## V E R M O N T EARLY CHILDHOOD ALLIANCE

## Early Education Initiatives Grant Program: Alternative Budget Proposal for Two-Year Transition

**Background:** The Governor's budget proposes to eliminate the Early Education Initiative (EEI) Grant program from the Agency of Education budget, saving the state \$1.1 million.

Established by the Legislature in 1987, the EEI Grant Program funds prekindergarten programs that serve at-risk children to prepare them for success in kindergarten and beyond. EEI funding may also be used to fill gaps created by restrictive requirements or insufficient resources.

The Administration indicates they have two motivations for the proposed cut.

- 1) The program was intended to be a competitive, need-based grant fund, and not to provide an ongoing sustained funding source for recipients.
- 2) Given the implementation of Act 166, high-quality programs that meet the need for new prekindergarten services will have access to additional funding sources.

Mandatory implementation of Act 166 has, however, been delayed by one year. In districts that have chosen to delay implementation of Act 166, programs will not have access to additional funding for another year. This delay will result in a significant number of current EEI recipients that will experience a critical gap in funding for one year.

## **Program Status:**

- A total of 43 childcare and prekindergarten programs are currently receiving funding through the EEI Grant Program.
- Grant recipients include both public and private programs.
- Award amounts range from \$9,500 to \$30,000 per program, with roughly half of recipients receiving the maximum or close to the maximum grant award of \$30,000.
- The total program allocation is currently \$1.1 million.

## **Analysis:**

- The EEI Grant Program will arguably be obsolete once Act 166 is implemented, as the funding available under Act 166 will largely replace that provided by the EEI Program, but in a more targeted and equitable manner.
- Roughly 2/3 of Vermont's school districts have opted to delay implementation of Act 166 until 2016.
- If the elimination of the EEI Grant program was aligned with full implementation of Act 166, the disruption to the early education system would be greatly reduced.

**Request:** Defund the Early Education Initiatives (EEI) Grant Program over a two-year period to align with the implementation of Act 166 by reducing the EEI Program to 2/3 of its current budget (\$730,000) for FY 2016 and completely defunding the grant program in FY 2017.