

2021 BUDGET PRIORITY: INCREASE PAYMENTS FOR MICHIGAN'S STATE-FUNDED PRESCHOOL PROGRAM

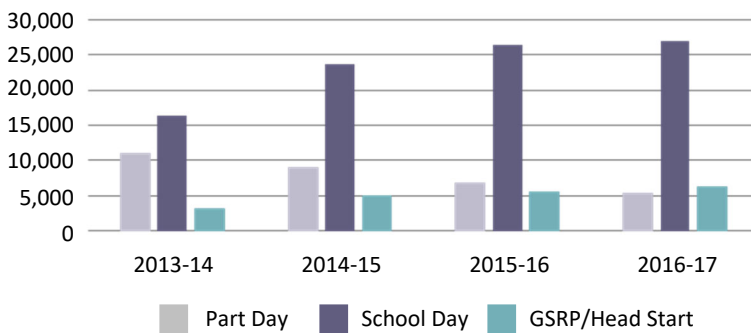
LEAGUE RECOMMENDATION:

Provide sufficient funding to ensure that all eligible 4-year-olds can receive a high-quality preschool education through the Great Start Readiness Program (GSRP) by increasing per-pupil payments to more closely align with K-12 foundation grants.

BACKGROUND:

Michigan's state-funded preschool program was launched in 1985-86 to serve 4-year-olds from families with low incomes. The GSRP, which historically provided a half-day of preschool, has in recent years moved to a largely school-day schedule—in part to meet the needs of working parents, and also to provide the more intensive learning experiences that can prepare young children for school. State funding for the GSRP, which started at \$1 million and served just under 700 children, has grown to nearly \$245 million for over 3,000 children statewide. With leadership from former Governor Snyder, GSRP funding increased by \$65 million in both 2013-14 and 2014-15—for a total two-year increase of \$130 million.

Great Start Readiness Preschool Program is Increasingly a Full School-Day Program



Source: Richard Lower, OGS, MDE

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Michigan's GSRP serves 4-year-olds from families with incomes of up to 250% of poverty, and up to 300% of poverty if all children at 250% of poverty and below have been served. Michigan ranks 18th in the country in its enrollment of 4-year-olds in state-funded preschool, and 14th in state spending. Thirty states, not including Michigan, serve 3-year-olds.

There hasn't been an increase in the GSRP per-child payment since 2013-14. The average payment for a school-day slot is \$7,250, significantly below the minimum K-12 per-pupil payment of \$8,111. As a result, a lead teacher in a GSRP earns \$20,000 less per year than the average public elementary school teacher. Without an increase in the state payment per

child, programs will continue to suffer from high teacher turnover and will be unable to ensure the quality needed to achieve the well-documented outcomes of a high-quality preschool experience.

The governor recommended an increase in the per-child school-day payment for GSRP from \$7,250 to \$8,500 in her 2020 budget proposal, along with an increase in eligibility to 300% of poverty. These proposals were rejected by the Legislature and the final budget included an increase of \$5 million.

WHY DOES IT MATTER?

Early education is a foundation for success in school, including reading by third grade. Evaluations of the GSRP show that: (1) children who were in GSRP score significantly higher on early literacy and math assessments; (2) the GSRP reduced the achievement gap in early literacy between children at the highest risk and other enrollees; and (3) the program has been successful in improving literacy in both urban and rural areas of the state.

Early education has long-term benefits for families and the economy. Preschool programs have an impact on two generations. They provide young children with the experiences they need to succeed in school and ultimately in the workforce. In addition, they make it easier for parents to work to support their families. The move from a half-day to more full-day programs has helped working parents with low incomes and their local economies.