

PRESIDENT BIDEN'S BUDGET INVESTS IN AMERICA'S CHILDREN

April 22, 2022

The economy has made tremendous strides over the last year, beating forecasts that predicted a slow recovery after the COVID-19 recession. Today the unemployment rate is 3.6 percent; the country has gained nearly 8 million jobs since President Biden took office, long-term unemployment has fallen, and wages are up. Decisive action by President Biden and Congressional Democrats propelled this strong recovery. The President's 2023 budget builds on this progress to ensure an inclusive economy that enables all children to reach their potential.

To ensure long-term economic growth and expand opportunities for everyone, it is critical to set America's children up for success. After the necessary but unfortunate closure of schools due to the pandemic, schools are open again. Thanks to the American Rescue Plan, professionals are available and have the resources to help children recover from any learning or mental health setbacks they experienced during this health crisis. The President's budget gives our children new opportunities to thrive by making key long-term investments to lower costs for families, expanding availability of critical health care services for children, making education more accessible and affordable, and better serving children living in challenging circumstances. These investments in kids pay dividends over the long run, both for individual households and the entire nation. When we invest in children, we invest in America.

STARTING CHILDREN OFF ON THE RIGHT FOOT

Early childhood programs — The budget recognizes that when children have stable housing and receive educational, health, and emotional support in their earlier years, they thrive for decades to come and succeed professionally and financially. The budget provides \$20.2 billion for the Department of Health and Human Services' (HHS) early childhood programs, an increase of \$2.7 billion, or 16 percent, from the 2022 enacted level.¹ This includes \$7.6 billion in discretionary funding for the Child Care and Development Block Grant to expand access to high quality, affordable child care for families. In addition, the budget provides \$12.2 billion for Head Start to ensure young children from underserved communities start school ready for success. The budget also supports Preschool Development

¹ While some agency Congressional Justifications were finalized before enactment of full 2022 appropriations and therefore compare to other 2022 levels – such as an annualized continuing resolution- the references to 2022 appropriations in this report reflect what was included in the Omnibus Appropriations Act signed into law on March 15, 2022.

Grants at \$450 million, an increase of \$160 million, or 55 percent, from the 2022 enacted level. The Department will focus some of this funding on children in rural communities, children with disabilities, and families with young children experiencing homelessness.

Maternal home visits — The budget extends and expands the Maternal, Infant, and Early Childhood Home Visiting program to provide economic assistance, child care, and health support to more families. It provides \$467 million in mandatory funds in 2023 – \$67 million more than the 2022 current law mandatory funding level – and authorizes \$3 billion over five years. The funding authorized through 2027 will allow HHS to serve a total of 165,000 families at risk of poor maternal and child health outcomes over the five-year period. This program is proven to reduce disparities in infant mortality. This crucial investment will help strengthen and expand access to home visits that provide critical services directly to parents and their children in underserved or vulnerable communities.

Adoption tax credit — With an investment of nearly \$10.5 billion over ten years, the budget makes permanent and refundable the adoption tax credit and allows certain guardianship arrangements to qualify. This helps low- and moderate-income families afford adoption expenses, potentially making adoption a more viable option for families and helping to place more children in loving homes. Because the adoption process, and therefore the expenses, may extend over several years, it is important that this change be made permanent. Allowing certain guardianship arrangements to qualify for the tax credit opens the door for many other children for whom adoption is not an option, but who still need a stable and loving home.

Housing assistance — The budget recognizes that rent and housing-related costs have increased, straining low-income families. It provides over \$48 billion for Tenant-Based Rental Assistance, Project-Based Rental Assistance, Section 202 Housing for the Elderly, and Housing for Persons with Disabilities to help families meet their housing needs. While many of the families served in those programs have children, the budget specifically provides \$445 million in discretionary funding to offer Mobility-Related Services to 148,000 families with children. This program allows low-income families with children to move outside disadvantaged communities, provides families with support in that move, and has proven to improve the odds children attend college.

PROTECTING VULNERABLE CHILDREN

Behavioral health services — The budget recognizes the growing need for behavioral health services for school-age children. It offers multiple ways to help children so that everyone who wants services can obtain them. First, it provides \$308 million for Project AWARE and the Mental Health Awareness Training program, an increase of \$163 million – or 112 percent — over the 2022 enacted level, to support state and tribal efforts to increase access to mental health services for school-aged children, train those who work or interact with children to recognize the symptoms, and then connect children and their families with services. The budget includes \$397 million for the Behavioral Health Workforce Development program at the Health Resources and Services Administration, an increase of \$274 million (223 percent) over the 2022 enacted level, supporting a special focus on understanding the needs of children, adolescents, and youth at risk for a mental health disorder, serious emotional disorder, or substance abuse disorder.

Domestic violence services — The budget includes \$519 million to support victims of domestic violence and their children, a 160 percent increase over the 2022 enacted level. This funding will help at least 1.3 million children and families through 1,600 local organizations. Included in that funding is \$27 million for the National Domestic Violence Hotline, more than double the 2022 enacted level. Lastly, the budget allocates \$250 million of the total funding to provide cash assistance to survivors of domestic violence. Domestic violence often leads individuals to flee and end up homeless. The cash assistance can be used to help those in need find a safe place to stay until a more permanent situation can be found.

Foster care and related services —The budget helps stabilize families and strengthens prevention-focused efforts to enable children to stay with family. It provides \$4.9 billion over 10 years to expand the Title IV-E Prevention Services program, permanently increasing reimbursement rates for states and tribes who better tailor prevention services using evaluation results of their work. The budget recognizes that states and tribes need to invest substantially to help prevent foster care where possible. The budget increases funding by \$1 billion over 10 years for the John H. Chafee Foster Care program to serve more youth aging out of foster care and improve services for this vulnerable population, so they can make the transition to a productive adulthood. The budget's plan to reauthorize the Promoting Safe and Stable Families program boosts funding by \$3 billion over 10 years to increase Regional Partnership Grants and Court Improvement Program funding, create a new civil legal representation program, and increase the base formula grant.

Assistance for refugees and unaccompanied migrant children — The budget provides \$6.3 billion in discretionary funding to rebuild our capacity to help refugees and unaccompanied children. This total includes \$860 million for medical services and \$500 million for social adjustment services, interpretation and translation, child care, healthcare, and citizenship and naturalization services. The funding levels in the budget will serve an estimated 125,000 refugees and 108,000 other new arrivals eligible for refugee benefits and will allow HHS to humanely care for unaccompanied children. These resources are especially pertinent and vital as millions of Ukrainians are displaced by Russian aggression. The budget also includes a mandatory contingency fund to care for unaccompanied children during surges.

Homeless youth services — The budget provides \$150 million for HHS programs that serve nearly 40,000 homeless youth. This is a \$10 million, or 7 percent, increase over the 2022 enacted level. HHS provides outreach, emergency shelters, longer-term transitional living, and maternity group home programs for pregnant youth. The budget also provides \$82 million in discretionary funding for 2023 to improve approaches to reducing youth homelessness through the Youth Homelessness Demonstration Program project at HUD.

INCREASING ACCESS TO EDUCATION FOR EVERYONE

The budget makes investments in elementary school all the way through higher education, reflecting the fact that high-quality education is a key to greater opportunity.

K-12 education — The budget invests nearly \$37 billion for Title I grants (a combination of mandatory and discretionary funding), which support underresourced public schools to ensure students from all backgrounds and zip codes have a shot at a world-class education. This funding doubles 2022 enacted levels and supports 25 million students in nearly 90 percent of school districts. Recognizing the fact that the COVID-19 pandemic has created huge stress for students and educators, the budget provides \$1 billion to increase the number of school psychologists, counselors, and other health professionals to help support the mental and physical health of students and teachers. In addition, the budget increases funding to provide \$3 billion above the 2022 enacted level in discretionary funding to support Individuals with Disabilities Education Act (IDEA) grants to states, for a total of more than \$16 billion in funding. The budget also provides \$514 million for the Education Innovation and Research Program, which will help create a pipeline of diverse, well-prepared teachers.

Higher education — The budget makes critical investments in higher education. It meets the President's commitment to double the maximum Pell Grant by 2029, making it possible and more affordable for lower-income students to attend college. This investment ultimately brings the total maximum Pell grant to nearly \$13,000 a year and expands access so that nearly 6.7 million students will benefit. The budget also makes long-overdue increases in funding for Historically Black Colleges and Universities (HBCUs), Tribally Controlled Colleges and Universities (TCCUs), and Minority-Serving Institutions (MSIs) and Community Colleges. The budget also provides \$260 million in discretionary funding for Department of Energy initiatives to build science and technology capacity in underserved

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institutions, including HBCUs, Hispanic Serving Institutions (HSIs), and TCCUs, to expose more students to STEM learning and opportunities. In addition, the budget provides \$315 million through the U.S. Department of Agriculture in agriculture research, education, and extension grants to build capacity in underserved institutions, including HBCUs, HSIs, and TCCUs.

CONCLUSION

The budget makes crucial investments in children so they can achieve their full potential, innovate in ways we cannot even imagine today, and build the economy of the future. By supporting affordable and high-quality child care, ensuring children grow up in a loving, safe, and supportive home, providing access to mental and behavioral health care, and providing all of our country's children the best education in the world, this budget invests in the next generation of changemakers while setting the U.S. economy on a path that offers a stronger, more equitable future for all.

This document has not been reviewed and approved by the Democratic Caucus of the Budget Committee and may not necessarily reflect the views of all members.