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ALASKA STATE LEGISLATURE

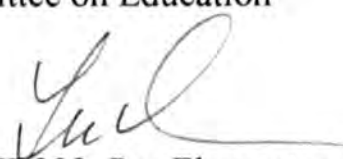


REPRESENTATIVE LES GARA

MEMORANDUM

DATE: January 24, 2006

TO: Rep. Mark Neuman, Chair
House Special Committee on Education

FROM: Rep. Les Gara 

RE: Hearing Request for HB333, Pre-Elementary School Standards

I respectfully request that House Bill 333, "An act relating to the regulation and funding of pre-elementary schools; and establishing a supplemental income tax on oil to support pre-elementary schools" be scheduled for a hearing in the House Special Committee on Education. Please feel free to contact me, or my aide Darcy Dugan, with questions or thoughts at 465-2647.

Attached you will find a background packet for HB333. This includes the current version of the bill, a sponsor's statement, and backup materials.

Thank you for your consideration.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

HB 333: Alaska Universal Voluntary Preschool Act

Sponsor Statement

Extensive research shows that a child's intellectual development is especially important before age six. A study by the National Institute for Early Education Research in 2004 found that children who attended state-funded pre-Kindergarten programs demonstrated improvements in vocabulary 31% greater than those who did not participate, and 44% greater in math.

Alaska has a responsibility to provide the best education possible to its youth. However, as of 2003, we were one of 12 states that did not provide state funding outside of the Head Start program for pre- Kindergarten early education. Our Head Start program has consistently lagged far behind its need. Providing early public education opportunities is a crucial stepping stone to brightening the future of young Alaskans.

House Bill 333 provides grant funds to expand the availability of early educational opportunities to parents who choose to enroll their children in pre-Kindergarten education. The funds would be administered to school districts that provide preschool education. The program would be free to families. The bill also allows school districts to collaborate with existing preschool programs as long as they meet the standards set out by the Department of Education.

HB333 allows the Department of Education to establish the standards a preschool must meet in order to receive state funding. These standards would include, at a minimum, that the teacher to student ratio be no more than 10 students per teacher, that the preschool provide at least 4 hours of instruction per day and certification requirements for becoming a preschool teacher.

Under HB333, money for the preschool program would be generated by implementing a 2.5% increase in the corporate income tax on oil companies. With oil prices currently around \$60 per barrel, these companies are recording staggering windfall profit margins over 40%. According to Department of Revenue FY05 data, the proposed 2.5% tax would generate \$111 million when the price of oil averaged \$43.44/barrel. It is incumbent on the state to use its natural resources for the benefit of the next generation, not just those companies that take our great wealth from this state for their shareholders.

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

HB 333: Alaska Universal Voluntary Preschool Act

Sectional Analysis

Section 1.

Creates a short title: Alaska Universal Voluntary Preschool Act

Section 2.

Allows the Department of Education and Early Development to set pre-elementary school standards including, at a minimum, student-teacher ratios and pre-elementary teacher requirements.

Section 3.

Defines a pre-elementary school as a school for children age 4-5.

Section 4.

Establishes how a school district may create and approve preschools. The preschools must be certified by the state Dept. of Education and Early Development, have a sufficient number of certified teachers, offer at least 4 hours of instruction per day and have an age-appropriate curriculum. This section also allows school districts to contract with existing private preschool providers. Finally, it establishes the pre-elementary school fund where money may be appropriated.

Section 5.

Establishes a supplemental 2.5% corporate income tax on oil companies to be placed in the pre-elementary school fund.

Alaska 20/20 releases state report card

TRENDS: Economy, environment
good; health care is biggest problem

By SARANA SCHELL
Anchorage Daily News

Alaskans are likely to find the second annual Alaska Progress Report from civic group Alaska 20/20 less than rosy and troubling.

The report card, which gathers facts on education, health care, environment, communities and government to help residents decide what they like and what they want to change.

"We're a good neutral third party," said board chair Wendy Lindstrom.

The report gives a picture of Alaska's business community; small businesses employ two out of three Alaskans, for example. The report also describes trends that impact business, like fewer young Alaskans attending college, and the health of communities into which employers try to recruit new workers.

Alaska's economy and environment look good

See Page D-2, 20/20

20/20: Group plans forums to

Continued from D-1

on the whole, said chief executive Ken Osterkamp. Alaskans had the 13th best per capita income in the country in 2004, their poverty rate was lower and the state had the fewest number of species listed as endangered.

A lack of economic diversity means vulnerability, though, as the oil and gas industry continues to dominate the gross state product.

Education and government are mixed, Osterkamp said.

Students overall did better than the national average on standardized tests, but the gap is narrowing. A gap between white and nonwhite Alaska student achievement remains.

Other concerns include:

ON THE
TO SEE Alaska 20/20's new report, go to
www.alaska2020.org

• Alaska is one of a dozen states that don't have state-funded prekindergarten programs.

• A lower percentage of young adults in Alaska attended college between 1990 and 2002, dropping to 7.2 percent from 8.6 percent; nationwide, the percentage rose from 8.6 to 9.2.

As for federal, state and local government, it's important for Alaska to have spending that can be upheld for

discuss solutions to identified problems

the long term, not swing up and down with oil revenue or short-term congressional appropriations. That is one goal Alaskans agreed on through years of the civic group's public forums, the report said.

State revenue subject to the whims of oil prices has caused deficit spending in the past and could again in the future. The report said the shortfalls have led to funding crises for local governments that depend on state money: 13 of 133 village governments have shut down.

"We've cried wolf year after year after year," Osterkamp said, then been saved by high oil prices. "We keep dodging the bullet, but it's a structural issue" that isn't going away.

Health is where Alaska's biggest challenges lie, Osterkamp said.

While health care is the state's fastest growing industry, the cost of that care is a top concern among businesses.

Even though nearly a third of Alaskans have federal health benefits — military and civilian workers, veterans and Natives — the percentage of all Alaskans without health care is still above the national average.

Alaska 20/20 started in 1999 as a program of the Alaska Humanities Forum and became an independent nonprofit in 2005. Osterkamp is the sole employee, but leans heavily on a 12-member board that includes legislators and state activists.

Alaska 20/20 now plans to ask Alas-

kans to debate possible solutions to problems the report has identified in a series of forums planned for this fall. Legislators are invited to observe, Osterkamp said, so they can better understand Alaskans' concerns.

"It's like trip planning," Osterkamp said. Once you've decided where you want to go there are trade-offs that have to be made, like paying more money for a plane ticket to get there faster. And "for every tax break you give, someone's got to pick up the slack."

The Daily News is a corporate sponsor of Alaska 20/20.

Daily News reporter Sarana Schell can be reached at sschell@adn.com or 257-4466.

Anchorage Daily News
January 20, 2006

LEGISLATIVE RESEARCH REPORT

JANUARY 4, 2006



REPORT NUMBER 06.026

THE VALUE OF PREKINDERGARTEN PROGRAMS

PREPARED FOR REPRESENTATIVE LES GARA

BY ROGER WITHINGTON, LEGISLATIVE ANALYST

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You asked for information on the value of prekindergarten programs. Specifically, you asked for a brief summary of current reports or studies that analyze the value of prekindergarten programs. In addition, you asked for a summary of Alaska's prekindergarten program that was discontinued in fiscal year 2003.

As you may know, prekindergarten programs (Pre-K) are generally defined as direct educational services to children who are not yet eligible for kindergarten. Usually, this refers to children ages 3 and 4, but occasionally may apply to younger children. Please keep in mind that there are a number of terms that are used interchangeably with prekindergarten including early education, preschool, early learning, school readiness, and child development. Although more than one-third of states provide state funding supplements to Head Start programs, these generally are not considered state-funded prekindergarten programs.

SUMMARY

According to the National Education Association (NEA), children who attend high quality prekindergarten programs are better prepared for kindergarten, have better language and math skills, better cognitive and social skills, and better relationships with classmates.¹ In addition, they note that children who attend prekindergarten are less likely to drop out of school, repeat grades, need special education, or get in trouble with the law when they are older. They also note that children with disadvantaged backgrounds, such as low-income or a single parent household, generally benefit more from quality prekindergarten programs than do children who are not disadvantaged. The NEA advocates for universal high quality prekindergarten programs because it "represents one of the best investments our country can make."

According to the Education Commission of the States (ECS), forty-three states currently fund early learning programs for young children, up from about ten states in 1980.² Generally, the goal of these programs is to promote school readiness so children have a better chance of future success, both in school and in life. The ECS notes that implementation of state-funded prekindergarten programs varies widely. As examples, some programs are half day, others full day; some programs are for only four-year-olds, others include three-year-olds, while others offer services to infants and toddlers; some prekindergarten programs are operated through local school districts, while others offer services through public and private centers. The ECS also notes that most states target programs for children with an identified risk factor such as poverty, low parental education, teen parents, and English as a second language. Some states and cities, however, are working towards making quality prekindergarten programs universally available.

¹ The National Education Association (NEA) works to advance the cause of public education in the United States. The NEA is the nation's largest professional employee organization, with 2.7 million members who work at every level of education, from pre-school to university graduate programs. The NEA has affiliate organizations in every state, as well as in more than 14,000 local communities across the United States. The NEA's URL is <http://www.nea.org/index.html>.

² The Education Commission of the States (ECS) is a nonprofit, nonpartisan interstate compact created in 1965 to improve public education by facilitating the exchange of information, ideas, and experiences among state policymakers and education leaders. The URL for the ECS is <http://www.ecs.org/>.

According to the National Conference of State Legislatures (NCSL), Georgia and Oklahoma were the first states to expand preschool to all four-year-olds.³ Florida, Maryland, New York and West Virginia are in the process of phasing in their universal programs. The NCSL also notes that 36 states considered early education bills in 2005, and at least 28 states considered expanding preschool programs. According to the National Institute for Early Education Research (NIEER), approximately 738,000 children, or about 10 percent of all three- and four-year-olds in the nation, participate in state-funded prekindergarten programs.⁴ The NIEER estimates that state spending on prekindergarten programs totals \$2.54 billion.

We identified numerous reports or studies that articulate the benefits of high quality prekindergarten programs. We chose to summarize the following reports because they are generally more recent than others, often cited as a bellwether study or report, discuss a program that has been evaluated with some scientific rigor, or offer a thorough summary of the status of prekindergarten activities in the United States.

THE EFFECTS OF UNIVERSAL PRE-K ON COGNITIVE DEVELOPMENT

In 2005, the journal *Developmental Psychology* published the results of new research that confirms that Oklahoma's universal prekindergarten program helps four-year-olds prepare for school by improving their cognitive and language functioning. The children who participated in the state-funded universal prekindergarten program performed better on cognitive tests that measured pre-reading and reading skills, prewriting and spelling skills, and math reasoning and problem-solving skills, than those children who did not participate in the program. The research results also showed that the prekindergarten program improved performances for children from all races and income brackets (as measured by eligibility for a reduced-price lunch). According to the study, low-income children and Hispanic children benefited the most from the program.

Although the report provided very little information about the program, the researchers noted that Oklahoma's high prekindergarten teacher education requirements, and the state's willingness to compensate prekindergarten teachers at the same level as elementary and secondary school teachers in the public schools, distinguishes this program from others.

We include the report, entitled "The Effects of Universal Pre-K on Cognitive Development," as Attachment A.

³ The National Conference of State Legislatures (NCSL), founded in 1975, is a bipartisan organization that serves the legislators and staffs of the nation's 50 states, commonwealths, and territories. The NCSL provides research, technical assistance and opportunities for policymakers to exchange ideas on most state issues. The URL for the NCSL is <http://www.ncsl.org/index.html>.

⁴ The National Institute for Early Education Research (NIEER) supports early childhood education initiatives by providing objective, nonpartisan information based on research. The NIEER was established at Rutgers University's Graduate School of Education with a grant from The Pew Charitable Trusts. The URL for the NIEER is <http://nieer.org/>.

*THE EFFECTS OF STATE PREKINDERGARTEN PROGRAMS ON YOUNG CHILDREN'S SCHOOL
READINESS IN FIVE STATES*

In 2004, the National Institute for Early Education Research (NIEER), examined a sample of more than 5,000 four-year-olds enrolled in high-quality, state-funded prekindergarten programs in the states of Michigan, New Jersey, Oklahoma, South Carolina, and West Virginia. The Institute compared achievement scores of children who just completed the preschool program with the scores of a sample of children who did not participate in a program. The results of the examination found significant improvement in children's early language, literacy, and mathematical development, regardless of the child's racial or economic background.

Among other things, the study found that the children who attended state-funded prekindergarten programs showed gains in vocabulary scores about 31 percent greater than the gains of those children who did not participate in a program. The researchers note that these higher scores translate into an additional four months of progress in vocabulary growth. In mathematics, including basic number concepts and such tasks as simple addition and subtraction, telling time, and counting money, the children who participated in the state-funded preschool improved their math skills by 44 percent compared to children who did not participate in a program.

As we noted above, this study examined programs in five states—Michigan, New Jersey, Oklahoma, South Carolina and West Virginia. The programs in Michigan, New Jersey and South Carolina target at-risk children (usually low-income children), while the programs in Oklahoma and West Virginia are universal. Although each state program is unique, all required licensed teachers with four-year college degrees and certification in early childhood. These programs also maintain low teacher to child ratios (the highest ratio being one teacher to ten children), and low maximum class sizes (the highest being 20 students). Unfortunately the report did not provide any additional information regarding the studied programs.

We include "The Effects of State Prekindergarten Programs on Young Children's School Readiness in Five States" as Attachment B.

THE 2004 STATE PRESCHOOL YEARBOOK

In 2004, the National Institute for Early Education Research produced the *2004 State Preschool Yearbook* that summarizes state-funded prekindergarten programs in the United States during the 2002-2003 school year. This document is parsed into three sections, the first of which provides background information on preschool education in the United States, a description of the methods used by the NIERR to collect and analyze the data, a national summary of NIEER's findings, and NIEER's national policy recommendations. The second section provides detailed profiles of each state's policies regarding preschool access, quality standards, and resources. The last section of the report includes tables that provide the complete survey data obtained from every state, Head Start and child care data. A few of the findings from the NIEER's study are as follows.

- ◆ In 2002-2003, 38 states funded one or more prekindergarten initiatives serving a total of nearly 740,000 children (this represents an increase of 45,000 students from the previous school year). Access was uneven across states, however, with 10 states accounting for over three-quarters of enrollment.

- ♦ State prekindergarten initiatives served more than six times as many four-year-olds as three-year-olds in 2002-2003. Twenty states enrolled at least 10 percent of their four-year-olds in state preschool programs, but only three states served at least 10 percent of their three-year-olds.
- ♦ Georgia and Oklahoma continued to be the only states that made prekindergarten universally available to children. Across the United States, only one out of ten children ages three and four were participating in state preschool programs, as most states targeted programs that only serve economically or otherwise disadvantaged children.
- ♦ In 2002-2003, twelve states did not have a state-funded prekindergarten program.
- ♦ States need to initiate or improve policies that establish stronger quality standards. Only one state, Arkansas, met all ten of NIEER's quality benchmarks, whereas 20 state initiatives met five or fewer benchmarks.⁵
- ♦ State policies regarding quality standards were inconsistent. For example, one state may emphasize comprehensive services while another stresses teacher qualifications.
- ♦ Only 13 state prekindergarten initiatives required teachers to have both a bachelor's degree and specialized training in early childhood education. In addition, only 13 programs required teachers to be paid on a public school salary scale.
- ♦ State funding for prekindergarten initiatives totaled \$2.54 billion in 2002-2003. Over three-fifths of this funding was from five states—California, Georgia, New Jersey, New York, and Texas. Inadequate funding severely limited access and quality in most states.
- ♦ State spending per child enrolled in state-funded preschool ranged from less than \$1,000 in Maryland to more than \$8,700 in New Jersey. State spending per child averaged about \$3,500, less than half of the total funding provided per child in federal Head Start or public K-12 education.
- ♦ Between the 2001-2002 and 2002-2003 school years, total state spending (adjusted for inflation) rose by \$90 million, or four percent. However, state funding per child enrolled decreased by \$90, and 21 states decreased total spending.

We include *The State of Preschool: 2004 State Preschool Yearbook* as Attachment C.

⁵ The NIEER uses a quality standards checklist of ten items to compare standards of quality across different state prekindergarten programs.

THE HIGH/SCOPE PERRY PRESCHOOL PROJECT

According to *Education Week*, "The High/Scope Perry Preschool Project is perhaps the best-known study of the long-term effects of a high-quality prekindergarten education." During the mid-1960s, the High/Scope Educational Research Foundation selected and tracked a group of 123 African-Americans, age 3 or 4, who were born in poverty and at high risk of failing in school.⁶ The children were randomly divided into a program group who received a high-quality preschool program based on High/Scope's participatory learning approach, and a comparison group who received no preschool program. This study provides a comprehensive evaluation of the long-term effect of quality prekindergarten on the lives of the participating students.

In their most recent evaluation of this group of students, the age of which was about 40, the High/Scope Educational Research Foundation was able to interview 97 percent of the study participants still living. Some of this study's major findings are as follows.

- ◆ A greater percentage of the group who received high-quality early education graduated from high school than did the non-program group (65% vs. 45%). This proved to be particularly true for the female participants (84% vs. 32%).
- ◆ A smaller percentage of females who received high-quality early education required treatment for mental impairment than did the non-program females (8% vs. 36%).
- ◆ A smaller percentage of females who received high-quality early education had to repeat a grade than did the non-program females (21% vs. 41%).
- ◆ The group who received high-quality early education on average outperformed the non-program group on various intellectual and language tests during their early childhood years, on school achievement tests between ages 9 and 14, and on literacy tests at ages 19 and 27.
- ◆ A greater percentage of the group who received high-quality early education was employed at age 40 than was the non-program group (76% vs. 62%).
- ◆ The group who received high-quality early education had median annual earnings more than \$5,000 higher than the non-program group (\$20,800 vs. \$15,300).
- ◆ A greater percentage of the group who received high-quality early education owned their own homes (37% vs. 28%).
- ◆ A greater percentage of the group who received high-quality early education had a savings account than did the non-program group (76% vs. 50%).

⁶ The High/Scope Educational Research Foundation is an independent nonprofit research, development, training, and public advocacy organization. High/Scope's mission is "to lift lives through education." Among other things, the High/Scope Educational Research Foundation provides training to preschool and elementary teachers and administrators, conducts research on the effectiveness of educational programs, and develops curricula for infant, toddler, preschool, elementary, and adolescent programs. The URL for the High/Scope Educational Research Foundation is <http://www.highscope.org/index.asp>.

- ♦ The group who received high-quality early education had significantly fewer arrests than did the non-program group (36% vs. 55% arrested five times or more).
- ♦ Significantly fewer members of the group who received high-quality early care than the non-program group were ever arrested for violent crimes (32% vs. 48%), property crimes (36% vs. 58%), or drug crimes (14% vs. 34%).

According to the High/Scope Educational Research Foundation, in constant dollars adjusted to 2000, the economic return to society of the Perry Preschool program was \$258,888 per participant, on an investment of \$15,166 per participant, or a \$17.07 return for every dollar invested.

Researchers with the High/Scope Educational Research Foundation identified the following attributes that contribute to the success of their prekindergarten program.

- ♦ The teachers in the Perry Preschool program had bachelor's degrees and were certified to teach in elementary, early childhood, and special education. Teachers also received training, supervision, and assessments that support the Perry Preschool program educational model, and were paid 10 percent above the local public school district's standard pay scale.
- ♦ The Perry Preschool program had four teachers for 20 to 25 children.
- ♦ The Perry Preschool program was a two school year program, starting at age three.
- ♦ The Perry Preschool program consisted of daily classes (five days a week) of two-and-a-half hours or more.
- ♦ The teachers in the Perry Preschool program helped children plan, perform, and review their own work. The classroom was arranged and the day was scheduled to support children's self-initiated learning activities.
- ♦ Perry Preschool program teachers visited with families at home, at least once every two weeks.

We include *The High/Scope Perry Preschool Study Through Age 40, Summary, Conclusions, and Frequently Asked Questions* as Attachment D.⁷

⁷ Additional information on the High/Scope Perry Preschool Project can be found at <http://www.highscope.org/Research/PerryProject/perrymain.htm>.

ABECEDARIAN EARLY CHILDHOOD INTERVENTION PROJECT

The Abecedarian Early Childhood Intervention Project began in the 1970s by the FPG Child Development Institute at the University of North Carolina at Chapel Hill.⁸ The Abecedarian Project scientifically studied the potential benefits of early childhood education for children from low-income families. Children who were selected to participate in the program received full-time, high-quality instruction in a childcare setting from infancy through age five. Each child had an individualized plan of educational activities. These activities focused on social, emotional, and cognitive areas of development, and gave particular emphasis to language development. The children's progress was monitored over time with follow-up studies conducted at ages 12, 15, and 21.

So far, the findings demonstrate that important, long-lasting benefits are associated with the high-quality early childhood program. A sample of the benefits experienced by the program participants gleaned from the young-adult assessment (age 21) are as follows.

- ◆ The children who received early childhood education in the Abecedarian program are projected to make roughly \$143,000 more over their lifetimes than those who did not take part in the program.
- ◆ The mothers of children who were enrolled in the program also expect earnings of about \$133,000 more over their lifetimes than the mothers of the children who did not take part in the program.
- ◆ School districts saved more than \$11,000 per child because participants are less likely to require special or remedial education.
- ◆ The children who received early childhood education in the Abecedarian project had higher cognitive test scores from the toddler years to age 21.
- ◆ Academic achievement in both reading and math was higher from the primary grades through young adulthood for the children who received early childhood education in the Abecedarian project.
- ◆ The children who participated in the program completed more years of education and were more likely to attend a four-year college.
- ◆ The mothers of the children who participated in the program achieved higher educational and employment status than did the mothers of the children who were not in the program. These results were especially pronounced for teen mothers.
- ◆ Taxpayers received four dollars in benefits for every dollar spent on high-quality early education programs.

⁸ FPG Child Development Institute is a multidisciplinary institute at The University of North Carolina at Chapel Hill. The institute's mission is to cultivate and share the knowledge necessary to enhance child development and family wellbeing. The institute, through grants and contracts, conducts research and provides outreach services. The URL for the FPG Child Development Institute is <http://www.fpg.unc.edu/index.cfm>.

We include the FPG Child Development Institute's summary of the Abecedarian Project as Attachment E.

EARLY CHILDHOOD DEVELOPMENT: ECONOMIC DEVELOPMENT WITH A HIGH PUBLIC RETURN

In 2003, economists with the Federal Reserve Bank of Minneapolis calculated that the potential annual return from a focused, high-quality early childhood education program is as high as 16 percent.⁹ Most of the return benefits the economy as a whole because individuals who participate in high-quality early childhood education programs developed greater skills than they otherwise would have, which in turn contributes to the local economies (approximately 12% return). A smaller portion (approximately 4%) of the return benefits the children who received early childhood education in the form of higher wages later in life. The researchers used data from the High/Scope Perry Preschool Project to conduct their analysis.

In June 2005, as an expansion to their 2003 research, the Federal Reserve Bank of Minneapolis researchers proposed expanding the scope of early childhood education programming to meet the needs of all impoverished children ages five and younger, including newborns. In making this proposal, the researchers cited advances in brain research that indicate the most critical neurological development occurs between birth and age three.

In summary, the authors maintain that economic development schemes based on attracting specific companies or industries often waste taxpayer dollars, whereas investment in early childhood development yields high and dependable returns, in turn aiding long-term economic growth.

We include *Early Childhood Development: Economic Development with a High Public Return* as Attachment F.

EARLY EDUCATION IN THE STATES: A YEAR IN REVIEW—2004

In March 2005, the National Conference of State Legislatures (NCSL) produced, *Early Education in the States: A Year in Review—2004*, to provide detailed information about actions of state legislatures on early education issues. Among other things, this report contains a brief review of the research on early education, NCSL's comments on the role of state legislatures in early education, and a state-by-state summary of state bills, acts, executive orders, and proposals made in 2004 that pertain to early education.

In addition to summarizing many of the reports or studies we discussed above, the NCSL notes that incorporated into recent child development initiatives are three new components: enhancing

⁹ The Federal Reserve Bank of Minneapolis is one of 12 regional Reserve Banks that, together with the Board of Governors in Washington, D.C., make up the Federal Reserve System—the United States' central bank. The URL for the Federal Reserve Bank of Minneapolis' early childhood education website is <http://minneapolisfed.org/research/studies/earlychild/>.

the role of parents; promoting innovation at the local level; and establishing state-level planning councils.

The NCSL notes that generally, state legislators should approach early education from a number of different perspectives. In some cases, early education has been one part of a larger education reform effort. Lately, legislators have made connections between early education and a state's ability to meet requirements of the No Child Left Behind Act. State legislators also view early education as part of the solution to reducing the achievement gap for children before they enter the early elementary grades. In addition, the positive results demonstrated in long-term economic research have prompted policymakers to consider early education as a long-term investment.

We include *Early Education in the States: A Year in Review—2004* as Attachment G.

OTHER INFORMATIVE SOURCES

During the course of our research, we identified additional sources of early childhood education information that you may find useful. We identify these sources and their website address in Table 1.

Table 1: Sources of Early Childhood Education Information	
Organization	URL
Child Development Center, Wilder Foundation	www.wilder.org/programs.0.html
Education and Early Learning, Committee for Economic Development	www.ced.org/projects/educ.shtml
Education Commission of the States	www.ecs.org/ecsmain.asp?page=/html/issue.asp?issueID=184
Foundation for Child Development	www.ffcd.org/
National Child Care Information Center Online Library	nccic.org/
National Education Association	www.nea.org/index.html
National Scientific Council on the Developing Child	www.developingchild.net/
The RAND Corporation	www.rand.org/pubs/online/education/index.html
Ready4K, Minnesota's School Readiness Program	www.ready4k.org/
Strategies for Children: Early Education for All Campaign	www.strategiesforchildren.org/eea/eea_home.htm
The Trust for Early Education	www.trustforearlyed.org/
U.S. Department of Education	www.ed.gov/teachers/how/early/edpicks.jhtml?src=qc

ALASKA'S TWO-YEAR KINDERGARTEN PROGRAM

As you know, Chapter 50, SLA 2003 (House Bill 154) amended Alaska Statute 14.03.080(c) to restrict education foundation formula funding of four-year olds attending kindergarten. At the time, approximately 30 of the 53 school districts in Alaska offered some form of a two-year kindergarten program, allowing both four- and five-year olds to attend (some school districts allowed all four-year olds to attend while others did not). Chapter 50, SLA 2003 restricts foundation formula funding to four-year olds for whom there is a realistic expectation that the child will successfully progress through the kindergarten curriculum and advance to the first grade the following school year. According to the Department of Education and Early Development's (DEED) fiscal note attached to HB 154, this amendment resulted in a savings of approximately \$3.9 million.

Although the letter of intent Governor Murkowski included with HB 154 noted the \$3.9 million saving that would result from the enactment of HB 154, the saving does not appear to be the primary motivation for the bill. Eddy Jeans, Manager of the School Finance and Facilities Section of the Alaska Department of Education and Early Development, testified during a House Education committee meeting, as well as numerous other committee meetings that discussed HB 154, that the intent of this bill was to address the policy question of whether the legislature wanted to fund four-year-olds in the kindergarten-through-12th-grade program.¹⁰ He also pointed to an equity issue as not every school district in Alaska took advantage of the "loop-hole" in the law. According to Mr. Jeans, it would cost the state approximately \$60 to \$62 million annually to provide kindergarten for all four-year olds. Mr. Jeans noted that this estimate does not include any improvements to the capacity of districts' facilities, such as providing adequate classroom space.

Also during a House Education committee meeting, Kevin Sweeny, then Special Assistant to the Office of the Commissioner of the Department of Education and Early Development, testified, "the commissioner [of DEED] would agree that education would be better if the legislature funded all four-year-olds. In some districts it has shown that bringing kids in at four years old has helped them progress."¹¹ He also noted that the fundamental issue represented by HB 154 is whether the policy makers want to fund a statewide two-year kindergarten program through the foundation formula.

¹⁰ Eddy Jeans, now the Director of School Finance with the Alaska Department of Education and Early Development, can be contacted at 907-465-2891.

¹¹ In addition, in November 2001, the Alaska State Board of Education and Early Development adopted a resolution calling for voluntary preschool for all three- and four-year-old children. This resolution also expresses support for the development of pilot preschool programs in communities with low achievement scores on state exams, high poverty, and lack of Head Start or other early development programs.

ALASKA COMMUNITY PRESCHOOL PROJECT - ALASKA'S PRESCHOOL PILOT PROGRAM

During each of the last two state fiscal years, the DEED received federally earmarked money to help fund the Alaska Community Preschool Project. During FY2005, the DEED distributed \$800,000, through a competitive process, to seven school districts (serving eight communities), to offer high-quality preschool.¹² During FY2006, the program received \$496,000 and funded services in seven communities in six districts (Juneau, Hoonah, King Cove, Sand Point, Bethel, Unalakleet and Minto). Federal funding for FY2007 has not been determined.

The purpose of this project is to augment existing preschool programs, that often operate in partnership with other entities such as Head Start, to bring them up to the teaching standards prescribed by the Feuerstein Instrumental Enrichment—Basic education model. So far the project has served roughly 200 children.¹³

READY TO READ, READY TO LEARN TASK FORCE

In May 2005, Governor Murkowski called for the establishment of the Ready to Read, Ready to Learn Task Force. The governor charged this task force with identifying the following:

- ◆ Ways Alaskans can improve the readiness of preschoolers to read and learn,
- ◆ Ways families can become better at teaching children to listen, speak, read and write,
- ◆ Ways preschools and childcare centers can provide the best possible start for children,
- ◆ Ways the business community can participate in this effort, and
- ◆ Ways state and local governments can support the effort.

¹² In FY2005, the DEED received a total \$1.2 million, and spent the money not directed to district programs on training and materials. Paul S. Sugar, Education Specialist II with the Department of Education and Early Development, can be reached at 907-465-4862.

¹³ The International Center for the Enhancement of Learning Potential (ICELP), the Feuerstein Instrumental Enrichment—Basic program is directed toward the younger child, from approximately three to seven years of age, and the very low functioning older individual. The program is designed for use in a classroom group setting, for smaller groups of targeted learners, and as a one-to-one therapeutic intervention. The program also provides an "early intervention" to enable students who are developmentally at risk, or those individuals who have not acquired basic foundational knowledge and skills, to respond to direct stimuli and develop cognitive functions.

First Lady Nancy Murkowski is the Chair of Task Force while the Alaska Humanities Forum has the lead in establishing and administering the task force.¹⁴

According to the Alaska Department of Health and Social Services, Governor Murkowski will ask the Alaska Legislature to provide \$750,000 in fiscal year 2007 to improve childhood literacy and learning. This was announced by Nancy Murkowski at the Ready to Read, Ready to Learn Task Force held in Anchorage on November 10, 2005. The Department of Health and Social Services and the Department of Education and Early Development will use the funds to carry out recommendations currently being developed by the task force.

We include the Ready to Read, Ready to Learn Task Force's most recent newsletter "Task Force News" as Attachment H.

I hope you find this information to be useful. Please do not hesitate to contact me if you have questions or need additional information.

¹⁴ The Alaska Humanities Forum was founded in 1972 by the National Endowment for the Humanities (NEH), the Forum is one of 56 state and territorial groups also supported by the NEH. The Forum is a 501(c)(3) non-profit organization with a mission to "use the wisdom and methods of the humanities to enrich the civic, intellectual and cultural life of all Alaskans." The Ready to Read, Ready to Learn Task Force URL is <http://www.akhf.org/ReadytoRead/ECL-Summit.html>.

Molra Sullivan

From: Kathleen Strasbaugh [Kathleen_Strasbaugh@law.state.ak.us]
Sent: Thursday, February 02, 2006 11:41 AM
To: Rep. Mark Neuman
Cc: David Marquez; Randy Ruaro; Shana Valente
Subject: Dedicated fund issues and HB 332, HB 333, and HB 340

As I discussed with you yesterday, we do not see a dedicated funds problem under Article IX, Section 7 of the Alaska Constitution with section 2 of HB 332, section 1, proposed Sec. 14.43.455, of HB 340, or section 4, proposed 14.38.210 of HB 333, all of which create accounts in the general fund. I left the bill review of last year's HB 158 with you as it discusses applicable legal issues. I said I would get back to you on the provisions related to the separate accounting for the tax revenue raised in these bills in the funds created by them. I conferred with others here at the Department of Law, and have reviewed the sections in question. These sections, sec. 3 of HB 332, sec. 5 of HB 333, and sec. 2 of HB 340, do not require that the tax proceeds be appropriated to the funds, but only accounted for in them. Since the revenues raised by these are available for appropriation, these sections do not implicate art. IX, sec. 7.

Kathleen Strasbaugh, Assistant Attorney General
Alaska Department of Law
P.O. Box 110300
Juneau, AK 99811-0300
(907) 465-3600
Fax: (907) 465-2520

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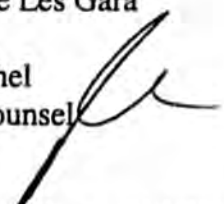
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Mail Stop 3101

State Capitol
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Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 2, 2006

SUBJECT: Dedicated Funds (HB 332, 333, and 340)
TO: Representative Les Gara
FROM: Jean M. Mischel
Legislative Counsel 

You have asked whether the above referenced bills create dedicated funds. Based on existing precedent, it is likely that a court would find that each of the bills do not create a dedicated fund. However, adding language to the fund provisions may make them less susceptible to challenge. HB 332 and 340 have been drafted to avoid the creation of a dedicated fund by making the use of the funds established discretionary, and not mandatory, for the purposes cited in the bills. HB 333, because of its structure, may be more susceptible to challenge as a dedicated fund, although it was drafted to avoid that.

With respect to HB 332 and 340 you may wish to include an additional provision, recommended in the drafting manual, that states simply that the fund created in the bill is not a dedicated fund. This may help clarify the issue if there is any confusion as to legislative intent. Those bills already incorporate the drafting manual's other two recommendations for avoiding a dedicated fund challenge: (1) a statement that the fund or account is created in the general fund, and (2) that the legislature "may appropriate" the money to a specified purpose. You may also wish to add the phrase "or to some other public purpose" to HB 340 at page 2, line 8.

For HB 333, the issue is less clear in that the fund has a unique structure and may not be part of the general fund at all. The fund consists of appropriations for distributions to school districts to support approved pre-elementary schools. While nothing in the bill requires an appropriation to the fund, the lack of the additional language, expressly allowing for appropriation of the additional tax revenue for some other public purpose, may cause ambiguity. On the other hand, the structure of this fund is much like the recently revised public education fund under AS 14.17.300.

If you would like further drafting done on these bills, let me know.

JMM:med:lmb:ljw
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