

# Learning Begins at Birth So Should Our Investment in Education – PPT notes

## Presentation Outline

**Purpose:** Educate potential supporters on the importance of investing in ECE and why the Land Grant Fund is a secure and responsible funding solution.

**Audience:** Individual and group meetings with business people, legislators, community leaders, K-12 leaders, health providers/advocates, faith leaders, ECE and parent advocates.

**Use:** Pick and choose slides and talking points that suit your audience.

## Sections:

### 1. The Problem:

- NM indicators
- Achievement gap
- Remediation costs more than prevention

### 2. Why ECE:

- Brain science
- Economics
- Return on investment (ROI)
- Broad national support
- NM funding falls way short

### 3. The Solution (Proposal):

- Paradigm shift; education begins at birth
- We have the money in the Land Grant Fund
- Constitutional Amendment Proposal: Contents, Accountability, Evaluation, Legislative process

### 4. Broad Support:

- Research & Polling results
- Viewpoint Learning findings
- Co-sponsors, endorsers for SJR 10

We really believe that the way to transform education and improve outcomes is to invest heavily in the early years.

## Slide: 1.1 -- Problem: Indicators

Every year the Annie E. Casey Foundation publishes a national databook, called KIDS COUNT, which ranks the 50 states on ten indicators of child well-being. Year after year the report shows that New Mexico is not doing very well by its children. Whether it is high rates of child poverty, teen pregnancy, or low graduation rates and reading scores, we're not doing very well.

What does this have to do with early childhood or K-12 outcomes?

Child poverty and mother's education level are two very accurate predictors of a child's future academic success.\*\*\*

NM has many at risk children given that:

- 1 in 4 children lives in poverty \*
- NM has the 2<sup>nd</sup> highest teen birth rate in the nation\*
- 4 in 10 NM teens have not completed high school\*
- And 1 in 4 adults age 18-64 only has a H.S. diploma or GED\*\*

Given these statistics, many of our children are starting out life with enormous deficits.

*Sources:*

\*2010 KIDS COUNT Data Book

\*\* U.S. Census, 2008 American Community Survey, analysis by Population Reference Bureau

\*\*\*Sources for more info on the link of poverty to child outcomes:

<http://www.aecf.org/~media/Pubs/Topics/Education/Other/DoubleJeopardyHowThirdGradeReadingSkillsandPoverty/DoubleJeopardyReport040511FINAL.pdf>

--NICHD Study of Child Care and Youth Development (2006). Washington, DC: National Institute of Child Health and Human Development.

--The National Evaluation of Early Head Start: Early Head Start Works. (2005). Washington, DC: ZERO TO THREE Policy Center.

--*It's Possible. Closing the Achievement Gap in Academic Performance.* You can access this paper at this website: <http://www.ounceofprevention.org/news/pdfs/ClosingTheAchievementGap.pdf>

*Note on Page 4:* For low-income children, the complex process of healthy brain development is often compromised by the stress of living in poverty. Parents struggling to cope with severe financial instability, unsafe neighborhoods, lack of medical care, hunger, and other stressors common to living in poverty may not be able to adequately respond to their babies' needs, making it more difficult to forge the strong bonds required to help their babies thrive later in life. The overlay of poverty and this critical developmental phase means that our youngest children are most at risk during the period of the most substantial brain growth of their lives.

Poor child care worsens the problem. Studies show that only 30% of infant/ toddler care is adequate or better; a startling 10% is unacceptable. Early Head Start, our nation's best program for infants and toddlers living in poverty, reaches less than 3% of the eligible population. Our most vulnerable children spend the years most critical to their brain development in the worst environments.

**Slide 1.2 -- Problem: Achievement gap**

"Science has shown that the achievement gap that exists between children in poverty and their more economically advantaged peers is evident as early as 18 months."\*

Achievement gaps begin extremely early – and persist.

To break the cycle of poor school outcomes and poverty, it is important to start when kids are very, very young.

*More info on the handout: "Early Experiences Shape the Brain"*

Source:

\*Hart, B., & Risley, T. (1995). *Meaningful Differences in the Everyday Experiences of Young American Children*, Baltimore, MD: Brookes.

### Slide 1.3 -- Problem: Achievement gap

The evidence is clear:\*

- Kids who start school behind, stay behind;
- This achievement gap grows over time.

What is compelling about this chart is that kids who are on a lower trajectory when they enter school behind, never catch up – and some even move further behind. The way to close the achievement gap is to make sure our kids start school on the right path – the trajectory to achievement and success.

Source:

\*<http://www.aecf.org/~media/Pubs/Topics/Education/Other/DoubleJeopardyHowThirdGradeReadingSkillsandPoverty/DoubleJeopardyReport040511FINAL.pdf>

This Casey report and their findings include:

- One in six children who are not reading proficiently in third grade do not graduate from high school on time, a rate four times greater than that for proficient readers.
- Overall, 22% of children who have lived in poverty do not graduate from high school, compared to 6% of those who have never been poor. This rises to 32% for students spending more than half of their childhood in poverty.
- For children who were poor for at least a year and were not reading proficiently in third grade, the proportion that don't finish school rose to 26% That's more than six times the rate for all proficient readers.
- Even among poor children who were proficient readers in third grade, 11% still didn't finish high school. That compares to 9% of subpar third grade readers who have never been poor.

### Slide 1.4 -- Problem: Remediation Costs

We cannot remediate our way out of this. Holding back a third grader is expensive, and there is evidence to suggest that children who are held back are more likely to drop out of high school.

We cannot arrest our way out of this – not when it costs \$35,000 or more each year to keep a young person in the D-home.

On the other hand, early childhood care and education programs have significantly lower annual costs.\*

Frederick Douglas said, “It’s easier to build strong children than to repair broken men.”

Source:

\*How we arrived at this conclusion: During the 2011 legislative session, HB 100 was introduced. It would have required schools to hold back third graders who are not “academically proficient.” If we

look at the Florida model, which HB 100 is said to be based upon, we would hold back third graders who scored a level one on the Standards-Based Assessment (SBA). According the fiscal impact report for HB 100, there were 25,000 third graders in school year 2009-10, 16% of whom scored a level one on the SBA. That means 4,000 students would be held back.  $4,000 \times \$9,069$  annual cost = \$36,272,000 a year!

The average cost of the three ECE programs listed above is \$4,500 per year.  $4,000$  students  $\times$  \$4,500 annual cost = \$18,272,000—or about half!

## **Slide 2.1 -- Why ECE?: Brain science**

Science shows us the incredible value in the first few years in a child's life. This is when 85% of the brain's architecture is set up – and it happens *before* a child enters kindergarten.

The more adversity a child faces, the greater the odds of a developmental delay. In fact, risk factors such as poverty, maltreatment, and low maternal education work together to make it more likely that a child will have delays in their cognitive, language or emotional development.\*

Those first years are critical and if we don't increase our investment in those years, the data shows we're not going to see significant improvement in academic achievement.

Early childhood care and education programs, including voluntary parent coaching, high-quality child care, and training of child care providers, are shown to make a huge difference in these important formative years.

*Source:*

\*Barth, et al. (2007). *Developmental Status and Early Intervention Service Needs of Maltreated Children*, Washington, DC: U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation.

## **Slide 2.2-- Why ECE?: Economics**

Several long-term studies\* have shown—and numerous prominent economists\*\* agree-- that ECE programs have a high rate of return.

Because they improve academic outcomes, ECE programs improve workforce readiness and job productivity. Better educated and higher-paid citizens are more engaged and invested in their communities and tend to have better health outcomes.

*Sources:*

\*The most often cited is the HighScope Perry Preschool Program

\*\*James J. Heckman, Seong Hyeok Moon, Rodrigo Pinto, Peter A. Savelyev, Adam Yavitz; Department of Economics, University of Chicago, *Journal of Public Economics* 94 (2010) 114–128

### Slide 2.3 -- Why ECE?: Return on Investment

ECE programs also save money that must otherwise be spent on remediation like special education and grade repetition. Others costs, like incarceration and welfare use, also decline. Teen pregnancy is reduced because young women have concrete reasons (college, career) for delaying childbirth that they don't have if they drop out of high school.

### Slide 2.4 -- Why ECE?: Return on Investment

The return on investment for high-quality ECE programs is about 10% or 10-to-1 over the life of the child.

So for every dollar the state invests in ECE, we get back 10. Compare this with the stock market average rate of return of 5.8% (between post-World War II to 2009).

The payback with ECE investments is almost immediate through savings in special ed, remediation costs, juvenile justice... and continues as the children become a productive adult with higher earnings later in life. When we consider the social returns – like lower crime rates, each dollar yields between \$7 to \$12 back to society.\* Some research shows intergenerational gains as these children grow up and nurture their own children's education.

#### Sources:

\*Social rates of return (i.e. avoided costs of crime and welfare) - fall between 7 and 10%. "Each dollar invested returns in present value terms \$7 to \$12 back to society"

[http://www.heckmanequation.org/system/files/Federal-Commision\\_9-1-2010FINAL%203\\_.pdf](http://www.heckmanequation.org/system/files/Federal-Commision_9-1-2010FINAL%203_.pdf)

September, 2010 testimony to the National Commission on Fiscal Responsibility and Budget Reform

<http://www.heckmanequation.org/videos>

<http://www.slideshare.net/mokids/grunewald-economic-case>

\$1.00 + \$0.1 compounded over 7 years = \$1.95

A 3% discount rate consistent with the recommendations of OMB (1992, Web Appendix C) and GA (1991)

The Rate of return to the HighScope Perry Preschool Program" By James J. Heckman, Seong Hyeok Moon, Rodrigo Pinto, Peter Savelyev, Adam Yavitz, University of Chicago Department of Economics; Journal of Public Economics, 94(2010) 114-128

### Slide 2.5 -- Why ECE?: National support

Many national groups support a greater public investment in early childhood programs.

**Fight Crime: Invest in Kids** is an anti-crime organization of over 5,000 police chiefs, sheriffs, prosecutors, and violence survivors that see ECE as an effective way to lower crime rates.

**U.S. Chamber of Commerce** published a report in 2010 called [Ready, Set, Go: How Business Can Support Early Childhood Education](#), highlighting the link between early childhood and a strong workforce.

**Mission: Readiness** is the nonprofit, non-partisan organization led by senior retired military leaders ensuring continued American security and prosperity into the 21st century by calling for smart investments in the upcoming generation of American children.

Rob Grunewald with the **Federal Reserve Bank of Minneapolis** is one of many economists who have written about the high return on ECE investment for economic development.

## **Slide 2.6 -- Why ECE?: Funding shortfall**

In New Mexico all ECE programs combined receive less than 1% of the general fund budget. We're spending nearly 60% of our state budget on education, and our kids are not getting to school ready to learn. By the time children get to first grade, 80% -90% of brain development has occurred and we've spent less than 1% of our state budget preparing them for school. **Investing in ECE will help us use our overall education budget more efficiently and effectively!**

## **Slide 2.7 -- Why ECE?: Failure to meet needs**

Our ECE programs fall very short of the need. Fewer than 1% of first-time parents get the option of voluntary parent coaching. Studies show that parent coaching can make a huge difference for at-risk children. It decreases the incidence of child abuse. Parents who get coaching are also more likely to delay having more children.

Less than 20% of our four-year-olds are served by NM Pre-K – and a recent study showed the program to be successful at preparing children for school.

*Sources:*

NM CYFD and PED

## **Slide 2.8 -- Why ECE?: Quality**

High quality is key to the success of ECE programs, but in New Mexico, few children have access to high quality child care, and even fewer early educators have access to scholarships to improve their credentials. Given the low rate of pay of most early educators, scholarships are necessary if we are to improve quality.

*Sources:*

NM CYFD, TTAPs and T.E.A.C.H.

## **Slide 2.9 -- Why ECE?: Funding shortfall**

**Most Parents Need Child Care Assistance So They Can Work** – high quality child care costs more than tuition at UNM!

Most families on the waiting list for child care assistance earn 150% FPL or less. Evaluations show that NM Pre-K helps kids make meaningful progress in literacy and math,\* yet the program is shrinking. This is the reverse of progress – fewer kids have access.

Teacher training is a key method to improve quality of early childhood experiences for kids. We need kids to spend their day in an early learning environment (learn through play) not in front of a TV. There is a very high unmet need to increase the skills and qualifications for early educators.

*Source:*

\*NM Pre-K Evaluation: Continued Impacts of New Mexico PreK on Children's Readiness for Kindergarten: *Results from the Third Year of Implementation*, Jason T. Hustedt, Ph.D., W. Steven Barnett, Ph.D., Kwanghee Jung, Ph.D., Alexandra Figueras-Daniel, M.A., National Institute for Early Education Research, Rutgers University, Graduate School of Education, September 2009

## **Slide 3.1 – Solution: Paradigm shift**

Our educational system is antiquated. It was set up when our economy was largely based on agriculture. Until the 1950s, few adults attended high school – but a paradigm shift had to occur once our economy became more heavily based on manufacturing.

Now our economy is more heavily based on technology – most good-paying jobs require a college education. Our economy expects more of our kids, but we're not changing the way we prepare them for school so that they are on the trajectory that will get them to college.

We also compete economically on a more global scale than ever before – but we're not keeping up with what other wealthy nations are doing in terms of ECE.

Children today also grow up in a very different society than in the past. Few families can afford the luxury of having a full-time, stay-at-home parent because they cannot make it on one income. So, where out-of-home child care used to be the exception for kids, it is now the rule. We need to make sure that this is a high-quality learning environment.

## **Slide 3.2 – Solution: Proposal**

Our proposal would include a paradigm shift to think about “education” as a system of supports starting from birth.

This means more funding so we can make proven support systems like parent coaching available to more children. However, we do not believe the answer to funding ECE is to take away funding from K-12!

The best way to create an effective, coherent system is to have a stable funding source. Our Land Grant Fund – a trust fund set up by Congress to help educate our kids – is a very stable source.

We suggest increasing the distribution from the state Land Grant Fund by just 1.5% to fund a continuum of services that integrates with K-3 curriculum. This would require that the Legislature pass a Joint Resolution to put the question on the ballot for the voter's to decide. It would also require a statute to redefine education so that Land Grant funds could be distributed to ECE programs.

### **Slide 3.3 – Solution: Funding vs. reading**

NM has a special opportunity not available to other states. We have the second LARGEST Land Grant Fund for education in the country – by a long shot – and it has more than \$10 billion in it! – Contrast that with the fact that we have the second LOWEST reading scores in the country!

Only 20% of NM's 4<sup>th</sup> graders read proficiently.\* Reading proficiently by fourth grade is an important benchmark that can make or break a child's educational future. Up to the end of third grade children are learning to read. In fourth grade and beyond, children are *reading to learn*. Those who have not mastered reading will have trouble keeping up with other subjects.

We can't let another generation of children fall by the wayside while claiming to be "saving" the Land Grant Fund for the "future." We know what will help them. We have a moral imperative to do what we can – it would be negligence to say that we think it's better to invest in the stock market rather than to set our kids up for a successful future.

*More info on the handout with the complete charts: "NM has the Second HIGHEST fund...and the second LOWEST scores"*

#### *Sources:*

Children's Land Alliance Supporting Schools, data collected directly from each state, 2009

U.S. Department of Education, National Assessment of Educational Progress

\*Annie E. Casey Foundation: "Early Warning! Why Reading by the End of Third Grade Matters"

<http://www.aecf.org>

*Note:* One in six children who are not reading proficiently in third grade do not graduate from high school on time, a rate four times greater than that for proficient readers.

### **Slide 3.4 – Solution: Fund grows**

There are two revenue streams INTO the Fund and together, over the last 10 to 15 years, they've grown the Fund at an average annual rate of more than 11% (6.5% from earnings on investment and 4.5% from royalties and sales).\*

We currently distribute 5.8% and starting in July, 2012, the distribution will go down to 5.5% and then drop to 5% in 2016. So ~half of the money the fund earns every year is reinvested in the fund rather than in the fund's purpose – education.

Invest in Kids Now's proposal is for an additional distribution of 1.5% (for a total of 7%) with the increase shared between K-12 and ECE programs to fund an educational continuum from birth through K-4<sup>th</sup> grade.

Source:

\*Based on 15-year average reported by the State Investment Council and annual reports of the State Land Office.

### **Slide 3.5 – Solution: Stewardship**

This proposal represents good stewardship of the fund:

- The fund will continue to grow;
- A circuit breaker stops the additional distribution should the fund drop below \$8 billion;
- The additional distribution would sunset in 10 years so we can evaluate children’s progress before determining next steps;

The Legislature can vote to suspend the distribution if need be.

### **Slide 3.6 – Solution: Accountability**

Accountability is important, particularly when we’re talking about our children’s future.

### **Slide 3.7 – Solution: Sensible**

One of the arguments against investing more of the Land Grant Fund is that we’re spending our children’s future. We think that’s exactly WHY we should consider investing more in our kids – for the sake of their future.

We have to ask on behalf of the kids born today-- will they be better off in 10 or 20 years if we keep a few million more in the Fund or if we invest that money in them now to set them on a trajectory of success?

### **Slide 4.1 – Support: Poll**

Brian Sanderoff of Research and Polling, Inc., conducted a poll last year for the NM Early Childhood Development Partnership to see how the leaders in business, the community, tribes and legislature feel about ECE.

This slide is interesting because it shows that business, community and tribal leaders feel we’re doing too little for our youngest kids, while legislators... well, not so much.

There is a bit of a disconnect there.

### **Slide 4.2 – Support: Poll**

Likewise on this question of should we invest more in the early years: business, community and tribal leaders overwhelmingly want more dollars invested, and legislators barely hit a majority.

### **Slide 4.3 – Support: Poll**

On the question of whether we should dedicate more of the Land Grant Fund for early childhood, again there is a disconnect.

By almost a three-to-one margin, business and community leaders say ‘yes.’

Support among tribal leaders is even stronger.

But among legislators, most are opposed.

The poll also tested support for various other ways to pay for ECE... property taxes, bonding, taking money from other programs. Other than taxing liquor (which would not bring in enough funds)--there was very little consensus on where to get new revenue.

#### **Slide 4.4 – Support: Viewpoint**

In addition to the polling by Brian Sanderoff, another group was contracted to see not so much what people think about ECE, but to go deeper and see what it is that they understand about ECE. Viewpoint Learning conducted five “choice dialogues”--or supercharged day-long focus groups--last year in Albuquerque, Farmington, Las Cruces, Espanola, and Laguna Pueblo. Part of the point of the sessions was to see what common ground was shared by the participants. These are their key conclusions.

Follow up sessions are planned for August, 2011.

Full report available at: <http://www.viewpointlearning.com/publications/reports/OVOC.pdf>

#### **Slide 4.5 – Support: Viewpoint**

All five of the sessions were videotaped (you can watch an edited version online). These are some of the quotes from participants.

Full report available at: <http://www.viewpointlearning.com/publications/reports/OVOC.pdf>

Short (4-minute) video: [http://www.youtube.com/watch?v=oUgi1FLP\\_7U](http://www.youtube.com/watch?v=oUgi1FLP_7U)

Longer (13-minute) video:

<http://www.youtube.com/user/Viewpointlearning?blend=1&ob=5#p/a/u/1/NMVB374tIRQ>

#### **Slide 4.6 – Support: Viewpoint**

Viewpoint Learning also asked about funding options for ECE. People learned about and discussed different options—including how much funding each would bring in. Increasing distribution from the Land Grant Fund was a popular option.

#### **Slide 4.7 – Support: Legislative**

During the 2011 legislative session, Senator Cynthia Nava (who is Senate Education Committee Chair) sponsored Senate Joint Resolution 10 (SJR 10);

<http://www.nmlegis.gov/Sessions/11%20Regular/resolutions/senate/SJR10.pdf>). It would have placed the question of the Land Grant Fund on the general election ballot in 2012.

14 senators signed on as co-sponsors to SJR 10, including Senate Majority Leader Michael Sanchez; Senate Majority Whip Mary Jane Garcia; and several committee chairs. SJR-10 passed two committees and gained bipartisan support. It was also supported by the Attorney General and State Auditor. SJR 10 demonstrated good faith by providing a number of safety mechanisms to maintain good stewardship of the fund.

We received several commitments from key business, political and other leaders that they would be more open to the constitutional amendment in the next session.

We will have other legislative opportunities to pass a bill to place the constitutional amendment question on the 2012 general election ballot. During the interim, we will work together with the new and current partners to gather localized support as well as continue to explore policy issues.

#### **Slide 4.8 – Support: Community**

27 state organizations endorsed the constitutional amendment effort, representing a broad set of interests including faith, labor, K-12, health care, advocates, and community-based organizations. New alliances were developed between early childhood and K-12 advocates and administrators to promote an educational continuum from birth through third grade.

The coalition involved a large amount of public dialogue and input during statewide meetings, presentations, and a two-day convening, all of which took place before the legislative session.

#### **Slide 5.1: Conclusion**

(no notes)

#### **Slide 5.2: Conclusion**

(no notes)