

FEDERAL ROAD MAP FOR EARLY CHILDHOOD IN 2010

This year offers several opportunities to move forward on the Agenda for Affordable, High-Quality Child Care as well as the broader early childhood agenda, through the budget and appropriations process; reauthorizing and strengthening the Child Care and Development Block Grant by incorporating aspects of the Agenda; reauthorizing other existing programs related to child care and early education, including the Child and Adult Care Food Program; and authorizing new programs such as the proposed Early Learning Challenge Grants; and continuing to implement the American Recovery and Reinvestment Act. Child care advocates and policy makers can make the most of these opportunities to expand access to affordable, high-quality child care and early learning options for families.

Budget and Appropriations

The **President's budget proposal for FY 2011**, released on February 1, 2010, includes significant new investments in several programs that help families gain access to affordable, high-quality child care and early education opportunities for their children. The FY 2011 budget proposal's new increases include:

- A \$1.6 million increase for the Child Care and Development Block Grant (CCDBG), to a total of \$6.644 billion, which would include \$800 million in discretionary funds and \$800 million in mandatory funds. The Administration also proposes to use some of the additional CCDBG funding to support a reauthorization of the program.
- A \$989 million increase for Head Start and Early Head Start, for a total of \$8.2 billion, allowing for the increased number of Head Start and Early Head Start children funded by the American Recovery and Reinvestment Act (ARRA) to continue.
- Approximately \$9 billion over 10 years for a new Early Learning Challenge Fund, similar to the amount included in a bill passed by the House last year.
- A \$10 billion increase over 10 years for child nutrition programs to support their reauthorization, including the Child and Adult Care Food Program.
- An \$87 million increase, to \$1.3 billion, for U.S. military child development centers.
- An expansion of the Child and Dependent Care Tax Credit for families earning \$115,000 and under.

In order to make these increases a reality, Congress will have to enact a budget that includes these recommendations and then various spending and tax bills will have to include the specific increases in the proposal.

Legislation Advancing the Child Care Agenda

The Child Care and Development Block Grant (CCDBG), the major federal child care program, is due to be reauthorized. Advocates hope to take advantage of this opportunity to strengthen the CCDBG by incorporating provisions of the comprehensive Agenda. In addition, several bills already introduced in Congress include components and share the goals of the Agenda. These bills include the following:

• The <u>Student Aid and Fiscal Responsibility Act</u> of 2009 (H.R. 3221), as passed by the House on September 17, 2009 by a vote of 253-171, included provisions establishing an <u>Early Learning Challenge Fund</u> to incentivize states to establish systems for improving the quality of early learning settings for children ages birth to five and increase disadvantaged children's access to high-quality early learning programs. The initiative, which was developed in collaboration with the Obama Administration, would make grants available to states that they could use for several key components of a high-quality early learning system, including initiatives to boost the education and compensation of the early learning workforce, a system for rating the quality of early learning programs and helping them achieve progressively higher levels of quality, parent outreach and engagement, and coordination with other services for children and families. The bill would provide \$1 billion a year for eight years for the initiative using savings obtained through streamlining the federal student loan program.

Unfortunately when the Student Aid and Fiscal Responsibility Act was incorporated into the Health Care Reconciliation Act of 2010 (<u>H.R. 4872</u>), passed by the House and Senate and signed by the President in March 2010, the Early Learning Challenge Fund was not included. Advocates are now seeking an alternative method of authorizing and funding the Challenge Fund.

- <u>The Starting Early, Starting Right Act</u> (S. 1000,) aims to increase access to high-quality child care. It has several provisions that are the same as or similar to provisions in the Agenda, including provisions related to ensuring the health and safety of child care settings, improving the quality of child care, expanding the availability infant and toddler care, and helping low-income families retain their child care assistance.
- <u>The Child Care Facilities Financing Act of 2009</u> (H.R. 1685, <u>S. 1002</u>) would create a flexible pool of capital for early childhood facilities development in low-income communities across the country. It echoes the facilities provisions of the Agenda.
- <u>The Family Tax Relief Act of 2009</u> (S. 997) would expand families' access to tax benefits to help them afford the cost of child care. The bill makes the Child and Dependent Care Tax Credit (CDCTC) refundable so that it would be available to low-income families who do not earn enough to owe federal income taxes and increases the value of the credit for families—similar to proposals in the Agenda for improving the CDCTC. The bill also proposes to changes to rules for employer-sponsored dependent care benefits.

Authorization and Reauthorization of Other Early Childhood Programs

Other existing early childhood programs are scheduled to be reauthorized, and new early childhood programs may be authorized in 2010. While these programs do not necessarily overlap with the specific provisions of the Agenda, they do have at least some of the same overall objectives, such as expanding high-quality early learning options, making early care and education more affordable for families, supporting child care providers, and/or encouraging collaboration and coordination across early childhood programs, while also sharing a focus on helping low- and moderate-income families.

• *The Child and Adult Care Food Program* (CACFP) is scheduled to be reauthorized this year. This important early childhood program provides nutritious meals and snacks to approximately 3 million children enrolled in child care centers, family child care homes, Head Start, Early Head Start, prekindergarten, and after-school programs. CACFP reimburses the costs of food and meal preparation and provides ongoing training in the nutritional needs of children and families and onsite assistance in meeting the program's strong nutritional requirements. It is a critical addition to the budgets of early childhood and after-school programs. CACFP also provides monitoring and support to family child care homes. Unfortunately, there are still millions of children in child care settings who could benefit from CACFP yet who are currently unserved. The reauthorization <u>could be a vehicle</u> for enacting much-needed improvements to the program to help reduce hunger, enhance child development and school readiness, reduce childhood obesity, and improve child nutrition and health overall.

The Access to Nutritious Meals for Young Children Act of 2009, (S. 2749, H.R. 4402), has been introduced respectively by Senator Gillibrand (D-NY) and Representative Tonko (D-NY). The bills would increase reimbursement rates for meals in child care programs to help better offset the cost of nutritious food and offer programs funding to be able to provide a second snack or third meal option during the child care day. They would also expand eligibility for a higher tier of reimbursement rates to more family child care homes and help simplify paperwork requirements.

The Senate Agriculture Committee has marked up the <u>Healthy, Hunger Free Kids Act of</u> <u>2010</u>. This bill does include provisions to improve the nutritional value of the food served through CACFP, promote the health and wellness of young children, reduce paperwork and streamline some program requirements, and provide increased access to afterschool meals. However, it does not include provisions that would increase access to CACFP. Advocates will be working to add provisions related to access that are included in S.2749, when the Healthy, Hunger Free Kids Act is voted on by the full Senate. They will also be seeking to include the provisions in H.R. 4401 in the House Child Nutrition bill when the Education and Labor Committee schedules its mark up.

• The <u>Prepare All Kids Act</u> (S. 839, H.R. 2184), which has been introduced in the Senate by Senator Casey (D-PA) and Representative Maloney (D-NY) in the House, would provide federal funding to states to support at least one year of voluntary high-quality prekindergarten for children, with a focus on children from low-income families and

children with special needs. There would be at least a 25 percent set-aside for community-based providers. States would also be required to set aside at least 15 of their funds for programs serving infants and toddlers and at least 10 percent of their funds for extending programs to full-day and year-round to meet the needs of working parents. In addition, states would be required to coordinate their prekindergarten programs with other early childhood programs, monitor their prekindergarten programs, and support professional development opportunities for teachers and teacher aides.

American Recovery and Reinvestment Act

The American Recovery and Reinvestment Act (ARRA), passed by Congress and signed by the President in February 2009, provides \$5 billion in new funding for early childhood in 2009 and 2010. This includes \$2 billion for the Child Care and Development Block Grant (CCDBG), of which \$255.2 million is reserved for quality improvement activities, including \$93.587 million targeted to improve infant and toddler care. The ARRA funding also includes \$1 billion for Head Start, \$1.1 billion for Early Head Start and \$500 million for Part C for infants and toddlers with disabilities and special needs, and \$400 million for Part B Section 619 for preschool-age children with disabilities and special needs under the Individuals with Disabilities Education Act. In addition, there are increases in education funding, including Title I of the Elementary and Secondary Education Act, which states and communities may use for early childhood. These were designed as one-time only investments. It will be essential to both work with states and advocates to ensure these funds are spent wisely and to lay the groundwork for sustaining and expanding this funding. NWLC and other organizations will be doing regular conference calls and writing memos and reports on implementation issues tied to early childhood funding. We will also keep organizations updated on developments affecting funding, and ask advocates to help us track the impact of the ARRA on child care and early education in their states and communities.