COUNCIL FOR EDUCATION POLICY RESEARCH AND IMPROVEMENT

PROPOSED CONSTITUTIONAL AMENDMENT: VOLUNTARY UNIVERSAL PRE-KINDERGARTEN

Current Status of Pre-Kindergarten Programs in Florida

In 1999, the Florida Legislature created the School Readiness Act to ensure that at-risk children were ready to enter kindergarten; currently, of the children being served in this program, 59,624 are four-year-olds. With the School Readiness program in place, the Legislature repealed the Pre-Kindergarten statutes effective January 2002.

Proposed Amendment

Ballot Summary

Every four-year-old in Florida shall be offered a high quality pre-kindergarten learning opportunity by the state no later than the 2005 school year. This voluntary early childhood development and education program shall be established according to high quality standards and shall be free for all Florida four-year-olds without taking away funds used for existing education, health and development programs.

Explanation of Amendment:

- ◆ Free universal Pre-K is to be provided to all four-year-olds
- Participation is voluntary
- Amendment proposes that the Legislature have discretion to determine basic and other skills that would be entailed in programs
- ♦ Program is to be implemented no later than 2005 school year
- ♦ Amendment language does not specify source of funds. However, it does state that funds will not be taken from existing education, health and development programs.

School Readiness in Florida: The Current Picture

In 1999, the Florida Legislature created the School Readiness Act to ensure that children were ready to enter kindergarten. Prior to that time, there had been three distinct programs for atrisk children: (1) the federal Head Start program that provided funds directly to local communities; (2) the federally subsidized Child Care program administered by the state Department of Children and Families; and (3) the state Pre-Kindergarten (Pre-K) program administered by the Florida Department of Education. With the passage of the School Readiness Act, the child care and Pre-K programs were to come under the guidance of the newly created state Partnership for School Readiness; readiness coalitions were created at the local level to ensure that all three programs were more cohesive, efficient, and integrated. In 2001, the Legislature repealed the statutory authority for the Pre-Kindergarten programs, effective January 2002. While the Pre-K program no longer exists in the Florida statutes, school boards may still provide readiness programs through contractual agreements with the local

readiness coalitions. They may also provide readiness programs to economically disadvantaged students using federal Title I funds, without being part of a coalition.

Impact of Proposed Amendment

Projected Cost

Revenue Estimating Conference: On June 27, 2002, the Revenue Estimating Conference reached an agreement on the following fiscal impact statement for inclusion on the ballot: "The estimated annual cost to the state is between \$425 million and \$650 million in today's dollars, depending on the extent to which funding for existing school readiness programs for 4-year-olds is used to reduce the cost of the new programs."

Assumptions used in the estimating conference:

Four-year-old population in 2005:	217,140
Participation rate:	70%
Number of days in program:	180
Number of hours per day:	6
Cost per day, per child:	\$24.00
Children currently being served:	59,624

The low end of the estimate, \$425 million, assumes the number of students currently being served in Readiness programs would continue being served from the same budget sources now being used for them. There is some question, though, whether those funding sources could be used. The proposed amendment specifies that the voluntary universal pre-kindergarten program is to be implemented through funds generated in addition to those used for existing education, health, and development programs. Existing programs are defined in the amendment as "those funded by the State as of January 1, 2002 that provided for child or adult education, health care, or development." If funds currently being expended for four-year-olds can be used to offset the costs in 2005, then the universal program would cost \$425 million; if funds currently being expended can not be used to offset the costs, then it would take an estimated \$650 million to implement the program.

Georgia has been lauded for its universal pre-kindergarten program; an estimated 70% of the four-year-olds in that state participate in that program. The Revenue Estimating Conference assumed a similar participation rate for Florida.

The number of days in the program was estimated to be 180, since that is the generally-accepted number of days in educational programs, including Pre-K programs.

The Legislature's Office of Economic and Demographic Research contacted 28 Florida programs accredited by the National Association for the Education of Young Children (NAEYC); the average daily cost of these programs per child was \$24.00. NAEYC is the largest organization of early childhood educators in the country, with over 100,000 members. The organization accredits programs that meet its criteria, which is based on "the current consensus of the early childhood profession as to what makes a high quality program for young children."

While the Revenue Estimating Conference has estimated the recurring cost of the program to be \$425 million - \$650 million, proponents of pre-kindergarten programs would cite studies such as the Perry Preschool Program to offer evidence that these costs would be more than

offset over time by the reduction of social problems that cost society much more than the cost of providing pre-kindergarten programs.

<u>CEPRI Projections</u>: While CEPRI staff used a different methodology to project the costs of implementing this amendment, the results were very close to the projected costs adopted by the Revenue Estimating Conference, thereby validating the estimates from that conference.

	Revenue Estimating Conference	CEPRI
Minimum Estimate	\$425 million	\$396 million
Maximum Estimate	\$650 million	\$651 million

CEPRI staff projected a cost of \$396 million - \$651 million, using the following assumptions:

Four-year-old population in 2005:	217,140
Participation rate:	70%
Number of days in program:	180
Number of hours per day:	6
Annual cost per full-time equivalent child:	\$4,282
Children currently being served:	59,624

The basis for the assumptions was the former Prekindergarten Early Intervention Program, which the Legislature eliminated as of January 2002, subsequent to the implementation of the School Readiness Program. The former Pre-K statutory language, which was found in section 230.2315, F. S., specified that the Legislature recognized the benefits of a high quality program and that the curriculum was to be "developmentally appropriate according to current nationally recognized recommendations for high-quality prekindergarten programs." The statutes set the direct instructional staff-to-children ratio at 1 adult to 10 children, which is consistent with NAEYC standards. In 1995, the Legislature, for the first time, specified in the General Appropriations Act that the amount per full-time child was to be \$3,200 for six hours per day for 180 days. Since the former statutory language was very similar to the proposed amendment in terms of providing for a high quality program, the \$3,200 provided by the Legislature for each full-time child was inflated to year 2005, resulting in an annual cost per student of \$4,282.

Using Georgia's estimated 70% participation rate and assuming the number of children currently being served would continue to be served, the additional cost to implement the program would be \$395.5 million. If it is determined that funds currently being expended can not be used to offset the costs in 2005, then it would take an estimated \$650.9 million to implement the program.

Funding sources

The proposed amendment states that the program is to be funded "through funds generated in addition to those used for existing education, health, and development programs." That restriction leaves the Legislature with the following choices: raise taxes and/or reduce/eliminate programs other than education, health and development.

The Legislature would have to determine the revenue source to fund this proposed constitutional amendment. Possible sources of revenue would include:

1. Sales tax increases

• In Fiscal Year 2000-01, the State collected approximately \$16.6 billion in sales and use tax (Florida Department of Revenue Annual Report, January 2002). Using the Revenue Estimating Conference's lower estimate, the cost of Pre-K in 2005 would be \$425 million. If Pre-K were funded solely through an increase in sales tax, the State would need to increase the statewide sales tax from 6 cents to 6.17 cents, an increase of 2.8%.

2. Corporate income tax increases

- In Fiscal Year 2000-01, the State collected approximately \$1.3 billion in corporate income and excise tax (Florida Department of Revenue Annual Report, January 2002). If Pre-K were funded solely through an increase in corporate income and excise tax, the State would need to increase the current tax by 1.9%; businesses would need to pay a corporate income tax of 7.4%, rather than 5.5%.
- 3. The elimination or reduction of other government services
 Instead of raising taxes, or in addition to raising taxes, the Legislature could choose to
 reduce or eliminate other governmental programs. For example, the minimal funding
 estimated for this program would equal more than a quarter of the General Revenue
 funds provided to state prisons, or, viewed another way, it would require more than all
 of the General Revenue operating dollars currently being used to fund the following
 programs: the Department of Law Enforcement (\$104.9 million), the Parole Commission
 (\$8.9 million), the Department of Agriculture (\$138.4 million), the Department of Military
 Affairs (\$12.9 million), and the Department of Environmental Protection (\$88.9 million) –
 and that would just fund the minimum, not the maximum, amount estimated for PreKindergarten. In addition, the loss of this level of General Revenue dollars in the above
 departments would cause a significant loss of federal funds received by the state.

Background on Early Childhood Programs

Private, federal, state, and local funds have been used to support pre-kindergarten programs. In the early 1920s, private programs were started to provide educational activities and socialization opportunities for Caucasian children from high-income homes. The federal government began providing funding for pre-kindergarten programs to help poor families, unemployed parents, working parents and disadvantaged children; this funding was dramatically increased when Project Head Start was created as a part of President Johnson's War on Poverty in the mid-1960s. An increasing number of states have been funding pre-kindergarten programs, either as a way to expand Head Start or to support their own state programs. Like Head Start, these state programs have primarily focused on disadvantaged children.

National attention for preschool programs heightened in 1989 when President George H. Bush and the National Governor's Association held an Education Summit and established six national education goals. The first of these goals was: "All children in America will start school ready to learn." The establishment of that goal seemed to focus discussion and debate over appropriate ways to ensure children were ready to start kindergarten. In particular, much debate has

centered around whether the public school setting is an appropriate place for instruction for four-year-olds.

Proponents argue that public schools are indeed the most appropriate place for pre-kindergarten instruction. Reasons cited include: public schools are available to all children; education is the primary mission of public schools; public schools have better qualified and more experienced teaching staff than private schools do; public school personnel are experienced at offering large programs; public schools could provide other services, such as health and nutrition, in corporation with other agencies; public schools offer in-service training; children at risk of failure could be identified earlier; and program standards could be set and monitored.

Opponents contend that: offering such programs would place a financial burden on public schools; the home is the best place for preschool-age children until they reach the age for formal schooling; research does not support benefits for middle-class children, who constitute the majority of four-year-olds; academic instruction would be used rather than developmentally appropriate practices; there would be a lack of parental involvement and choice; and there would be variations in quality of programs and services.

In addition to the national goals, interest was focused on pre-kindergarten programs in response to research reported on brain development. Early experiences, as well as nutrition and care, impact brain development. Children will have difficulty learning later in life if the brain does not form certain connective pathways in the first few years of life. Proponents of pre-kindergarten suggest this research supports the need for quality programs.

It was recognized that other risk factors in children's lives also affected their readiness level: poverty, health issues, prenatal care, low maternal education, inadequate social support, and large family size. Many researchers have concluded that pre-kindergarten should be one part of a comprehensive approach to early intervention, since a one-year program can not solve all problems at-risk children face. Children do not stop being at-risk just because they have participated in a one-year program.

According to the Digest of Education Statistics, 68.9% of 4-year-olds were enrolled in 1999 in "preprimary" programs in the United States, either in public or private schools. This is a dramatic increase from the 16.1% enrolled in 1965.

Research on Early Childhood Programs

Hundreds of studies have been conducted on early childhood programs. Most of these are short-term studies and do not have data that extend much beyond the length of the program. There are, though, a few long-term studies that are frequently cited in the literature. In these studies, measures of long-term effects are primarily standardized intelligence tests and school achievement and placement:

<u>Standardized Intelligence Tests:</u> Children who experience early childhood education show an immediate increase in IQ, but studies show a subsequent drop in IQ at age eight. This may suggest a need for similar intervention programs in elementary school.

<u>School Achievement and Placement</u>: While there is a drop in IQ, the experimental groups in most studies continued to perform better than children who did not attend preschool programs.

This was true for performance on school achievement tests, grade-point averages, and nonretention in grade; there was also reduced placement in special education.

In addition to results on these measures, researchers frequently cite results from other long-term studies. The most often-cited research on the long-term effects of early childhood programs relates to the Perry Preschool Program, a program for African-American children from poor families in Ypsilanti, Michigan.

High Scope/Perry Preschool Project: Researchers tracked the children who were in this program from 1962-1967, as well as those in the control group who did not attend preschool. At age 27, the program participants had:

- Higher monthly earnings (29% vs. 7% earning \$2,000 or more per month)
- Higher percentages owning their own homes (36% vs. 13%)
- A higher level of schooling completed (71% vs. 54% completing 12th grade or GED)
- A lower percentage receiving welfare or other social services as adults (59% vs. 80%)
- Fewer arrests (7% vs. 35% having 5 or more arrests)

A cost benefit analysis conducted on the program showed that for every \$1.00 originally invested, the public's return was \$7.16. Society was saved the cost of expenditures for welfare, prison and unemployment.

Some have argued that it would have been difficult for the researchers to maintain their objectivity; the research was conducted by the same group that developed the program, the High/Scope Educational Research Foundation (the phase of the study which followed up on the participants at age 27 was funded by the U.S. Department of Health and Human Services and the Ford Foundation). Also, the Perry Preschool Program used a small sample from a narrowly defined population, making it questionable that the results would apply to the population as a whole. In addition, the detractors argue that since the program placed students in a highly controlled academic environment using professional educators, heavily involved parents, and had instructors visiting children's homes each week, it was questionable whether such conditions would or could be duplicated in other programs.

Head Start: Head Start is the largest and most well-known of the early childhood programs. Hundreds of studies have been conducted on Head Start, and they produce mixed results. Almost all measure only immediate results, with about equal numbers showing a positive impact or no impact, and a smaller number showing a negative impact.

While having certain requirements for the program, Head Start emphasizes local control. This results in a great variance in the quality of the programs, with some localities choosing to improve quality beyond the minimum required for the program. For example, the General Accounting Office reported in 1995 that almost 20% of programs had student-to-teacher ratios better than those required for the program. Studies on those programs might reflect better outcomes than studies on programs that barely met minimum requirements.

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