THE CHILDREN'S BUDGET COALITION INVESTING IN THEIR FUTURE

February 15, 2022

The Honorable Chuck Schumer

U.S. Senate

322 Russell Senate Office Building

Washington, DC. 20510

The Honorable Nancy Pelosi

U.S. House of Representatives

1236 Longworth House Office Building

Washington, DC. 20510

The Honorable Mitch McConnell

U.S. Senate

317 Hart Senate Office Building

Washington, DC. 20510

The Honorable Kevin McCarthy

U.S. House of Representatives

2468 Rayburn House Senate Office Building

Washington, DC. 20510

Dear Speaker Pelosi, Majority Leader Schumer, Minority Leader McConnell and Minority Leader McCarthy:

As members of the Children's Budget Coalition, comprising over 80 advocacy organizations dedicated to prioritizing children and families in federal policy and budget decisions, we are writing to urge you to pass the FY 2022 annual spending bills in the coming weeks, increase resources for the many programs successfully supporting and protecting children, and avoid a long-term continuing resolution (CR). The House and Senate FY2022 spending bills would make robust investments in the many programs and services critical to the healthy development and well-being of all our children and build off the overwhelming progress of the American Rescue Plan (ARP) that could lead to a 47 percent reduction in child poverty in 2022.

A long-term CR that extends the FY 2021 funding levels would fail to meet the growing, urgent and unique needs of our children by reducing resources that impact every aspect of their lives. We continue to learn about the hardships children endure across the country and around the globe, and the deepened disparities brought on by the pandemic and its ensuing economic collapse. However, we know that these issues were not brought about by COVID-19 and will not go away with the virus. Reduced and unpredictable FY2022 funding under CRs would compound the expiration of gamechanging investments provided by the ARP, reverse historic progress, and deny children long-overdue and essential support to ensure they all can live, learn and play in safe and healthy environments that allow them to reach their full potential.

The share of **federal spending on children plunged from 10.2% in FY2016 to an all-time low of 7.64% in 2020,** according to First Focus' <u>Children's Budget 2021</u>. In the wake of COVID-19, Congress

responded with much-needed investments in early childhood, child care, education, child nutrition, health care, housing, income support and more, and reversed that downward spending trend – the share dedicated to children rising from a record low of 7.64% in 2020 to 11.15% in 2021 – an unprecedented increase.

In particular, the *Children's Budget 2021* shows that the increase in the share of federal spending on children stems from an 81% increase in the discretionary share of spending on children. This increase represents a temporary solution to the persistent and widespread challenges children and families face, and we urge Congress to follow-through on the successful investments and policy changes in the ARP to prioritize children in FY 2022 spending decisions. Failure to reach agreement on the FY 2022 appropriations bills, coupled with the expiration of ARP investments, could induce economic instability and material hardship for tens of millions of households with children at a time when there remains considerable uncertainty about the public health crisis and our economic recovery.

Continuing Resolutions Hurt Kids

The President's FY 2022 budget request calls for a roughly 16% increase in non-defense discretionary spending. The House bills largely reflect that request and the Senate annual spending bills would provide a nearly 13% increase for non-defense discretionary spending. We applaud these increases for resources to children overall, and urge your commitment to address the systemic racial inequities that prevent equal access to federal resources for all children. Children of color continue to experience poverty and food insecurity at higher rates than white children, and greater challenges to accessing quality health care and educational support. We cannot turn our backs on the children of color continue to experience poverty and food insecurity at higher rates than white children, and greater challenges to accessing quality health care and educational support. We cannot turn our backs on the children of color continue to experience poverty and food insecurity at higher rates than white children, and greater challenges to accessing quality health care and educational support. We cannot turn our backs on the children of color continue to experience poverty and food insecurity at higher rates than white children, and greater challenges to accessing quality health care and educational support. We cannot turn our backs on the children of color continue to experience

A continuing resolution is anticipated to fund programs at the same level as FY 2021, and unless Congress includes an inflation adjustment, will effectively cut programs and services when too many families continue to struggle to make ends meet and pressing needs go unmet. High rates of inflation mean dollars do not go nearly as far as the year before, resulting in programs actually receiving a decrease in "real" funding instead of the many investment increases children's programs and services would receive under the House-passed and Senate-proposed annual spending bills. Cuts in funding mean critical programs will serve fewer children, caregivers and families, and reverse the current and remarkable upward spending trend realized due largely to the investments and policy changes authorized under the ARP. The FY 2022 budget request and the House and Senate marks for FY 2022 build off the ARP progress to continue to reduce child poverty, better children's mental and physical health, invest in education and early childhood development, improve access to nutrition assistance, provide safe affordable housing, and more. Let's not change course and backpedal on our children.

The roughly 250 programs that benefit children and families fall under the jurisdiction of five appropriations subcommittees including, Labor, Health and Human Services, and Education (Labor-H), Agriculture and Food and Drug Administration (Ag-FDA), Transportation and Housing and Urban Development (T-HUD), Commerce, Justice and Science (CJS), and State, Foreign Operations and Related Programs. Comparing the House and Senate marks and the President's request to the FY 2021 funding levels, nearly 85% of the programs tracked in the *Children's Budget 2021* would see a cut in funding, reverting us back to an unacceptable and deeply troubling downward spending trend on our children, harming those experiencing financial strain and most in need.

Below we share just a few examples of the numerous programs benefitting children that could be hamstrung under a long-term CR to improve access, outreach and operations when so many kids and caregivers deserve support.

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

The Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides access to healthy foods, nutrition screening and education, breastfeeding support, and referrals to healthcare and social services for income-eligible women who are pregnant or postpartum, infants, and children up to age five. As a discretionary program, its funding levels are designated by Congress each year. Since April 2021, WIC has provided enhanced fruit and vegetable benefits for 4.7 million women and children - increasing child benefits by \$15 a month and adult benefits by at least \$30 a month. This is one of the most substantial investments in WIC's longstanding efforts to strengthen maternal and child nutrition outcomes, resulting in higher overall transactions, greater variety of fruit and vegetable purchases, and increased consumption for children. The WIC benefit bump is one of many investments that is at risk without a full-year appropriations agreement, with the fate of this increase dependent on quarterly extensions in the continuing resolutions that are complicated to implement on the local level. Not only that, the Senate Agriculture Appropriations bill would increase WIC funding to \$6.28 billion, ensuring the long-term viability of the benefits increase and investing in additional program improvements.

The Summer Electronic Benefit Transfer for Children (Summer EBT)

The Summer Electronic Benefit Transfer for Children (Summer EBT) demonstration was created to help close the summer meal gap by providing food assistance to low-income children during the summer months through SNAP and WIC EBT technology. Summer EBT demonstration projects began by serving 12,000 children across five states in 2011. Data on this pilot showed that Summer EBT helps to close the child nutrition gap during the summer months, reducing food insecurity and increasing consumption of healthy foods among participating children. Based on the success of the early

demonstrations, Summer EBT was expanded to additional states and communities, reaching nearly 300,000 children at its peak. As you finalize funding levels and subcommittee allocations, the recommended increase for FY 2022 would help the program serve more families in additional states and communities.

Children's Mental Health

The COVID-19 pandemic continues to negatively impact kids' mental health. The American Academy of Pediatrics, the American Academy of Child and Adolescent Psychiatry and Children's Hospital Association recently declared a national emergency in child and adolescent mental health – stating, "As health professionals dedicated to the care of children and adolescents, we have witnessed soaring rates of mental health challenges among children, adolescents, and their families over the course of the COVID-19 pandemic, exacerbating the situation that existed prior to the pandemic." Adding that more than 140,000 children in the U.S. lost a primary and/or secondary caregiver, disproportionately affecting children of color. In addition, COVID-19 related school closings have disrupted children's access to mental health services. Federal programs that address child and youth mental health are critical to ensure all children and families have access to mental health screening, diagnosis, and treatment.

In response to this need, the House and Senate increased funding for the Infant and Early Childhood Mental Health program and Pediatric Mental Health Care Access program by over 60%. Kids cannot afford a decrease in mental health funding at this critical time.

Title I Grants to Local Education Agencies

Title I Grants to Local Education Agencies provide supplemental education funding, especially in low-income areas, for local programs that enhance and provide additional academic assistance to help students in schools in low-income areas. Funding for the program has not kept pace with the rising number of low-income students. From 2006-2017, the number of children eligible for Title-I funding grew by about 28%, while federal spending on the program only grew 17%. The House Labor-H FY 2022 bill would increase funding for this program from \$16.5 billion to \$36 billion, a nearly 118% funding increase. The Senate Labor HHS FY 2022 bill would increase funding for this program from \$16.5 billion to \$33.1 billion, a 100% funding increase. These grants also are a major boon for equity pushes, providing support for Black and brown students as well as students experiencing homelessness and in foster care, who disproportionately make up the populations served by Title I. These funding increases are critical to provide children and schools in vastly underserved areas the resources they deserve to help students succeed and engage with their learning.

Full-Service Community Schools

The Full-Service Community Schools program funds schools that provide wrap-around assistance for students and families (including health, social, and academic services), leverage outside organizations and provide space for stakeholders in decision-making processes to build schools guided by community input for community benefit. When the pandemic hit, community schools were uniquely prepared to support students, families and teachers in an unprecedented time, due to their responsive and accountable framework of democratic schooling. At its current funding levels, the program receives \$30 million a year. The President's FY 2022 Budget would increase funding to \$443 million and both the House and Senate recommendations follow that request closely. In order to help create a future where community-centered schooling is the norm, rather than an aberration, meaningfully increasing annual funding is a crucial first step in the incubation period of the Full-Service Community Schools program.

Early Learning

Early learning programs are incredibly important to the development and education of young children. Therefore, robust funding is necessary to ensure these programs are able to reach as many eligible children as possible. Head Start and Early Head Start, which provide health, education, and nutrition services to low-income children, only reach 36% of eligible Head Start kids and 11% of eligible Early Head Start kids. The Biden FY 2022 proposed budget and Senate Labor-H bill include \$11.9 billion for Head Start and Early Head Start, which is a 10.6% increase over FY 2021 funding. The House Labor-H FY 2022 bill includes \$12.2 billion, a \$13.5% increase over FY 2021 enacted levels. The Senate bill includes a 24% increase and the House bill includes a 25% increase for the Child Care and Development Block Grant (CCDBG). Increased funding for these programs is necessary so more eligible children and families can be reached. Head Start, Early Head Start, and CCDBG also received much-needed emergency COVID-19 relief funding in 2020, and so maintaining these programs at FY 2021 levels would lead them off an even larger cliff for FY 2022.

Preschool Development Grants (PDG) help states build or enhance preschool infrastructure to increase the quality of programs and to expand high-quality preschool programs to high-need communities. The Biden FY 2022 proposed budget and Senate and House Labor HHS FY22 bills include \$450 million for PDG, a 59.3% increase over FY21 enacted levels. Increased funding for this program will allow more states to develop high quality early learning programs for eligible families.

Healthy Housing

The Office of Lead Hazard Control and Health Homes mission is to provide safe and healthy homes for at-risk families and children by promoting and funding the identification and repairs in at-risk housing to address conditions that threaten the health of residents. This includes the Healthy Homes Program, which protects children and their families from housing-related health and safety concerns including mold, lead, allergens, asthma, carbon monoxide, pesticides, and radon, as well as Lead Hazard Reduction and Control grants to safely remove lead in as many pre-1978 homes as possible. Studies show that healthy, stable housing delivers positive outcomes for children including improved physical and psychological health outcomes, education readiness and performance as well as higher, longer-term earnings potential. The House and Senate call for between a \$40 milion and \$100 million increase from the FY2021 funding level of \$360 million.

Child Maltreatment Prevention

With many people greatly concerned about the potential impact of the pandemic on child well-being, isolation for children, and the stresses these last two years have caused for families, we need to strengthen our efforts to address and prevent child maltreatment. Appropriators include significant increases of between 33% to 50% in the two small but important Child Abuse Prevention and Treatment Act (CAPTA) programs. The CAPTA state grants would receive \$125 million and \$90 million for the Community-Based Child Abuse Prevention (CB-CAP) grants would be available to continue a focus on child abuse prevention and help confront the institutional racism prevalent in our child well-being systems. These levels are far below the currently proposed authorization levels, and we know that strengthening family support and resources are vital always, but especially now.

Juvenile Justice

The goal of the Girls in the Juvenile Justice System program is to reduce risk factors and promote protective factors for girls who come in contact with the juvenile justice system, and place them on a path toward success, stability, and long-term contribution to society. The 2021 Girls in the Juvenile Justice System grantees were equipped to provide programming that addressed girls' individual and cultural trauma, teach girls self-advocacy and conflict resolution skills, help girls identify positive role models, make space for girls to build supportive connections with each other, and provide gender-responsive training to system actors. These services are critical to reducing risk factors and promoting protective factors that prevent girls from further juvenile system involvement. The House and Senate recommendations would improve the program's reach and increase funding by roughly 70%.

Census Bureau

Historically the decennial census has undercounted children and other Census Bureau surveys such as the American Community Survey (ACS) also undercount young children. This is seriously troubling as census data guide the allocation of more than \$800 billion in federal funding to children's programs that help keep our most vulnerable children and families from falling into poverty. Those programs include CHIP, Medicaid, Child Care and Development Fund, Foster Care, Title I education funding, Special Education Grants (IDEA), and more. Accurate data is essential to ensure that federal funds are reaching all eligible children because we know that investment in early childhood development results in improved school performance, better health, higher earning potential, and increased opportunities for parents to participate in the workforce.

To that end, we urge you to provide the Census Bureau with increased funding to meet its constitutionally mandated decennial census mission and pursue initiatives that would be important to ensure it can improve its count of children. Increased funding would allow the Bureau to update the ACS to use better methods for counting young children and continue and improve its Household Pulse Survey which has given us essential, up-to-the-minute information on how children and families are faring during the pandemic. Investments to improve the Bureau's capabilities will help to ensure that the Census data regularly used to allocate hundreds of billions of dollars for kids' programs annually will reach all those eligible and particularly those children who are most in need, keep the agency's mission-critical surveys and programs operating at the highest standards, and improve the collection and delivery of official statistics for the nation.

Prioritize Children in the FY 2022 Annual Spending Bills

The negative impacts of the pandemic continue to be strongest for families with children who were already struggling to meet financial obligations, with communities of color bearing the brunt of this hardship. We have made important progress for our children, and there is an opportunity now to protect and build off that life-changing progress. Failure to pass the FY 2022 annual spending bills and operate the government at FY 2021 levels would unravel investments that are helping to put kids back on track after a very difficult two-years at a time when we face continued public health and economic uncertainty. We strongly urge you to prioritize children in the FY 2022 spending bills with healthy 302(b) allocations to key subcommittees and provide crucial support that we know is helping to protect their well-being and economic security.

Sincerely,

First Focus Campaign for Children 1,000 Days

AASA, The School Superintendents Association

American Academy of Pediatrics

American Federation of State, County and Municipal Employees (AFSCME)

American Medical Women's Association

Boys & Girls Clubs of America

California Alliance of Child and Family Services

Chiefs For Change

Child Abuse Pediatrics (South Carolina)

Child Care Services Association

Child Labor Coalition

Child Welfare League of America

Children's Advocacy Institute

Children's Health Fund

Children's Home & Aid (Illinois)

Citizens' Committee for Children of New York

Coalition on Human Needs

Committee for Children

Educare Learning Network

Family Centered Treatment Foundation

Futures Without Violence

Hawaii Children's Action Network Speaks!

MCCOY - Marion County Commission on Youth, Inc. (Indiana)

National Association for Family, School, and Community Engagement

National Association of Counsel for Children

National Association of ESEA State Program Administrators (NAESPA)

National Association of Federally Impacted Schools (NAFIS)

National Association of School Nurses

National Center for Healthy Housing

National Child Care Association

National Diaper Bank Network

National Education Association

National Network for Youth, Inc.

National Respite Coalition

National WIC Association

Partnership for America's Children

Prevent Blindness

Prevent Blindness (Georgia)

Prevent Blindness (Wisconsin)

Public Advocacy for Kids

Public Citizen

Rainbow Babies and Children's Hospital (Ohio)

Rhode Island KIDS COUNT

Save the Children

School Nutrition Association

School-Based Health Alliance

SchoolHouse Connection

Share Our Strength

Social Current

Start Early

Sycamores (California)

TexProtects (Texas)

The American Professional Society on the Abuse of Children

United Way Worldwide

University of Vermont Children's Hospital

Voice for Vermont's Children

YMCA of the USA

Youth Villages

ZERO TO THREE