

## ISSUE BRIEF

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## Federal Preschool Proposals Will Cost Billions and Have Limited Impact on Participants

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In November, Senator Tom Harkin (D-IA) and Representative George Miller (D-CA) introduced the Strong Start for America's Children Act (S. 1697 and H.R. 3461), which would create a federal preschool program for all four-year-old children from low- to moderate-income families in the country. It mirrors President Obama's call for a new \$75 billion federal preschool program.<sup>1</sup>

Policymakers at every level of government should exercise caution when it comes to establishing federal or state preschool programs. Evidence from existing programs raises doubts about their efficacy—not to mention the significant costs to taxpayers.

**Strong Start for America's Children Act.** The Harkin–Miller proposal would provide billions in federal grants to help states grow center-based preschool programs for three- and four-year-olds and require states to match the federal funding. Initially, states would be required to provide a 10 percent match of their federal grant, growing to 100 percent in year eight and thereafter.

States must also have a "comprehensive early learning assessment system" that "organizes information about the process and context of young children's learning and development to help early childhood educators make informed instructional and

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programmatic decisions." This system must include, among other things, "measures of the quality of adult-child interactions."

States must also:

- Establish or plan to establish "early learning and development standards that describe what children from birth to kindergarten entry should know and be able to do,"
- Implement performance measures for obesity prevention programs,
- Ensure that preschool teachers have comparable salaries to teachers in the K-12 system, and
- Increase the number of preschool teachers with bachelor's degrees in early childhood education.

Once a state establishes universal preschool for every four-year-old under 200 percent of the federal poverty line, it may then use federal funds to extend eligibility to three-year-old children.

New Spending Financed by Taxpayers. The Harkin–Miller proposal would cost federal taxpayers roughly \$26.8 billion in the first five years and "such sums as may be necessary" thereafter. This figure does not include taxpayer obligations for the state matches. So not only will taxpayers be on the hook for billions in new federal spending, but the "federal-state partnership" obligates taxpayers to finance billions more in new state spending.

It is also likely that a new large-scale government preschool program will crowd out private preschool providers by encouraging participation in "free" government programs and by threatening to overregulate private providers that opt in to the federal program. For example, a provider that is not a local public school but enrolls students through the subsidized program must "enter into strong partnerships" with the local public school district.

**Not Supported by the Evidence.** The legislative text of the Harkin–Miller proposals notes that "research has consistently demonstrated that investments in high-quality programs that serve infants and toddlers better positions [*sic*] those children for success in elementary, secondary, and postsecondary education as well as helping children develop the critical physical, emotional, social, and cognitive skills that they will need for the rest of their lives."

Yet in a December 2012 evaluation, the Department of Health and Human Services (HHS) came to the exact opposite conclusion about the federal government's largest preschool program: Head Start. HHS released an evaluation of more than 5,000 children participating in Head Start and found that the \$8 billion annual program had little to no impact on cognitive, social-emotional, health, or parenting practices of participants.<sup>2</sup>

In August 2013, Vanderbilt University released an evaluation demonstrating that children who went through Tennessee's Voluntary Pre-K (TN-VPK) Program actually performed worse on cognitive tasks at the end of first grade than did the control group.<sup>3</sup>

TN-VPK operates through local competitive grants and collaboration with other organizations, such as Head Start providers. The program offers full-day, subsidized pre-kindergarten for four-year-olds from low-income families. Vanderbilt's study (funded in part by the U.S. Department of Education) used a randomized control design to assess two

cohorts of students from the 2009–2010 and 2010–2011 school years—approximately 3,000 four-year-olds. Children admitted to the study were selected through a lottery process.

Vanderbilt researchers found that by the end of the kindergarten year, gains that had accrued to participants had diminished, and by the end of first grade, there was only one statistically significant difference between the TN-VPK group and the control group out of eight measures:

Similarly, at the end of first grade, there were no statistically significant differences between TN-VPK participants and nonparticipants on [combined achievement in literacy, language, and math] with one exception. There was a significant difference that favored the nonparticipant group on the Quantitative Concepts subscale.<sup>4</sup>

## **Dubious Claims of a "Return on Investment."**

The Obama Administration and those in favor of expanding government preschool programs often state that "high quality" preschool returns seven dollars in for every one dollar "invested." Yet the seven-to-one return on investment figure appears to be drawn from a nearly half-century-old preschool evaluation conducted with a treatment group containing just five dozen highly at-risk children: the Perry Preschool Project.

The Perry Preschool Project was conducted more than 50 years ago in Ypsilanti, Michigan, and tracked more than 123 low-income children. Just 58 "at risk" children were assigned to the treatment group, which included high-intervention preschool services, weekly home visits, and parental group meetings. Perry researchers followed participants through age 40 and found that children in the treat-

- News release, "U.S. Education Secretary Arne Duncan to Join Sen. Harkin, Rep. Miller, Rep. Hanna and Actress Jennifer Garner to Unveil Bipartisan Proposal to Expand Access to High-Quality Early Education Programs," U.S. Department of Education, November 13, 2013, http://www.ed.gov/news/media-advisories/us-education-secretary-arne-duncan-join-sen-harkin-rep-miller-rep-hanna-and-ac (accessed January 23, 2014).
- 2. See Lindsey Burke and David B. Muhlhausen, "Head Start Impact Evaluation Finally Released," Heritage Foundation *Issue Brief* No. 3823, January 10, 2013, http://www.heritage.org/research/reports/2013/01/head-start-impact-evaluation-report-finally-released.
- Mark W. Lipsey et al., "Evaluation of the Tennessee Voluntary Prekindergarten Program: Kindergarten and First-Grade Follow-Up Results from the Randomized Control Design," Vanderbilt Peabody College, August 2013, https://my.vanderbilt.edu/tnprekevaluation/files/2013/10/August2013\_PRI\_Kand1stFollowup\_TN-VPK\_RCT\_ProjectResults\_FullReport1.pdf (accessed January 23, 2014).
- 4. Ibid. (emphasis added)
- 5. Alyson Klein, "Obama Push to Boost Early Ed. Program Still Short on Details," *Education Week*, February 19, 2013, http://www.edweek.org/ew/articles/2013/02/20/21sotu.h32.html (accessed January 23, 2014).

ment group were less likely to have been arrested five or more times and were more likely to have graduated high school and be employed than the control group. Those findings led Perry researchers to claim a \$7.16 return on every dollar invested.

Despite these claims, the findings from the Perry Preschool Project have never been replicated in state preschool programs. To make generalizations from this small, high-intervention program to a large-scale program would require what researcher Russ Whitehurst of the Brookings Institution calls "prodigious leaps of faith."

The type of large-scale government preschool program the Obama Administration seeks is more likely to resemble Head Start than Perry. Moreover, the recently released evaluation from Vanderbilt University sheds more doubts about the efficacy of government pre-k.

**High Cost, No Real Benefit.** Proposals to increase federal spending on early childhood education and care would add to Washington's existing

labyrinth of preschool programs. According to the Government Accountability Office, the federal government already operates 45 such programs today.<sup>7</sup> Those programs are spread across multiple federal agencies and cost taxpayers more than \$20 billion annually.<sup>8</sup> Moreover, more than three-quarters of the nation's four-year-olds are already enrolled in some form of preschool, raising questions about demand for new federal spending and programs.

Policymakers at every level should exercise caution when considering expanding government preschool. The cost to taxpayers and lack of evidence of long-term impacts on children demand as much.

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<sup>6.</sup> Grover J. "Russ" Whitehurst, "Can We Be Hard-Headed About Preschool? A Look at Universal and Targeted Pre-K," Brookings Institution, January 23, 2013, http://www.brookings.edu/blogs/brown-center-chalkboard/posts/2013/01/23-prek-whitehurst (accessed January 23, 2014).

U.S. Government Accountability Office, "Training, Employment, and Education: 29. Early Learning and Child Care," 2012, http://www.gao.gov/modules/ereport/handler.php?1=1&path=/ereport/GAO-12-342SP/data\_center/Training,\_employment,\_and\_education/29\_Early\_Learning\_and\_Child\_Care (accessed January 23, 2014).

<sup>8.</sup> Dan Lips, "Reforming and Improving Federal Preschool and Child Care Programs Without Increasing the Deficit," Heritage Foundation *Backgrounder* No. 2297, July 13, 2009, http://www.heritage.org/research/reports/2009/07/reforming-and-improving-federal-preschool-and-child-care-programs-without-increasing-the-deficit (accessed January 23, 2014).