Are Sales Taxes to Fund Pre-K a Good Idea?

Published on Show-Me Institute (https://showmeinstitute.org)

By: Patrick Tuohey

Kansas City Mayor Sly James is working on a proposal for a sales tax increase to fund expanded pre-K education. Despite a real cost to taxpayers, few details have been provided about how the money will be spent. According to The Kansas City Star,

“Details and key questions of the sales tax plan — how the money is distributed, who oversees and manages the program, how outcomes are measured — remain a work in progress.”

While the details of the 3/8-cent sales tax plan remain unclear, so too are the benefits. My colleague Emily Stahly wrote in late 2016 that,

“In Georgia and Oklahoma—states with universal pre-K programs—there is evidence that pre-K has reduced achievement gaps. The jury is still out in New York, which established universal pre-K only two years ago. Tennessee, on the other hand, implemented targeted pre-K for low-income children. Positive results were evident when these children entered kindergarten, but the benefits began to fade by first grade. By third grade, these students were performing worse than other students on statewide assessments.”

One much-heralded study claiming big successes as a result of pre-K was perhaps oversold. Mike McShane wrote for National Review,

“If you look at the table [page 8 of the study by Heckman et al.] that describes the cohort of
students the authors studied, you see an initially recruited sample of 121 students. The actual “treatment” of center-based child care from ages zero to five had 53 participants in one of the two programs and 17 in the other, for a total sample of 70 students. It is a huge leap to argue that such an intensive, hothouse study of such a small sample is proof that such an intervention would work at scale.

Pre-K education makes intuitive sense, but actual research suggests that it isn’t as simple as funding a program and getting results. Sometimes it seems to work, and sometimes it doesn't. Similarly, we agree that K–12 education is a good idea and yet recognize that not every district does a good job of offering it.

One promising aspect of the plan, according to the Star, is that the program may be set up to offer tuition assistance for families to choose their own program, including from among public and private providers. Giving decision-making power to parents will increase the likelihood that the Pre-K providers will need to produce results if they want to attract students.

In any case, there’s no need for a headlong leap of faith into a costly pre-K program. If Kansas City leaders want to once again increase an already-high sales tax rate, voters need much more detail and likely more time, to evaluate the proposal and its promise.

About the Author

Patrick Tuohey
Senior Fellow of Municipal Policy

Patrick Tuohey works with taxpayers, media, and policymakers to foster understanding of the conse

Read Online

https://showmeinstitute.org/blog/local-control/are-sales-taxes-fund-pre-k-good-idea

Links

[1] https://showmeinstitute.org/blog/local-control/are-sales-taxes-fund-pre-k-good-idea

Mission Statement

Advancing liberty with responsibility by promoting market solutions for Missouri public policy.

Show-Me Institute
Support Our Work
The Show-Me Institute is a tax-exempt 501(c)(3) nonprofit organization. Make your tax deductible contribution today: http://ShowMeInstitute.org/donate