Tennessee

State funding for the Early Childhood Education (ECE) Pilot Program started in 1998 and was supplemented with significant federal TANF funds in the 2002 and 2003 fiscal years. ECE funds are distributed through a competitive grant process, and programs are operated by public schools, Head Start, private child care providers, and institutes of higher education. First priority for enrollment is given to children whose family income falls below 185 percent of the federal poverty level; children are also eligible for the program if they are at risk for abuse or neglect, in state custody, or have Individualized Education Plans where community placement is the least restrictive environment. The state requires all programs to operate at least 5.5 hours per day, and all teachers must be licensed with a Pre-K endorsement, regardless of program location.

Although state funding increased for the 2003–2004 program year, the elimination of TANF funding has resulted in a loss of $30,000 per classroom. This has led to a reduction in the number of classrooms and the number of children served, but quality standards have not been reduced. During the 2003–2004 school year, 2,830 children were served with $10 million in state funding. Tennessee began a state lottery in 2004—although proceeds will primarily fund college scholarships, excess funds will benefit early childhood programs.