



BUILDING BETTER LIVES

Protect children's learning, especially in the toughest times

Testimony for the Senate Committee on Deficit Reduction

Wednesday 4 March 2009

Voices for Illinois Children is a multi-issue children's advocacy organization, championing the well-being of children from their earliest years of life to adulthood. We work to promote a range of important programs that are critical to kids' learning. And we're particularly concerned about preserving them from threats posed by our state's mammoth fiscal crisis.

Illinois is ailing badly on many levels from crumbling finances and a shaky revenue system. Yet even in this year of tough funding decisions, we strongly urge legislators to live by the doctor's dictum: "First, do no harm." Our state's most vital investments in the learning and lives of children cannot be cut without great pain to kids, their families and communities, and Illinois' future workforce and social stability.

These hard times are exactly the time that children and families need help the most. We cannot afford to fail our kids now; we will not get a second chance to help them off to a good start in learning and in life. The resulting consequences are very serious. As Benjamin Franklin is quoted as saying, "The only thing more expensive than education is ignorance."

Voices long has called for fairly crafted revenue increases to stabilize and strengthen education, health and human services. We renew that call today, as our fiscal crisis underscores the importance of adequacy and fairness in funding. After detailing several program concerns, we will close with a reiteration of our revenue recommendations.

In the area of education, the focus of today's hearing, our top concerns include these:

Early childhood education – ISBE's \$380.3 million Early Childhood Block Grant funds several "Preschool for All" initiatives that are voluntary for families. Their objective is to ensure children can enter school best-prepared for success:

- **PreKindergarten** for children 3 to 5 years of age (89 percent of grant funds)
- **Developmental services** for at-risk infants and toddlers (11 percent of the grant)

These are critically important priorities, considering national surveys of kindergarten teachers who reveal that as many as one in three children enters school unprepared for their formal education. In recent years, we have heeded those statistics and have worked to make Illinois a respected, national leader in early childhood education.

In 2003, we – policymakers, advocates, community leaders and others – established the Illinois Early Learning Council. We all worked through the council to assemble a thoughtful, multiyear plan for the improvement and expansion of early childhood programs – gradually, as resources allowed, and building upon the successes of existing programs in a variety of settings of parents’ choice. These settings include not only schools, but child care and other community-based programs, which form a substantial piece of the early childhood puzzle.

Our overall goal has been to ensure that, one day, all parents might be able to secure high-quality, early learning opportunities for their young children, if they wish – always keeping our top priority upon first serving those children who are most at-risk of academic failure.

Legislators overwhelmingly approved this Preschool for All plan in 2006, and we all have worked annually to secure what resources we could for these goals. In fact, since FY2004, we’ve been able to commit about \$197 million more to this vital work, increasing programs’ access and quality. There’s encouraging progress to report on both fronts. Illinois consistently gets high marks for program quality from the National Institute for Early Education Research. And our work to grow children’s access has met with success – even as our unmet needs remain challenging:

- In the past six years, ISBE has been able to extend nearly 280 new grant awards to schools and community-based providers throughout the state, helping to establish entirely new programs and expand upon existing efforts for children from birth to age 5. Today, outside Chicago, more than 1,000 program grantees serve children in all 102 Illinois counties, from Rockford to Marion and Quincy to Danville.

Still, even with the funding increases of recent years, we’ve fallen \$28 million shy of the growth originally envisioned in Preschool for All plans, meaning we’re still behind the stage we had planned to be in meeting families’ needs in 2009.

- More than 95,000 children, aged 3 to 5, are taking part in high-quality preschool programs today, compared with about 56,000 in FY2003. Combined with Head Start and preschool special education enrollments, we now serve more than 147,000 children 3 to 5 years with high-quality early childhood services – marking substantial progress on our way toward the Preschool for All goal of serving 190,000 youngsters.

Yet ISBE’s official waiting list for services still stretched to about 17,500 names last year. This doesn’t count the thousands of children whose parents want services, yet who are not even checked for waiting-list eligibility because local educators know resources are too tight to offer any hope for the time being.

Capital concerns frustrate educational efforts throughout Illinois, and are particularly paramount in early childhood settings. Until we secure dedicated funding to help improve and expand upon early learning facilities, a space crunch will continue to severely limit many communities' abilities to meet families' needs.

- Nearly 18,000 infants and toddlers are receiving developmental services through the birth-to-3 "set-aside" in the Early Childhood Block Grant, the funding mechanism of Preschool for All.

However, in the past three years, funding increases have only been great enough to allow ISBE to fund 4 percent to 11 percent of infant and toddler programs' applications for new services.

Proportionally, early childhood funding increases have been well within reason. Despite these years of welcome and important growth, the Early Childhood Block Grant today totals only about 5 percent of the ISBE budget – even as its grant-funded programs struggle to help children in an age group representing five years of a child's first 18 years of life and learning.

More resources are necessary to keep on track with our goals of improving young children's earliest years of learning and development. More must be done to help ensure that parents who depend upon state-assisted child care can afford the co-payments that often claim an unfairly large share of their income. At the very least, we need to protect our foundation of early learning supports from crumbling, and preserve these wisest of investments of the public dollar.

Children's mental health – The social and emotional development of children is essential to their health, academic success and overall well-being. Investments in the Illinois Children's Mental Health Partnership priorities – split between ISBE (\$3 million) and IDHS (\$3 million) – have begun to bolster children's development by:

- Strengthening school districts' capacity to identify and meet the early intervention mental health needs of students, via collaborative partnerships within communities' support systems.
- Implementing the Illinois Social and Emotional Learning Standards, to enhance children's social readiness and ability to achieve academic success.
- Supporting the Positive Behavior Intervention and Supports program in schools throughout Illinois, with particular emphasis on children and youth with significant behavior problems and/or mental health needs.

Illinois is a nationally acknowledged leader and model in promoting children's mental health and social and emotional learning through innovative programs. While we've made considerable progress, children's needs remain considerable, too; only one out of 10 children who need mental health services is able to obtain them.

ISBE's \$3 million investment remains unchanged since FY2007, and is only half of the initial goal that the Partnership set for that agency five years ago. Plus, the state's \$6 million total (ISBE and IDHS) investment in Partnership priorities remains \$14 million short of the total, \$20 million needed to implement all ICMHP priorities.

Research has shown prevention and early intervention programs are cost-effective, improve school readiness and achievement and reduce the need for special education. We must continue our progress and not cut-back on these already scarce resources.

Home-visiting / “parent-coaching” programs – Several voluntary, IDHS programs – totaling about \$20 million – offer “coaching” to new parents of at-risk children from birth to age 3. Through such efforts as Healthy Families Illinois and Parents Too Soon, moms and dads can learn how to foster the healthiest possible relationship with their children, how to strengthen their development and how to connect with community-based resources.

However, the approximately 7,500 children whose families rely on this help represent only about 7 percent of at-risk youngsters who stand to benefit. We must protect these children, their families and the programs they need.

General State Aid and mandated categoricals – GSA funding of about \$4.6 billion represents the most basic building block of state resources for elementary and secondary education, offering schools the flexibility they need for such priorities as hiring teachers and obtaining classroom supplies.

It includes “poverty grants” targeting extra resources to school systems with high concentrations of children in poverty, to provide an extra learning boost. Another \$1.8 billion in categorical funding helps to meet such pressing needs as special education and lunch and breakfast programs.

However, school systems still struggle to fully cover their special education costs. Plus, our current “foundation level” of \$5,959 per pupil still falls short of the \$6,405 recommended by the Education Funding Advisory Board in 2005 as the minimum funding level necessary to ensure that two-thirds of students are performing at grade level. Adjusted for inflation, that figure today is about \$7,388. Recent years of funding growth have helped schools throughout Illinois, yet still have not reflected the guidance of this expert research.

So, how do we at Voices for Illinois Children propose shoring-up these important investments in the well-being of kids, families and communities?

Fair and adequate revenues – Even at a time of fiscal crisis such as this, a general revenue increase is advisable if it can shore-up critical state programs upon which kids and families depend, and if it can be done fairly. Voices advocates a “Fairness for Working Families” approach that accomplishes both.

It consists of:

- **An income tax increase** – In approaching a multibillion-dollar deficit, Illinois must turn to a revenue source that's big enough to handle the work. The income tax is this tool. Plus, it reflects families' ability to pay, making it the fairest of taxes.

Yet even our income tax is not as fair to families as it could be, and combines with other state and local taxes to claim a disproportionately large share of the earnings of low- and moderate-income families, compared with wealthier households.

- **A tax-fairness package** of three components –
 - **An increase in the Illinois Earned Income Tax Credit**, targeting tax relief to low- and moderate-income families
 - **Creation of a state Child Tax Credit**, piggybacking on the federal CTC and targeting tax relief to families raising children
 - **An increase in the income tax's personal exemption**, providing some tax relief for all families

The individual variables of this fairness package can be set at various levels to shape its effects differently. But, taken together, these measures can lower the tax bills of many low- and moderate-income families, even within the context of an income-tax increase producing greater resources for important state services. That's because greater tax responsibility is shifted further up the earnings scale, resulting in a more progressive tax structure without having to employ graduated rates.

We strongly urge policymakers to consider these possibilities for helping to solve our longstanding but worsening fiscal problems. Deep state spending cuts would devastate many kids and families who already are suffering from cuts or payment delays in the programs on which they depend. And cuts also could damage our state economy further, according to two experts: Joseph Stiglitz, a Nobel Laureate and economist at Columbia University, and Peter Orszag, who directs the President's Office of Management and Budget.

Orszag and Stiglitz insist measures to raise new state revenues more fairly are preferable to budget-cutting moves that would inadvertently hurt the fiscal activity necessary to jump-start a failing economy. Voices emphatically agrees with this analysis.

Voices is pleased to work with policymakers on revenue options that can help protect our state's crucial yet threatened investments in children, families and communities. Children are young only once; it's our responsibility to help those years form a solid foundation for success in learning and in life.