



# SELLING OUT KANSAS KIDS:

## Why Policymakers Should *Reject* Securitizing the Children's Initiatives Fund

In 2016, the Legislature rejected three proposals by Governor Brownback to permanently sell off, or “securitize,” the Children’s Initiatives Fund (CIF) for a one-time, lump sum payment at a fraction of the total value of the annual amount Kansas receives. **Selling the CIF would mean selling Kansas’ future by eliminating support for programs that provide for the education and care of the state’s youngest kids.** Given the perpetual budget crisis, the CIF remains at risk. Permanently selling the CIF is a short-sighted decision that would forever dismantle an innovative system that ensures that babies and toddlers have the best start in life.

### ▶ WHAT SELLING THE CIF WOULD MEAN TO KANSAS

**STEP 1:** Legislators would remove all protections in statute<sup>1</sup> for the Kansas Endowment for Youth (KEY) Fund and the CIF.

**STEP 2:** In a ***desperate attempt to get quick cash***, the state would then shop around looking for a buyer for Kansas’ annual payment used to support programs and services for the state’s youngest kids.

**STEP 3:** Kansas would agree to the buyer’s terms, getting a lump sum of cash and giving up the permanent payment amount scheduled to come to Kansas indefinitely. The state would receive pennies on the dollar of the settlement’s full value.

**STEP 4:** Kansas’ cornerstone of funding for our early care and education would be permanently destroyed and the dedicated resources to support early childhood programs, like Parents as Teachers, Tiny-k Alliance, Kansas Preschool Program, and Healthy Start Home Visitors, would be gone forever.

Kansas will never be able to buy back the CIF once it’s sold. It will be gone forever, along with our ability to meet the needs of Kansas kids during their most critical years of life. ***The 2017 Legislature should reject any attempts to dismantle Kansas’ premier early childhood system.***

### ▶ WHAT ARE THE KEY FUND AND THE CIF?

***The Kansas economy depends on the health and well-being of the next generation.*** That’s why, in 1999, the Kansas Legislature created the KEY Fund and the CIF, making a commitment to our state’s future prosperity. Kansas’ annual payments from a legal settlement with major tobacco companies flow into the KEY Fund and then to children’s programs throughout the state. As part of the agreement from the lawsuit, the annual payment is scheduled to come to Kansas in perpetuity or, in other words, forever.

<sup>1</sup> K.S.A. 38-2102: All moneys credited to the children’s initiatives fund shall be used for the purposes of providing additional funding for programs, projects, improvements, services and other purposes directly or indirectly beneficial to the physical and mental health, welfare, safety and overall well-being of children in Kansas as provided by appropriation or other acts of the legislature.

A bipartisan group of lawmakers dedicated CIF dollars to children's programs—like the Kansas Preschool Program, Tiny-k Alliance, and Parents as Teachers—to make a difference in the lives of our youngest citizens and in the livelihood of our state. These programs catch developmental delays, provide high-quality child care, diagnose autism early, provide access to speech and language services for young kids, and make hearing aids available to infants—a short list of the critical services and interventions that change the entire life trajectory for our youngest Kansans. A 2015 audit of state government elevated the CIF as the gold standard of government accountability and efficiency. Unfortunately, efforts are underway to dismantle Kansas' premier system for early childhood education and eliminate the CIF altogether.

## THE FLOW OF TOBACCO MONEY TO CHILDREN'S PROGRAMS



### ► CUTS AND SWEEPS

The piggy bank for Kansas' youngest and most vulnerable citizens has been robbed repeatedly to fill perpetual state budget shortfalls caused by reckless tax policy. Over time, and as a result of raids, sweeps, and cuts to the KEY Fund and the CIF, support for Kansas' prized early childhood system has fallen. Today, nearly half of CIF dollars intended to support critical programs now go to filling a state budget hole. Those raids, sweeps, and cuts haven't been without consequence. For example: barriers to success for kids with Autism Spectrum Disorder have increased; 1,400 fewer children across Kansas will have developmental issues addressed through early intervention; programs targeting at-risk kids have been eliminated; and preventative measures and education to address Sudden Infant Death Syndrome have been reduced. These instances would only be the beginning of the damage if the CIF was sold for a one-time payment.

Selling out little kids would mean permanently eliminating resources that:

- » Make medical care and information available to expectant mothers;
- » Ensure that children are brought into smoke-free homes, with carbon monoxide detectors and cribs that meet the latest safety regulations;
- » Educate parents and providers about the best ways to interact with and stimulate the children under their care;
- » Offer child care subsidies so parents don't have to choose between their kids and keeping a job;
- » Broaden access to early education for barriers to literacy to be spotted early; and
- » Help families access available services within the community, so children can remain in their homes while receiving needed aid.

This is a small portion of the reach and impact the CIF has throughout Kansas. How much more must Kansas children pay? **Reject any attempts to permanently dismantle Kansas' high-quality early care and education system and join our campaign to #SaveTheCIF.** Learn more at <http://kac.org/take-action/savethecif/>.