ALASKA STATE HOUSE OF REPRESENTATIVES

Representative Mark Neuman, Chair
Alaska State Capitol, Room 432
Juneau, Alaska 99801-1182
Phone: (907) 465-2679
Fax: (907) 465-4822
Rep_Mark_Neuman@legis.state.ak.us

Committee Members:
Representative Carl Gatto
Representative Bob Lynn
Representative Bill Thomas
Representative Peggy Wilson
Representative Les Gara
Representative Woodie Salmon

House Special Committee on Education

Date: February 28, 2006

To: Suzi Lowell, Chief Clerk

From: Representative Mark Neuman, Chairman
Special Committee on Education

RE: House Special Committee on Education Schedule

Tuesday, March 7, 2006, at 11:00 a.m. in Room 106

✧ **Early Childhood Development Presentation**
Presented by NCSL
Steffanie Clothier, Program Manager of the
Children & Families Program

Thursday, March 9, 2006, at 11:00 a.m. in Room 106

No Meeting Scheduled

✧ = teleconferenced

Education Committee

March 7, 2006

NCSL Presentation

By

Steffanie Clothier

NCSL MEMO

NATIONAL CONFERENCE *of* STATE LEGISLATURES

Pre-Kindergarten Research Reports

GENERAL

Building the Foundation for Bright Futures
National Governor's Association (2005)
http://www.nga.org/Files/pdf/0501TaskForceReadiness.pdf
This is the final report of the National Governors Association's Task Force on School Readiness. It identifies actions that governors and states can take to support families, schools, and communities in their efforts to ensure that all children enter school prepared to succeed. The recommendations are based on a review of available research and strategies that have proven effective in improving school readiness.

Early Childhood Education: Investing in Quality Makes Sense
American Educational Research Association (2005)
http://www.aera.net/uploadedFiles/Journals_and_Publications/Research_Points/RPFall05.pdf
Discusses the core components of high-quality early education programs, such as a quality curriculum and well-educated, well-compensated teachers. When a program has quality components, it improves school readiness and has a lasting impact throughout the child's education.

Going to Scale with High-Quality Education: Choices and Consequences in Pre-Kindergarten Efforts
RAND (2005)
http://www.rand.org/pubs/technical_reports/2005/RAND_TR237.pdf
This report draws on a literature review and interviews with pre-k personnel in eight states. It examines the policy choices and debates involved in implementing pre-k, focusing on the key issues of funding, access, accountability, and staffing. Additionally, it looks at the unintended effects of particular universal pre-K policy choices on other child populations, families, and communities.

Denver
7700 East First Place
Denver, Colorado 80230-7143
Phone 303.364.7700 Fax 303.364.7800

Washington
444 North Capitol Street, N.W. Suite 515
Washington, D.C. 20001
Phone 202.624.5400 Fax 202.737.1069

Website www.ncsl.org

On the Path to School Readiness: Key Questions to Consider Before Establishing Universal Pre-Kindergarten
State Early Childhood Policy Technical Assistance Network (2004)
http://www.finebynine.org/pdf/On_the_Path_to_School_Readiness.pdf
This resource brief addresses essential questions decision makers must consider when designing and promoting universal pre-kindergarten programs. In particular, such efforts need to recognize the possible systemic impacts of universal pre-kindergarten programs, both positive and negative- including the impacts on existing early care and education programs and on community-building efforts within poor, minority communities.

The Status of Early Care and Education in the States
Institute for Women's Policy Research (October 2004)
http://www.iwpr.org/pdf/R264.pdf
Outlines the need of working parents and their children for a universal, voluntary early care and education system that provides all families with access to a dependable, safe, and nurturing system of care. It discusses the benefits of such care, provides an overview of existing programs, and presents state and national data on the availability, quality, and cost of early care and education programs. The authors recommend steps for states and the Federal government to expand and improve the early childhood care and education system.

The State of Preschool: 2004 State Preschool Yearbook
http://nieer.org/yearbook/
National Institute for Early Education Research
This Yearbook profiles prekindergarten programs in the United States, and is organized into three major sections. The first section provides background information on preschool education, a description of the data collection and analytical methods, a national summary of the findings, and national policy recommendations. The second section presents detailed profiles outlining each state's policies with respect to preschool access, quality standards, and resources. The final section of the report contains appendices, including tables that provide the complete survey data obtained from every state, as well as Head Start and child care data.

OUTCOMES

A Critical Meta-Analysis of All Evaluations of State-Funded Preschool from 1977 to 1998: Implications for Policy, Service Delivery, and Program Evaluation
Walter Gilliam and Edward Zigler
http://nieer.org/resources/research/StatePreKMeta.pdf
This article provides a meta-analytic review of data from all completed evaluations of state funded preschool programs up to 1998. The authors critique the methods used for evaluation and provide measures of standardized effects for all the significant impacts. The authors found that although evaluations of state-funded preschool programs vary widely, enough data is present to suggest prekindergarten programs positively impact children in a number of areas.

Early Childhood Interventions: Proven Results, Future Promise
The RAND Corporation (2005)
http://www.rand.org/pubs/monographs/2005/RAND_MG341.pdf
This study builds on prior research that examines the costs and benefits of investment in a high-quality, large-scale early childhood development (ECD) program. It reports the benefit-cost rations that have been calculated for the Perry Preschool Project, the Prenatal/Early Infancy Project, the Abecedarian Early Childhood Intervention, and the Chicago Child-Parent Center Program. The study also presents calculations on the effect of a high-quality, large-scale ECD program for all poor three and four year-old children would have on future government budgets, the economy, and crime. It also illustrates the benefits of high-quality ECD programs to several other aspects of society.

Early Learning, Later Success: The Abecedarian Study
http://www.fpg.unc.edu/~abc/summary.cfm
The Abecedarian Project was a carefully controlled study in which 57 infants from low-income families were randomly assigned to receive early intervention in a high quality child care setting and 54 children were assigned to a non-treated control group. This degree of scientific control gives investigators greater confidence that differences between the treated and untreated individuals can be attributed to the intervention itself, rather than to differences among treated and untreated families. The treated children received full-time educational intervention in a high-quality childcare setting from infancy through age five. This article, and the entire website, cover the findings of this study and its implications for the early childhood development field.

The High/Scope Perry Preschool Study Through Age 40
High/Scope Educational Research Foundation (2004)
http://www.highscope.org/Research/PerryProject/PerryAge40SumWeb.pdf
This report summarizes the results of the Perry Preschool Study, a scientific experiment that identified both short and long term effects of a high quality preschool education program for children living in poverty. Researchers were able to track some of the study participants over the past 40 years, and this report also presents those findings.

The Benefits of Prekindergarten for Middle Income Children
National Institute for Early Education Research (March, 2005)
http://nieer.org/resources/policyreports/report3.pdf
Many middle-income children, who are not eligible for publicly subsidized prekindergarten, lack the opportunity to attend high-quality preschool programs. As a result, they often start school unprepared. This policy report analyzes what the research says about access to and gains made in high-quality preschool programs by children from middle-income families. Recommendations include expanding publicly funded preschool programs to include middle-income children and strengthening standards for child care and early education programs.

STATE EXAMPLES

The Effects of Oklahoma's Pre-K Program on School Readiness
Georgetown University Public Policy Institute (November, 2004)
http://www.crocus.georgetown.edu/reports/oklahoma9z.pdf
The Oklahoma pre-kindergarten program enrolls a higher percentage of four-year-olds than any other program in the United States. Researchers are particularly interested in the program because it is based in the public schools and emphasizes high quality- for example, all lead teachers must have a college degree and be certified in early-childhood. This research study finds that pre-k improves academic achievement among all children regardless of income, race, or ethnicity.

The Effects of State Prekindergarten Programs on Young Children's School Readiness in Five States.
National Institute for Early Education Research (December 2005)
http://nieer.org/resources/research/multistate/fullreport.pdf
This study found that children in prekindergarten programs experienced gains in their language and math abilities. The five states in the study are Michigan, New Jersey, Oklahoma, South Carolina, and West Virginia. Each state's individual report is available on the NIEER website (www.nieer.org).

Effects of West Virginia's Early Education Programs on Young Children's School Readiness
National Institute for Early Education Research (December, 2005)
http://nieer.org/resources/research/multistate/wv.pdf
This study measures the effects of West Virginia's Early Education Program on entering kindergartners' academic skills. Language, early literacy, and early math skills were assessed in a sample of 720 children across West Virginia. The research finds that West Virginia's program has statistically significant and meaningful impacts on children's early literacy and mathematical development.

Georgia Early Childhood Study 2001-2004 final report
Georgia State University: Andrew Young School of Policy Studies
http://aysps.gsu.edu/publications/2005/EarlyChildhoodReport.pdf
Georgia State University released The Georgia Early Childhood Study, which examines effects of Georgia's Prekindergarten Program on four-year-olds. In 1995, Georgia was the first state to offer voluntary, universal prekindergarten to every four year old. Children in Georgia made significant gains from the beginning of preschool to the end of first grade in terms of their skills compared to national samples of children their age.

Pre-Kindergarten in 11 States: NCEDL's Multi-State Study of Pre-Kindergarten and Study of Statewide Early Education Programs (SWEEP)
Foundation for Child Development and National Institute for Early Education Research (May 2005)
http://www.fcd-us.org/pdfs/NCEDLPKin11States2.pdf
This paper reports the results of a study of 240 state-funded Pre-k programs in six states. Compared to other preschool settings these state-funded Pre-k program maintain relatively high standards. But they still have many teachers without college degrees paid substantially less than public school teachers. While class size and teacher-child ratios are acceptable, opportunities for learning are lower than anticipated.

Success Stories: State Investment in Early Care and Education in Illinois, North Carolina, and Rhode Island.
Anne Mitchell, Alliance for Early Childhood Finance
http://www.earlychildhoodfinance.org/Publications/SuccessStoriesPDFDraft2.pdf
Examines three diverse states that have invested in early care and education services. It examines the forces and factors that contribute to successful change.

FINANCE

Blending and Braiding Funding to Support Early Care and Education Initiatives
The Finance Project (January, 2003)
http://www.financeproject.org/Publications/FP%20Blending%20Funds%201_24.pdf
This strategy brief highlights the successes and lessons learned in blending early childhood funding streams. It presents financing strategies that state and local policy makers, community leaders, and program coordinators can employ to align, coordinate, and integrate discrete, categorical funding streams.

The Cost of School Readiness: A Tool for Estimating the Cost of Universal Preschool in the States
Institute for Women's Policy Research
http://www.iwpr.org/pdf/G713.pdf
The first part of this report summarizes research on the benefits of high quality early childhood education for children, parents, and communities. It then introduces a model that can be used to examine policy proposals on preschool services. This model is also a tool for examining the relationship between service standards, quality, and costs.

The Cost of Universal Access to Quality Preschool in Illinois
Institute for Women's Policy Research (2003)
http://www.iwpr.org/pdf/preschoolIL.pdf
This report, intended for the Governor's task force on universal access to preschool, estimates the cost of Illinois' proposed universal preschool program over its first ten years.

Funding the Future: States' Approaches to Pre-K Finance (February, 2006)
Pre-K Now (February, 2006)
http://www.preknow.org/documents/FundingtheFuture_Feb2006.pdf
This report examines the different strategies states use to fund pre-kindergarten programs, the effectiveness of each strategy, and the sustainability of the approach. In addition to the general fund, sources of funding include lotteries, gaming, sin taxes, income taxes, and tobacco settlements. The report discusses the advantages and disadvantages of each funding source.

Funding and Policy Choices in a Changing Fiscal Environment
National Conference of State Legislatures (July, 2003)
http://www.ncsl.org/legis/cyf/ccfinance.pdf
This document describes and examines financing options to consider when developing early care and education policy. It also outlines strategic fiscal and policy questions and includes key resource information that is designed to be useful in the development of legislative proposals.

ECONOMIC BENEFITS

Policies to Foster Human Capital
James Heckman (2000)
http://www.jcpr.org/wpfiles/Wildavsky.pdf?CFID=3422231&CFTOKEN=46387051
In this paper, the author describes how many politicians overlook the learning and development that occurs in the early years of life. Dr. Heckman uses economic and developmental studies to illustrate that investments in social policies that intervene in the early years have very high rates of return while social policies that intervene at later stages in the life cycle have low economic returns. The long term benefits of early interventions aren't limited to intellectual gains, but extend to overall lifetime achievement.

Early Childhood Development: Economic Development with a High Public Return
Art Rolnick and Rob Grunewald, Federal Reserve Bank of Minneapolis, (March, 2003)
http://minneapolisfed.org/research/studies/earlychild/earlychild.pdf
This report makes the case that subsidizing businesses is a flawed form of economic development. Rather, the way to improve Minnesota's economy is to publicly fund early childhood programs. It cites studies that document how well-focused investments in early childhood development yield high public and private returns. The authors propose that the Minnesota State government should create the Minnesota Foundation for Early Childhood Development to fill the gap between the funds currently available for early childhood family education, school readiness, and Head Start and the amount necessary to fully fund a high-quality program for all of Minnesota's 3- and 4-year-old low-income children.

Age 21 Cost Benefit Analysis of the Title I Chicago Child-Parent Centers
Arthur J. Reynolds, et. al (February 2002)
http://www.waisman.wisc.edu/cls/index.html
This is a cost-benefit analysis of a comprehensive early childhood program, the Title I Chicago Child-Parent Center Program (CPC). CPC's are located in public schools and provide educational and family support services to low-income children. Data from 1,539 children in the Chicago Longitudinal Study suggest that the measured and projected economic benefits of preschool participation, school-age participation, and extended program participation exceeded costs. Economic benefits to the general public, exclusive of individual earnings, also exceeded costs. By providing comprehensive and intensive services to children and families over several years, the CPC appears to reduce the likelihood of later scholastic and social difficulties and to enhance well-being. Findings demonstrate the cost-effectiveness of public early childhood programs.

Early Childhood Education: How Important Are the Cost-Savings to the School System?
by Clive R. Belfield, (February 2004)
http://www.winnergbeginningny.org/databank/documents/belfield_report_000.pdf
This report uses a balance sheet framework to compare the costs and benefits of investments in early childhood education in New York. Using conservative assumptions and data from published studies, present value cost-savings are estimated ranging from $2,591–$9,547 per child participating in the program. The medium-term benefits or cost-savings from early childhood education include: Reducing the incidence of special education; Preventing grade repetition; Improving educational productivity; and enhancing children's well-being. The report also addresses the long-term benefits of quality education.

Early Childhood Education For All: A Wise Investment
http://web.mit.edu/workplacecenter/docs/Full%20Report.pdf
Leslie Calman (2005)
This paper is based on recommendations from The Economic Impacts of Child Care and Early Education: Financing Solutions for the Future. It is a compilation of work by researchers and economists that links quality early childhood education with short and long-term economic benefits. After looking at a dollar for dollar return, early childhood education is one of the most cost-effective public investments available. The author uses Massachusetts and Connecticut as state case studies.

The Economic Impact of the Early Care and Education Industry in Illinois
A Report by Action for Children, Chicago Metropolis 2020, & the Illinois Facilities Fund (January, 2005)
http://www.chicagometropolis2020.org/documents/FullEISStudy.pdf
Demonstrates that in addition to supporting and nurturing young children, the Early Care and Education industry has significant short and long term economic benefits in Illinois. It provides jobs, supports the current workforce, and prepares young children to succeed in life.

The New Economics of Preschool: New Findings, Methods and Strategies for Increasing Economic Investments in Early Care and Education.
Dana E. Friedman, Ed.D. Early Childhood Funders' Collaborative (2004)
http://www.earlychildhoodfinance.org/handouts/FriedmanArticle.doc
This paper provides an overview of research on both the long- and short-term economic impact of early care and education. Friedman reviews research on the long-term economic benefits that accrue from early childhood education. She also highlights research on short-term economic returns that result from the child care industry as a whole as well as increased and stable parental employment. She argues that both approaches are important and ends with practical applications and next steps.

The Economic Impact of Early Childhood Development Programs in West Virginia
Calvin Kent, et. al (October 2005)
http://www.marshall.edu/cber/research/ECDfinalreport.pdf
By the school year 2012-2013, every school district in West Virginia must provide a prekindergarten program that is available for all students. This study uses primary and secondary research to conclude that with appropriate public-private funding, West Virginia's preschool program should produce long-term economic gains for the state.

COMMUNITY PROVIDERS

All Together Now: State Experiences in Using Community-Based Child Care to Provide Pre-Kindergarten
Center for Law and Social Policy (February 2005)
http://www.clasp.org/publications/all_together_now.pdf
This report studies the emergence of the mixed-delivery model, in which the pre-kindergarten programs are delivered in both schools and community-based settings. It discusses the importance of mixed delivery and the key state policies in its implementation. It also describes the findings of a state survey CLASP conducted to understand the policy choices, opportunities, and challenges of including community-based child care providers in pre-kindergarten programs.

Prekindergarten- Four Selected States Expanded Access by Relying on Schools and Existing Providers of Early Education and Care to Provide Services
United States Government Accountability Office
http://www.gao.gov/new.items/d04852.pdf
Due to the level of investment and the variety of preschool programs currently receiving federal and state support, there is concern about whether these programs are well coordinated and that the lessons from their implementation are documented. Therefore, the Senate requested a study on how states have expanded their preschool programs to serve more children. The GAO study addresses how prekindergarten programs were designed and funded; the potential implications of these program features for children's participation and other programs that serve four year-olds; and the outcome data that have been collected on participating children and families. To gather this information, GAO conducted site visits in four states—Georgia, New Jersey, New York, and Oklahoma.

TEACHER EDUCATION

California Child Care Workforce Study
Center for Child Care Workforce
http://www.ccw.org/pubs/CAsurvey/center_based/Alameda_center_report.pdf
This study examines teachers and administrative staff who work in licensed child care centers across seven California counties. If focuses on the size and stability of the workforce, professional preparation, wages, retirement benefits, collective bargaining status, and identifies issues that warrant further attention.

Degrees of Improvement: States Push to Reverse the Decline in Preschool Teachers' Qualifications
Harvard Education Letter (2006)
http://www.fcd-us.org/PDFs/Jan-Feb2006.pdf
This issue brief describes the trend of declining professional credentials amongst preschool teachers, and how this trend affects young children. The report uses New Jersey and Oklahoma as examples of how states are addressing the issue.

Getting Teachers from Here to There: Examining Issues Related to an Early Care and Education Teacher Policy
Debra J. Ackerman
http://ecrp.uiuc.edu/v7n1/ackerman.html
This article explores two issues that must be considered prior to implementing any policy that requires preschool teachers to have a bachelor's degree: the constraints facing early care and education teachers in improving their credentials and the capacity of teacher preparation programs to help create a qualified and knowledgeable workforce. Given that New Jersey has recently adopted such a policy for teachers in its state-funded preschools, findings from studies focusing on this effort are used in order to illustrate these issues. The article concludes with implications for policy makers and researchers in terms of optimizing implementation of a BA policy and ensuring that policy-related supports are working.

State Investments in Early Education

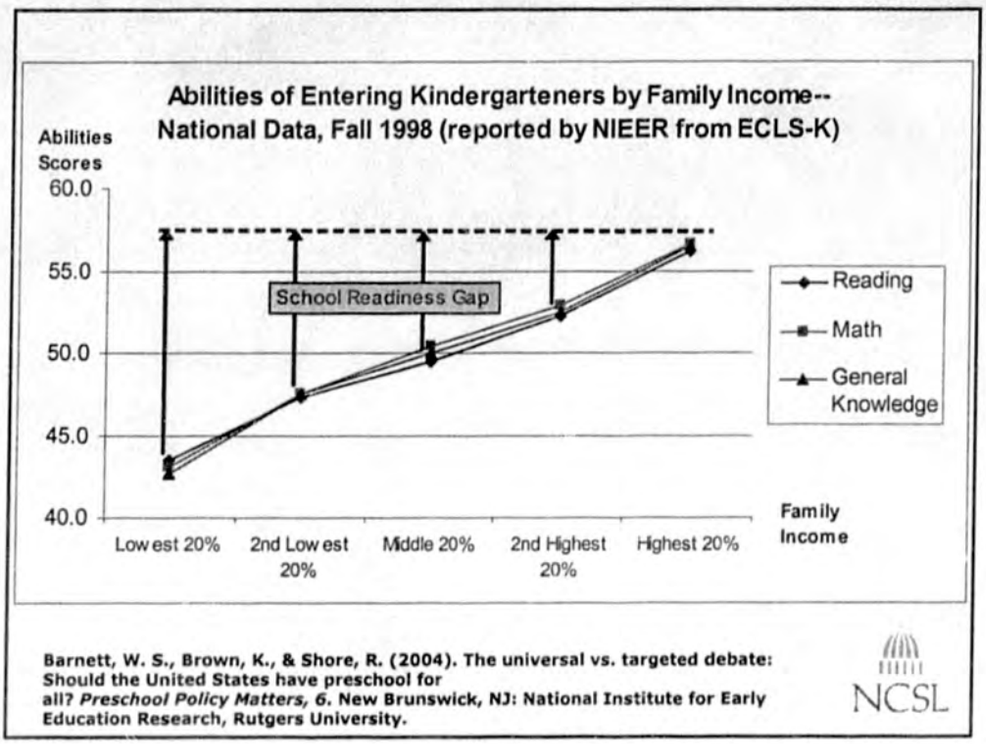
Presentation by Steffanie Clothier
National Conference of State Legislatures (NCSL)
March 7, 2006
Juneau, Alaska

NCSL

Early Learning in the States

- Part of education reform in early grades
- Concerns about NCLB at 3rd grade
- Response to issues of lack of school readiness
- Concern about achievement gap at Kindergarten
- Explosion of Research - brain research, economic data, state evaluations

NCSL



Barnett, W. S., Brown, K., & Shore, R. (2004). The universal vs. targeted debate: Should the United States have preschool for all? *Preschool Policy Matters, 6.* New Brunswick, NJ: National Institute for Early Education Research, Rutgers University.

NCSL

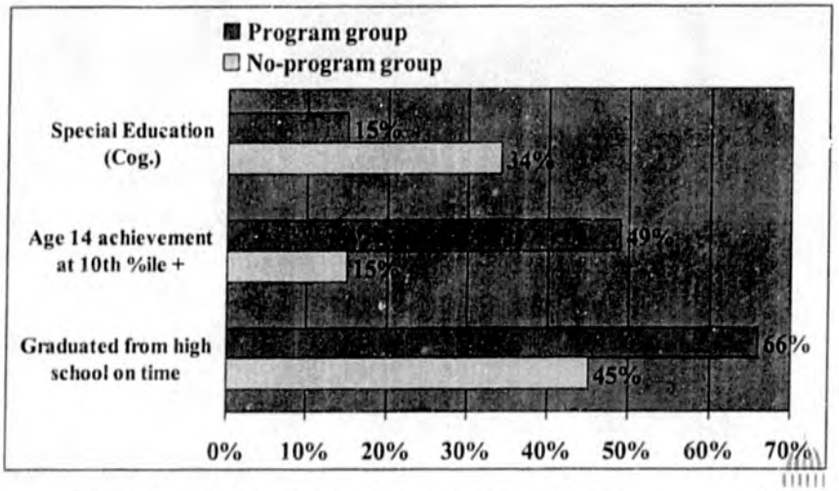
Summary of Research: Pre-K

- Higher test scores
- Increased social skills
- Better classroom behavior
- Less grade repetition & special education
- Higher graduation rates
- Increased productivity
- Less crime
- Better health behavior

Source: W. Steven Barnett, NIEER

NCSL

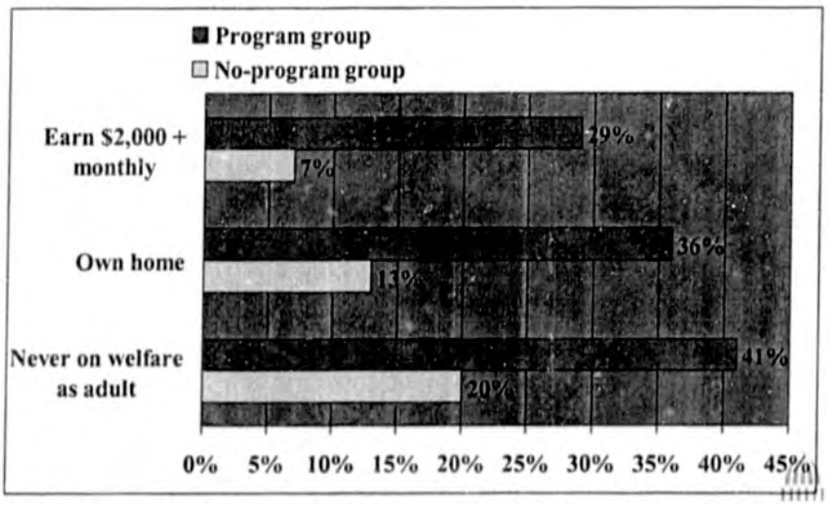
Perry Preschool: Educational Effects



Source: High Scope Educational Research Foundation

NCSL

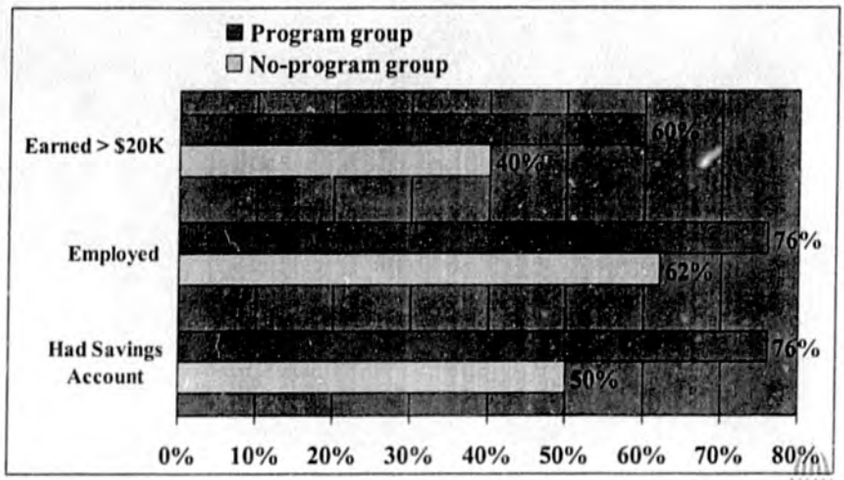
Perry: Economic Effects at Age 27



Source: High Scope Educational Research Foundation

NCSL

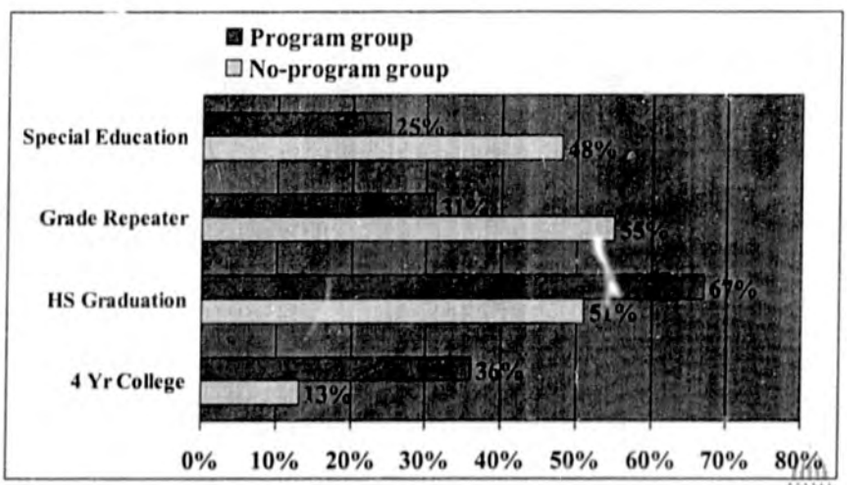
Perry Preschool: Economic Effects at 40



Source: High Scope Educational Research Foundation

NCSL

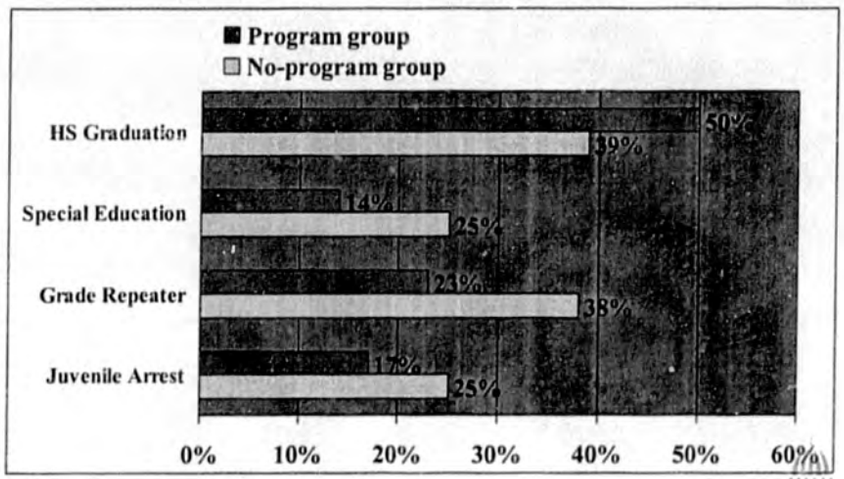
Abecedarian: Academic Benefits



Source: Carolina Abecedarian Study, W. Steven Barnett, NIEER

NCSL

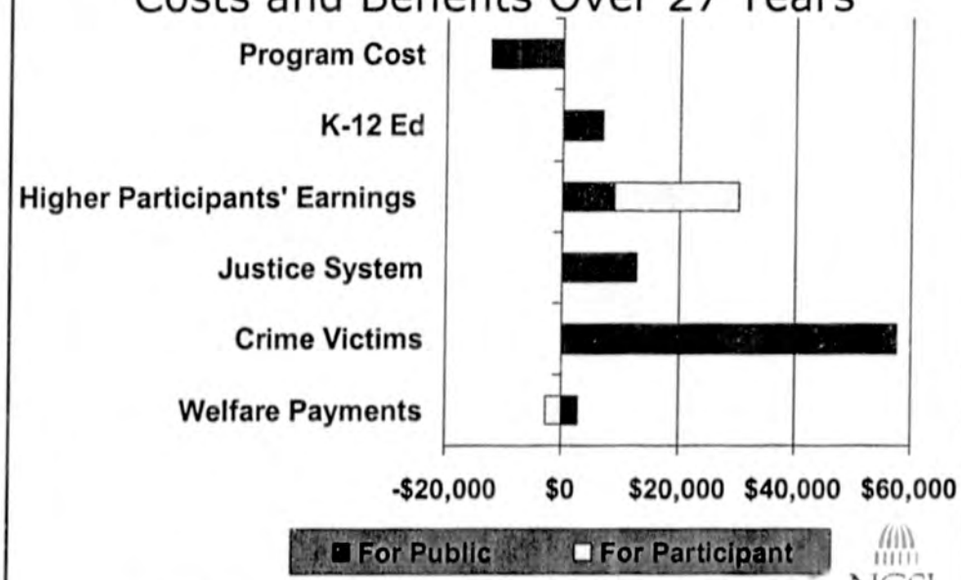
Chicago Child-Parent Center Findings



Source: W. Steven Barnett, NIEER

NCSL

Perry Preschool Costs and Benefits Over 27 Years



Source: Art Rolnick, Minneapolis Federal Reserve

NCSL

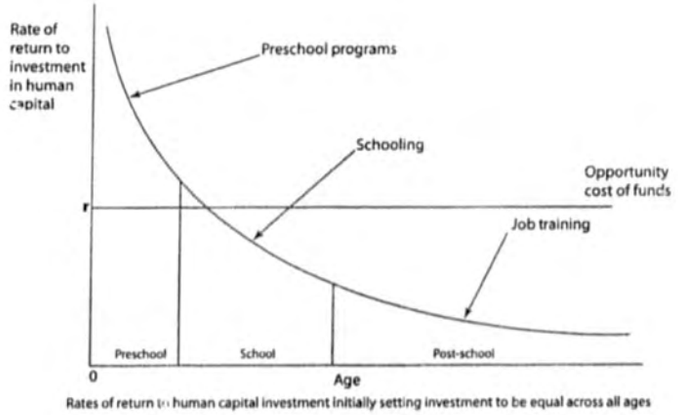
Return on Investment: Perry Preschool

- Total Benefit-Cost Ratio = $8.74 to $1
- Estimated Total Annual Rate of Return = 16%
- Public Rate of Return = 12%

Source: Art Rolnick and Rob Grunewald, Minneapolis Federal Reserve

NCSL

Human Capital Rate of Return



Rates of return to human capital investment initially setting investment to be equal across all ages

Source: Heckman and Masterov, *The Productivity Argument for Investing in Young Children*, October 2004.

NCSL

Other Research

- Brain research highlights rapid brain development and critical periods for brain development that identify the early years as critical foundations for cognitive and social and emotional skills - point to need for positive early environments
- State evaluations - most recent include OK, GA, and a multi-state report

NCSL

State Prekindergarten Programs - At a Glance

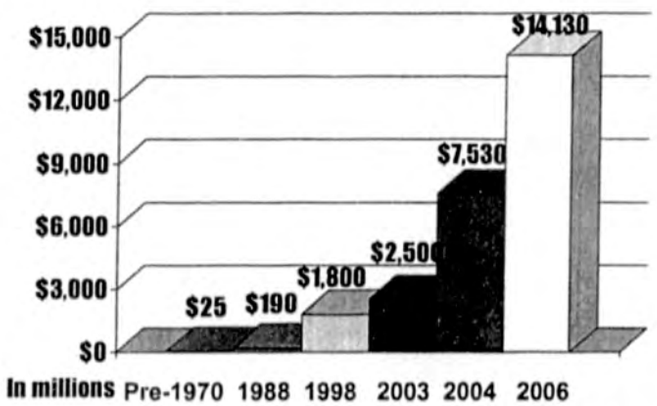
- State-funded program for children ages 3 and 4 or just 4-year-olds
- May be part day or school day and may coordinate with child care for full day, full year; often school year
- May be targeted to low income children, children at risk, low performing schools, geographic areas or not targeted and available for all children who want to enroll

NCSL

- Usually delivered through diverse providers including schools and child care providers (36/44 programs)
- 23/44 programs require BA level teachers; 13 require BA plus specialized training
- Funding delivered to school districts (16), grants to providers (20), school funding formulas (13), or to local councils (2)

NCSL

State Spending on Prekindergarten



Source: Anne Mitchell, Early Childhood Policy Research and Prek Now

NCSL

2005 State Prekindergarten Expansions: 26 states +DC

- Florida ($400 million)
- Illinois ($90 million in three years)
- Iowa ($8 million)
- Louisiana ($20 million)
- New Mexico ($5 million)
- North Carolina ($17 million plus new lottery)
- Tennessee ($25 million)
- Virginia ($40 million in two years)
- West Virginia ($4.4 million)

NCSL

Highlights of 2006 Proposals

- Idaho and South Dakota interest in early learning
- South Carolina- debate resulting from school adequacy lawsuit
- Illinois Governor proposing Phase in of preschool for all 3 and 4 year olds
- California preschool ballot measure
- Washington public/private MOU and Early Learning Department (MN Foundation proposal
- KY, IA - proposals for expansion

NCSL

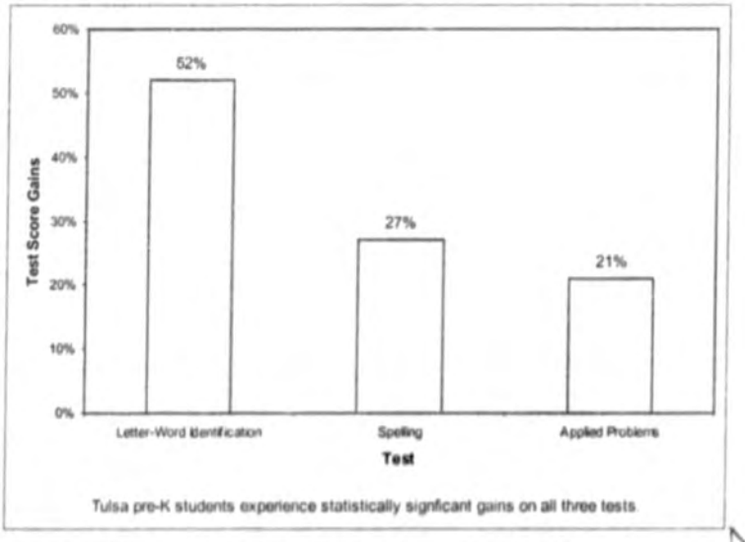
State Examples - Oklahoma

Started as a pilot then expanded to all 4 year olds in 1998.

- School finance formula (school can offer ½ or full day)
- Most in schools, some in private providers
- BA degree required with certification in early childhood/ paid according to school salary
- Also funds Head Start supplement

NCSL

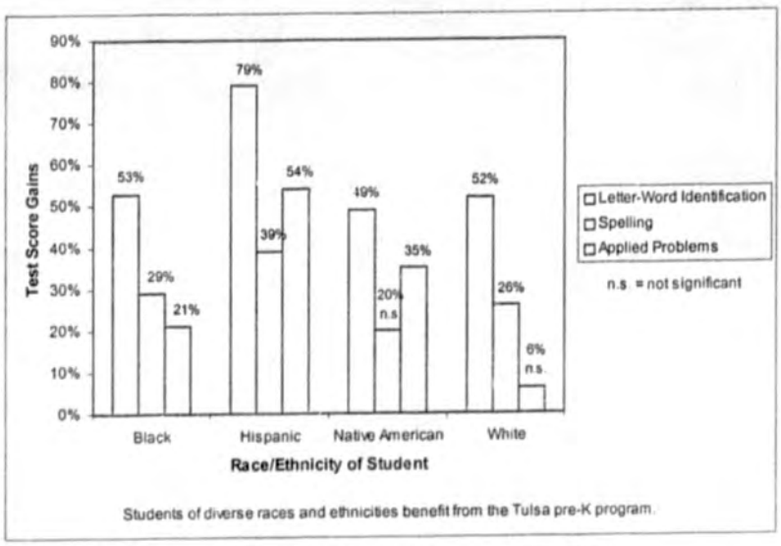
Overall Effects of Tulsa Pre-K Program



NCSL

Source: William Gormley, Georgetown University

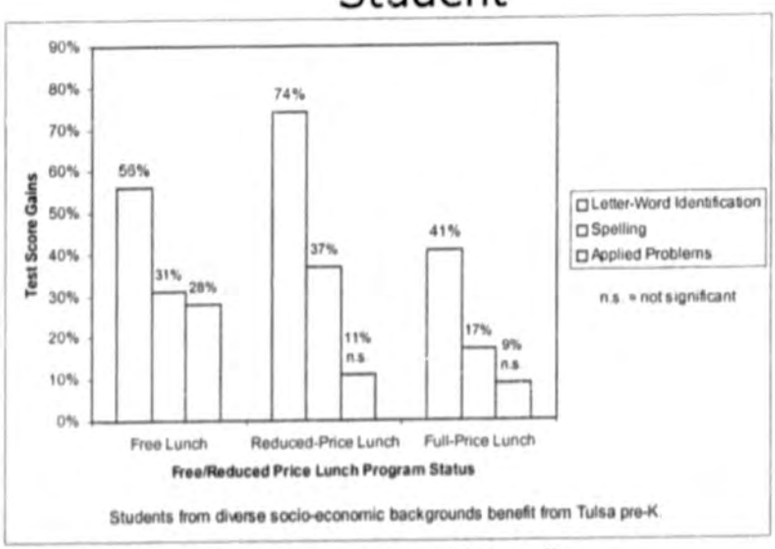
Effects of Tulsa Pre-K Program by Race/Ethnicity of Student



NCSL

Source: William Gormley, Georgetown University

Effects of Tulsa Pre-K Program by Free Lunch Program Status of Student



NCSL

Source: William Gormley, Georgetown University

Arkansas

- Arkansas Better Chance
  - Funded with excise tax on beer, state funds, local match
  - Target children in low performing school districts PLUS eligibility tied to income plus another risk factor
  - 3 and 4 year olds
  - Teachers licensed (P-4)
  - Full day, full week

NCSL

New Jersey

- Abbott Preschool Program (result of litigation)
  - Targets 30 poorest school districts (% threshhold qualifying for school lunch)
    - Geographic focus - all children in those districts are eligible
  - Serves 3 and 4 year olds
  - Full school day plus child care for extended hours
  - Certified teachers required plus certification. Those in private provider settings are paid salaries comparable to schools

NCSL

State Supplements to Head Start

- 17 states provide supplemental funding for Head Start programs
  - To enhance services
  - To expand the number of hours
  - To expand the number of children that can attend
- 2 States use Head Start Standards for Prek (Ohio and Oregon)

NCSL

Policy issues with Preschool

Quality
- Teachers - requirements and professional development
- Curriculum
- Ratios/group size

Program design
- Length of day, length of year
- Standards for class size and ratios
- Evaluation / monitoring
- Parent component, additional services

Service delivery
- Role of schools, community providers

Funding mechanism and cost per child

NCSL

Challenges For States

- Choosing the program design - many choices
- Governance issues- agency administration
- Choice of delivery - schools, community providers
- Teacher requirements costly and requires infrastructure
- Funding

NCSL

Kindergarten Policy

- 93% of all 5 year olds attend K/ 60% in full-day K
- Focus on full-day kindergarten in 2006, 19 states are considering legislation
- 9 states requires school districts to offer full day kindergarten
- 16 states define full-day Kindergarten

NCSL

Full-Day Kindergarten Issues

- No experimental research on full-day vs. half-day benefits
- Still questions about teacher training, curriculum and learning activities
- Academic outcomes are mixed but gains found for disadvantages children

Source: *Making the Most of Kindergarten*, Debra Ackerman, W. Steven Barnett, Kenneth Robin

NCSL

Policy Issues

- Funding structure - incentive or disincentive
- Learning standards for K coordinate with pre-K and 1rst grade
- Teacher training for K generally and the change from half to full-day.
- Weigh policy decisions based on current kindergarten readiness rates, % retained in K and early grades, # of children at-risk of school failure, needs of working families

NCSL

For more information:

Steffanie Clothier
National Conference of State Legislatures (NCSL)
7700 East First Place
Denver, CO 90230
(303)364-7700

Email: Steffanie.Clothier@ncsl.org
Website: www.ncsl.org, or for information about child care and early education visit: www.ncsl.org/programs/cyf/cc.htm

NCSL

National Conference of State Legislatures

Child Care and Early Education

New Research: Early Education as Economic Investment

By Steffanie Clothier and Julie Poppe

Recent research has focused on early education as an investment. NCSL has prepared this summary of the latest economic research examining early education initiatives as public investments. Many policymakers have considered early education initiatives as a school readiness strategy or as a way to close the achievement gap. Now, economic experts are offering another reason: mounting evidence shows that investments in early education may be considered as an economic development strategy.

This summary brief highlights three reports: the first from Art Rolnick, Senior Vice President and Director of Research at the Minneapolis Federal Reserve Bank; the second from James Heckman, Nobel Prize winner in economics from the University of Chicago; and the latest report from the High/Scope Educational Research Foundation on the longitudinal study of the Perry Preschool Program.[1] These reports characterize the economics of investing in early education by examining state economic subsidies, skill development for individuals in the broader economic picture, and specific new findings from a path-breaking early education program.

Return on Investment

Art Rolnick and Rob Grunewald of the Minneapolis Federal Reserve Bank published a paper examining the returns on investment of early education in Minnesota. The findings have had such broad appeal that the authors have been invited around the country to discuss their findings. In *Early Childhood Development with a High Public Return,* early education investments are compared to other kinds of state investments, with the conclusion that early education investments yield a return that far exceeds the return on most public projects that are considered economic development. The report raises issues relevant to most states, including how to build and maintain a viable state economy. The authors highlight the role of state subsidies while drawing on state experiences where subsidies failed to create real economic gains. Though subsidies to education have been longstanding, the authors argue that funding should be directed to early education because of the long-term effects.

Rate of Return: The report considered several studies of model programs and, when considering the Perry Preschool program, found a return on investment of 16 percent, with 80 percent of the benefits going to the general public. The data about model programs—such as Perry Preschool

yielding more than $8 for every $1 invested—is one way of describing the investment. Rolnick and Grunewald's use of the rate of return clearly shows the benefits of the investment compared to other investments.

The authors recommend creating a foundation endowment to fill the gap in current services in Minnesota by fully funding a high-quality program for all 3- and 4-year-old children in poverty. The endowment would generate enough operating funds for the early education initiative, which would include investments in quality improvements.

For more information, visit http://minneapolisfed.org/pubs/fedgaz/03-03/earlychild.cfm.

Building Human Capital

Nobel Prize winner James Heckman has turned his focus to early education as well. Heckman's work is devoted to the development of a scientific basis for economic policy evaluation. His career has included developing models to study unemployment, wage growth and skill formation. Heckman's report, *The Productivity Argument for Investing in Young Children,* describes how individual productivity can be fostered by investments in young children, particularly children in poverty or other adverse circumstances.

The report's findings are based on an analysis of the impact of current workforce conditions, workforce skills, the impact of baby boomer retirements, crime and family environments. For example, the report finds that America's workforce is not gaining in quality or productivity, but rather seeing slower growth. He argues that if this trend continues, there will be fewer educated individuals in the workforce and lower productivity than in previous periods. Key findings of the report include:

- Cognitive and noncognitive abilities are important for a productive workforce, and gaps that emerge early are difficult to change.

- "Skill begets skill and learning begets more learning." Because skills are accumulated, starting early and over time, investing in young children is an investment in future productivity and public safety.

- Family environments are important in determining education and skills. Growing numbers of children face adverse environments that restrict the development of these skills. Early education and other early interventions such as home visits can mitigate the effects of poor family environments. Key workforce skills such as motivation, persistence and self-control are developed early. Heckman concludes that K-12 schooling comes too late, and other remedies are prohibitively costly as well (e.g., job training programs and second-chance GED programs). (See Figure 1.)

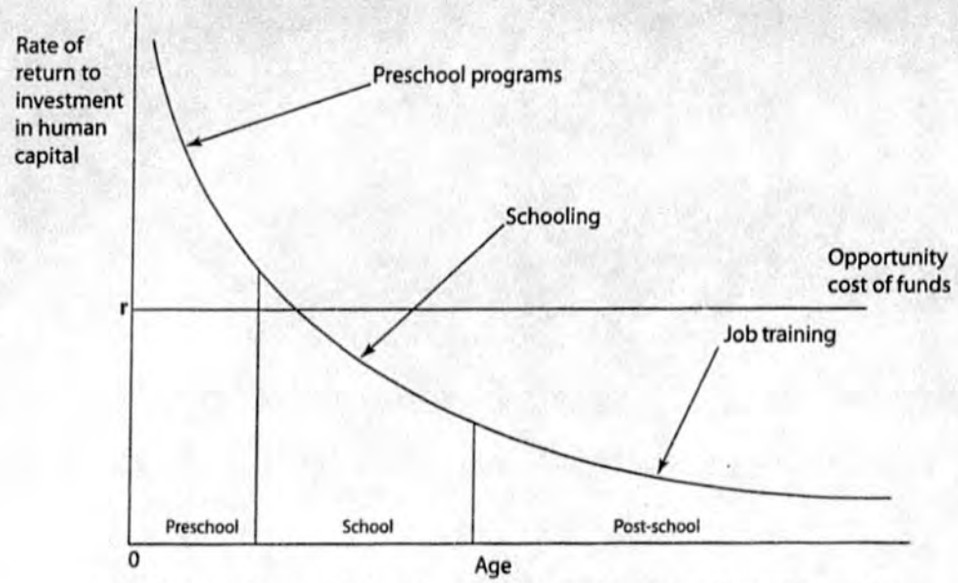


Figure 1. Rates of Return
Source: Heckman and Masterov, *The Productivity Argument for Investing in Young Children*, October 2004.

For more information, visit http://jenni.uchicago.edu/Invest/ or http://ced.org/docs/summary/summary_heckman.pdf.

Perry Preschool at Age 40

In November 2004, the High/Scope Educational Foundation released the latest findings from the Perry Preschool longitudinal study. The research on the Perry Preschool model program has long been a key foundation for the long-term benefits of early education for children from disadvantaged families. The High/Scope Perry Preschool study started in 1962 with 123 young African-American children living in poverty in Ypsilanti, Michigan, and who were assessed to be at high risk of school failure. The Perry preschool program design included teachers who were well-qualified; a teacher served no more than eight children at a time; parents were visited as a component of the program; and classes operated daily. The researchers randomly assigned 58 of the children to this high-quality setting, and the rest received no preschool program. Researchers have compared children from the Perry preschool program with the comparison group at ages 14, 15, 19, 27, and now at age 40.

The latest report found continuing positive long-term effects of high-quality early childhood care and education on low-income 3- and 4-year-olds. Overall, the study recently documented a return to society of more than $17 for every dollar invested in the early care and education program, primarily because of the large continuing effect on the reduction of male crime. These new figures are a dramatic increase in long-term returns. Highlights from the study's major findings include:

- *Economic/Workforce*: More of the group who received high-quality early education than the non-program group were employed at age 40 (76 percent vs. 62 percent).

- *Education:* More of the group who received high-quality early education, particularly females, graduated from high school than the non-program group.

- *Crime Prevention:* The group who received high-quality early education had significantly fewer arrests than the non-program group (36 percent vs. 55 percent were arrested five times or more).

For more information, visit
www.highscope.org/Research/PerryProject/PerryAge40SumWeb.pdf.

Conclusion

These latest studies provide examples of an additional approach to thinking about state and federal funding investments. NCSL provides ongoing analysis and information as studies in this area are released. NCSL can provide analysis and highlights of recent research and can connect policymakers with experts in the field. Our staff welcome suggestions and comments about the research needs of policymakers. Please contact NCSL's Child Care and Early Education Project with questions or feedback.

---

1. Art Rolnick and Rob Grunewald, *Early Childhood Development: Economic Development with a High Public Return*, March 2003; James J. Heckman and Dimitriy V. Masterov, *The Productivity Argument for Investing in Young Children*, October 2004; High/Scope Educational Research Foundation, *The High/Scope Perry Preschool Study Through Age 40*, November 2004.

National Conference of State Legislatures

LEGISBRIEF

BRIEFING PAPERS ON THE IMPORTANT ISSUES OF THE DAY

FEBRUARY 2005 VOL. 13, NO. 8

Governing Early Education Programs

By Steffanie Clothier and Amber Minogue

Legislators often determine who will govern early education programs.

Over the last two decades, state policymakers have intensified their efforts to promote young children's success in school by developing early education programs. Lawmakers consider many issues when designing programs for children and their families, including how to govern the programs. Recent trends show that legislators, while considering governance, also aim to coordinate early childhood and child care programs in order to reduce duplication and ensure effective and efficient services.

State Action

Three states recently changed administration of early education programs.

Three states passed legislation in 2004 to change the administration of early education programs. Georgia and Massachusetts created new and separate departments to administer and operate prekindergarten and other early education programs. Florida lawmakers passed a bill to provide prekindergarten for all 4-year-olds. The legislation reworked the governance of early childhood programs to grant authority to both the Agency for Workforce Innovation and the Department of Education.

Georgia was the first state to create a prekindergarten program for all 4-year-olds.

Georgia. Georgia was the first state to create a prekindergarten program for all 4-year-olds. In 2004, Georgia created Bright from the Start: Georgia Department of Early Care and Learning, consolidating three offices—the Child Care Licensing Office, the Georgia Child Care Council and the Office of School Readiness. Responsibilities formerly held by the departments of Human Resources and Education were also transferred to the new office. The new department will administer Georgia's prekindergarten program, oversee Even Start and federal food and nutrition programs, regulate both child care and prekindergarten, and include the Head Start state collaboration office. Before 2004, Georgia's prekindergarten program ran through the Office of School Readiness, which operated independently and reported to the governor.

Massachusetts. Massachusetts was the second state last year to create a new governance structure as part of its plan to expand prekindergarten to all 4-year-olds. The legislature passed a bill to create an independent Department of Early Education and Care. It will develop and supervise all early education programs. Massachusetts' prekindergarten program was previously managed by the Department of Education, which funded and monitored local community partnerships. The creation of the new department is just one step in a multi-year initiative.

Florida. Florida lawmakers, under pressure to implement a ballot initiative passed in 2002, enacted legislation on prekindergarten in a special session in December 2004. The act established a governance structure at the state and local levels. At the state level, two agencies will play a role in oversight of the prekindergarten program. The Agency for Workforce Innovation will

administer the operational requirements of the program and coordinate the school readiness coalitions, previously administered by the Florida Partnership for School Readiness. The Department of Education will administer the accountability requirements of the program including performance standards, screening, and establishment and enforcement of school readiness rates. At the local level, the prekindergarten program will be administered by early learning coalitions and school districts replacing and consolidating the previous school readiness coalitions.

During the 2004 regular legislative session, lawmakers debated and passed a bill that was vetoed by the governor. In that bill, the prekindergarten program would have been administered primarily by the Department of Education, splitting early childhood programs between the Department of Education and the Agency for Workforce Innovation.

Florida has a history of consolidating early childhood programs.

Florida has a history of consolidating early childhood programs. In 1999, Florida consolidated several programs that had been administered by the Department of Education, the Department of Children and Family Services, and Head Start. The legislation created the Florida Partnership for School Readiness and local school readiness coalitions. Initially in the governor's office, the Partnership was later moved to the Agency for Workforce Innovation but maintained independence with its own board. The Agency for Workforce Innovation also governs the state's child care subsidy program, migrant prekindergarten, Florida First Start, and Even Start Family Literacy.

Major Approaches. These recent actions reflect the latest changes in governing early education programs. Generally, states have used four main structures to govern these programs:

- State education agencies
- Human services or other departments
- Joint governance between two or more departments
- Independent department or office

Most states operate their programs through the state education agency.

Massachusetts and Georgia established separate departments to consolidate early education programs. Most states, however, operate their programs through the state education agency. Only Hawaii, New Mexico and Washington administer their programs through another agency. A governance model where authority is shared among more than one department is the approach taken in Florida as well as Arkansas, Connecticut, Missouri and North Carolina. Arkansas and North Carolina administer their programs through human services and education departments. Arkansas delineates the functions of the two departments in statute, and requires consultation and joint decision making in some areas. North Carolina has a statewide task force chaired by the directors of the two departments with staff based in the governor's office. Local planning committees also are a key part of the structure.

Rethinking governance of early education is important for state policymakers when designing programs. These examples illustrate new developments in governance and how existing structures can evolve in ways that encourage collaboration and coordination of state agencies.

Selected References

Florida Legislation: http://www.flsenate.gov/data/session/2004A/House/bills/billtext/pdf/h0001Aer.pdf
Georgia Legislation: http://www.mass.gov/legis/laws/seslaw04/sl040205.htm
Massachusetts Legislation: http://www.legis.state.ga.us/legis/2003_04/fulltext/sb456.htm

Contact for More Information

Steffanie Clothier
NCSL—Denver
(303) 364-7700 ext. 1416
steffanie.clothier@ncsl.org

THE PRESCHOOL PROMISE

GOING TO PRESCHOOL BENEFITS CHILDREN THEIR ENTIRE LIVES. CAN STATES AFFORD TO PROVIDE IT TO ALL KIDS?

By Julie Poppe and Steffanie Clothier

If you walk into a good preschool classroom, you might see a teacher reading to a group of kids, children immersed in an art project, little ones playing on a computer or getting ready for a field trip to a nearby museum or public library.

Those children, mounting research shows, will do better in school and are more likely to attend college. As adults they will have better jobs and pay more taxes. They will even be better parents.

The good news is that more and more children go to preschool: in 2002, 66 percent of 4-year-olds attended. Some schools are government supported, others are private. Today, at least 40 states provide state funding for preschool programs, compared to only 10 in 1980.

Parents from all income ranges send their children to preschool, although better educated parents with higher incomes have the highest participation rate.

Preschools are designed to provide education and a safe caring environment. Some states fund programs that incorporate the needs of working parents sometimes by coordinating their programs with Head Start and child care subsidy programs to ensure full-day services.

READY FOR SCHOOL

One of the striking findings in early education is the size of the achievement gap at the start of kindergarten between children who have gone to preschool and those who have not. That difference hardly ever goes away. It continues in reading and math achievement in the early grades and throughout school and into the job market. Steve Barnett from the National Institute for Early Education Research—an independent, nonpartisan organization that conducts research and follows state early education policy—says that kids living in poverty are 18 months behind the average kid when they start kindergarten. "This is an incredible amount of time for a school to catch up," Barnett says. But the achievement gap isn't just a poverty issue. "The gap continues up the income ladder," he says. Because of these findings and recent brain research showing that almost 90 percent of brain growth occurs in children by age 5, more lawmakers, economists, business leaders and parents are supporting early education.

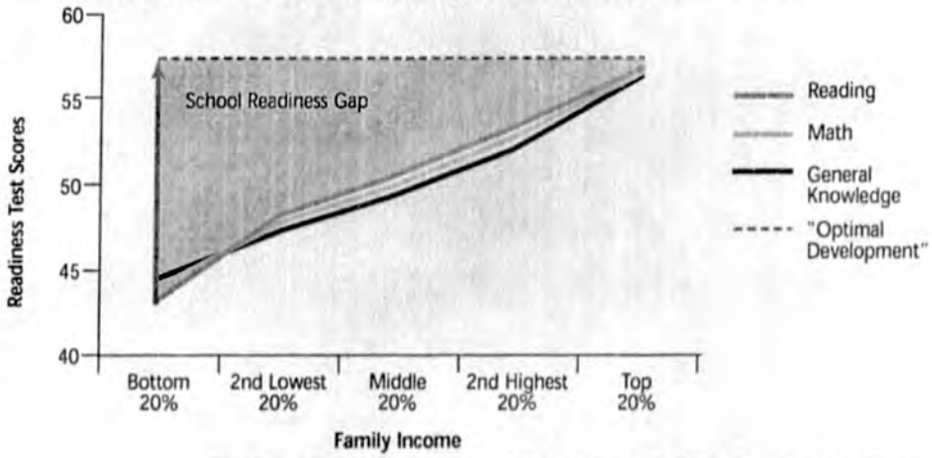
THE RIGHT PROGRAMS ARE KEY

What makes a good preschool program? Proper teacher qualifications and training, small class sizes and teacher-to-student ratios, stimulating curriculum and other services that support families. A good program can improve a child's achievement over the short and long term. Recent focus on quality has prompted states to consider enhancements. For example, 23 now require preschool teachers to have a bachelor's degree with additional certification and license.

Most states target their state-funded initiatives to children who are in low-income families or at risk of school failure. Some states are looking to expand their preschool programs in response to state litigation, the need to improve test scores due to No Child

THE ACHIEVEMENT GAP AT KINDERGARTEN

Family income has a great deal to do with how well a child does on readiness tests when entering kindergarten. The school readiness gap is steepest for children from families with the lowest incomes and continues through middle income families, gradually decreasing as income rises.



Source: Preschool Policy Matters, April 2004, National Institute for Early Education Research.

Julie Poppe tracks preschool policy for NCSL. Steffanie Clothier heads NCSL's Child Care and Early Education Project.

Left Behind, and the latest research showing early education improves children's school success. Some states have different goals in mind, such as funding and expanding early education programs to reach more working families.

PAYING FOR QUALITY PRESCHOOL

Arkansas has a state-funded preschool program that started in 1991 for low-income children. In recent years, $40 million in funding has allowed more children to attend. Representative LeRoy Dangeau carried

REPRESENTATIVE LEROY DANGEAU ARKANSAS

a bill this session that resulted in an additional $20 million over the next two years for the continued expansion of the state's program.

Other preschool funding comes from a beer tax (since 2001) that raises about 18 cents on every six-pack, generating $8 million annually for early education. This April, the Legislature passed a bill to extend the beer tax until June 2007.

Dangeau hopes that by the summer of 2007 there will be a total of $100 million dedicated for voluntary preschool for all 3- and 4-year-olds.

"When I became a legislator four years ago," says Dangeau, "I had no clue about the importance of early childhood. But I saw the research, including the benefits of preschool over time, and how it is the best investment of our money," he says.

In a recent Arkansas Supreme Court case on school funding inequity, the court recognized the importance of preschool (but didn't mandate it) as part of its ruling. "I think that the court case had an impact on how the Legislature views preschool," says Dangeau. "We see it as the quickest way to improve test scores. The issue is not whether or not to have preschool. The question is how much money to put into it."

Last year, the National Institute for Early Education Research ranked the quality of Arkansas' preschool program very high.

"I am very proud to say that Arkansas ranked best in terms of quality," says Dangeau. He believes the success is directly tied to legislation passed in 2003 that puts preschool teachers on the same pay scale as K-12 teachers. Any program or school may provide preschool services as long as they meet the state's quality standards, such as one certified teacher per 10 students.

SUPPORTING WORKING FAMILIES

In the mid-'80s, the Illinois legislature established a preschool program for at-risk children. To support working families, the state allows child care centers and Head Start programs that meet standards to provide full-day early education services along with public schools. Local communities determine eligibility; there are an estimated 64,000 3- and 4-year-olds enrolled statewide.

The state has significantly increased funding over the past few years. Since 2003, lawmakers have appropriated $30 million annually for early education and are looking to do the same this legislative session.

The National Institute for Early Education Research gave the state high marks for quality. Teachers participating in the program must hold an early childhood teaching certificate to be on the same pay scale as K-12 teachers.

In 2003, lawmakers created the Illinois Early Learning Council. It builds on the work the state has already done to develop a high-quality early learning system available to all Illinois children up to age 5. Four legislators currently are members of the council, including Representative Elizabeth Coulson.

Coulson, who has a business background, sits on two of the House Appropriation Committee's subcommittees, Human Services and Education, which make funding decisions for early education. She is also a member of the House Human Services Committee. "I'm a link between key committees that focus on

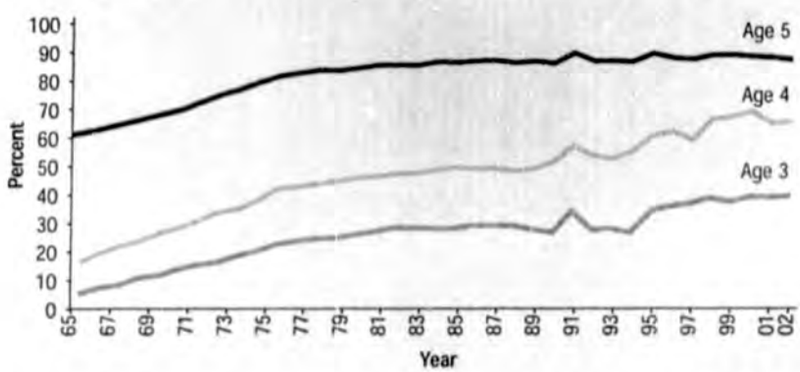
PRESCHOOL POPULARITY

At least 40 states provide state funding for preschool programs.

- The first to expand preschool to all 4-year-olds were Georgia and then Oklahoma. Florida, Maryland, New York and West Virginia are in the process of phasing in their programs.
- Thirty-six states considered early education bills in 2005. At least 28 states considered expanding preschool programs.
- Florida legislators, responding to a state ballot measure, approved legislation for a voluntary preschool program for all 4-year-olds. New Mexico legislators passed a pilot preschool bill with a $5 million initial appropriation.
- Mississippi, Montana, North Dakota and South Dakota have no state-funded preschool programs, but did consider legislation this session.

KINDERGARTEN AND PRESCHOOL PARTICIPATION
1965-2002

Over the last several decades, preschool and kindergarten participation has increased steadily for children ages 3 to 5.



Source: National Institute for Early Education Research.

REPRESENTATIVE
ELIZABETH COULSON
ILLINOIS

early childhood," she says.

She says that Illinois has been concerned for some time about supporting working families and making sure a strong birth-to-age-5 system is in place that nurtures children. In 2003, the legislature increased the percentage of funding for birth-to-age-3 programs from 8 percent to 11 percent of the state's early childhood education block grant. The block grant makes up the state's funding for preschool education, parental training and prevention initiatives. "The formative years have the most impact on education. This is not just a women's issue, but it's also a children's issue and [in terms of economics and business] an important issue for the whole state," she says.

Nearly a third of all Illinois 4-year-olds are in a state-funded preschool program and the number is up from the year before. Coulson says early care is a thriving industry that has an impact on Illinois' economy, and businesses need to be aware of the benefits. Recent research shows that every tax dollar invested in preschool produces $17 for the economy.

"This session, we continue to focus on quality and funding," Coulson says. In the last two years, the state has increased preschool spending by $60 million. "This is a bad budget year for Illinois, but I am optimistic we will find a way to fund another $30 million for early childhood," she says.

LEGISLATIVE INVOLVEMENT

During the mid-'80s, Massachusetts set up a state-funded early education program in public schools. Since then, the state has allowed community partnership providers who meet early childhood standards to participate in programs targeting at-risk 3- and 4-year-olds from working families serving almost 16,000 children last year.

During the 2004 session, more than 100 legislators, including leadership in both houses, signed on to a proposal for preschool for all 3-to-5-year-olds to be phased-in over 10 years, at an estimated cost of $1 billion. Two bills that were eventually enacted laid the groundwork for the expansion by reworking state governance of early childhood programs. One law creates a single department to streamline early childhood programs and to expand preschool to all 3- and 4-year-olds. "Hopefully, we will see less duplication of services," says Representative Patricia Haddad.

She co-chairs the legislature's Joint Committee on Education and the state's legislatively created Advisory Committee on Early Education and Care. Nine other legislators participate. They have conducted five public hearings throughout the state. "We had to be a part of the hearings ourselves, because it is nice to read a report, but the passion is different when you are involved," says Haddad. State early childhood advocates also held meetings throughout the state to educate the public on the importance of early childhood education and full-day kindergarten for all.

REPRESENTATIVE
PATRICIA HADDAD
MASSACHUSETTS

Last December, the advisory committee completed a report that identified four key components: developing a workforce, defining quality, delivering the system and evaluating progress. Haddad says the next step is providing a good workforce development program for teachers and providers.

The 2004 legislation also created a new board of early education and care, which will start this July. The commissioners from the boards of Higher Education, Education, and Early Education and Care will each sit on each other's boards. "We want the commissioners to be talking to one another, which will lead to better communication between these three entities," says Haddad.

Representative Haddad says people in Massachusetts are starting to realize the importance of preschool and the role that it might possibly play with No Child Left Behind. "If you do not provide the very best for children in the early years, you will continue to see gaps," she says.

RESEARCH AND ECONOMIC PROOF

Solid research backs the premise that investments in early education pay off.

Some of the best known studies include the Perry Preschool Project, the Chicago Child Parent Center, the Abecedarian Project, and a study of Oklahoma's preschool program. The Perry study's most recent data are from participants at age 40. They earned higher wages, committed fewer crimes, needed welfare less and were more likely to have graduated from high school than their peers who were not in a preschool program.

The Chicago study results showed better reading and math test scores, more kids graduating from high school, reduced special education placement, less grade repetition and fewer juvenile arrests. Abecederian showed similar results, with additional findings of increased college attendance and higher achievements of the mothers of the participating children. Oklahoma's preschool program showed children's gains in cognitive, language and motor skills with the greatest gains for low-income and minority children.

Nobel Prize winning economist James Heckman says productivity can be fostered by investments in young children, particularly children living in poverty or other adverse circumstances. He points to key future workforce skills—motivation, persistence and self control—that are developed early in life. He says the most efficient and cost-effective investments are in the early years.

NEED HELP WITH PRESCHOOL POLICY?

NCSL staff have worked in a number of states helping legislators with their child care and early education programs. They provide assistance on program design and financing options for preschool programs.

Legislators interested in help can call Steffanie Clothier in NCSL's Child Care and Early Education Project, (303) 856-1416.

EARLY CHILDHOOD

NATIONAL CONFERENCE of STATE LEGISLATURES

Research and Policy Report

September 2005

Helping Young Children Succeed

Strategies to Promote Early Childhood Social and Emotional Development

By Julie Cohen, ZERO TO THREE; Ngozi Onunaku, ZERO TO THREE; Steffanie Clothier, NCSL; and Julie Poppe, NCSL

Introduction

The early years of life lay the foundation for a child's development today and during the course of his or her life. From the time of conception to the first day of kindergarten, development proceeds at a pace exceeding that of any subsequent stage of life.[1] It is during this time that the brain undergoes its most dramatic growth, and children acquire the ability to think, speak, learn and reason. Early experiences can and do influence the physical architecture of the brain,[2] literally shaping the neural connections in an infant's developing brain.

Gaining social and emotional skills enables children to learn from teachers, make friends, express thoughts and feelings, and cope with frustration. These kinds of skills, in turn, directly influence cognitive learning such as early literacy, numeracy and language skills.[3] A child who cannot remain calm, focus on a task and stick with it will not be able to take advantage of an opportunity to interact with an adult who is reading her a story—an activity that effectively promotes early language and literacy skills.

Ensuring that young children arrive at school ready to learn has become a national priority. State policymakers have an opportunity to have a significant and lasting effect on young children's development by enacting policies that support healthy social-emotional development of young children from birth to age five. Social and emotional development extends beyond the realm of education to reach human services, health, economic development, and environmental policies. This brief defines early childhood social-emotional development; describes what can happen when children face emotional and behavioral problems; and outlines what actions can be taken at the state level to support healthy social-emotional development in babies and young children. It also highlights state and community efforts to improve early childhood social and emotional development through promotion, prevention and treatment approaches.

Inside this Brief

Policy Recommendations in Brief

Promoting Early Childhood Social and Emotional Development

- Develop initiatives to increase awareness and understanding of early childhood mental health.
- Integrate social and emotional development into existing services.

Preventing Mental Health Disorders or Their Consequences

- Fully implement federal referral requirements under the Child Abuse Prevention and Treatment Act of 2003 (CAPTA) and the Individual with Disabilities Education Act (IDEA) Part C Reauthorization of 2004.
- Provide mental health consultation to early childhood programs to address challenging behaviors.
- Expand early identification approaches.
- Invest in family mental health services and supports.

Treating Early Childhood Mental Health Disorders

- Address the distinct mental health needs of young children and their families who are affected by maltreatment, substance abuse and domestic violence.
- Expand the number of mental health clinicians trained to address early childhood mental health issues.

(Details on page 9)

What Is Early Childhood Social and Emotional Development?

In their first years of life, children rapidly develop the social and emotional capacities that prepare them to be self-confident, trusting, empathic, intellectually inquisitive, competent in using language to communicate, and capable of relating well to others.[4] Sometimes called early childhood mental health, or infant mental health, healthy social and emotional development refers to a child's developing capacity to:

- Experience, manage and express the full range of positive and negative emotions;
- Develop close, satisfying relationships with other children and adults; and
- Actively explore their environment and learn.

Social and emotional development lays the foundation that helps guide a child into adulthood. Early experiences can build a strong foundation or a fragile one, and can affect the way children react and respond to the world around them for the rest of their lives.

Influences: Biology, Relationships, Environment

Early childhood social and emotional development are influenced by biology, relationships and environment. Biology refers to what a child is born with, such as his or her genetic makeup. Relationships connect children with significant people in their lives and a child's environment is where a child spends time such as home, early education settings, and other situations a child experiences that can be either warm or hostile.

Biology: Biological influences can include such characteristics as temperament (infants are often characterized as easy, slow to warm up or difficult) and genetic influences such as prematurity and physical anomalies.[5]

Relationships: Young children develop social-emotional competencies in the context of the relationships that exist between a small group of consistent caregivers and a child. Caregivers may include parents, child care providers, foster parents, grandparents and other family members.

Environment: Children develop in the context of their environment. Environmental influences such as exposure to environmental toxins, extreme poverty, malnutrition, community or family violence, substance abuse, abuse and neglect, and poor quality child care settings all can lead to emotional or behavioral difficulties. Environmental stresses such as homelessness, poverty and parental mental illness negatively influence a child's early experiences.

The influences of biology, relationships and environment play a significant role in the development of social-emotional competencies. For example, a child exposed to abuse or neglect may respond biologically by producing high levels of cortisol—a stress hormone that the body releases in order to cope with threatening situations. Children who are repeatedly exposed to harmful environments are at risk for poor development because their stress levels remain high, causing permanent negative damage to the brain. These children are also at risk for a variety of behavioral problems, as well as loss of memory and learning skills and suppression of the immune system.[6]

Relationships with the primary caregiver are especially important for development in the first years of life because the child's primary caregivers structure the experiences and shape the environments within which early development unfolds.[7] Babies and young children need to have the opportunity to develop a close, trusting relationship or secure attachment with at least one special person. The ability to attach to a significant adult allows young children to become trusting, confident, and capable of regulating stress and managing distress. Those who develop a secure attachment with a primary caregiver during the early years of life are more likely to later have positive relationships with peers, be liked by their teachers, perform better in school, and respond with resilience in the face of adversity as they grow and become preschoolers and older students. Those who do not have an opportunity to form a secure attachment with a trusted adult are at risk of experiencing distrust or uncertainty with their caregivers, negative self-image, and difficulties in coping adaptively with stress.[8]

Positive parenting practices—including responsive caregiving, positive discipline, supports for language and learning, and playful interactions—can promote social and emotional health. Because the parent-child relationship is so important for early development, the mental wellness of adults plays a critical role in how young children develop. The existence of maternal depression and other adult mental health disorders can negatively affect children if parents are not capable of providing consistent sensitive care, emotional nurturance, protection, and the stimulation that young children need. Maternal depression, anxiety disorders, and other forms of chronic depression affect approximately 10 percent of mothers with young children.[9] This number is much higher for families in poverty. Findings at enrollment from the National Evaluation of Early Head Start indicate that nearly half (48 percent) of mothers reported enough depressive symptoms to be considered clinically depressed.[10]

Social-Emotional Skills that Support School Readiness[11]

In the context of school readiness, several skills have been identified that enable children to learn and be successful in school and later in life. These include:

1. Confidence
2. Curiosity
3. Intentionality
4. Self-Control
5. Relatedness
6. Capacity to Communicate
7. Cooperativeness

Poverty is another environmental factor that is tied to social and emotional health. Young children who live in poverty-stricken communities may be exposed to environmental dangers such as lead and mercury—chemicals that studies have shown impair health. Children who live in poverty also often lack the proper nutrition needed for optimal brain development. Early childhood programs such as Early Head Start and Head Start mitigate against the effects of poverty by providing basic supports, such as nutritional meals, to young children in low-income families.

The Effects of Social and Emotional Development

Early childhood social and emotional development is firmly tied to every other area of growth and development—physical growth and health, communication and language development, and cognitive skills, as well as the child's early relationships. If young children do not achieve early social and emotional milestones that are linked to positive early childhood mental health, they will not do well in the early school years and subsequently, are at higher risk for school failure, juvenile delinquency, and a variety of other problems later in life.

Children who are emotionally healthy have a significantly greater chance of achieving success in school compared with those who have emotional difficulties.[12, 13] Research indicates, however, that between one-quarter and one-third of young children are perceived as not being ready to succeed in school.[14] For a significant number of these children, concerns center around emotional and behavioral difficulties that prevent them from making the cognitive gains they need when they enter school. Indeed, recent findings show that 3- and 4-year-olds are increasingly being expelled from preschool because of problem behaviors.[15]

Cost-benefit analyses confirm that nurturing young children's social, emotional and behavioral skills through quality early educational experiences produces an economic return to society. This occurs over the short term and over time through a contribution of labor force skills that generate national economic growth and lower crime rates that keep down taxpayer costs.[16, 17] A principal benefit of early childhood intervention is shaping what are considered the noncognitive skills—behavior, motivation and self-control.[18] Children with healthy social and emotional skills form the capacities to develop lasting friendships and intimate relationships, effectively care for their own children, hold a job, and become productive citizens.[19]

What Happens When Things Go Awry: What Do Early Childhood Mental Health Problems Look Like?

For most babies and young children, social and emotional development unfolds in fairly predictable ways. They learn to develop close relationships with family members and other caregivers; to regulate their emotions and soothe themselves if they are upset; to share and play with other children; and to listen and follow directions. All these signs indicate positive early social and emotional development. The healthy social and emotional development of babies and young children depends upon their ability to manage their feelings, develop trust with others, and learn about the world in which they live.

Due to biological, relationship-based, and/or environmental risk factors, some young children do not develop healthy social and emotional skills and can experience mental health problems. As early as the first year of life, some infants demonstrate significant behavioral or emotional problems—this may be evidenced by poor weight gain; slow growth; recurrent vomiting; constipation; overall delayed development; inconsolable crying; excessive biting; kicking and hitting; flat affect (no expression, no emotions); feeding and sleep problems. Older toddlers and preschoolers may demonstrate aggressive or impulsive behavior, defiance and overactivity. In addition, young children can experience depression, grief, and disorganization in response to trauma, maltreatment and loss.[20]

How to Enhance Children's Healthy Social and Emotional Development

Approaches to improving early childhood social and emotional development include integrating three main components: promotion, prevention and treatment. **Promotion** of healthy social and emotional development focuses on promoting well-being among all children. **Prevention** services are aimed at children who are at-risk for mental health disorders. **Treatment** involves specialized services that address identified problems. These strategies can be adopted individually or as part of a continuum of services.

Behaviors that Warrant Concern

Infants and Toddlers (birth to age 3)[21]

- Chronic feeding or sleeping difficulties
- Inconsolable "fussiness" or irritability
- Incessant crying with little ability to be consoled
- Extreme upset when left with another adult
- Inability to adapt to new situations
- Easily startled or alarmed by routine events
- Inability to establish relationships with other children or adults
- Excessive hitting, biting and pushing of other children or very withdrawn behavior
- Flat affect

Preschoolers (ages 3 to 5)[22]

- Engages in compulsive activities (e.g., head banging)
- Throws wild, despairing tantrums
- Withdrawn; shows little interest in social interaction
- Displays repeated aggressive or impulsive behavior
- Difficulty playing with others
- Little or no communication; lack of language
- Loss of earlier developmental achievements

Strategies in Brief

Promotion services, aimed at maintaining social and emotional well-being, benefit all young children and their families. A promotion strategy might involve a public awareness campaign and/or the use of home visiting or family support programs to educate parents and other primary caregivers (e.g., child care and health care providers) about the key role they can play in creating and maintaining healthy relationships, environments and experiences.

A **prevention** approach is targeted toward children who are at risk of poor developmental outcomes. Prevention approaches, aimed to reduce the risk of mental health problems through early identification and intervention strategies, might include screening for social and emotional development. Screening can be provided through child care settings, pediatric offices, family resource centers, home visiting programs, comprehensive child development programs, and child abuse prevention programs. Prevention services may specifically address areas such as environmental toxins (exposure to mercury and lead), focus on improving the quality of infant and toddler child care, or focus on reducing violence in the community and domestic violence.

Treatment offers targeted and individualized attention to young children and families who already are exhibiting symptoms of mental health disturbances. This highly specialized level of service requires skilled staff who have advanced training. For example, treatment might include the enrollment of a young child in a therapeutic day care program or child-parent psychotherapy for both the child and parent(s).

Promotion, prevention and treatment strategies may overlap with one another. For example, quality child care may be used to promote positive mental health and, at the same time, prevent poor developmental outcomes.

Promotion

Promoting and maintaining social and emotional well-being in young children requires a universal approach directed at all young children and their families. This involves promoting and maintaining the protective factors that bring about positive self-esteem, good coping skills, and success in school in young children. Meaningful opportunities exist to promote mental wellness among all young children and their families. The interactions caregiving adults have with young children during everyday activities such as bathing or feeding time provide natural opportunities to shape emotional development. For example, a bathing experience offers an opportunity for an adult to support the infant as he or she adapts to the experience. Through these experiences, caregivers have an opportunity to create and maintain healthy relationships, environments and experiences that allow children to grow and prosper.

Ensuring that all young children are mentally healthy requires that the adults who provide early care understand what social and emotional development is and what they can do to support it. Parents and other caregiving adults—such as a child care provider or primary health care provider—can learn to understand the social and emotional milestones of early development. Such knowledge would help caregivers develop a sense of what to expect from emotional development, distinguish between typical development and behaviors that warrant attention, and know how to obtain help for suspected problems. For example, caregivers could benefit from public service announcements, brochures, presentations at professional conferences, and parent education workshops.

There are a variety of programs that can be considered in the context of how they promote the parent-child relationship, including home visiting, welfare, and family leave policies. For example, the use of home visiting programs has been an effective strategy for offering information, guidance, and emotional and practical support directly to families in their homes. These programs promote healthy development of the family in a number of ways, including teaching parents about early development, enhancing parent-child relationships, and increasing families' appropriate use of community resources. Family support programs also can promote healthy development. Such programs may help families remove the barriers to food security, quality housing, or father involvement. The Parent Services Project (PSP), for example, has been used to help educate parents and child care staff about the mental health needs of young children and families.[23] PSP uses parenting education classes, workshops, peer support groups and family activities, and information and referral services to create social support networks for all families.

Prevention

Prevention strategies are targeted to those children who are identified as being at-risk of poor mental health outcomes. Supporting early social-emotional prevention approaches can help prevent traumatic life experiences—such as domestic violence and abuse and neglect—from interfering with a child's healthy development. If undetected, traumatic experiences can interact with a child's unfolding developmental processes and pose risks for mental health disorders and other poor developmental outcomes.[24] Research shows that abused and neglected children who do not receive professional attention experience higher rates of arrest for both juvenile and adult criminal behavior highlighting the importance of early prevention efforts.[25] Prevention efforts can help young children understand and process the traumatic events they have experienced to help diminish future risks.[26] Prevention efforts also may help to reduce feelings of anxiety and

fear among young children who may not feel safe or worry about safety and security. These efforts can help military families, for example, that are subject to challenges from deployment and separation, relieve the stress of anxiety and uncertainty.

For children who are at risk of poor mental health outcomes, high-quality child care programs can serve as a prevention approach and can promote healthy social and emotional development. These child care arrangements include family, friends and neighbors; family child care homes; and center-based child care. Research demonstrates that the quality of child care affects the social and emotional development of young children. High-quality programs, which offer children emotional nurturance and positive early learning experiences, enhance development and prepare children for school.

To achieve high-quality child care, research shows that certain key elements make a difference. These elements include well-trained caregivers, adequate compensation to encourage recruitment and retention of staff, low staff–child ratios, and parent involvement. Such elements not only promote strong, secure relationships and high-quality interactions between caregiver and child, but also improve attention to children's interest in problem solving, language development, social skills and physical development. Studies show that high-quality programs can even reduce risk factors for young children by mitigating the effects of poverty and maternal depression.[27] Conversely, low-quality programs have been shown to jeopardize the healthy development of young children.[28] A study by the National Institute of Child Health and Human Development (NICHD) found that a majority of child care settings in the United States are not providing positive caregiving, which translates into lost opportunities to mitigate other risk factors and creates limited or even harmful environments.[29]

A number of current federal and state prevention programs aim to support early childhood development. Lawmakers can coordinate initiatives aimed at early childhood social and emotional development with programs that deliver services to families, such as Medicaid's Early and Periodic Screening Diagnosis and Treatment services (EPSDT); Part B and Part C under the Individuals with Disabilities Education Act (IDEA); child care; Head Start/Early Head Start; the Special Supplemental Nutrition Program for Women, Infants and Children (WIC); and home visiting programs. Both the child care subsidy program (Child Care and Development Fund) and Head Start can be used to provide mental health consultation and training for staff to improve the quality of classroom environments and interactions with children with behavioral difficulties.[30] On-site early childhood mental health consultants can develop a continuum of interventions—from classroom-focused interventions that target all children, to more intensive classroom and home-based interventions for more high-risk young children, to referrals for those children who need more specialized services.[31] Other efforts to coordinate early childhood mental health services could involve maternal and child health and community mental health. In addition, new requirements in the Child Abuse Prevention and Treatment Act (CAPTA) and the Individuals with Disabilities Education Act call on states to develop provisions and procedures for referral of children under the age of three who have a substantiated case of abuse or neglect to Part C of IDEA for assessment and treatment as needed.

Major Federal Programs and Funding Streams that States Can Draw on to Support Early Childhood Mental Health[32]

- Medicaid
- Early and Periodic Screening, Diagnosis, and Treatment (EPSDT)
- Head Start and Early Head Start
- Part B of IDEA: Preschool Special Education Program
- Part C of IDEA: Early Intervention
- Child Care and Development Fund (CCDF)
- Title V Maternal and Child Health Services Block Grant

Prevention approaches also can build on already established practices in early childhood settings such as primary health care. For example, routine developmental screenings, that already are already part of most well-child visits in primary health care, could include a social-emotional screening component. High-quality screening tools also can screen mothers and fathers for mental health problems such as depression, which may interfere with healthy infant and early childhood social and emotional development.[33]

Treatment

Providing early childhood mental health services involves identifying children and families who are in need of intervention. Although signs and symptoms of early social and emotional issues are not always as obvious in babies and very young children as they are in adults or older children, skilled providers can accurately screen, diagnose and treat mental health disorders in infancy and early childhood before they affect other areas of learning and development. Diagnosing mental health disorders in very young children requires highly trained specialists who are skilled in working with children and their families.[34]

Once a child is identified and diagnosed, various treatments are available to the young child and family. Treatment may be geared specifically toward a young child with mental health problems. Therapeutic day care programs, for example, may focus on helping young children succeed in both adult and peer relationships. Preschool inclusion programs may provide both early childhood special education and the positive behavioral support that young children with disabilities or developmental delays need. Methods of intervention also may involve caregivers, helping them to better understand a young child's mental health needs. Dyadic therapy, for instance, involves therapy for both child and parent together and may help a parent understand how to help a child regulate her emotions (e.g., tantrums and rages) and learn to verbally express his or her feelings.

Barriers to Implementing Early Childhood Mental Health Services

A number of barriers exist to implementing effective services. One is the lack of a skilled workforce—the professionals necessary to conduct the screening, diagnosis and treatment of mental health problems in young children. The president's New Freedom Commission on Mental Health recognizes this gap and calls for a trained workforce to meet mental health needs.[35] Psychologists, psychiatrists and other mental health therapists are needed to respond to the shortage but, to be effective, will need training in early childhood development.

Lack of training also creates a serious barrier for other early childhood professionals who are in a position to support early childhood mental health. These professionals—such as primary health care providers, home visitors, early interventionists and child care providers—seldom receive training in their role to support infant and early childhood mental health. A survey of unmet needs in the Illinois early care and education system, for example, revealed that 62 percent of programs reported inadequate mental health resources; these programs identified the lack of availability of trained mental health providers as one of the three areas of greatest unmet need.[36]

In addition, significant structural barriers exist to providing services. These include barriers to provider reimbursement and difficulties experienced by primary health care providers in submitting payment claims. One strong vehicle for addressing early childhood development is

the federal Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services under the Medicaid program, which was designed to provide and finance early childhood mental health prevention, diagnostic and treatment services. Although EPSDT can be effective for funding treatment of diagnosed conditions, the requirement for services to be "medically necessary" may be interpreted by states to serve only those children with a serious emotional disturbance, rather than also to serve those children in need of preventive services. In addition, reliance on adult-based diagnostic tools or tools without an early childhood mental health focus is ineffective for young children who are at risk of a mental health disturbance. Payment policies based on those tools discourage treatment of young children.

Providing preventive services can be simplified by removing the barriers practitioners face to receiving reimbursement, eliminating administrative hurdles such as expanding the state Medicaid definition of "medically necessary" to include children who are at risk of poor development, and improving how state Medicaid agencies process billing codes and payment claims for young children's mental health.

What Can State Policymakers Do to Promote Healthy Social and Emotional Development and Address Early Childhood Mental Health?

State policymakers can take steps to improve early childhood mental health and provide a framework for comprehensive early childhood mental health services. The following policy recommendations and examples of state and community strategies are designed to help state policymakers meet the needs of infants, toddlers and young children by preventing problems before they result in more expensive long-term social liabilities.

Promoting Early Childhood Social and Emotional Development

Develop initiatives to increase understanding of early childhood social and emotional development

Parents and members of the general public seek informational resources to help them understand the importance of early childhood mental health, early indicators of risk and mental health disorders, and ways parents and other caregivers can support early social and emotional development. State policymakers can support efforts to ensure that a wide variety of materials about early social-emotional development—brochures, fact sheets, posters and online tools—are available to parents. Possible topics for parents might include creating and maintaining healthy relationships, recognizing both resilience and vulnerability, tuning into the temperament and interactional style of your baby, helping babies express and regulate their emotions, and ways to access early childhood mental health resources and services.

Public awareness is critical to the improved well-being of young children because parents and caregivers can gain greater skill in understanding the developmental needs and milestones in children's lives and how to support them. Programs can provide specific information about where families can go for help. Primary health care professionals and programs of early care and education, maternal and child health, and family support can serve as vehicles to provide direct outreach and education to members of the community. These partners can play an important

role in disseminating educational materials (brochures, posters, etc.) to the community at large and the families they serve. Broader outreach and educational efforts also might be cultivated through state agencies such as the state department of health or state department of education, professional organizations, state child advocacy organizations, and the media.

State legislators can pass a resolution declaring an "Early Childhood Mental Health Month" and support public education initiatives in their home districts that distribute parent education materials to schools, libraries, WIC and public health clinics, parks and recreation departments, welfare offices, public utility offices, child welfare offices, and public housing units.

Example: Wisconsin's Think Big, Start Small. Wisconsin's statewide public awareness campaign, "Think Big, Start Small," is designed to increase public awareness and raise the visibility of early childhood, including infant mental health. A brochure was developed to reinforce several messages, including "learning begins at birth" and "opportunities that we provide to children today to shape who they will become tomorrow." Wisconsin also developed an Infant and Early Childhood Mental Health Plan, a blueprint of early childhood mental health principles for a comprehensive system of care. The plan provides guidance on promoting the healthy social and emotional development of all young children and families, providing preventive services to children and families who are at risk of developing mental disorders, and supplying specialized treatment for those in need of intensive services. The governor has committed to implementing the Infant and Early Childhood Mental Health Plan.[37]

Integrate social and emotional development into existing services

If coordination occurs among early childhood state agencies and programs, agency and program staff can ensure that they meet the full range of early childhood mental health needs: promotion, prevention and treatment. Agencies and programs may include, but are not limited to, mental/behavioral health, Part C Early Intervention, child care, Head Start, Early Head Start, child welfare, Medicaid, and maternal and child health.

State policymakers can promote coordination among early childhood state agencies and programs. One strategy is to create a state/community strategic plan for developing a comprehensive early childhood mental health system. The plan would include collaboration across agencies plus professional development/training, policies and financing. State legislators could:

- Ensure that state-level coordinating groups such as the State Interagency Coordinating Council for Part C, the child care agency, and the Head Start Collaboration Project build mental health capacity in their systems. Request annual reports on efforts and progress made; the effect on referrals, services and outcomes; and increases in availability of early childhood mental health services.

- Ensure the State Children's Health Insurance Programs (SCHIP); Medicaid; Early and Periodic Screening; Diagnosis and Treatment (EPSDT); IDEA Part C and PartB/619 Pre-school Special Education; and private insurance provide adequate coverage for early childhood mental health screening, diagnosis and treatment (including treatment of parents and children together).

- Require the state mental health agency to participate in the state Part C Interagency Coordinating Council to ensure coordination across early childhood systems. In ad-

dition, support the participation of local level agencies, particularly in states where the local authority for mental health services is at the county or city level.

- Use current systems and funding streams to expand capacity to support early childhood social and emotional development. Initiatives could focus on promoting healthy development through Medicaid, support parent education through Early Head Start/ Head Start or pediatricians, and provide training and professional development to early childhood programs and agencies. States can use federal funds to expand capacity. For example, Kansas expanded Early Head Start programs in the state by committing significant state funds and Temporary Assistance for Needy Families (TANF) funds.

Example: The Vermont CUPS Program. **Vermont's** Children's Upstream Services (CUPS), a statewide initiative that makes social and emotional health a priority, has guided interagency collaboration at the state and local levels by working with several state early childhood serving agencies and programs including Part C Early Intervention, home visiting, Medicaid and child care. Initially supported by a federal demonstration grant, the governor created a line item to sustain the work of this initiative, and the legislature has allocated state general funds (to be matched with Medicaid and/or Title IV-E funds) to continue this work. The initiative provided direct mental health services for approximately 500 new families per year with children between birth and age 6 who are experiencing or are at risk of experiencing serious emotional disturbance; more than 1,300 consultations per year for early care and education programs to enhance their ability to meet the social, emotional and behavioral needs of the children they serve; more than 200 interagency trainings per year on early childhood mental health for parents and direct service providers from mental health, health, early care and education, and related fields.[38] Early childhood programs are working together to ensure coordinated services for families and avoid unnecessary duplication.

Preventing Mental Health Disorders or Their Consequences

Fully implement federal referral requirements under the Child Abuse Prevention and Treatment Act of 2003 (CAPTA) and the Individuals with Disabilities Education Act (IDEA) Part C Reauthorization of 2004

A prevention and intervention approach can target the most vulnerable—young children who have been maltreated. These children may show signs of delayed social-emotional development, language acquisition, cognition and behavior. Infants and toddlers in foster care have rates of developmental delay approximately four to five times greater than those found among children in the general population.[39] To address developmental delays and disabilities early, new CAPTA and IDEA provisions require states to develop provisions and procedures for referral of a child under age 3 who is involved in a substantiated case of child abuse and neglect to Part C of IDEA

State legislators can direct the State Interagency Coordinating Council for Part C to create procedures for CAPTA and IDEA referrals; establish a legislative task force to examine the scope and possible strategies to address the problem; fund a pilot study to determine an appropriate referral and data-sharing process; and require the creation of interagency agreements among all appropriate state agencies to fully implement the federal requirements.

Example: Massachusetts Early Childhood Linkage Initiative. The Massachusetts Early Childhood Linkage Initiative (MECLI), is designed to establish a formal link between the child welfare system and Part C Early Intervention. The objective of MECLI is to maximize early identification and intervention for young children who are at heightened risk for serious developmental problems. Current policy requires the child welfare system to refer to the Part C system all children under age 3 who have a newly opened abuse or neglect case. In the future, the policy could expand to require additional agencies to make referrals to Part C, including the welfare system (especially families that are reaching TANF time limits) and the child care system (especially for children who are expelled from child care).[40] Seventy-five percent of MECLI-referred children with completed evaluations have been found to be eligible for early intervention services. Sixty-nine percent of MECLI-referred children who were found eligible for Early Intervention have developmental delays, which suggests that the MECLI pilot program is acting as an expanded form of "child find" rather than introducing a new population to Early Intervention.[41] Massachusetts supplements federal funds for Early Intervention services with Medicaid funds, private insurance, state funds, and sliding scale fees for parents. This Child Welfare to Early Intervention referral demonstration project is funded by the U.S. Department of Health and Human Services, Administration for Children and Families, Children's Bureau, and several foundation grants.

Provide mental health consultation to early childhood programs to address challenging behaviors

One effective way to reach young children and their families is through early childhood providers who have direct contact with them. Families with children may have contact with one or more current programs or settings such as child care settings, Part C early intervention programs, home visiting programs, Head Start and other preschool programs, and their pediatrician's office. These settings provide learning environments that can support healthy social and emotional development. By providing mental health consultation and training in these various settings, staff can prevent behavioral problems, support relationships with families, and identify early warning signs of mental health disorders.

Example: Kentucky Kids Now. One component of Kentucky's early childhood initiative, *Kids Now*, provides mental health consultation and educational services to child care providers who serve young children with mental health needs. Funded through a portion of the state's tobacco settlement funds, *Kids Now* provides assessments for young children between birth and age 5 with mental health needs, therapeutic treatment services (e.g., family therapy) for their families, and consultation and education services to child care program staff who serve this population. One goal of the initiative is to prevent young children and families from being expelled from early care and education settings due to problem behaviors. Recent data showed that of the 108 children identified as being "at risk" for expulsion, 95 were maintained in the program—a success rate of 88 percent.[42]

Expand early identification approaches

Many mental health disorders begin in the early years and can be identified and treated before they affect other areas of learning and development. The use of high-quality, developmentally appropriate screening and assessment tools for infants and toddlers are necessary to enable providers to identify need and provide effective interventions for young children and parents. Autism, for example, typically begins in early childhood and impairs thinking, feeling, language

and social interaction. The use of reliable screening tools, however, has made the early diagnosis of autism possible as early as age 2.[43]

State legislators and other policymakers can:

- Require insurance contracts, HMO contracts and Medicaid contracts to include coverage for developmental and behavioral screening;
- Improve financing by allowing mental health providers to bill for prevention and early intervention services in addition to treatment services;
- Direct state agencies and their contractors or vendors to use high-quality screening tools and developmentally appropriate diagnostic tools; and
- Require Medicaid and State Child Health Insurance (SCHIP) reimbursement to use targeted diagnostic tools such as DC:0-3R for young children.

Example: North Carolina's Screening System. **North Carolina** improved the early identification of early childhood mental health disorders by improving screening procedures that are conducted at the pediatrician's office. The procedure, rolled into an easy-to-use Office Resource Guide, is used during well-child visits and includes standard use of the Ages and Stages Questionnaire (ASQ) screening tool. Information gathered from the screening process was followed up with care management, referrals (if necessary), and information sent to parents about their children's growth and development. North Carolina also formed a state advisory group to identify changes needed to improve state policies and reimbursement mechanisms.[44] North Carolina's state Medicaid agency updated its state regulations to expand social and emotional screening to the pediatric setting.[45]

Invest in family mental health services and supports

The emotional wellness of parents plays a significant role in the mental health of their children. Parents with positive mental health are better able to foster a healthy parent-child relationship than those with mental health disturbances. The absence of a healthy, strong, emotional bond between parent and child poses a great risk to a child's development, especially if another consistent and sensitive caregiving adult is unavailable to mitigate this risk. Family mental health disturbances may include maternal depression, anxiety disorders, substance abuse and family violence. Each disrupts parenting and interferes with a parent's ability and availability to nurture a child's social and emotional development. State policymakers can consider family mental health in the context of the goal of improving both child and adult outcomes. For example, policymakers can target services to pregnant women and new mothers to identify and treat maternal depression. In addition, policymakers could support the treatment of parents and infants together (called dyadic therapy) by expanding definitions in the state's Medicaid state plan.

Example: Illinois Maternal Depression Focus. **Illinois** is working to improve maternal and child health outcomes by improving the early identification, screening, referral and treatment of maternal depression. The state provides reimbursement to health care providers who conduct risk screening during pregnancy and after delivery; offers training workshops designed for primary health care practitioners on how to recognize, assess, screen and treat perinatal depression; and funds a clinical consultation line where professionals from the health care setting can call psychiatrists to tap their expertise on maternal depression. Psychiatrists provide expertise on treating patients with depressive symptoms during pregnancy and postpartum. In addition, consultants provide on-site assistance in implementing screening, assessment and treatment programs.[46]

Treating Early Childhood Mental Health Disorders

Provide specialized treatment to children who are affected by child abuse, substance abuse and domestic violence

Children who are affected by maltreatment, substance abuse or domestic violence are extremely vulnerable to mental health problems. For example, research indicates that when infants and toddlers are exposed to violence and trauma—either through witnessing domestic violence in their homes or experiencing abuse and neglect—their very sense of basic trust is threatened.[47] Many of these children exhibit signs of traumatic stress, including withdrawn behavior, fearfulness, anxiety, aggression, disorganization and sadness.[48] State legislators could ensure that children affected by child abuse, substance abuse and domestic violence receive priority for mental health services; develop an effective system for referral and follow-up; fund mental health services for young children and families involved in child welfare, early intervention, and drug/alcohol addiction services; or require the state mental health systems of care to include early childhood/family mental health objectives.

Example: Florida Young Children's Mental Health Pilot. The Florida Legislature funded the Infant and Young Children's Mental Health Pilot Site in Florida's Miami-Dade Juvenile Court to address the well-being of infants, toddlers and their families who are at risk of involvement in the child welfare system. All infants, toddlers and their mothers who come to the attention of the court receive screening and assessment services. Babies are screened for developmental delays and referred for services. An Early Head Start program, the first designed specifically to meet the needs of maltreated children, is connected to the Court. A parent-infant psychotherapy intervention is available to a select number of mothers. Three years of data from this court-directed therapeutic intervention show substantial gains for babies and families who are seen in the Miami-Dade Juvenile Court. Following treatment, reports of abuse or neglect were reduced from 97 percent of children to 0 percent. Upon completion of the pilot project, 100 percent of infants were reunified with their families.[49] The success of the work in Miami-Dade County has led to new federally funded pilot projects in Fort Bend County, Texas, Hattiesburg, Mississippi, and Des Moines, Iowa.

Expand the number of mental health clinicians who are trained to address early childhood mental health issues

The quality of a service system depends upon the individuals who deliver the services. The gap in the number of trained clinicians is a barrier to improving the system of treatment for young children. Training clinicians includes addressing recruitment, continuing education, and retention of these professionals and a credentialing process to ensure that clinicians have the specialized skills necessary to meet infant-family mental health needs.

State legislators and policymakers can review the availability of early childhood mental health training programs in colleges and universities in the state; create special training projects in higher education to recruit and graduate mental health clinicians, including those who are bilingual; include early childhood mental health in agency professional development initiatives; review licensure and certification requirements to ensure that they do not create barriers; and work with state mental health associations to identify training needs and strategies.

Example: Ohio Informatic[illegible] and Training. The Ohio legislature has made "enabling every child to succeed" a state priority. The General Assembly directed the Department of Mental Health to ensure that mental health clinicians, early childhood professionals, local mental health administrators, and parents receive training and information about how to support the healthy social and emotional development of young children from birth to age 6. Training was made available to mental health professionals who were then able to serve as consultants to an array of early childhood programs, including Help Me Grow (Part C Early Intervention program), Early Head Start, Head Start, child care and preschools. Funds also were used to pay for the training of center- and home-based early childhood providers and parents to enhance caregiving skills. Since 2003, statewide training sessions have been provided to more than 200 mental health and early childhood professionals to develop consultation skills. Nearly 2,500 educational sessions have been provided to approximately 1,500 parents and 3,000 early childhood staff. Almost 300 cross-system trainings have been provided to 1,861 participants.[50]

Conclusion

During the first years of life, babies and young children acquire the skills that are necessary for healthy growth and development, setting the stage for later success in school and life. These skills are acquired in the context of relationships with family members as well as with other important caregivers. Children need nurturing, responsive and loving care to inspire their initiative, curiosity and hunger to learn. They also need help from their parents and well-trained professionals when they are struggling.

State policymakers have a unique opportunity to have a significant, lasting effect on young children's successful development by supporting effective policies and programs designed to support healthy social-emotional development. As school readiness continues to be a crucial issue for policymakers, there are opportunities to implement effective policies that improve social and emotional development in very young children. Effective approaches include promoting greater awareness of social and emotional development, implementing effective prevention and intervention approaches, and ensuring high-quality treatment. By building the social and emotional foundations for school readiness, state policymakers can ensure that young children are fully equipped for success in school and in life.

Additional Resources for State Policymakers

Building a Coordinated System of Early Childhood Mental Health

Florida's Strategic Plan for Infant Mental Health—A document that establishes an action plan to develop a system of mental health services for young children and their families in Florida; www.fsu.edu/~cpeip/IMHplan.pdf.

Project Bloom—A Colorado initiative designed to weave mental health service delivery into early childhood supports and services and improve system infrastructure to establish a system of care for all children; www.projectbloom.org.

Wisconsin Infant and Early Childhood Mental Health Plan—Presents a blueprint for a comprehensive system of care that includes prevention, early intervention and treatment; www.wiimh.org/documents/PLAN.pdf.

Financing Early Childhood Mental Health

Bazelon Center for Mental Health Law. *Mix and Match: Using Federal Programs to Support Interagency Systems of Care for Children with Mental Health Care Needs.* Washington, D.C.: Bazelon Center, 2003. Available at www.bazelon.org/issues/children/publications/mixmatch/matrix.htm.

Johnson, K.; J. Knitzer; and R. Kaufmann. *Making Dollars Follow Sense: Financing Early Childhood Mental Health Services to Promote Healthy Social and Emotional Development in Young Children.* New York: National Center for Children in Poverty, 2002. Available at www.nccp.org/pub_pew02d.html.

Information about Screening, Assessment, and Diagnostic Tools

Early Head Start National Resource Center @ ZERO TO THREE—Provides a description of several early childhood screening and assessment tools; www.ehsnrc.org/Information/Resources/Resourcearticles/ftscreen.htm.

ZERO TO THREE: National Center for Infants, and Toddlers, and Families—a developmentally based approach to the classification of mental health and developmental difficulties in the first four years of life in *Diagnostic Classification of Mental Health and Developmental Disorders of Infancy and Early Childhood Revised Edition DC:0-3R);* www.zerotothree.org/imh.

U.S. Department of Health and Human Services, Center for Disease Control and Prevention, National Center on Birth Defects and Developmental Disabilities; www.cdc.gov/ncbddd/autism/actearly.

Key Measurement Issues in Screening, Referral, and Follow-Up Care for Young Children's Social and Emotional Development; www.nashp.org/Files/measurement_paper_for_web_final_4.7.05.pdf.

National Organizations

ZERO TO THREE: National Center for Infants, Toddlers, and Families—national organization that promotes the healthy development of infants and toddlers by supporting and strengthening families, communities and those who work on their behalf, including parents, programs, professionals and policymakers; www.zerotothree.org. See also Policy Center site for policy briefs on infant mental health, www.zerotothree.org/policy.

Georgetown University Center for Child and Human Development: National Technical Assistance Center for Children's Mental Health—National organization that helps states, tribes, territories and communities discover, apply and sustain collaborative solutions that improve the social, emotional and behavioral well being of children and families; http://gucchd.georgetown.edu/programs/ta_center/index.html.

National Academy for State Health Policy—National organization dedicated to helping states achieve excellence in health policy and practice; www.nashp.org.

National Center for Children in Poverty—National research and policy organization that identifies and promotes strategies that prevent child poverty and improve the lives of low-income children and families; www.nccp.org.

National Child Traumatic Stress Network—Develops treatment for infants, toddlers and preschool-aged children who have been exposed to trauma either in their families or by witnessing violence in their communities; www.nctsnet.org/nccts/nav.do?pid=hom_main.

National Conference of State Legislatures—Bipartisan organization that serves the legislators and staffs of the nation's 50 states, its commonwealths and territories. NCSL provides research, technical assistance, and opportunities for policymakers to exchange ideas on the most pressing state issues; www.ncsl.org.

National Mental Health Association—National organization that works to improve the mental health of all Americans through advocacy, education, research and service; www.nmha.org.

National Scientific Council on the Developing Child—A council of interdisciplinary scientists that seeks to enhance the early development of children through the design and implementation of effective public and private policies and programs; www.developingchild.net.

Notes

1. J. Shonkoff and D. Phillips, eds., *From Neurons to Neighborhoods: The Science of Early Childhood Development* (Washington, D.C.: National Research Council and Institute of Medicine, National Academy Press, 2000).

2. National Scientific Council on the Developing Child, *Children's Emotional Development is Built into the Architecture of their Brain, Working Paper No. 2,* Winter 2004, accessed on June 16, 2005, at www.developingchild.net/reports.shtml.

3. R. Parlakian, *Before the ABCs: Promoting School Readiness in Infants and Toddlers* (Washington, D.C.: ZERO TO THREE, 2003).

4. Carnegie Task Force on Meeting the Needs of Young Children, *Starting Points: Meeting the Needs of Our Youngest Children* (New York, N.Y.: Carnegie Corporation of New York, 1994).

5. P. Zeanah, B. Stafford, G. Nagle, and T. Rice, *Addressing Social-Emotional and Infant Mental Health in Early Childhood Systems,* Building State Early Childhood Comprehensive Systems Series, no. 12 (Los Angeles, Calif.: National Center for Infant and Early Childhood Health Policy, 2005).

6. B. McEwen, "The Neurobiology of Stress: From Serendipity to Clinical Relevance," *Brain Research* 886, (2000): 172-189.

7. J. Shonkoff and D. Phillips, *From Neurons to Neighborhoods.*

8. R. Thompson, "Development in the First Years of Life," *The Future of Children* 11, no. 1 (2001): 21-32.

9. M. O'Hara, *Postpartum Depression: Causes and Consequences* (New York, N.Y.: Springer-Verlag Inc., 1994).

10. Early Head Start Evaluation and Research Project, *Research to Practice: Depression in the Lives of Early Head Start Families* (Washington, D.C.: U.S. Department of Health and Human Services, Administration for Children and Families, January 2003).

11. ZERO TO THREE, *Heart Start: The Emotional Foundations of School Readiness* (Washington, D.C.: ZERO TO THREE, 1992).

12. C. Raver, "Emotions Matter: Making the Case for the Role of Young Children's Emotional Development for Early School Readiness," *Social Policy Report of the Society for Research in Child Development* 16, no. 1 (2002): 3-23.

13. J. Currie, "Health Disparities and Gaps in School Readiness," *The Future of Children* 15, no. 1 (2005): 117-138.

14. J. Knitzer, *Using Mental Health Strategies to Move the Early Childhood Agenda and Promote School Readiness* (New York, N.Y.: National Center for Children in Poverty and Carnegie Corporation of New York 2000).

15. W. Gilliam, *Prekindergarteners Left Behind: Expulsion Rates in State Prekindergarten Systems* (New Haven, Conn.: Yale University Child Study Center, 2005).

16. P. Carneiro and J. Heckman, "Inequality in America: What Role for Human Capital Policies?" in *Human Capital Policy,* eds. J. Heckman and A. Krueger (Cambridge, Mass.: MIT Press, 2003).

17. J. Heckman and D. Masterov, *The Productivity Argument for Investing in Young Children,* Invest in Kids Working Group Working Paper No. 5 (Washington, D.C.: Committee for Economic Development, 2004). Accessed on February 20, 2005 at www.ced.org/docs/report/report_ivk_heckman_2004.pdf.

18. Ibid.

19. R. Weissbourd, *The Vulnerable Child: What Really Hurts America's Children and What We Can Do About It* (Reading, Mass.: Perseus. 1996).

20. P. Zeanah, B. Stafford, G. Nagle, and T. Rice, *Addressing Social-Emotional and Infant Mental Health in Early Childhood Systems.*

21. ZERO TO THREE, *Diagnostic classification of mental health and developmental disorders of infancy and early childhood: Revised edition (DC:0-3R).* Washington, D.C.: ZERO TO THREE Press, 2005.

22. Task Force on Research Diagnostic Criteria: Infancy and Preschool. "Research diagnostic criteria for infants and preschool children: The process and empirical support." *Journal of the American Academy of Child and Adolescent Psychiatry* 42, no. 12 (2003), 1504-1512.

23. For more information about the Parent Services Project, see www.parentservices.org/.

24. D. Cichetti and D. Cohen, *Manual of Developmental Psychopathology.* (New York, N.Y.: Wiley, 1995); J. Osofsky and M. Scheeringa, "Community and Domestic Violence Exposure: Effects on Development and Psychopathology," in *Rochester Symposium on Developmental Psychopathology,* Vol. 8, eds. D. Cicchetti and S. Toth, *Developmental Perspectives on Trauma: Theory, Research, and Intervention* (Rochester, N.Y.: University of Rochester Press, 1997): 155-180.

25. C. Widom and M. Maxfield, *An update on the "Cycle of Violence,"* Research in Brief (Washington, D.C.: U.S. Department of Justice, 2001).

26. B. McAlister Groves and B. Zuckerman, "Interventions with Parents and Caregivers of Children Who are Exposed to Violence," in *Children in a Violent Society,* ed. J. Osofsky (New York and London: Guilford Press, 1997): 83-201.

27. NICHD Early Child Care Research Network, "Mother–Child Interaction and Cognitive Outcomes Associated with Early Child Care: Results from the NICHD Study," (poster symposium presented at the Biennial Meeting of the Society of Research in Child Development, Washington D.C., April 1997).

28. Ibid.

29. NICHD Early Child Care Research Network, "Characteristics and Quality of Child Care for Toddlers and Preschoolers," *Applied Developmental Science* 4, no. 3 (2000): 116-135.

30. P. Zeanah, B. Stafford, G. Nagle, and T. Rice, *Addressing Social-Emotional and Infant Mental Health in Early Childhood Systems.*

31. C. Raver and J. Knitzer, *Ready to Enter: What Research Tells Policymakers about Strategies to Promote Social and Emotional School Readiness Among Three- and Four-Year-Old Children* (New York, N.Y.: National Center for Children in Poverty, 2002).

32. K. Johnson, J. Knitzer, and R. Kaufman, *Making Dollars Follow Sense: Financing Early Childhood Mental Health Services to Promote Healthy Social and Emotional Development in Young Children* (New York, N.Y.: National Center for Children in Poverty, 2002).

33. Screening for social and emotional development in young children can be done using widely available tools such as the "Ages and Stages SE (Social Emotional) Questionnaire" (ASQ-SE). This screening instrument can be completed by parents in about 15 minutes on paper or in an interview. The ASQ-SE screens for several areas of development including self-regulation, communication, autonomy and coping. The "Brief Infant/Toddler Social Emotional Assessment" (BITSEA) also can be completed quickly (in 10 to 15 minutes) and looks at problem-solving competence.

34. Professionals utilizing the Diagnostic Classification of Mental Health and Developmental Disorders of Infancy and Early Childhood, Revised (DC:0-3R) take into account the multiple dimensions of a child's/family's development: the child's presenting symptoms, the child's chronological and developmental age and medical conditions; family relationships and stressors in the home environment; and the child's current emotional functioning (e.g., how he or she responds and reacts to transitions, separations, etc.).

35. New Freedom Commission on Mental Health, *Achieving the Promise: Transforming Mental Health Care in America* (SMA-03-3832) (Rockville, Md.: U.S. Department of Health and Human Services, 2003).

36. A. Cutler and L. Gilkerson, *Unmet Needs Project: A Research, Coalition Building and Policy Initiative on the Unmet Needs of Infants, Toddlers and Families* (Chicago, Ill.: University of Illinois at Chicago and Erikson Institute, 2002).

37. For more information about Wisconsin's early childhood mental health services, see www.wiimh.org/.

38. For more information about Vermont's early childhood mental health services, go to http://www.mentalhealth.samhsa.gov/databases/databases_exe.asp?D1=VT&Type=CMHS.

39. S. Dicker and E. Gordon, "Connecting Healthy Development and Permanency: A Pivotal Role for Child Welfare Professionals," *Permanency Planning Today* 1, no. 1 (2000): 12-15.

40. Family and Child Policy Center, *The Heller School Takes Lead on Early Intervention*, 2002. Accessed on January 15, 2005, at http://my.brandeis.edu/news/item?news_item_id=100946.

41. Ibid.

42. For more information about Kentucky's early childhood mental health services, see http://mhmr.ky.gov/mhsas/early%20childhood%20MH.asp.

43. W. Stone, E. Coonrod, and O. Ousley, "Screening Tool for Autism in Two-Year-Olds (STAT): Development and Preliminary Data," *Journal of Autism and Developmental Disorders* 30, no. 6 (2000): 607-12.

44. H. Pelletier and M. Abrams, *The North Carolina ABCD Project: A New Approach for Providing Development Services in Primary Care Practice* (New York, N.Y.: The Commonwealth Fund, 2002).

45. For information about North Carolina's early childhood mental health services, see www.cmwf.org/usr_doc/pelletier_abcd4stateconsortium_706.pdf.

46. For information about Illinois' early childhood mental health services, see www.dpaillinois.com/mch/112904screening.html.

47. J.D. Osofsky, "The Impact of Violence on Children," *The Future of Children: Domestic Violence and Children* 9, no. 3 (1999): 33-49.

48. J.D. Osofsky, *Young Children and Trauma: Intervention and Treatment* (New York, N.Y.: Guilford Publishers, 2004).

49. For more information about Florida's early childhood mental health services, see www.fsu.edu/~cpeip/EvalGrntFinalRep.pdf.

50. For more information about Ohio's early childhood mental health initiative, see www.pcsao.org and also www.mh.state.oh.us/.

Acknowledgments

The National Conference of State Legislature's (NCSL) Child Care and Early Education Project produced this report in collaboration with ZERO TO THREE. Thanks go to ZERO TO THREE board member Kathryn Barnard and to members of the ZERO TO THREE Board of Directors Policy Task Force for their time and advice: Ronald Lally, Sheila Kamerman, Harriet Meyer, Linda Gilkerson, Mickey Segal, and Jack Shonkoff. Thanks also go to members of the ZERO TO THREE staff Infant Mental Health Team for their helpful comments and thoughtful review: Tammy Mann, Kimberly Diamond-Berry, Jennifer Boss, Linda Eggbeer, Emily Fenichel, Cindy Oser, and Nancy Seibel. Finally, thanks to Anne Goldstein and Erica Lurie-Hurvitz from ZERO TO THREE; Steffanie Clothier and Julie Poppe from NCSL; and Luba Lynch of the A.L. Mailman Family Foundation, who provided direction and oversight throughout the project. Leann Stelzer, NCSL, edited and designed the publication. We are grateful to the A.L. Mailman Foundation for its financial support of this report.

ZERO TO THREE's mission is to promote the healthy development of our nation's infants and toddlers by supporting and strengthening families, communities and those who work on their behalf. The organization is dedicated to advancing current knowledge; promoting beneficial policies and practices; communicating research and best practices to a wide variety of audiences; and providing training, technical assistance and leadership development.

The ZERO TO THREE Policy Center is a research-based nonpartisan effort at ZERO TO THREE that is committed to promoting the healthy growth and development of our nation's babies and toddlers and families. The Policy Center brings the voice of babies and toddlers to public policy at the federal, state and community levels by translating scientific research into language that is more accessible to policymakers; cultivating leadership in states and communities; and studying and sharing promising state and community strategies.

NATIONAL CONFERENCE
of STATE LEGISLATURES
The Forum for America's Ideas

National Conference of State Legislatures
William T. Pound, Executive Director

Denver Office
7700 East First Place
Denver, Colorado 80230
(303) 364-7700

Washington, D.C. Office
444 North Capitol Street, N.W., Suite 515
Washington, D.C. 20001
(202) 624-5400

www.ncsl.org

Item #016168
ISBN 1-58024-427-0
Price: $10

National Conference of State Legislatures

LEGISBRIEF

BRIEFING PAPERS ON THE IMPORTANT ISSUES OF THE DAY

MARCH 2006 VOL. 14, NO. 16

New Efforts to Finance Prekindergarten

By Steffanie Clothier

States with limited dollars are investing in prekindergarten.

Legislative momentum for prekindergarten has been dramatic because states that are considering how to make effective investments with limited state dollars are choosing to invest in prekindergarten. In 2005, 26 states expanded state funding for prekindergarten, totaling more than $600 million. State leaders are looking to high-quality early education programs to improve the success of children when they enter school and to reduce the achievement gap.

Legislators are relying on economic research, neuroscience, and numerous short- and long-term studies that show the effectiveness of high-quality early education. Gains for children are found in language, pre-reading and math skills, and in social and emotional skills that leading economists identify as critical to the future U.S. workforce. The skills lead to higher achievement, reduced special education placement and fewer children retained in a grade. Documented long-term benefits include higher rate of graduation from high school, increased earnings and employment, greater participation in college, reduced incarceration, and lower participation in welfare.

Thirteen states and the District of Columbia use the school finance formula to direct funding.

States are approaching funding for prekindergarten in three ways. Thirteen states—Colorado, Kansas, Kentucky, Maine, Michigan, Nebraska, New Jersey, New York, Oklahoma, Texas, Vermont, West Virginia, Wisconsin—and the District of Columbia rely on the school finance formula to direct funding. These states direct funding using the foundation formula with per pupil weighting, categorical funding allocation or competitive grants based on the school funding formula. Funding is distributed to school districts, but many states require or encourage districts to include private providers such as child care centers that meet the quality standards. The inclusion of these providers has been a key component in many states in order to use current capacity to serve 4-year-olds and to meet the needs of working families.

Three Common Ways to Fund Prekindergarten

- Use the school finance formula to direct funding.
- Distribute funds through a formula grant to districts or communities based on certain criteria.
- Use a competitive grant process under which potential providers apply for funding.

A second approach is to distribute funds through a formula grant to districts or communities based on, for example, the number of children in poverty in the district or districts where there are low-performing schools. A third method is to use a competitive grant process that calls for potential providers to apply for funding. The competitive process may include inviting school districts, individual providers or local councils to apply based on specific criteria.

National Conference of State Legislatures

Executive Director
William T. Pound

Denver
7700 East First Place
Denver, Colorado 80230
Phone (303) 364-7700
www.ncsl.org

Washington, D.C.
444 North Capitol Street, NW Suite 515
Washington, D.C. 20001
Phone (202) 624-5400

States' Use of School Finance Formulas. Including prekindergarten in the school finance formula can be effective. It underscores the educational purpose of early education and connects the funding to the later schooling, a tie that promotes a strong transition from prekindergarten to the early elementary years. The school finance formula also may provide some stability to the funding stream, where grant programs or pilot programs may be more vulnerable to cuts when budgets are tight. In addition, given that high-quality prekindergarten includes many of the features of "education"—such as high-quality teachers, curriculum standards and accountability—it can make sense for the state to include it in a school finance context.

State Action

Funding prekindergarten through the school finance formula is in place in states that offer prekindergarten to all 4-year-olds whose parents choose it, as well as in those states that limit funding to children who are at risk of school failure. Oklahoma and West Virginia are examples geared to all 4-year-olds, while Michigan and Nebraska target funding.

Oklahoma uses a weighted funding formula.

Oklahoma is one of the leaders in providing funding to serve all 4-year-olds. Its program was expanded in 1998, with funding for prekindergarten included in the school finance formula and distributed to school districts that choose to provide prekindergarten. The formula is weighted to provide an incentive for districts that participate. Prekindergarten students are weighted at 0.7 per pupil for half day and 1.3 per pupil for full day.

West Virginia is midway through its planned phase-in of prekindergarten for all 4-year-olds by 2012-2013. Counties are required to have an approved plan before they can receive school aid funding, and providers must meet all quality standards to receive funding. The state currently is enrolling almost 50 percent of 4-year-olds.

Nebraska now uses the school finance formula for prekindergarten.

Michigan funds its school readiness program for at-risk 4-year-olds through both a school finance formula and a competitive grant process. The school finance formula funding, totaling $72 million, is distributed to participating school districts. The competitive grant process, funded at $12 million, is awarded to private providers such as child care centers.

The most recent state to consider the school finance formula for prekindergarten is Nebraska. In 2005, the state expanded and enhanced prekindergarten by adding 4-year-olds with a per-student weighting. Nebraska phased in the use of the school finance formula and continued the current grant process. Providers who received grant funding for three years become eligible under the school aid formula in 2007-2008.

Although Nebraska is the most recent state to incorporate prekindergarten into the school finance formula, Iowa's governor in 2006 also proposed to expand preschool funding through the school aid formula with increased funding phased in over four years.

Selected References

Barnett, W. Steven, et al. *The State of Preschool: 2004 Preschool Yearbook.* New Brunswick, N.J.: National Institute for Early Education Research, 2004.

Scott, L. Carol. *Votes Count: Legislative Action on Pre-K Fiscal Year 2006.* Washington, D.C.: Pre-K Now, November 2005; www.preknow.org.

Contacts for More Information

Steffanie Clothier
NCSL—Denver
(303) 364-7700, ext. 1416
Steffanie.Clothier@ncsl.org

Ellen Boylan
Starting at 3 Project
Education Law Center
www.startingat3.org

NIEER

NATIONAL INSTITUTE FOR
EARLY EDUCATION RESEARCH

THE STATE OF Preschool

2004 STATE PRESCHOOL YEARBOOK

- Enrollment
- Quality
- Access
- Standards
- Resources

The National Institute for Early Education Research. Supported by The Pew Charitable Trusts.
Rutgers, The State University of New Jersey

Executive Summary

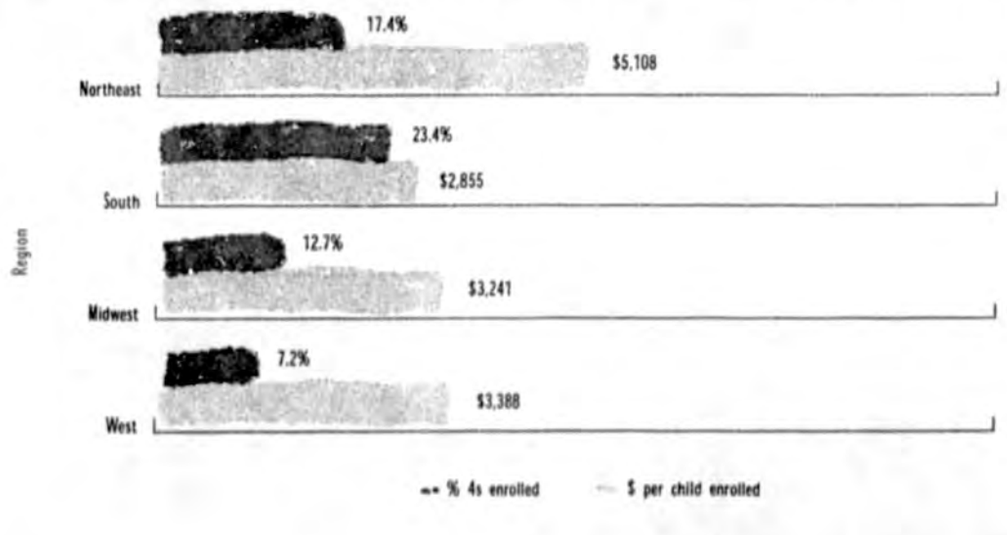
At a time when quality preschool education is widely recognized as an engine of success for our nation's children, the disparity in availability of that engine within and among the states is startling. A difference of a few miles can make the difference between being guaranteed access to high-quality preschool and having no access at all. And, where state-funded programs exist, preschool spending per child in one state can be nearly 10 times as high as in another. Across our nation, high-quality and readily available state-funded preschool programs are the exception rather than the rule. If quality prekindergarten education is "the little engine that could," that engine too often lacks fuel, suffers from substandard design, and, in many places, has no track on which to run.

In developing *The State of Preschool: 2004 State Preschool Yearbook*—our second annual report on state prekindergarten—NIEER found that the number of children attending state-funded preschool programs rose from 693,000 in school year 2001–2002 to 738,000 in 2002–2003. Although this finding is heartening, state-funded preschool programs only reached about 10 percent of the nation's 3- and 4-year-olds. Couple that with the fact that 10 states account for three-quarters of all the children served, and it becomes painfully obvious that some states are much worse than others when it comes to offering preschool education. The state preschool picture across the United States is one of haves and have-nots, with notable regional differences as shown in Figure 1 below. Access to a good education depends on where a child lives and the income of the family. Parents looking for a state where state-funded preschool is universally available will find only two states from which to choose.

Though total enrollment in state-funded programs rose, spending per preschool student fell as funding failed to keep pace with enrollment, particularly in states with budget shortfalls that opted to cut funding to preschool programs. The instability of funding is particularly disturbing—and unwise, given that few other state expenditures are so important to our children's future or return so much on the state's investment. There would be public outcry were such cuts levied on kindergarten or first grade. The education of younger children is no less deserving of protection from the vicissitudes of year-to-year swings in the economy.

Despite the instability of funding, some states did make gains. For example, New Jersey, North Carolina, and Louisiana increased funding substantially. In terms of access, Louisiana, Kansas, and North Carolina made noteworthy gains.

FIGURE 1: ACCESS FOR 4-YEAR-OLDS AND STATE SPENDING PER CHILD ENROLLED BY REGION



States With No Program

Alaska	New Hampshire
Florida	North Dakota
Idaho	Rhode Island
Indiana	South Dakota
Mississippi	Utah
Montana	Wyoming

Major findings from our study can be grouped into three main categories as follows:

Access

- In 2002–2003, 38 states funded one or more state prekindergarten initiatives, serving a total of nearly 740,000 children (about 45,000 more than the previous year). Access was uneven across states, with 10 states accounting for over three-quarters of enrollment.

- State prekindergarten initiatives served more than six times as many 4-year-olds as 3-year-olds in 2002–2003. Twenty states enrolled at least 10 percent of their 4-year-olds in state preschool programs, but only 3 states served at least 10 percent of their 3-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 10 children ages 3 and 4 were participating in state preschool programs, as most states targeted programs to serve economically or otherwise disadvantaged children.

- Twelve states (see box above) do not have a state-funded prekindergarten program.

Quality

- States need to initiate or improve policies that establish stronger quality standards. Only one state, Arkansas, met all 10 of NIEER's quality benchmarks, whereas 20 state initiatives met five or fewer benchmarks.

- State policies regarding quality standards were inconsistent. For example, one state may emphasize comprehensive services and another, 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, even though adequate compensation is necessary for attracting and retaining the most qualified and effective teachers.

Resources

- 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 the total funding provided per child in federal Head Start or public K–12 education.

- Between 2001–2002 and 2002–2003, total state spending (adjusted for inflation) rose by $90 million, or 4 percent. However, state funding *per child* enrolled decreased by $90, and 21 states decreased total spending.

Conclusions and Recommendations

Vast disparities exist in quality, access, and resources across the states. Some states, such as Arkansas, Illinois, New Jersey, and Oklahoma, have moved far beyond others in at least one of these areas. In contrast, a "dirty dozen" states fail to provide any state program at all. Children in highly rural western states have particularly poor access to preschool education because of a lack of state support. The need for preschool education does not cease when family incomes exceed the income thresholds for targeted state (and federal) programs. Children in these families constitute a large underserved population and deserve access to high-quality preschool programs. There is good reason to believe that our nation would benefit from making such programs more widely available.

Because, after parents, the primary responsibility for education rests with the states, it is the states that should develop policies that seek to address this large need. The costs of these policies are modest relative to overall state budgets. If states were to increase access so that 80 percent of all 4-year-olds were served in state-funded programs (including preschool special education) or Head Start for at least a half day, the full cost would be an additional $15 billion. If states simply paid for the same share of preschool education that they do for K–12, the cost would be only $8.75 billion above current annual spending. This is just a bit more than one penny per dollar of current state spending.

The following policy recommendations are offered as a means of promoting equal access to high-quality education for the nation's 4-year-olds:

- All states should increase funding to improve access and quality. If states included prekindergarten in their public K–12 funding formulas, every state in the nation could provide a good education for 80 percent of its 4-year-olds with a national investment of less than $9 billion in state funds.

- States must improve their standards for prekindergarten education if programs are to produce the large gains in learning and development that the nation seeks. Teachers are required to have a BA and specialized training in preschool education in only 13 state preschool initiatives, whereas all public K–12 teachers must hold 4-year degrees and be state licensed or certified by the end of the 2005–2006 school year. States should apply high standards to all programs, so that no child can slip through the cracks.

- State-funded preschool has vast potential to contribute to economic growth and prosperity. States should make adequate funding for these programs a priority so that prekindergarten initiatives are less reliant on local support. When funding depends on local investment, services for the most disadvantaged children are often the most compromised.

- The federal government should increase support specifically for prekindergarten programs by offering to match state government spending that is accompanied by high standards. Such financial incentives could promote integration of various federal and state programs. Currently, federal programs that support the education of young children are inadequately funded to serve all targeted children.

- States need to create better data systems that provide the critical information policymakers need to make informed decisions about expanding and improving preschool. Most states cannot report unduplicated enrollment counts across early childhood education programs, nor can they track funding across multiple sources. Such shortcomings in information gathering do not exist for children in grades K–12. The federal government should support states in creating or improving data systems for prekindergarten programs.

- Effective change requires careful planning. Improvements in access and quality will most likely have their desired effects if sufficient time, funding, facilities, and personnel are provided to meet changing needs.

This report may be viewed in its entirety on the NIEER website at www.nieer.org.

TABLE 1: STATE RANKINGS AND QUALITY CHECKLIST SUMS

State	Access for 4-Year-Olds Rank	Access for 3-Year-Olds Rank	Resources Rank	Quality Standards Checklist Sum (Maximum of 10)
Alabama	35	none served	14	8
Alaska	no program	no program	no program	no program
Arizona	29	none served	28	4
Arkansas	26	12	21	10
California	21	13	17	4
Colorado	15	18	25	4
Connecticut	18	9	4	4
Delaware	22	none served	5	7
Florida	no program	no program	no program	no program
Georgia	2	none served	12	6
Hawaii	25	none served	15	5
Idaho	no program	no program	no program	no program
Illinois	10	5	23	9
Indiana	no program	no program	no program	no program
Iowa	30	20	22	5
Kansas	14	none served	34	4
Kentucky	7	3	27	7
Louisiana	12	none served	10	7.5
Maine	16	none served	32	3
Maryland	8	14	37	8
Massachusetts	17	2	9	6
Michigan	13	none served	19	5
Minnesota	36	19	2	8
Mississippi	no program	no program	no program	no program
Missouri	31	11	30	4
Montana	no program	no program	no program	no program
Nebraska	33	17	31	6
Nevada	38	24	13	4
New Hampshire	no program	no program	no program	no program
New Jersey	11	1	1	8.3
New Mexico	34	23	33	4
New York	5	25	16	5.6
North Carolina	28	none served	6	9
North Dakota	no program	no program	no program	no program
Ohio	20	7	8	6.5
Oklahoma	1	none served	29	8
Oregon	27	10	3	6
Pennsylvania	37	none served	not available	2
Rhode Island	no program	no program	no program	no program
South Carolina	4	15	35	8
South Dakota	no program	no program	no program	no program
Tennessee	32	21	7	8
Texas	3	8	26	3
Utah	no program	no program	no program	no program
Vermont	19	6	36	6
Virginia	24	none served	20	5
Washington	23	16	11	6
West Virginia	6	4	18	5
Wisconsin	9	22	24	3.3
Wyoming	no program	no program	no program	no program

TABLE 2: CHANGES IN ENROLLMENT AND FUNDING FOR STATE PRESCHOOL PROGRAMS FROM 2001–2002 TO 2002–2003

STATE	CHANGE IN ENROLLMENT FOR 4-YEAR-OLDS		CHANGE IN ENROLLMENT FOR 3-YEAR-OLDS		CHANGE IN TOTAL STATE SPENDING		CHANGE IN STATE SPENDING PER CHILD ENROLLED	
	number enrolled	percent of state population	number enrolled	percent of state population	inflation-adjusted dollars	percent	inflation-adjusted dollars	percent
Alabama	504	0.90%	0	none served	$1,724,030	60.3%	-$146	-3.9%
Alaska	0	no program	0	no program	$0	0.0%	$0	0.0%
Arizona	-185	-0.53%	0	none served	-$106,617	-1.1%	$80	3.4%
Arkansas	14	0.07%	-94	-0.24%	$2,632,689	39.8%	$908	43.4%
California	-1,476	0.17%	-272	0.01%	$2,484,514	1.0%	$142	4.5%
Colorado	139	-0.17%	176	0.22%	$3,503,160	12.6%	$99	3.6%
Connecticut	392	0.96%	25	0.06%	-$5,599,846	-13.6%	-$1,323	-19.1%
Delaware	0	0.53%	0	none served	$44,154	1.0%	$53	1.0%
Florida	0	no program	0	no program	$0	0.0%	$0	0.0%
Georgia	2,287	0.86%	0	none served	$8,009,640	3.3%	-$12	-0.3%
Hawaii	-315	-1.51%	0	none served	$689,341	-17.5%	$325	10.3%
Idaho	0	no program	0	no program	$0	0.0%	$0	0.0%
Illinois	3,366	2.88%	-382	-0.08%	-$6,432,584	-3.8%	-$285	-8.9%
Indiana	0	no program	0	no program	$0	0.0%	$0	0.0%
Iowa	89	0.46%	-33	-0.03%	-$985,432	-12.5%	-$467	-13.8%
Kansas	3,203	8.86%	0	none served	$4,713,723	101.6%	-$359	-17.3%
Kentucky	858	3.83%	1,343	3.18%	-$826,040	-1.7%	-$377	-13.2%
Louisiana	5,449	9.07%	0	none served	$18,769,208	58.5%	-$346	-8.1%
Maine	0	1.14%	0	none served	$432,240	19.1%	$300	19.1%
Maryland	0	0.84%	0	0.02%	-$593,285	3.0%	-$29	-3.0%
Massachusetts	-1,405	-1.08%	-1,405	-1.22%	-$26,169,120	-26.3%	-$871	-17.5%
Michigan	-765	0.11%	0	none served	$2,463,380	-2.8%	$3	0.1%
Minnesota	74	0.19%	47	0.10%	-$1,320,950	-7.0%	-$544	-7.5%
Mississippi	0	no program	0	no program	$0	0.0%	$0	0.0%
Missouri	-512	-0.55%	-832	-1.10%	$4,717,012	-30.5%	-$283	-11.4%
Montana	0	no program	0	no program	$0	0.0%	$0	0.0%
Nebraska	227	1.04%	217	0.94%	$759,960	56.7%	$883	-31.6%
Nevada	171	0.47%	107	0.31%	$1,686,409	128.4%	$645	21.2%
New Hampshire	0	no program	0	no program	$0	0.0%	$0	0.0%
New Jersey	3,486	3.70%	3,526	3.33%	$109,695,251	40.3%	$1,320	17.8%
New Mexico	-842	-3.10%	-308	-1.21%	-$111,240	-6.9%	$959	119.1%
New York	7,723	5.19%	-4,405	-1.74%	-$15,633,880	-6.0%	-$386	-10.3%
North Carolina	5,031	4.46%	0	none served	$23,517,523	351.0%	-$534	-10.8%
North Dakota	0	no program	0	no program	$0	0.0%	$0	0.0%
Ohio	442	0.60%	-498	-0.27%	-$15,724,876	-12.9%	$656	12.7%
Oklahoma	2,181	3.79%	0	none served	$1,675,204	2.6%	-$135	-5.4%
Oregon	51	0.09%	251	0.55%	-$2,350,080	-8.3%	$1,168	-15.2%
Pennsylvania	59	0.15%	0	none served	not available	not available	not available	not available
Rhode Island	0	no program	0	no program	$0	0.0%	$0	0.0%
South Carolina	674	2.90%	605	1.21%	-$1,766,020	-7.3%	-$216	-14.2%
South Dakota	0	no program	0	no program	$0	0.0%	$0	0.0%
Tennessee	642	0.89%	-42	-0.07%	-$462,000	-3.0%	-$1,162	-20.3%
Texas	15,491	3.79%	6,079	-2.04%	$2,560,688	0.6%	-$207	-7.0%
Utah	0	no program	0	no program	$0	0.0%	$0	0.0%
Vermont	24	1.18%	87	1.72%	$93,719	6.6%	-$224	-15.8%
Virginia	8	-0.01%	0	none served	-$1,160,938	-6.0%	-$202	-6.1%
Washington	238	0.30%	69	0.09%	$881,975	3.4%	-$41	-1.0%
West Virginia	749	4.69%	125	0.79%	$3,031,424	13.4%	$20	0.6%
Wisconsin	3,326	5.65%	-18	-0.01%	-$1,037,690	-2.0%	-$745	-20.5%
Wyoming	0	no program	0	no program	$0	0.0%	$0	0.0%
50 States	**51,398**	**1.7%**	**-7,790**	**-0.2%**	**$92,736,368**	**3.8%**	**-$90**	**-2.5%**

The State of Preschool

The *2004 State Preschool Yearbook* is the second in this annual NIEER series evaluating state-funded preschool programs. It describes state-funded prekindergarten in the 2002–2003 school year. Last year's *State Preschool Yearbook* focused on programs for the 2001–2002 school year and established a baseline against which we may now measure progress. Tracking these trends is essential, since the role states play in preschool education will increasingly affect how successfully America's next generation will compete in the knowledge economy.[1]

As this year's report demonstrates, the states vary greatly in how they pick up where federal and private programs leave off. There is a wide gap between states like Oklahoma and Georgia, which make programs available for all 4-year-olds, and states like Indiana, South Dakota, and Utah, which provide no state programs.[2] In the middle are states like Colorado, Iowa, and Washington with programs developed for at-risk and economically disadvantaged populations.[3]

The *State Preschool Yearbooks* have been developed by NIEER to serve as a resource for everyone from policymakers to advocates to researchers. Because state and local governments bear great responsibility for education in the United States, evaluating the approaches taken by, and progress of, the states is essential. From the start, NIEER's *Yearbook* initiative has contributed to a robust dialogue about prekindergarten and the growing role of states in program development. We believe that this dialogue enables policymakers to make more informed decisions about state-funded preschool.

The *Yearbook* data were collected from an intensive survey of the states. Information is presented regarding three key characteristics of prekindergarten programs: access, quality standards, and resources.

- *Access:* Access remains far from universal across the country. It varies not only between states, but also within them. The ability to attend preschool depends greatly on family income and where families live. We use enrollment of children at the ages of 3 and 4 to measure the extent to which states offer opportunities for preschool participation.

- *Quality Standards:* The quality of preschool education determines its educational value. Yet, many preschool programs in the United States are poor or mediocre. High state standards are essential for ensuring that preschool programs provide quality education. The *Yearbook* compares state quality standards against a research-based checklist of benchmarks.

- *Resources:* Resources, as measured by state expenditures for preschool, indicate each state's commitment to expanding access and ensuring educational adequacy. State spending per child in a prekindergarten program is a key determinant of program quality and a measure of state support for access to a good preschool education.

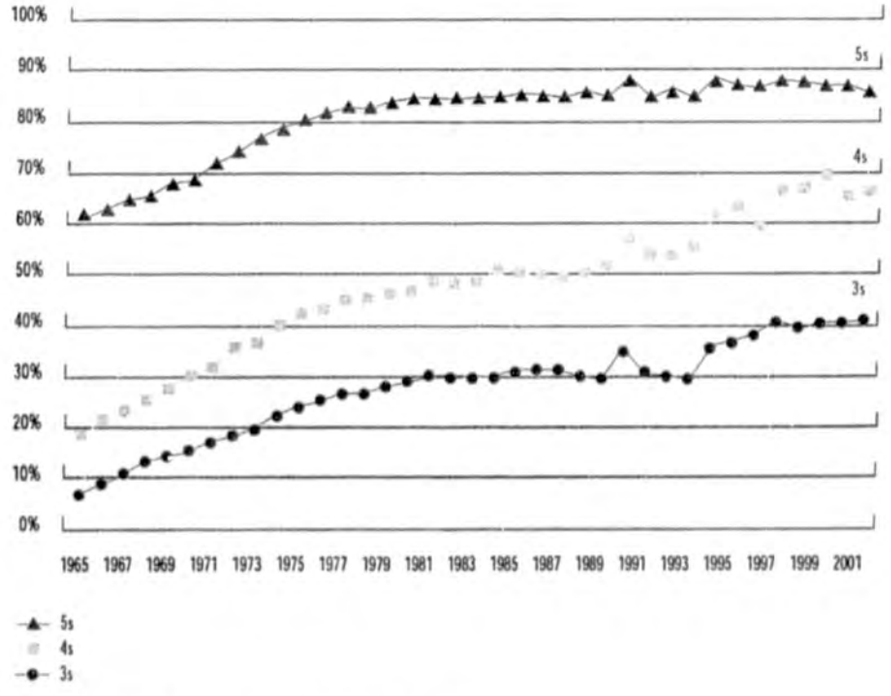
This *Yearbook* is organized into three major sections. The first section provides background information on preschool education in the United States, a description of our data collection and analytical methods, a national summary of our findings, and national policy recommendations. The second section presents detailed reports identifying each state's policies with respect to preschool access, quality standards, and resources. In addition to basic program descriptions, these state profiles describe unique features of a state's program and recent changes that can be expected to alter the future *Yearbook* statistics on a program. Unlike last year's *Yearbook*, the states without state-funded programs also have their own profile pages. The last section contains the appendices, including tables that report the complete survey data obtained from every state, as well as Head Start and child care data.

PRESCHOOL IN THE UNITED STATES: AN OVERVIEW

Preschool participation in the United States has with rare exception moved steadily upward throughout the last four decades, as shown in Figure 2. In 1965, about 5 percent of 3-year-olds and 17 percent of 4-year-olds attended some form of preschool. By 2002, about 40 percent of 3-year-olds and 66 percent of 4-year-olds attended preschool.[4] Much of the growth in preschool education has occurred beyond the purview of state-provided public education. In sharp contrast to elementary school and even kindergarten, early childhood education remains primarily outside the public schools. Prekindergarten education takes place in private programs, federal Head Start, and public schools.

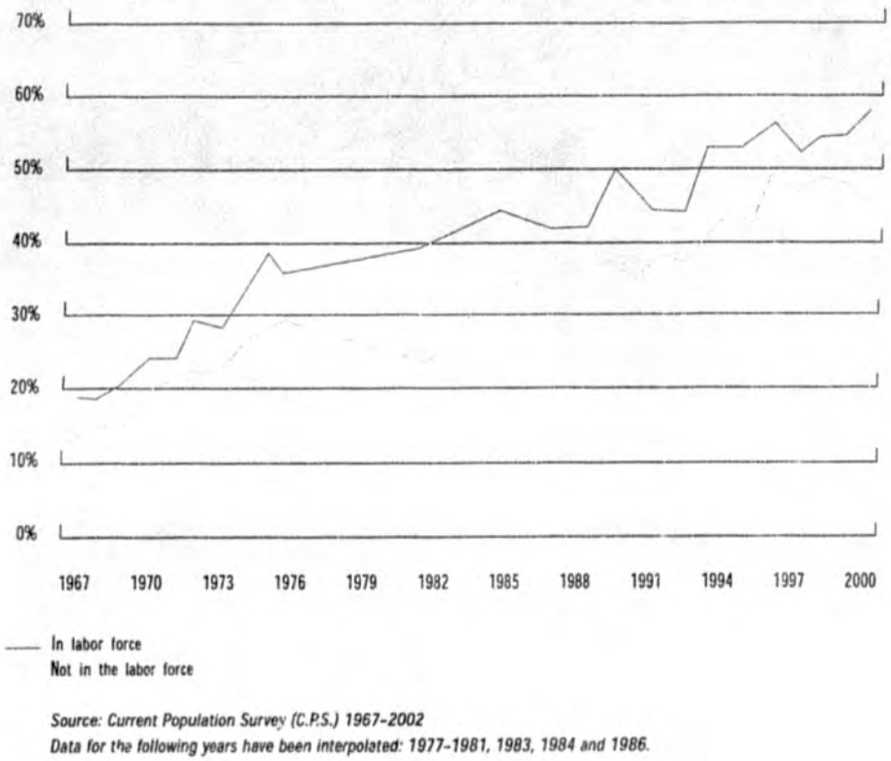
While availability has grown, access to affordable, high-quality preschool education is highly unequal across the country. Despite the best efforts of an array of federal and state programs targeting the disadvantaged, less than half of children in poverty attend preschool at ages 3 and 4.[5] Prekindergarten is also less available to a potentially larger group of families whose incomes hover just above the eligibility requirements for targeted programs but who cannot afford private preschool. These families with modest incomes find it difficult to afford a good private preschool, and many of their children miss out on this opportunity.[6]

FIGURE 2: KINDERGARTEN AND PRESCHOOL PARTICIPATION BY AGE 1965–2001



Source: October Current Population Survey (C.P.S.) 1965–2002.
Note: Some children enter Kindergarten at age 6 and are not included here.

FIGURE 3: PRESCHOOL PARTICIPATION BY MATERNAL EMPLOYMENT 1967–2001

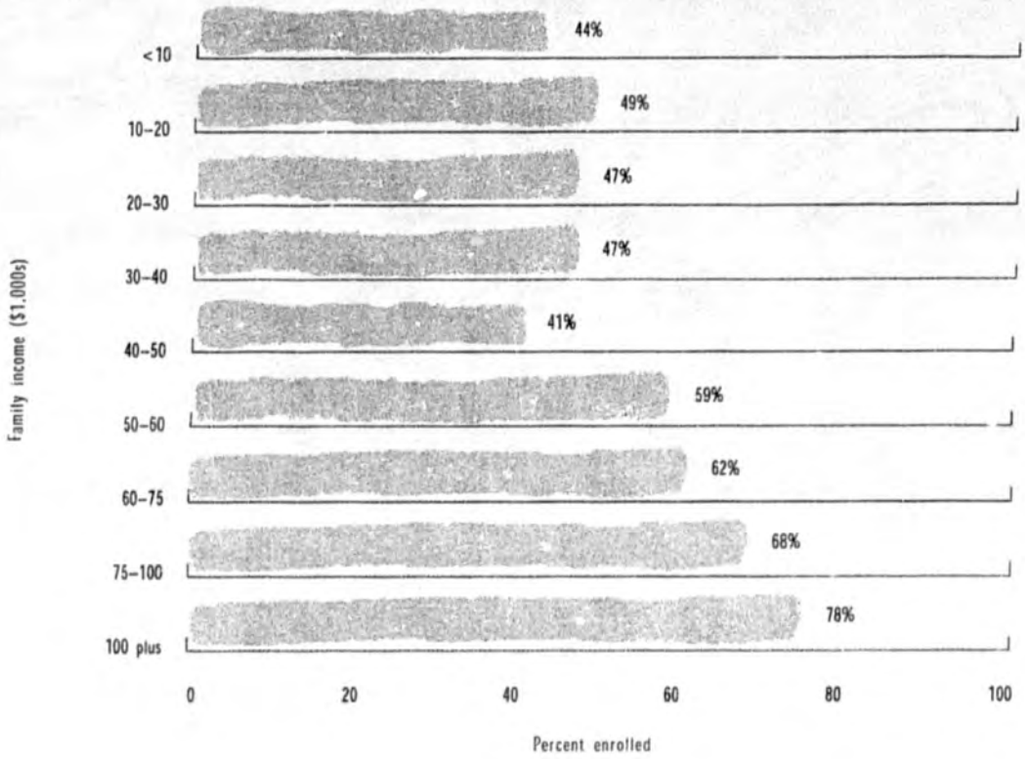


Source: Current Population Survey (C.P.S.) 1967–2002
Data for the following years have been interpolated: 1977–1981, 1983, 1984 and 1986.

What Drives Preschool Participation

Contrary to the oft-held view that working mothers—and a concomitant need for child care—drive the demand for preschool, research demonstrates that the prevailing motivator for increased preschool attendance is parents' desire to better educate their children.[7] As shown in Figure 3, the rate of participation in preschool by children of mothers not in the labor force, while somewhat lower than the rate for children of employed mothers, has grown at virtually the same rate since the late 1960s. Although, child care demand plays some role in increased preschool participation, it appears to be of decidedly secondary importance.

FIGURE 4: PRESCHOOL PARTICIPATION BY FAMILY INCOME 2001



Despite a variety of government programs, family income remains a prime determinant of preschool participation. Because of state prekindergarten and Head Start, rates of preschool participation vary relatively little over the bottom end of the income scale, as shown in Figure 4.[8] However, there is a significant dip at the $40,000 to $50,000 income level. Preschool education opportunities appear to be least available to children in families with moderate incomes. Participation rises with income thereafter, but most Americans have less access to preschool than the wealthiest.

Mothers' education is also highly predictive of preschool participation. Among 4-year-olds whose mothers have a 4-year college degree, 76 percent attend preschool. Sixty-five percent of 4-year-olds whose mothers graduated from high school attend preschool and 49 percent of those whose mothers dropped out of high school attend preschool. Thus, despite the public programs we have today, the less education a child's parents have (and thus the more the child might gain from preschool attendance), the less likely it is that a child will attend prekindergarten.

Private Preschool Programs

Preschool education has expanded in both the private and public sectors, although at different rates. In 1990, private programs served 64 percent of the children attending preschool programs. During the 1990s, public programs grew more rapidly and by 1995 only 52 percent of the children attending preschool were in private programs. Private programs maintained a small edge in total preschool enrollment thereafter.[9] Private preschool programs are operated by for-profit organizations, independent nonprofit organizations, or religious organizations. They operate under a wide variety of names including nursery school, preschool, day care, and child care, and most are part-day programs. Regulation is primarily by state child care agencies, but varies by state and within states by auspice. Some states exempt religious or private school programs from child care licensing standards. Like their regulation and funding, the educational quality of private programs is highly variable and tends to be lower on average than for public programs.[10]

Head Start

Since the program was launched in 1965, federal Head Start has provided many low-income families with free education for their young children and comprehensive services. From 1975 to 1990, the program grew slowly. In 1975, Head Start enrolled 5 percent of the nation's 3- and 4-year-olds. By 1990 enrollment had risen to 7 percent. Head Start grew faster in the 1990s, and in the year 2000 served 11 percent of all 3- and 4-year-olds. During the 2003 fiscal year, Head Start reported funding more than 900,000 children, nearly 800,000 of whom were ages 3 and 4.[11] Despite this growth, Head Start does not reach all of the eligible preschoolers. Furthermore, Head Start's program standards fall short of what is required to ensure that programs are highly effective. Head Start teacher qualifications and compensation are of particular concern. Only recently has Congress required that half of Head Start teachers have even a 2-year college degree. Head Start teachers still earn about half the average public school teacher's salary. Without fully qualified teachers (those with BA degrees and specialization in early childhood education) who are adequately paid, Head Start will not be nearly as effective as it could be.[12]

State Prekindergarten Programs

With notable exceptions, the states have been slow to recognize the revolution in preschool education and to address a new reality with policies that provide equal access to effective programs. Most states with preschool programs followed the federal government's lead and targeted children with the greatest needs. Typically, states support two types of preschool programs—one providing preschool special education for children with disabilities and the other providing preschool education to children in low-income families or children otherwise identified as being at high risk for school failure. States began to create entitlements to a free education for 3- to 5-year-old children with disabilities in the 1970s. Illinois, Michigan and Wisconsin were the first states to do so in 1973–1974.[13] Federal legislation passed in 1986 provided federal funds as incentives for all states to provide a free appropriate education to young children with disabilities by 1991–1992. The law was highly effective: the 24 states already providing such services were joined by 25 more in 1991–1992, and the one remaining state mandated services in 1992–1993. Enrollment rose steadily over the years and by 2002 reached 382,290 in the 50 states (387,293 in states, U.S. territories and military bases), or 5 percent of all 3- and 4-year-olds. Most were served in public schools, but some were served in Head Start or private programs.

Movement Toward Preschool for All

Growth accelerated in preschool programs for at-risk children through the 1990s. Following a logical progression, some states began to expand eligibility from at-risk groups to all children. Georgia created the first statewide universal prekindergarten (UPK) program in 1995. Oklahoma, New York, and West Virginia followed suit, though New York has not fully funded its program and West Virginia plans for a phase-in by 2012. In 2002, Florida voters approved a constitutional amendment entitling all 4-year-olds to a free, high-quality prekindergarten education by 2005. That date looms large in the wake of Florida's failed attempt at universal prekindergarten legislation in the first half of 2004. Also active is Massachusetts, which made its first move toward universal preschool in 2004 by passing legislation to create the Office of Early Education and Care charged with developing a state-funded preschool program for all children.

During the 2002–2003 program year, as during the 2001–2002 program year, states were using a wide variety of models to provide prekindergarten services to 3- and 4-year-olds. This *Yearbook* compares the different models in use, highlights the strengths and weaknesses of those models, and identifies the opportunities and challenges that lie ahead for state prekindergarten initiatives.

State-Funded Prekindergarten: 2002-2003 Findings

Viewing the access, quality standards and resources findings of this *Yearbook* from a national perspective provides an overall summary of the status of state prekindergarten initiatives during the 2002–2003 program year. At the same time, it paints a picture of vastly different programs across the states, with varying levels of access, quality and funding provided for the nation's children.

Access to state prekindergarten was measured by the percentages of 3- and 4-year-olds enrolled in state programs. The total number of 3- and 4-year-old children served by 44 state prekindergarten programs in 2002–2003 rose to 711,000, up from the 667,000 children served in the previous year. Like the previous year, the children served were predominately 4-year-olds, with 616,618 or 16.1 percent of the nation's 4s enrolled (Figure 5). There was tremendous variation in the enrollment figures of the individual states. Again in 2002–2003, two states, Georgia and Oklahoma, enrolled more than half their 4-year-olds (Figure 9, p. 29). In 2002–2003, 10 additional states enrolled more than 20 percent of their 4s, eight states enrolled 10–20 percent; and 18 states enrolled less than 10 percent. Twelve states funded no state prekindergarten program at all. Although most state prekindergarten programs primarily serve 4-year-olds, some states are moving toward providing prekindergarten for 3-year-olds as well. In 2002–2003, Massachusetts, New Jersey and Kentucky enrolled more than 10 percent of their 3s.

Louisiana experienced the largest increase in the percentage of 4-year-olds enrolled, with an additional 9 percent of its 4-year-olds enrolled in state preschool. Texas, New Jersey, Louisiana and North Carolina all increased enrollment by more than 5,000 children compared to the previous year. The number of children served by the prekindergarten programs in both Kansas and North Carolina more than doubled. However, large decreases in access occurred in some states. For example, enrollment declined by more than 10 percent in both Massachusetts and Missouri, resulting in a combined 3,500 fewer children served in those states.

FIGURE 5: STATE PRE-K, HEAD START, AND SPECIAL EDUCATION ENROLLMENT AS A PERCENTAGE OF TOTAL U.S. POPULATION

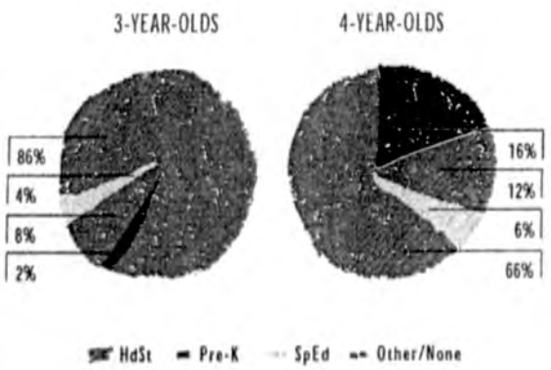
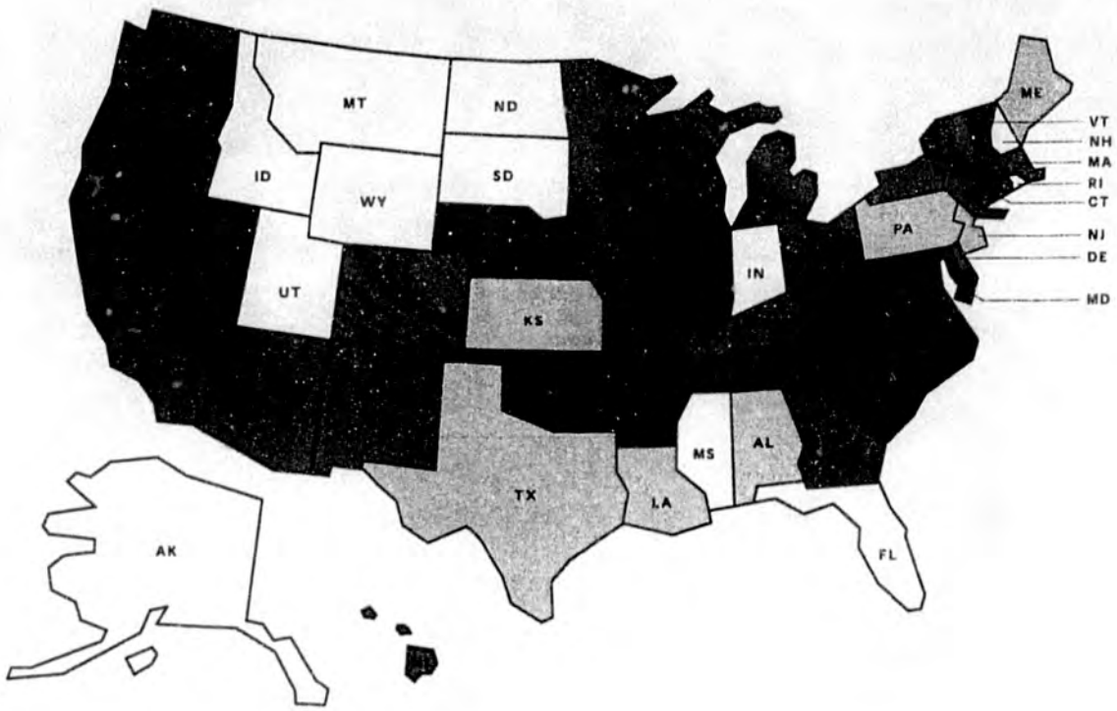


FIGURE 6: TEACHER TRAINING REQUIREMENTS*



■ BA and specialization □ BA only ■ BA not required □ No program

* In states with multiple prekindergarten initiatives, the lowest permissable training requirement is shown.

The quality of state preschool programs depends on the standards required by each state. In this report, 10 benchmarks—based on scientific evidence—are compared to quality standards set by policy in each state. Table 4 on page 44 lists the benchmarks for quality met by each state. Only Arkansas met all 10 benchmarks. Three state programs met 9 out of 10 benchmarks: Illinois, New Jersey's Abbott program, and North Carolina. Twelve out of 44 programs met less than half of the benchmarks. Many states fell short on teacher qualifications (Figure 6). For example, only 23 of the 44 programs required their preschool teachers to have 4-year college degrees, just as they do for kindergarten teachers. Furthermore, only 13 programs required a teacher with a bachelor's degree and specialized training in early childhood education. The total number of state programs that meet each benchmark, as charted in Figure 7 (p. 27), demonstrates that most states lack adequate quality standards for their children.

States spent $2.54 billion in 2002–2003, slightly more than the $2.37 billion spent in the prior year. Again, dramatic variations can be seen in resources made available by states—with five states accounting for more than 60 percent of total state spending. State spending per child was calculated by dividing total state spending by the number of children enrolled in the state preschool initiative. When state spending per child is taken into account (Table 5, p. 51), it is clear that the levels of resources made available by most states are not sufficient to provide a high-quality program. Nationally speaking, the amount spent per child enrolled in state-funded preschool averaged $3,451—well short of the national average of $9,173 spent per child for K–12 education (Figure 8). Out of 38 states, only one spent at least as much per child as the federal Head Start program. Sometimes the funding stream for state-supported preschools is supplemented by local funding. However, if preschool programs were funded in the same way that states fund K–12 education, local funding would reliably supplement state funding for preschool. The hodgepodge of funding mechanisms currently in use causes doubts about states' support for quality programs and equitable access to the high-quality programs that do exist.

The biggest increases in expenditures were in New Jersey, North Carolina and Louisiana. New Jersey increased spending by more than $100 million between 2001–2002 and 2002–2003, accounting for the majority of the nominal dollar difference in national spending on preschool. The biggest declines in total state funding were in Massachusetts, New York and Ohio, each of which reduced spending for state preschool by more than $15 million during 2002–2003, compared to adjusted spending for 2001–2002.

The access, quality standards and resources sections that follow discuss these issues in much greater detail.

Photo: RC Peters

ACCESS

Approximately 740,000 children were enrolled in state prekindergarten initiatives in 2002–2003. The number of children served ranged widely, with Delaware, Hawaii, Nevada, and New Mexico each serving fewer than 1,000 children, while Texas served more than 150,000 children. Ten states accounted for more than three-quarters of the children participating in state prekindergarten programs, and even these states served only a fraction of their preschool-age populations. Overall, state prekindergarten initiatives reached about 10 percent of the nation's population of 3- and 4-year-olds. Most of those participants were 4 years old, representing 16 percent of 4-year-olds in the United States. A mere 2 percent of 3-year-olds were served in state prekindergarten initiatives.

Eligibility Criteria

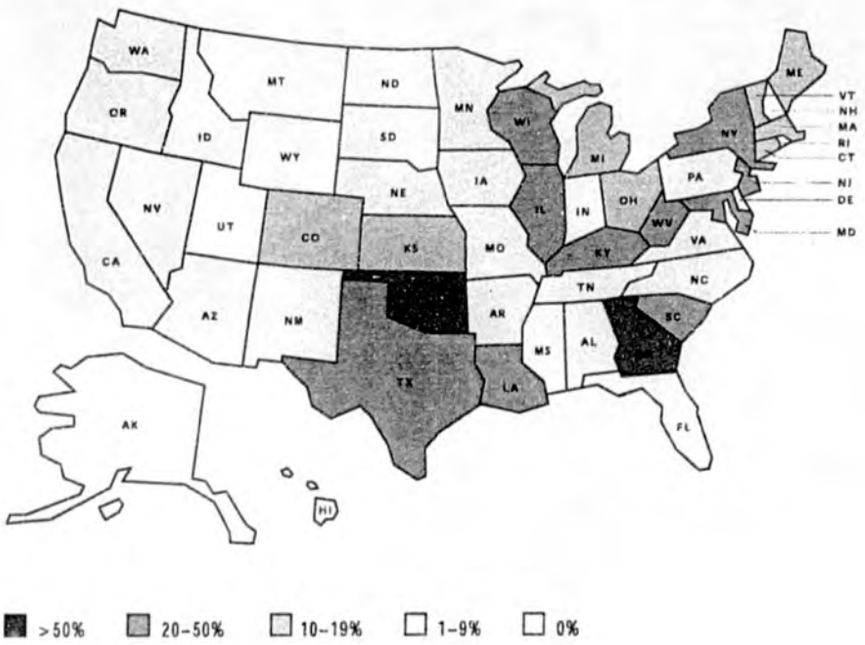
Most states targeted their programs to low-income children and children with other background factors that place them at risk for starting school behind their peers. However, there were nine states that did not set eligibility criteria for at least one of their state prekindergarten initiatives. Having no eligibility criteria does not mean all children are actually able to participate—Georgia and Oklahoma are the only two states that made prekindergarten universally available to 4-year-olds. In the other states, access was still limited by the availability of state funds to support prekindergarten and districts' willingness to offer it. Some states, such as Nevada, New York (for its Universal Prekindergarten Program), and West Virginia, which technically allowed all children to be eligible, in fact often gave priority to low-income and at-risk children—although New York and West Virginia plan to make prekindergarten universally available eventually.

Whereas many states used family income as one of the factors (or the only factor) in determining eligibility, they did not all use the same income cutoff. Commonly used income eligibility criteria were the cutoff for free lunch (130 percent of the federal poverty level), which was used in three states (Iowa, Kansas, and Kentucky), or the cutoff for reduced-price lunch (185 percent of poverty), which was used by 11 state initiatives. Eleven other state initiatives used alternative income criteria, with the cutoff set at levels ranging from 100 percent of poverty for the Head Start models in Delaware, Minnesota, Oregon, and Wisconsin, to 125 percent of state median income in Massachusetts. Both of New Jersey's state prekindergarten initiatives used free or reduced-price lunch eligibility to determine which districts qualified for programs, although all children in qualifying districts were allowed to participate.

Most of the states that set income eligibility criteria required only a certain proportion of participating children to meet these criteria or allowed at least some children to qualify based on other factors. For example, only half of the children enrolled in Vermont's prekindergarten initiative were required to meet the income eligibility criteria; the remainder qualified for the program based on other risk factors such as exposure to violence or substance abuse, low parental education levels, limited English proficiency, or developmental delay.

The eight remaining state initiatives did not set income eligibility criteria and instead took into account a range of risk factors. In several of these states, the risk factors used and the relative weight given to these factors were determined at the local level. Factors frequently taken into account included disability or developmental delay, limited English proficiency, low parental education levels, low birth weight, and experience of abuse or neglect. Some states, such as Louisiana (for its 8(g) program) and Illinois, used developmental screenings to determine whether children had risk factors that qualified them to participate.

FIGURE 9: PERCENT OF 4-YEAR-OLDS SERVED IN STATE PRE-K



Age Requirements

Although all state prekindergarten initiatives served 4-year-olds, in 2002–2003 there were 27 programs that offered services to children in other age groups as well. Twenty-two of these initiatives served only children at ages 3 and 4. Five additional states served even younger children. Arkansas, Minnesota, Nevada, and New Mexico served children from birth to age 5, while Nebraska served children from 6 weeks of age.

Some states that allowed 3-year-olds to participate limited their access. For example, Hawaii and Kentucky served 3-year-olds only if they had special needs, and West Virginia had plans to adopt a similar approach as of July 2004. Colorado required 4-year-olds to have only one risk factor to qualify for the program, but 3-year-olds were required to have three risk factors to participate. Washington allowed 3-year-olds to enroll only after all 4-year-olds whose families wanted them to participate had been served. Arizona allowed children younger than 4 to be served, but in practice generally served only 4-year-olds in its state program.

Among the 20 state initiatives that served children younger than 4 years old and reported enrollment data by age for 2002–2003, 3-year-olds accounted for 40 percent or more of total enrollment for only three state initiatives—programs in Massachusetts and Vermont, as well as New Jersey's Abbott program. In most states reporting data, 3-year-olds made up less than one-third of the enrollment. Seventeen state initiatives restricted access exclusively to 4-year-olds.

Serving Children with Special Needs

Most states served children with special needs in state prekindergarten classrooms through a combination of state prekindergarten funding along with other local, state, and/or federal sources such as IDEA funding. However, several states—Arizona, Colorado, Connecticut, Georgia, Iowa, Kansas, Nebraska, New Jersey (for its Abbott program), Oregon, Pennsylvania, and Virginia—reported that children with special needs may be served in state prekindergarten classrooms but only using funding other than state prekindergarten dollars.

Many states were not able to provide data on the percentage of children enrolled in state prekindergarten initiatives who had Individualized Education Plans (IEPs) for meeting their special needs. Of the 26 state initiatives for which there were data, the percentage of children with IEPs ranged from 3 percent in California and South Carolina to 63 percent in Kentucky. The median for the states reporting data was 10 percent.

Enrollment Supported with Other Sources

Many of the children enrolled in state prekindergarten programs were partially supported with other funding sources, such as federal IDEA, Head Start, or TANF funds, or local sources. For example, Iowa reported that of the 2,355 children served, 286 were supported with local sources and 379 with IDEA funding.

Most states reported using some other funding sources to help support services for participating children, but they were often unable to provide complete, specific data on the number of children benefiting from each of these sources. A few states also indicated that some children beyond those counted in the state prekindergarten enrollment totals were being served in the same classrooms as state prekindergarten children, but using other sources of funding. Once again, these states were generally not able to provide specific data on the number of children served or amount of funding from these other sources.

Availability of Programs Across Communities

Children's ability to participate in prekindergarten depends on availability of programs in their communities. Only three states required prekindergarten to be offered in all of their school districts (Kentucky, Maryland, and South Carolina). Another four states offered prekindergarten in all of their counties, and five states offered prekindergarten in at least 90 percent of their towns, counties, or school districts.

In contrast, 14 states had state prekindergarten programs available in fewer than half of their districts or communities. Nebraska's prekindergarten program was offered in just 5 percent of school districts and Pennsylvania's program was available in only 6 percent of districts.

A few states, including Connecticut, New Jersey, and Texas, did not require prekindergarten to be offered in all districts, but did require it in certain districts. For example, schools in Texas were required to offer prekindergarten if there were at least 15 eligible 4-year-olds (children who qualified for free or reduced-price lunch, were unable to speak and understand English, or were homeless) in the district.

Parent Fees

Most state prekindergarten initiatives served children free of charge to families. However, nine state initiatives had (or allowed districts the option of having) sliding fee scales, which charge parents fees based on income. Connecticut charged fees to all families, but most other states charged fees only to certain families or under certain circumstances. For example, Hawaii and Ohio charged fees only to families whose incomes were above 100 percent of the federal poverty level, and Iowa, Kentucky, and Louisiana's LA4 program collected fees only from families who did not meet income eligibility criteria.

Hours of Operation

State prekindergarten programs most commonly operated on a half-day basis, 5 days per week during the school year. However, a number of state initiatives operated on a different schedule, offering longer hours or fewer days per week. In addition, many states coordinated with other programs and resources to provide full-day, full-year services to meet the needs of families with working parents.

Only 10 state initiatives operated on a full school-day schedule or for longer hours. Twelve state initiatives operated on a part-day schedule, and Delaware's programs operated between 4 and 6 hours per day. In Connecticut, at least 60 percent of slots in each community were required to be full-day slots. For the remaining 20 state initiatives, daily operating hours were locally determined. However, many of these state initiatives required programs to operate for a minimum number of hours per day or per week—usually about 2.5 or 3.5 hours per day—and one state initiative required a minimum number of hours of operation per year.

Several states that offered both full-day and half-day options varied the amount of funding provided to programs based on hours of operation. For example, Connecticut paid $7,000 per child for full-day programs and $4,500 per child for half-day programs. New York's Experimental Prekindergarten Program provided 45 percent more for full-day classes than for half-day classes. In Oklahoma, full-day programs received nearly twice as much funding per child as half-day programs.

More than half (23) of the state initiatives operated 5 days per week. Colorado and Michigan's programs operated fewer than 5 days per week. The rest of the state initiatives (19) had locally determined weekly schedules. However, some of these initiatives required programs to operate for at least 4 days per week.

Most states' prekindergarten programs operated for the academic year. While a number of states allowed the specific schedule to be determined locally, programs in these states still typically operated for the academic year. A few states had a significant number of programs operating on a full-year schedule. These include Hawaii, Connecticut (which required at least 60 percent of slots to be full-year), Massachusetts (where about 60 percent of programs operated for the calendar year), New Mexico, and Vermont (where prekindergarten programs offered in child care centers generally operated year-round).

While state prekindergarten initiatives were typically funded to operate on a part-day, part-year schedule, in 34 state initiatives children were able to receive wrap-around services. These wrap-around services were usually provided in coordination with other resources and programs, and were not funded by the state prekindergarten initiative itself. The most commonly cited sources of funding for wrap-around care were federal Child Care and Development Funds and tuition charged to parents. Most states were not able to provide data on how many of the children enrolled in their prekindergarten programs were receiving wrap-around services. Among those states that did provide data, the percentage of enrolled children in wrap-around care ranged from 5 percent in California and Maryland to an estimated 90 percent in Hawaii.

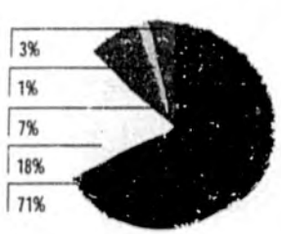
Program Settings

Although the large majority of children enrolled in state prekindergarten programs are served in public school settings, many children are also being served in other locations, such as child care centers and Head Start programs. Each type of setting has certain advantages. For example, public schools can allow programs to take advantage of existing resources, such as experienced staff, buildings, and playgrounds. Child care centers may be better able to provide full-day services for children with working parents. Head Start programs can offer prekindergarten programs access to their comprehensive services and other resources. As shown in Figure 11, of the states that were able to report data, 71 percent of children were served in public schools, 18 percent in private child care centers, 7 percent in Head Start programs, less than 1 percent in faith-based programs, less than 1 percent in family child care, and 3 percent in other settings.

Out of the 39 state initiatives for which data were reported, 25 served half or more of their children in public school settings. These state initiatives include 11 in which all, or virtually all, children were served in public school settings.

Still, in some state prekindergarten initiatives, a large percentage of children were served in private child care settings. More than 40 percent of children participating in initiatives in Connecticut, Georgia, Massachusetts, New Jersey (for its Abbott program), and North Carolina were served in private child care.

FIGURE 11: PERCENTAGE OF STATE PRESCHOOL ENROLLEES BY TYPE OF PROGRAM SETTING



Public Schools Private CC HdSt Faith-based Other

Photo: RC Peters

Some states served many of their children in Head Start programs. In addition to the state Head Start models in Delaware, Ohio, Oregon, and Wisconsin, 11 state initiatives each had 10 percent or more of enrolled children receiving state prekindergarten services in Head Start settings.

Only four states reported using family child care to deliver state prekindergarten services. Even in states that did, only a small percentage of children were served in this type of setting—7 percent in Massachusetts, and 2 percent or less for New York's Universal Prekindergarten Program, Ohio's Head Start program, and Washington's Early Childhood Education and Assistance Program.

Most states were not able to provide data on the proportion of children enrolled in faith-based settings. Among those that did provide data, only Louisiana's Nonpublic Schools Early Childhood Development Program, which had nearly all children enrolled in such settings, had a large proportion of children served in this type of program. Connecticut had 14 percent of its children in faith-based settings, and the other six states reporting data for this category had 5 percent or less of their children in faith-based programs.

Twelve state initiatives had a home-based option during the 2002–2003 program year. The number of children enrolled in this type of component ranged from 20 children in Washington to 4,719 in Arkansas.

Changes in Access from 2001–2002 to 2002–2003

The number of children enrolled in state prekindergarten programs grew from approximately 693,000 in 2001–2002 to more than 738,000 in 2002–2003, an increase of 45,000 children, or 6.5 percent. Twenty-six states showed increases in enrollment. In about half of these states, the increase was less than 10 percent, but several states reported increases of 50 percent or more. However, enrollment decreased in nine states. Although many of these states saw only a small drop in the number of children served, decreases in other states were relatively large. For example, New Mexico's enrollment dropped more than 50 percent, from 2,000 to 850, and Massachusetts reduced its enrollment by 10 percent, or more than 2,000 children. Enrollment in three states was unchanged (Delaware, Maine, and Maryland).

Despite the overall growth in enrollment, the number of 3-year-olds participating in state prekindergarten programs actually declined. Although the proportion of 4-year-olds in the U.S. enrolled in state prekindergarten programs increased from 14.4 percent in 2001–2002 to 16.1 percent in 2002–2003, the proportion of 3-year-olds dropped slightly from 2.7 percent to 2.5 percent. Many of the programs that expanded most rapidly served only 4-year-olds, and some of the programs that served both 3-year-olds and 4-year-olds placed more emphasis on serving 4-year-olds. For example, the number of 4-year-olds in Texas' prekindergarten program increased by more than 15,000, but the number of 3-year-olds decreased by 6,000. New York's EPK program served 3,400 more 4-year-olds but 4,400 fewer 3-year-olds. Arkansas, Iowa, and Tennessee also each had small decreases in the number of 3-year-olds served whereas enrollment of 4-year-olds in their programs rose.

Due to some differences in the way information was collected in 2001–2002 and 2002–2003, data related to other aspects of access to prekindergarten are not completely comparable between the two time periods. However, based on the information available, there do not appear to have been major shifts in state policies and practices for prekindergarten access. States maintained generally the same approaches on issues such as which districts or communities offered prekindergarten, eligibility criteria, operating schedules, use of sliding fee scales, and settings in which programs operate.

Although state policies and practices involving access to prekindergarten have been largely stable, a few states have begun to make changes in certain areas. For example, Maryland revised its eligibility criteria so that, as of 2003–2004, local districts are required to provide prekindergarten to all 4-year-olds who qualify for free or reduced-price lunch or who are homeless. In North Carolina, individual programs currently determine eligibility criteria, but by 2004–2005, at least 80 percent of participants must be from families at or below 75 percent of state median income.

A few states have started to implement changes to other aspects of their programs. For instance, Illinois, Maryland, West Virginia, and Wisconsin have indicated that they plan to start making greater use of settings outside the public schools in providing prekindergarten.

Personnel Requirements

Educational requirements for prekindergarten teachers are important indicators of a state's commitment to supporting quality early education services. Research shows that teachers and staff members with higher levels of education provide higher quality learning environments in their preschool classrooms. However, personnel requirements vary considerably from state to state, and many state policies do not meet the minimum benchmarks.

In 23 of the 44 state-financed preschool initiatives profiled in this report, all lead teachers were required to hold a bachelor's degree. In eight more state preschool initiatives—those in Iowa, Massachusetts, Michigan, Missouri, Oregon, Virginia, and Washington, as well as New York's Universal Prekindergarten program—lead teachers were required to hold a bachelor's degree only when teaching in public school settings. Each of these additional programs had a two-tier system in which teacher degree requirements were more stringent for teachers in public school settings than they were for teachers in nonpublic settings.

Overall, more than two-thirds of the state preschool initiatives required teachers working in public school settings to have at least a BA. New York's initiatives had the most stringent requirements for prekindergarten teachers in public schools. Teachers trained after 1978 were required to have master's degrees. New Mexico was the only state that did not require a degree or credential of preschool teachers in public schools—all other states required at least an associate's degree, a CDA, or equivalent training.

Bachelor's degrees were required of teachers in fewer than half of the state initiatives allowing children to be served in prekindergarten programs operating in private school settings. Among the 21 state initiatives not requiring a BA, only three required an AA for all teachers in nonpublic settings. The CDA (or equivalent training) was the most common requirement among programs not requiring a BA. In five state initiatives, there was no specific degree or credential requirement that applied to all teachers in nonpublic settings, although four of these programs either set requirements for teachers in certain types of nonpublic settings (e.g., Head Start) or required teachers to complete a minimal amount of coursework.

In 29 of the 44 state-financed preschool initiatives, teachers were required to receive specialized training in prekindergarten. Requirements for specialized training were closely tied to teacher degree requirements. In programs that required teachers to hold a bachelor's degree, specialized training typically took the form of licensure, certification, or an endorsement in early childhood or a closely related area. In programs that did not require a BA, specialized training usually involved earning a CDA.

Degree requirements for assistant teachers were minimal, and were less stringent than those for lead teachers in all states except New Mexico. New Mexico did not set a minimum educational requirement for lead or assistant teachers. Only 12 of the 44 state prekindergarten initiatives required assistant teachers to have at least a CDA or equivalent training. In some states, the educational requirements for assistant teachers differed in public and private settings. Although requirements in public schools were generally more rigorous, the differences in requirements were relatively minor. For example, assistant teachers in Missouri's state prekindergarten initiative were required to have a high school diploma plus vocational certification in early childhood education when working in public schools, but were required to have only a high school diploma when working in nonpublic settings. Vermont set the most rigorous educational requirements in public schools, as assistant teachers in such settings were required to have a BA. Across the states, the most common educational requirement for assistant teachers was a high school diploma or its equivalent. In eight state prekindergarten initiatives there were no minimum educational requirements that applied to assistant teachers in all program settings, and in three additional programs the requirements were determined locally in at least some circumstances. Pennsylvania's program did not require assistant teachers to be present in the classroom.

Although requirements for teacher in-service training varied considerably from one state prekindergarten initiative to the next, 27 of the 44 initiatives required teachers to participate in an average of at least 15 hours of in-service training per year. In some cases, the reported in-service requirements were determined by state regulations for recertification. Alabama set the highest annual in-service requirement—40 clock hours per year. Six state initiatives had no annual requirement for teacher in-service training.

Class Size and Staff-Child Ratio

Small class sizes are associated with more effective programs. The benchmark of capping class sizes at no more than 20 students was met by 32 of 44 state preschool initiatives. When programs served both 3- and 4-year-olds, they typically followed the same requirements for maximum class sizes for children in both age groups. Of the programs that did not, most followed Head Start's requirements for a maximum class size of 17 for 3-year-olds and a maximum class size of 20 for 4-year-olds. Regardless, when maximum class sizes differed by the age of child, requirements always specified a smaller group size for 3-year-olds than for 4-year-olds.

The state preschool programs that required the smallest group size were Colorado's program and New Jersey's Abbott program. Each of these initiatives required that group sizes be no larger than 15 children for both 3- and 4-year-olds. In nine state prekindergarten programs, there was no statewide requirement regarding maximum class size, in which cases requirements may be determined at the local level. However, some of these state initiatives offered specific guidance—for example, encouraging programs to follow recommendations of the National Association for the Education of Young Children.

Low staff–child ratios are also associated with effective early childhood education programs. Staff–child ratio requirements were closely related to the class size requirements followed by state prekindergarten initiatives. Three-quarters (33 of 44) of the state preschool initiatives had requirements in place that set a 1:10 staff–child ratio or better. When programs served both 3- and 4-year-olds, they typically followed the same staff–child ratio requirements for children in both age groups. However, when this was not the case, requirements always specified a lower staff–child ratio for 3-year-olds than for 4-year-olds.

The lowest overall staff–child ratio requirement was the 2:15 requirement set by New Jersey's Abbott program. In a few states, even lower ratios were required for classes with larger group sizes. For example, New York's Universal Prekindergarten and Experimental Prekindergarten programs required staff–child ratios of either 1:9 or 3:20. In seven of the initiatives covered by this report, there was no minimum state requirement for staff–child ratios (in which cases requirements may be determined at the local level). With one exception, the initiatives without state-specified staff–child ratio requirements also did not set maximum requirements for class size.

RESOURCES

The preschool programs shown by research to produce large gains in learning and development that the nation seeks, particularly for its most disadvantaged students, were well funded. To be equally effective, state-funded preschool programs must have sufficient funding to: hire and retain good teachers and assistant teachers, keep class size reasonable, provide strong educational leadership and supervision, and put the other elements of a quality education in place. Obviously, money alone does not guarantee educational excellence, but without enough money educational excellence is not possible on a large scale. The amount of funding is a key indicator of state commitment to high-quality preschool education for 3- and 4-year-olds.

Total state spending is an important determinant of both access and quality, and states may make tradeoffs between the two. Total state spending on preschool has increased considerably over the past decade. This has enabled states to greatly increase the number of children served in preschool programs. Funding per child enrolled is the critical indicator for quality. Despite overall increases in state spending, the amount spent per child has stayed low relative to per-child spending for the model programs they seek to emulate, such as the federal Head Start program and public K–12 education.

One of the limitations of the existing data on preschool funding is the lack of information about federal and local funds going into state-funded preschool programs. This year's survey added questions in an effort to identify spending amounts from specific federal, state, and local funding streams. We found that, although federal and local funds are widely used to support preschool in most states that fund programs, the amount of money received from these sources is generally not tracked. As a result, most states cannot provide reliable estimates of total funding. We also added questions this year about mechanisms used by states to distribute funds to eligible agencies. As in our previous *Yearbook*, we collected data on local match requirements.

State preschool programs require resources beyond those that go directly into classrooms and local agencies. Standards must be developed and set at the state level. Data systems must be developed and operated for educational and financial accountability. And, when building programs, it is vital to provide adequate resources for the development of a high-quality teacher force, as many preschool teachers have far less education than is typical in K–12 education. Thus, one additional funding category for which we collected information is scholarships for preschool educators.

Photo: RC Peters

State Spending

For this year's report, total state spending figures include all funds reported from state sources as well as Temporary Assistance for Needy Families (TANF) funds directed to preschool at states' discretion. Data on state preschool spending do not include money received from federal sources such as the Child Care and Development Fund (CCDF) and the Individuals with Disabilities Education Act (IDEA), or local sources such as district funds and parent fees. Preschool spending figures presented on the state profile pages are not estimates of total spending, but reflect each state's level of financial commitment to preschool. The resources ranking is based on state spending per child enrolled, calculated by dividing total state funding by total enrollment. Spending per child in states with multiple programs was calculated by dividing the sum of state spending by the sum of enrollment across all programs profiled. As an indication of per-capita spending on preschool education, we report state spending per 3-year-old, and state spending per 4-year-old, derived by multiplying state funding by the percent of enrollees in each age category, then dividing that product by total state population at the corresponding single year of age.

States contributed a total of about $2.54 billion to their preschool programs during 2002–2003, exclusive of preschool special education funding. Individual state spending varied considerably, from about $1.5 million in New Mexico and Vermont to more than $400 million in Texas. Among the 37 states that reported funding for preschool, average total state spending was just under $70 million. More than 60 percent of national spending on preschool came from five states: New Jersey, Texas, Georgia, California, and New York. Spending in Texas and New Jersey was more than 50 percent greater than that of any other state. Although the most populous states generally provided the largest state contributions to preschool, there were some exceptions. For example, Oklahoma ranked tenth in total state spending although 26 states have larger populations of 3- and 4-year-olds.

As shown in Table 5 (p. 51), state spending per child enrolled in preschool ranged from less than $1,000 in Maryland to more than $8,700 in New Jersey. Average state spending per child across the 37 states for which data were available was $3,451. Twelve of the 13 states not included in this calculation do not fund preschool. Data were unavailable for Pennsylvania. Only nine states provided more than $4,000 per child. Four of these offer state Head Start programs (Delaware, Minnesota, Ohio, and Oregon), which provide comprehensive and family support services that raise the cost of supporting each child enrolled. Whereas New Jersey served more than 20 percent of its 4-year-olds, each of the five other leading states in this category served less than 10 percent of its population.

During 2002–2003, funding per child for both public K–12 education and federal Head Start far exceeded state spending on preschool in most states. The average state share to support a child in K–12 was $3,935, and total K–12 spending, which includes federal and local money as well as capital spending, was $9,173. Only Connecticut, Nevada, New Jersey, Ohio, Oregon, and Tennessee funded each child in state preschool at a level that matched or surpassed the state share for a child in K–12, and total funding per child in K–12 exceeded state preschool spending in every state. Per child spending on preschool was at least $3,500 less than total K–12 spending in all but 5 states.

Federal Head Start also received considerably more money per child than state preschool programs. State funding for a child in preschool was lower than federal funding for Head Start in 36 of 37 states for which these data were available. Nationally, federal Head Start programs received more than double the support per child in comparison to state preschool programs. Although Head Start served fewer 3- and 4-year-olds than state preschool during 2002–2003, federal Head Start grantees received more than $6 billion to provide services to participants, 87 percent of whom were 3 or 4 years old.

The size of the 3- and 4-year-old population differs dramatically by state. Thus, we compared funding across states by calculating per-capita spending for each year of age separately. Although no state currently funds preschool programs for all 3- and 4-year-olds, this method of calculation provides a useful indicator of state financial commitment relative to the entire preschool population. Per-capita spending figures are presented in Table 5. Twenty-five states offered some preschool services for 3-year-olds, but only six provided more than $200 of support per 3-year-old in the state. New Jersey made more than three times the per capita investment of any other state for 3-year-olds. The majority of state funds for preschool were directed to services for 4-year-olds, and all states with a program served children in this age group. Spending per 4-year-old was greater than $500 in 12 states, and exceeded $1,000 in four—Georgia, New Jersey, Oklahoma, and Texas. Georgia and New Jersey spent considerably more than other states, supporting preschool with an average of more than $2,000 for each 4-year-old resident.

Funds from Federal or Local Sources

Most states reported that some federal or local funds had been used to supplement state support for preschool during 2002–2003. Generally, states were not able to specify how much money was spent on preschool from these sources, and, therefore, they could not accurately report total spending on state Pre-K from all sources. In some cases, state administrators did not know whether specific federal or local sources were being used to support preschool. At least seven states directed TANF funds to preschool, supporting nine different preschool initiatives. Of all federal and local sources, states were most often able to specify funding amounts for TANF. Three programs, two in Louisiana and one in Ohio, were entirely or almost entirely supported with TANF dollars. Additionally, more than half of state preschool funds in Tennessee came from TANF, and these funds constituted about 30 percent of total preschool spending in Massachusetts.

The federal funding stream most frequently used to support state preschool was IDEA. Out of 44 programs profiled in this report, 24 used IDEA money to fund services for some participants. IDEA funds were generally used to supplement or replace state funds for children who required special services. Many programs (18) also were reported to use Title I funds. Unfortunately, state preschool administrators were rarely able to estimate how much funding was received from either Title I or IDEA. West Virginia used more than $8 million from Title I to fund preschool, which was one-third as large a contribution as state funding. Finally, child care (CCDF) funds supported preschool in at least seven states, with a specific amount reported for three of those states. Washington directed more than $5 million in CCDF money to support its state preschool initiative, representing an almost 20 percent increase over state funds alone.

At least 80 percent of programs used local money to help pay for preschool. As was the case with federal funds, few states were able to quantify support received from local sources. More than two-thirds of programs received in-kind contributions from localities, which may include services such as transportation, provision of meals, or maintenance of facilities. About one-third of programs were partially supported by parent fees, usually collected on a sliding scale based on family income. Connecticut and Massachusetts each reported using more than $10 million in parent fees to help fund their programs.

Although 35 programs were reported to receive some support from local funds, only eight required a local match. Percentages of funding required from local sources ranged from 11 percent for New York's EPK program to 40 percent of total funding in Arkansas. Alabama required that localities match half of the amount granted by the state. Some states allowed local matches to be either in cash or in-kind. In Wisconsin's 4K program, the local share of general school revenue was reported as a local match for preschool. Local funds are likely to be required in any state that funds a preschool initiative through the regular public school funding formula. The local match requirement in Virginia depended on a composite index of local ability to pay, so that wealthier localities generally have to pay for a higher percentage of overall program cost. In Kentucky, nearly $20 million in local funds were used to fund preschool, though no match was required.

Types of Agencies Eligible to Receive Funding

The manner in which states distribute resources to preschool programs may affect both the accessibility and quality of services. In most cases, the state distributes funds directly to operating agencies, which may or may not be allowed to subcontract with other providers. During 2002–2003, preschool initiatives in Kansas, Louisiana 8(g), Maine, New York (EPK), and Pennsylvania were operated exclusively through public schools. In these programs, only public schools were eligible to receive state funds and no subcontracting was permitted. In 36 of the 44 state initiatives, services were offered through a combination of public and private providers. Private agencies received funds directly from the state in 20 programs. Head Start, private or family child care, and faith-based centers were each eligible to receive funds directly in more than one-third of state programs. In 16 other initiatives, the state gave funds only to public schools, but schools subcontracted with private providers. Public schools were not involved with the provision of services in Hawaii's Preschool Open Doors Project, which distributes subsidies directly to parents, or in Louisiana's Nonpublic Schools Early Childhood Development Program, which operates out of nonpublic facilities.

Subcontracting with multiple types of agencies was allowed in about three-quarters of the programs profiled. Head Start centers and private child care were the providers most frequently used for subcontracting. More than half of all programs permitted subcontracting with faith-based centers, although some states did not allow services offered by these providers to include religious content. Programs that allow subcontracting in policy may in practice distribute different proportions of funds to eligible agencies. For example, more than half of all funds for New York's UPK program were distributed to subcontractors, whereas in South Carolina and Illinois a very small percentage of funds was directed to outside providers.

Other Types of Support for Preschool

No commitment a state can make to early childhood education is more important than recruiting and retaining highly qualified preschool teachers. To demonstrate such commitment, resources must be allocated to provide competitive salary and benefit packages for preschool teachers. Thirteen programs required all teachers to be paid on the public school district salary scale, including eight of the 12 programs that met at least eight benchmarks on NIEER's Quality Checklist. Approximately one-third of state prekindergarten initiatives applied the public salary scale only to preschool teachers employed by a public school system or those who taught in a public school. Teachers employed by agencies such as Head Start or other private agencies were generally not required to be paid public school teacher salaries. In 14 programs, the public school salary scale did not apply to preschool teachers regardless of program setting, and Pennsylvania allowed districts to decide this issue locally.

Scholarship or loan forgiveness programs were available to some preschool teachers in 23 states. These programs encourage professional development and reflect a financial commitment to promote high-quality preschool. Of 11 states that were able to provide specific data, only Arkansas, Colorado, and Massachusetts awarded more than 200 scholarships. In some states, such as Iowa and West Virginia, scholarships were only available to teachers in nonpublic settings who had not yet attained a BA. Assistant teachers in Nebraska and Wisconsin's 4K program were eligible for T.E.A.C.H. scholarships, but lead teachers in these two programs could not receive such support.

States were asked to report the number of full-time professional staff members employed at the state level who administered early childhood education programs. Resources devoted to administrative staff can contribute to program quality by funding teacher support and supervision as well as program monitoring and evaluation efforts. Of the 34 states for which data were available, 18 employed fewer than five full-time staff members to administer early childhood programs. In most states, administrative staff worked within a single agency or entity, such as the Department of Education, even when overseeing multiple programs. Approximately 300 administrators were employed nationally, each responsible on average for 2,500 preschoolers. In Texas, a single individual administered a program that served nearly 150,000 children. Such initiatives clearly depend on local public school administration to support the preschool program.

Monitoring and Evaluation

Preschool programs can be held accountable for compliance with quality standards through systems of monitoring and evaluation. During 2002–2003, states monitored their programs using a variety of approaches, including site visits, financial audits, and desktop reviews of other program records. About one-third of the state initiatives required site visits by state monitors at least once per year, including eight state initiatives that required two or three site visits per year. New Jersey's Abbott program, which required the most frequent site visits (one per week), uses "mentor" teachers who act as coaches for less experienced staff. Thirteen states did not require any site visits.

The vast majority of states reviewed financial or other program records (or both) at least once per year, including some states that reviewed records quarterly or monthly. Several states, including Arizona, Hawaii, Maine, Missouri, Texas, and West Virginia, did not require record reviews.

For most state initiatives, the monitoring requirements were the same regardless of the type of program providing services. However, there were some exceptions. For example, programs in nonpublic school settings in Illinois received additional visits from state monitors. For New York's UPK program, the state monitored programs provided by school districts directly, but districts were responsible for monitoring any agencies with which they subcontracted to provide services.

Along with monitoring, states also ensure accountability for their preschool programs through evaluations. Of 28 state initiatives that had completed evaluations, most assessed both child progress and program quality. The majority of state preschool evaluations that were completed by 2002–2003 were required and funded by the state, but most were conducted by an independent organization such as a university or private research firm. Other initiatives were evaluated either by the state or jointly by the state and an independent organization.