



Early Childhood Talking Points

Gov. Granholm's FY 2011 Budget Proposal

Background: The governor's budget, released last week, maintained funding for many early childhood and school readiness programs in the budget. But it also eliminated the \$1.8 million Child Care Enhancement Program (CCEP) aimed at preventing children with emotional issues from being expelled from child care.

Talking points

- The governor's budget recommendations present a positive challenge to the Legislature to embrace and protect early childhood and school readiness programs as they work with her to solve an even larger budget deficit than in recent years.
- Lawmakers need to restore the \$1.8 million Child Care Enhancement Program (CCEP) aimed at preventing children with emotional issues from being expelled from child care.
- CCEP serves high risk children with social-emotional and behavioral challenges.
- Not supporting the social and emotional health of young children who need help is to knowingly consign them to school failure. To fail at school is to engender a wide range of societal problems that are extremely expensive and very difficult to fix.
- Bottom line, investing early in supporting the social and emotional health of infants, toddlers and young children makes sense because:
 - Early relationships set the stage for healthy or unhealthy brain development.
 - Poor early social, emotional and behavioral development predicts early school failure, which in turn predicts later school failure.
 - Early intervention can reduce later higher cost interventions
- A new study by Wilder Research says Michigan taxpayers save \$1.15 billion annually because of the state's investments over the past 25 years in prekindergarten.
- Michigan's budget woes would be greater if not for these investments.

- Savings come from such benefits as reduced costs for kids repeating grades, reduced criminal justice costs, and more income tax and sales tax revenues because skilled workers earn more.
- Michigan's economic recovery will be severely impaired if we retreat in our commitment to early childhood and school readiness programs.

Benefits/Outcomes

- School success is a critical issue for any state trying to build a strong economy.
- Well-prepared learners are the key to the skilled, educated workforce that is crucial to Michigan's economic success.
- There is an economic cost to school unreadiness. Reducing state investments in early childhood programs would hurt future state budgets and the overall state economy.
- Michigan's elected officials must fight for the state's youngest citizens and not allow them – and ultimately the state's economy – to slip through the cracks.
- Early childhood programs are a good investment.

Facts/Figures from the [Wilder Report](#)

The estimated \$1.15 billion savings to Michigan taxpayers includes:

- **\$221 million in K-12 savings, including**
 - \$136 million in reduced spending on students repeating grades,
 - \$69 million in reduced special education spending and
 - \$16 million in reduced teacher-turnover costs related to student performance.
- **\$584 million in reduced government spending and increased tax revenues, including**
 - \$214 million in reduced juvenile corrections costs,
 - \$106 million in reduced child abuse and neglect costs,
 - \$94 million in reduced adult criminal justice costs,
 - \$66 million in reduced welfare and Medicaid costs,
 - \$40 million in reduced unemployment benefits,
 - \$31 million in reduced child care subsidies because children are instead in early education programs and

- \$33 million in increased income tax and sales tax revenue due to higher wages and higher worker productivity.
- **\$347 million in reduced social costs, including**
 - \$259 million in reduced losses to victims of violent crimes,
 - \$74 million in increased productivity and incomes of employed parents while their children are in early education programs and
 - \$14 million in health savings due to reduced alcohol and drug abuse.

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