

# President's Proposed Budget

Fiscal Year 2011



Prepared on behalf of the County of Los Angeles  
Child Care Planning Committee and  
Policy Roundtable for Child Care



[www.childcare.lacounty.gov](http://www.childcare.lacounty.gov)

# Introduction

- President Obama released proposed budget for Fiscal Year (FY) 2010-2011<sup>1</sup>, totaling \$3.8 trillion (\$1.16 trillion in discretionary spending)
- Reduces budget deficit from estimated \$1.566 trillion in FY 2010 to \$1.267 trillion in FY 2011

<sup>1</sup> Fiscal year runs October 1, 2010 - September 30, 2011

# Major Proposals to Reduce Deficit

- Three year freeze on domestic discretionary spending, yet funding increases to some programs and services
- Reduce or eliminate 120 programs to achieve savings
- Eliminate tax cuts to wage earners making more than \$250,000 a year

# Budget Priorities

- Strengthen economy
  - Small businesses
  - Job growth
- Invest in education
  - Including early childhood education
- Reform health care
- Become a leader in clean energy
- Address needs of veterans

# Early Childhood

Child Care and Development Investments

# Child Care and Development Fund (CCDF)/Child Care and Development Block Grant (CCDBG)

- \$1.6 billion permanent increase to CCDBG
  - \$800 million in mandatory CCDF to provide child care subsidies for more working families
  - \$800 million for quality improvements through reauthorization of CCDBG

# CCDF/CCDBG (continued)

- Total funding for CCDBG is \$2.97 billion
- Set asides:
  - \$373 million for quality activities
    - \$137 million for improving quality of infant/toddler care
  - \$26 million for child care resource and referral and school age activities
    - \$7 million approximate increase
    - \$1 million for Child Care Aware Hotline
  - \$9.9 million for child care research, demonstration, and evaluation activities

# Head Start/Early Head Start

- \$8.2 billion for Head Start and Early Head Start
  - Increase of \$989 million over FY10 funding
- Increased funding projected to continue services to 64,000 additional children and families served through ARRA

# Individuals with Disabilities Act (IDEA)

- Part B State Grants - \$250 million increase
  - Section 619 preschool frozen at current level of \$374 million
- Part C Early Intervention Services for Infants and Toddlers
  - Same as FY2010 at \$440 million

# Additional Funding Proposals

- Early Learning Challenge Fund
  - \$625 million in mandatory funding; \$9 billion over 10 years
  - Passed House; pending Senate action
  - Mandatory funding automatically allocated; not subject to reauthorization
- Promise Neighborhoods
  - \$210 million
  - Supports comprehensive programs in targeted neighborhoods to serve children from birth to attendance in college

# Additional Funding Proposals (cont'd)

- Elementary and Secondary Education Act (ESEA)
  - Significant restructuring in four areas of reform:
    - College and career ready standards and assessments
    - Effective teachers
    - Data systems
    - Turning around low-performing schools
  - \$1 billion set aside if reauthorized this year

# Additional Funding Proposals (cont'd)

- Elementary and Secondary Education Act (ESEA) (continued)
  - Title I - frozen at current level
  - Title II - consolidates 9 separate programs addressing academic training and professional development into 3 programs
  - Title IV, Part B - 21<sup>st</sup> Century Community Learning Centers frozen at current level of \$1.166 million

# Additional Funding Proposals (cont'd)

- Race to the Top (RTTP)
  - Authorize and increase by \$1.35 billion
- Investing in Innovation Grants
  - Authorize and increase by \$500 million

# Additional Funding Proposals (cont'd)

- Literacy
  - Consolidates programs into comprehensive birth through high school literacy grant program
    - Eliminates separate funding for Early Reading First, Reading First and, under consolidation, Even Start
  - \$250 million
    - 15% for birth to kindergarten
    - 40% for kindergarten through 5<sup>th</sup> grade
    - 40% for middle and high school
    - 5% for technical assistance and more

# Additional Funding Proposals (cont'd)

- CAMPIS (Child Care Means Parents in School)
  - Frozen at \$16 million
- Child Nutrition
  - \$1 billion increase to support reauthorization, including Child and Adult Care Food Program

## Additional Funding Proposals (cont'd)

- Child Care Tax Credit - nearly doubled to offset child care costs for middle income families earning up to \$115,000
- Earned Income Tax Credit (EITC) - expanded to give low-income working families with three or more children larger credit

# Sources

- Memo to Board of Supervisors. *President's Proposed Federal Fiscal Year 2011 Budget*. February 3, 2010.
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- National Association for the Education of Young Children (NAEYC). *NAEYC Children's Champion Update - President's Budget Request Places Priority on Early Childhood Investments*. February 1, 2010.
- National Women's Law Center. *Administration's FY 2011 Budget Release*. February 1, 2010.
- Zero to Three. *Breaking News for Babies: President Requests Increased Funding for Key Infant-Toddler Services*. The Baby Monitor, February 1, 2010.