



Ann O'Leary
01/24/2000 07:00:36 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP@EOP
cc: Nicole R. Rabner/WHO/EOP@EOP, Ruby Shamir/OPD/EOP@EOP
Subject: Childcare Numbers

Bruce -

You asked for the number of children served in FY '93 vs. FY '00 and FY '01. As you know, due to the fact that the program has changed significantly as has the way in which numbers are reported, OMB does not like to use the FY '93 numbers and we have not publicly released them.

Instead, it is powerful to note that with our 2001 budget request, we will be able to serve nearly 1 million more children than we served in FY97 (the first year after the changes). The numbers served are as follows:

FY '97 1.25 million children served
FY '98 1.5 million
FY '99 1.75 million (estimated)
FY '00 1.92 million (projected)
FY '01 2.22 million (projected)**

**The 150,000 more children that we have used in previous '01 documents refers to the additional 150,000 children we will be able to serve with the \$817 million increase (above the \$1.82 billion advanced appropriation for CCDBG).

Please let us know if you need additional information.

Thanks.

-Ann



DEPARTMENT OF HEALTH & HUMAN SERVICES

Administration for Children and Families
Administration on Children, Youth and Families
330 C Street, S.W.
Washington, D. C. 20201

FACSIMILE COVER SHEET

TO: RUBY SHAMIR

ORGANIZATION: DPC

FROM: JULIE BOSLAND

TELEPHONE #: 401-2887

RECIPIENT'S FAX NUMBER: 456-²⁸⁷⁸~~6087~~

NUMBER OF PAGES INCLUDING THIS SHEET: 2

REMARKS

I THINK WHAT YOU ARE LOOKING FOR
RE: MANDATORY \$ IS IN COLUMN 2 - SORRY
FOR THE CONFUSION. I BELIEVE THIS HAS
EVERYTHING YOU NEED BUT CALL IF IT DOESN'T
OR YOU HAVE FOLLOW UP QUESTIONS. AS WE
DISCUSSED, STATES CAN ALSO ADD STATE \$ OR
TRANSFER TANF \$ BUT THIS IS THE FED. APPROP.

Fax (202) 205-9721

Julie

	Discretionary (CCDBG) Program Level /1	Mandatory & Matching Fund Appropriation	JOBS & Transitional Child Care (Federal share of expenditures)	At-Risk Child Care Appropriation	Total Funding (Program Level) /1	FY1993-2000 Percent Increase	Discretionary (CCDBG) Appropriation	Total Appropriations	FY1993-2000 Percent Increase
FY 1993	825,000,000	n/a	620,182,604	300,000,000	1,745,182,604		892,711,000	1,812,893,604	
FY 1994	892,711,000	n/a	752,718,939	300,000,000	1,945,429,939		892,711,000	1,945,429,939	
FY 1995	892,711,000	n/a	949,602,623	300,000,000	2,142,313,623		934,642,000	2,184,244,623	
FY 1996	934,642,000	n/a	981,406,369	300,000,000	2,216,048,369		934,642,000	2,216,048,369	
FY 1997	953,762,000	1,967,000,000	-	-	2,920,762,000		19,120,000	1,986,120,000	
FY 1998	1,002,139,697	2,067,000,000	-	-	3,069,139,697		1,002,139,697	3,069,139,697	
FY 1999	1,000,000,000	2,167,000,000	-	-	3,167,000,000		1,000,000,000	3,167,000,000	
FY 2000	1,182,672,000	2,387,000,000	-	-	3,549,672,000	103%	1,182,672,000	3,549,672,000	96%

In FY 1997, CCDBG funds were awarded to States on the last day of the fiscal year in which they were appropriated. This column shows FY92-96 CCDBG funds according to the year in which they were available to be spent (the year after they were appropriated).

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CHILD CARE SUBSIDIES

BACKGROUND: As documented in HHS' September 1999 report, Access to Child Care for Low-Income Working Families, only 10 percent of children eligible for federal child care assistance through the Child Care and Development Block Grant (CCDBG) are receiving support. The report compiled state-by-state data of the number of children eligible for federal funds and found that the percentage of children helped ranged from a low of 4% in Mississippi to a high of 24% in West Virginia. Overall, the report estimates that 14.7 million children in low income families were eligible to receive a subsidy under federal income limits, but only 1.5 million children in 1998 received assistance. The President's FY 1999 and FY 2000 budget requests contained significant new mandatory resources for child care assistance through CCDBG (\$7.5 billion over five years) to provide child care subsidies to 1.15 million additional children.

RECOMMENDATION: Move the President's subsidy expansion request to the discretionary side of the budget. Currently, the discretionary title is funded at \$1.182 billion. Increase that by \$818 million for FY 2001 and 1.12 for FY 2002 (because CCDBG is an advance appropriated program, our budget should address both fiscal years). An increase of \$818 million in FY 2001 would enable the program to serve an additional 220,000 low-income children, assuming no state match, and 275,000 additional low-income children, with an 80-20 match. While the current discretionary title contains no match, the President's FY 2000 budget request for additional mandatory subsidy dollars introduced a new 80-20 match. Therefore, we recommend maintaining the 80-20 match in the new discretionary budget request.

FURTHER RECOMMENDATION: If we decide to pursue a child care quality initiative on the mandatory side of the budget, we recommend re-proposing for FY 01 two items in CCDBG that exist in FY 00 but were not included in the Omnibus Appropriations, which forward-funding CCDBG for FY 01 – (1) the \$50 million set-aside for infants and toddlers, and (2) the \$10 million set-aside for child care research.

12.7.99

*early
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Nicole R. Rabner

12/10/99 07:14:13 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP@EOP, Eric P. Liu/OPD/EOP@EOP

cc: Ruby Shamir/OPD/EOP@EOP, Ann O'Leary/OPD/EOP@EOP, Anna Richter/OPD/EOP@EOP

Subject: CCDBG and Head Start

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Per your request, below please find cost estimates for a variety of 5 and 10 year goals to enhance participation considerably in Head Start and the Child Care and Development Block Grant.

HEAD START

5/7/95

The memo attached below outlines 5-year and 10-year paths and cost estimates (prepared by OMB) for achieving full participation in Head Start (as well as maintaining our commitment to the growth of Early Head Start). Note that both these paths achieve 1 million children by 2002 (the President's goal), rather than by FY 2001, as Gene had asked for (Gene's request was for a cost for reaching the 1 million goal next year and for achieving full participation by next year -- both, but certainly the latter, would be nearly impossible from a programmatic, capacity standpoint, as I understand). You had asked for a 10-year estimate, but, as you'll see, the 10-year path in fact would require less ambitious program expansion than the program has seen under this Administration. For that reason, we also included the 5-year goal. The cost over five years is \$44.5 billion, and the cost over ten years is \$138 billion.

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CHILD CARE AND DEVELOPMENT FUND

The Excel chart attached below outlines a variety of options to achieve, over 10 years, a variety of goals for serving substantially more low-income children through the Child Care and Development Fund (CCDF). In 1998, the CCDF served 1.53 million children, with federal funding of \$3.1 billion. The President's FY 00 proposed initiative to add \$7.5 billion to the program over five years in mandatory funds with an 80/20 match, which when combined with the funds added in welfare reform, would have enabled the program to serve 2.4 million children in FY 04 (and increase of 1.15 million children over FY 97). The chart below outlines paths to the following 10-year goals: (1) quadruple the number of eligible children served by the program (reaching 6.1 million children); (2) triple the number of eligible children served by the program (4.6 million children); (3) enable states to serve all children under 200 percent of poverty (8.8 million children); (4) enable states to serve all children under 150 percent of poverty (6.5 million children); and (5) enable states to serve all children under 135 percent of poverty (5.8 million children). Each goal is costed both at 80/20 match and at FMAP. As you will see, the 10-year costs are enormous -- option 2 under FMAP, for instance, costs \$41.6 billion.

*+ TANF
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*10 yr
only 2.4M
by 2003 or 2002*

*- Ten yr on mandatory
- on discretionary we have*

The latter two options are less desirable than the others because the Administration has urged states to use the block grant to serve children up to the federal income limit (85 percent of state median income, which in most states is above 200 percent of poverty), and therefore to consider the program one for working families.



CCDF expansion.x