

# Federal Early Care and Education Proposals

## *What's Happening and What Could It Mean for Wisconsin*

### *August 1, 2009*

Several early childhood funding initiatives are under consideration that could provide a significant boost to early learning in Wisconsin. An extensive body of evidence now confirms that well-designed early childhood programs can significantly improve outcomes for children, with a high return on investments.

#### **1. Early Learning Challenge Fund**

The primary thrust of the Early Learning Challenge Fund is to provide grants to states to help them build comprehensive, high quality early learning systems for children birth to age 5 across all early care and learning settings. Although originally included in the President's budget proposal this year, the Early Learning Challenge Fund is now part of a stand-alone measure, H.R. 3221, introduced by Rep. George Miller (D-CA), chairman of the House Education and Labor Committee. H.R. 3221 is primarily legislation to reform student loan systems student loan reform. The savings generated by reforms in the bill would be put in part toward the Early Learning Challenge Fund, which is Title IV of H.R. 3221. The Early Learning Challenge Fund helps states to reform early learning standards, establish quality rating and improvement systems, develop systems for early screening, support parents, and build components of a quality early care and education system.

**President's Budget Request:** \$300 million for 2010.

**House Action:** The House Committee on Education and Labor approved a version of President Obama's Early Learning Challenge Fund proposal, providing mandatory funding of \$1 billion per year for eight years. This is an initial step toward becoming law.

**Senate Action:** The Senate is expected to take up the issue in the fall.

**Potential for Wisconsin:** *Many early childhood experts, advocates and policymakers have tried to move a quality improvement budget for early care and education in Wisconsin based on strong evidence of the benefits of early investments. A recently formed Governor's Advisory Council has been launched to do needs assessment and strategic planning on an effective system for early childhood development. This bill could provide badly needed resources for these efforts.*

#### **2. Home Visiting**

The proposed program is based on evidence that high-quality home visiting programs are cost-effective, improving long-term outcomes for mothers and their children. Proposals include a variety of home visiting models that meet research-based criteria.

**President's Budget Request:** \$124 million down-payment on a proposed 10-year, \$8.6 billion initiative supporting evidence-based, voluntary home visitation programs for low-income parents.

**House and Senate Action:** Multiple committees in the House and Senate are including home visiting in their health care reform proposals in order to fund a new program with mandatory funds. Unclear at this time is where the proposals will come out as all legislation is in flux, but the final amount may be lower than President's original request.

**Potential for Wisconsin:** *Wisconsin has made great progress in developing research-based standards, outcome measures, and training and technical assistance for home visiting programs. The number of programs has grown significantly in recent years, generating from the state budget, state agencies, and local human services and public health agencies. Federal funding could help Wisconsin reach a much greater percentage of potentially at-risk children through home visiting.*

### **3. Head Start and Early Head Start**

Head Start and Early Head Start are designed to provide comprehensive child development services to children and families. Funding goes directly to local agencies.

**President's Budget Request:** \$122 million increase (includes both Head Start and Early Head Start). The increase covers inflation, so there is no increase over the base budget.

**House Action:** The full House of Representatives passed the Labor/HHS/Education Appropriation bill, which includes the \$122 million increase for Head Start/Early Head Start.

**Senate Action:** Senate Appropriations Committee passed out of committee the Labor/HHS/Education bill, which includes the \$122 million increase. Next, the bill goes to the floor for final vote.

**Potential for Wisconsin:** Wisconsin benefited from federal stimulus money for Head Start and Early Head Start under the American Recovery and Reinvestment Act (ARRA). Those funds were available for 2009-2010. The big question is whether those gains can be sustained in 2011 when the stimulus money ends. These programs are important services to help disadvantaged children get a good start in life and prepare for school.

### **4. Child Care and Development Block Grant**

The Child Care and Development Block Grant (CCDBG) funding goes to states for child care subsidies to low-income families and quality improvement efforts.

**President's Budget Request:** No increase

**House Action:** House has passed the Labor/HHS/Education Appropriation bill, which includes no increase

**Senate Action:** Senate Appropriations Committee passed out of committee the Labor/HHS/Education bill, which includes no increase (bill now goes to the floor for final action)

**Potential for Wisconsin:** Wisconsin benefited from a significant allocation for child care in the federal stimulus (ARRA) package. Those funds were used to avoid waiting lists and to prevent major cuts in child care provider payments and raises in family co-payments. The stimulus money helped Wisconsin maintain its Wisconsin Shares child care subsidy program for the biennium, but the state could face dire cuts if the stimulus money only one-time funding, and federal funding drops significantly in 2011. In the meantime, efforts to improve child care quality have been stalled because of pressures on Wisconsin Shares. Children receiving Wisconsin Shares are from low-income working families. Quality child care can help prepare them for school.

### **5. Title I Pre-kindergarten Incentive Fund**

Federal Title I education funding goes to school districts to serve children from low-income families so that they may meet state academic achievement standards. This initiative would provide incentives for schools to invest Title I funding in pre-kindergarten education.

**President's Budget Request:** \$500 million (taken from Title I funds, not new money) for states to encourage local school districts to use their own Title I funds for pre-kindergarten programs.

**House Action:** Not included in the Appropriations Committee mark up or in the final bill.

**Senate Action:** Not included in the Appropriations Committee mark up.

**Potential for Wisconsin:** This initiative would help local school districts to afford to expand their pre-kindergarten programs by providing fiscal incentives. Under the program, the federal government would provide matching grants to school districts using Title I to serve disadvantaged preschoolers. The funds could be used to expand existing Pre-K programs or to establish new ones. Title I is targeted to disadvantaged children. Early education has been shown to help children improve their school performance, particularly low-income children.

**Prepared by Dave Edie, Early Education Policy Analyst, Wisconsin Council on Children and Families**