

Proposition 82: Preschool Education

On June 6 California voters will decide on Proposition 82, “Preschool Education,” which would make preschool (pre-kindergarten) available free for all 4-year-olds in California regardless of family income. Funding would come from adding 1.7% to the tax rate on taxable incomes of more than \$400,000 for individuals or, for couples, more than \$800,000. These funds would not be included in the state’s General Fund and, thus, would not be considered in the calculation of the minimum funding guarantee established by Proposition 98 for public schools and community colleges. The goal is to give all children the opportunity to attend high-quality preschool.

What this initiative would do

Proposition 82 would establish a constitutional right to voluntary public preschool for all California 4-year-olds starting in 2010–11. The initiative would enact the Preschool for All Act (PFA), which would allow parents to choose among both public and private pre-kindergarten (pre-K) providers who elect to meet state requirements. Programs would consist of three-hour daily sessions for 180 days per year. Provisions to ensure quality include a requirement to set statewide preschool learning standards that are age and developmentally appropriate and to limit class sizes to 20 or fewer children with at least one credentialed teacher and one qualified instructional aide.

Using a dedicated funding source independent of Proposition 98, PFA would add approximately \$2.4 billion a year to the state’s existing child devel-

opment funds. It would expand pre-K services under a 10-year plan mapped out in Proposition 82 as follows:

- **2007 to 2010:** a start-up period to set learning standards, support teacher preparation, select pre-K providers, and prepare facilities. Enrollments could begin, but with priority given to children living in the attendance areas of low-performing elementary schools.
- **2010:** PFA would go into effect for all 4-year-olds whose families opt to participate.
- **2016:** All requirements for program and teacher quality would need to be met.

Who would be in charge?

The state superintendent of public instruction would have overall responsibility; county school superintendents and, in a few cases, other local authorities, would administer the programs. The state superintendent would oversee development of learning standards and a preschool teaching credential. Each county school superintendent would prepare a five-year plan that would address a range of issues, including how the county would guarantee access; accommodate children’s special learning needs, including those of English learners; coordinate pre-K with families’ daycare needs; and ensure salary levels specified in the initiative for teachers and aides. (See page 2.) State and county administrative costs to do this work would be limited to 6% of program funding.

How funds would be distributed

County school superintendents with approved plans would receive money

to fund qualified public and private providers. Initially, funds would be distributed based on the number of 4-year-olds in the county. After 10 years, the funding basis would switch to the number actually enrolled in an eligible pre-K program.

The Legislative Analyst’s Office (LAO) estimates that funding under PFA for instruction and operations would be about \$6,000 per child in 2010–11, depending on how many of the state’s 4-year-olds enroll in the program. (The LAO estimates that about 70% would eventually be enrolled.) That amount is about \$2,000 more per enrolled child than the 2010–11 funding would be for existing state preschool programs. An additional \$750 to \$2,000 could be added from existing state and federal programs that serve 4-year-olds, according to the LAO. In addition to these operational funds, up to \$2 billion could be used for facilities, primarily during the first 10 years of the program.

How teacher supply and quality would be addressed

By July 1, 2014, all PFA teachers would be required to have a bachelor’s degree, including at least 24 units in early childhood learning. By 2016–17 they would also need to earn an early learning credential (to be developed). All told, PFA teachers would need four to five years of college instead of the approximately 1½ years currently required. Aides would need about two years of college versus no minimum requirement now.

Between 2007 and 2010, the PFA fund would provide up to

\$200 million in financial aid for those who pursue the required studies, with preference given to students with the greatest financial need as well as those who commit to teaching in geographic areas most in need of PFA teachers and aides. The fund would also provide up to \$500 million in grants to encourage higher education institutions to develop or expand courses and degree programs in early learning.

How teachers would be paid

The proposition requires that compensation for qualified, full-time, pre-K teachers and aides under PFA would be similar to that of K–12 teachers and aides in their county's public schools. (Full-time would mean teaching two, three-hour PFA sessions per day.) All PFA employees would have the right to union representation and collective bargaining.

Considerations and concerns are being raised

Proposition 82 has triggered much controversy, and the issues do not fall neatly into pro and con categories. Issues voters need to consider can be grouped under two major—and complex—questions.

If the state were to generate additional revenues of \$2.4 billion a year, is preschool the right priority for spending those funds?

This question, involving value judgments, has no easy answers.

There is a growing national consensus that preschool is a good investment, partly because it helps prepare children, especially low-income children, for academic success in “regular” school. At the same time, other needs exist within K–12 education alone where additional investment may be warranted. Some believe that Proposition 82's tax rate increase would effectively remove the option of taxing high-income residents for other purposes. A related

concern is the volatility of this funding source. (See page 3.)

Much debate centers on the decision to constitutionally lock this funding in for a single purpose. At any point in the future, undoing a change to the state constitution made by Proposition 82 or any other voter initiative would require going back to the voters with another ballot initiative. That could occur through the same signature-gathering and qualifying process followed by the sponsors of Proposition 82. Or the Legislature, with a two-thirds vote of each house, could put such an initiative on the ballot.

(Some provisions in Proposition 82 would change statutes rather than the constitution. The proposition states that to further its purpose and intent, the Legislature could amend its statutory provisions by a two-thirds vote without going back to the electorate.)

If preschool is the appropriate spending priority, is the approach taken by Proposition 82 the right one?

Proposition 82 attempts to address various issues—such as program standards as well as teacher quality and pay—that national experience has shown are important for preschool quality and success. Yet reasonable people across ideological lines strongly disagree about aspects of its approach. Questions being debated follow.

Should preschool be offered free to all children or only to low-income children?

The debate on Proposition 82 is partly about where the state's focus should be regarding preschool. Should the state concentrate on closing the ethnic and socioeconomic achievement gap that is evident even before children start kindergarten? Some recent studies suggest that preschool holds academic benefits for all children. But much clearer is the substantial body of research showing that high-quality preschool especially

benefits low-income children. If the primary purpose is closing the achievement gap, then a targeted approach that helps low-income 4-year-olds become ready for school would seem preferable, many say.

Current state preschool programs target low-income children, but there is evidence that these programs lag behind those of many states in terms of funding, consistent quality, and families' access to them. Some opponents of Proposition 82 say that the state should focus its investment exclusively on improving preschool access and quality for these already-targeted families. (Proposition 82 does include some targeting during the four-year start-up period, as described earlier.)

On the other hand, many point out, California not only has an achievement gap, but also a need to improve achievement overall. From this perspective, the state should make quality preschool available for every interested family. A universal approach avoids segregating children from low-income families, these observers note, and encourages the kind of broad parental and community support that helps improve program quality and sustain access for all families long-term.

Moreover, say proponents, offering preschool to all California children helps establish preschool attendance as a normal expectation, much like kindergarten became expected over time. This long-term vision of universal, voluntary preschool for every child as a state responsibility appears to be gaining momentum across the United States, spurred by parental demand and numerous private, state, and federal initiatives.

If preschool should be offered for all children, what is the appropriate way to pay for it?

Some say that if there is widespread agreement that preschool should be

available for all, then everyone—not just some—should share in paying for it. That might mean taxing everyone. Or, some suggest, it could mean a universal approach that is not free but instead offered through a sliding-scale tuition based on family income.

Proposition 82 would provide free, universal pre-K in California by raising the marginal personal income tax rate of high-income earners from 9.3% to 11.0%, an 18% increase. Many observers note that the incomes of this group of taxpayers—in the top 1%—are heavily dependent on stock market performance, making this a highly volatile revenue source. Moreover, they say that this additional tax would create an incentive for people to shelter more of their income from being taxed.

The LAO took such concerns into account when estimating revenue from Proposition 82, also noting that if taxpayer response were more extreme than anticipated (e.g., if high-income earners left the state), revenues for the new preschool program as well as for the state's General Fund could be reduced more significantly.

Proponents say that Proposition 82 addresses such scenarios by including a requirement that the state use some of the PFA tax money to build (by 2017) a reserve fund equal to a full year of funding that would be available should revenues fall short of covering the per-child funding level. Beyond that, they note, it provides that the state superintendent could declare a funding emergency, in which case the Legislature, with the governor's approval, could impose parent contributions for a year—with the provision that no child be denied access due to inability to pay.

How would this proposition interact with K–12 education?

On the plus side, if successful, PFA should result in less grade retention, fewer Special Education referrals, and

less remediation in elementary school, as research shows has happened elsewhere. These effects would result in considerable savings to K–12 schools. If, however, changes in high-income taxpayer behavior were extreme enough to lower the state's General Fund, there could be a negative impact on K–12 funding.

The long-term academic benefits of quality preschool may also be contingent on the quality of the K–12 schools children later attend. Some research has shown that even significant academic effects of quality pre-K fade over time, especially if children later attend substandard elementary, middle, or high schools.

Would Proposition 82 worsen California's existing teacher supply problem? California schools face a shortage of 100,000 K–12 teachers over the next 10 years, according to some estimates. Under PFA, the state would not only need more pre-K teachers, but it also is unclear whether changes such as upgraded pay would attract teachers to preschool who otherwise would teach in K–12 schools. Advocates argue that preschool draws from a different pool of teacher candidates than K–12, with the possible exception of kindergarten. At this point, answers can only be speculative.

Some opponents believe that the proposition's bachelor's degree requirement adds unnecessary costs to the program. They point to mixed research on whether a bachelor's degree correlates with quality more than, say, an associate's degree, and even if it is correlated, whether the degree is the actual cause of the higher quality.

Proponents claim that regardless of the direct effects of the bachelor's degree requirement, mandating it will result in necessary salary increases. Proposition 82 notwithstanding, many agree that preschool salaries should be raised. There is strong

evidence that attracting and keeping well-qualified teachers is very difficult without decent salaries. And skilled teachers and a sustained teacher-child relationship are critical for a preschooler's learning and development. But some do not agree that requiring a bachelor's degree is the appropriate strategy for raising either skill level or pay.

Would PFA be worth the investment?

Much debate centers on how to evaluate the return on the PFA investment. One approach is to estimate the long-run increase in the number of 4-year-olds enrolled in preschool. Based on the experience of states with universal preschool, the LAO estimates that some 70% of 4-year-olds will participate, and that another 10% of families will continue to enroll their children in private preschool. That's a total of 80% of 4-year-olds in pre-K compared to about 62% now—an 18-percentage point increase.

Some argue that this does not represent a substantial expansion in the number of children enrolled but does create a shift in terms of who pays. Others point out that a cost/benefit analysis of Proposition 82 is more complex than looking at enrollment, because the goal is not just more, but better, preschool. Upgrading the quality of preschool teaching, for example, could have a major effect on the quality of programs.

What kinds of curricular and instructional guidelines would pre-K providers need to abide by?

If Proposition 82 passes, within six months after the election the state superintendent would be required to adopt initial regulations to “provide statewide preschool learning standards, guidelines, and instructional practices that are age and developmentally appropriate.” The learning standards must be “aligned with statewide academic standards for

elementary schools.” During the same time period, the state superintendent would need to “establish quality, access, and fiscal accountability standards.”

By July 1, 2007, county superintendents must submit five-year PFA plans for approval, developed with a local advisory committee that would include parents, preschool staff members, business leaders, and other preschool advocates and in consultation with local school districts. They would select program providers under criteria in their approved plans, “giving priority to programs whose teachers and aides have the highest qualifications” and that offer a curriculum based on the standards developed by the state superintendent.

Concerns here include the worry of some private pre-K providers—notably some Montessori providers—who say that a state-run PFA program may involve practices at odds with their philosophies. If they choose not to participate, they say they may have trouble staying in business.


More generally, many people voice concerns that academic pressures could be “pushed down” to preschool, despite the requirement that teaching practices be age and developmentally appropriate.

Early childhood experts do not see a problem with more emphasis on cognitive skills in pre-K, as long as it is not at the expense of attention to social, emotional, and physical development. Even more than older children, preschoolers develop socially/emotionally and cognitively in linked ways, they say.

Young children also develop at different rates. Such goals as activating pre-reading skills earlier may be desirable for some, but others may not be ready—though they would likely catch up later in a rush. If standards were used to push children before they are ready, some note, the effect could be counterproductive.

Such concerns have already prompted heated national debate on federal requirements for Head Start. If Proposition 82 passes, determining pre-K learning standards that maintain an appropriate balance would capture intense and immediate attention because the measure sets a standards-development deadline of December 2006.

Voters need to become informed

Voters need to be aware of the likely merits and potential drawbacks of Proposition 82, weigh those against their own value systems, and decide accordingly. 

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Proposition 82 is being contested by a number of business groups in the state, including the California Chamber of Commerce and the California Business Roundtable, along with some educators, private preschool providers, taxpayer advocates, elected officials (including Gov. Arnold Schwarzenegger), and others. The main opposition campaign is under the umbrella of “No on 82” at: www.noprop82.org

Proposition 82 was placed on the ballot by petition signatures. Proponents are actor/director Rob Reiner and a coalition of local business groups, including the Los Angeles, San Francisco, and Oakland chambers of commerce, as well as some educators, service employee unions, private preschool providers, elected officials (including State Superintendent of Public Instruction Jack O’Connell), and others. Arguments in favor are at: www.yeson82.com

The official, impartial analysis of the measure is available from the Legislative Analyst’s Office at: www.lao.ca.gov

The Secretary of State has the entire proposition as well as an analysis of the measure and the LAO’s report at www.ss.ca.gov/elections/elections_viguide06.htm and click on Proposition 82.

For more on what makes a preschool program high quality, see “Early Childhood Education: Investing in Quality Makes Sense,” a four-page *Research Points* summary published in fall 2005 by the American Educational Research Association, at: www.aera.net/publications/?id=314



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