



How Will The COVID-19 Pandemic Impact Pre-K? Lessons from the Great Recession

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We've all heard the saying that those who don't learn history are doomed to repeat it. Living in the current COVID-19 pandemic, we'd be wise to revisit our history lessons for post-COVID policy guidance. Many states have already made and proposed budget cuts in response to the COVID-19-induced recession's impact on revenue. Since state revenues lag the economy, it's a safe bet state budget problems will worsen before they improve. We can make more specific predictions by looking closely at what happened in the last major recession.

NIEER's analysis of the Great Recession's impacts on state pre-K found the worst impacts occurred up to four years after the recession began. Funding declined about \$1 billion a year compared to the pre-recession trend. Moreover, a decade later, national per child funding levels haven't fully recovered. As a result, program quality and access haven't fully returned to their previous trends, either. Only four states met all ten minimum quality standards benchmarks in 2019. Nationally, state-funded pre-K serve only one-third of four-year-olds and six percent of three-year-olds. In the wake of the Great Recession, states sacrificed access to high-quality preschool. A state-by-state analysis provides more detail to round out this sobering picture (see Table 1).

- Of 39 states (including the District of Columbia) with public preschool programs in 2007-08, 25 spent less per child on state funded preschool in 2018-19 than before the Great Recession, after adjusting for inflation. That's almost two-thirds of state programs still struggling to come back.
- Some states that cut spending were already underfunding preschool. Nebraska and Kansas, which had low per child spending rates in 2007-08, now spend 40-50 percent less per child.
- The worst enrollment cuts occurred four years after the Great Recession began (see Figures 1 and 2). In 2011, 12 states served fewer children in pre-K than the previous year. Arkansas, California, North Carolina, and Pennsylvania made the largest enrollment cuts.

What can we learn from this history lesson?

- Recession impacts on state budgets last far beyond a recession's end. Pre-K cuts to access, quality, and funding could persist for four years.
- More than a decade hasn't been long enough for 25 states to bring their per child spending rates
 for public preschool programs back to pre-Great Recession levels. This, coupled with meager
 increases in many other states, leaves the US in an ongoing struggle to provide children access
 to high-quality preschool. Without high-quality pre-K children start kindergarten with lower
 skills, as a recent study of academic skills at kindergarten entry shows.
- The best way to prevent these long-term problems is to avoid cuts to pre-K programs. States can do this by choosing to make high-quality preschool a public policy priority. Even modest, one-time COVID emergency federal funding for pre-K could prevent short- and long-term cuts.

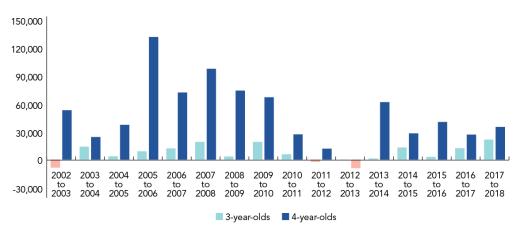
Sources: NIEER State Preschool Yearbooks for 2012, 2019, and 2020. http://nieer.org/state-preschool-yearbooks Kuhfeld, M., Soland, J., Pitts, C., & Burchinal, M. (2020). Trends in Children's Academic Skills at School Entry: 2010 to 2017. Educational Researcher.

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Table 1: State Pre-K Per Child Spending Comparison of 2007-08 to 2018-19

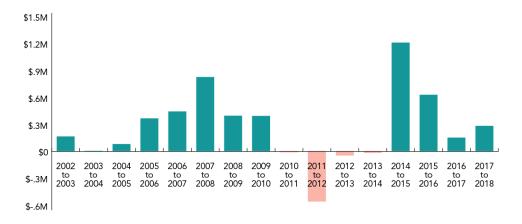
State	2007-08 State Per Child Spending	2018-19 State Per Child Spending	Change in Spending
Alabama	\$5,612	\$5,116	-\$495
Arkansas	\$6,257	\$5,612	-\$646
Connecticut	\$9,127	\$8,786	-\$341
Delaware	\$8,636	\$7,277	- \$1,359
Florida	\$3,178		- \$925
Georgia	\$5,401	\$4,539	- \$862
Iowa	\$3,863	\$3,375	- \$489
Kansas	\$3,614	\$2,164	- \$1,450
Louisiana	\$7,480	\$4,701	- \$2,778
Maryland	\$4,792	\$4,184	- \$608
Massachusetts	\$3,626	\$2,716	- \$910
Minnesota	\$7,992	\$6,570	- \$1,423
Missouri	\$3,505	\$3,330	- \$175
Nebraska	\$3,549	\$1,828	- \$1,721
Nevada	\$3,978	\$3,669	- \$308
New Jersey	\$13,968	\$13,172	- \$796
North Carolina	\$6,433	\$5,450	- \$983
Ohio	\$9,228	\$4,000	- \$5,228
Oklahoma	\$5,041	\$4,264	- \$777
Oregon	\$10,596	\$9,820	- \$776
Pennsylvania	\$6,932	\$6,563	- \$369
Tennessee	\$5,676	\$4,841	- \$835
Texas	\$4,551	\$3,579	- \$973
Virginia	\$4,544	\$3,967	- \$576
Wisconsin	\$4,017	\$3,402	- \$615

FIGURE 1. ANNUAL CHANGE IN THE NUMBER OF 3- AND 4-YEAR-OLDS SERVED IN STATE-FUNDED PRESCHOOL



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FIGURE 2. ANNUAL CHANGE IN THE TOTAL STATE SPENDING ON PRESCHOOL (IN 2018 DOLLARS, MILLIONS OF DOLLARS)



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