

The Cost To Cover All Low-Income Minnesota Children Under Age Five

Minnesota has some of the worst achievement gaps in the nation, and those gaps pose an urgent threat to our children, communities and economy. Achievement gaps, which are often the result of gaps in opportunity, are evident as early as age one, so starting early with high-quality early education programs is a must.

But, how much does that early education cost, and can Minnesota afford it? Fair question.

THE COST OF ACTION. Minnesota's top early education investment priority must be low-income children. Unlike children from wealthier families, low-income children are unable to access quality programs on their own, and that opportunity gap makes those kids most likely to fall into later achievement gaps. **The cost to provide all low-income Minnesota children under age five the opportunity of up to a full day, year-round, high-quality early education via Early Learning Scholarships is an estimated additional \$440 million per year more than is currently being invested.** Such an investment would give Minnesota one of the strongest early education systems in the nation.

That's a lot of money. But investing in Scholarships is an efficient strategy. After all, investing a similar amount into a well-intentioned Universal Pre-K (UPK) approach, called Voluntary Pre-K in Minnesota, would only cover a school day (about five hours), school year (about nine months) program for four-year-olds leaving behind tens of thousands of low-income children under age four at a time of life when they can benefit most from the help. Using the UPK investment strategy only delivers about 53,000 hours of early education per million dollars, compared to about 178,000 hours per million dollars with the Scholarship strategy. Also, with Scholarships, the learning hours are targeted directly to the most at-risk children ages zero to five at a time of life when it is badly needed.

THE COST OF INACTION. Beyond the cost of investment, Minnesota must also consider the cost of *not* making this \$440 million investment in our collective future.

Higher Taxpayer Costs. When considering cost, it's important to consider that economic research finds that every \$1 invested in helping low-income children access high-quality early education programs yields up to \$16 in benefits, such as lower future public costs related to special education, social services, health care, income supports, law enforcement and prisons.

Weakened Economy. Beyond the public cost of inaction, if we don't close our worst-in-the-nation achievement gaps we won't have the educated workforce that is increasingly needed to succeed in the global economy. A struggling Minnesota economy would cause pain for all of us, not just the vulnerable children left behind.

So yes, \$0.44 billion in the context of Minnesota's about \$36 billion annual state budget is a significant investment. But, as former Federal Reserve Bank of Minneapolis economist Art Rolnick and Nobel laureate economist James Heckman stress, there may not be another public investment that yields a stronger return-on-investment for taxpayers.