

# Stateline Midwest

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# Too small to let fail

## State support for preschool on the rise as a range of educational, economic benefits come into focus

by *Kate Tormey (ktormey@csg.org)*

When Indiana Rep. Robert Behning was recently visiting a preschool, one of the instructors cited some alarming statistics.

The teacher pointed to three young African-American students. "She told me, 'One of the three — if they don't have the opportunity for a high-quality education in early childhood — [is likely to] end up in the criminal-justice system. Which one are you going to pick?'"

"No one wants to pick any of them," Behning says. "It is much better for our society to provide early education and an opportunity to be a successful member of our community."

That's why Behning, chair of the House Education Committee, introduced legislation earlier this year to create a pilot program providing low-income families with vouchers to attend quality preschools. Indiana is one of the three Midwestern states that does not have a state-funded preschool program.

Under the bill, the state would have provided funding for 1,000 children to attend preschool and tracked their progress through the education system. HB 1004 passed the House but was voted down in a Senate committee. Behning says he'll introduce legislation again next year.

"In the long term, it would save the state money," Behning believes. "One of the benefits of a pilot program would be to see if we can save in the end in terms of remediation, incarceration, et cetera."

### Research suggests big gains

Studies show that early-childhood education can have a significant impact on students' educational and social success.

The High/Scope Perry Preschool study, for example, found that students who had participated in a preschool program were more likely to be in the 10th percentile of their class at age 14, more likely to graduate high school on time, and less likely to require special education.

By age 40, the study shows, preschool participants were more likely to own a home, earn at least \$25,000 per year and

have a savings account. Students in the preschool group were also less likely to have five or more arrests before age 40.

"When you look at brain science, we know that this is the greatest period of brain development," says Megan Carolan of the National Institute for Early Education Research. "There are something like 700 neurons per second making connections."

The return on state investments in early-childhood education has been studied by Rob Grunewald, an economist with the Federal Reserve Bank of Minneapolis.

By the age of 3 or 4, Grunewald notes, 85 percent of a child's brain has been formed — so investment in "human capital" at this early age can pay the greatest dividends.

"Research overwhelmingly shows that the earlier we can intervene, the better," says Emily Workman, who studies trends in preschool policy for the Education Commission of the States. "It makes it so much more likely that students will be successful when they enter the K-12 system."

Workman points to a law in Illinois that requires 11 percent of pre-K funding to be targeted to 3-year-olds. Illinois was

one of the first states to dedicate funding to younger preschool-age children — and it's helped the state rank first in the nation in terms of access for 3-year-olds.

For children who are reached by a quality preschool program, some of the benefits occur right away. For example, Grunewald says, these initiatives have proven to reduce special-education assignments for children. But there are long-term positive effects, too.

Grunewald's review of major studies on early childhood have shown returns of anywhere from \$4 to \$16 for every public dollar invested in this area.

"In 10 to 15 years, a state is going to recoup and earn from that investment," he says. "They are going to have cost savings that will more than enough pay for initial investment in early childhood."

### State commitment increasing

Thanks in part to this body of research, there have been significant gains in preschool funding and enrollment over the last decade.

State-funded preschool programs now serve nearly 30 percent of 4-year-olds — twice as many as Head Start, the federal

▶ PLEASE TURN TO PAGE 6

### State-funded preschool: Funding and enrollment data in Midwest

State	Enrollment in state-funded preschool programs (2012)	State spending per child enrolled	State preschool spending in FY 2013	% change in state spending from FY 2012
Illinois	80,914	\$3,210	\$325.1 million	-7.7%
Indiana	No state-funded preschool			
Iowa	22,933	\$3,925	\$67.6 million	+16.0%
Kansas	8,593	\$2,123	\$41.2 million	+23.6%
Michigan	23,579	\$4,422	\$109.3 million	+4.8%
Minnesota	1,813	\$7,592	\$21.2 million	0.0%
Nebraska	10,204	\$2,094	\$16.2 million	+4.8%
North Dakota	No state-funded preschool			
Ohio	5,700	\$3,980	\$23.3 million	+0.4%
South Dakota	No state-funded preschool			
Wisconsin	48,011	\$5,111	\$168.6 million	+14.2%

Sources: National Institute for Early Education Research (enrollment data and state spending per child) and Education Commission of the States (state preschool spending)

▶ CONTINUED FROM PAGE 1

## Michigan and Minnesota take action on initiatives aimed at youngest learners

program for low-income children. And over the 10 years, state spending on preschool has increased by nearly 50 percent, totaling \$5.12 billion in the 2011-'12 school year.

In the eight Midwestern states that have state-funded preschool initiatives (Indiana, North Dakota and South Dakota do not), programs are largely geared toward low-income and at-risk children. Income is a common eligibility measure, sometimes coupled with other risk factors that put a child in danger of falling behind.

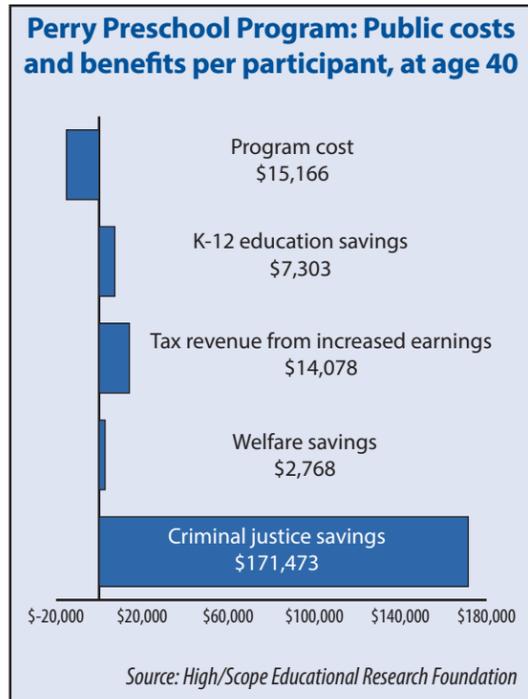
"All kids benefit from pre-K, but low-income kids get even more benefit because they are more likely to fall behind [otherwise]," says Carolan. "They go into kindergarten knowing fewer words, which is a tangible and sad way to understand that these kids are really behind the curve."

"More states are getting on board, and enrollment has nearly doubled [in state-funded preschool] among 4-year-olds [in the last decade]," Carolan says.

This year, Michigan lawmakers approved "one of the largest one-time expansions of preschool we have seen anywhere," Carolan says.

As a result, up to 16,000 more children will be served in the state's Great Start Readiness Program. Eligibility was expanded to include families at or below 250 percent of the poverty line.

This expansion will be funded with an additional \$65 million — a 60 percent increase over current funding levels. And Gov. Rick Snyder is expected to ask for an additional \$65 million in his budget next year, which would double Great Start enrollment in the span of two years.



"With early-childhood education, the return on investment is incredibly high — whether it's providing children with a better life or increasing the likelihood that they will have a job and the ability to pay taxes," says Sen. Roger Kahn, who has been a longtime advocate for increased early-childhood investment and helped lead the effort to expand Great Start.

Another reason Kahn fought for expanding Great Start was to help narrow his state's "achievement gap": the disparity in performance between students of different socioeconomic statuses and races.

"If we are going to successfully compete in a difficult world and within the United States for jobs, we need to have our children well educated," he says.

That's one of the reasons, too, that a coalition of more than 100 Michigan business leaders has banded together to call for increased investments in early-childhood education.

The Michigan Early Childhood Business Plan recommends expanding the reach of the state's preschool program and strengthening the state's efforts to help even younger children — for example, more home visits for the families of at-risk children 3 and under.

"Early childhood initiatives are among the most responsible, high-return strategies our state can pursue toward a talented, globally competitive future workforce," the state's business leaders say in their plan.

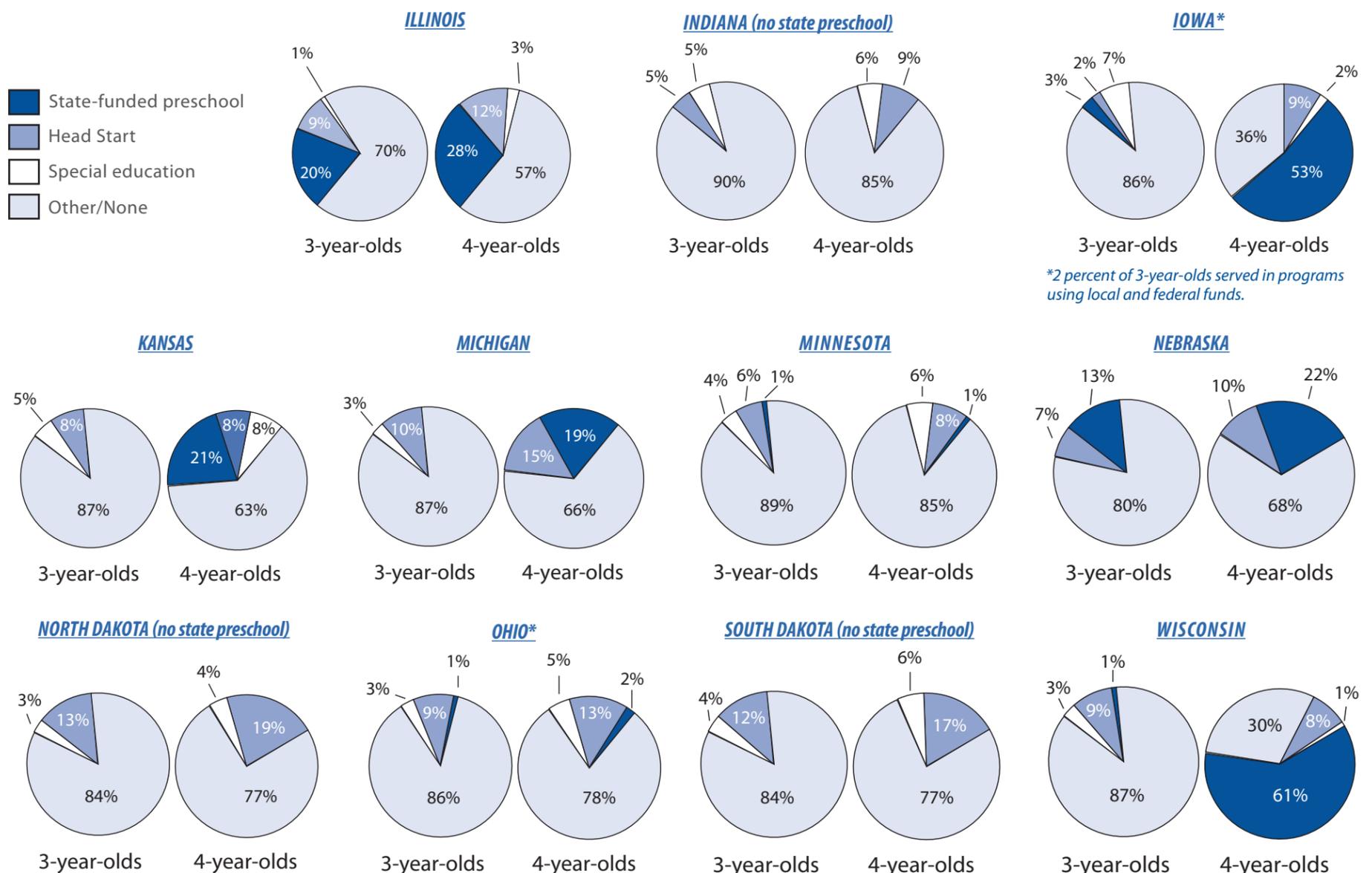
While proud of Michigan's recent landmark investment in state-funded preschool, Kahn stresses that it is just a first step.

"You can't just spend \$65 million a year and expect you will have measurable results in a year, or two or five," he says. "You have to be all in for a generation."

### Minnesota focuses on learning gap

This year, Minnesota lawmakers passed legislation (HF 630) creating a new scholarship program for 3- and 4-year-olds. Under the Early Learning Scholarship program, families earning up to 185 percent of the federal poverty level can

## Enrollment in state-funded preschool and Head Start as % of state's total population of 3- and 4-year-olds



Source: National Institute for Early Education Research, "The State of Preschool 2012"

receive up to \$5,000 per year for preschool tuition.

“We can target populations and see where the money goes, and measure the impact,” says Sen. Patricia Torres Ray, chair of the Education Committee.

She also expects that as parents receive scholarships and choose programs, a network of quality schools will develop around the state in areas where they are needed most.

The preschool scholarships are part of a broader effort, Torres Ray says, to close Minnesota’s achievement gap.

“Every sector you talk to is fed up with our inability to address it,” she says. “This is a longtime problem for Minnesota, and because of that we are placing a tremendous amount of emphasis on every investment we make.”

Torres Ray hopes that the success of these investments will lead to even greater early-childhood commitments in the years ahead.

“We need to be able to tell the taxpayers we made the right decision,” she says. “This session we are going to do a lot of review and talk to a lot of experts to see if we are going in the right direction.”

### Ensuring quality is at heart of success

**A**round the Midwest, some other states, too, have made investments in early-childhood supports this year. Nebraska lawmakers voted to put \$1 million per year for the next three years in the Early Childhood Education Endowment. The fund offers grants for programs serving at-risk children from birth to age 3.

North Dakota legislators tasked the state superintendent of public instruction with studying areas for policy improvements in early-childhood

care and education.

But despite scientific and anecdotal evidence of the benefits of preschool, universal access is still a long way off. Part of the issue, says Carolan, is that preschool isn’t often considered “real” school.

Critics of some programs have argued that preschool is an expensive form of day care — and that paying for it should be a parental responsibility. Others believe that putting young children in classrooms interferes with parent-child relationships.

For states that are considering expanding preschool options for children, the National Institute for Early Education Research has a set of 10 standards it recommends incorporating into programs. Four of those benchmarks relate to hiring qualified professionals — for example, those with a bachelor’s or associate’s degree in childhood development.

“You want to make sure these kids are in a classroom with people who know how to engage them,” Carolan says. “That predicts high-quality programs and better outcomes.”

In terms of funding, Carolan highlights state models that integrate pre-K funding into the general school funding formula. School districts participating in Iowa’s Statewide Voluntary Preschool Program, for example, receive 50 percent of the state’s per-pupil state aid for each preschooler.

She also recommends that when launching new programs or expanding eligibility, states start with their lowest-income children, and then gradually expand over time. States can employ a sliding-fee scale as they extend eligibility to families with higher incomes.

Regardless of the specifics, Carolan urges policymakers to “look before they leap.”

### Wisconsin program for 4-year-olds: A constitutional mandate for early education

Wisconsin’s commitment to early childhood education spans back to when it became a state in 1848. Under the state Constitution, public education must be offered beginning at age 4.

Established in 1873, the Four-Year-Old Kindergarten (4K) program is still in existence (although state funding was suspended from 1957 until 1984).

The state provides funding to public schools, which contract with community-based organizations to provide preschool. Preschool programs receive 50 percent of the state’s per-pupil K-12 funding, and can receive 60 percent if they provide parent support services.

Enrollment in 4K has more than tripled since 2001. Nearly 47,000 children (60 percent of all 4-year-olds statewide) participated last year and 90 percent of Wisconsin school districts offered the program.

“If a state tries to do a universal program without the resources, they can overstretch — and that jeopardizes quality,” she says.

Workman agrees, adding that “just implementing a pre-K program is not sufficient. You must have a quality rating system set up and be able to braid [different sources of] funding to effectively serve these students, otherwise you’re not going to get the return on investment everyone boasts about.” ★



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