**RSAI 2022 Legislative Priority:
Preschool**

**Background:** Iowa’s Statewide Voluntary Preschool Program (SVPP), first implemented in 2007-08, has grown to serve 31,468 4-year-olds in 2019-20. PK enrollment was lower than kindergarten by 8,364, meaning as many as 27% of kindergarteners may not have been served in SVPP. The importance of reading proficiently by the end of third grade is critical. Most likely due to the pandemic, preschool and kindergarten enrollment dropped significantly by Oct. 1, 2020, and only slightly rebounded by Oct. 1, 2021.

**Why does preschool matter?** The Perry Preschool Project, 40 years later, documents $17 savings for every dollar invested (earlier findings of $8 saved for every dollar invested are also often cited). Once considered a strategy just to support working parents with child care needs, the majority of states now view access to high-quality PK programs as a critical long-term economic investment in the future workforce. Education Commission of the States, <http://www.ecs.org/docs/early-learning-primer.pdf>, Oct. 2014: *Six rigorous long term evaluation studies have found that children who participated in high-quality preschool programs were:*

* *25% less likely to drop out of school.*
* *40% less likely to become a teen parent.*
* *50% less likely to be placed in special education.*
* *60% less likely to never attend college.*
* *70% less likely to be arrested for a violent crime.*

Sarah Daily, *Initiatives from Preschool to Third Grade: A Policymaker’s Guide*, shows reductions in costly outcomes that quality preschool prevents. (Denver, CO: Education Commission of the States, October 2014) [http://www.ecs.org/docs/early-learning-primer.pdf](http://www.ecs.org/docs/early-learning-primer.pdf.). The National Conference of State Legislatures quotes studies on long-term return on investment. <http://www.ncsl.org/research/human-services/new-research-early-education-as-economic-investme.aspx>

In Iowa, a reduction in special education placement creates savings for property taxpayers, as costs of special education not covered by the special education weightings are funded by local property taxes. The other benefits of preschool also save state and local tax dollars and improve economic outcomes for Iowans. It’s no surprise with these results that the Iowa Business Council and state business leaders were adamant supporters of the Statewide Voluntary Preschool Program when it was first implemented with over 5,000 four-year-old students in 2008. The Program has grown to serve over 25,000 children annually. Find the Program’s history on the DE Fact Sheet found here: <https://educateiowa.gov/sites/files/ed/documents/SWVPPFactSheet-Fall2020.pdf>

**Barriers to Expansion.** Preschool funding in the formula is paid entirely with state funds, based on the prior year’s enrollment of four-year-olds in the program on Oct. 1. Although three-year-olds and 5-year-olds may be served, they are not counted for weighting/funding purposes. Unlike the regular program enrollment for K-12 budget purposes, there is no adjustment for enrollment changes;

1. no 101% budget guarantee if fewer students are served and
2. no on-time funding modified supplemental amount if more PK students are served than in the prior year.

Due to COVID-19 pandemic, the Fall 2020 PK enrollment dropped significantly, which means that the 2021-22 PK budget will also drop significantly. Districts are prohibited from using general fund dollars to pay for PK expenses, so staff reductions are likely in the Fall of 2021. Although transportation costs may now be paid with PK funds, those costs eat into the 0.5 weighting assigned to preschool students very quickly in rural districts, especially for half-day programs.

**Current COVID-19 Enrollment Situation:**

The Legislature in 2021 gave the School Budget Review Committee (SBRC) the authority to grant modified supplemental amount (spending authority) to school districts with PK enrollment growth in Oct. 2021 compared to the prior Oct. 2020, contingent on provision of funds. The intention was for the Governor to provide GEERS or other federal pandemic funding to cover the cost, but as of this writing, that decision has not yet been announced. If the federal funding is not forthcoming, RSAI would ask the 2022 Legislature to provide state funds or find another financial solution. Additionally, since PK enrollments did not fully rebound, the extension of this authority for an additional year will be necessary.

**Quality Preschool:** funding of quality PK at the 1.0 per pupil cost for full time or prorated proportionally and formula protections against budget and program impacts of PK enrollment swings (budget guarantee/on-time spending authority).