

Opinion:

## 82 Reasons to Vote Against Proposition 82

—AKA Rob Reiner's  
Preschool For All (PFA) Act

By Carl L. Brodt, May 30, 2006

### Wrong on the Fundamentals

1. Proposition 82 begins a new multi-billion dollar entitlement program despite the fact that the State cannot currently meet its current fiscal obligations.

2. Because Proposition 82 establishes yet another formula for spending that circumvents the legislature's accountability for responsible budgeting, the initiative further impedes governance of this complex State.

3. Proposition 82 ties up a resource stream which, if it must be tapped, should go to the General Fund to meet a variety of vital needs like aid for the elderly, blind and disabled; children's health programs; crime prevention and safety; affordable housing; and of course, K-12 education.

4. Because Proposition 82 qualified as a constitutional amendment, and because Section 13 of the Act requires a 2/3<sup>rd</sup>s vote to amend the initiative's statutory changes to the Education Code, fixing any problems which surface in the initiative would be almost impossible politically.

[See Reasons 72-81 below for a list of drafting errors.]

### Fixing Something Which Isn't Broken

5. One sure sign that the current mixed system of preschool providers is working well at delivering services to California's children is that Proposition 82's proponents *never* speak in terms of specifics when they talk about needing to raise the quality of the State's preschool education.

6. Almost all California parents with children in preschool are satisfied with the

quality of services being received. Savvy Source for Parents, a school information website, surveyed 1800 parents in the Bay Area and Los Angeles, and an amazing 93% of parents reported satisfaction with their children's preschool.

7. As you would expect from the above, the quality of California preschools is relatively consistent between less and more affluent communities, and the quality of centers in low-income communities appears to be moderate or high, at least for programs funded and stringently regulated by Sacramento. (See "PACE Working Paper 05-1.")

8. Although some concerns do exist about the quality of Head Start Programs, the PFA program would not absorb Head Start and address those concerns.

9. 62% of California's 4-year-olds already attend preschool. The PFA program raises that the number of 4-year-olds attending preschool to about 80% but only at the astoundingly high cost of \$26,262 per year per additional student (the cost of the program divided by the new beneficiaries of the funding).

10. The Governor's revised budget will eventually add at least 25,000 children to the preschool rolls in California—a number equal to the low-end estimates of the preschoolers added by Proposition 82—for less than \$6000 per additional student per year. And these funds, unlike those of Proposition 82, target preschools generally serving low-income communities.

### Wasteful Funding

11. Proposition 82 will pay an average of \$6000-\$8000 per student for a 3-hour

education program by the 2010-2011 school year. This amount is more than many California K-12 schools are today able to pay for a full school day.

12. Proposition 82 pays more per student for its three-hour educational program than any comparable program in the nation; and in fact, the initiative even pays more than a comparable 6 ½-hour preschool program in Georgia.

13. Proposition 82 institutionalizes a 3-hour program for an entire school year when evidence exists that comparable educational results can be achieved with a five-week preschool program operated for children during the summer before they start kindergarten for a fraction of the cost.

14. The funding level of Proposition 82 is so high that the proponents do not even know how they will spend it all. Deborah Stipek, dean of Stanford's School of Education and a supporter of Proposition 82, commented, "Getting the funding mechanism is the first step. There's so much we have to learn and figure out in expanding quality preschool."

15. But don't worry: The government will spend the money and probably more. When the Canadian province of Quebec enacted a similar universal-school scheme eight years ago, the program turned out to cost 33 times as much as anticipated.

16. And when the PFA program costs more than expected, Proposition 82 gives the Legislature the authority to impose a "parent tax" on all participating families.

### **Unclear Focus in Funding**

17. In order to increase the number of children attending preschool, Proposition 82 requires that taxpayers foot the bill for almost all the other 4-year-olds already in preschool. That's partly why the measure is so expensive, and why it is a middle- and upper-class subsidy.

18. This orientation of Proposition 82 is also apparent from its lack of transportation and after-care provisions. For working parents, what do their children do after noon, and if the children do have some place

to go, how do they get there if parents work or rely on public transit?

19. Not surprisingly, absent a means test or income requirement in the initiative, more than half of the monies of Proposition 82 goes to subsidize better-off parents who can already afford to pay for preschool, and less than half of the monies goes to those who need it the most-- the poor, disadvantaged and English learning children. In Quebec, a similar situation exists: Families from the top 30% of income occupy half of the preschool seats.

20. According to an analysis by former Legislative Analyst William Hamm, only 8.4% of the funding from Proposition 82 goes to enroll "high risk" kids in preschool who otherwise wouldn't have gone.

21. An initiative enrolling all kids from families earning up to the state's median annual income of \$54,000 would cost \$640 million a year—less than one-third the cost of Proposition 82.

### **Higher Taxes and Lower Revenues**

22. The Reiner initiative is a continuation of an ugly trend of raising taxes by isolating groups of consumers or taxpayers who are viewed as vulnerable because they are unpopular, few in number, or not willing to mount an opposition campaign.

23. When combined with the 1% tax Proposition 63 imposed on incomes over \$1 million, Proposition 82's 18% increase in state income tax on individuals earnings over \$400,000 per year and couples earning over \$800,000 per year makes California's personal tax rate the nation's highest.

24. High-income taxpayers will not sit by and passively accept such a large tax increase. They will change their investment behavior to reduce taxable income through such completely legal steps such as moving from taxable stocks to tax-free bonds or deferring compensation to a later date,

25. As a result, former Legislative Analyst William Hamm estimates the proposition will erode General Fund revenues by more than \$4 billion in the first

five years alone, and by 2011 will reduce State tax revenues at least \$1 billion per year beyond the PFA program costs.

26. Because of Proposition 98's funding rules, about half of this reduction in General Fund revenues will come out of the hide of K-12 public schools.

27. Besides this short-run effect, higher personal income taxes in the long run will chase away small businesses, higher income entrepreneurs, and business leaders—as well as their tax dollars. Companies look at personal income tax rates (among other things) to assess whether the business environment has become unfriendly enough that it would make sense for them to move to another State.

### **Guaranteed Mismanagement**

28. The Reiner initiative substitutes a command-and-control system driven by government bureaucracy for a vibrant preschool market driven primarily by parental choice. In so doing, Proposition 82 repeats every policy error causing the meltdown of our current K-12 system of public education.

29. The proposition sets up a cumbersome autocratic bureaucracy and place it under the California State Department of Education, which, among other things, would oversee the County Offices of Education implementing the initiative. In light of California's staggering 30% high school dropout rate, one must wonder question how the Department can be up to undertaking a new job when the Department has done such a disappointing job with its current K-12 grade work.

30. Proposition 82, by the way, contains a loophole which allows the Superintendent of Public Instruction, who oversees the Department of Education, to escape the built-in limitation on administrative costs when he uses that money on "targeted outreach." Such power coupled with the loophole is an invitation for the state superintendent to promote him- or herself politically at the taxpayer expense. In fact,

in the past, former Superintendent Honig did just that when given the opportunity by using state money to send out 8.5"x11" glossy, expensive mailers.

31. Then, Proposition 82 attempts to breathe life into bureaucratic deadwood as the key administrative unit supporting the program, i.e. the County Offices of Education. Those offices add so little value today that the California Performance Review Commission recommended that they be abolished rather than grown.

32. Many county offices cannot even fulfill their existing mission of accurately certifying the financial soundness of the K-12 schools within them, much less hope to undertake a new mission like competently administering PFA programs. In 2005, State Controller Steve Westly said his auditors found that 552 school districts throughout the state had overspent by a combined total of about \$682 million in the 2003-04 school year.

33. Proponents of Proposition 82 have yet to present any evidence that the County Superintendents and their staffs, or the County Boards of Education in charge of those offices have any particular expertise in early child development and preschools. An examination of backgrounds are visible on the Internet indicates such expertise is rare at the county level.

34. The one notable exception is the Los Angeles Count of Office Education, which administers the nation's largest Head Start program, but Proposition 82 carries a loophole to exclude that county office from running Los Angeles County's PFA program.

35. As if to make matters even worse, Proposition 82 has almost no checks and balances on the County Superintendents in shaping the supply of education in his or her county. The initiative does not even require him or her to focus new dollars on those families facing the greater scarcities of preschool slots, nor would he or she be required to focus resources on children bound for low-performing K-12 schools.

## **Decreased Preschool Diversity and Parental Choice**

36. Of greatest concern in light of the lack of checks and balances on the County Superintendents is that Proposition 82 fails to make a binding commitment to working with community based preschool providers, which play so integral a part in the social and health care delivery systems serving “high-risk” children in California.

37. In fact, County Superintendents will be under tremendous political pressure from public school unions and administrators to shift funding from community-based organizations, currently serving two-thirds (according to PACE) of the children, to already over stressed public school districts. Merced County, for example, already excludes nonprofit community agencies from its universal preschool program.

38. A new analysis from Georgia’s universal preschool program shows that children who attend community-based preschools display stronger language development and fail fewer grades than children attending public school preschools.

39. Additionally, Proposition 82 is directly biased against community-based preschools in a variety of ways. Proposition 82, for example, discriminates against religious preschools by making it impossible for them to participate in the PFA program without massive—and in many, cases impractical—modifications in their programs (see Section 14118(e)(2) of the Education Code under the initiative).

40. Proposition 82 also contains disincentives for community organizations to participate in the PFA program such as opening the door to union organizing activities at the participating community-based schools. Such provisions of the initiative guarantee higher costs and more complex management without doing anything to raise quality.

41. The proposition has provisions which discriminate against community organizations attempting to address that shortage of space. They could only lease facilities required to create new enrollment

slots whereas school districts could use “Reiner dollars” to build and own new buildings.

42. Once parents begin to move their children out of fee-based non-participating preschools to place them in free or lower-cost PFA programs, non-participating preschools will have to cover their growing per student fixed overhead costs by raising tuition. These price increases will mean that working and low-income parents will be unable to afford the non-participating preschools any more, even if their programs are best for the children.

43. Since not all of the above additional costs can be passed on to parents, 21% of preschool directors worry that free preschool programs based in a nearby public school would force their community-based programs to close.

44. California Parents for Educational Choice estimates that in the long run 80% of all community-based programs—that is, thousands of these preschools--will probably end up closing or being absorbed into public providers thanks to Proposition 82. These closures and takeovers will be driven by changes in the initiative’s regulations over time, the whims of County Superintendents, and union-induced political and operational complications for community-based providers.

45. Especially hard hit would be low- to middle-income women who run nearly all private early-care centers which comprise 70% of California’s child-care sector.

46. And in the end, the shift of students from community-based preschools to public schools will create a shortage of classroom space. Most government “universal” preschool programs now have long waiting lists.

## **One-Size-Fits-All Education Standards**

47. Proposition 82 envisions the extension of state academic standards for elementary schools into preschool programs, and increased standardization of curriculum, methods, and teacher training. The impact of Proposition 82 would be most

immediately felt by Montessori preschools since it requires preschools to meet state education standards which clash with the child-centered curriculum outlined by international Montessori certification and clashes with Montessori's method of grouping together children of different age groups. (Proposition 82 is exclusively focused on 4-year-olds.)

48. By pushing academics at four years of age and leaving behind the social and emotional issues that the children need to have under their belts to get along in the world, the initiative is leaving behind an important part of current preschool education.

49. Surveys have shown parents are more concerned with their children's social development at preschool age—their ability to get along with others and make friends in a classroom setting—than academic skills like memorizing the alphabet or counting to 50.

50. Only 10% of public school kindergarten teachers say knowing the letters of the alphabet is very important or essential for being ready for kindergarten, and only 8% say that knowing how to count is very important or essential for being ready for kindergarten. (See the US Department of Education's Digest of Education Statistics 1996.)

51. According to a recent PACE survey, 52% of preschool directors disagree with aligning preschool learning goals with those of the state's K-12 system, as required by Proposition 82, and another 10% are unsure about the wisdom of doing so.

52. PACE also reports that 56% of preschool directors do not believe that preschool activities should have its primary aim to raise elementary test scores, as is clearly the intent of Proposition 82.

53. American children are already largely ready for kindergarten academically. According to the first national assessment of the skills and traits children possess as they enter kindergarten, American kindergartners have a strong start. In terms of concrete literacy development, 82% of children entering kindergarten have basic familiarity

is print skills, such as knowing that print reads left to right. In terms of concrete mathematics knowledge, 94% of children entering kindergarten pass mathematics proficiency level one—that is, reading numerals, recognizing shapes, and counting to 10. No reason exists to believe that California's children are materially less prepared than the children of the rest of the nation.

54. The initiative opens the door for preschools being pressured to meet standards that the federal No Child Left Behind Act already has imposed on K-12 public school classrooms.

### **Damage to K-12 Public Schools**

55. Recent reports show that California K-12 schools will require 100,000 new credentialed teachers in the next decade just to keep pace with student population and teacher retirements. According to Margaret Gaston, Director of the Center for the Future of Teaching and Learning, there are not enough teachers in the pipeline, and state efforts to recruit, train and retain teachers have fallen off course. Thanks to the credentialing requirements in Proposition 82, PFA programs would compete for this limited pool of qualified teachers and even threaten to drain them from public schools serving the needs of K-12 students.

56. PFA programs will have an advantage over K-12 public schools in recruiting, training, and hiring new teachers. Preschool teachers would have smaller classes and an aide, no homework to grade, and no standardized tests to deal with. Yet, they would be paid the same as K-12 teachers.

57. The drain of K-12 teachers will be most severely felt in lower-income areas as it was most felt when class-size reduction increased teacher employment opportunities in the suburbs. As a result, the least-prepared, least-experienced teachers will end up in schools primarily serving African-American and Latino children.

[Also, see Reason 26 above and Reason 80 below.]

### **Damage to Participating Preschools**

58. By requiring preschool teachers to have a special teaching credential involving more schooling, Proposition 82 makes it harder to recruit and retain them while increasing costs to schools.

59. The credentialing requirement also discourages diversity in teacher training by penalizing Montessori and Waldorf trained teachers by forcing them to retrain and to obtain an additional preschool credential based upon traditional teaching methods.

60. Proposition 82's teacher credentialing will ultimately take individuals with years of preschool teaching experience out of the labor market. Since only about a third of preschool teachers have the bachelor's degree which the initiative will ultimately require of all PFA teachers, many preschool teachers (especially the older and more experienced teachers) will decide that it does not make economic sense to go back to school to earn the credential.

61. The PFA teacher credentialing requirements will hit minority preschool teachers the hardest. The percentage will drop from 53% to 26% once the PFA requirements come into effect—that is, from today's percentage to a percentage comparable to those in K-12 education where similar credentialing requirements exist.

62. Only 37% of preschool directors favor Proposition 82's requirement that PFA teachers eventually earn a bachelor's degree, whereas 43% preferred a lesser requirement of two years of community college.

63. The reason for this preference is that no evidence exists that a bachelor's degree is associated with higher preschool teacher effectiveness than simply taking basic community college classes in early childhood development.

64. In Georgia, which has had universal preschool for a decade without requiring a bachelor's degree, research shows that

teachers with two-year associate's degrees do just as good a job.

65. The attempt in Proposition 82 to impose a requirement for teachers aides to spend two-years to obtain an associate's degree will drive people away from the career. Many classroom aides are immigrants who speak English only as a second language and primarily help teachers communicate with the polyglot mélange of kids common in California's preschool classrooms.

### **No Assurance of Benefits**

66. The RAND study, cited in Section 2(4) of the initiative as the core research underlying the Proposition 82, does not prove proponents' claims that the PFA program will more than pay for itself via lower crime and dropout rates. The study said that **if** the PFA program resembled a two-decades-old Chicago preschool program—which it does not in many important respects--then it would more than pay for itself. The Chicago program was not just a one-year preschool program, but rather, one which helped poor youngsters for 6 years (from ages 3 to 8), and did so out of school as well as in school.

67. The link between preschool attendance and better academic performance is uncertain. Since 1965 four-year-old preschool attendance nationwide has skyrocketed from 15% to 66%, but test scores and high school graduation rates have shown no similar growth.

68. A recent UC Santa Barbara study found that the positive effects of preschool fade away by the middle of elementary school.

69. Even the RAND study admits that no evidence exists that preschool has any long-term benefits for the middle- and upper-income children who will be the beneficiaries of most of the money.

70. Oklahoma and Georgia, two states which implemented universal preschool over a decade ago, rank among the bottom 10 states in terms of gains in fourth grade reading scores on the National Assessment

of Education Progress tests—the premier benchmark for comparing student performance across states. Not one of the 10 best performing states has a universal preschool program.

71. Studies do not tell us whether preschool helps more than, say, full-day kindergarten or smaller class sizes or family literacy classes. Shouldn't we at least finish research on such matters before embarking on a multi-billion dollar entitlement?

### **Filled with Drafting Errors**

72. Proposition 82 requires the Superintendent of Public Instruction to set “a uniform statewide per child allocation rate.” This allocation device would not take into account variability in the development needs of different children nor would it be sensitive to students with disabilities or special health needs.

73. Furthermore, this finance provision would almost certainly face legal challenge since it would not be adjusted for a school district's wealth as required under *Serrano v. Priest*, even though the initiative aims to make preschool a regular element in public schooling.

74. Proposition 82 lacks a waiver from the limitation on the use of English immersion under Proposition 227, passed by the voters in 1998. Litigation will almost certainly result concerning whether a child taught using sheltered English immersion in preschool under the initiative exhausts the one-year entitlement to such an approach under Proposition 227.

75. Proposition 82 has the Department of Social Services inspect public preschools for program issues but fails to give the department the money to do so.

76. The initiative unintentionally discriminates against some residential programs serving disabled children by preventing the programs from receiving funds under the Act. (See the March 30, 2006, letter from John L. Bukey, Attorney at Law, to Dr. Bruce Fuller.)

77. The teacher certification provisions of Proposition 82 ignore the existing private credentialing of Montessori or Waldorf teachers.

78. Proposition 82 unintentionally opens the door for the application of No Child Left Behind standards for K-12 classroom aides to preschool classroom aides.

79. It is unclear how Proposition 82 would interrelate to existing early childhood education programs, such as Head Start and the state funded preschool program.

80. The initiative is not structured in such a way as to protect public school districts from increased special education costs resulting from PFA programs identifying greater numbers of 4-year-olds requiring special education services—services which federal law requires public school districts to provide.

81. By attempting to straddle both sides of the aid-to-religious-schools issue, Proposition 82 invites a First Amendment lawsuit over government entanglement in religion. For example, under Section 14118(e)(2), can a religious preschool keep its icons or religious statuary up if it does not teach about religious matters while using PFA funds, and if PFA funds are commingled with other sources of income, can the religious school teach religion at all?

### **Political Reward for Misconduct**

82. Finally, passing Proposition 82 would reward Rob Reiner and his political cronies for the ethically questionable and the possibly criminal misuse of taxpayer money: They spent \$23 million in low-key advertisements to promote the initiative on television. Defeating the initiative would be a powerful civics lesson to these people and any others like them inclined to use public funds to promote pet projects in the future.

***Final note:*** My thanks to the drafters of Proposition 82 for providing such a target-rich environment for this piece, and to the opponents of Proposition 82 (especially Dr. Bruce Fuller of PACE, State Sen. Don Perata (D-Oakland), Lance Izumi of Pacific Research Institute, and Lisa Snell of the Reason Foundation) for helping to identify the initiative's many problems.