



December 22, 2008

The Hon. Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington D.C. 20515

The Hon. Harry Reid
Senate Majority Leader
U.S. Senate
Washington DC 20510

Dear Mrs. Pelosi and Mr. Reid:

Thank you for your leadership in working with the incoming Obama Administration on a legislative package to stimulate the nation's economy and secure its recovery from the current and worsening recession. Pre-K Now provides national leadership, funding, and technical assistance to campaigns focused on making high-quality voluntary pre-kindergarten available to all of our nation's three- and four-year-old children.

We ask you to include provisions in the recovery package that stimulate spending and employment growth now and also advance the long-term economic strength of our people and our country. A vital strategy for accomplishing both goals is ensuring the continued growth of quality state pre-k programs. In the short term, public pre-k offers young families financial relief equal to as much as a third of their monthly income and maintains the viability of schools and small businesses that contract with states and school districts to provide pre-k education. Our nation's financial well-being depends on workers who are prepared for their own economic self-sufficiency, and key to that career preparation is high-quality early childhood education, proven by decades of research to yield from \$7 to \$16 for every dollar invested.

We urge you to keep in mind that short- and long-term economic health are inextricably linked. Policy choices today must lay the groundwork for economic resiliency tomorrow and, therefore, must begin with our youngest citizens. To this end, we recommend including the following specific investments in the recovery package.

State fiscal relief

The ability of state pre-k leaders to continue the significant progress in pre-k quality and availability requires, first and foremost, fiscal relief to state governments. We therefore join governors and other state leaders in recommending a significant and temporary increase in the federal match for state Medicaid costs, recognizing the sharp growth in Medicaid claims due to job loss and loss of employer-based health coverage. We recommend a significant one-time block grant to states, similar to that enacted in 2002, to alleviate the pressure on

other state spending needs. Already, 16 states have made cuts to their K-12 and early education programs for FY09. We welcome an opportunity to work with you on specific legislative language that would prioritize the protection of state investments in high-yield economic growth strategies including state pre-k programs.

Physical and human infrastructure investments

The Economic Policy Institute reports that an investment of \$20 billion for needed repairs to U.S. public schools would not only improve the educational environment for students, but would also create 280,000 new jobs. We recommend an investment of at least this amount with a significant portion targeted for state-supported pre-k programs and another \$1 billion specifically allocated for community-based early education facilities. The National Children's Facilities Network – a coalition of nonprofit community development organizations who work with states and early education providers – estimates that \$1 billion in capital for facilities could be used quickly for construction-ready projects in the next two years. Assuming a \$15,000 per child capital investment (an average cost for a mix of major projects and modest renovations), \$1 billion would produce new facilities to serve roughly 66,700 children over the next two years, according to the network.

While we invest in bricks and mortar to create jobs and improve school buildings, we strongly recommend investing in the country's human capital – the early education workforce. We ask for \$3 billion in additional funding for Head Start and Early Head Start and \$3 billion for the Child Care Development Block Grant with the understanding that (1) these investments are not temporary; (2) national policy should continue to strengthen the quality of programs supported by federal funds and (3) additional federal support should not supplant current state investments in pre-k and other early education.

A one-year investment of an additional \$3 billion in Head Start and Early Head Start will translate into early education for an estimated 162,593 more low-income children and will create 62,000 additional jobs, according to the National Head Start Association. An investment of an additional \$3 billion for child care would serve an additional 482,684 children and create paid work for an estimated 189,600 caregivers, according to the Center for Law and Social Policy. The latter figure encompasses newly created jobs and positions that exist today without compensation or with very limited compensation.

As unemployment increases and family incomes decrease, parents unable to pay the high costs of early care and education are pulling their children out of programs. Falling enrollment, in turn, is causing centers and small businesses to close, further reducing the supply of quality programs at a time when families desperately need them to keep or find work. Thus, the above investments to improve early education facilities and enroll more children will, as the National Institute for Early Education Research said, “provide short-term economic stimulus and increase economic growth at no long-term cost to the taxpayer.”

Early childhood workforce development

High-quality pre-k is a long-term investment in children that creates generations who are far more likely to become productive, tax-paying adults. In order for the investments to pay off, quality is essential: early childhood educators must have excellent preparation and ongoing professional development. Currently, pre-k teachers face significant barriers to attaining higher education, and community colleges and universities lack resources to expand or improve their preparation programs. While expanding the workforce of high-performing teachers and classroom aides so that high-quality pre-k is available to all children will take time, there are steps that can be taken in the recovery package to promote that critical expansion in the near term. The recovery package should include funding for initiatives included in this year's reauthorization of the Higher Education Act, including \$1 billion for the Title II teacher quality partnership grants to states to assist in preparing and compensating early childhood educators as they obtain additional academic credentials.

Grant funds to states specifically targeted to improve and expand the pre-k teacher workforce could be provided through the Department of Labor, either as part of the Emergency Grant Program or through amendments to the Workforce Investment Act for this specific purpose.

Each of these investments would have an immediate impact and would, at the same time, help build a stronger economic future for our communities and our country. We are happy to provide any additional assistance, and look forward to working with you toward the Pre-K Now vision of a future in which every American child enters kindergarten prepared to succeed.

Thank you for your consideration.

Sincerely yours,



Libby Doggett, Ph.D.
Executive Director



Kathy Patterson
Federal Policy Director