To urge and request the State Board of Elementary and Secondary Education, in consultation with stakeholders which include but are not limited to the Advisory Council on Early Care and Education, to identify sources of state and federal funds available in Louisiana for early childhood care and education, as well as additional potential funding sources used by other states for such purpose, and submit to the House Committee on Education and the Senate Committee on Education a written proposal of funding mechanisms and a corresponding strategy for implementation of the eighty million dollar funding model developed in response to House Concurrent Resolution No. 61 of the 2014 Regular Session of the Legislature.
Achieving Kindergarten Readiness
Background on HCR 61(2014) and Early Childhood Funding Model

HCR 61 called on the Board to develop an Early Childhood Funding Model

Fully implementing Act 3 requires addressing these challenges, as outlined in HCR 61(2014):

1. UPGRADING QUALITY: Child care funding is too low to ensure adequate teaching
   - Funding only supports a minimum-wage teacher with little or no teaching preparation
   - Child care assistance (CCAP) provides only $1,750 per year for most children
   - Low-income families are required to pay more than $3,000 each year to supplement the CCAP funding, creating an inequity for families and providers

2. CREATING EQUITY: State investment in PreK is less than the state investment in kindergarten
   - The state invests $5,185 per child, per year in kindergarten but invests $4,580 per child in LA 4 and NSECD
   - Even the $5,185 is not expected to fully over the cost of a PreK classroom

3. INCREASING ACCESS: There are not enough PreK seats for all at-risk families who want one
   - There are families of 5,000 at-risk four-year-olds that cannot access PreK because funding is unavailable, and will likely arrive at kindergarten already behind
Achieving Act 3
Early Childhood Funding Model

Funding Model identified multiple kindergarten readiness investment options

<table>
<thead>
<tr>
<th>Objective</th>
<th>Benefit to Families</th>
<th>Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Upgrade Quality:</strong> Provide funding for a well-prepared teacher in child care</td>
<td>Up to 12,000 birth to four-year-olds will have access to a CDA-educated teacher, improving child care quality</td>
<td>Up to $43 million</td>
</tr>
</tbody>
</table>

| **2. Create Equity:** Provide funding that creates equity between PreK and K | Up to 17,500 four-year-olds funded at equitable level to kindergarten | Up to $11 million |

| **3. Increase Access:** Provide a PreK slot for all families who choose one | Families of up to 5,000 at-risk four-year-olds can choose PreK if they want it, serving all at-risk four-year-olds | Up to $26 million |

**Total of Investment Options** | **Up to $80M** |

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**Total Investment w/ Options**

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<td><strong>1. Upgrade Quality</strong></td>
<td>Provide funding for a well-prepared teacher in child care for ~12,000 children (recommendation: $43M)</td>
<td>Up to $43 million</td>
</tr>
</tbody>
</table>

| **2. Create Equity** | Provide state funding that creates equity between PreK and K for ~17,500 children (recommendation: $11M) | Up to $11 million |

| **3. Increase Access** | Provide a PreK seat for all at-risk families who choose one, serving ~5,000 more children (recommendation: $26M) | Up to $26 million |

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*Note: The table above is an example of the investment options identified by the Funding Model.*
Identifying Funding Sources and Mechanisms
Background

Understanding Louisiana’s unique early childhood funding landscape is critical

Early childhood programs depend on multiple sources of federal, state and local funds; most of which are designated for serving at-risk children under age five.

Here are key context points for early childhood funding in Louisiana:

1. **Multiple Sources of Funding:** Louisiana’s early childhood programs depend on many funding sources (up to 10 for four-year-olds) with more than 90% from federal funds

2. **Innovative Funding Approaches:** Louisiana uses two key innovative funding approaches, 1) the school readiness tax credits (SRTC) and 2) the federally-funded PreK grant to support early childhood

3. **Supplementing Child Care Funding:** Louisiana has historically used sources in addition to the specifically-designated Child Care Development Fund (CCDF) to fund child care

4. **Recent Advances In Child Care Assistance:** Louisiana has made key improvements to the child care assistance (CCAP), beginning in early 2016.
Here are a potential set of principles to guide the proposal for implementation of the Early Childhood Funding Model:

- Funding should be increased in phases rather than all at once
- A specific yet realistic target for 2016-2017 is needed
- 2016-2017 target should include funding increases for all three areas of funding model (Upgrading Quality, Creating Equity, Increasing Access)
- Overall impact should be revenue neutral for the state
- Strategy should maximize public and private resources including innovative approaches such as tax credits and public-private partnerships