite efforts by opponents, *4K* in Wisconsin continues to grow, especially in districts offering community-based options. Over the last four years, enrollment in *4K* statewide increased from 14,483 to 21,004 four year olds. Today, nearly half of all school districts offer *4K*, and another 24 districts are projected to begin programs for the 2006-07 school year. The reality on the ground is that local communities are increasingly embracing *4K*, and some policymakers need to catch up with their constituents.

In light of the facts, the task force should endorse the existing program and funding structure and recommend broader adoption by local districts of the state’s quality standards. Also, the task force should encourage legislative support for expansion of community-based options. By taking this opportunity to improve *4K*, the task force can best serve the needs of Wisconsin’s four year olds. The task force expects to make its recommendations later this year.

Quantity over Quality

Every state struggles to balance the demands of access with the need to provide high-quality services. In three states, quality concerns have gone unaddressed, leaving tens, even hundreds of thousands of children in classrooms that lack teachers with college degrees, low teacher-child ratios, small classes, or other critical elements of quality pre-k. Though FY07 spending strategies differ significantly between California, Florida, and Iowa, the priority on quantity over quality and the resulting inadequate services are the same.

In June 2006, despite exit polling that showed 62 percent of voters, both Democrats and Republicans, support pre-k for all children,¹³ **California** voters defeated Proposition 82, the “Preschool for All Act,” citing concerns about the funding mechanism and governance structure outlined in the measure. Almost immediately thereafter, the legislature approved 100 million new pre-k dollars.

Half of the new dollars will be targeted at the neighborhoods surrounding the state’s lowest-performing schools. This seemingly generous new appropriation will enable the program to serve approximately 12,000 additional children, but even then, California pre-k will reach only 13 percent of its more than half a million four year olds. The other \$50 million – a one-time allocation – will fund much-needed facilities development.

Though the poor quality of the state program is well documented, the legislature approved the new money without requiring significant quality improvements. Local supplements do enhance program quality in some settings, but state funding alone manages to provide just a bare-bones program, meeting only four of 10 NIEER quality benchmarks. If California’s lawmakers truly want to provide educational opportunities

California State Assemblywoman Wilma Chan (D)

The issue is how to increase the opportunities for all California’s four year-olds to attend a quality preschool... Preschool for four year-olds is important because it better prepares them to learn.

for the state’s four year olds, they must mandate and fund quality standards such as small class sizes and qualified, bachelor’s degree-holding teachers.

Unlike California voters, **Florida’s** electorate approved a pre-k-for-all ballot measure. Since the initiative’s passage in 2002, the state’s lawmakers, whose failure to enact early education legislation necessitated the initiative in the first place, have consistently underfunded the *Voluntary Prekindergarten Education (VPK)* program and resisted requiring teachers with bachelor’s degrees and certification in early childhood development.

Though the state provides pre-k for 106,000 children, as a result of this legislative foot dragging, *VPK* services are frequently of low quality. In 2006, the Florida state legislature once again played politics with children’s futures. For FY07 the legislature approved an increase of \$3.1 million, a scant \$60 per child. Much like the inaugural 2005 appropriation of \$387 million, the 2007 figure of \$390 million falls far short of the amount needed to secure high-quality pre-k services for all Florida four year olds.

In Florida, the governor’s mansion as well as many seats in the legislature will soon feature new occupants. Nearly five years ago, the citizens of Florida demanded high-quality pre-k for all their four year olds, and in 2007, new leadership may finally deliver on that mandate.

Iowa launched the *Shared Visions* pre-k program in 1989. The program meets only five NIEER benchmarks, but included among those are essentials such as low teacher-child ratios and small classes. However, lawmakers have not approved even a cost-of-living increase since 1995. For FY07, these disappointing trends seemed poised to come to an end at last, but once again, legislators chose not to support *Shared Visions* but instead, to spend their early education dollars on programs without quality standards.

Rather than support *Shared Visions* or the governor's proposed *Strong Start* initiative, which would have wisely folded pre-k into the state's school funding formula, legislators appropriated \$15 million new dollars for distribution through Community Empowerment. These local councils may spend a portion of their dollars on pre-k, and some districts like Polk and Pottawattamie counties do choose to use these funds to support high-quality programs. However, no accountability mechanisms are in place to ensure that pre-k services funded through Community Empowerment adhere to quality standards. This legislative strategy leaves parents in Iowa with no guarantees that their children will receive high-quality pre-k experiences.

Though the legislature should be commended for supporting budget increases for both pre-k and childcare programs over the last two years, they must take decisive steps to ensure that future budget increases are distributed only to programs meeting quality standards. Given the wealth of research showing the educational and economic returns of high-quality pre-k, Iowa's children, families, and taxpayers deserve nothing less.

Prioritizing Quality

Increasing pre-k funding is only part of the school-readiness equation. Among the states featured in this report for their important fiscal commitments to pre-k, the majority also gets high marks for spending those dollars wisely on high-quality programs – as measured by the NIEER quality benchmarks – that will return the greatest possible financial gains for states and educational benefits for children. In Washington State, the creation of a new Department of Early Learning should streamline and improve the management and accountability of the state's pre-k system, but the new department must also commit itself to enhancing program quality.

| | |
|------------|-------|
| Illinois | 9.0 |
| Tennessee | 9.0 |
| Kentucky | 8.0 |
| Louisiana | 7.6* |
| Washington | 6.0 |
| Kansas | 3.0** |

Source: Barnett, "The State of Preschool: 2005 State Preschool Yearbook," 7, 71, 74-8.

* This figure is an average of Louisiana's three pre-k programs. Individually, they appear as follows: *LA4*: 8, *8g*: 7; *NSECD*: 7.

**The state's new pilot program is being developed with the objective of meeting most of the NIEER benchmarks. The state's existing program received a 3 from NIEER for the 2004-05 school year, but is expected to improve.






Conclusion







2006 brought tremendous gains as well as new challenges to the movement for voluntary, high-quality pre-k for every three and four year old in the nation. Overwhelmingly, legislators of both parties voted to support, grow, and inaugurate pre-k programs. Their leadership has advanced a national education-reform effort, which is already reaping rewards in states across the country, but hurdles remain. The progress over the past two years has put a spotlight on programs and funding structures. When programs are high quality,







pre-k can withstand any examination, but lawmakers must provide standards and resources that guarantee the best quality services. Otherwise, low-quality programs that fail to deliver on their educational and fiscal promise will provide fodder for critics. Further, recent legislative moves have primarily served to expand access to targeted programs. The time has come for legislators to recognize the wisdom of pre-k for all children and to advance comprehensive legislation and funding.







FY07 Pre-K Budgets at a Glance







This chart documents pre-k budget allocations for FY 2007 by all 50 state legislatures and the City Council of the District of Columbia. This year, 31 states and the District have increased pre-k investments, six are flat funded, 10 have no program at all, and we anticipate increases in three others where figures for FY07 are not yet available. The total annual increase comes to more than \$450 million.







| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|---|--|---|
| Alabama  25.6% | Alabama's Office of School Readiness received an increase from \$4.3 million to \$5.4 million. | This increase includes \$1 million in conditional pre-k funds for FY07 which, if available, will be dispersed by late November 2006. |
| Alaska  4.1% | <i>Head Start</i> received an increase from \$6.33 million to \$6.34 million. An additional \$250,000 was appropriated to the <i>Ready to Read, Ready to Learn</i> initiative to open an office, complete Alaska's Early Learning Guidelines, and continue work on a quality rating system. | |
| Arizona  0.2% | Arizona's <i>Early Childhood Block Grant</i> received an increase from \$19.42 million to \$19.45 million. | Proposition 203, "First Things First for Arizona's Children," an initiative on the November 2006 ballot, proposes to increase the state's tobacco tax by \$1.18 per pack to raise \$150 million annually to fund voluntary early health and education programs for children ages birth to five years. |







| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|---|--|---|
| Arkansas  0% | The <i>Arkansas Better Chance</i> program received flat funding of \$71.2 million for the second year of a biennial budget. | |
| California  29.2% | California's <i>State Preschool Program</i> received an increase from \$342.8 million to \$392.8 million. An additional \$50 million in non-recurring funds was appropriated for facilities expansion. | Five million of the total 100 million new dollars are earmarked for family literacy, instructional materials, and staff development. |
| Colorado  16.3% | The <i>Colorado Preschool and Kindergarten Program</i> received an increase from \$33.2 million to \$38.6 million for pre-k. | Total funding of \$45.4 million for this program, formerly the <i>Colorado Preschool Program</i> , provides services for both kindergarten and pre-k. The program funds a minimum of 12,206 half-day slots for pre-k. |
| Connecticut  15.4% | Connecticut's <i>School Readiness Program</i> received an increase from \$52.5 million to \$61.2 million. <i>Head Start</i> received flat funding of \$4.1 million. | The budget includes \$450,000 to establish the Early Childhood Education Cabinet. |
| Delaware  7.5% | Delaware's <i>Early Childhood Assistance Program</i> received an increase from \$5.3 million to \$5.7 million. | The additional funds increase per-child spending but not the number of children served. |
| Florida  0.8% | Florida's <i>Voluntary Prekindergarten Education</i> program received a slight increase from \$387 million to \$390 million. | The appropriation provides for total per-child expenditures of \$2,560, an increase of only \$60 per child. |







| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|--|---|--|
| Georgia  4.1% | Georgia's <i>Pre-K Program</i> received an increase from \$290 million to \$302 million. | The increase will provide 1,000 new slots and a salary increase for teachers of up to 4 percent. |
| Hawaii  6.1% | Hawaii's <i>Preschool Open Doors Project</i> received flat funding of \$8.2 million. <i>Head Start</i> received new funding of \$500,000. | State funding for <i>Head Start</i> is part of a \$1.5 million package that also includes the Early Childhood Task Force charged with planning a pre-k-for-all initiative for four year olds; improved coordination of early learning programs; and new funding for the <i>Families for Real</i> infant/toddler program. |
| Idaho  N/A | No state-funded pre-k program. | The legislature has appointed a task force to explore pre-k options. |
| Illinois  16.4% | Illinois's <i>Preschool for All</i> program received an increase from \$243.2 million to \$283.2 million. | An additional \$5 million will fund birth-to-three programs. |
| Indiana  N/A | No state-funded pre-k program or state investment in <i>Head Start</i> . | |
| Iowa  0% | Iowa's <i>Shared Visions</i> program received flat funding of \$6.9 million. | An additional \$15 million was appropriated for Community Empowerment, of which \$5.5 million may be used for pre-k. Programs funded with these dollars are not subject to quality standards. |







| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|--|---|---|
| Kansas  24.8% | Kansas's new <i>Pre-K Pilot Program</i> received first-year funding of \$2 million. The <i>At-Risk Four-Year-Old Preschool Program</i> received an increase from \$13.7 million to \$15.1 million. | The <i>Pre-K Pilot Program</i> is designed to be high quality and serve 600 children the first year. |
| Kentucky  45.5% | The <i>Kentucky Preschool Program</i> received an increase from \$51.6 million to \$75.1 million. | This funding will serve all three and four year olds with disabilities and four year olds from families at 150 percent of federal poverty guidelines. |
| Louisiana  1.9% | Louisiana's <i>LA4</i> program received an increase from \$55 million to \$56.5 million. The <i>Nonpublic School Early Childhood Development Program</i> and <i>8g</i> received flat funding of \$8.5 million and \$14 million, respectively. | The increase was approved to support pre-k despite hurricane-related fiscal and population losses and as part of the state's recovery process. |
| Maine  13.5% | State allocation for four year olds increased from \$3.7 million to \$4.2 million. | Maine provides additional targeted funding for children from pre-k to second grade. In FY06, \$10.29 million went to this group, and in FY07, this amount increased to \$11.6 million. The exact portion used for pre-k is not available. |
| Maryland  12.1% | Maryland's <i>Prekindergarten Program</i> received an increase from \$16.9 million to \$19.3 million. <i>Head Start</i> received flat funding of \$3 million. | |
| Massachusetts  9.3% | Massachusetts's new <i>Universal Pre-Kindergarten Program</i> received pilot funding of \$4.6 million; <i>Community Partnerships for Children (CPC)</i> received a decrease from \$68.7 million to \$62.6 million; and <i>Head Start</i> received an increase from \$7.5 million to \$8.5 million. \$7.6 million was also appropriated for quality improvements. | Most of the reduction to <i>CPC</i> funds was reallocated to quality improvements. |

| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|--|--|--|
| Michigan  7.1% | The <i>Michigan School Readiness Program</i> received an increase from \$84.9 million to \$90.9 million. | This is the first increase for pre-k in Michigan since FY01. |
| Minnesota  0.1% | Minnesota's <i>School Readiness Program</i> received a slight increase from \$9.02 million to \$9.04 million. <i>Head Start</i> received flat funding of \$19.1 million. | |
| Mississippi  N/A | No state-funded pre-k program or state investment in <i>Head Start</i> . | |
| Missouri  0% | The <i>Missouri Preschool Project</i> received flat funding of \$14.8 million. | |
| Montana  N/A | No state-funded pre-k program or state investment in <i>Head Start</i> . | |
| Nebraska  0% | The <i>Nebraska Early Childhood Education Grant Program</i> received flat funding of \$3.7 million. | If passed, an initiative on the November ballot will create a public-private endowment for early childhood programs. |

| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|--|--|--|
| Nevada  6.7% | Nevada's <i>Comprehensive Pre-Kindergarten</i> program received an increase from \$3 million to \$3.2 million. | |
| New Hampshire  N/A | No state-funded pre-k program or state investment in <i>Head Start</i> . | |
| New Jersey  8.2% | The <i>Abbott Preschool Program</i> received an increase from \$531.1 million to \$578.3 million. <i>Early Childhood Program Aid</i> received flat funding of \$30 million, and the <i>Early Launch to Learning Initiative</i> received a decrease from \$4 million to \$3 million. | |
| New Mexico  130.8% | The <i>New Mexico Pre-K Program</i> received an increase from \$5 million to \$13.5 million. <i>Head Start</i> received flat funding at \$1.5 million. | Funds are divided between the Public Education and Children, Youth & Families Departments, and for the first time, they are recurring. This increase will fund 656 additional slots. |
| New York  19.7% | New York's <i>Universal Pre-Kindergarten</i> program received an increase from \$204 million to \$254 million. The state's <i>Targeted Pre-Kindergarten</i> program received flat funding of \$50.2 million. | This is the first increase for pre-k in New York since FY01. |
| North Carolina  27% | North Carolina's <i>More at Four</i> program received an increase from \$66.6 million to \$84.6 million. The program is funded entirely by lottery proceeds. | State funding for <i>Smart Start</i> grew from \$190 million in FY06 to \$204 million for FY07. This money funds pre-k as well as other early childhood services. |

| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|---|--|--|
| <p>North Dakota</p>  <p>N/A</p> | <p>No state-funded pre-k program or state investment in <i>Head Start</i>.</p> | |
| <p>Ohio</p>  <p>0%</p> | <p>Ohio's <i>Early Childhood Education</i> program (formerly <i>Ohio Public Preschool</i>) received flat funding of \$19 million.</p> | <p>Using federal TANF dollars, the <i>Early Learning Initiative</i> received an increase from \$106.6 million to \$127.5 million.</p> |
| <p>Oklahoma</p>  <p>Anticipated Increase</p> | <p>Oklahoma offers pre-k through its school funding formula; so figures for FY07 are not yet available. The <i>Early Childhood Four-Year-Old Program</i> received an increase from \$199 million to \$209 million from FY05 to FY06.</p> | <p>The Department of Education has recalculated pre-k spending, which was previously understated, to include all costs.</p> |
| <p>Oregon</p>  <p>0%</p> | <p>Oregon's <i>Head Start Prekindergarten</i> received flat funding of \$27.7 million for the second year of a biennial budget.</p> | |
| <p>Pennsylvania</p>  <p>38.9%</p> | <p>Pennsylvania's <i>Accountability Block Grant</i> increased from \$200 million to \$250 million. Accordingly, the portion used by local school districts to fund pre-k is expected to increase from \$10.1 million to \$15.7 million. <i>Head Start</i> received an increase from \$30 million to \$40 million.</p> | |
| <p>Rhode Island</p>  <p>N/A</p> | <p>No state-funded pre-k program.</p> | |

| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|--|--|---|
| <p>South Carolina</p>  <p>89.6%</p> | <p>South Carolina's new <i>Child Development Education Pilot Program (CDEPP)</i> received first-year funding of \$23.3 million. The <i>Half-Day Child Development Program (4K)</i> and the <i>First Steps PreK Program</i> received flat funding of \$22.3 million and \$3.7 million, respectively.</p> | <p>In response to a trial court ruling, <i>CDEPP</i> will provide 3,000 children from the state's lowest-performing school districts with full-day pre-k. Of the new appropriation, \$15.7 million will be distributed through school districts while \$7.6 million will fund <i>First Steps Expansion</i> in those same districts.</p> |
| <p>South Dakota</p>  <p>N/A</p> | <p>No state-funded pre-k program or state investment in <i>Head Start</i>.</p> | |
| <p>Tennessee</p>  <p>57.1%</p> | <p>Tennessee's <i>Voluntary Pre-kindergarten Program</i> received an increase from \$35 million to \$55 million.</p> | <p>The new funding will serve an estimated 5,000 additional children.</p> |
| <p>Texas</p>  <p>4.5%</p> | <p>Texas offers pre-k through its school funding formula; so figures for FY07 are not yet available. The <i>Texas Pre-Kindergarten Program</i> received an increase from \$388.3 million to \$400 million from FY05 to FY06. The <i>Texas Early Education Model (TEEM)</i> pilot received an increase from \$10 million in FY06 to \$18.3 million in FY07.</p> | <p>Texas expanded pre-k eligibility to children in military families for FY07.</p> <p><i>TEEM</i> funds, used in conjunction with other funding streams, support professional development and other quality enhancements using a diverse delivery system.</p> |
| <p>Utah</p>  <p>N/A</p> | <p>No state-funded pre-k program or state investment in <i>Head Start</i>.</p> | |
| <p>Vermont</p>  <p>Anticipated Increase</p> | <p>The <i>Early Education Initiative</i> received flat funding of \$1.3 million for FY07. The pre-k portion of the school funding formula is expected to increase.</p> | <p>Pre-k enrollment has been steadily increasing in Vermont, including 568 more children from 2005 to 2006.</p> <p>The Vermont legislature formed a committee to study the efficacy of pre-k; a report will be presented in early 2007.</p> |

| State and Percent Change | Change to Budget, FY06 to FY07 | Policy / Notes |
|---|---|--|
| Virginia  6.4% | The <i>Virginia Preschool Initiative</i> received an increase from \$46.6 million to \$49.6 million. | The new dollars will increase per-child spending to \$5,700. |
| Washington  7.3% | Washington's <i>Early Childhood Education and Assistance Program (ECEAP)</i> received an increase from \$34.4 million to \$35.5 million. The legislature also created a new Department of Early Learning with start-up funding of \$1.4 million. | Management of the budgets for <i>ECEAP</i> and other early childhood programs will shift to the new department beginning FY07. |
| West Virginia  17.3% | West Virginia's <i>Public School Early Childhood Education</i> program received an increase from \$40.5 million to \$47.5 million. | School districts in West Virginia have the option of funding pre-k through the school funding formula. As of 2012, all districts will be required to offer pre-k to all four year olds. |
| Wisconsin  Anticipated Increase | Wisconsin offers pre-k through its school funding formula; so figures for FY07 are not yet available. The <i>Four-Year-Old Kindergarten (4K)</i> program received an increase from \$54 million to \$62.4 million from FY05 to FY06. The state's <i>Head Start Supplement</i> received flat funding of \$7.2 million. | Twenty-four additional school districts are expected to establish <i>4K</i> programs in the 2006-07 school year. For FY06, local matches brought total pre-k spending in Wisconsin to \$95 million, serving 21,000 children. A task force has been appointed to evaluate <i>4K</i> 's efficiency and funding structure. |
| Wyoming  N/A | No state-funded pre-k program or state investment in <i>Head Start</i> . | |
| Washington, DC  17.7% | DC pre-k is supported through the school funding formula and the Department of Human Services's Early Care and Education Administration. Combining these two sources, pre-k received an increase from \$17.5 million to \$20.6 million. | |

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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.

Leadership

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Endnotes

- ¹ See for example: "The Economic Promise of Investing in High-Quality Preschool: Using Early Education to Improve Economic Growth and the Fiscal Sustainability of States and the Nation," (Washington, DC: Committee for Economic Development, 2006); Clive R. Belfield et al., "The High/Scope Perry Preschool Program: Cost-Benefit Analysis Using Data from the Age-40 Followup," *Journal of Human Resources* 41, no. 1 (2006); William Gormley, Jr. et al., "The Effects of Oklahoma's Universal Pre-K Program on School Readiness: An Executive Summary," (Washington, DC: Center for Research on Children in the United States, Georgetown University, 2004); Gary T. Henry et al., "The Georgia Early Childhood Study, 2001-2004: Final Report," (Atlanta: Andrew Young School of Policy Studies, Georgia State University, 2005).
 - ² U.S. Social Security Administration, "Latest Cost-of-Living Adjustment," (2005).
 - ³ Compare results of studies cited in endnote #1, above, to those of: Arthur Reynolds, *Success in Early Intervention: The Chicago Child-Parent Centers* (Lincoln, NE: University of Nebraska Press, 2000), e. g.
 - ⁴ W. Steven Barnett et al., "The State of Preschool: 2005 State Preschool Yearbook," (New Brunswick: National Institute for Early Education Research, Rutgers, The State University of New Jersey, 2006).
 - ⁵ The Commonwealth of Massachusetts Executive Department, "Romney Urges Caution on Expensive New Pre-K Entitlement: Says Universal Program Could Cost \$1 Billion Annually," (2006).
 - ⁶ Robert A. Antonioni and Patricia A. Haddad, "Lawmakers Planning to Refile Vetoed Early Education Bill," *Worcester Telegram & Gazette*, Sept. 5 2006.
 - ⁷ *Idaho Code*, sec. 33-201.
 - ⁸ Anne Wallace Allen, "Idaho Lawmakers Take on Preschool Funding, Again," *The Idaho Statesman*, May 8, 2006.
 - ⁹ "Assembly Budget Plan Restores Governor's Health Care Cuts," *North Country Gazette* (2006), <http://www.northcountrygazette.org>.
 - ¹⁰ U.S. Department of Health and Human Services, "The 2006 HHS Poverty Guidelines," (2006).
 - ¹¹ Lisa Rathke, "Bill Would Let Schools Tally Kids Ages 3, 4," *Rutland Herald*, Jan. 31, 2006.
 - ¹² State of Wisconsin Office of the Speaker of the Assembly, "Speaker Gard Announces 4-K Task Force," (2006).
 - ¹³ Exit polling commissioned by Preschool California and Children Now.
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