

SUBJECT: Creating and funding a high-quality prekindergarten program

COMMITTEE: Public Education — committee substitute recommended

VOTE: 11 ayes — Aycock, Allen, Bohac, Deshotel, Dutton, Farney, Galindo,
González, Huberty, K. King, VanDeaver

0 nays

WITNESSES: For — Mandi Kimball, Children at Risk; Jodi Duron, Elgin ISD; Kendra Monk, Elgin ISD; Wes Priddy, Fight Crime: Invest in Kids; Mike Lunceford, Houston ISD; William Chapman, Jarrell ISD; Crystal Dewoody, Knowledge Universe and Texas Licensed Child Care Association; Terry Ford, Lumin Education; Bobby Broyles, Pastors for Texas Children; Nick Farley, Priority Charter Schools; Julie Linn, Texans for Education Reform; Kimberly Kofron, Texas Association for the Education of Young Children; Barry Haenisch, Texas Association of Community Schools; Casey McCreary, Texas Association of School Administrators; Justin Yancy, Texas Business Leadership Council; Paige Williams, Texas Classroom Teachers Association; Courtney Boswell, Texas Institute for Education Reform; Duncan Klussmann, Texas School Alliance; William Exter, The Association of Texas Professional Educators; Michelle Bonton, The Rhodes School; Adrianna Cuellar Rojas, United Ways of Texas; Kristina Halley; Guy Sconzo; Ryan Warner; *(Registered, but did not testify):* David Anderson, Arlington ISD Board of Trustees; Catherine Morse, Austin Chamber of Commerce; Julie Cowan, Austin ISD Board of Trustees; Marshall Kenderdine, Christian Life Commission; Larry Casto, City of Dallas; Brie Franco, City of El Paso; Jeff Coyle, City of San Antonio; Louann Martinez, Dallas ISD; Joseph McMahan, Fight Crime: Invest in Kids and Mission: Readiness; Drew Scheberle, Metro 8 Chambers of Commerce; Bill Hammond, Texas Association of Business; Grover Campbell, Texas Association of School Boards; Harley Eckhart, Texas Elementary Principals and Supervisors Association; Cameron Petty, Texas Institute for Education Reform; Yannis Banks, Texas NAACP; Jennifer Allmon, The Texas Catholic Conference of Bishops; Katherine Von Haefen, United Way of Greater

Houston; Kristina Davis-Troutman; Dianna Mills)

Against — (*Registered, but did not testify*: Ann Hettinger, Dana Hodges, and Cindy Asmussen, Concerned Women for America; Michael Quinn Sullivan, Texans for Fiscal Responsibility; MerryLynn Gerstenschlager, Texas Eagle Forum)

On — Jacquie Porter, Austin ISD; Chandra Villanueva, Center for Public Policy Priorities; Carol Shattuck, Collaborative for Children; Alan Cohen, Dallas ISD; Lanet Greenhaw, Dallas Regional Chamber; Steven Aleman, Disability Rights Texas; Ray Freeman, Equity Center; Randy Willis, Granger ISD; Scott McClelland, Greater Houston Partnership and Early Matters Coalition; Shelia Marsh and Carla Saravia, Houston Gateway Academy; Haley Simonton, KIPP Houston Public Schools; Marlene Lobberecht, League of Women Voters of Texas; David Fincher and Richard Simpson, NCCC; Melissa Horton, Primrose Schools and the Texas Licensed Child Care Association; David Anthony, Raise Your Hand Texas; Andrea Brauer, Texans Care for Children; Ted Melina Raab, Texas American Federation of Teachers; Larriann Curtis, Texas PTA; Gretchen May, The Commit! Partnership; James Butler; Carrie Marz; (*Registered, but did not testify*: James Ragan, Head Start parents; Lisa Dawn-Fisher, Monica Martinez, and Howard Morrison, Texas Education Agency; Tere Holmes, Texas Licensed Child Care Association; Darren Grissom, Texas PTA; Susan Hoff, United Way Metro Dallas; Steve Swanson)

BACKGROUND: Education Code, sec. 29.153 requires that each school district with at least 15 eligible students offer a free, half-day prekindergarten program. Those eligible for the program include children:

- whose families earn less than 185 percent of the amount stipulated in federal poverty guidelines;
- who are unable to speak or comprehend English;
- who are homeless or in foster care; or
- whose parents are on active military duty.

Prekindergarten enrollment in Texas was about 227,000 in 2013, according to the Texas Education Agency (TEA).

Education Code, sec. 29.1532(c) requires districts that offer prekindergarten to include the following information in their Public Education Information Management System (PEIMS) reports:

- demographic information on enrolled students, including the number of students who are eligible for prekindergarten;
- the number of half-day and full-day prekindergarten classes offered; and
- the sources of funding for the prekindergarten classes.

DIGEST:

CSHB 4 would create a free, high-quality prekindergarten program, beginning with the 2015-16 school year. Districts and open-enrollment charter schools could opt into the program and receive additional funding per eligible student. A high-quality prekindergarten program would be subject to requirements that apply to existing prekindergarten programs, except if there was a conflict, the requirements for a high-quality program would prevail.

Curriculum and teacher requirements. The bill would require participating districts to implement a curriculum that included prekindergarten guidelines established by TEA and that measured the progress of students in meeting recommended learning outcomes. Beginning with the 2016-17 school year, each teacher for a high-quality prekindergarten class would have to be certified and have been awarded a child development associate (CDA) credential. A district could allow a teacher to receive CDA training and credentials from a regional education service center.

Parent engagement. The bill would require districts to develop and implement a parent engagement plan to help the district achieve and maintain high levels of parental involvement and positive parental attitudes toward education.

Program and funding evaluation. Districts would be required to implement appropriate methods for measuring student progress and make data available to parents. The Commissioner of Education would be required to evaluate the use and effectiveness of new funding in improving student learning. The commissioner also would be required to identify effective instruction strategies implemented by school districts. The results of the commissioner's evaluation would be reported to the Legislature by December 1, 2018.

Reporting requirements. The bill would add the following information to districts' PEIMS reporting requirements:

- class size and ratio of instructional staff to students for each prekindergarten class; and
- each type of assessment administered to prekindergarten students and the results.

Private providers. Districts participating in the high-quality prekindergarten program would be allowed to contract with eligible private providers for services or equipment. Eligible private providers would have to be licensed and in good standing with the Department of Family and Protective Services (DFPS). A provider would be in good standing if DFPS had not taken an action against the provider's license under provisions in the Human Resources Code during the 24 months preceding the date of a contract with a school district.

Private providers also would be required to be accredited by a research-based, nationally recognized, and universally accessible accreditation system approved by the commissioner. A prekindergarten program provided by a private provider would be subject to the requirements of a high-quality prekindergarten program.

Funding. CSHB 4 would entitle children enrolled in a high-quality prekindergarten program to the benefits of the Available School Fund. The Commissioner of Education would be required to establish a funding program from funds appropriated for high-quality prekindergarten. School

districts would be required to meet all program standards to receive funding.

Districts would be entitled to receive additional funding in an amount determined by the commissioner for each qualifying student who was four years old on September 1 of the year the student began the program. Districts would be required to use the additional funding to improve the quality of prekindergarten programs.

In addition to funding for the high-quality program, a district would be eligible for half-day funding under the Foundation School Program for students enrolled in a program class.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.

**SUPPORTERS
SAY:**

CSHB 4 would give districts the flexibility and incentives to boost the quality of their prekindergarten programs. These programs serve students most at risk of not succeeding in kindergarten through third grade, including English language learners and students from low-income households. Districts and charter schools that adopt the voluntary standards could use the extra funding to hire new teachers, extend their programs from half-day to full-day, or otherwise improve the quality of their prekindergarten offerings. This opt-in approach would be preferable to mandating full-day prekindergarten because it would give districts the opportunity to expand or enhance existing half-day programs.

While some argue that all districts offering prekindergarten should be required to adopt the high-quality standards, allowing districts to opt into the new program would prevent the bill from being an unfunded mandate. Districts that were not ready to participate right away would have time under the bill to build the infrastructure needed to meet the quality improvements.

Research has shown that the early years are critical in brain development.

Children who do not engage in meaningful learning activities during this important time may find themselves chronically behind their peers. Some have pointed to a reported “30 Million Word Gap” between children from high-income and low-income families. CSHB 4 would help reduce this disparity in educational opportunity for many young Texans.

Investing in high-quality prekindergarten would pay dividends by enabling more students to perform at grade level in reading and math by the time they finish third grade, a key milestone noted by the governor when he declared early childhood education an emergency matter for the 84th Legislature. The state could see savings in the short term as students needed less remediation and in the long term with a better-educated workforce. A 2006 study by the Bush School of Government and Public Service at Texas A&M University found that every dollar invested in high-quality prekindergarten returns \$3.50 in combined benefits to the participant, society, and the government.

In addition, districts that have expanded to full-day prekindergarten reported improvements in language development, communication, literacy, and social-emotional development that helps prepare children for kindergarten. Aldine ISD, which began offering full-day prekindergarten in 2002, said students who attended full-day prekindergarten were ahead of their peers in results on the state-mandated (STAAR) assessments in grades 3-6.

Funding. The bill would authorize funding through the school finance formulas for districts that adopted high-quality standards for their prekindergarten classes. This method of finance would be a better way to help districts expand their programs than previous grant programs that were subject to intermittent and highly variable funding. The fiscal note overstated the bill’s cost by at least half because the Legislative Budget Board (LBB) estimated that funding would double from the current \$3,820 per eligible student. CSHB 4 would direct the Commissioner of Education to design a funding system using only the funds appropriated for a high-quality prekindergarten program. Prekindergarten funding in the House-passed budget bill would include \$30 million in general

revenue, with additional general revenue funds under consideration in Article 11.

Curriculum and teacher requirements. CSHB 4 would reward districts that hire certified teachers with additional training in child development and align curriculum with TEA-approved prekindergarten guidelines. Children in prekindergarten classes would benefit from highly qualified teachers and proven curriculum.

Reporting requirements. The bill would recognize the importance of vigorous data collection and reporting to evaluating the effectiveness of prekindergarten programs. Collecting data about class sizes and the results of student assessments would help lawmakers monitor the implementation of the high-quality prekindergarten program, identify best practices, and promote accountability.

Program evaluation. As Texas increases spending on prekindergarten, it is important that these tax dollars are monitored and that the program is held accountable for outcomes and student success. Using developmentally appropriate assessments to measure student progress would be different from a high-stakes exam and should not subject prekindergarten students to the stress of testing.

Parent engagement. Consistent parental involvement is critical to a child's development and success in school. The bill would allow districts to design methods of involving parents that meet local needs. For example, parents could be taught the importance of reading to their children at home. When parents become partners in their children's education right from the beginning, they may be more likely to stay involved as their children progress through elementary and secondary school.

Private providers. The option to partner with private providers is a financially equitable way for districts to meet the high-quality prekindergarten standards. This option could be particularly helpful for fast-growing districts that did not have space in their elementary schools

for new prekindergarten classrooms. High-performing private day care providers and preschools could benefit from the partnerships instead of being forced to compete with local public school programs.

OPPONENTS
SAY:

CSHB 4 would create an expensive new prekindergarten program that might not achieve the improvements in early school success that supporters claim. The fiscal note reports the cost of the bill at \$643.9 million in fiscal 2016-17. Although the new program would be limited to certain students, the bill could create a slippery slope toward universal full-day prekindergarten for every four-year-old in Texas, which could carry an even higher price tag and require districts to build new classrooms.

For most four-year-olds, the best learning environment is at home with a parent. Texas should not be telling parents that government-run schools can do a better job preparing their children to learn to read and perform other basic skills than can parents themselves. Many four-year-olds are not developmentally prepared for long hours of structured curriculum and assessments, which could lead to stress for these young Texans.

For those working parents who need child care, existing programs such as the state's current half-day prekindergarten and Head Start provide options for educationally disadvantaged students to gain early exposure to structured learning.

Some research suggests the initial gains of students who attended prekindergarten tend to fade out by third grade. Texas should be cautious about creating an expensive new entitlement that might not produce the desired result. As the Texas school-age population grows, the state should use any new school funding to address the K-12 schools currently failing to meet state standards.

Private providers. By attaching funding to new prekindergarten standards, the bill could provide a financial incentive for public schools to crowd out some private prekindergarten providers. Without revenue from classrooms serving four-year-olds, some licensed day care centers could

not afford to provide more costly infant care. Nonprofits such as churches and local community organizations also could be affected as parents chose free public school programs. Although CSHB 4 would allow districts to partner with eligible private providers, the stringent demands of providing a program that met the requirements of the bill could limit the number of private providers interested in contracting with districts. In order to save money and preserve the existing infrastructure of qualified private providers, districts should be required to contract with private providers.

Program accountability. Some school districts have made the decision to provide full-day prekindergarten and are reporting good results. CSHB 4 would require costly mandated assessments. Children at the age of four might not respond well to assessments even if they knew the answers because of their limited attention span or simply because they did not feel like answering. Assessments at this age also could take up valuable classroom time because they often involve multiple observations of teachers interacting with students.

OTHER
OPPONENTS
SAY:

CSHB 4 would be a good start to focus resources on prekindergarten but would not go far enough. It would not expand eligibility to all four-year-olds nor require full-day prekindergarten. Texas cannot provide its children the best possible prekindergarten unless the state is willing to pay the costs. The anticipated supplemental prekindergarten funding included in the House's proposed budget would not reach the level of a \$200 million grant program that was cut from the budget beginning in fiscal 2012.

A quality full-day program would deliver the best, most sustainable results for educationally disadvantaged kids. Working families might choose not to enroll their children in half-day programs because of the difficulty of picking up students from school in the middle of the day.

The bill also should impose class size limits and student-teacher ratios. One study by a children's advocacy group found the average Texas prekindergarten class size was 20 students. Other proposed legislation would have required a 10 to 1 student-teacher ratio.

Addressing quality should not be attempted through a voluntary system. Instead, the quality improvements proposed in the bill should be required of all districts with a prekindergarten program. In addition, it would not make sense to require accountability of some prekindergarten programs and not others.

NOTES:

The fiscal note anticipates a cost of \$643.9 million during fiscal 2016-17 to implement the high-quality prekindergarten program. The LBB estimates that about 78,000 prekindergarten students would be eligible for funding in fiscal 2016, increasing to about 83,000 in fiscal 2020. The LBB estimated funding at \$3,820 per student in average daily attendance for a cost of \$298.4 million in fiscal 2016 and \$303 million in fiscal 2017. The fiscal note assumes additional state costs to the Teacher Retirement System for districts that hire new teachers and to TEA for data collection and one FTE to administer the new program. School districts and charter schools could incur costs of \$2,510 per teacher for CDA credentialing, according to the fiscal note. The LBB states that participating districts likely would incur some level of local cost associated with the construction or acquisition of additional classroom facilities.

Unlike HB 4 as introduced, CSHB 4 would:

- require teachers to have a CDA credential, beginning with the 2016-17 school year;
- allow regional education service centers to provide training for CDA credentials;
- require PEIMS reporting of class size and student-teacher ratios, type of assessments administered, and assessment results; and
- allow districts to enter into contracts with eligible private providers.

The Senate companion, SB 801 by Zaffirini, was referred on March 3 to the Senate Education Committee.