THE BENEFITS AND COSTS OF INVESTING IN EARLY CHILDHOOD EDUCATION

In their recent report, *The Benefits and Costs of Investment in Early Childhood Education*, the Washington Center for Equitable Growth examines the benefits and costs of investing in a public, voluntary, high-quality universal pre-kindergarten for all 3- and 4-year-olds across the nation. While the impact of early childhood education on life-long learning and achievement are well-documented in the research, this study provides a breakdown of benefits at the state and national levels and aims to demonstrate how investing in universal pre-k would strengthen the U.S. economy while also easing a number of fiscal, social and health problems.

According to the report, universal pre-k would initially cost taxpayers across the nation approximately $40.6 billion a year. While this is a significant amount of money, the study points out that the financial benefits of the program would far exceed its costs. Taxpayers will initially see their return on investment from working parents using the program to meet their childcare needs. As a result, parents of participating children will be able to enter and remain in the labor market, increase their work hours, earn more money and pay more in taxes.

A universal preschool program will also generate long-term financial benefits through its program participants. Children who attend preschool are more likely to experience less grade retention in K – 12, are less likely to need special education services or remedial coursework, have lower dropout rates, and have higher high school graduation rates. The study further outlines crime and health effects and provides state-by-state crime and health savings from universal pre-k. The study estimates that:
within eight years, benefits from universal pre-k will exceed its costs;
within 16 years, and every year thereafter, budgetary benefits for all levels of government, combined, would outweigh the annual cost of the program;
by 2050, universal pre-k would generate $8.90 in benefits for every dollar invested; and,
by 2050, the program would yield $304.7 billion in total benefits consisting of $81.6 billion in government benefits, $108.4 billion in increased compensation, and $114.7 billion in savings to individuals as a result of less crime and better health.

For Hawaiʻi, the annual benefits by the year 2050 would total:

- $376 million in government benefits (i.e., less money spent on special education, remedial education, the criminal justice system, and an increase in tax revenue because participants are more likely to have steady employment);
- $526 million in increased compensation; and
- $449 million in savings to individuals as a result of less crime and better health.

Establishing a public, voluntary, high-quality universal pre-kindergarten program across the nation should not be viewed as an expense, but as an investment that will benefit current taxpayers and future generations to come.


### QUALITY COUNTS

In January, the Education Week Research Center released its *Quality Counts 2016 Called to Account: New Directions in School*. *Quality Counts* is an annual report card that looks at public education in the 50 states as well as the District of Columbia. Each edition of *Quality Counts* examines a topic of interest for educational policymakers and practitioners. This year the report focused on educational accountability.

The 2016 report includes summative grades on three key education indicators: (1) Chance-for-Success (the importance of education throughout a person’s lifetime); (2) School Finance (examination of educational expenditure patterns and the distribution of funds within states); and, (3) the K-12 Achievement Index (assessment of the performance of a state’s public schools). The nation received an overall grade of C on its 2016 report card with a score of 74.4 out of 100 points based on grades received for each of the education indicators:

- Chance for Success: C+
- School Finance: C
- K-12 Achievement: C-
Massachusetts was the top ranking state with an overall score of 86.8% (the only B+ awarded), while Maryland, New Jersey, and Vermont earned grades of B this year. Hawai‘i received an overall letter grade of C with a score of 74.0 out of 100 points based on grades received for each of the education indicators:

- Chance for Success: 78.9% (C+)
- School Finance: N/A\(^1\)
- K-12 Achievement: 69.0% (D+)

The report also highlights results of the National Assessment of Educational Progress (NAEP) from 2003 to 2015. NAEP scores over time indicate a modest improvement in the nation’s academic achievement. The combined proficiency rate for 4th and 8th graders reading and math increased from 29.6 in 2003 to 34.8 in 2015.\(^2\)

State Highlights Reports for the 50 states and the District of Columbia may be found at www.edweek.org/go/qc16 (registration is required) while an interactive map and report card may be viewed at www.edweek.org/go/qc16map.

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\(^1\)Hawai‘i is a single-district jurisdiction. As a result, it is not possible to calculate measures of financial equity, which capture the distribution of funding across districts within a state. Hawai‘i did not receive a grade for school finance and is not included in the rankings.

\(^2\) To view NAEP Long-Term trend assessments visit http://nces.ed.gov/nationsreportcard/ltt/.

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**CHILD MALTREATMENT: UNDERSTANDING NATIONAL AND STATE-LEVEL TRENDS**

Child Trends recently released fact sheets that provide data on child maltreatment, foster care and adoption. The child maltreatment data are from the federal National Child Abuse and Neglect Data System (NCANDS), while the foster care and adoption data are from the federal Adoption and Foster Care Analysis and Reporting System (AFCARS).

- More than 3 million children in the U.S. were the subject of an abuse or neglect investigation, with about 21% found to be victims of maltreatment in the 2013 federal fiscal year (the most recent year for which there is data). In Hawai‘i, 3,788 children were the subject of an investigation, with about 35% found to be victims of maltreatment.
- Nationally, the average length of time children are in foster care is nearly two years (21.8 months), but less than a year and a half (17.4 months) in Hawai‘i.
- Nationally, over half (53.1%) of the children adopted from the foster care system were adopted by their foster parent, while nearly two-thirds (64.4%) in Hawai‘i were adopted by a relative.

Such state and national data allow us to tell a story about our most vulnerable children and youth. Maltreatment, foster care and adoption fact sheets for Hawai‘i and the U.S. can be accessed through The Child Welfare Database at http://www.childwelfarepolicy.org/maps/state?id=12
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