

Table C5. Parent-Child Home Program (PCHP) Effects on State Job Creation: Effects as a Percentage of Total State Employment for Ongoing Full-Scale Program Started in 2009, Compared to Business Subsidy Program of Same Cost

Year	PCHP		Total for PCHP (%)	Total for Business Subsidies (%)
	Spending (%)	Children (%)		
2009	0.001	0.000	0.001	0.003
2010	0.002	0.000	0.002	0.005
2011	0.002	0.000	0.002	0.007
2012	0.002	0.000	0.002	0.009
2013	0.001	0.000	0.001	0.010
2014	0.001	0.000	0.001	0.012
2015	0.001	0.000	0.001	0.013
2016	0.001	0.000	0.001	0.014
2017	0.001	0.000	0.001	0.015
2018	0.001	0.000	0.001	0.016
2019	0.001	0.000	0.001	0.017
2020	0.001	0.000	0.001	0.018
2021	0.001	0.000	0.001	0.019
2022	0.001	0.000	0.001	0.020
2023	0.001	0.000	0.001	0.021
2024	0.001	0.000	0.001	0.022
2025	0.001	0.000	0.001	0.023
2026	0.001	0.002	0.003	0.024
2027	0.001	0.004	0.005	0.025
2028	0.001	0.006	0.007	0.025
2029	0.001	0.009	0.009	0.026
2030	0.001	0.011	0.012	0.027
2031	0.001	0.013	0.014	0.028
2032	0.001	0.016	0.016	0.028
2033	0.001	0.018	0.019	0.029
2034	0.001	0.021	0.021	0.029
2035	0.001	0.023	0.024	0.030
2036	0.000	0.026	0.026	0.030
2037	0.000	0.028	0.029	0.031
2038	0.000	0.031	0.031	0.031
2039	0.000	0.033	0.034	0.032
2040	0.000	0.036	0.036	0.032
2041	0.000	0.039	0.039	0.032
2042	0.000	0.041	0.042	0.033
2043	0.000	0.044	0.044	0.033
2044	0.000	0.046	0.047	0.033
2045	0.000	0.049	0.049	0.034
2046	0.000	0.052	0.052	0.034
2047	0.000	0.054	0.055	0.034
2048	0.000	0.057	0.057	0.034
2049	0.000	0.060	0.060	0.035
2050	0.000	0.062	0.062	0.035
2051	0.000	0.065	0.065	0.035
2052	0.000	0.067	0.067	0.035

Table C5. (Continued)

Year	PCHP		Total for PCHP (%)	Total for Business Subsidies (%)
	Spending (%)	Children (%)		
2053	0.000	0.069	0.070	0.035
2054	0.000	0.072	0.072	0.035
2055	0.000	0.074	0.074	0.035
2056	0.000	0.076	0.076	0.035
2057	0.000	0.078	0.078	0.035
2058	0.000	0.080	0.080	0.035
2059	0.000	0.081	0.082	0.035
2060	0.000	0.083	0.083	0.035
2061	0.000	0.085	0.085	0.035
2062	0.000	0.086	0.086	0.036
2063	0.000	0.087	0.087	0.036
2064	0.000	0.089	0.089	0.036
2065	0.000	0.090	0.090	0.036
2066	0.000	0.091	0.091	0.036
2067	0.000	0.092	0.092	0.036
2068	0.000	0.093	0.093	0.036
2069	0.000	0.093	0.093	0.036
2070	0.000	0.094	0.094	0.036
2071	0.000	0.095	0.095	0.036
2072	0.000	0.095	0.095	0.036
2073	0.000	0.096	0.096	0.036
2074	0.000	0.096	0.096	0.036
2075	0.000	0.097	0.097	0.036
2076	0.000	0.097	0.097	0.036
2077	0.000	0.097	0.097	0.036
2078	0.000	0.098	0.098	0.036
2079	0.000	0.098	0.098	0.036
2080	0.000	0.098	0.098	0.036
2081	0.000	0.098	0.098	0.036
2082	0.000	0.098	0.098	0.036
2083	0.000	0.098	0.098	0.036
2084	0.000	0.098	0.098	0.036
2085	0.000	0.098	0.098	0.036
2086	0.000	0.098	0.098	0.036
2087	0.000	0.098	0.098	0.036
2088	0.000	0.098	0.098	0.036

NOTES: See Appendix C for methodology. These effects are for typical state with typical out-migration patterns, baseline wages and employment rates, etc. Effects reflect cumulative job creation measured as cumulative increase in employment rates of original residents who stay in state as of that year, as percent of total state employment. Spending column shows impacts that take place due to increased taxing and spending for full-scale PCHP. Children column shows effects associated with changes in educational attainment and economic status when former child participants become adults. Unlike the Abecedarian program and the NFP program, no parents column is included, as there are no available estimates of the effects of PCHP on parents. PCHP total sums spending and child effects. Business subsidy total is for business subsidy program of same present value of costs as a full-scale PCHP.

Table C6. Parent-Child Home Program (PCHP) Effects on State Earnings Creation: Effects as a Percentage of Total State Earnings for Ongoing Full-Scale Program Started in 2009, Compared to Business Subsidy Program of Same Cost

Year	PCHP		Total for PCHP (%)	Total for Business Subsidy Program (%)
	Spending (%)	Children (%)		
2009	0.002	0.000	0.002	0.004
2010	0.003	0.000	0.003	0.007
2011	0.003	0.000	0.003	0.010
2012	0.002	0.000	0.002	0.013
2013	0.002	0.000	0.002	0.016
2014	0.002	0.000	0.002	0.018
2015	0.002	0.000	0.002	0.021
2016	0.002	0.000	0.002	0.023
2017	0.002	0.000	0.002	0.025
2018	0.002	0.000	0.002	0.027
2019	0.002	0.000	0.002	0.030
2020	0.002	0.000	0.002	0.032
2021	0.002	0.000	0.002	0.034
2022	0.002	0.000	0.002	0.036
2023	0.002	0.000	0.002	0.038
2024	0.002	0.000	0.002	0.039
2025	0.002	0.000	0.002	0.041
2026	0.002	0.001	0.002	0.043
2027	0.001	0.002	0.003	0.045
2028	0.001	0.003	0.005	0.046
2029	0.001	0.005	0.006	0.048
2030	0.001	0.007	0.008	0.049
2031	0.001	0.009	0.011	0.050
2032	0.001	0.012	0.013	0.052
2033	0.001	0.015	0.016	0.053
2034	0.001	0.018	0.019	0.054
2035	0.001	0.021	0.022	0.055
2036	0.001	0.025	0.026	0.056
2037	0.001	0.029	0.030	0.057
2038	0.001	0.034	0.035	0.058
2039	0.001	0.038	0.039	0.059
2040	0.001	0.043	0.044	0.060
2041	0.001	0.048	0.049	0.061
2042	0.001	0.054	0.054	0.061
2043	0.001	0.059	0.060	0.062
2044	0.001	0.065	0.065	0.063
2045	0.001	0.071	0.071	0.063
2046	0.001	0.076	0.077	0.064
2047	0.001	0.082	0.083	0.064
2048	0.000	0.088	0.089	0.064
2049	0.000	0.094	0.095	0.065
2050	0.000	0.100	0.101	0.065
2051	0.000	0.106	0.106	0.065

Table C6. (Continued)

Year	PCHP		Total for PCHP (%)	Total for Business Subsidy Program (%)
	Spending (%)	Children (%)		
2052	0.000	0.112	0.112	0.066
2053	0.000	0.117	0.117	0.066
2054	0.000	0.122	0.122	0.066
2055	0.000	0.127	0.127	0.066
2056	0.000	0.132	0.132	0.066
2057	0.000	0.136	0.136	0.066
2058	0.000	0.140	0.141	0.066
2059	0.000	0.144	0.145	0.066
2060	0.000	0.148	0.148	0.066
2061	0.000	0.151	0.152	0.066
2062	0.000	0.154	0.155	0.067
2063	0.000	0.157	0.157	0.067
2064	0.000	0.160	0.160	0.067
2065	0.000	0.162	0.162	0.067
2066	0.000	0.164	0.164	0.067
2067	0.000	0.166	0.166	0.067
2068	0.000	0.167	0.168	0.067
2069	0.000	0.169	0.169	0.067
2070	0.000	0.170	0.171	0.067
2071	0.000	0.172	0.172	0.067
2072	0.000	0.173	0.173	0.067
2073	0.000	0.173	0.174	0.067
2074	0.000	0.174	0.174	0.067
2075	0.000	0.175	0.175	0.067
2076	0.000	0.175	0.176	0.067
2077	0.000	0.176	0.176	0.067
2078	0.000	0.176	0.176	0.067
2079	0.000	0.176	0.177	0.067
2080	0.000	0.177	0.177	0.067
2081	0.000	0.177	0.177	0.067
2082	0.000	0.177	0.177	0.067
2083	0.000	0.177	0.177	0.067
2084	0.000	0.177	0.177	0.067
2085	0.000	0.177	0.177	0.067
2086	0.000	0.177	0.177	0.067
2087	0.000	0.177	0.177	0.067
2088	0.000	0.177	0.177	0.067
Present value of earnings effects of program per present value dollar of costs	0.04	5.62	5.66	3.14

NOTES: See Appendix C for methodology. These effects are for typical state with typical out-migration patterns, baseline wages and employment rates, etc. Effects reflect cumulative earnings creation measured as cumulative increase in annual earnings of original residents who stay in state as of that year, as percent of total state earnings. Spending column shows impacts that take place due to increased taxing and spending for full-scale PCHP. Children column shows effects associated with changes in educational attainment and economic status when former child participants become adults. Unlike the Abecedarian program and the NFP program, no parents column is included, as there are no available estimates of effects of PCHP on parents. The total effects for PCHP sum the spending effects and child effects. Total for business subsidy program is effect of business subsidy program of same present value of costs as full-scale PCHP. Present value calculations use 3% discount rate, and project earnings effects forward after 2088.

Table D1: Effects of Alternative Discount Rate Assumptions on Ratio of Present Value of Program Earnings Effects to Costs, Business Subsidies and Four Early Childhood Programs, State Perspective

	Discount rate assumption of this author:				
	Stern	Moore et al.	This report	Nordhaus	Weitzman
Implied discount rate on aggregate future earnings (%)	1.6	2.2	3.0	3.9	4.4
Ratio of Present value of earnings effects to costs for:					
Business subsidies	4.01	3.60	3.14	2.72	2.52
Universal preschool	4.46	3.62	2.78	2.10	1.82
Abecedarian	1.59	2.54	2.25	1.88	1.71
Nurse Family Partnership	1.88	2.23	1.85	1.49	1.33
Parent-Child Home Program	6.29	7.31	5.66	4.17	3.53

NOTES: See Appendix D for methodology and references. All ratios here are from state perspective.

Table D2: Annual Rate of Return to Business Subsidies, Four Early Childhood Programs, and Various Combinations of These Programs, From Both a State and National Perspective

Program	Annual Rate of Return, State Perspective	Annual Rate of Return, National Perspective
Business subsidies	12.6	0.7
Universal preschool	6.7	7.7
Abecedarian	7.7	9.1
Nurse Family Partnership	5.7	6.9
Parent-Child Home Program	8.6	9.9
Preschool conditional on Abecedarian	4.4	5.4
Abecedarian conditional on preschool	6.5	8.1
Both preschool and Abecedarian	6.6	7.9

NOTE: This table shows the highest interest rate at which the present value of earnings effects of the program exceeds the present value of program costs. The last row shows the rate of return to adopting both preschool and the Abecedarian program. The two previous rows show effects of adopting one of these programs, conditional on the other program already existing.