

**NLWJC - Kagan**

**DPC - Box 025 - Folder 009**

**Family - Child Care Policy: Head  
Start**

Family-child care policy -  
Head start

**Nicole R. Rabner**

12/22/98 01:10:41 PM

Record Type: Record

To: Elena Kagan/OPD/EOP, Jennifer L. Klein/OPD/EOP

cc:

Subject: Summary of Head Start options

Attached below is an e-mail from Barbara to Gene (sent at his request) outlining the Head Start options for the President's FY 2000 budget. No decision has been made, but it's clear that OMB plans to up the Head Start budget to stay on track to serving 1 million children by 2002. Assuming OMB and HHS can find the budget authority for it, I would favor OMB's suggested resolution described below -- \$5.267 billion for FY 2000 to add 44,000 new Head Start slots, bringing the program to a total of 881,000 slots.

----- Forwarded by Nicole R. Rabner/WHO/EOP on 12/22/98 11:46 AM -----

Record Type: Record

To: Gene B. Sperling/OPD/EOP@EOP, Charles R. Marr/OPD/EOP@EOP

cc: Melissa G. Green/OPD/EOP@EOP, Peter A. Weissman/OPD/EOP@EOP, Sandra Yamin/OMB/EOP@EOP, Jennifer Friedman/OMB/EOP@EOP

Subject: Summary of Head Start options

Information on Head Start.

----- Forwarded by Barbara Chow/OMB/EOP on 12/22/98 11:05 AM -----



Jennifer Friedman

12/21/98 07:23:11 PM



Record Type: Record

To: Barbara Chow/OMB/EOP@EOP

cc: Barry White/OMB/EOP@EOP, Jack A. Smalligan/OMB/EOP@EOP, Matthew McKearn/OMB/EOP@EOP, Sandra Yamin/OMB/EOP@EOP

Subject: Summary of Head Start options

Following is an overview of options for the Head Start funding level for the FY2000 President's Budget. All options remain on the path toward serving 1 million children by FY02, including 80,000 infants and toddlers in Early Head Start. The options range in cost from \$4,997 million to \$5,395 million in FY00, with five year costs that are \$5.3 billion to \$6 billion over guidance levels. The table attached below summarizes the options proposed by HHS and considered by OMB.

As you know, the Head Start reauthorization greatly increased the set-aside for quality activities. Due to this law change, as well as other program policies, the cost of new slots has risen dramatically. While the FY99 P.B. assumed that the request level of \$4,660 million would create 30,000 to 36,000 new slots, this funding level as enacted will now only provide for approximately 15,000 new slots in FY99, for total enrollment of 837,000.

In HHS' FY00 budget submission, the Department originally requested \$4,997 million (\$337 million over FY99 enacted), and subsequently revised this request to \$5,395 million (\$735 million over FY99 enacted). The passback level was at guidance, and equal to their original request of \$4,997 million.

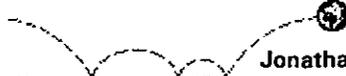
In HHS' first appeal, the Department reiterated their request of \$5,395 million, proposing to add 54,000 slots, for total enrollment in FY00 of 891,000. Subsequently, HHS revised their appeal downward. Their second appeal is in the same ballpark as the OMB proposed resolution of \$5,267 million. This funding level would create 44,000 slots, for total enrollment of 881,000. There is a logic to adding 44,000 slots in FY00, as the FY99 P.B. assumed the addition of 44,000 new slots in FY00 (albeit, to a higher base).

HHS' third appeal, a \$100 million increase over passback to \$5,097 million, would provide for 29,000 new slots and a total enrollment of 866,000.

**Summary of Head Start Expansion Options**  
(All dollars in millions)

	Date Submitted	FY00	New Slots	Total Slots
HHS Request	9/98	\$4,997	20,000	857,000
HHS Revised Request	11/9/98	\$5,395	54,000	891,000
Passback	11/24/98	\$4,997	20,000	857,000
HHS First Appeal	12/1/98	\$5,395	54,000	891,000
OMB Proposed Resolution	12/3/98	\$5,267	44,000	881,000
HHS Second Appeal	12/18/98	\$5,267	44,000	881,000
HHS Third Appeal	12/21/98	\$5,097	29,000	866,000

Fam-child care policy -  
head start

 Jonathan Orszag

12/31/98 12:32:23 PM

Record Type: Record

To: Elena Kagan/OPD/EOP

cc:

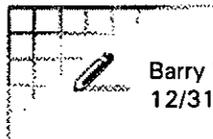
Subject: Head Start

FYI

We are going to be close enough to the 1 million goal that we can say that we are on target. (We'll add 44,000 this year, and will have to add 60,000 kids in each of the next two years to reach the goal). ✓

I think the issue that is difficult is the outyears and OMB says that they won't be showing any outyear numbers. ✓

----- Forwarded by Jonathan Orszag/OPD/EOP on 12/31/98 01:30 PM -----



Barry White  
12/31/98 12:27:10 PM

Record Type: Record

To: Jonathan Orszag/OPD/EOP

cc:

Subject: Head Start

FY 99 BA: \$4,660 million

FY'00 BA: \$5,267 million

'99 to '00 increase: \$607 million

Kid increase: 44,000 slots to a total of 881,000 in '00 (plus or minus one thousand at this point).

Unresolved issue with HHS: number of early head start slots within this total. Will be resolved next week.

All rhetoric will confirm the 1 million goal for '02.

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Head Start

## PRESIDENT CLINTON AND VICE PRESIDENT GORE: ENSURING OUR CHILDREN ARE WELL-PREPARED FOR LEARNING

January 26, 1999

*"There is nothing more important to America's future than investing in our children. Our investment will help ensure that our children show up to school on their first day ready and eager to learn."*

Vice President Al Gore  
January 26, 1999

Today, Vice President Al Gore announces that the Clinton Administration's budget proposal for fiscal year 2000 will include a \$607 million increase in Head Start, which would be the largest increase in Head Start ever enacted. This funding will help enroll an additional 42,000 children, including 7,000 children under three-years old, and strengthen the quality of this important child development program.

**ENSURING THAT WHEN CHILDREN START SCHOOL THEY ARE READY TO LEARN.** Under the leadership of President Clinton and Vice President Gore, Head Start has become America's premier early childhood development program, ensuring that low-income children start school ready to learn. Since President Clinton and Vice President Gore took office, enrollment in Head Start has increased by 200,000, reaching 835,000 children, and last year, the President signed the Head Start Amendments of 1998, bipartisan legislation that reauthorized the Head Start program and built on the Administration's commitment to improve and expand Head Start.

**EXPANDING ACCESS AND ENROLLING MORE CHILDREN IN HEAD START.** Today, the Vice President will announce that the Clinton Administration's fiscal year 2000 budget will strengthen the quality of the Head Start program while allowing more children to enroll in the program:

- **Increased Funding For Head Start To Enroll 42,000 More Children.** The Clinton Administration is proposing to expand Head Start funding to reach 42,000 more children, bringing the total number of children in Head Start to 877,000, well on the way to the Clinton Administration's goal of serving one million children by 2002;
- **Expanding Access For Infants And Toddlers.** The Clinton Administration's plan will expand Early Head Start, which serves low-income families with children under three years old, by covering an additional 7,000 children;
- **Ensuring Quality In The Head Start Program.** The Clinton Administration's plan continues to strengthen the quality of Head Start, promote school readiness and family literacy, and improve staff training and credentialing. These initiatives build on prior improvements implemented by the Clinton Administration, including attracting and retaining high quality teachers and ensuring the safety of Head Start centers.

**IMPROVING EDUCATION AND MAKING CHILD CARE MORE AFFORDABLE.** Today's announcement builds on the initiatives outlined in the President's State of the Union address to improve education and make child care better, safer, and more affordable for America's working families. President Clinton and Vice President Gore are proposing:

- To reduce class size to a national average of 18 in the early grades by hiring 100,000 well-prepared teachers;
- To expand after-school and summer school programs for more than one million additional students;
- To raise standards in education by ending social promotion, ensuring that teachers are well-qualified and that states turn around their lowest-performing schools;
- To strengthen child care through enhanced subsidies for low-income working families, greater tax relief for low- and middle- income families, additional resources to improve child care quality, and new tax relief for parents who choose to stay at home with their young children.

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head start

**Nicole R. Rabner**

01/25/99 01:09:25 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP

cc: Jennifer L. Klein/OPD/EOP

Subject: VP to announce Head Start numbers

FYI, it looks as if the VP will host a small Roosevelt Room event tomorrow afternoon to announce our budget increase for Head Start -- \$607 million for FY 2000 to serve 42,000 new children (35,000 3- and 4-year olds, and 7,000 0-3 year olds), bringing Head Start enrollment to a projected 877,000, as well as new \$ for Head Start quality.

**Nicole R. Rabner**

08/05/98 10:32:27 AM

Record Type: Record

To: Jennifer L. Klein/OPD/EOP, Elena Kagan/OPD/EOP, Emil E. Parker/OPD/EOP, Broderick Johnson/WHO/EOP

cc:

Subject: Head Start Article

From today's CQ Daily Monitor.

**AMENDMENTS PUT HEAD START A  
STEP BEHIND**

By Sue Kirchhoff, CQ Staff Writer

Aug. 05, 1998 - House Education and the Workforce Committee Chairman Bill Goodling, R-Pa., said yesterday he plans to jettison the Head Start reauthorization bill (HR4241) marked up by his panel July 29 and instead try to bring a stripped-down version to the floor under suspension of the rules later this week.

The committee adopted amendments by Rep. Frank Riggs, R-Calif., that would bar children from the program unless their mothers cooperated in establishing paternity and would create a limited program of vouchers that could be used to purchase alternative child care. Committee Democrats voted against the bill, angry about the changes and a third provision that would eliminate the use of the Davis-Bacon prevailing wage law on Head Start construction projects.

Goodling said in an interview that the unusual step of bringing a substitute bill to the floor was necessary to avoid a drawn-out fight over the preschool program, which has had broad bipartisan support since its creation in 1965.

"What I want is to find a way to make sure that my whole emphasis, which is on quality (in the Head Start program), is not lost in this whole debate," Goodling said. He said that he wanted to get a bill passed on the suspension calendar before the coming August recess. The Senate passed its version of the bill (S2206) by voice vote on July 27.

Goodling had introduced a substitute in committee that did not have the paternity or voucher requirements. He said he could take that substitute to the floor or simply bring up another measure (HR4271) marked up by the committee to reauthorize

the Community Services Block Grant and low-income heating assistance program. The Senate combined those two programs and Head Start in one bill, meaning the two chambers could be able to conference on Head Start even if that program did not pass the House.

Riggs, however, said he did not favor Goodling's strategy. "I have not signed off on any such plan and find it hard to believe that we would arbitrarily and unilaterally override the will of the committee, particularly on provisions ... supported by almost all Republicans."

## TALKING POINTS ON HEAD START

**BACKGROUND:** OMB has given up on most of its proposals with respect to amending, in any significant way, the Head Start quality provisions in the context of the upcoming reauthorization. Other proposals, including the DPC/NEC/OMB recommendation to better track the quality dollars through stepped-up research efforts, have been accepted by HHS. The one proposed change still in contention is the OMB position to remove the requirement that 50 percent of the Head Start quality set-aside dollars be used for salary and benefit improvements.

### POLITICAL RAMIFICATIONS:

- **President's Legacy on Head Start Quality.** The President has a legacy of leadership on improving the quality of Head Start services and thereby building a strong foundation for the program's expansion (the bipartisan commission on Head Start that stressed quality improvements has been lauded for its role in turning around the program). To propose this change when no one else in Congress is challenging the quality regime and when we have every reason to expect a simple reauthorization could undermine that legacy, as it would be cast by a vocal advocacy community as a diminution of our commitment.
- **Proposal Could Encourage Others to Submit Other More Draconian Changes to Quality in the Head Start Program.**
- **Nexus With the President's Child Care Initiative.** The President's child care initiative is predicated on the notion that we as a nation under-invest in child care and child care providers; the initiative aims to elevate the status of child care providers through scholarships and other investments. To propose a quality change exclusively in the salary arena would challenge that assumption and could undermine the initiative. It could also distract from our efforts -- in a short congressional calendar -- toward a legislative achievement on child care.
- **Isn't Worth the Fight Because It Does Not Address the "Slots Versus Quality" Dilemma -- the 25 percent Quality Set-Aside Would Still Exist.**
- **Proposal Would be Met with Significant, Vocal Opposition from an Organized Advocacy Community that We Need As A Strong Ally for Child Care.**

### SUBSTANTIVE POINTS:

- **Retention and Recruitment of Quality Head Start Workers Will Only Become More Important.** Our proposal to hire 100,000 new elementary school teachers may drain the pool of talented Head Start teachers (while expansion of the Head Start program requires the recruitment of new Head Start teachers), particularly if we signal a retreat from our commitment to continue teacher salary and benefit improvements.

- **The Requirement to Target 50 Percent of Quality Dollars to Salary and Benefit Improvements Responds to Problems that Have Not Been Solved.** Staff are still paid low wages (teachers make, on average \$17,500 a year), while the challenges of Head Start families are more complicated and the needs of Head Start children and families increasingly difficult. Recruitment and retention still critical to the program's success.
- **Quality Set-Aside and Salary Improvements Have Produced Good Results -- No Time to Retreat.** Staff turnover is now under 8 percent, far below annual rates of 30-40 percent in child care. Quality in Head Start programs has improved significantly: the percentage of grantees with serious deficiencies, for example, has been reduced by 20 percent.

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**Nicole R. Rabner**

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03/20/98 03:47:35 PM

Record Type: Record

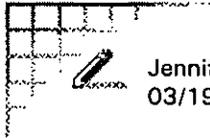
To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Jennifer L. Klein/OPD/EOP

cc:

Subject: Head Start Update

OMB caved. Jack Lew told Shalala that OMB "reluctantly would not be an obstacle" to HHS' reauthorization strategy.

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Jennifer L. Klein  
03/19/98 06:31:34 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP  
cc: Nicole R. Rabner/WHO/EOP  
Subject: Head Start

I wanted to update the two of you on the Head Start quality set-aside. HHS and OMB are still arguing, and HHS is under significant pressure to brief the hill on our position on reauthorization. (Olivia is also testifying next week.) After about seven weeks of OMB's thinking about options, they have proposed: (1) removing the requirement that 50% of quality funds be used for salary and benefit improvements; (2) requiring HHS to do an evaluation of the quality set-aside; and (3) changing the structure of the research reserve. HHS is fine with 2 and 3, but adamantly opposes 1. I have been working with Barbara Chow and told her (after our conversation at the staff meeting, Elena) that DPC (and NEC, according to Chuck Marr) agrees with HHS because changing the salary and benefit requirement would provoke an unbelievable uproar from labor and children's advocates as well disturb the delicate balance on the hill that was reached during the last Head Start negotiations.

I have called Jack Lew to let him know that I think this really needs to be resolved as soon as possible and that it needs to be resolved in HHS' favor (although I haven't reached him yet). Nicole will follow this tomorrow.

## OPTIONS FOR HEAD START REAUTHORIZATION

The FY99 President's budget increases Head Start \$3.8 billion over the five year period FY99 to FY03. This funding level is sufficient to meet the President's goal of serving 1 million children by 2002, including 80,000 children in Early Head Start. The budget provides for a full inflation adjustment and "quality" set-aside in FY99. However, because outyear policy was deferred to the reauthorization cycle, less than the full current law amounts for the traditional COLA or set-aside are in the budget for the outyears. The amounts for quality and COLA for FY 2000 to 2003 are between \$40 to \$260 million.

Policy was deferred because the effectiveness of the quality set-aside and COLA in raising quality is not clear. HHS argues that the salary and benefit increases and the new staff paid for with the "quality" money help to improve student-to-teacher ratios and increase staff retention, and that these are proxies for quality. However, important points to consider when discussing Head Start quality are:

- There is no evidence indicating that these funds have lowered student-to-teacher ratios or improved staff retention. Furthermore, there is a significant body of research showing that improved teacher salaries do not result in improved educational outcomes for children.
- The Head Start Performance Standards set required student-to-teacher ratios that are designed to ensure a uniform level of program quality. These standards can be met within current funding levels.
- Head Start providers currently earn \$9 to \$16 per hour, well above the average child care worker's hourly wage of \$6 to \$7.
- COLA increases have been given in Head Start every year of the Clinton Administration. Given the size of the base appropriation, even freezing participation requires a COLA increase of over \$100 million annually. Grantee staffs in other programs in HHS' Administration for Children and Families, and very few social programs, if any, receive COLAs by statute. In particular, neither the COPS program nor the new Class Size Reduction Initiative include provisions that provide automatic COLAs.
- Even if these funds do improve quality, one can argue that there is still no need to continue the set-aside because these funds have permanently increased the average amount spent per child. Since 1993, this Administration has invested over \$600 million in new quality activities. When we consider that each year these funds go into the base and then get inflated in subsequent years, we have cumulatively spent over \$1.2 billion on quality activities since 1993. Therefore, there are already sufficient funds in the base to continue activities previously funded with the "quality" investment set-aside.

The debate comes down to one of slots versus automatic set-asides, and as the discretionary caps become tighter in the outyears, it becomes increasingly necessary to prioritize.

Providing the current law COLA and set-aside would add \$1.6 to \$1.8 billion to the cost of Head

Start expansion from FY00 to FY03. Roughly \$550 to \$750 million is due to the set-aside; \$900 to \$1,000 million is due to the COLA; and the remainder is due to interactions between the COLA and the set-aside. The costs are high because there is a compounding effect, i.e., each year the current law COLA and quality set-aside go into the base and then get inflated in subsequent years.

## **OPTIONS**

### **Option 1**

- Authorize appropriations for quality set-aside and COLA at the Administration's discretion, not to exceed the levels currently authorized.
  - Require HHS to use part of the quality funds to track the use of quality dollars and evaluate the effects of these investments on outcomes for children.
- Pros:
- Provides flexibility to make funding decisions on a year-by-year basis, resulting in potentially large savings. This flexibility allows the Secretary the choice of maintaining the FY99 budget path.
  - Results in valuable information on meritorious uses of the quality set-aside.
- Cons:
- Some argue that this option may upset Congressional consensus on Head Start; may be seen as an inconsistent position on quality, thereby jeopardizing the Child Care Initiative; and can be seen as compromising the President's commitment to Head Start.
  - Puts pressure on the Administration to debate this issue every year when making funding decisions.

### **Option 2**

- Structure quality set-aside so that it continues to be 25 percent of the Head Start increase, but provide quality funds for one-time expenditures, such as facilities improvements, salary bonuses based on merit, purchase of educational materials, playground equipment, teacher training, transportation services, etc. Since funds go for one-time purchases, the amounts do not need to go into the base.
  - Require grantees to apply for quality funds on a competitive basis.
  - Remove requirement that at least 50 percent of quality funds must go to salary and benefit improvements.
  - Require HHS to use part of the quality funds to track the use of quality dollars and evaluate the effects of these investments on outcomes for children.
  - Authorize appropriations for a COLA at the Secretary's discretion, not to exceed the levels currently authorized.
- Pros:
- By redirecting quality funds to one-time improvements/purchases, eliminates need for quality funds to go into the base and get inflated. The increase over

the FY99 budget caused by this policy is \$600 million less than the increase caused by providing the current law COLA and quality set-aside.

- Results in obtaining timely information on actual uses and net impact of the quality set-aside.
- Provides opportunity to refine the quality set-aside and target dollars to activities that have more clear cut benefits.
- Rewards grantees that propose uses for quality funds that have proven merit.
- Maintains quality investment as a set-aside equaling 25 percent of the program's increase.
- Provides flexibility to make funding decisions regarding the size of the COLA on a year-by-year basis.

- Cons:
- Makes public the concern with the current structure.
  - Flexibility to lower COLA may be seen as a threat to teacher retention.
  - Removes guarantee that every grantee will receive quality funds.
  - Elimination of compounding effect for quality set-aside reduces rate of long term Head Start spending, considered by some to be an independent goal.

## **Evaluation of the Comprehensive Child Development Program**

*In 1988, Congress, concerned about extremely at-risk low-income young children and families, created the Comprehensive Child Development Program (CCDP). As implemented, the CCDP tested whether a newly designed community service delivery program that identified family needs and referred families to different services would result in improved developmental outcomes for children and self-sufficiency for families. HHS, which administered the program, released an evaluation with the finding that the CCDP did not produce the results sought. Though the final evaluation was issued today, HHS had preliminary reports of the less than successful program results. HHS has already incorporated important lessons from CCDP, especially that of the need to provide intensive services that directly affect young children's developmental experiences, into the design of the new Early Head Start and the revised performance standards of the entire Head Start program to assure better outcomes for young children and their families.*

### **What is the CCDP?**

Between 1989 and 1993, 34 demonstration projects were funded, with 21 the subject of evaluation research by Abt Associates and CSR, Inc. Case managers linked families to specific services in their communities or programs created services within their agencies to meet particular family needs. In general, the families were comprised of young, largely minority, very low-income mothers with low educational attainment who tended to be single, unemployed and dependent on public assistance. The evaluation randomly assigned over 4,000 families to either an experimental or control group. In 1994, Congress directed a phased closing of the projects by 1998.

### **No significant results compared to other families**

Both interim and final evaluation results of the CCDP showed that there were no consistent differences for families participating in the program as compared to families who did not. The Abt Associates' evaluation did find that "changes were observed in the lives of CCDP families (e.g., increases in children's achievement scores, in the percentage of mothers in the labor force, and in average household income). However, exactly the same kind of changes observed in CCDP families also occurred in control group families." The evaluation offered several possible reasons for the results of the program, including initial difficulties in implementing the projects, in some cases project families may have been unintentionally referred to services of low or poor quality, the project relied on indirect efforts (such as primarily focusing on helping parents improve their parenting skills) which could not directly improve child outcomes on their own, and some families were resourceful enough to find services in their own community. However, the most compelling finding was that the program did not provide sufficiently direct intensive child development services to be effective.

### **Intensive early childhood services work**

The most productive result of the demonstration is a clear understanding that intensive, focused services provided directly to children and linked to distinctly defined outcomes are critical to success. As the evaluation asserted, several recent studies confirm that early childhood programs achieve important benefits and the most impressive long-term effects on children's cognitive development and on mothers' parenting skills and behaviors when the families participated in intensive early childhood programs. The evaluation confirms, "...the best way to achieve positive effects is to provide intensive services directly to the individuals that you hope to affect."

- 2 -

**Early Head Start and Head Start already focus on direct intensive child services**

Already, the lessons from the CCDP have been incorporated into the policies and designs of Early Head Start and the newly revised performance standards for the entire Head Start program to provide more effective interventions for young children and families in poverty. In both Early Head Start and Head Start, intensive learning and developmental services are provided directly to children and their families, combined with connections to other community services to meet family needs. For Early Head Start, which serves children aged 0 to 3, the key program elements are intensive child development, engaging parents as partners in the developmental process of their children and supporting them in improving their self-sufficiency. These principles are also included in the new Head Start Performance Standards guiding the programs serving three- and four-year-old children. Those Standards now more clearly define appropriate and necessary linkages of the program's central child development mission to community-based health, mental health, social service and employment services. The Head Start combination of direct intensive services to children and referrals to supplemental services reflect the best research and evaluation of how to achieve effective and long-term results for children and their families. In 1998, Head Start will benefit approximately 830,000 children and their families, including about 38,000 low-income infants and toddlers in Early Head Start. With the Balanced Budget Act of 1996, Head Start will reach President Clinton's goal of serving 1 million children in 2002.

Family - FMLA expansion



**For Immediate Release:**  
January 28, 1998

**Contact:** Lauren Asher  
202/986-2600

**AMERICANS NEED FAMILY & MEDICAL LEAVE ACT EXPANSION  
ENDORSED BY PRESIDENT CLINTON**

**Statement by Judith L. Lichtman, President  
Women's Legal Defense Fund**

When President Clinton recommended expanding the Family & Medical Leave Act (FMLA) to cover more working families in his State of the Union speech last night, we at the Women's Legal Defense Fund were delighted. Nearly five years ago, Clinton ended years of deadlock by making the FMLA the first bill he signed into law. As a result, millions of American workers do not have to fear losing their jobs or health insurance when they need time off to care for new babies or seriously ill family members, or to recover from their own serious illnesses.

But 41 million private sector workers are not covered by today's law. That is why WLDF supports expanding the Family and Medical Leave Act (FMLA) to cover businesses with 25 or more employees. This expansion would give up to 13 million more working women and men access to federally guaranteed leave, while affecting just 6.4 percent of the nation's businesses. And letting parents take unpaid time off to meet with children's teachers or doctors would be a family-friendly step that Americans would welcome.

No American should have to make an impossible choice between job and family when a baby is born or illness strikes. Congress should follow President Clinton's lead and quickly expand the FMLA to help more Americans balance their work and family responsibilities.

*NOTE: WLDF has analyzed the state-by-state impact of this proposed expansion. State fact sheets and a national overview are available to media from Lauren Asher at 202/986-2600. To help Americans better understand the FMLA, WLDF offers a free consumer-friendly Guide to the Family and Medical Leave Act (send orders to FMLA Materials, Women's Legal Defense Fund, 1875 Connecticut Avenue NW, #710, Washington, D.C. 20009).*

*The FMLA was first drafted by WLDF general counsel Donna Lenhoff, and WLDF chairs the national Family and Medical Leave Coalition, a diverse coalition of more than 250 groups that worked to pass the FMLA and continues to monitor its implementation.*

Preliminary Head Start Cost Estimates

Line 1 reflects the numbers contained in the FY99 budget. Lines 2 and 3 show the cost of meeting the participation goal of 1 million children (including 80,000 Early Head Start slots) by 2002 under OMB and HHS assumptions. Lines 3 and 4 show the cost of meeting the participation goal with full COLA and quality in the outyears under OMB and HHS assumptions.

OMB and HHS numbers diverge due to different assumptions regarding: (1) number of slots added in FY98 and FY99; and (2) use of the \$35 million transition money.

All dollars in millions.

	1999	2000	2001	2002	2003	5 Year
1) FY99 Budget	4,660	4,997	5,182	5,375	5,375	25,587
2) OMB: 1 million goal	4,660	4,886	5,111	5,332	5,332	25,321
Left over for Cola and Quality		110	71	43	43	266
3) HHS: 1 million goal	4,660	4,900	5,135	5,381	5,381	25,459
Left over for Cola and Quality		7	47	-6	-6	42
4) OMB: Full COLA and Quality	4,660	5,064	5,488	5,935	6,071	27,254
Increase over FY99 budget		67	306	560	696	1630
5) HHS: Full Cola and Quality	4,660	5,080	5,519	6,002	6,139	27,400
Increase over FY99 budget		84	337	628	764	1815

Full-child care policy -  
 head start



Jennifer Friedman

12/29/97 02:29:59 PM



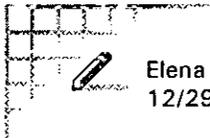
Record Type: Record

To: Elena Kagan/OPD/EOP  
cc: Barry White/OMB/EOP, Keith J. Fontenot/OMB/EOP  
bcc:  
Subject: Re: Head Start Options: Cost of Doubling Early Head Start 

No, #5 was the cost of doubling the Early Head Start *set-aside* from 5% of total BA to 10% of total BA, while maintaining program growth for regular head start.

It is my understanding that the policy decided on in the Director's office was to double Early Head Start *slots*, from 40,000 slots (projected FY98 number) to 80,000 slots by 2002. These slots would count toward the goal of 1 million by 2002. This policy will cost less than #5. We are still estimating the cost of this policy.

Elena Kagan



Elena Kagan  
12/29/97 11:07:26 AM

Record Type: Record

To: Jennifer Friedman/OMB/EOP@EOP  
cc:  
Subject: Re: Head Start Options: Cost of Doubling Early Head Start 

Is it your understanding that DPC, NEC, and OMB have now agreed to #5 (in the meeting in Frank's office)?



Jennifer Friedman

12/23/97 11:00:08 AM



Record Type: Record

To: Elena Kagan/OPD/EOP@EOP  
cc: See the distribution list at the bottom of this message  
Subject: Head Start Options: Cost of Doubling Early Head Start

Below are estimates of the cost of expanding Head Start to 1 million children by 2002 under the tentative agreement policies (\$150 million for both the quality set-aside and COLA in FY99 and outyears) and HHS' request (full COLA and quality set-aside every year). The numbers below also

provide estimates for doubling the Early Head Start (EHS) set-aside to 10 percent by 2003 (because set-aside is a percentage of the total, the higher cost options increase the cost of the set-aside). All increments are shown as deltas from the FY98 level of \$4,355 million.

Head Start Options (all dollars in millions)

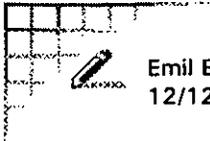
	1998	1999	2000	2001	2002	2003	5 Year
1) BA (FY98 flatlined)	4,355	4,355	4,355	4,355	4,355	4,355	21,775
2) Tentative Agreement	-	+284	+505	+778	+1,054	+1,120	+3,741
3) HHS Request	-	+279	+617	+1,039	+1,480	+1,625	+5,040
4) Doubling EHS (tent. agreement policies)	-	+333	+611	+947	+1,294	+1,426	+4,612
5) Doubling EHS (HHS request policies)	-	+329	+725	+1,216	+1,740	+1,962	+5,972
Difference between 3 and 2		-5	+112	+261	+426	+505	+1,299
Difference between 5 and 4		-5	+113	+269	+446	+536	+1,360
Difference between 4 and 2		+49	+106	+169	+240	+306	+871
Difference between 5 and 3		+50	+107	+178	+260	+338	+932

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Barbara Chow/OMB/EOP@EOP  
 Barry White/OMB/EOP@EOP  
 Keith J. Fontenot/OMB/EOP@EOP  
 Edwin Lau/OMB/EOP@EOP  
 Sandra Yamin/OMB/EOP@EOP

Family - child care policy -  
Head start



Emil E. Parker  
12/12/97 10:47:51 AM

Record Type: Record

To: Barbara Chow/OMB/EOP, Elena Kagan/OPD/EOP  
cc: Gene B. Sperling/OPD/EOP, Robert M. Shireman/OPD/EOP, Charles R. Marr/OPD/EOP, Barry White/OMB/EOP  
Subject: \$200 million Head Start increase



I spoke to Gene last night; he feels strongly that a \$150 million increase for Head Start (above the OMB-recommended level of \$4.489 billion) is inadequate. He is willing to accept \$400 million for the Early Learning fund only if there is also a \$200 million increase in Head Start (above the OMB recommendation, for a total increase of \$334 million over FY 98 enacted). As you know, DPC is recommending, as part of the child care initiative, about \$500 million over four years to expand Early Head Start. I have not seen this item in any OMB materials. A \$200 million overall increase for FY 99 would allow for an expansion of Early Head Start in that year, should we decide to go that way in the context of Head Start reauthorization.

Barbara, I know that you reached agreement with Bob Shireman and others on \$150 million for Head Start. I apologize for the late notice on this. Thank you.

Emil

$400 \times 5 = 2$   
 $600 \times 5 = 3$   
 $700 \times 5 = 4$