



## Report from Washington: Federal Investments in Child Care for Fiscal Year 2016

NAFCC, our members and our colleagues across the country spent months asking Congress to lift the budget caps and invest in child care. And Congress did. Here's how it all ended up for FY2016:

- Child Care and Development Block Grant: \$2.761 billion for CCDBG, which is \$326 million more than last year - and more than the Appropriations Committees approved over the summer.
- Head Start: \$9.2 billion for Head Start, which is \$570 million more than last year. This funding line is to include expansion of Early Head Start, including through Early Head Start-Child Care Partnerships; and \$294 million for a "down payment" on expansion of Head Start to full-day/full-year services –a change called for in the proposed Head Start Performance Standards.
- Preschool Development Grants: \$250 million to continue funding Preschool Development Grants. This is for an additional year of funding for Preschool Development Grants as we are currently experiencing them in 18 states.
- Individuals with Disabilities Education Act (IDEA): A \$15 million increase for "Part B" grants which are for preschoolers, and a \$20 million increase for "Part C" grants which are for services for infants.

Family child care voices in the advocacy chorus mattered. Your stories and photos, letters and calls made a difference. Thank you for taking action in 2015! We'll keep at it – together.

### Year in Review: [The first step was a major proposal from the Administration](#)

In February 2015, the Administration released a Budget Proposal for Fiscal Year 2016. This was the first step in the annual funding process for all federal programs, and this year it put child care front and center. Early care and education was a major priority in the proposal, including:

- A \$370 million increase in *discretionary funds* for the Child Care and Development Block Grant (CCDBG) including funds for states to carry out the details of the newly updated CCDBG law and a new \$100 million for competitive grants to states to develop promising practices for helping families with challenges finding child care. Rural communities, families with children with disabilities, and parents who work non-traditional hours often have these challenges. *(And we know that family child care is part of the solution!)*
- An \$82 billion increase over ten years in *mandatory funds* for CCDBG to expand access to all eligible families with children under age 4 by 2025.
- A \$1.5 billion increase for Head Start including funds to expand program services to a full day and full school year (6 hours a day, 170 days) and \$150 million for Early Head Start-Child Care Partnership grants.
- \$750 million for Preschool Development Grants to states.
- \$500 million to extend and expand evidence-based home visiting services for at risk communities through the Maternal Infant Early Childhood Home Visiting initiative.
- A \$50 million increase for Part B of the Individuals with Disabilities Education Act (IDEA) for preschoolers and a \$65 million increase for IDEA Part C for infants and toddlers' early intervention services, of which \$15 million is intended for a "pay for success" initiative.
- An expansion of the Dependent Care Tax Credit to help offset families' costs for child care: Increasing the maximum credit to \$3,000 per child. Families could claim a 50% credit for up to \$6,000 of expenses per child under 5.

### Congressional action in the spring and summer

The Budget Proposal is really a *request* to Congress which highlights the priorities of the Administration. It is up to Members of Congress to make the funding and legislative decisions to make these proposals a reality for children, families and child care providers like NAFCC members.

The Budget Control Act of 2011 (which created “sequestration” cuts and annual, limited spending levels) was still in effect when the Appropriations work got underway in 2015. It would take Congressional action to change the caps – and that’s what we needed them to do, to make it possible to make wise choices for investments in child care.

Congress starts their work with a Budget Resolution, which is a framework of revenue and spending targets. The Budget Resolution passed by the House and Senate in 2015 continued the Budget Control Act’s caps, and called for deep cuts to domestic spending over the next ten years. This kept a heavy lid on our ideas for growth in investments in our field. It was under that heavy lid that the House and Senate Appropriations Committees approved legislation that included detailed funding amounts for early care and education initiatives:

House Appropriations Committee decisions	Senate Appropriations Committee decisions
Frozen funding for CCDBG, even as unmet need increases and new federal law goes into effect	Increase CCDBG funding by \$150 million, a modest but important investment
Increase Head Start funding by \$192 million, with \$150 million of that directed to Early Head Start services and the remaining \$42 million invested in a cost-of-living increase	Increase Head Start funding by \$100 million to be directed entirely to Early Head Start services
A \$125 million increase IDEA Part B and Part C combined	A \$10 million increase for IDEA Part B and a \$15 million increase for IDEA Part C
Elimination of funding for Preschool Development Grants	Elimination of funding for Preschool Development Grants

### Extending the deadline at the end of the federal fiscal year

The last day of the federal fiscal year is September 30. But without completing the Appropriations bills, and wanting to avoid a government shut-down, Congress passed a Continuing Resolution. This is a tool Congress can use to extend the deadline while keeping federal programs operating at current funding levels. Congress extended the deadline to December 11, and then extended again to December 16, 2015.

### Big negotiations and big actions

Working with national partners and advocates across the country, the message to Congress was: *lift the caps and invest in child care and early learning*. At the end of October, the House, Senate and Administration reached an agreement to raise the budget caps on spending for both defense and non-defense programs. It is a two-year deal that also addresses the debt ceiling. The lifting of the budget caps was a crucial step and this was big news. Then, in December, Congress took the second step: Congress approved additional investments in child care, Head Start, and other crucial services for early care and education.

### NAFCC Taking Action

Thanks to NAFCC members from across the country, we’re sharing the stories and pictures that make it clear that policies aren’t just words on paper but real life experiences. Children, families, and providers are the reasons we need to lift the caps and invest in child care. Go to [www.nafcc.org/action](http://www.nafcc.org/action) to get your copy of *Stories from the Field* and go to [www.facebook.com/nafcc](http://www.facebook.com/nafcc) to spread the word!

#### NAFCC Tools You Can Use

Go to [www.nafcc.org/action](http://www.nafcc.org/action) to get your copy of *Stories from the Field*

Go to [www.facebook.com/nafcc](http://www.facebook.com/nafcc) to spread the word: family child care matters!

Find out more about the federal funding process at [www.nafcc.org/federalbudget](http://www.nafcc.org/federalbudget)