

LOST OPPORTUNITIES FOR KANSAS KIDS



Early education reaches children when it matters most — when they're young and their brains are still growing. Unfortunately, the perpetual budget crisis created by failed tax policy continues to weaken our state's commitment to funding early childhood programs. During the 2016 Legislative Session, early education advocates defeated three separate proposals to entirely dismantle Kansas' premier system for early learning. Although this was a victory for Kansas children, budget cuts continue to chip away at our early childhood infrastructure. Falling funding for children's programs, sweeps from dedicated revenue streams, and cuts to existing programs all reduce the opportunities that help our youngest Kansans grow and thrive.

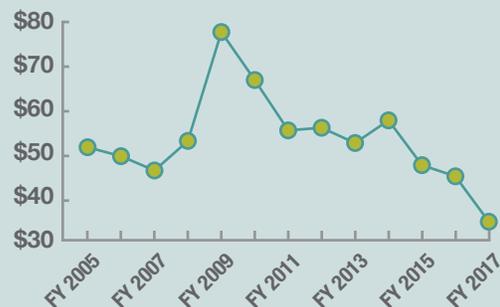
Investing in children early pays dividends. Research shows that high-quality early learning generates a significant return on investment. On average, every one dollar invested in Kansas kids returns between seven dollars and eleven dollars back into the state economy. Rigorous evaluation of Kansas' early learning system demonstrates that the return on investment comes simply through future cost avoidance (such as children in special education programs). In other words, by cutting and sweeping \$13,246,195 from the Children's Initiatives Fund and the Kansas Endowment for Youth Fund during the 2016 budget year, Kansas sacrificed as much as \$145 million dollars in the long run.

FALLING CIF FUNDING

Over time, funding for early childhood programs has fallen. Kansas currently receives approximately \$60 million dollars in tobacco settlement funds each year. By the end of the 2016 Legislative Session and Special Session, just \$34.5 million of those tobacco settlement dollars reached their intended purpose: investments in early childhood programs. That means nearly one out of every two CIF dollars now goes to filling a state budget shortfall instead of serving Kansas children.

Altogether, the 2016 Legislature budgeted \$49.2 million in funding for early care and education programs administered by the Kansas Children's Cabinet. This cut funding by \$2 million from the amount approved by the 2015 Legislature.

CHILDREN'S INITIATIVES FUND INVESTMENTS HAVE SIGNIFICANTLY DECLINED IN THE LAST FIVE YEARS
(DOLLARS IN MILLIONS)



EARLY EDUCATION FUNDING IN KANSAS

In 1999, Kansas lawmakers made a promise to Kansas children by establishing the Kansas Endowment for Youth (KEY) Fund and the Children's Initiatives Fund (CIF) with money from a legal settlement with tobacco companies. Each year, Kansas receives money from that legal settlement. It is intended to flow to the KEY Fund and the CIF to support investments in high-quality early childhood programs administered by the Kansas Children's Cabinet. However, Kansas policymakers and the Governor have repurposed the funds dedicated to early education by reducing the amount of money budgeted for early childhood programs, "sweeping" the money that remains in the KEY Fund and CIF accounts, or cutting funds already appropriated to programs.

SWEEPS

In 2016, policymakers transferred \$11.3 million dollars from the CIF to the State General Fund (SGF) as a temporary budget stopgap. Now, two programs – Parents as Teachers (PAT) and the Kansas Pre-K Pilot Program – are partially funded by \$11.3 million dollars of federal Temporary Assistance for Needy Families (TANF) funding instead of CIF funding. Federal TANF dollars carry additional restrictions and requirements. This means programs (and the families they serve) must meet certain criteria to qualify. Unlike tobacco settlement dollars, the state’s available TANF funds do not continue in perpetuity.

WHAT HAPPENED TO PAT? A TIMELINE:

- **JANUARY 2016:** Governor Brownback proposes redesigning Parents as Teachers to institute an income eligibility limit for families to qualify for services, and to replace \$7.2 million dollars in CIF funds with TANF funds for the program.
- **FEBRUARY 2016:** The initial Fiscal Year 2017 budget passed by the Legislature replaces \$7.2 million dollars in CIF funds with \$7.2 million in TANF funds. The \$7.2 million CIF dollars are swept into the State General Fund. This budget mandates that TANF funds serve only those families whose incomes fall below 200 percent of the federal poverty threshold (about \$40,000 per year for a family of three).
- **APRIL 2016:** An updated budget expands the eligibility criteria for families to qualify for the substituted TANF funds, which the Children’s Cabinet allocates to Parents as Teachers.
- **JUNE 2016:** Policymakers replace \$4.1 million in CIF funding for the Kansas Pre-K Pilot program with TANF dollars. That \$4.1 million in CIF funds is redirected to address a school finance court order.

Repeated sweeps weaken the state’s commitment to dedicate tobacco settlement revenue to early investments. Since 2011, Kansas has swept over \$61 million from the KEY Fund and the CIF to address budget shortfalls.



FUNDING CUTS

The Governor cut early care and education funding three times to address budget shortfalls last fiscal year (July 1, 2015 – June 30, 2016). **A \$9 million dollar cut in November 2015** reduced funding for 20 programs by 6.5 percent. **A \$3.3 million dollar cut in May 2016** reduced funding for some programs by 14 percent. **A \$680,000 cut in June 2016** reduced funding for the Kansas Reading Success program fund.

The May 2016 cut was particularly harmful. Since it came so late in the fiscal year, programs had limited ability to adjust their budgets to minimize the damage. These cuts mean fewer of Kansas’ youngest and most at-risk children will receive critical services.

A few examples:

The Russell Child Development Center cut four staff positions in Garden City and Dodge City, ended the “Turn A Page, Touch A Mind” program, and eliminated money earmarked for library grants. Executive Director Deanna Berry wrote this will mean fewer “developmental screenings and reduced access to books and other early literacy materials, information about community supports and services, parent education, exposure to high-quality early learning experiences, and basic necessities.”

The Family Resource Center in Pittsburg eliminated the Jumpstart summer program for at-risk kindergarten students and reduced funding to educate parents and improve child care facilities.

The Success by 6 Coalition of Douglas County will partner with fewer early childhood classrooms to improve teacher interactions with students, leave a position to work with homeless parents unfilled, reduce the number of assessments offered for children with special needs, and eliminate a staff position that provides training to improve classroom behavior in early childhood settings.

Despite an uptick in the number of infant deaths in Kansas, funding for the Kansas Infant Death & SIDS Network was cut 14 percent. The Network provides services to families who have lost an infant and offers preventative and educational services.

LOOKING AHEAD TO 2017

As lawmakers return to Topeka for the 2017 Legislative Session, they will again have the opportunity to keep Kansas’ commitment to invest in programs for our youngest citizens. Policymakers should uphold the promise made to Kansas children and dedicate the full amount of tobacco settlement revenue to investments in early childhood programs. Restoring these investments will directly impact thousands of children across the state, creating benefits in health, education, and economic performance that will last a lifetime.