AMDT #22

Amendment to the Chairman's Mark

Offered by Representatives McDermott, Van Hollen, Ryan, Moore, Castor, Lee, Pocan, Lujan Grisham, Dingell and Lieu

Promote Early Childhood Development

1. Increase budget authority and outlays for Function 500 by the following amounts in billions of dollars for a partnership with states to create universal access to preschool and ensure high-quality programs.

	2016	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*2025*
BA	1.300	3.246	5.784	7.581	8.956	9.880	10.797	10.258	9.348	7.607
Outlays	0.130	1.235	3.110	5.456	7.360	8.773	9.787	10.560	10.275	9.356

Increase budget authority and outlays for Function 550 by the following amounts in billions of dollars to maintain and expand the successful, evidence-based Maternal, Infant, and Early Childhood Home Visiting program that provides voluntary home visits during pregnancy and to parents with young children up to age five, and to extend the Children's Health Insurance Program for four years through 2019, thus ensuring that children in working families do not become uninsured or lose access to critical health care services.

	2016	*2017*	*2018*	*2019*	*2020*	*2021*	*2022*	*2023*	*2024*	*2025*
BA	1.800	4.600	5.500	5.700	2.200	1.600	2.000	2.000	2.500	2.500
Outlays	1.307	4.269	4.862	5.326	1.519	1.183	1.276	1.540	1.733	1.998

2. Adjust the aggregate levels of revenue by amounts equal to the foregoing outlay changes in paragraph 1, reflecting the reduction of tax expenditures for the top one percent of income earners, or of unjustified corporate tax breaks, including tax subsidies for the major integrated oil companies, special depreciation for corporate jets, loopholes that encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, the "carried interest" loophole that allows hedge fund managers to disguise their compensation as capital gains, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding $1 million per year.

3. Make all necessary and conforming changes to the Chairman's mark.

4. Amend the committee report to reflect the following policy assumptions:

The resolution accommodates a significant new investment in early childhood development. This initiative includes the creation of a federal-state collaboration to help states provide universal access to high-quality pre-school for all low- and moderate-income 4-year-olds. It also includes expansion of a highly effective voluntary home-visiting program for at-risk children, as well as extension of funding for the Children's Health Insurance Program (CHIP) for four years that will ensure that children in working families do not become uninsured or lose access to critical health care services.

Investments in early childhood pay dividends immediately and in the long term. For instance, a California study found that society receives nearly $9 in benefits for every $1 invested in Head Start children. The benefits include increased earnings, employment, and family stability, and decreased welfare dependency, crime costs, special education, and grade repetition. Scientific research shows that home visits in the early years of life improve maternal and child health, promote child development and school readiness, and help to prevent child abuse and neglect. Home visiting programs have also reduced Medicaid costs by lowering the number of preterm births and use of hospital emergency rooms.

Enacted in the Balanced Budget Act of 1997, CHIP is an important source of health care coverage for children in families who earn too much to qualify for Medicaid but who struggle to meet everyday expenses. Due in large part to CHIP, the rate of uninsured children in the U.S. fell from 13.9 percent to 7.1 percent between 1997 and 2012. More than one in every three children in the U.S. is covered by Medicaid or CHIP. Currently, CHIP covers 8 million children at some point during the year, and all 50 states, the District of Columbia, and the territories administer the program. The Affordable Care Act reauthorized CHIP through 2019 and included several critical policies including maintenance of eligibility requirements, state options to help streamline enrollment into the programs and ensure continuity of care, and an enhanced federal match rate by 23 percentage points. However the Affordable Care Act only provided funding for CHIP through 2015. Failure to extend funding for CHIP at current levels for four years would cause millions of children to become uninsured and lose access to critical health care services, and would cause their parents to face higher out-of-pocket costs.

The resolution accommodates this necessary level of funding for early childhood development by reducing tax expenditures for the top one percent of income earners, or by reducing unjustified corporate tax breaks, including tax subsidies for the major integrated oil companies, special depreciation for corporate jets, loopholes that encourage firms to ship jobs and capital overseas and shelter their profits in foreign tax havens, the "carried interest" loophole that allows hedge fund managers to disguise their compensation as capital gains, or corporate deductions for CEO bonuses and other excessive executive compensation exceeding $1 million per year.