Funding Universal Pre-K and Protecting Head Start

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Target Audience: State Legislators, Budget Chairs, Agency Heads

THE EXECUTIVE CROSSROADS:

States are dedicating record appropriations to expand Universal Pre-K (UPK). Simultaneously, the federal Notice of Proposed Rulemaking (NPRM) published on August 7, 2026 (91 FR 51248) threatens to replace Head Start's comprehensive performance standards. While UPK delivers critical four-year-old instructional seats, it does not guarantee infant-toddler care, medical screenings, or family stabilization. State leaders must expand access while protecting Head Start's whole-child safety net.

EMPIRICAL GROUNDING

The Measurable Return on Early Childhood Prevention

EMPIRICAL STUDY	DOCUMENTED FINDING	STATE POLICY TAKEAWAY
McCoy et al. (2017) 22-Study Meta-Analysis	**+11.4 pp** High School Graduation **-8.1 pp** Special Education Placement	Mitigates K-12 remedial and special education costs while driving completion.
NHSA / K-12 Savings Cost Model (2025)	**$2.18 Billion** in net K-12 cost savings via 4–8 pp lower SPED placements.	Early screening yields direct, recurring public school budget relief.
Bailey et al. (2021) American Economic Review	**+0.65** Years of Schooling **+39%** Relative College Completion	Long-term economic mobility requires sustained early health and developmental support.
Gray-Lobe et al. (2023) QJE (Boston UPK Lottery)	**+8.3 pp** On-Time College Enrollment Fewer high school behavioral suspensions	Assess long-term attainment and behavior rather than relying solely on early test scores.
García, Heckman et al. NBER (2017/2019)	**$7.30** Modeled Lifetime Return per $1 13.7% Internal Rate of Return (IRR)	Whole-child health, nutrition, and parent coaching drive lifelong societal returns.

FEDERAL REGULATORY RISKS

Evaluating the August 7, 2026 Notice of Proposed Rulemaking (NPRM)

1. The 5% Administrative Cost Cap (Down from 15%)

ACF projects $754 million in administrative reallocations. In reality, administration funds CPA audits, HR compliance, data systems, and background checks. Only **3.7% of current Head Start grantees** operate at or below 5%. This mandate threatens grantee insolvency.

2. Defaulting to State Staffing Ratios & Larger Group Sizes

ACF models $668 million in savings by projecting a **25% cut to the teaching workforce and a 32% increase in child-to-staff ratios**. Defaulting to state child care minimums (e.g., Georgia permitting 1:15 for 3-year-olds and 1:20 for 4-year-olds) jeopardizes safety and quality.

3. Elimination of Self-Attestation Bars Families in Crisis

Eliminating self-attestation would disqualify an estimated 8% of enrolled children. In 2024–2025, Head Start served over **60,000 children experiencing homelessness**. Fleeing domestic violence or evictions, these parents cannot produce instant leases or pay stubs.

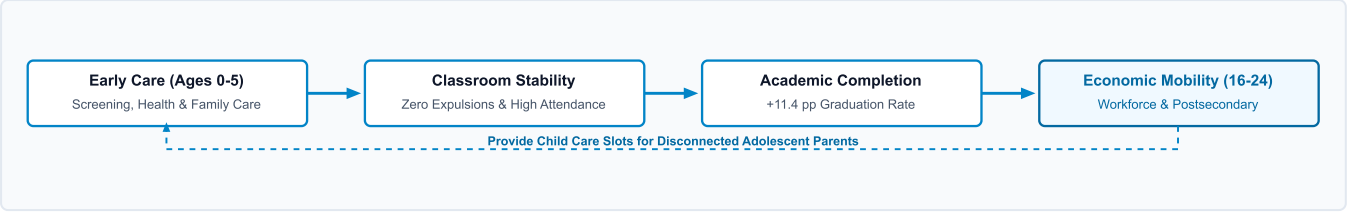
4. Dilution of Screening Timelines and Mental Health Wraparound

Removing the 45-day developmental screening timeline delays intervention for disabilities. Furthermore, cutting required mental health consultation saves $222 million via personnel cuts, fueling preschool suspensions.

ADOLESCENT RECONNECTION

The Opportunity Youth Pipeline: Early Prevention to Re-Engagement

Measure of America (2025) reports that **10.6% of young people ages 16–24 (4,150,300 youth) were disconnected from school and employment in 2023**. Disconnection takes root when undiagnosed early delays lead to chronic absenteeism, school failure, and disciplinary pushout.



FINANCING & COORDINATION

Avoiding Enrollment Competition via Blended Partnerships

1. The Perverse Fiscal Incentive of Enrollment Competition

In states like Georgia, pre-K funds follow the child into public school classrooms. When districts recruit four-year-olds away from Head Start centers, grantees lose the critical enrollment scale needed to support their infant and toddler rooms. Siphoning four-year-olds destabilizes birth-to-three care, leaving working families without infant care options.

2. Blended Classrooms & Coordinated Enrollment

States must adopt partnership models like **Georgia DECAL's blended-classroom guidelines** (state funds pay for the school day; Head Start funds wraparound services) and **Washington State's Integrated Pre-K councils**, which coordinate outreach and prioritize high-need children across systems.

STATE POLICY ACTION

Five Strategic Priorities for State Legislators & Agency Heads

1. **Establish an Enforceable State Quality Floor Above Child Care Minimums**
   Bar UPK providers from defaulting to minimal licensing ratios. Mandate maximum class sizes of 17–20 with two qualified educators.
2. **Finance a Tiered Funding Formula with Dedicated Wraparound Add-Ons**
   Separate base instructional payments from add-on funding for 45-day developmental screenings, mental health consultation, and transit.
3. **Mandate Joint Local Enrollment Compacts as a Condition of State Aid**
   Require school districts and Head Start grantees to sign joint recruitment agreements to prevent poaching and protect infant-toddler slots.
4. **Codify Protections for Families in Crisis & Enforce Zero Expulsions**
   Preserve self-attestation with 90-day grace periods for homeless families and prohibit behavioral expulsions in early childhood settings.
5. **Subsidize Infant/Toddler Care for Re-Enrolling Opportunity Youth**
   Authorize state workforce training funds to provide child care slots to adolescent parents completing high school, credentials, or degrees.