Early Childhood Education and Care

All levels of government—federal, state, and local—as well as nonprofit organizations, the private sector, and philanthropies play essential roles in providing healthy, nurturing environments for our nation’s children. Federal support in particular has expanded in recent years, thanks to growing, bipartisan backing for early childhood programs in Congress.

Federal funding for early childhood education and care promotes three overarching policy goals: 1) increasing children’s access to services, 2) raising the quality of early childhood programs, and 3) fostering greater coordination among the many providers—public schools, center-based child care, home-based child care, Head Start, and more—of early childhood services. While many challenges remain, there are hopeful signs of progress in all three areas.

In fiscal year 2018, Congress provided a historic, $2.4 billion increase for the Child Care and Development Block Grant (CCDBG), the main source of federal funding for child care subsidies for low-income working families, and added another $50 million in fiscal year 2019, bringing the program’s total to $5.2 billion. Estimates are not yet available, but the new money should make it possible for significantly more families to afford child care.

Over the past two years, Congress has also appropriated increases for IDEA Preschool Grants, which provide special education services for preschoolers; Child Care Access Means Parents in School, which provides campus-based child care services for low-income parents enrolled in postsecondary education; and Student Support and Academic Enrichment Grants, which are highly flexible grants that schools can use in part to support early learning.
To help raise the quality of child care services, Congress stipulated that some of the additional CCDBG funding in fiscal year 2018 must be used to support the full implementation of the CCDBG Act of 2014. Among other changes, states are now required to conduct criminal background checks for all child care staff members and to establish health and safety requirements in 10 designated areas. The law also requires states to increase the minimum amount they set aside for improving the quality of child care services, from 4 percent of their federal child care allocations to 9 percent, over 5 years.

Improving coordination among the nation’s early childhood providers has become an especially high priority in Washington. One example is Early Head Start-Child Care Partnerships (EHS-CCP), which received a $50 million increase in fiscal year 2019, for a total of $805 million. The goal of EHS-CCP is to integrate the strengths of two separate programs that serve infants and toddlers: Early Head Start (EHS) and the Child Care Development Fund (CCDF). EHS providers must comply with rigorous child development standards. Providers that serve CCDF-funded children and choose to participate in EHS-CCP must meet those same requirements. As a result, more children are benefiting from comprehensive services that they were not necessarily receiving before, such as health screenings. A report from the U.S. Department of Health and Human Services (HHS) found that the partnerships also help improve collaborations in local communities.

Another recent example of how Congress has prioritized coordination is the Preschool Development Grant Birth Through 5 (PDG B-5) program. This competitive grant program, administered jointly by HHS and the U.S. Department of Education, will assist states in coordinating early childhood education programs that already exist in a mixed-delivery system. The first awards are expected to be announced in December 2018.

Despite these recent advances, the nation is nowhere close to providing all children with high-quality early education and care. Even after the $2.4 billion increase for CCDBG in fiscal year 2018, total federal funding for child care that year (including funding transferred into CCDBG from the Temporary Assistance for Needy Families block grant) remained nearly $1 billion below the total in fiscal year 2001 after adjusting for inflation.

Only 40 percent of 3-year-olds in the United States are enrolled in early childhood programs, far below the 70 percent average of other developed economies in the Organisation for Economic Co-operation and Development (OECD). Access is particularly challenging for low-income families. Only 18 percent of children from such families are enrolled in high-quality pre-kindergarten. Meanwhile, approximately half of Americans live in "child care deserts," with little or no access to quality child care. On average, states provide child care subsidies to less than 1 in 7 children in low-income families, and these subsidies cover only a fraction of the cost of providing high-quality child care.

This report summarizes 17 selected federal programs that are particularly important for early childhood education and care. They are divided into two categories:

- Seven programs for which early childhood education and/or care is the sole purpose. These programs are dedicated exclusively to supporting early childhood education and/or child care.
- Ten programs for which early childhood education and/or care is an allowable use. These programs are not dedicated exclusively to supporting early childhood education and/or child care, but significant portions of their funding are used for that purpose.
EARLY CHILDHOOD EDUCATION AND/OR CHILD CARE IS THE SOLE PURPOSE

Below are seven federal programs that are dedicated exclusively to supporting early childhood education and/or child care.

### Head Start
- **Program:** Head Start
- **Agencies:** HHS
- **Funding (ALL $ in MILLIONS):**
  - HHS $9,863.1 (discretionary)
  - HHS $3,005.1 (discretionary)
- **Purpose:** Promotes school readiness for children in low-income families through educational, physical, social, and emotional experiences. Head Start serves children ages 3 to 5 and is part of the Early Childhood Block Grant (EHBG) which serves pregnant women, infants, and toddlers (from birth until the child turns 3) and Early Head Start–Child Care (EHSCC) Partnerships, in which EHBG programs partner with child care providers serving infants and toddlers.
- **Eligibility:** High-risk children who are 3-4 years old and come from families with income at or below 130% of the Federal Poverty Line.
- **Number of Participants:** More than 930,000 children and parents in FY17.

### Child Care and Development Block Grant (CCDBG)
- **Program:** Child Care and Development Block Grant (CCDBG)
- **Agencies:** HHS
- **Funding (ALL $ in MILLIONS):**
  - ED $3,637.8 (discretionary)
  - ED $1,100 (discretionary)
  - ED $1,170
- **Purpose:** Provides child care services for children and families engaged in training or work activities, including those with disabilities.
- **Eligibility:** Children in a mixed delivery model.
- **Number of Participants:** States 760,000 children in FY16-2017.

### Maternal, Infant, and Early Childhood Home Visiting (MIECHV)
- **Program:** Maternal, Infant, and Early Childhood Home Visiting (MIECHV)
- **Agencies:** HHS
- **Funding (ALL $ in MILLIONS):**
  - HHS $8,143
- **Purpose:** Supports home visiting services for pregnant women and families with young children (birth to kindergarten entry) who live in communities that have concentrations of poor child health and other risk indicators. The visits aim to support parent involvement in their child’s development and help them understand the milestones of physical, social, and emotional growth.
- **Eligibility:** States or territories.
- **Number of Participants:** More than 65,000 children and parents in FY17.

### Preschool Development Grants (PDG)
- **Program:** Preschool Development Grants (PDG)
- **Agencies:** HHS
- **Funding (ALL $ in MILLIONS):**
  - ED $250 (discretionary)
  - ED $250
- **Purpose:** In its new form, beginning in FY13, the Preschool Development Grants (PDG) are one of many possible uses of this highly flexible block grant.
- **Eligibility:** States.
- **Number of Participants:** States 49,263 children in FY17.

### IDEA Grants for Infants and Families
- **Program:** IDEA Grants for Infants and Families
- **Agencies:** ED
- **Funding (ALL $ in MILLIONS):**
  - ED $470 (discretionary)
  - ED $470
- **Purpose:** Provides formula grants to states to help implement state-wide systems for providing quality early intervention services for infants and toddlers with disabilities from birth to age 2 and their families.
- **Eligibility:** States.
- **Number of Participants:** States 57,465 children in FY17.

### IDEA PreKindergarten Grants
- **Program:** IDEA PreKindergarten Grants
- **Agencies:** ED
- **Funding (ALL $ in MILLIONS):**
  - ED $318.1 (discretionary)
  - ED $318.1
- **Purpose:** Provides formula grants to states for the provision of special education and related services to children with disabilities ages 3 to 5.
- **Eligibility:** Institutions of higher education (IHE) compete for grants. IHEs must have policies in place to receive a Federal Pell Grant may participate.
- **Number of Participants:** 3,396 postsecondary students in FY17.

### Child Care Access Means to Enhance (CMAC) Services
- **Program:** Child Care Access Means to Enhance (CMAC)
- **Agencies:** ED
- **Funding (ALL $ in MILLIONS):**
  - ED $50 (discretionary)
  - ED $50
- **Purpose:** Provides campus-based child care services for low-income parents enrolled in postsecondary education. CCAMPS services may include care before and after school.
- **Eligibility:** Institutions of higher education (IHE) compete for grants. Low-income parents at grantees IHEs who are eligible to receive a Federal Pell Grant may participate.

### EARLY CHILDHOOD EDUCATION AND/OR CHILD CARE IS AN ALLOWABLE USE

Numerous federal programs are not dedicated exclusively to supporting early childhood education and/or child care but could potentially be used for those purposes. Below are 10 of the most important in this category.

### Program
- **Title:** Early Childhood Block Grant (EHBG)
- **Agencies:** HHS
- **Funding (ALL $ in MILLIONS):**
  - HHS $9,863.1 (discretionary)
- **Purpose:** Provides supplementary education funding, especially in high poverty areas, for local programs to help support children in high-poverty schools. Because of the program’s wide scope, may support early childhood education programs.
- **Eligibility:** Districts may use some of their funds for preschools in Title I schools, but they have wide discretion on eligibility.
- **Number of Participants:** 26.4 million children served in 2015-2016.

### Program
- **Title:** Social Services Block Grant (SSBG)
- **Agencies:** ED
- **Funding (ALL $ in MILLIONS):**
  - ED $1,170
- **Purpose:** Supports activities in three broad areas: well-rounded educational opportunities, student safety and health, and effective uses of technology.
- **Eligibility:** States.
- **Number of Participants:** Not available.

### Program
- **Title:** Indian Education Grants to IHS
- **Agencies:** ED
- **Funding (ALL $ in MILLIONS):**
  - ED $315.4 (discretionary)
- **Purpose:** Provides assistance to elementary and secondary schools for programs serving American Indian and Alaska Native students, including preschool children. The program supports school efforts to address the unique cultural, linguistic, educational, and health needs of American Indian and Alaska Native youth, and their families. High-quality early education is a required component.
- **Eligibility:** States.
- **Number of Participants:** Not available.

### Program
- **Title:** Student Support in Academic Achievement Title IV Grants
- **Agencies:** ED
- **Funding (ALL $ in MILLIONS):**
  - ED $1,100
- **Purpose:** Provides grants to states and subgrants to LEAs.
- **Eligibility:** States.
- **Number of Participants:** Not available.

### Program
- **Title:** Early Childhood Block Grant
- **Agencies:** ED
- **Funding (ALL $ in MILLIONS):**
  - ED $315.4 (discretionary)
  - ED $1,170
- **Purpose:** Provides education, training, and other services to American Indian and Alaska Native students, including preschool children. The program supports school efforts to address the unique cultural, linguistic, educational, and health needs of American Indian and Alaska Native youth, and their families. High-quality early education is a required component.
- **Eligibility:** States.
- **Number of Participants:** Not available.
FEDERAL PROGRAMS THAT ARE DEDICATED EXCLUSIVELY TO EARLY CHILDHOOD EDUCATION AND/OR CHILD CARE

Head Start

Created in 1965 as part of the War on Poverty, Head Start is the largest federal investment in early childhood education and development. The program promotes school readiness of children from low-income families through education, health, social, and other services. Head Start annually serves about 1 million children and their families. While the program is administered at the federal level by the U.S. Department of Health and Human Services (HHS), Head Start is operated by a network of approximately 1,600 local grantees. Federal funding flows directly to these public and private grantees to provide comprehensive services to children and families. Most of the children served are 3- or 4-year-olds, but the program also includes Early Head Start (EHS), which serves pregnant women, infants, and toddlers (until the child turns 3). In fiscal year 2017, EHS enrollment accounted for almost 19 percent of total Head Start enrollment, a share that has gradually risen over time.21 In the 2016-2017 school year, 31 percent of eligible children ages 3 to 5 had access to Head Start, only about 7 percent of eligible children under 3 had access to EHS.22

Congress established a set-aside within Head Start in fiscal year 2014 for Early Head Start-Child Care Partnerships (EHS-CCP). This program seeks to increase the supply of high-quality early learning opportunities for infants and toddlers and better align the continuum of care and development by setting up partnerships between EHS providers with licensed child care providers that agree to meet Head Start performance standards.

In fiscal year 2017, funding specifically dedicated by Congress for Early Head Start expansion and EHS-CCP allowed HHS to fund 350 grantees serving 38,527 children and families.23

Recent efforts to encourage grantees to increase their hours of operations have come in fits and starts. Grantees are currently required to provide a minimum of 448 annual hours of classes. Research has suggested, however, that disadvantaged children may benefit from longer exposure to early learning programs. To that end, in September 2016, HHS issued a new Head Start Program Performance Standards—the first comprehensive update to the standards since 1975—that required each Head Start center-based program, by Aug. 1, 2019, to provide 1,020 annual hours of classes for at least half of its center-based funded enrollment. And in fiscal year 2018, Congress set aside $260 million to support the goal of increasing program hours.

However, in January 2018, HHS waived the new requirement on program duration before it could take effect. The Department estimated that without significant additional new funding, the requirement would result in 41,000 fewer Head Start slots. The waiver noted: “Although research points to the benefits of increased service duration for an individual child, research has not answered whether the population as a whole benefits more when fewer children are served for a longer time as compared to more children being served for a shorter time.”24 Funding: Congress has increased funding for Head Start for each of the past 4 years. The increase in fiscal year 2019 was $200 million, for a total of $10.1 billion. Within that increase, $50 million was directed to Early Head Start and EHS-CCP, for a total of $805 million.

For more information, see: www.acf.hhs.gov/ohs.

Child Care and Development Fund (CCDF)

The CCDF, administered by HHS, is the main source of federal funding for child care subsidies for low-income working families. It includes a mix of discretionary funds—through the Child Care and Development Block Grant (CCDBG), which is authorized by the CCDBG Act and funded annually through the discretionary appropriations process—and mandatory funds (sometimes referred to as the Child Care Entitlement to States, or CCES) authorized by the Social Security Act and related matching funds. In addition, states have the option of transferring a portion of their Temporary Assistance for Needy Families (TANF) block grants into the CCDF.

The discretionary and mandatory funds are both allocated to states by formula (though under different criteria) and all CCDF funds must be spent according to the same CCDBG Act rules. Those rules changed as a result of the act’s reauthorization in 2014. Among the new provisions intended to protect children’s health and safety, states are required to conduct criminal background checks for all child care staff members; conduct pre-licensure and annual unannounced inspections of licensed CCDF providers and annual inspections of license-exempt CCDF providers; and establish health and safety requirements in 10 topic areas, such as first aid and CPR. The law also requires states to increase the minimum amount they set aside for improving the quality of child care services, from 4 percent of their CCDF allocations to 9 percent, over 5 years. In addition, states will be required to spend a minimum of 3 percent of their allocations to improve the quality of care for infants and toddlers.25

To be eligible for subsidies, families must have low incomes (states have some discretion to set income criteria) and the children must be under 13 and living with parents who are working or attending school or job training. Parents typically receive a certificate (or voucher) that they can use to purchase services from a provider of their choice.

In fiscal year 2016, the most recent year for which data are available, an average of 1.37 million children received assistance from the CCDF per month. Twenty-eight percent of those served were infants and toddlers, under age 3; another 27 percent were ages 3 and 4.26 The fiscal year 2016 average monthly total was the lowest in the program’s history, according to the Center for Law and Social Policy.27 But the number may grow thanks to a historic, $2.4 billion increase for the CCDBG in fiscal year 2018.

The explanatory statement accompanying the fiscal year 2018 appropriations bill said Congress expected that the increase “will support the full implementation of the CCDBG Act as reauthorized in 2014, including activities...
Maternal, Infant, and Early Childhood Home Visiting (MIECHV)

The MIECHV program, administered by HHS, supports pregnant women and families and helps at-risk parents of young children (from birth to the start of kindergarten) access the resources and develop the skills they need to raise children who are physically, socially, and emotionally healthy and ready to learn. MIECHV funding cannot be used for child care or early childhood education, but it often serves as a gateway to these services. Funding is provided to states and territories, which manage and support local agencies that conduct home visits.

Grantees may use any of 18 service delivery models that meet HHS criteria for evidence of effectiveness. The models vary based on family needs, but all reflect a two-generation approach to improving the well-being of parents and children. Research has shown that home visiting helps prevent or abuse and neglect, improves maternal and child health, supports positive parenting practices, and promotes child development, among other benefits.28 Visits are carried out over an extended period and are conducted by nurses, mental health clinicians, social workers, or paraprofessionals with specialized training. The visits aim to support and encourage parents’ involvement in their child’s development and help them understand the milestones of physical, social, and emotional growth. MIECHV also seeks to link families to other resources available in their area, including child care.

In fiscal year 2017, the program served more than 156,000 parents and children in about 80,000 families, over the course of more than 940,000 home visits. By comparison, the program served about 34,000 families in fiscal year 2012.29

Congress established MIECHV in 2010 through the Affordable Care Act. The Bipartisan Budget Act of 2018 extended MIECHV funding for five years at the current funding level of $400 million per year through fiscal year 2022. Notable policy changes in the reauthorization include a requirement for a statewide needs assessment update by Oct. 1, 2020, a new “pay for outcomes” authority, and a requirement to develop data exchange standards for improved interoperability.

Funding: Annual funding for MIECHV has remained flat, at $400 million, since fiscal year 2013.

For more information, see: https://www.acf.hhs.gov/sites/default/files/olab/acf_master_cj_acf_final_3_19_0.pdf (pages 79-102).

Preschool Development Grants (PDG)

A recent progress report on the legacy PDG program found that nearly 26,000 new preschool slots were created. Nearly 23,000 other slots were “improved” through a variety of quality initiatives.30

The Every Student Succeeds Act gives HHS the lead in overseeing Preschool Development Grants.

Funding: PDG funding has remained flat since fiscal year 2014 at $250 million.

For more information, see: https://www.acf.hhs.gov/occ/resource/pdg-b-5-initiative.

The new iteration of the program, Preschool Development Grant Birth Through 5 (PDG B-5), puts a higher priority on maximizing parental choice and coordinating early childhood education (ECE) programs that already exist in a mixed delivery system. Funding from PDG B-5 may not be used to create new early care and learning programs. “In summary,” the September 2018 grant announcement states, “the PDG B-5 grants will support States in their efforts to analyze the current landscape of their ECE mixed delivery system and implement changes to the system that maximize the availability of high-quality early childhood care and education options for low-income and disadvantaged families across providers and partners, improve the quality of care, streamline administrative infrastructure, and improve State-level early childhood care and education funding efficiencies.”31 ESSA also adds new prohibitions on the federal government’s ability to influence state programs; for example, the federal government will no longer be allowed to define “high quality” as it relates to early learning.

HHS expects to award 40 PDG B-5 grants using fiscal year 2018 funding.

Funding: PDG funding has remained flat since fiscal year 2014 at $250 million.

For more information, see: https://www.acf.hhs.gov/occ/resource/pdg-b-5-initiative.
The IDEA Preschool Grants program is administered by ED. Services focus on infants and toddlers (birth through age 2) with disabilities and their families. The program is administered by ED. Services focus on infants and toddlers with developmental delays or diagnosed physical or mental conditions with high probabilities of resulting in developmental delays. States have the discretion to extend these services to children age 3 or older under certain circumstances.

Funding: Congress level funded this program at $470 million in fiscal year 2019, after providing an increase of $11.4 million in fiscal year 2018.

For more information, see: http://www2.ed.gov/programs/osep/psd/index.html.

Child Care Access Means Parents in Schools (CCAMPIS)

CCAMPIS supports the participation of low-income parents in postsecondary education through the provision of campus-based child care services. Discretionary funds are awarded competitively by the Department of Education to institutions of higher education to support or establish campus-based child care programs primarily serving the needs of low-income students. Grants may be used for before- and after-school services, and may also be used to serve the child care needs of the community served by the institution. Annual funding for CCAMPIS had remained relatively flat, at approximately $16 million, for more than a decade, through fiscal year 2017. The level more than tripled, to $50 million, during conference negotiations for the fiscal year 2018 appropriations bill.

Funding: Congress level funded this program at $50 million in fiscal year 2019.

For more information, see: http://www2.ed.gov/programs/ccampis/index.html.

FEDERAL PROGRAMS FOR WHICH EARLY CHILDHOOD EDUCATION AND/OR CHILD CARE IS AN ALLOWABLE USE

Title I Grants to Local Educational Agencies (LEAs)
The cornerstone of the Elementary and Secondary Education Act (ESEA), Title I Grants to LEAs is ED’s most important program for helping disadvantaged children meet challenging academic standards and for holding states and districts accountable for doing so. Districts have the option to use some of their funds for preschool services, although most focus entirely on K-12 instruction. In school year 2015-2016, 2.5 percent of the 26.4 million students served by this program were preschoolers.

The Every Student Succeeds Act (ESSA), which reauthorized the ESEA in 2015, includes several new Title I provisions that could encourage more districts to use this funding for early childhood education. Examples include the following:

– States must now describe in their Title I accountability plans how they will provide assistance to LEAs and schools that choose to use Title I funds to support ECE programs;
– States and LEAs must include on their annual Title I report cards the number and percentage of students enrolled in preschool programs;
– LEAs must describe in their Title I plans, if applicable, how they will support, coordinate and integrate Title I services with ECE programs at the LEA or school level, including plans for the transition of children to elementary school;
– All LEAs receiving Title I funds, regardless of whether they choose to use those funds to support early learning services, must develop agreements and carry out coordination activities with Head Start agencies and other early childhood programs, if feasible.

In addition to these requirements, 13 states have reported plans to incorporate early learning into their state accountability system under Title I, and 15 states and the District of Columbia specify early learning as a strategy for school improvement within Title I, according to an analysis by First Five Years Fund.

Title I funds are allocated through four separate formulas, all of which are based on the number of students from low-income families, as well as other factors. Nearly 60 percent of the nation’s public schools receive this funding.

Funding: Congress increased funding for this program by $100 million in fiscal year 2019, for a total of $15.9 billion. For more information, see: https://www2.ed.gov/about/overview/budget/budget19/justifications/a-ed.pdf

Student Support and Academic Enrichment Grants

Created in ESSA, Student Support and Academic Enrichment Grants (sometimes referred to as the Title IV block grant) is a highly flexible ED program that supports activities in three broad areas: well-rounded educational opportunities, student safety and health, and effective use of technology. ED allocates program funds to states by formula; at least 95 percent of each state’s funding must be subgranted to LEAs.

The Department’s guidance on allowable uses of the funding explains, “A well-rounded education starts with early learning opportunities that make time for exploration.” An analysis by First Five Years Fund found that 38 states explicitly included early learning in their plans for well-rounded education initiatives.

Funding: Congress increased funding for this program by $70 million in fiscal year 2019, for a total of $1.17 billion.

For more information, see: https://www2.ed.gov/about/overview/budget/budget19/justifications/c-up.pdf

IDEA Preschool Grants (Part B, Sec. 619)
The IDEA Preschool Grants program provides formula grants to states to support special education services for children with disabilities aged 3 through 5. To receive these grants, states must make a free appropriate public education available to all 3- through 5-year-olds with disabilities; in recent years, all states have satisfied this requirement. States distribute most of their awards to local education agencies (LEAs), which generally combine their Sec. 619 (Preschool Grants) funding with other IDEA funding they receive through Sec. 611 (Grants for Infants and Families). The program is administered by ED. Services focus on infants and toddlers with developmental delays or diagnosed physical or mental conditions with high probabilities of resulting in developmental delays. States have the discretion to extend these services to children age 3 or older under certain circumstances.

Funding: Congress provided a $10 million increase for this program in fiscal year 2019, for a total of $391.1 million, barely surpassing the fiscal year 2002 level of $390 million.

For more information, see: http://www2.ed.gov/programs/osep/psd/index.html.

IDEA Grants for Infants and Families (Part C)

Part C of the Individuals with Disabilities Education Act (IDEA), also known as Grants for Infants and Families, authorizes formula grants to states to provide early intervention services to infants and toddlers (birth through age 2) with disabilities and their families. The program is administered by ED. Services focus on infants and toddlers with developmental delays or diagnosed physical or mental conditions with high probabilities of resulting in developmental delays. States have the discretion to extend these services to children age 3 or older under certain circumstances.

Funding: Congress level funded this program at $470 million in fiscal year 2019, after providing an increase of $11.4 million in fiscal year 2018.

For more information, see: http://www2.ed.gov/programs/osep/psd/index.html.
Promise Neighborhoods

Established in fiscal year 2010 during the Obama administration and later authorized through ESSA, the Promise Neighborhoods program provides competitive grants to support the development of a continuum of cradle-through-career solutions designed to result in positive outcomes for children and youth within distressed, high-poverty communities. High-quality early childhood programs are among the “pipeline services” that must be provided by all grantees. No data specifically tracking the number of preschool children served by Promise Neighborhoods were available from ED, which administers the program. But ED recently developed new performance measures for the program, one of which is designed to determine whether children entered kindergarten ready to learn.

Funding: Congress level funded the program at $78.3 million since fiscal year 2016. For more information, see: https://innovation.ed.gov/

Indian Education Grants to LEAs

The Indian Education Grants to LEAs program is ED’s principal vehicle for addressing the unique needs of American Indian children, including preschool children. The program provides formula grants to eligible LEAs, Bureau of Indian Education (BIE)-operated schools and other BIE-supported schools to support elementary and secondary school programs that serve American Indian and Alaska Native (AI/AN) children. In order for an LEA or BIE school to be eligible for funding, the number of AI/AN children must be a minimum of 10 or constitute not less than 25 percent of the total enrollment. This requirement does not apply in Alaska, California, or Oklahoma, or to districts located on, or in proximity to, a Native American reservation.

Funding: Congress level funded this program at $105.4 million since fiscal year 2018. For more information, see: http://www2.ed.gov/programs/indianformula/index.html.

Comprehensive Literacy Development Grants

The Comprehensive Literacy Development Grants program supports efforts to improve literacy instruction in high-need schools or early childhood education programs. ED awards funds competitively to states; at least 95 percent of each state’s funding must be subgranted to school districts or early childhood education providers, and at least 15 percent of each state’s subgranted amount must be reserved to serve children from birth through kindergarten entry. Allowable uses of the 15 percent set-aside for early learning include professional development and training for early childhood educators; activities to increase family engagement in children’s literacy, and related activities.

Funding: Congress has level funded this program at $190 million since fiscal year 2016. For more information, see: https://www2.ed.gov/programs/strivingreaders-literacy/index.html

Social Services Block Grant (SSBG)

SSBG is a highly flexible state block grant administered by HHS for the purpose of helping low-income children and families, people with disabilities, and the elderly with a documented need to achieve self-sufficiency and economic independence. Child care is one of 29 “service categories” that states use when reporting on their SSBG spending. SSBG is a capped entitlement, and funds are allocated on the basis of state population; in addition, states may transfer up to 10 percent of their TANF allocations to the SSBG. (In fiscal year 2015, states transferred approximately $1.14 billion from TANF to SSBG to supplement the $1.62 billion—after sequestration—that was appropriated directly for that program.)

Each state determines which services to provide and who is eligible to receive them, based on state and local needs, as long they adhere to broad, statutory goals that aim to reduce dependency, neglect, and abuse of children and adults. In fiscal year 2015, child day care—serving infants, preschoolers, and school-age children—was the third largest service category, by recipients, after food and shelter and Health and Human Services—TANF to SSBG to supplement the $1.62 billion—after sequestration—that was appropriated directly for that program.

A total of 30 states spent a combined $288 million from SSBG funds for child care in fiscal year 2015; of that total, $55 million was from states’ SSBG allocations and $238 million was transferred to SSBG from TANF.³⁸ The fiscal year 2015 total was a $51 million, or 15 percent, drop from the fiscal year 2010 level.³⁹ Approximately 3.74 million children attended day care programs funded by the combined SSBG sources in fiscal year 2015.⁴¹ SSBG funding for child care is not subject to CCDBG Act rules.

Funding: Annual funding has been capped at $1.7 billion since fiscal year 2002, but sequestration has reduced the yearly amounts since fiscal year 2013. The post-sequestration level for fiscal year 2019, not including the $85 million Health Profession Opportunity Grants program, is nearly $1.6 billion.

For more information, see: https://www.acf.hhs.gov/ocs/programs/ssbg
Temporary Assistance for Needy Families (TANF)

Created in the 1996 welfare reform law, TANF is the successor to the Aid to Families with Dependent Children program. This mandatory program, administered by HHS, provides highly flexible block grants to states for the broad purpose of addressing the causes and effects of childhood poverty. While TANF is best known for providing cash assistance to families, states also use these funds for a wide range of other services. In fiscal year 2016, the most recent year for which data are available, child care was the second largest use of TANF funds.42

States are allowed to transfer up to 30 percent of their TANF block grants to the Child Care and Development Fund (CCDF); these transferred funds are then subject to the Child Care and Development Block Grant (CCDBG) Act rules. In fiscal year 2016, states transferred a total of $1.4 billion in federal TANF funds to CCDF, an increase of $152 million, or 12 percent, over the previous year.12 states transferred the 30 percent maximum to CCDF (or a combination of CCDF and SSBG).43

While TANF is best known for providing cash assistance to families, states can also use these funds for child care and preschool.

States may also spend TANF funds directly on child care. These “TANF-direct” funds are not subject to CCDBG Act rules, and no data are collected about the number of children who are served with this funding or the type and quality of care they receive. In fiscal year 2016, TANF-direct spending on child care rose $42 million over the previous year, for a total of $1.3 billion.44 In addition, states spent $93 million in TANF funds on preschool/Head Start in fiscal year 2016, up from $52 million in fiscal year 2015.45

Funding: TANF funding has remained flat, at $16.5 billion, since the program began in 1996.

For more information, see: http://www.acf.hhs.gov/programs/ofa/programs/tanf

Family and Child Education (FACE)

FACE is a small program, administered by the Bureau of Indian Education (BIE), within the U.S. Department of the Interior. The program is operating in 49 schools during the 2018-2019 school year. Funded through BIE’s Early Child and Family Development program, FACE is designed to promote family literacy and address the achievement gap for American Indian children primarily located on rural reservations. Its goals are to support parents in their role as their child’s most influential teacher, increase parent participation in their child’s learning and expectations for academic achievement, and promote lifelong learning, all while celebrating the unique cultural and linguistic diversity of American Indian communities. Although it is primarily oriented towards adults, providing home-based services such as parenting skills, adult education, and home visitations, FACE also supports preschool at BIE-operated schools. After preschool through third grade, FACE offers continuing opportunities for active learning and parent involvement to families and children.

A 2017 evaluation of the program found numerous benefits to children and parents. Some notable benefits include: 92 percent of children were screened for developmental delays and health and dental programs in program year 2017; average test scores on an expressive vocabulary test rose significantly between fall and spring; and parents in the program were more likely to read to their children at home than parents nationwide.46

Funding: Congress funded the program at $18.8 million in fiscal year 2018 and is expected to provide the same amount in fiscal year 2019 once the Interior appropriations bill is enacted.

For more information, see: https://bie.edu/Programs/FACE/index.htm

Child and Adult Care Food Program (CACFP)

An entitlement program administered by the U.S. Department of Agriculture (USDA), the CACFP provides reimbursement for nutritious meals and snacks at licensed child care centers, Head Start centers, afterschool programs, and adult care homes. The vast majority of funding is spent in child care settings, making it possible for millions of children from low-income families to receive age-appropriate meals and snacks.

Funding: As a mandatory program, funding fluctuates depending on the cost and number of meals/snacks served and the reimbursement rates. In fiscal year 2017, CACFP spending was $3.5 billion, but was expected to rise to $3.8 billion in fiscal year 2018 and $3.9 billion in fiscal year 2019.

For more information, see: http://www.fns.usda.gov/cacfp/child-and-adult-care-food-program

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