



The First Five Years
Fund

The Early Learning Challenge Fund

Why the Early Learning Challenge Fund is Important

- ✓ Nearly 12 million children under age 5 regularly spend time in child care arrangements.
- ✓ Children with working mothers spend an average of 36 hours per week in child care settings.
- ✓ By age 4, children from low-income families are already 18 months behind most other 4 year olds. They have heard, on average, 30 million fewer words than children of higher income families. The best way to fix this achievement gap is to prevent it by providing high-quality early learning opportunities for all children.
- ✓ Studies show that every dollar invested in high quality early childhood education for disadvantaged children age birth to five generates as much as \$10 in savings to education, special education, juvenile justice and incarceration.
- ✓ We know from decades of study that these returns only come from high quality programs with small groups, well-trained teachers, and activities that focus on the range of cognitive, social, emotional, motor, and other developmental needs. Without quality and accountability, we won't ensure that more children enter kindergarten ready to succeed.

What the Early Learning Challenge Fund Would Do

- ✓ The ELCF would invest \$1 billion a year – in the form of competitive grants to states – to build comprehensive, high quality early learning systems for at-risk children birth to age 5. Savings from streamlining the federal student loan program would fund these grants.
- ✓ The Early Learning Challenge Fund would be administered jointly by the Department of Education and the Department of Health and Human Services.
- ✓ States could apply for one of the following grants:
 - **Quality Pathways Grants** will be awarded to states already demonstrating progress toward establishing the elements of a comprehensive, high quality early learning system. Priority is given to states that commit to investing significant resources into early childhood education and utilize public-private partnerships to accomplish the goals of the grant. Quality Pathways Grants will be awarded for a period of five years and will be renewable based on a state's progress on the components of the grant. A state may apply to use up to 25 percent of this grant to serve additional low-income children.
 - **Development Grants** will be awarded to states with potential to strengthen and expand their early learning systems for planning and development. These grants will be awarded for three-year period and are not renewable. State receiving Development Grants would be expected to make progress over the grant term so they can apply for a Quality Pathways Grant.
- ✓ Grants will support state efforts to develop higher standards, increase accountability, improve teacher quality and promote coordination among programs. Funding from the ELCF will support:
 - Evidence-based program quality standards
 - Enhanced program review and monitoring of program quality
 - Comprehensive professional development for teachers
 - Coordinated system for facilitating screenings for disability, health and mental health needs
 - Engagement of parents in programs and the state system
 - Process for assessing children's school readiness
 - Improved data systems to improve child outcomes



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Status, Anticipated Timeline, and Outlook for ELCF Legislation (as of 11/09)

- ✓ The Early Learning Challenge Fund is included in the Student Aid and Fiscal Responsibility Act (SAFRA, HR 3221), which passed the House of Representatives on September 17.
- ✓ A Senate version of the bill has been drafted, but it has not yet been introduced in the Health, Education, Labor, and Pensions (HELP) Committee. Though the timing is in flux, the HELP Committee could introduce and consider the bill as soon as this month.
- ✓ In the full Senate, it is expected that the ELCF will move forward as part of the budget reconciliation process, which means that it will not be subject to filibuster and will require a simple majority to pass. Because it is possible that health care reform legislation may also be included in the same budget reconciliation bill, the ELCF is unlikely to be considered by the full Senate until after they have a plan for addressing health care reform legislation, which could drag into next year.
- ✓ Because of the banking and student loan changes proposed in the larger bill of which the ELCF is a part, the Senate vote is expected to be very close. All Senators need encouragement from the early childhood community to support the bill with the ELCF included.

Important Considerations for the Early Learning Challenge Fund in the Senate

- ✓ **Funding Levels:** FFYF supports increasing funding for the Early Learning Challenge Fund to \$10 billion over ten years from the \$8 billion over eight years in the House bill.
- ✓ **Birth to Five:** The ELCG funds must be used to support quality improvements and access for low-income children birth to age five, with no allowance for states to serve four year-olds from less disadvantaged families before all young children from families below the poverty line are served.
- ✓ **Assessments:** The research and evaluation language is an important continuation of the work that has been done by the National Academy of Science on developing appropriate assessments for young children and appropriate uses for those assessments. Until we have a strong and validated assessment to measure kindergarten readiness (the subject of the research and development effort in the bill) it is essential that assessments only be used to inform improving classroom environment or instruction, professional development, and screening to determine needs for services. Assessments should not be used to reward or sanction individual children or teachers and no single assessment should be used as the primary gauge of program effectiveness. Assessments should, however, focus on all domains of development: cognitive, social-emotional, physical, and approaches to learning. FFYF recommends retaining House language referring to domains of learning, special needs, and cultural and linguistic appropriateness.
- ✓ **National Definition of High Quality:** It is important to have a national definition of what "high quality" services are and not have that definition vary from state to state. Meeting the criteria to achieve national accreditation (such as the NAEYC accreditation) or the Head Start/Early Head Start criteria would be a widely acceptable definition of high quality.
- ✓ **Eligibility for Pathways Grants:** FFYF supports adding clarification to the definition of what a state has to do to be eligible for the "Pathways" grants and urges that those criteria include meeting at least some subset of the requirements rather than simply having a plan to meet them at some point in the future. We understand that requiring states to meet all of the Pathways criteria would mean that very few, or potentially no, states would initially qualify. However, we think that the requirements must be made meaningful and that eligibility should be predicated on meeting at least two or three of the criteria at the time the grant application is submitted.