

Federal Update

Massachusetts Part C
Retreat

October 5-6, 2011

Federal Update Agenda

- Federal Budget
- Funding Prospects
- MCH and ACA
- Other Legislative
Action
- Early Learning Efforts

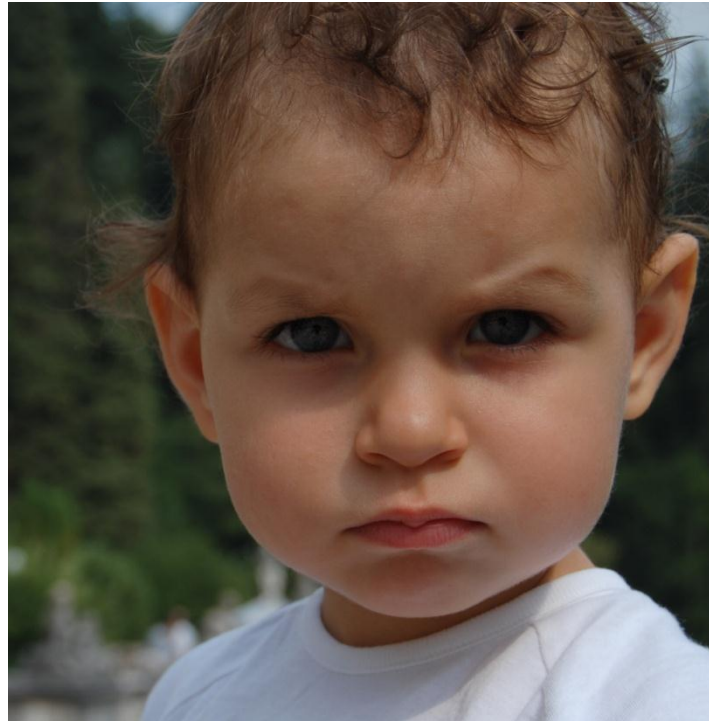


The Year of No:



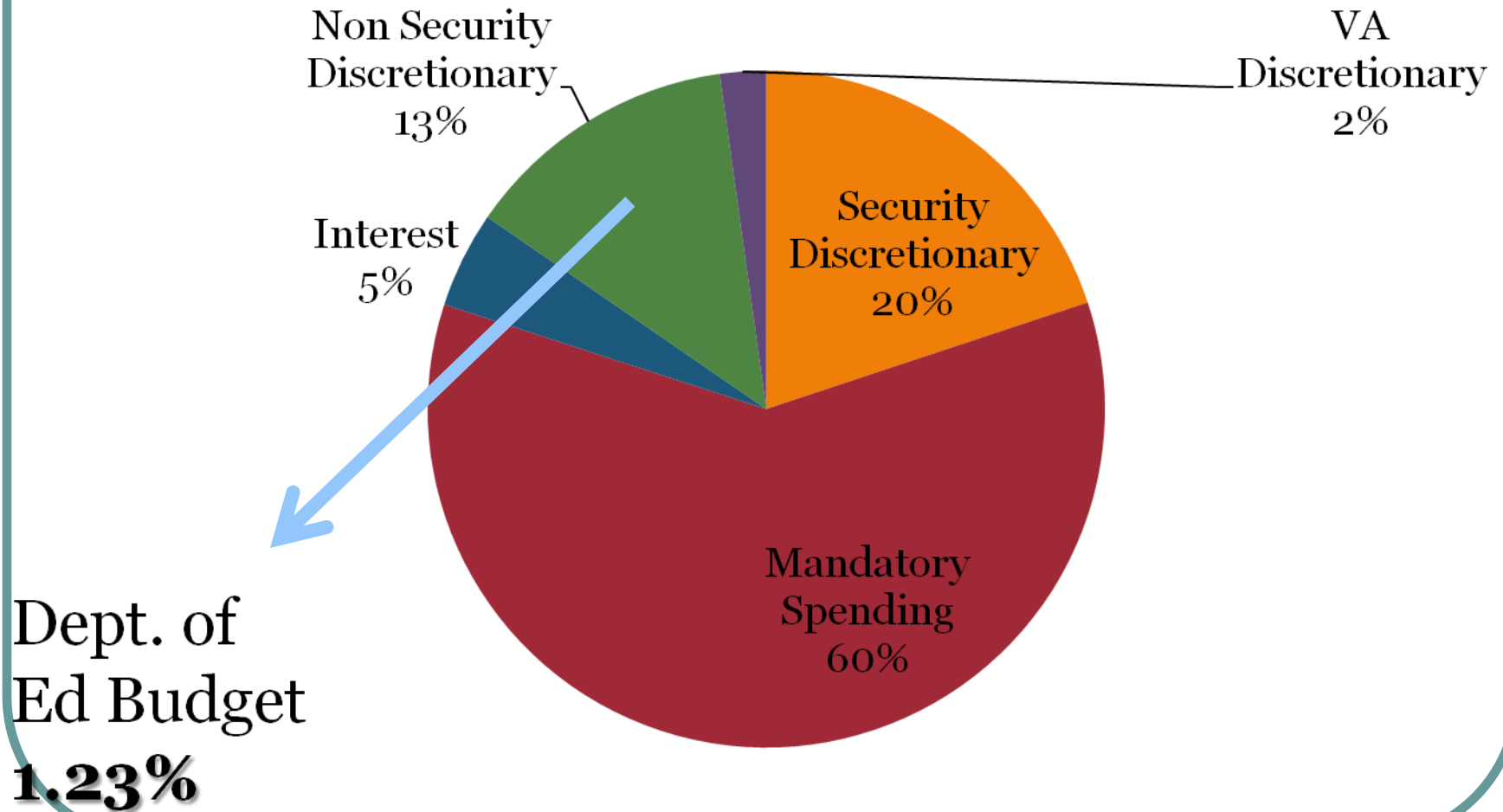
Now they will be working through the holidays

Compromise Has Become A Bad Word



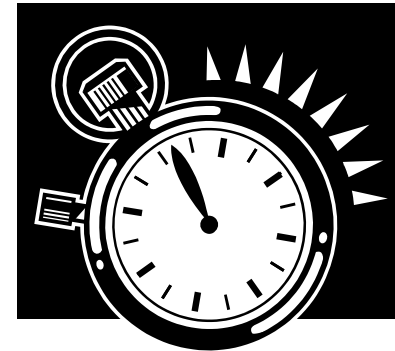
Federal Budget FY 2010

5



Debt Ceiling Lifted August 2nd

- *Budget Control Act of 2011*
- Passed Senate 74-26
- Passed House 269-161
- President Signed into law August 2nd
- Raised \$14.3 Trillion debt ceiling by at least \$2.1 Trillion
- Offset by budget caps enforced through sequestration (automatic cuts)
- Requires \$1.2 Trillion in cuts in 10 years



Super Committee Appointed

- Bipartisan Committee of 12 appointed
- Patty Murray (WA-D) Jeb Hensarling (R-TX)
- Congressional committees submit savings or raising recommendations by *October 7th*
- Super Committee must produce a plan for deficit reduction of \$1.2 Trillion by *November 23rd*
- Must be presented to President *December 2nd*
- Must be passed by Congress *December 23rd*
- Balanced Budget Amendment must be voted on by *December 31st*

Or Else.....

- Across the board cuts in *January 2013* split between defense and nondefense discretionary programs
- *January 2013 Scenario* could be difficult budget decisions to be made because of:
 - These across-board cuts
 - Expiration of Bush tax cuts
 - Possible new debt ceiling crisis

Big Questions Are?

- Do we increase taxes? include revenue?
- What happens to Bush tax cuts?
- How much spending will be cut?
- What happens to Physicians Medicare patch in January?
- Social Security?
- Medicaid?
- Medicare?

FFY 2011 Funding

- **.2% cut across board**
- Head Start +\$340 million
- Child Care +\$100 million
- Includes \$700 million for Race to the Top that includes Early Learning piece.

President's FFY 2012 Budget

- President's Budget Released 2/14/11
- Increases in Head Start and Child Care
- \$200 million increase in Part B
- **\$50 million increase in Part C**
- \$350 million in Early Learning
- Many freezes including 619
- Cuts in MCH, Developmental Disabilities, and Special Education Research

Next Step: House Budget for FFY'2012

- Ryan's - (WI) Budget (House Budget Chair)
- Passed House - 235 to 193, with four Republicans and all Democrats SAID NO
- Cuts \$6.2 trillion over 10 years
- Bring all non-security discretionary programs below FFY'08 levels and then freeze for 5 years
- **About 18% cuts to programs expected**
- Changes Medicaid to Block Grant and Medicare to "voucher"

Senate 2012 Levels

- Part B and 619 were level funded; \$5 million increase for Part C
- \$340 million increase for Head Start (ARRA levels)
- Flat funding for the Child Care and Development Block Grant
- \$698.6 million for Race to the Top with funds for Yr 2 of Early Learning Challenge

House 2012 Levels

- Major policy riders
- \$1.2 billion increase in IDEA Part B
- Freeze for 619 and C
- Head Start increase to continue same number of children
- Child Care level funded

Affordable Care Act

- Proposed Cuts by FY 2012 House Appropriations Subcommittee for Labor, HHS, Education and related agencies:
 - \$350M Home Visiting
 - \$1B Prevention and Public Health
 - \$1.2B Community Health Center Expansion
 - \$295M National Health Service Corps expansion
 - \$1.9B Centers for Medicare and Medicaid Innovation Center
 - \$25M Pregnancy Assistance Fund

House (cont)

- House proposed \$1.8M reduction in MCH Block Grant
- Senate proposed \$50M reduction in MCH Block Grant
- Proposed elimination of Title X Family Planning grants

Affordable Care Act

- Legal Perspective:
 - Lower Court rulings split
 - Court Case moving to the Supreme Court this session
 - Anticipated ruling before the 2012 presidential election
 - Justices Kagan and Thomas controversies

FFY 2012 Starts October 1, 2011

- Continuing Resolution passed until November 18th
- House has passed 6 of 12 bills
- Senate has passed one bill
- Expect Omnibus Appropriations bill for 2012
- These are state Part C funds for July 1, 2012

IDEA Full Funding

- Senator Harkin (D-IA) introduced full funding bill for IDEA
- Tobacco tax as the revenue
- House bill Representatives Van Hollen (D-MD), Platts (R-PA) and Walz (D-MN) have parallel bill
- Part B – 611
- Glide path to full funding

Let's Pause for Good News

- Rosa's Law signed by President Obama 10/5/10 changes federal statutory references from "mental retardation" to "intellectual disability"
- 25th Anniversary of P.L. 99-457 was signed into law October 8, 1986 enacting:
 - Part H (now Part C)
 - 619 Preschool Bonus Grants Program

Congressional Agenda

- Combating Autism Act – reauthorized research and surveillance programs for the next three years signed into law September 30, 2011
- Workforce Investment Act
- Child Care Block Grant/TANF
- Developmental Disabilities Act
- SAMHSA
- Education Sciences Reform Act (IES)
- ESEA
- IDEA

ESEA Reauthorization

- Senate plans 1 bill & House doing multiple bills
 - “Setting new Priorities in Education Spending Act” repeals 40 education programs
 - Charter bill
 - Flexible Funding Bill allows for transferring funds between many ESEA programs and from ESEA to EIS within IDEA
- Department just announced plans for AYP waivers for 2011-2012
- No chance ESEA will be completed in 2011; some say not until after 2012 election

President's "American Jobs Act"

- Senate Majority Leader Harry Reid (D-NV) introduced the bill (S. 1549)
- Requests \$450 billion to invest in jobs
- Includes \$25 billion investment in school infrastructure repair and upgrade for 35,000 schools
- Also \$5 billion in modernizing community colleges
- Other jobs and tax cuts
- Very controversial in Congress

New RTI State Funding Bill

- Literacy Education for All, Results for the Nation (LEARN Act)
- Senator Murray (WA-D)
- \$2.35 billion in funding literacy and RTI
- Birth through high school funding
- Data-driven interventions

Early Learning Activities

- Legislation never passed last year
- Interagency Policy Board had first meeting November 1, 2010
- Meetings not public; planning “transparency” of work
- Members from ED, HHS, White House Domestic Policy and Office of Management and Budget (OMB) sit on Board
- Focus on collaboration – policy & professional development/TA/eliminating silos

Race to the Top - Early Childhood

- FFY 2011 CR included funds for Race to the Top early learning state grants “Improving Early Childhood Care and Education”
- \$500 million in competitive state grants
- Jointly administered by Departments of Education and HHS
- RFP released
- Applications due in October with awards by end of year.

Purposes of Race to the Top – Early Learning Challenge RTT-ELC

- Increase low-income and disadvantaged children enrolled in high-quality early learning programs
- Design and implement integrated system of high-quality early learning programs and services
- Ensure assessments conform with recommendations of National Research Council's reports