



Children Can't Wait

Make Quality Early Learning
a Top Priority
in the 2015 Enacted Budget

Ready for Kindergarten
Ready for College Campaign





Primary Author
Betty Holcomb
Policy Director
Center for Children's Initiatives

Acknowledgements

Many thanks to Marina Marcou-O'Malley, Policy Director for the Alliance for Quality Education, for her valuable editing and data analysis provided for this report. Also, special thanks to Susan Antos at the Empire Justice Center and Carolyn Lee-Davis at the Children's Agenda for their valuable information on child care funding across the state. Kathy Halas and the Westchester Child Care Council, Marsha Dumka and the Early Childhood Development Initiative in Rochester, Dana Friedman, Early Years Institute also provided valuable support and information for this report.

In addition, we want to thank the Child Care and Early Education Fund and the Schott Foundation for Public Education for their support for the policy analysis and research for the Ready for College, Ready for Kindergarten Campaign.

The Ready for College, Ready for Kindergarten Campaign is led by the Alliance for Quality Education, Citizen Action of New York, the Public Policy and Education Fund, the Center for Children's Initiatives and the Schuyler Center for Analysis and Advocacy.

For more information, contact bholcomb@ccinyc.org or marina@aqeny.org



Children Can't Wait

Make Quality Early Learning a Top Priority in 2015 State Budget

Highlights

- **Sixty one percent (61%)** of New York State's four-year-olds are still waiting for full day pre-K. The Governor's budget includes no new investment to meet his goal of providing full day pre-K to all the state's four-year-olds.
- In 2014-15, only **5%** of four-year olds outside of New York City got a spot in full day pre-K.
- A disturbing **78%** of children eligible for subsidized child care are still waiting for a slot as well. Local communities around the state are simply running out of child care funding and refusing to even take applications from working families.

Recommendations

*An additional \$150 million to support access for an additional 15,000 four-year-olds in Full Day Pre-K outside New York City and at least \$70 million to support the city's plan to reach universal service in the 2015-16 school year. Also, use a portion of the bank settlement to reform the financing for full-day Pre-K to ensure districts receive funding upfront.

*An additional \$100 million in child care to serve at least 13,000 additional children who are eligible and waiting. The Governor's own Education Reform Commission recognized the need for a "pipeline" of educational services to prepare children for success in school and beyond. Quality child care is a key part of the pipeline.

* Invest at least \$3 million in QUALITYstars-NY, a quality rating and improvement system, as an important strategy to support early childhood programs in meeting high quality standards. Evidence shows higher quality programs enhance outcomes for children.

The Governor is right.
Too many New Yorkers are "left out and left behind." *That is especially true for the state's youngest children, now more likely than ever to be living in poverty, and out of luck finding access to a quality early learning opportunity.*

New York needs to fund the promise for truly universal pre-K for all four year olds and increase investment in quality child care.



State Funded Full Day Pre-K: An Unfulfilled Promise

New York State has long been a pioneer on early childhood education, with a brain trust of early education experts and dedicated practitioners in the field. Starting in 1997, under the leadership of the Assembly, NYS began its state funded prekindergarten program, funding half day programs across the state. In 2007, half day pre-K expanded significantly again, when the state more than doubled its investment, with the statewide settlement of the Campaign for Fiscal Equity.

In 2013, the governor and the legislature followed the initial recommendations of the Education Reform Commission and launched a new Priority Pre-K program, which included state funding for full school day services. This competitive grant was just \$25 million for the entire state, adding just 6,000 seats, most of them full day.

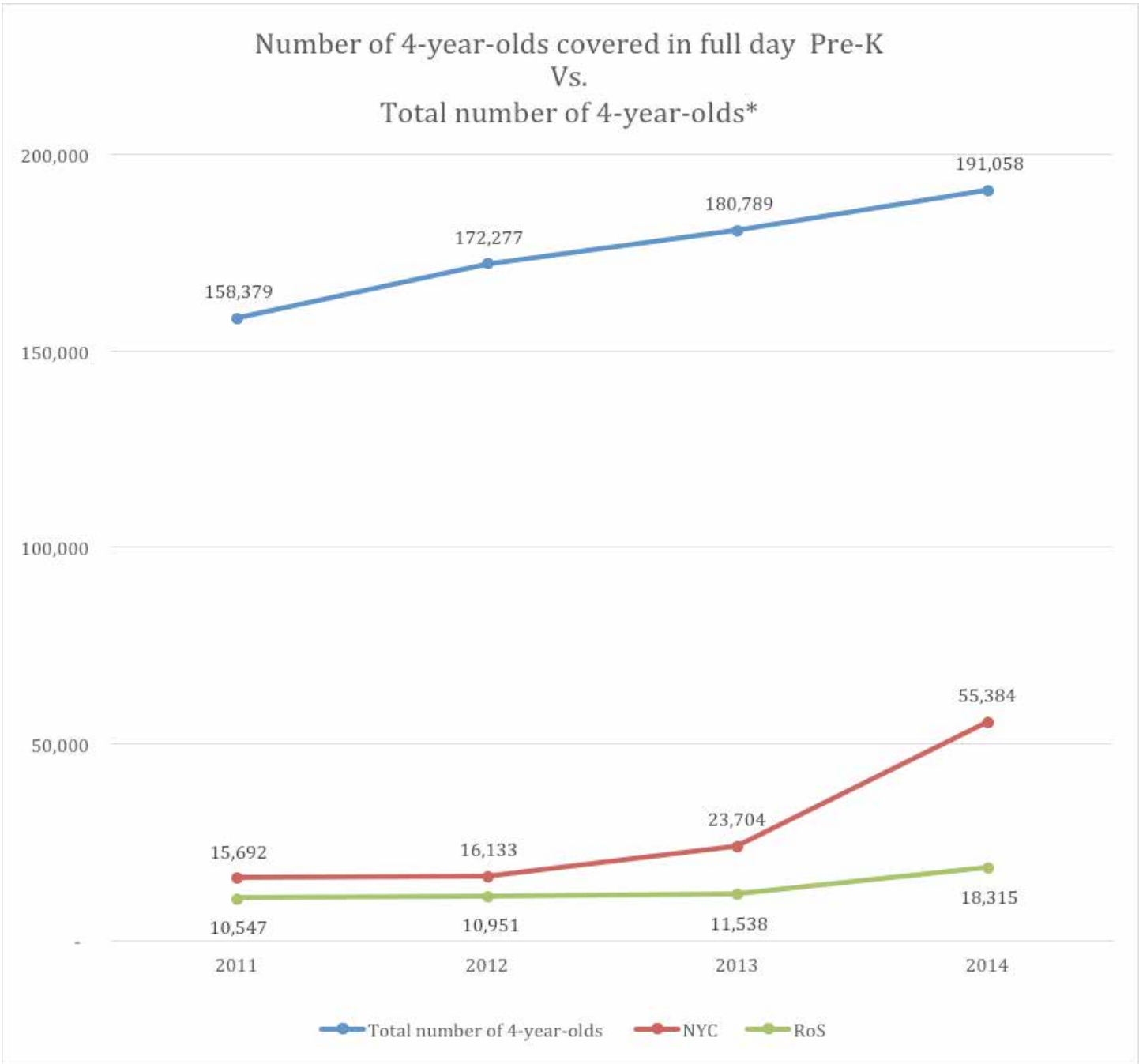
With the election of Mayor Bill de Blasio in New York City, pre-K became one of the key issues in both the state and national education debate. As a result, the 2014 enacted budget included a substantial investment for full day pre-K, for four-year-olds, with \$300 million going to expand the NYC programs and \$40 million going to the rest of the state. The budget also included a promise of a five-year plan to get to universal service for all four-year-olds in the state. Governor Cuomo pledged a “blank check,” to fund districts as they came forward with a plan. The 2014 funding added approximately 32,000 seats in New York City, but only 5,300 in the rest of the state (5% of remaining unmet need).

Too many New Yorkers are “left out and left behind,” as the governor stated. The state’s youngest children are now more likely than ever to be living in poverty, and are out of luck finding access to a quality early learning opportunity:

Today, a whopping 61% of the state’s four-year-olds promised a seat in full day pre-K are still waiting for one, including 51,000 children in low income communities. A disturbing 78% of low-income children eligible for a child care subsidy do not get one.

As the 2015 enacted budget negotiations begin, New York State provides full day pre-K programs to only 38% of the eligible four-year olds. We are far from reaching universal access as Governor Cuomo promised just a year ago. Yet, he has added no new money for expansion of services to four-year olds. As the numbers show, NYC provides the largest number of full day seats, with the rest of state trailing behind, meeting just 16% of the need (see chart), with only 5% of those added with the 2014-15 funding.





*The total number of four-year-olds expected to enroll in full day prekindergarten is based on the following assumptions: 85% of the Kindergarten population, minus children enrolled in 4410 schools. This is the take-up rate used by the state education department. Kindergarten enrollment numbers are taken from the NYS school report card database.





Overall, the 2014 investment in the Governor’s new Full Day Pre-K program did not make much progress in meeting the need outside New York City. Just 5,300 seats were added outside the city, meeting just 5% of the remaining need. Tens of thousands of four year olds statewide still need a seat. (See table).

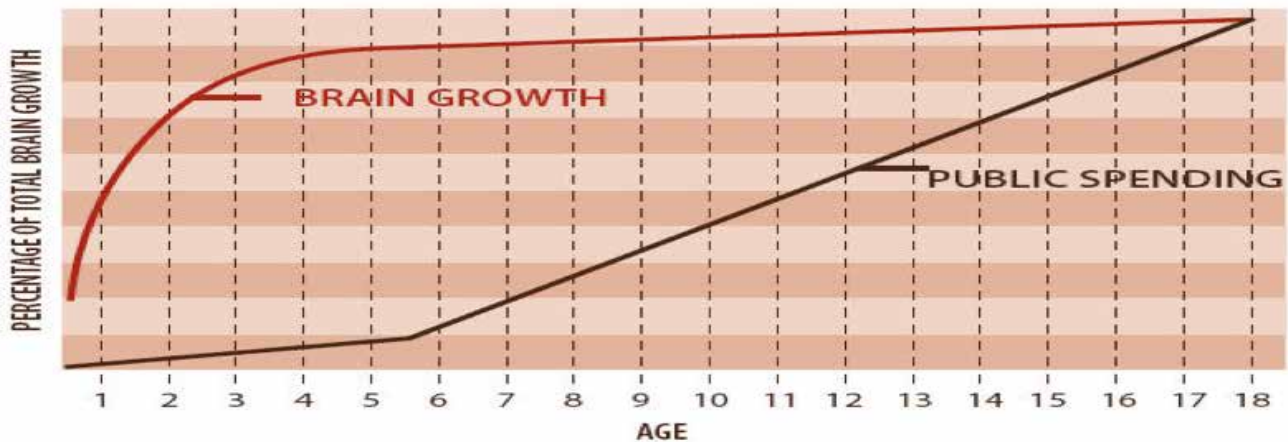
Region	Percent of Four-Year-Olds Gaining Access in 2014-15	Total Number Full Day Seats in Pre-K
New York City	39%	31,680
Capital Region	1%	92
Central NY	9%	697
Finger Lakes	3%	296
Hudson Valley	7%	1,805
Long Island	4%	1,059
Mohawk Valley	9%	424
North Country	1%	45
Southern Tier	3%	193
Western NY	6%	689

The current inequities in access for four-year-olds across the state are striking. Some are in inner-ring suburbs, where poverty is rising. Others are in rural communities, where full day pre-K is an essential – schools and families alike report a part-day service simply doesn’t work when children must travel a distance to attend a program.



BRAIN GROWTH VERSUS PUBLIC EXPENDITURES

Children Ages 0-18



Brain development: D. Purves, "Body and Brain," Harvard University Press, 1988 adapted from D.W. Thompson, on Growth and Form, Cambridge University Press, 1961. Public spending on children: Derived from R. Haveman and B. Wolfe, "The Determinants of Children's Attainments: A Review of Methods and Findings," Journal of Economic Literature, Vol. 33, December 1995. Graphics: United Way.

The executive budget for 2015 is **WRONG** on early learning and care, with zero new funding for pre-K for four-year-olds and child care, which are proven methods to close the **opportunity gap**. The \$365 million for pre-K for four-year-olds included in the Governor's budget represents commitments already made. There is no new investment in services for four-year-olds. In addition, there is no new funding for the urgently-needed subsidies that make child care affordable for the state's working families. The legislature must now work to remedy the failure to support young children and their families.

The Governor is right to state that **income inequality is growing** and **"too many are still left in the shadow of opportunity."** This is also especially true for the state's youngest children and their families. Without a subsidy, too many must make-do with makeshift arrangements that compromise their earnings as well as their children's learning.¹



¹See study, "When Families Eligible for Child Care Subsidies Don't Have One," by Center for Children's Initiatives" at <http://nynp.biz/CCIReport.pdf>

High-Quality Early Learning Opportunities: A Wise Investment in the Short and Long Run

The evidence for state investment in early learning is clear and compelling: The benefits of investing in quality early learning programs – for children, families, schools, communities and taxpayers are well-documented.²:

*Children who attend high-quality early learning programs are more likely to enter kindergarten ready to succeed, be reading on grade level by third grade, graduate high school, go on to college and have higher earnings as adults.

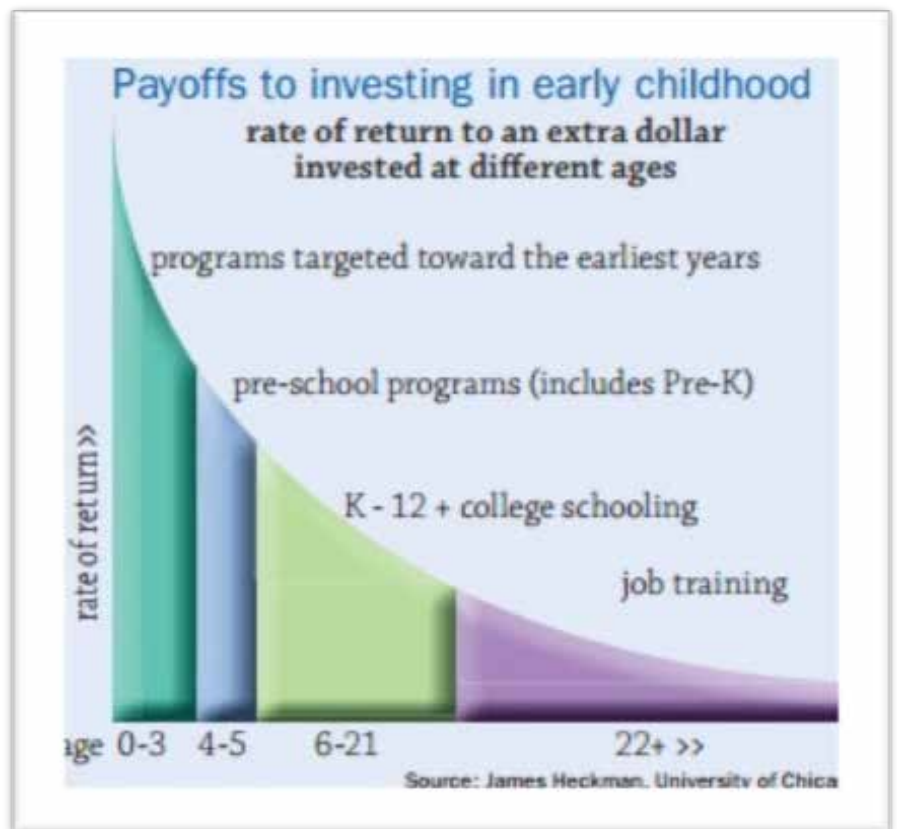
*Parents can be more productive workers and increase their earnings,

*Employers can attract and retain employees, with affordable child care and pre-K the new “must-haves” for middle class families.

*Communities have more economic activity, less crime, more successful schools and stable families.

*Taxpayers see a return of \$8 on every dollar invested. Federal Reserve economists – as well as Nobel-Laureate economist James Heckman –say there is simply no better public investment to be made. The return on the typical economic development projects – from sports stadiums to convention centers – simply can’t match the benefits that accrue from one that supports children’s early learning and development.

No wonder that business leaders, pediatricians, law enforcement and clergy are all speaking up, along with parents, early childhood and public school educators and advocates, in favor of new state investment in quality early learning opportunities.



“As a former school board president, I know how important it is that all children have access to quality early childhood education,” says Jeff Samuelson, member of the Board of Directors of the Child Care Council of Westchester. “They begin an educational journey that puts them on a path to success. As adults, they are more likely to be fully-contributing members of society.”

²Decades of highly-regarded research have documented the benefits that accrue from public investments in high-quality early childhood programs, including the Perry Preschool Project, the Aceberdarian Study, the Chicago Longitudinal Study and evaluations of New Jersey’s Abbott prekindergarten program, a on-going year-by-year research project following the progress of the three- and four-year-olds enrolled in that program. For a summary of the key research, see “High Quality Prekindergarten Is a Wise Investment” posted at the National Women’s Law Center. For more in-depth research reviews, visit the National Institute for Early Education Research at www.nieer.org, for the studies on all aspects of early childhood education, including benefits, best practices and the emerging science on implementation of state pre-k programs. Also see the Heckman Equation, www.Heckmanequation.org, for research on the return on investment in early childhood education.



“As a businessman,” he adds, “I know that access to quality Pre-K and child care makes it possible for parents to work without worrying about the well-being of their children. The every-day impact on productivity in the workplace is significant.”

“But perhaps most importantly, as a grandfather, my time horizon extends beyond my own life, beyond my children’s lives and indeed beyond their children’s lives,” he says.

“Providing access to quality Pre-K and child care for all children will have a tremendously important long-term impact on New York’s economy, politics, society and, indeed, our planet.”

By contrast, the failure to invest in early education – in both the short- and long-term is also well-documented. Children without access to quality early learning opportunities are more likely to start out kindergarten behind their more affluent peers, up to two years behind. They are also likely to stay behind right through their elementary and secondary years. The costs to them – and all New Yorkers – is also notable. High school drop-outs are likely to have few job opportunities, low earnings and nearly twice as likely to be arrested. Research shows that at-risk children left out of quality pre-Kindergarten are five times more likely to engage in criminal activity by age 27 than children attending quality pre-Kindergarten.³

A Modest Proposal: \$25 Million for Pre-K for Three-Year Olds in High Need Districts

The Governor’s proposal for a new pre-K program for high-need three-year-olds cannot be a substitute for further investment in full day pre-K for four-year-olds. It must be considered as an additional investment, and one that should be aligned with pre-K for four-year olds.

Evidence shows that starting early childhood education at earlier ages can lead to larger gains for children.⁴ States can produce even better outcomes when the services start early and are aligned, from birth through school age.⁵

The modest investment – just \$25 million for the whole state – must support appropriate standards and practices, to support the learning and development of younger children, as set forth in the state’s Early Learning Guidelines.

Any new educational investment in three-year-olds must also require local districts to leverage existing local capacity, expertise and investment to make the most effective and efficient use of the funding.⁶

³www.fightcrime.org, a membership organization of the Council for a Strong America.. To contact the New York State chapter, email joconnor@fightcrime.org.

⁴See the landmark study, *From Neurons to Neighborhoods*, published by the National Academy of Science, at www.nas.edu. Also, see *Abbott Preschool Program Longitudinal Effects Study (APPLES)* at www.nieer.org for benefits of offering pre-k to three- and four-year-olds.

⁵For the latest research, see the Foundation for Child Development’s research on P-3 early learning, at www.fcd-us.org.

⁶The state’s current Pre-K programs for four-year-olds include a mandate for at least 10% of the investment to be made in community programs, which already serve large numbers of young children. Today, more than 60% of those services are offered in early childhood programs in the community, a strategy that maximizes choices for parents, creates more opportunity for the extended-day year-round services families and children need. Building on child care, Head Start, Preschool Special education and other investments also offers opportunity for more comprehensive service.



Quality Child Care: Another Key Investment in School Readiness and Economic Opportunity

Quality child care is the companion investment to one in prekindergarten, one that reaches even younger children, and also offers the ability to offer year-round services and extended learning time. Recent research shows many young children lose ground when school is closed in the summer. Families also need to know their children are safe and learning, while they are at work. School-day, school-year services are simply not adequate to meet the needs of young children and their families. As an additional investment, child care funding offers another strategy to boost school readiness and expand economic opportunities across New York.

With three-fourths of all parents in the workforce by the time their children are three, quality child care is also a pressing necessity for most New York families.

But child care is also getting harder to afford. New York is now home to the highest costs for child care in the country, with the average tuition for private programs now costing \$13,000 across the state. Care for children under three is even more expensive, topping \$14,000 in many programs across the state. That cost eats up nearly every penny of take-home pay that a parent working full-time, year-round earns in a year. Working mothers with young children are more likely than workers overall to be in low-wage jobs. Child care takes half the income of low-income working parents. The cost of child care also produces sticker shock even in middle-class and professional families, rivaling tuition at a public college at a time when they themselves may still be paying off their own college loans.

Unable to afford quality care in a stable program, parents face difficult choices. Few can afford to stop working, so their option, increasingly, is to make-do with make-shift arrangements that often fall-through, disrupting their children's learning power along with their own earning power. "I had to change my time, arrive late, miss days of work and my overall work performance was negatively impacted," one mother reported. "It is unfair to the middle-class," another parent said, "We pay taxes and parents should be able to receive help with their children's education. Parents are struggling."

New York's official policy is to offer a subsidy to working parents earning up to 200% of poverty and to ensure that all families on public assistance have the child care they need to achieve economic independence. In real-life terms, that means a family of three earning up to \$39,580 is eligible for subsidized care.

But the public investment has never kept pace with all families eligible, and today, there is what advocates call a "perfect storm" under way, with diminished state and federal investment, that is making it even less likely that eligible children will find a slot. "More and more working families are being squeezed out of the program,

⁷www.childrensinstitute.net.

⁸Child Care Aware 2014, annual study affordability of child care, at www.Childcareaware.org.

⁹Research conducted by CGR, Inc, 2014 for the League of Women Voters, at www.cgr.org.

¹⁰Blank, Schulman and Frohlich, study working mothers in low-wage jobs, 2014, at www.nwlc.org.

¹¹See "What Happens When There Is No Subsidy," study by the Center for Children's Initiatives, www.ccinyc.org.





stretching New York’s child care to the breaking point,” the Empire Justice Center reports.¹²

Indeed the situation grows more urgent by the day, and will only grow worse if the state fails to make new investment in child care this year. Starting in 2007, as the Great Recession got underway, state and federal funding declined, as the need for child care grew. Between 2007 and 2013, 38 of New York’s 57 counties outside of New York City reduced access to subsidies, on average by about 27%.¹³ New York City also reduced the number of children served.

Without their own local budgets strained and a cap on taxes and local municipal aid, many counties simply ran out of child care funding before the end of the fiscal year. As a result, they have tightened eligibility, raised co-pays and stopped serving new families. Some even stopped taking applications at all.

¹²See “Still Mending the Patchwork,” Empire Justice Center at www.empirejustice.org.

¹³CGR research for League of Women’s Voters, www.cgr.org.



Shrinking Access to Child Care: The Crisis Unfolds, County-by-County¹⁴

New York now serves just 22% of the young children across the state eligible for a child care subsidy. Counties are running out of money, even as the need grows. Some are simply refusing to accept new applications. Nearly all are tightening eligibility, falling far short of the state's goal of serving all families at 200% of poverty.

- **Greene County** cuts off eligibility at 100% of poverty (\$19,790 for a family of three), and is currently accepting no new applications.
- **Niagara County** only serves those at or below 120% of the federal poverty level (\$23,748 for a family of three).
- **Dutchess, Ontario, Orange and Rensselaer Counties** only serve families at or below 125% of poverty (\$24,737.50 for a family of three). Even with lower eligibility levels, **Orange County** has a waiting list of 48 families.* Although New York City has technically retained its eligibility levels at 200% of poverty, data show that few families over 135% of poverty can access subsidies.
- Three social services districts have lowered eligibility to 150%: **Fulton, Oneida and Schenectady.**
- **Cayuga and Livingston Counties** have lowered eligibility to 160% of poverty.
- The eligibility level in **Suffolk and Monroe Counties** is set at 165% of poverty.
- In **Cattaraugus and Schoharie Counties** eligibility is at 175% of poverty, and Schoharie has a wait list of 62 families.
- **Washington County** eligibility is at 185% of poverty.
- **Nassau County**, which has traditionally maintained high income eligibility levels by supplementing federal dollars with local funds, recently lowered the eligibility level from 275% to 200%.
- A number of counties have not lowered eligibility, but are closing cases and creating waiting lists. **Cortland County** has not lowered eligibility, but recently closed 108 cases based on "last opened/first closed" to address a funding shortfall; **Madison County** recently closed nearly 40% of its child care cases (50 out of 130), choosing to close those that had been open the longest. **Wayne County** has 247 children on its waiting list.

**Information provided by Susan Antos at the Empire Justice Center.

The bottom-line: Today, only 22% of the children eligible for a subsidy receive one. In some areas, just 7% of the need is met. Rochester and New York City currently rank the most generous, but even in those two cities, three out of four eligible children do not get a slot.

Low-income parents, desperate for services, are often persistent, even when the chances of landing a subsidy are slim. Oneika Mixon, a single parent in Rochester, New York, explains why, "I would be forced to cut my hours at work without the subsidy, which would gravely impact my household income," she says. Now in a high-quality program, both she and her children are both succeeding. "They provide educational activities and

¹⁴In last year's budget, Facilitated Enrollment funding allows some families with incomes over 165% of poverty to receive subsidies.



field trips which stimulate my children’s learning. I am impressed with what Jasmine shows me every day. She has learned her colors, drawing faces and separating colors into groups.”¹⁵

The lack of public investment and the inability of parents to afford private tuition also weakens programs and threatens their efforts to offer quality services. Child care resource and referral agencies, as well as advocates and school districts across the state, which work with both programs and parents, report that a growing number are closing their doors, and many report it increasingly difficult to attract, retain and appropriately support staff.

Early childhood educators still face miserably low wages. In fact, compensation for staff in child care programs has not improved in 25 years, according to a recent study by the National Center for the Early Childhood Workforce. “Quality of care is a function of the ability to maintain highly-qualified personnel,” says one program director in New York City. “I would say (low) salaries and health benefits are driving potential hires away from our program.”

Supporting Quality Improvement: Critical Ingredient in Supporting Success

In addition to improved compensation, early childhood educators need support, skills and knowledge to effectively support children’s learning and development. And the evidence shows that professional development and technical assistance can help the many dedicated teachers and staff eager to work with young children. They can benefit –and so can children – from keeping up with the latest research, learning how to use the information gleaned from screenings and observation to be more effective.

State-supported efforts to assure that early learning programs also meet the highest standards, such as QUALITYstarsNY, the state’s quality rating and improvement system, can be a critical tool in supporting best practices, quality learning environments across the state. **The \$3 million in the state budget for QUALITYstars-NY is a good start on investing in quality improvement strategies that can enhance learning and support children’s healthy development.**

The Smart Choice: Invest in Quality Early Learning in 2015

Simply put, the case for investment in early learning is clear and convincing. If New York does not make additional investments, it will cost us all too much. Today’s four-year-olds are entering Kindergarten next year and they must be prepared to succeed. Today’s three-year-olds will be entering pre-K. All children benefit from improved and expanded early learning opportunities. They are a game-changer for children, families, schools, communities and taxpayers. **We Can’t Wait.**

¹⁵Many thanks to the Children’s Agenda and the Early Childhood Development Initiative in Rochester, for the many stories they have collected from parents, including this one from Oneika Mixon. For more information, contact marsha.domka@gmail.com.

¹⁶Interviews conducted in fall of 2014 and represent the on-the-ground experience in communities in Rochester, Buffalo, Albany, Hudson Valley, New York City and Long Island. While there is always considerable turnover in early childhood programs because of the under-funding, the reports were that even the most stable and long-term and high-quality programs face challenges because of the lack of public investment.

¹⁷Whitebook, Phillips and Howes, “Worthy Work: STILL Unlivable Wages,” 2014. Available at irle.bekerkely.edu.

¹⁸Campaign for Children Survey of Early Learn providers, January 2015.



Methodology

The data on state pre-K funding and enrollment used for the analysis in this report was obtained from the NYS State Education Department. We then conducted our own independent analysis. To calculate the percent of four-year-olds that gained access to full day pre-K in 2014-15, we used the enrollment in the new State Funded Full Day program divided by the number of four-year olds eligible for a pre-K seat. To calculate the number of four-year olds eligible for a pre-K seat, we used Kindergarten enrollment multiplied by .85, based on the assumption that 85% of all children in the state enroll in Kindergarten. We then sorted the data by the Department of Labor economic regions.





Children Can't Wait

Make Quality Early Learning a Top Priority in the 2015 Enacted Budget



The Center for Children's Initiatives (CCI) champions the right of all children to start life with the best possible foundation of learning, care and health. Realizing the long term benefits – for children, for families and for our society – CCI works to ensure investments in quality and supports for working families to give all of our children the opportunity for a bright future.



The Alliance for Quality Education is a coalition mobilizing communities across the state to keep New York true to its promise of ensuring a high quality public education to all students regardless of zip code. Combining its legislative and policy expertise with grassroots organizing, AQE advances proven-to-work strategies that lead to student success and echoes a powerful public demand for a high quality education for all.



The Schuyler Center for Analysis and Advocacy is a statewide, nonprofit, policy analysis and advocacy organization working to shape policies to improve health, welfare and human services for all New Yorkers, especially those who are poor or vulnerable.



Citizen Action of New York is a grassroots membership organization taking on big issues that are at the center of transforming society – issues like: quality education and after-school programs for all our kids, guaranteed quality, affordable health care, public financing of election campaigns, dismantling racism and promoting racial justice, and a more progressive tax system.



PPEF was founded in 1986 to address critical social, economic, racial and environmental issues facing low and moderate income New York State residents. Our areas of work have included health care, education, after-school programs, voter participation, economic development and consumer issues. PPEF uses many tools in its work, including grassroots organizing, research and policy development, public education on a wide range of policy issues, and community outreach.

