

the state budget and your budget

Highlights of public funding and a way to really get their attention

by Eric Karolak

“Follow the money,” the source known only as Deep Throat told *Washington Post* reporters on the trail of the Watergate conspiracy 35 years ago. In a way it might also be good advice for anyone on the trail of the complex funding challenge that early childhood education so often is these days.

Your state and the federal budget matter for child care and early education program funding. Decisions are being made that dictate how many children can be served, how many teachers will



Eric Karolak is Executive Director of the Early Care and Education Consortium, a public policy alliance of America's leading national, regional, and independent providers of quality early learning programs. ECEC members operate more than 7,600 centers enrolling more than 800,000 children in 49 states and the District of Columbia. Dr. Karolak previously led the National Child Care Information Center, the largest federal clearinghouse focused on child care and early education for low-income families. He has worked closely with states developing the technical aspects of child care assistance programs, quality rating systems, and partnerships across early childhood programs. He has conducted policy research and fiscal analysis in the areas of child welfare, child care, women's labor force participation, and public housing, and has testified before several state legislatures and the U.S. Congress. Dr. Karolak also has served as an advisor to a national quality initiative, a non-profit child care center, a local government commission, and a metropolitan United Way.

be trained, and how much you can offer your children and families. The broader economic picture in your community matters, too — you may see the impact of a sluggish economy on your individual program. Rising food and supply costs have to be covered; you may find that fewer children are enrolled as parents from all walks of life struggle to find new ways to make ends meet.

So, where do budgets come from?

Most state fiscal years begin in July, and not quite half of the states have biennial budgets that are negotiated every two years. Typically, Governors present a budget proposal to the legislature in January or February, but they develop those proposals the previous fall, with input from their agency heads. So, it's never too early to think about state budgeting.

For instance, in many states advocates for early care and education come together in late summer, just after the budget is passed, to define what they think the early learning priorities should be for the *next* state budget. They mirror the process used within the Administration to develop

recommendations that are clear and, potentially, easy for an Administrator to incorporate into his or her recommendations to the Governor — that way, advocacy can get a step up on the legislative process.

Every state's budget process is a little different, but at the federal level there's one process. By the first Monday in February, the President submits to Congress a budget request for the coming federal fiscal year, which begins on October 1. It lays out the President's relative priorities and specific funding recommendations for programs. After receiving the President's budget request, Congress generally holds hearings to question Administration officials about the proposal and then develops its own budget resolution. The congressional budget resolution outlines broad guidelines and priorities and is supposed to be passed by April 15, but it often takes longer. Then appropriations committees work out the details of how many dollars should go toward each federal program and initiative (child care, highways . . . everything). Sometimes Congress doesn't pass a budget resolution. In that case, the previous year's resolution, which is a multi-year plan, stays in effect.

Here's a quick look at where we are in the annual budget process in a few states —

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and at the federal level — some highs, some lows, and some unknowns. We're all working toward raising awareness about investment in early care and education programs across the country and you'll find there is a lot we can do together.

In the states

According to the Center on Budget and Policy Priorities, at least 29 states are facing budget shortfalls this year, and because states cannot run on a deficit (like the federal government can) state leaders are forced to make decisions about expenses and revenues. Do you know how your state fared?

Pennsylvania reached a budget agreement in July that increased funds for child care and pre-kindergarten, despite tight budget times. Advocates across the state are calling this a big win as programs prepare to serve more children and expand quality initiatives.

Alabama also found new money for pre-kindergarten, despite a \$784 million budget gap. The state's prekindergarten program earned the highest rating from the National Institute for Early Education Research (NIEER) and now will be able to serve more children.

The **Kentucky** legislature adjourned after making a big change to funding for children's programs. KIDS NOW initiatives (including child care and children's health) are funded through tobacco settlement dollars. The legislature moved to transfer 25% of that fund back in to the general fund to cushion the budget gap in the state, resulting in a \$12 million cut over 2 years for KIDS NOW programs, including \$1.5 million cut from child care in the first year and \$1.8 million cut in the second.

California's budget shortfall approached \$18 billion this summer and at press

time a budget agreement still seems a long way off. Child care providers and others are making arrangements to function without new subsidy dollars, and scrambling to keep staff whole and services full.

In **Arizona**, child care dodged a bullet. Facing a \$2 billion deficit, lawmakers considered cuts in funding and reduced eligibility, but thanks to the hard work of providers and other advocates, the budget passed with no cuts to child care and \$5 million to backfill payments to the program. Plus, budget language prohibits the state from cutting eligibility for subsidies or creating a waiting list.

Other early childhood policies have been on the move as well. **Louisiana** will be moving toward universal pre-kindergarten for four year olds. **Delaware** is getting a quality rating system. **Colorado** aligned education

programs from preschool through college. **New Jersey** is expanding preschool beyond the well-known Abbott districts. And **Virginia** set up a new Office of Early Childhood Development to oversee child care quality initiatives and pre-kindergarten.

In Congress

States count on funds from the federal Child Care and Development Block Grant (CCDBG) to support child care subsidy and quality initiatives. This year, with all eyes on a presidential contest that will bring a new occupant to the White House, Congress seems unlikely to complete the funding (appropriations) process. But so far, House and Senate Appropriations Committees are acknowledging child care.

The House Committee approved an amount \$50 million over the current year for child care, and the Senate went with a \$75 million increase. They also seek to increase funds for Head Start and maintain or increase funds for after-school programs. For details, please visit the Federal Action Center at www.ececonsortium.org.

The House Appropriations Committee made a strong statement in support of child care in their report:

“The Committee believes that child care is a wise investment. First, child care assistance is essential to enable low-income parents to work and become self-sufficient. Single mothers who receive child care assistance are 40% more likely to remain employed after two years than those who do not receive assistance. Second, studies have shown that high-quality child care helps ensure that children enter school ready to succeed.”

The Senate Appropriations Committee report focuses on the quality of care: “The Committee has provided additional

quality funds because of the considerable research demonstrating the importance of serving children in high quality child care settings which include adequately compensated, nurturing providers who are specially trained in child development.”

Let's do something about it

The “Policy Matters” column for the July/August issue of *Exchange* magazine was about your critical role as a child development expert and the different ways to get involved, support your program, and teach legislators about what is really going on out here.

What can we do when we're told there isn't any money?

It is a question of priorities. Do our lawmakers prioritize children? And, just because there might not be money today doesn't mean we stop asking. In fact, it means it is high time we SHOW them.

Show them?

Often the best way to help an elected official understand is to SHOW them. Inviting leaders to your program lets them see for themselves the important work being done and why they need to support it. By bringing them out of their offices and into a child care center, family child care home, or other program, we can move beyond fact sheets and meetings and give them a ‘call to action’ to improve the quality of care based on what they saw first-hand.

Many advocates have had great success with this kind of effort. By showing a decision-maker around your program, showing them what a difference a state or federal program makes, and asking for their support, you take them into the real world. It doesn't matter why they come (“Running for office and you want your picture taken with babies?”). What matters is that when they show up, you have an

opportunity to make your point in a very real way.

These visits do not have to be elaborate, and it does not have to be complicated to plan. Go to www.ececonsortium.org for a site visit kit and see just how easy it can be.

Work together

Work together with others who want to send a simple message to prioritize children. One opportunity right around the corner is “Step Up for Kids Day” — a nonpartisan, nationwide event to highlight children's needs. On **September 16**, early childhood teachers and directors, volunteers, parents, and children will join together on the steps of all 50 state capitols to draw attention to issues affecting America's children, including early care and education, and help make investing in children a priority in the 2008 elections. It doesn't matter which candidate you support; they need to know you support children. For more information, visit www.everychildmatters.org.

In the next issue, we look back on the 110th Congress and ahead to 2009!

Schon's Corner

