

SUPPORT HB17-1332:
Teachers Non-Public Child Care & Daycare Facility

Licensing for preschool teachers has become unreflective of the training most needed for success in the field. According to the Colorado Department of Education, consideration for an alternative teaching license can include practical experience working as an assistant teacher in a public school.¹ However—in contrast to elementary, middle, and secondary school—only 17% of preschool education in Colorado is administered through a public program. The remainder is administered through an array of non-profit community centers, for-profit education companies, and faith-based centers.² This presents an obstacle for aspiring preschool teachers: while the majority of available positions are in private education, only experience in public education can be counted toward an alternative teaching license.

The stringency of this requirement has a substantive effect on employment: over 60% of early childhood education managers in 2016 listed finding qualified staff as their primary administrative challenge.² Likewise, because student-to-teacher ratios are set at 7:1 by the Colorado Department of Education, the lack of available preschool teachers has the secondary effect of capping available slots for preschool students

HB17-1332 removes this unnecessary obstacle by allowing work in a private or community-based preschool to count toward receiving an alternative teacher's license. This will remove barriers to entry for early childhood educators, thereby increasing the total available

¹ "Alternative Educator Preparation Program for Teachers or Principals." Colorado Department of Education, n.d. Web. 28 Apr. 2017. <<https://www.cde.state.co.us/cdeprof/path2alternative>>.

² Qualistar Colorado. "Leading Colorado's Early Care and Education Workforce." (2016): n. pag. *Qualistar.org*. Apr. 2016. Web.

number of educators in the state. Due to the constant student-to-staff ratio³, this will also increase the total number of slots available to students. Because of this role in reducing barriers to entry, the passage of HB17-1332 is highly encouraged.

Despite the clear public interest in promoting preschool enrollment, funding for these programs remains lower than socially optimal. While there is a high demand for additional preschool instructors, one of the primary drivers of new hiring is the high rate of turnover for existing teachers: sixty-nine percent of early childhood education facilities experienced teacher turnover in 2016.⁴

The primary reason given for departure is the salary differential between preschool and other grades: the average salary of a preschool teacher is \$28,570 while a kindergarten teacher with similar responsibilities earns an average salary of \$51,640.⁵ This has a substantive effect for the quality of instruction, as most effective preschool teachers will move to higher-paid roles while less talented teachers from other grades will be forced into lower-paid roles teaching preschool.⁶

An expansion of the number of available teachers will marginally increase competition for available roles. This will have the secondary effect of further depressing wages for early education teachers. Therefore, in addition to removing barriers to entry through HB17-1332, next steps for the Assembly should include policies designed to increase wages for

³ Colorado Department of Transportation. "Colorado Licensing Standards for Day Care Centers." (2017): n. pag. 18 Apr. 2017. Web. <cde.state.co.us/cpp/cpphandbook>.

⁴ Qualistar Colorado. "Leading Colorado's Early Care and Education Workforce." (2016): n. pag. *Qualistar.org*. Apr. 2016. Web.

⁵ Nadworny, Elissa. "It Doesn't Pay To Be An Early-Childhood Teacher." *NPR*. NPR, 14 June 2016. Web. 28 Apr. 2017. <<http://www.npr.org/sections/ed/2016/06/14/481920837/it-doesnt-pay-to-be-an-early-childhood-teacher>>.

⁶ U.S. Department of Health and Human Services, and U.S. Department of Education. "High-Quality Learning Settings Depend on a High-Quality Workforce." (n.d.): n. pag. June 2016. Web.

preschool teachers. One of the most straightforward solutions would be to increase demand for teachers by expanding access to the preschool programs themselves.

Government assistance in the market is primarily justified by two mechanisms. First, while private benefits create a market incentive for preschool participation, economic and racial differences in enrollment rates create unequal gains from improved life outcomes. Second, the substantial social externalities from preschool enrollment mean that government assistance is needed to reach the socially efficient outcome.

Increasing access to preschool programs has significant lifetime benefits to enrolled students. For example, those having participated in a preschool program had a 44% higher high school graduation rate⁷ and experienced a 42% higher median monthly income⁷ than their peers. These increases in lifetime benefits create a substantial personal incentive for individuals to enroll their children in preschool programs.

While these benefits are internalized by the individual and therefore provide significant private incentive to enroll, there is a public role in ensuring that preschool remains available to recipients from all social and economic backgrounds. For example, enrollment in preschool is substantially lower for children from lower income quintiles than for their peers in higher quintiles.⁸ Similar results occur across racial lines, with black and Latino children attending preschool at lower rates than white children.⁹ Given the lifetime gains in

⁷ Lawrence J. Schweinhart, Helen V. Barnes, and David P. Weikart. *Significant Benefits: The High/Scope Perry Preschool Study Through Age 27* (High/Scope Press, 1993).

⁸ Cascio, Elizabeth U., and Diane Whitmore Schanzenbach. "Expanding Preschool Access for Disadvantaged Children." *Brookings*. Brookings, 28 July 2016. Web. 28 Apr. 2017. <<https://www.brookings.edu/research/expanding-preschool-access-for-disadvantaged-children/>>.

⁹ Phillips, Deborah, Mark Lipsey, and Kenneth Dodge. "Puzzling It Out: The Current State of Scientific Knowledge on Pre-Kindergarten Effects." Brookings Institution (2017)

income and educational outcomes for enrollment in preschool, mitigating demographic differences in enrollment has the long-term effect of reducing social inequalities.

There is also evidence that these students will experience the highest marginal benefit from enrollment in preschool. Studies of free or subsidized early childhood education have found that the greatest gains for enrollment were experienced by children from a racial minority or from low-income backgrounds.¹⁰ Therefore, increases in public funding of preschool programs will have a significant effect on decreasing these social inequalities

In addition to its role in reducing social inequalities, increasing enrollment in preschools has the effect of encouraging positive social externalities—which can be thought of as spillover effects from policy enactment. Several cohort studies have tracked life outcomes for students given access to subsidized preschool, finding significant social externalities resulting from public funding.

Children randomly selected into subsidized preschool were 46% less likely to have served time in jail or prison, had 50% fewer teen pregnancies, and were less likely to be hospitalized.¹¹ While these social benefits are experienced with education at all levels, their effects are strongest for early childhood education. Because the social benefit of early childhood education is greater than the individual benefit, there is a public role in increasing access to these educational opportunities.

Finally, there is evidence that increasing spending to preschool programs will have the effect of decreasing increasing long-term revenue. This idea has been extensively

¹⁰ Campbell, Frances A., and Craig T. Ramey, "Cognitive and School Outcomes for High-Risk African-American Students at Middle Adolescence: Positive Effects of Early Intervention," *American Educational Research Journal*, Vol. 32, No. 4, 1995, pp. 743-772.

¹¹ Lawrence J. Schweinhart, PhD. *The High/Scope Perry Preschool Study Through Age 40: Summary, Conclusions, and Frequently Asked Questions* (High/Scope Press 2004).

researched by Dr. James Heckman—a Nobel Prize-winning economist at the University of Chicago—who has found that there is a positive return on investment for every dollar spent on increasing access to public preschool.¹²

As previously noted, preschool enrollment increases lifetime earnings—thereby increasing the lifetime tax contribution by the individual. Likewise, the decreased probability that a preschool enrollee will receive social services benefits reduces government expenditures.¹³ While data is difficult to estimate for future years, past studies have estimated a 7-10% rate of return on preschool assistance spending.¹² Therefore, in addition to its role in reducing inequalities and promoting social benefits, increasing funding to early childhood education programs is in the state’s long-term fiscal interest.

HB17-1332 removes unnecessary barriers to entry for aspiring preschool teachers and better adapts regulation to reflect the reality of preschool education in Colorado. In order to avoid further wage decreases, however, the Assembly should also introduce legislation expanding public financing of preschool enrollment. This has been shown to reduce inequalities, increase positive social externalities, and increase net revenue. Such legislation is clearly in the state’s long-term interest, and its introduction and passage are highly encouraged.

¹² Heckman, James. “The Lifecycle Benefits of an Influential Early Childhood Program.” *National Bureau of Economic Research*. (2016).

¹³ Lawrence J. Schweinhart, Helen V. Barnes, and David P. Weikart. *Significant Benefits: The High/Scope Perry Preschool Study Through Age 27* (High/Scope Press, 1993).