

Fiscal Year 2008 Federal Child Care and Related Appropriations

The Consolidated Appropriations Act, 2008 (the "Act") provides funding for multiple Federal agencies through the end of Federal fiscal year (FFY) 2008. This law (Public Law 110-161) continues funding for early care and education programs as summarized below.¹ Unless otherwise noted, FFY 2008 appropriations are approximately the same as the previous fiscal year. The Act only provides funding for Discretionary programs requiring annual appropriations. Mandatory and Matching funds for the Child Care and Development Fund (CCDF) were reauthorized by the Deficit Reduction Act of 2005 (Public Law 109-171) through FY 2010. These appropriations are also summarized below.²

U.S. Department of Health and Human Services (HHS)

FFY 2008 Child Care and Development Block Grant (CCDBG). The 2008 Act appropriates \$2.062 billion for CCDBG, the Discretionary portion of CCDF funds. The law requires that the entire amount of CCDBG funds be used to supplement, not supplant, State general revenue funds for child care assistance for low-income families.

The FFY 2008 CCDBG appropriation (Discretionary CCDF) includes the following targeted funds:

- \$18 million for child care resource and referral and school-aged child care activities, of which approximately \$965,000 is to be used for the Child Care Aware toll-free hotline;
- \$263 million for quality improvement activities, of which \$96 million is to improve the quality of infant and toddler care. These quality dollars are in addition to the four percent minimum that States must use for quality; and
- Almost \$10 million for HHS to use for child care research, demonstration, and evaluation activities.

FFY 2008 CCDF Mandatory and Matching Funds. Mandatory and Matching funds under CCDF remain at \$2.917 billion for FY 2008 (and each year thereafter through 2010). The Mandatory and Matching funding was reauthorized in the Deficit Reduction Act of 2005 (P.L. 109-171).

Combined funding for the CCDF program for FY 2008, including CCDBG Discretionary and CCDF Mandatory and Matching funds, is nearly \$5 billion.

¹ The Consolidated Appropriations Act, 2008 included an across-the-board rescission of 1.747% for all Labor-HHS-Education departmental Discretionary programs. The amounts reported in this summary reflect the appropriation after the rescission.

² The Child Care and Development Fund (CCDF) consists of two separate funding streams: 1) Discretionary funding authorized by the Child Care and Development Block Grant, subject to annual appropriation; and 2) an entitlement portion of Mandatory and Matching funds made available under Section 418 of the Social Security Act.

FFY 2008 Temporary Assistance for Needy Families (TANF). Funding for TANF was reauthorized in the Deficit Reduction Act of 2005 (P.L. 109-171) at \$16.5 billion for each year through 2010. TANF is authorized through the Social Security Act and is not included in the annual appropriations laws.

FFY 2008 Head Start. The Act provides \$6.8 billion for Head Start in FFY 2008.

FFY 2008 Social Services Block Grant (SSBG). The Social Services Block Grant (SSBG) is funded at \$1.7 billion. States may transfer up to 10 percent of Temporary Assistance for Needy Families (TANF) funds to SSBG. The overall limit on the percentage of TANF funds that can be transferred to CCDF and SSBG is 30 percent. SSBG funds a broad range of social services including child care.

Other Related Early Care and Education Appropriations for FFY 2008

U.S. Department of Education (ED)³

Title I, Part A Grants to School Districts. The appropriation for Title I grants to local education agencies increased by approximately \$1 billion over FFY 2007 to \$13.9 billion for FFY 2008. Title I provides flexible funding to high-poverty school districts and schools that may be used for staff salaries, professional development, program materials, extended-time programs and other strategies for raising student achievement. Many school districts use Title I funds to support preschool programs.

Early Reading First. This program received \$112.5 million for FFY 2008. As a competitive grant initiative, Early Reading First awards funds to local entities that support early literacy efforts for preschool-aged children. Eligible applicants within low performing and high poverty school districts include local education agencies, public or private organizations acting or behalf of programs serving preschool-aged children (such as Head Start or child care), or consortia of entities.

Early Childhood Educator Professional Development. This program did not receive an FFY 2008 appropriation.

Even Start. Funding for Even Start is \$66 million in FFY 2008. This program supports family literacy programs that integrate early childhood education, adult education, parenting education, and literacy activities for low-income families with eligible parents and their children from birth through age seven.

³ For more detailed information regarding Department of Education Appropriations see the following website: <http://www.ed.gov/about/overview/budget/news.html#08action>

21st Century Community Learning Centers. The 21st Century Community Learning Centers program provides funding for afterschool programs, and increased slightly to \$1.1 billion for FFY 2008. Funds flow through formula grants to the States which award local grants to public and private entities (as well as directly to some existing local grantees through continuation funding).

Special Education Grants for Infants and Families. Funding for these grants, authorized by Part C of the Individuals with Disabilities Education Act (IDEA), remains at \$436 million for FFY 2008. States use these funds to provide early intervention services for infants and toddlers with disabilities and their families.

Special Education Preschool Grants. Funding for Special Education Preschool grants, authorized by Part B of IDEA, decreased slightly to \$374 million for FFY 2008. State education agencies use these funds to provide special education and related services for preschool-aged children with disabilities.

Ready-to-Learn Television. Funding for Ready-to-Learn Television remains at \$24million for FFY 2008. This program supports educational television programming for children and families and a variety of related activities, including the development and dissemination of education and training materials for parents, child care providers, and other educators.

Campus Child Care. For FFY 2008, funding for this program remains around \$16 million to be awarded to institutions of higher education for campus-based child care through ED's Child Care Access Means Parents in School program.

Fund for the Improvement of Education (FIE). The Fund for the Improvement of Education is funded at \$253.5 million for FFY 2008 to promote systemic education reform, recognition programs, studies and evaluations, and a variety of other programs – including afterschool programs and early childhood programs. FIE also includes funding for the Foundations for Learning Grants, which received \$965,000 for FFY 2008 to help eligible preschool-aged children become ready for school through activities that support emotional and social development.

Institute of Education Sciences or IES. This Department of Education Institute received an increase in funding of approximately \$29 million above the FFY 2007 level to \$546 million for FFY 2008 for its three Centers: the National Center for Education Research (NCER); the National Center for Education Evaluation and Regional Assistance (NCEE); and the National Center for Education Statistics (NCES). All three centers have some activities focusing on early education and preschool programs.

U.S. Department of Justice (DOJ)

Juvenile Justice Programs. Funding for DOJ's Juvenile Justice programs increased to \$377 million for FFY 2008 to fund a variety of initiatives for at-risk children and youth, including afterschool programs.

U. S. Department of Housing and Urban Development (HUD)

Community Development Block Grant. For FFY 2008, funding decreased slightly to \$3.5 billion for the Community Development Block Grant to support a wide range of services to expand opportunity in vulnerable communities. This amount includes funding for economic development initiatives to fund a number of targeted projects, including the construction or renovation of child care centers and other facilities.

Prepared by the Child Care Bureau