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PROPOSITION 82 ANALYSIS

UNDERSTANDING UNIVERSAL PRESCHOOL FROM A RESEARCH PERSPECTIVE

EXECUTIVE SUMMARY

“An ounce of prevention is worth a pound of cure” is a simple cliché. By addressing issues early, rather than let them develop into much larger problems (often at much greater cost) strikes a chord with our intuitive sense. Preschool has garnered the support of the public education community, law enforcement, some economists, social welfare and anti-poverty advocates, and others as the ounce of preventive policy that is worth several pounds of cure.

Some research suggests that the effects of high-quality preschool:

- Improves student test scores;
- Lowers the incidence of grade retention;
- Lowers the chance of special education identification;
- Increases the graduation rate;
- Lowers the incidence of criminal activity;
- Increases the likelihood of delaying pregnancy;
- Improves worker productivity with higher levels of employment; and
- Garners higher average wages and increased tax receipts from those higher wages.

These short- and long-term benefits are estimated to save significant amounts of money to society as a whole. In a study following preschool participants to age 40, researchers estimated a benefit-cost ratio of more than 17-to-1. That is, for every \$1 spent on the program, there was a benefit of over \$17, certainly more than the initial cost of the program. Clearly, high-quality preschool can have substantial benefits to the individuals who participated in these preschool programs and to society as a whole. Advocates of all sorts across the nation embrace these figures as reasons to support the expansion of publicly funded preschool. Most significantly, many of these advocates push for universal preschool, providing access to all children to high-quality preschool programs based on this research. Proposition 82, a measure presented to California voters on June 6, 2006 calls for a universal preschool program for all four-year-old children in the state.

However, policymakers should exercise caution on how to interpret and use the research showing long-term benefits. From a pure research perspective, one can only reasonably expect similar results or outcomes from a program when two conditions are satisfied: 1) if the population you wish to serve has the same socioeconomic and demographic characteristics of those that were served in the research; and 2) the new program being put into place has the same components and quality of the program found in the research.

Here in lies the dilemma for California voters. The population to be served and the program components and quality are substantially different than what is found in the research.

First, the research that shows short- and long-term benefits of preschool was conducted almost exclusively on low-income, African-American children. The authors of these research studies, themselves, caution against using their research beyond the types of students served in their research.

Furthermore, many of the high-quality programs studied in the research show substantial services provided inside and outside of the school setting. That is, many of these programs included significant parental and community outreach and participation, as well as screening, assessment, and referral services for health and social services to the children and their families. Finally, most of these programs provided preschool and early childcare services for more than one year. The authors of these research studies also caution that there is little to no information from their research to support only one year of preschool or for preschool programs that do not have the same components as the programs that were studied.

Proposition 82 aims to make high-quality preschool available to all four-year-old children in California. More than 60 percent of four-year-old California children attend some type of preschool, with approximately half of those attending one or more publicly funded preschool and childcare programs that already exist in California. Universal preschool programs in Georgia and Oklahoma have enrolled between 60 percent and 70 percent of eligible students. If 70 percent of California four-year olds enrolled in Proposition 82 preschool programs, certainly more low-income children will likely be enrolled. At the same time, a large proportion, if not the majority, of the estimated \$2.4 billion that the program will raise per year will likely go to fund preschool for children, mostly non-poor and white, who already attend a preschool program paid for by their families.

The availability of new research suggests that there may be some short-term benefits (greater school readiness skills as they enter kindergarten) to non-poor, white children as well as poor, minority children that occur because of preschool participation. However, the research is limited in going beyond kindergarten. In short, not much is known from research about the longer-term benefits of preschool beyond poor, African-American children in early childcare and preschool programs.

The RAND Corporation put forward an estimate of the long-term benefits of universal preschool in California. Explicit in their estimates was an assumption that the universal program in California would have the same characteristics as a program found in Chicago. Additionally, RAND authors speculated on the potential benefits to non-poor students without a great deal of research to guide their projections. Any estimates of the benefits of universal preschool in California have been based on these fundamental assumptions. There are clear differences between the characteristics of those children found in the research that showed long-term benefits and the overall California population and the types of preschool programs to be delivered through Proposition 82.

Ultimately, California voters will be asked whether they believe Proposition 82 will generate the types of benefits found in the research given these differences and whether those benefits will outweigh the costs of the program. Unfortunately, there is little to no research to suggest what types of long-term benefits can be expected if Proposition 82 were to pass.

SECTION 1: INTRODUCTION

Public officials across the nation are pressed with the question of how best to allocate scarce tax dollars. The public trusts that they make these decisions based on what they believe are the best investments considering the short- and long-term benefits. Issues of how best to improve education, alleviate crime, increase job productivity, and address poverty are but a few of the issues facing state and national policymakers. Recently, one strategy has gained increasing attention as a possible method for addressing all of these issues – publicly funded early childhood education, better known as preschool.

Many of us have come to learn that “an ounce of prevention is worth a pound of cure,” meaning that there is value in addressing problems in the beginning, rather than let them develop requiring greater effort to fix them later. Perhaps this cliché has led to our intuitive thinking that addressing the needs of children will alleviate social problems later in life.

The potential long-term benefits of high-quality preschool have been embraced by early-childhood advocates, garnered growing attention by the press, and found favor with policymakers and other interest groups such as teachers unions, law enforcement associations, and medical groups. Positive benefit-cost ratios (greater financial benefits than program costs) have been touted as reasons to support the expansion of preschool programs to include all children, programs known as “universal preschool.”

Proposition 82, what would be known as the “Preschool for All Act” if passed by California voters on June 6, 2006, would make available preschool programs to all four-year-old children in the state of California with no tuition costs to parents. USC California Policy Institute (CPI) does not have an official position on this or any ballot measure presented to California voters. The goal of this analysis is to provide California voters with an understanding of the major provisions of the initiative; the leading academic research on preschool education; and the potential economic, legal, programmatic, and social impacts of the initiative.

Section 2 provides a discussion of preschool programs, generally accepted indicators of high-quality programs, and the status of publicly funded preschool programs in California. Section 3 briefly describes the major provisions of Proposition 82 and how the preschool components match those high-quality indicators described in Section 2. A discussion of the research, both the results and the context, is provided in Section 4. Section 5 compares the quality provisions included in Proposition 82 to the Chicago Child-Parent Center program, an oft-cited program known for its positive results. Section 6 concludes with policy analysis and an assessment of potential impacts.

SECTION 2: HIGH-QUALITY PRESCHOOL AND CALIFORNIA

There is a significant body of research that lends support to the notion that high-quality preschool will lead to short- and long-term benefits, not just educationally, but also in later-life outcomes. This section explores quality standards of state preschool programs developed by reviewing highly successful preschool programs across the nation and

concludes with an examination of the current types of preschool programs already available in California and how those programs measure up to those generally accepted quality standards.

High-Quality Standards

Through the research base on the effectiveness of preschool (Section 3), researchers and experts in early childhood education and school readiness at the National Institute for Early Education Research (NIEER) have developed 10 benchmarks – their Quality Standards Checklist – in considering the quality of preschool programs.¹ The Quality Standards Checklist include:

1. Comprehensive Early Learning Standards;
2. Teacher has a Bachelor of Arts degree;
3. Specialized training in Pre-Kindergarten;
4. Assistant teacher has Child Development Associate (CDA) certificate or equivalent;²
5. At least 15 hours per year of in-service training for instructional staff;
6. Maximum class size less than or equal to 20 children;
7. Staff-child ratio of 1:10 or better;
8. Required screening/referral and support services (e.g., vision, hearing, health, and at least one support service such as parent education);
9. At least one meal served; and
10. State monitoring through site visits and data collection.

NIEER developed the Quality Standards Checklist to provide a framework to evaluate the quality of state preschool policies, standards that NIEER feels “set the minimum criteria needed to ensure effective prekindergarten programs, especially when serving disadvantaged children.”³ Because the Checklist was developed from the preschool research base, it provides a useful framework to evaluate existing preschool programs in California and other states and the provisions of Proposition 82.

Preschool in California

As Californians consider their vote on Proposition 82 to create a new preschool program for all four-year-old children, there already exists a mix of publicly funded early childhood programs that include an education (school readiness) component. These include: the California State Preschool Program; the federal Head Start program; and

¹ W. Steven Barnett, Jason T. Hustedt, Kenneth B. Robin, and Karen L. Schulman, “The State of Preschool: 2005 State Preschool Yearbook,” The National Institute for Early Education Research, Rutgers, State University of New Jersey, 2005: <http://nieer.org/yearbook/pdf/yearbook.pdf>. According to its Website, NIEER is an independent research organization established at Rutgers University from a grant from The Pew Charitable Trusts as part of the Trusts’ strategy to ensure universal, voluntary access to high-quality early education for 3- and 4-year old children (<http://nieer.org/about/>).

² NIEER authors point to the lack of research available on the qualifications of assistant teachers, but instead point to the more-general research available on the importance of teaching staff qualifications. Therefore, NIEER experts recommend the CDA for assistant teachers who are beginning their career path to become teachers rather than permanent assistants. Barnett, et al. (2005), p. 32 footnote 2.

³ Barnett, et al. (2005), pp. 32-33.

students enrolled in preschool services with special education needs. According to the NIEER Yearbook, one or more of these three programs in the state serve approximately 27 percent of all four-year-old children; 13 percent of all three-year-old children are similarly served.⁴

California State Preschool Program

The California State Preschool Program is designed to provide child care and development programs for children between three and five years of age whose family income falls below 230 percent of the federal poverty level. The competitive grant program provides school-readiness skills development for three hours per day, 175 days per year. More than 82,000 children participated in the program during the 2004-05 school year (11 percent of all four-year-olds and 5 percent of all three-year-olds). More than \$264 million was expended on the program.⁵

Head Start

More than 88,000 children participated in the federally funded Head Start program in 2003-04. Head Start includes a school-readiness component and a family support component (e.g., health, nutrition, and social services). The federal government expends approximately \$500 million annually just for four-year-old participation in the state.⁶

State General Child Care Program

In addition to the three programs listed above, California also funds the State General Child Care Program. This program provides full-day care for three- and four-year-old children of working families with school-readiness skills development in the morning and enrichment programs in the afternoon. The California Legislative Analyst's Office (LAO) considers the morning portion of the program to be identical to the State Preschool Program and estimates the state spends \$150 million annually for four-year-olds in this program, the target population of Proposition 82.⁷

First 5 California

In addition to these programs, California voters passed Proposition 10, the California Children and Families Act of 1998 better known as First 5. To be clear, First 5 is not a formal preschool program like the aforementioned. Rather, First 5 California and the First

⁴ Barnett et al. (2005).

⁵ Barnett, et al. (2005), pp. 48-49.

⁶ Voter Information Guide, Analysis of the California Legislative Analyst, found on file with the California Secretary of State: http://www.ss.ca.gov/elections/vig_06/vig_pdf/entire_82.pdf.

⁷ Ibid.

5 County Commissions work to provide a comprehensive and integrated system of early childhood development services (that might include preschool services) from prenatal care to age five. This initiative established a tobacco tax to fund these programs. One of the signature programs within First 5 is the School Readiness Initiative designed to “improve the ability of families, schools, and communities to prepare children to enter school ready to succeed.”⁸ The School Readiness Initiative has allocated \$413 million over a four-year period, with \$206.5 million coming from First 5 California and matching funds coming from the 58 County Commissions and/or their local partners. The purpose of the School Readiness Initiative is to design and deliver locally tailored programs in communities served by schools primarily in the lowest 30 percent of schools on the statewide Academic Performance Index (API). Every School Readiness Program designed with School Readiness Initiative funding must include the five “Essential and Coordinated Elements:”

1. Early care and education (ECE): include kindergarten transition strategies, improved access to high-quality ECE programs, and improved implementation of effective practices through parent education and involvement and training of all types of ECE providers.
2. Parenting and family support services: include services to improve literacy and parenting skills, home visitation, employment development, and family court services.
3. Health and social services: health plan enrollment, provision of and/or referral to basic health care (e.g., prenatal care, services for children with disabilities and other special needs), comprehensive screening and assessment, mental health counseling (including screening, assessment, referral, and treatment), health education and promotion, and others.
4. Schools’ readiness for children: include kindergarten transition strategies, articulation of ECE and kindergarten standards and curriculum, outreach to parents, cross-training for ECE providers and elementary teachers, and coordination of support services and assessments.
5. Program infrastructure, administration, and evaluation: include coordination across the five elements, staff training, transportation, and evaluation for program improvement.

In addition to the School Readiness Initiative, the First 5 California Commission also approved the Power of Preschool (PoP) Demonstration Projects to fund new and improved preschool spaces in school district(s), city, or countywide preschool “systems” that include high-quality providers in a variety of settings (e.g., public, private, nonprofit, etc.) for all four-year-old children. First 5 California approved funding of seven PoP Demonstration Projects to Merced, San Francisco, San Joaquin, San Mateo, Santa Clara, Ventura, and Yolo counties.

Building on these First 5 efforts, several of the First 5 County Commissions have developed strategic plans to deliver universal preschool to all four-year-old children in their counties. For instance, the Los Angeles Universal Preschool (LAUP), an

⁸ First 5 California Children and Families Commission Annual Report – Fiscal Year 2004-05. http://www.cffc.ca.gov/PDF/Research/F5AR_FY2004-05.pdf?pg=28.

independent public benefit corporation, created in 2004 and funded by First 5 LA, endeavors to make voluntary, high-quality preschool available to every four-year-old child in Los Angeles County by 2014. San Francisco and Santa Clara counties have also developed plans to provide universal preschool.

Quality of California State Preschool Program

Utilizing the Quality Standards Checklist (listed above), NIEER evaluated the quality standards of the California State Preschool Program. According to NIEER, the state's program satisfied four of the ten elements on the Quality Standards Checklist:

- Teachers have specialization in pre-Kindergarten;
- At least 15 hours per year of in-service training (state requires 105 hours over five years) for instructional staff;
- Child-staff ratio of 10:1 or better (state requires no more than 8:1); and
- State monitoring (state requires programs to utilize the Desired Results for Children and Families systems to record children's development and to plan curriculum and developmentally appropriate activities).

The median number of benchmarks met by pre-Kindergarten programs funded in other states was six. The State Preschool Program, much like federal Head Start programs, does not require teachers to have a Bachelor of Arts degree, only requiring at least 12 semester hours of training in early childhood education. Though the state's program satisfies child-staff ratios standards, there are no statutorily specified class-size maximums. Finally, while local program providers may deliver meals to children and health and social service screenings and referrals to children and their families, there are no statutory requirements for either of these in the program.

NIEER did not evaluate the state's General Child Care Program or the First 5 California Commission initiatives. However, First 5 California School Readiness Initiative components (the Essential and Coordinated Elements) begin to address some of the standards elements or enhance requirements in the State Preschool Program such as developing kindergarten transition strategies (curriculum), providing health and social service screening, assessment, and referral, and evaluation of programs. However, the First 5 California Essential and Coordinated Elements do not set minimum criteria to which County Commissions must adhere. Instead, they only mention that these elements should be included in locally designed plans.

SECTION 3: SUMMARY OF PROPOSITION 82 PROVISIONS

Proposition 82 is a comprehensive and detailed proposal. In addition to describing the basic program details, this section will once again utilize the NIEER Quality Standards Checklist to provide a framework for evaluating Proposition 82's preschool components. CPI notes that the NIEER Quality Standards Checklist provides one measure of determining preschool program quality, to which there is not a consensus. For instance, there are divergent views from the research community as to the value of requiring preschool teachers to have a baccalaureate degree and its impact on student

achievement.⁹ CPI chose to utilize the NIEER Quality Standards Checklist, not to endorse NIEER or its standards checklist, but to provide a framework for comparison across programs (existing and proposed). Therefore, neither the University of Southern California nor the USC California Policy endorses NIEER or the NIEER Quality Standards Checklist as the definitive authority to determine what are considered to be “quality” preschool programs.

This section will also summarize the initiative’s provisions on governance and administration and funding for preschool programs facilities, and training of instructional staff.

Initiative Summary

Preschool for All programs would be required to provide preschool services for at least three hours per day, 180 days per year. Tax revenues for the program (collected through a 1.7 percentage point increase in the marginal income tax rates on individuals with incomes greater than \$400,000 and joint filers with incomes greater than \$800,000) will begin to be collected in 2007.¹⁰ Counties can begin to offer preschool services in 2007. In the first four years, counties must begin by targeting those areas served by elementary schools with Academic Performance Index (API) scores in the lowest three deciles (lowest 30 percent) of the state.

NIEER Quality Standards Checklist

Section 1 provided the Quality Standards Checklist, a set of benchmarks NIEER considers to be indicators of high-quality preschool programs. Table 1 provides a summary of the 10 quality indicators and whether Proposition 82 meets these benchmarks. More detail of each of these benchmark indicators follows the table.

⁹ For example, Policy Analysis for California Education released their analysis of Proposition 82 and point out the research that shows that a baccalaureate degree for preschool teachers has not demonstrated positive results in terms of student achievement. The PACE policy brief is available at: <http://pace.berkeley.edu/Prop82brief.pdf>.

¹⁰ CPI notes that the increased marginal tax rate applies to the portion of incomes above \$400,000. As an example, an individual making \$500,000 would pay 9.3 percent on \$400,000, but would pay 11 percent on that income between \$400,000 and \$500,000.

TABLE 1: NIEER Quality Standards and Proposition 82

NIEER QUALITY STANDARD	PROP 82 (YES/NO)	PROVISIONS
EARLY LEARNING STANDARDS	YES	Superintendent of Public Instruction
TEACHERS WITH BACHELORS DEGREES	YES	By 2014, at least a baccalaureate degree
TEACHERS WITH EARLY CHILDHOOD EMPHASIS	YES	By 2016, all teachers w/early childhood credential
ASSISTANT TEACHERS WITH DEGREES	NO	Complete minimum of 48 units, with min of 24 in early childhood learning
MINIMUM IN-SERVICE FOR INSTRUCTIONAL STAFF	NO	
CLASS SIZE OF 20 OR LOWER	YES	Mandates 20 or lower with fully qualified staff
10:1 CHILD:STAFF RATIO	YES	Mandates 10:1 with fully qualified staff
SCREENING, ASSESSMENT, & REFERRAL SERVICES	NO	
AT LEAST ONE MEAL	NO	
PROGRAM MONITORING	YES	Counties and SPI required to complete annual monitoring reports; program evaluation requirements; newly appointed Preschool for All Accountability Committee
TOTAL	6 OF 10	

The Preschool for All Program satisfies six of the ten NIEER quality standards for state preschool programs. This is an improvement from the State Preschool Program that satisfied just four of the ten. Proposition 82 has provisions that meet three additional indicators: state early learning standards; requirements for teachers to have a baccalaureate degree; and explicitly setting maximum class sizes. However, unlike the State Preschool Program, Proposition 82 does not include minimum in-service training requirements for instructional staff. Thus, there is a net gain of two quality indicators.

1. Early Learning Standards Covering National Education Goals Panel

Proposition 82 would require the Superintendent of Public Instruction (SPI) to develop learning standards, guidelines, and instructional practices that are age and developmentally appropriate within six months of initiative passage.

2. *Teachers with Bachelor of Arts Degrees*
AND

3. *Early Learning Specialized Training*
Proposition 82 would require all teachers participating in the Preschool for All Program to have at least a baccalaureate degree and at least 24 units in early childhood education by July 1, 2014.

By July 1, 2016, Proposition 82 would require all teachers to have at least a BA and an early learning credential (not yet available) or a multiple subject credential with at least 24 units in early learning if the teacher received her/his credential prior to July 1, 2010. These requirements would require approximately five years of college.

4. *Assistant Teacher Degree*
Proposition 82 would require all instructional aides to have completed at least 48 units of college-level work (12 units shy of California Community College minimum requirements for an associates degree), including 24 units in early learning by July 1, 2014. In its explanation of this quality standard, NIEER would ideally not have assistant teachers as permanent positions; rather, these individuals would be working towards becoming fully certified early learning teachers. Proposition 82 does not address any desired career progressions for instructional aides.

5. *Minimum Required In-Service for Instructional Staff*
Proposition 82 would not require in-service training of teachers and other instructional staff. While Proposition 82 addresses issues of developing early childhood credentials for teachers, there are no explicit provisions for ongoing training required.

6. *Maximum Class Size of 20 or Lower*
Proposition 82 would require, at a minimum, classes of no more than 20 children with at least one teacher and at least one instructional aide that meet the criteria for instructional staff. For instructional staff that have yet to acquire the requirements set forth in the initiative (teachers with BA with at least 24 units of early childhood education and instructional assistants with at least 48 units of college coursework and at least 24 units of early childhood education), Proposition 82 would require classes no larger than 24 children with at least one teacher with no more than a 1-to-8 adult-child ratio.

7. *Staff-Child Ratio of 1:10 or Better*
Proposition 82 would require staff-child ratios be no greater than 1-to-10 for instructional staff that meet quality standards set forth by the initiative (see numbers two through four).

8. *Screening and Referral of Related Services Including Support Services*
Proposition 82 would not require Preschool for All programs to offer vision, hearing, and health screening and referral services to children and their families, including support services such as parent education. Special education services – identification, referral, etc. – would still be provided to the child per federal law.

However, as part of the planning process, done every five years by county superintendents, the community assessment and plan is supposed to ensure appropriate outreach to parents and to encourage parental involvement by providing multiple roles for parents and by helping parents understand how they can assist in the education of their children from preschool to grade 12. Additionally, as part of the required programmatic evaluation, an assessment of the awareness and engagement of parents about the overall structure and effectiveness of the program must be made.

Finally, again as a part of the planning process, the community assessment and plan is supposed to ensure that Preschool for All programs are coordinated and combined with existing child care programs and other non-Preschool for All funded programs to maximize the extent to which the needs of families of preschool-age children, including the need for full-day child care for working families. As discussed above, to the extent that First 5 California programs are to provide screening and referral services to children and their families and that Preschool for All programs are to be coordinated with other funded early childhood education programs, this quality benchmark is not addressed directly, though they may be offered through First 5 or the locally developed plans.

9. Provide At Least One Meal per Day

Proposition 82 would not require that meals or snacks be provided to program participants. Meals or snacks can be provided by local programs, but are not required to do so.

10. Program Monitoring and Evaluation

Proposition 82 would require program monitoring and program evaluation. Proposition 82 includes several provisions that span from the planning stages to long-term evaluations.

Program Monitoring

Within six months of passage, the Superintendent of Public Instruction (SPI) would be required to establish quality, access, and fiscal accountability standards and will be required to monitor county superintendents of education – responsible for the planning and delivery of Preschool for All programs – by conducting fiscal audits and programmatic evaluations. The county superintendents, in turn, are required to establish processes to monitor access, quality, and fiscal accountability by Preschool for All program providers.

The SPI is also charged with collecting and monitoring longitudinal data on program enrollments, quality and components, and results. Presumably to assist with program evaluation and effectiveness, the SPI can request data from school districts.

County superintendents are required to provide to the SPI on an annual basis independent fiscal audits of Preschool for All program revenues and expenditures and progress reports on access and enrollments of preschool-aged children. The SPI is also required to prepare annual reports detailing the status of the counties' fiscal and programmatic conditions.

Program Evaluation

Without specifying a date, Proposition 82 requires the Governor to commission a fiscal and programmatic evaluation of the Preschool for All Program by an independent evaluator. Chiefly, the evaluation must include an assessment of:

- Program integrity (access, quality, equity, and consistency of programs across the state);
- Longitudinal effects of the program;
- Effectiveness of the various components of preschool;
- Cost-benefit ratios over time;
- Infrastructure;
- Parent awareness and engagement;
- County processes for selecting and approving Preschool for All program providers;
- Effectiveness of financial aid to and for instructional staff;
- Effectiveness of early childhood learning courses and degrees developed by California public colleges and universities; and
- Whether Preschool for All program providers are compensating instructional staff similarly to instructional staff in public K-12 schools.

In addition, Proposition 82 would create a new government entity – The Preschool for All Accountability Committee – to review the SPI annual reports, fiscal audits, and program evaluations. This committee’s charge, after program reviews and audits, is to make recommendations to the Superintendent of Public Instruction and the California Legislature regarding the effective implementation and operation of Proposition 82 preschools. Committee members will represent several stakeholder groups and will be appointed by the Governor (2), Lieutenant Governor (2), Controller, Treasurer, Attorney General, Senate Committee on Rules, and Speaker of the Assembly.

Governance and Administration: Who’s Responsible for Preschool for All?

Under Proposition 82, the State Superintendent of Public Instruction (SPI) is primarily responsible for overseeing the Preschool for All Program. The SPI is responsible for monitoring quality, access, and accountability standards for Preschool for All programs as well as developing early learning standards.

The County Offices of Education (COEs) are primarily responsible for implementing the Preschool for All Program. The COEs are responsible for developing access and enrollment plans as well as choosing public and private preschool providers.

A new appointed committee, The Preschool for All Accountability Committee, would be responsible for reviewing SPI annual reports, fiscal audits, and program evaluations and with making implementation and operation recommendations to the SPI and Legislature.

What is not clear is the role of this committee in the overall governance and accountability system of The Preschool for All Program. For example, it is unclear what accountability mechanisms are available to the committee. Nor is it clear whether the SPI and/or Legislature are required to respond to the committee's recommendations. Nor is it clear what, if any, powers the committee has to commission additional research, evaluations, audits, etc. to inform its reviews and recommendations.

Program Funding

Proposition 82 would raise the marginal income tax rate on those individuals making more than \$400,000 (joint filers making more than \$800,000) by 1.7 percentage points to 11.0 percent.¹¹ Revenues from this increase would be dedicated entirely to Preschool for All programs, approximately \$2.1 billion in 2007-08 to approximately \$2.6 billion in 2010-11 according to the state's Legislative Analyst's Office.¹² \$2.7 billion of the estimated \$24 billion of program revenues in the first ten years of the program could be used to build the state's infrastructure and human resource capacity to deliver Preschool for All programs, including:

- \$2 billion for the construction, lease, purchase, or renovation of facilities;
 - Only public school providers, including county offices of education, would be eligible to receive funding for the construction or purchase of facilities.
 - Private preschool providers, while not eligible for funding to purchase or construct new facilities, are eligible to receive funding to lease facilities.
- Up to \$200 million would be made available for financial aid to help train individuals seeking to become teachers or instructional aides in the Preschool for All Program;
- Up to \$500 million would be made available to the public colleges and universities (California Community Colleges, California State University, and University of California) to develop and offer coursework in early childhood education, including the development of a new early childhood teacher-credentialing program; and
 - There is no mention of funding to be made available to the state's independent colleges and universities for course or credentialing development.
- A reserve account must be created within the first ten years of the program and funded to the level that would allow full program funding for one year.

The remaining estimated \$21 billion (over the ten-year period) would be dedicated to preschool operations (teacher salaries and benefits, supplies and materials, activities, etc.).

¹¹ Proposition 82 does not include provisions to index the income associated with the increased tax rate to inflation, resulting in a larger number of taxpayers subject to the higher tax rate over time.

¹² Voter Information Guide.

SECTION 4: PROMISE AND LIMITATIONS OF PRESCHOOL RESEARCH

Researchers, educators, policymakers, and others have become more aware of and more adept at citing the research findings from preschool, namely the benefit-cost ratios, than perhaps any other social program in existence. The quality of some preschool research is especially strong given the difficulties typically associated with conducting social science research on human subjects. The strength of the research of these select programs provides great promise for understanding the potential benefits of high-quality preschool. It also suggests reason for great caution as to how the research should be responsibly used when considering policy direction.

There is a very strong research literature on the benefits of high-quality preschool to low-income, African-American children. Based on preliminary results from Oklahoma, high-quality preschool appears to increase school readiness skills for low-income, Hispanic and African-American children, with some evidence that these benefits extend to white, non-poor children as they enter kindergarten through a universal program. The longer-term benefits such as school performance, school completion, and later-in-life outcomes have yet to be determined in both Georgia and Oklahoma, two states that have implemented and funded universal preschool programs. Preliminary research shows the positive effects of preschool on school performance seem to fade by the third grade, but this research is limited in that it does not distinguish between high-quality preschool programs and lower-quality programs. This section will briefly discuss the most-cited preschool programs and the promising effects suggested by the research of these programs, the limitations of this same research, and insights from more recent research on the issue.

The Promise of Preschool

Research studies of carefully designed preschool programs such as the High/Scope Perry Preschool Project (Perry Preschool), the Carolina Abecedarian Project, and the Chicago Child-Parent Center (CPC) Program have garnered a great deal of attention for the design of their programs as well as the documented long-term benefits of program participants. The research has measured the well being through follow-up efforts of the original Perry Preschool participants at age 40 and Abecedarian and CPC participants, both at age 21. Participants in all three of these programs consistently demonstrated one or more of the following long-term benefits:

- Greater cognitive and school achievement on standardized measures such as test scores in math and reading;
- Lower incidences of special education placement, grade retention, and dropping out;
- Higher graduation rates;
- Greater rates in the pursuit of and graduation from institutions of post-secondary education;
- Lower rates of crime, both juvenile and adulthood; and
- Decreased participation in public-assistance programs due mainly to the greater likelihood of employment and greater likelihood of delaying first-time pregnancy.

Taken together, researchers and economists have estimated benefit-cost ratios of as much as \$7.10 at age 21 (CPC), \$7.16 at age 27 (Perry Preschool), and \$17.07 at age 40 (Perry Preschool) for each dollar invested in the programs.¹³ In each of these estimations, researchers determined that the majority of these benefits accrued to society at large through lower costs associated with the education system, criminal justice system, and public-assistance programs and increased tax revenues given higher rates of employment and higher average wages.¹⁴ Based on these types of well-publicized results, policymakers across the nation and at all levels have looked to making early childhood education programs available to larger proportions of children with some states providing access to all preschool-age children (either age three, four, or both) – “universal preschool.”

Thirty-nine (39) states have some type of state-funded preschool program. Of these 39, six states have universal programs implemented in 2005-06. Georgia and Oklahoma have the longest-running, fully funded universal programs for four-year olds in the nation, begun in 1995 and 1998, respectively.¹⁵ Some researchers and analysts looking at universal preschool scenarios for California have used the experiences in Oklahoma and Georgia as indicators of prospective participation rates.¹⁶ Florida and West Virginia implemented universal preschool legislation and are in the process of ramping those programs up. The Massachusetts program makes preschool services available to all on a sliding-scale tuition basis while many preschool observers consider New York’s program to be less than fully implemented because of flat funding for several years and low enrollment rates.

Limitations of the Research

As mentioned, the three most-often referenced preschool programs documenting the long-term benefits of early childhood education are the High Scope/Perry Preschool Project, the Carolina Abecedarian Project, and Chicago Child-Parent Center (CPC) Program. One of the major reasons for the notoriety associated with these programs is because of the rigor associated with the research designs. Both the Perry Preschool Project and Carolina Abecedarian Project were experimental research designs, considered the “gold standard” of research, where study participants were randomly assigned to the treatment group (program participation) or the control group (no program participation).

¹³Reynolds, Arthur J., Ou, Su-Ruu, and Topitzes, James W., “Paths of Effects of Early Childhood Intervention on Educational Attainment and Delinquency: A confirmatory Analysis of the Chicago Child-Parent Centers,” *Child Development*, September/October 2004, Volume 75, Number 5, Pages 1299-1328, and Schweinhart, L.J., Montie, J., Xiang, Z., Barnett, W.S., Belfield, C.R., and Nores, M. “Lifetime Effects: The High/Scope Perry Preschool Study Through Age 40,” High/Scope Educational Research Foundation.

¹⁴ Ibid.

¹⁵ Both the “Georgia Prekindergarten Program” and Oklahoma’s “Early Childhood Four-Year-Old Program” satisfied eight of ten NIEER Quality Standards for 2005 with both programs requiring minimum in-service training for instructional staff and at least one meal during the day. Georgia also requires screening, assessment, and referral services of its preschool programs.

¹⁶ Karoly, Lynn A. and Bigelow, James H., “The Economics of Investing in Universal Preschool Education in California,” RAND Corporation, December 15, 2005, Santa Monica, California, <http://www.rand.org/publication/TR/TR340/>. Also, Voter Information Guide, LAO analysis.

The Chicago CPC Program, though not of the gold-standard research design variety, was carefully crafted as a quasi-experimental design, the next-best research option. The strength of the research designs for each of these three programs provides a great deal of confidence to generalize (expect) the results for similar students served in similarly designed programs.

These studies differ from the universal access of preschool programs advocated for in programs such as Proposition 82 in many ways. Of greatest significance, these programs were:

- Limited almost exclusively to low-income, minority children;
 - Perry Preschool included a total of 123 low-income African-American children with 58 receiving preschool services
 - Carolina Abecedarian Project included a total of 111 low-income children with 57 receiving early intervention services
 - Chicago CPC Program, the largest of the programs, included a total of 1,539 low-income participants, 93 percent being African American and the remainder being Hispanic/Latino
- Typically provided to participants for more than one year; and
- Extended beyond preschool to include parental outreach, education, and participation and often included home visits by program staff outside of the educational setting.

From a pure research perspective, the ability to generalize these program results to children who do not match the profiles of these program participants and/or to programs that do not provide a similar array of services provided in these programs is very difficult to do. The results of these programs can only be reasonably expected of similar children in similar program settings. Some of the researchers conducting the research on these programs point out the limitations themselves.

High/Scope Perry Preschool Project

The High/Scope Perry Preschool Project (Perry Preschool Project) was conducted between 1962 and 1967 in Ypsilanti, Michigan. The research team identified a sample of 123 low-income African-American children who were assessed to be at high risk of school failure to participate in the research study. Of the 123 participants, 58 children were randomly assigned to a “treatment group” at ages three and four to receive a high-quality preschool program with the other 65 children receiving no preschool program. Only one group participated in the program for only one year. The program consisted of a half-day preschool program (2 ½ hours) with family visitations in the afternoon (1 ½ hours) with child-staff ratios of between 5-to-1 and 6.25-to-1. The High/Scope Curriculum encompassed activities within the preschool center and at home with parents.

The greatest program benefits accrued to those children that participated in the preschool program for two years. Authors of the latest Perry follow-up, in fact, write that the study “presents no evidence that the program would have had similar effects if it had served

children at earlier (infancy-3 years) or later ages (elementary school years). *Evidence shows children should attend a similar program for 2 school years (October through May for the Perry Preschool group)*” and that this “study, by itself, offers only weak evidence to support the limitation of many state preschool programs to only serving 4-year-old children (emphasis in italics added by CPI).”¹⁷ ; In other words, the authors concluded that there was very limited evidence to suggest that a one-year program was enough to generate similar results as found in their study. For more information on the Perry Preschool Project, please visit their Website:
<http://www.highscope.org/Research/PerryProject/perrymain.htm>.

The Carolina Abecedarian Project

The Carolina Abecedarian Project, like the Perry Preschool Project, was a randomized, controlled trial – the research gold standard – of 111 low-income, minority children (98 percent of study participants were African American) between 1972 and 1977; 57 children received some type of early childhood intervention, 54 children received no preschool treatment. The full extent of the study included four groups:

1. Full-day, year-round child care and preschool for five years (24 children);
2. Preschool program combined with school treatments through grade three, a total of eight years (25 children);
3. The grade one through three program alone with no preschool, three years (24 children); and
4. No treatment (control group) (23 children).

The early childhood intervention began at infancy through age five; with the median age of infants entering the program was 4.4 months.¹⁸ The infant-to-caregiver ratio was 3-to-1 gradually increasing to 6-to-1 through the preschool years. Like the Perry Preschool Project, a specific curriculum was developed for the program participants with children receiving individualized activities as caregivers and curriculum staff deemed appropriate. Parents were provided parenting skills and counseling on child health and development issues.

The school-age treatment was designed to enhance parent participation in their child’s education. A home/school resource teacher was assigned to each child with each resource teacher serving up to 14 families. The resource teacher provided families with curriculum activities based on the child’s developmental needs according to what was going on in the school classroom. In many cases, the resource teacher served the role of a social worker such as referring families to the appropriate social service agencies, assisting them with

¹⁷ Schweinhart, Lawrence J., “The High/Scope Perry Preschool Study Through Age 40: Summary, Conclusions, and Frequently Asked Questions.” High/Scope Educational Research Foundation, [www/highscope.org/Research/PerryProject/PerryAge40SumWeb.pdf](http://www.highscope.org/Research/PerryProject/PerryAge40SumWeb.pdf)

¹⁸ Campbell, Frances A. and Ramey, Craig T., “Cognitive and School Outcomes for High-Risk African-American Students at Middle Adolescence: Positive Effects of Early Intervention, *American Educational Research Journal*, Vol. 32, No. 4. (Winter, 1995), pp. 743-772. Campbell, F. A., Ramey, C.T., Pungello, E.P., Sparling, J., and Miller-Johnson, S. “Early Childhood Education: Young Adult Outcomes from the Abecedarian Project,” *Applied Developmental Science*, Vol. 6, pp. 42-57 (2002).

forms and procedures, and providing transportation for medical services. The program also included a kindergarten transition component administered in the summer preceding kindergarten enrollment.

The results of the program were strongest for those children who participated in the early childhood and preschool programs, above and beyond those children who only received the home/school resource teacher intervention once in school. The authors of the follow-up studies point out that results from this program can be generalized only to low-income children and their families and “primarily to African American [children] because almost all the Abecedarian subjects were of that ethnic background.”¹⁹ For more information on The Abecedarian Project, please visit their Website:

<http://www.fpg.unc.edu/~abc/index.cfm>.

Chicago Child-Parent Center

The Chicago Child-Parent Center (CPC) Program is an early intervention program designed to provide educational and family-support services to economically disadvantaged children and their families. The program began in 1967 with the research component of the program beginning with children born in 1980 – the Chicago Longitudinal Study (CLS). The CLS followed a total of 1,539 children (93 percent African American and 7 percent Hispanic) in neighborhoods with high concentrations of poverty. In neighborhood schools served by the program, 67 percent of students came from low-income families compared to 42 percent for the entire Chicago Public Schools system. The study followed children who participated in a variety of interventions:

- 989 children attended Chicago Child-Parent Center (CPC) programs beginning in 1985-86 in 25 centers with some receiving services through the third grade;
- 550 children served as the comparison group participating in alternative early childhood programs such as full-day kindergarten.

Those participating in the CPC programs received a comprehensive array of education, family, and health services. The array of education services included a half-day preschool at ages three and four; half- or full-day kindergarten; and elementary school services through age nine.

The CPC programs included a head teacher and a teacher aide for each class for a child-adult ratio of 8-to-1. In addition to instructional staff, the CPC programs included two coordinators, including a parent-resource teacher to coordinate family-support components of the program and the school-community representative to provide outreach to families. The nutritional and health needs of CPC participants were attended to (i.e., free breakfasts and lunches and health screening services). In contrast to the Perry Preschool and Abecedarian projects, there was not a formal curriculum developed for the program, though there was an emphasis on reading and literacy development.

¹⁹ Campbell and Ramey (1995).

Unlike the Perry Preschool Project and Abecedarian Project, the CLS research design was not of the random assignment variety. In fact, one of the caveats included in the *Journal of the American Medical Association* article was that the “legal and ethical requirements to serve those most in need prevented random assignment in this established program.”²⁰

CLS has followed study participants through age 21. Results from the study are consistent with those found in the Perry Preschool Project and the Abecedarian Project with those individuals who were provided early childhood services, including a high-quality preschool, exhibited lower rates of special education identification, lower incidence of being held back a grade (i.e., retained in grade), higher rates of high school graduation, and lower rates of juvenile arrest. Though they were less likely to be retained in grade by age 15 and less likely to be identified as special education by age 18, those children who received preschool services and extended services through the third grade exhibited no different outcomes in terms of high school completion or juvenile arrest than those who received only preschool services. This is an important finding for policymakers who must consider the types and duration of programs.

Chicago Longitudinal Study results of the Chicago Child-Parent Center Program show that large-scale preschool programs also can have long-term beneficial effects on low-income, minority children and their families, not just small “boutique” programs like Perry and Abecedarian. Additionally, like those researchers studying Perry and Abecedarian, CLS researchers caution, “that while the findings are more generalizable to contemporary federal and state programs than previous studies [such as Perry and Abecedarian], they should be applied cautiously outside large urban cities with high proportions of black children.”²¹

Preschool Research Beyond Low-Income Children

The majority of attention towards preschool research has concentrated on those programs targeting low-income children and their families. Very little research exists on the existence of and magnitude of benefits of preschool to middle-income and high-income children and their families. However, the availability of early childhood data from the National Center for Education Statistics (NCES), namely the early Childhood Longitudinal Study of Kindergarten (ECLS-K) and the existence of universal preschool programs in Georgia and Oklahoma provide the opportunity to investigate wider-ranging impacts of preschool participation.

Early Childhood Longitudinal Study of Kindergarten

²⁰ Reynolds, Arthur J., Temple, Judy A., Robertson, Dylan L., and Mann, Emily A., “Long-term Effects of an Early Childhood Intervention on Educational Achievement and Juvenile Arrest: A 15-Year Follow-up of Low-Income Children in Public Schools, *Journal of the American Medical Association*, Vol. 285, No. 18, pp. 2339-2346, May 9, 2001.

²¹ Reynolds, et al. (2001).

According to the National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education, the “Early Childhood Longitudinal Study, Kindergarten Class of 1998-99 (ECLS-K) is an ongoing study that focuses on children's early school experiences beginning with kindergarten and following children through 12th grade. The ECLS-K provides descriptive information on children's status at entry to school, their transition into school, and their progression through 12th grade. The longitudinal nature of the ECLS-K data enables researchers to study how a wide range of family, school, community, and individual factors are associated with school performance.²² Among other things, part of the information included on children entering kindergarten is whether or not they attended preschool, the length of time in preschool, and whether or not the preschool program attended was a Head Start program or other type of preschool program. The latest available information on these children is the third-grade follow-up.

Researchers at the University of California, Santa Barbara (UCSB) utilized the data to explore the effects of preschool participation through the end of third grade.²³ Though the primary aim of the study was to explore the effects specifically to language minority students, the scope of their study reported the effects of not only language minority students compared to non-language minority students based on their preschool experiences, but also the effects of preschool participation of all students compared to all non-participants.

What they found was that preschool (in a non-Head Start setting) had a positive effect on literacy scores of 0.25 standard deviations (SD) and 0.37 SD higher in math skills entering kindergarten than did students who attended no preschool. In addition, those attending preschool (both Head Start and non-Head Start) were less likely to repeat kindergarten. Those attending non-Head Start programs were also less likely to be identified as requiring special education services, though Head Start participants were just as likely as non-preschool attendees.

In an analysis of outcomes at the end of the third grade, UCSB researchers found those who attended non-Head Start preschool were still less likely to be retained in grade or be identified to receive special education services. However, by the end of the third grade, researchers found “inconsequential” differences in reading, math, and science scores between preschool attendees and non-preschool participants, even for low-income children. What is unknown from this analysis is the quality of the preschool attended. Studies showing substantial benefits to children who attended preschool have been of programs determined to be of “high quality.” Quality indicators, unfortunately, were not available to be included in the analysis to determine whether high-quality preschool

²² National Center for Education Statistics, Institute of Education Sciences, U.S. Department of Education Website: <http://nces.ed.gov/ecls/Kindergarten.asp>.

²³ Rumberger, Russell W. and Tran, Loan, “Preschool Participation and the Cognitive and Social Development of Language Minority Students,” CSE Technical Report, UC LMRI Technical Report, January 2006. http://lmri.ucsb.edu/publications/06_rumberger-tran.pdf.

programs had a long-lasting positive effect compared to lower-quality programs compared to no preschool.

Georgia and Oklahoma Universal Preschool Programs

Experimental programs such as the Perry Preschool Project and the Abecedarian Project allow researchers to measure the program effects for participants compared to non-participants because data was collected on both groups. Universal programs in Georgia and Oklahoma present a challenge because comparable data is not systematically collected on non-preschool participants. While they can begin to shed some light on the potential benefits of universal preschool, the nature of the research, at this point, is limiting.

An analysis of school readiness improvement – school readiness measures at preschool entry and kindergarten entry – for participants in various Georgia preschool programs (Pre-K Program, Head Start, and private preschool) only provides relative differences between types of programs through the preschool year preceding kindergarten. The research, however, does not (and could not) determine those school readiness improvements from preschool participation to non-preschool participation. That is, whether those not attending preschool experienced similar gains in school readiness.²⁴

Research conducted in the Tulsa, Oklahoma school district utilized a different research design than that used in Georgia.²⁵ The results of the Tulsa evaluation showed that preschool participation had a positive effect on cognitive and literacy assessments for all students. The greatest benefits of preschool were seen in Hispanic students, African-American students, and low-income students.²⁶ Hispanic students, and to a lesser degree African-American students, especially benefited from full-day preschool programs, but not half-day programs. However, the researchers caution that they were unable to control for any selection bias that may have taken place in families as the families, not the researchers, chose full-day or half-day preschool programs for their children. While white students also benefited along with minority children, there were no measurable gains from preschool for children from non-poor families. The authors, however, indicate that the assessments used may limit the ability to measure gains experienced by white and non-poor students.²⁷ A subsequent research study by the same authors in Oklahoma utilized a different assessment tool to try and measure potential gains by white and non-

²⁴ Henry, G. T., Henderson, L. W., Ponder, B. D., Gordon, C. S., Mashburn, A. J., & Rickman, D. K., *Report of the findings from the early childhood study: 2001-02*. Georgia State University, Andrew Young School of Policy Studies, August 2003.

²⁵ A more in-depth description of the methodology can be found in Gormley, W. and Phillips, D., “The Effects of Universal Pre-K in Oklahoma: Research Highlights and Policy Implications,” *Policy Studies Journal*, 33, pp. 65-82, (2005).

²⁶ Gormley, W. and Phillips, D., “The Effects of Universal Pre-K in Oklahoma: Research Highlights and Policy Implications,” *Policy Studies Journal*, 33, pp. 65-82, (2005).

²⁷ Gormley indicates that a considerable number of white and non-poor preschool participants received the highest possible score on many parts of the assessments.

poor students.²⁸ This later study found that white and non-poor students also benefited from the preschool program, but again, the research is limited to kindergarten entry.

Research Conclusion

Clearly, high-quality preschool can make a difference for some students. High-quality programs such as the Perry Preschool Project, Abecedarian Project, and larger programs like the Chicago Child-Parent Center Program show that there are long-lasting benefits to low-income, African-American children that persist throughout their lifetime. However, the strength of the research designs on these programs also limits the ability to generalize the results of these programs beyond the socioeconomic and demographic characteristics of the program participants and types of education and social services offered to children and their families. More research is becoming available through expanded data sets and of state-funded preschool programs being implemented across the nation. Research on these universal programs and other data sets might provide greater insights to the effects of preschool on a wider variety of students. While there may be positive short-term and long-term benefits of preschool to children of all socioeconomic and demographic groups, the state of the research shows that long-term benefits are limited to a small, although significant, portion of the population.

SECTION 5: APPLYING CHICAGO CHILD-PARENT CENTER TO PRESCHOOL FOR ALL

An analysis done by the RAND Corporation in 2005 explored the potential benefits of investing in universal preschool in California.²⁹ RAND concluded that investing in universal preschool for California four-year olds would provide an estimated benefit-cost ratio of 2.62 to California, i.e., \$2.62 in net benefits for every \$1.00 expended on the program, or an internal rate of return of 10.3 percent. When including all the benefits to the nation, the estimated benefit-cost ratio increased to 3.15 and an internal rate of return of 11.2 percent. RAND chose to estimate its benefits based on the results of the Chicago Child-Parent Center (CPC) Program found in the CLS. As mentioned in the previous section, the ability to generalize the results of research – to expect similar results from the research – is limited to similar populations experiencing similar programs. That CPC served low-income families who were predominantly African American. The assumption that the socioeconomic and demographic characteristics of CPC program participants is similar to the socioeconomic and demographic characteristics of the overall California population should not be in question; there are significant socioeconomic and demographic differences between the study sample in Chicago and the overall California population. The assumption made by RAND researchers is that the risk factors for school failure associated with CPC participants are similar to the risk factors that might be associated with a sizable portion of the California population. Therefore, because RAND

²⁸ Gormley, W. T., Gayer, T., Phillips, D., & Dawson, B., “The Effects of Universal Pre-K on Cognitive Development,” *Developmental Psychology*, Vol. 41, No. 6, pp. 872-884, 2005. Also downloadable at <http://www.crocus.georgetown.edu/reports/oklahoma9z.pdf>.

²⁹ The analysis conducted by RAND was commissioned by the David and Lucile Packard Foundation through their “Preschool for All” initiative.

assumes that the risk factors are the same, an assumption open to debate, the RAND researchers used the direct results of the CPC evaluation as a starting point in their analysis.³⁰ Researchers, advocates, and policymakers can debate whether this is an appropriate assumption to be used to generalize the results of the CPC Program.

The other necessary piece that must be considered when determining the extent to which research results can be generalized is that the nature of the program be similar. Table 2 utilizes the NIEER quality standards to highlight the similarities (and differences) between the CPC Program and the types of programs called for in Proposition 82.

TABLE 2: NIEER Quality Standards, Chicago CPC Program, and Proposition 82

NIEER QUALITY STANDARD	CPC Program (YES/NO)	PROP 82 (YES/NO)
EARLY LEARNING STANDARDS	NO ³¹	YES
TEACHERS WITH BACHELORS DEGREES	YES	YES
TEACHERS WITH EARLY CHILDHOOD EMPHASIS	NO	YES
ASSISTANT TEACHERS WITH DEGREES	NO	NO
MINIMUM IN-SERVICE FOR INSTRUCTIONAL STAFF	YES	NO
CLASS SIZE OF 20 OR LOWER	YES	YES
10:1 CHILD:STAFF RATIO	YES	YES
SCREENING, ASSESSMENT, & REFERRAL SERVICES	YES	NO
AT LEAST ONE MEAL	YES	NO
PROGRAM MONITORING	YES	YES
TOTAL	7 OF 10	6 OF 10

In addition to the NIEER Quality Standards, the CPC Program also included extensive parent-outreach and parental involvement components to the program, whereas Proposition 82 does not have these explicit requirements of its programs. Again, researchers, advocates, and the public can debate whether they believe the program

³⁰ For example, RAND lists risk factors such as 18 percent of children under 5 come live in a single-parent household, 13 percent are Hispanic and living in poverty, nearly half have a foreign-born parent. Based on this information and other assumptions, RAND estimated that 18 of every 100 four-year-old California children would be categorized as “high risk” similar to those in the CPC program.

³¹ Again, no formal curriculum was developed for the CPC Program, though literacy and language skills was emphasized and pervaded the program and activities. Conservatively, we assumed a “NO” because of the lack of a specified set of standards, though this could be considered a “YES” because of the literacy skills component.

quality components laid out in Proposition 82 will lead to the implementation of programs similar enough to the CPC Program. Arguably, the parental outreach and involvement component and screening, assessment, and referral services of CPC may present program differences significant enough to present different outcomes, both in the short term and the long term.

SECTION 6: POLICY IMPACTS, IMPLICATIONS, AND CONSIDERATIONS

In addition to asking the question of whether the quality provisions of Proposition 82 will lead to the implementation of high-quality preschool programs that have been touted to deliver long-term benefits that will benefit society, California voters are faced with several other considerations: costs of extending preschool coverage to all California families; costs associated with targeted programs; and potential impacts to the overall state budget.

Costs of Extending Preschool Coverage

A significant proportion (27 percent) of California four-year olds attended one of three existing state- or federally funded preschool programs aimed primarily at low-income children and their families at a cost of \$914 million annually. Another 30 percent to 40 percent of California four-year olds enroll in other types of preschool programs, primarily private providers paid for by parents through tuition. Based on results from universal programs in Georgia and Oklahoma, California might be expected to enroll approximately 70 percent of four-year olds in the universal program. The LAO estimates an additional 10 percent would attend privately funded preschool programs bringing total enrollment of four-year-old children to 80 percent in California.³²

One would not expect to see Head Start enrollments decline with the Preschool for All Program given the pattern of Head Start enrollment in Oklahoma since the state implemented its universal preschool program.³³ It is not clear how enrollments in, or future funding for, the California State Preschool Program and State General Child Care Program would be affected if Proposition 82 were to pass. The LAO estimates that Preschool for All programs could receive additional support from these existing programs in the range of \$750 to \$2,000 per student, wholly dependent on future legislative decisions.³⁴

To reach 70 percent of the four-year-old population with the universal preschool program, a significant portion of Preschool for All enrollees would be children who already attend one or more preschool programs that are currently not publicly funded.

³² Voter Information Guide, LAO analysis.

³³ According to the U.S. Department of Health & Human Services Administration for Children & Families and Oklahoma Association of Community Action Agencies, Oklahoma Head Start total enrollment in 1997 was 11,631 children while the state's Head Start programs enrolled 19,363 children in 2004 with 51 percent being four years old. http://www.acf.hhs.gov/programs/hsb/research/factsheets/98_hsf.htm, <http://www.okacaa.org/headstart/stats.html>.

³⁴ Voter Information Guide, LAO analysis.

With projected program costs of \$2.4 billion per year, the majority of the funding for the program would be allocated to cover children who already attend preschool at private expense.

Costs Associated with Targeted Programs

Given that the research base on preschool effectiveness appears to be more solid for low-income children and their families, most notably for minority families, why should California voters not insist on a more targeted program of high-quality preschool? As part of their analysis, RAND researchers point out that there are disadvantages associated with targeted programs: administrative costs of determining program eligibility; family eligibility over time; stigma associated with participation; missing participants because of confusion over eligibility requirements; and those children and their families who are at the margin of eligibility (outside looking in) who might benefit similarly to other families who do qualify. Though the stigma argument may be valid, a targeted high-quality preschool program would provide no different stigma than the existing stigma felt by enrollees in existing state and federal preschool programs.

Potential Impacts to the Overall State Budget

Dr. William G. Hamm, the state's Legislative Analyst from 1977 to 1986, and a team of economists at LECG, an economic consulting firm based in California, was commissioned by the anti-Prop 82 campaign to perform an analysis of Proposition 82's likely impact on the state's General Fund.³⁵ LECG estimates that Proposition 82 would reduce General Fund revenues between \$2.7 billion and \$5.9 billion from 2007 to 2011. General Fund revenues would decline because those taxpayers affected by Proposition 82 would take additional steps to further reduce their taxable income given the higher tax rates imposed by Proposition 82.

Given that California public schools are funded through the General Fund, any such decrease in General Fund revenues would decrease funding for K-14 public education. LECG estimated that K-14 education revenues would decrease between \$948 million to \$2.1 billion from 2009 to 2012. However, LECG did not estimate potential increases in revenues that might arise from higher rates of employment and higher average salaries that might be associated with preschool participants nor did they estimate potential cost savings in education and other social services based on potential effects of preschool.

SECTION 7: CONCLUSION

Policymakers and the public typically believe that “an ounce of prevention is worth a pound of cure.” High-quality preschool has come to be known as the ounce that is worth several pounds of cure. Some high-quality preschool participants have been shown to have improved outcomes throughout their schooling career, improved health and welfare well into adulthood, lowered incidences of criminal activity, and higher average wages

³⁵ Hamm, William G. and Schmidt, Ronald H., “Likely Impact of Proposition 82 On California's General Fund,” LECG, Emeryville, California, March 2006.

with higher rates of employment. To this end, these programs are estimated to have very favorable benefit-cost ratios, with benefits as high as \$17 for every dollar spent on the program. However, these long-term outcomes have only been observed and estimated for low-income, African-American children.

Evaluating the potential benefits of Proposition 82, “The Preschool for All Act,” will require voters to consider whether providing preschool to all California four-year-old children will exhibit the same types of short-term and long-term benefits seen in these very targeted programs. Typically, research results can reasonably be generalized to similar populations who will experience similar programs. To the extent that the Preschool for All Program components and quality differ from those programs found in the research and that the population of children to be served is different from those in the research, these differences will likely change the expected short- and long-term results of the Preschool for All Program, though the exact magnitude of these changes in results is unknown. Researchers, advocates, and policymakers will debate whether the types of programs that will be provided through Proposition 82 will be similar enough in program offerings and quality to reasonably expect similar results in California. It is not entirely clear that the ounce of prevention presented in Proposition 82 will provide California with the pounds of cure observed from the research of other preschool programs.

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