

MEMORANDUM

February 17, 2021

Subject: Head Start in the House Committee on Education and Labor’s FY2021 Reconciliation Recommendations

From: Karen E. Lynch, Specialist in Social Policy, klynch@crs.loc.gov, 7-6899

This memorandum was prepared to enable distribution to more than one congressional office.

On February 9, 2021, the House Committee on Education and Labor met to consider recommendations in response to reconciliation directives contained in the FY2021 budget resolution (S.Con.Res. 5).¹ Section 2205 of the committee’s reconciliation recommendations calls for a one-time mandatory appropriation of \$1.0 billion for the Head Start program in FY2021. (Typically, Head Start is funded with discretionary appropriations, so this would represent a break from precedent.) These funds would remain available for obligation by HHS through the end of FY2022 (September 30, 2022).

Section 2205 would effectively override the regular statutory allocation formula in the Head Start Act. Instead, these funds would be distributed to Head Start agencies on the basis of enrollment. In addition, HHS would be authorized to use these funds for federal administrative expenses. Section 2205 does not specify a cap on amounts HHS may reserve for this purpose.

Table 1 presents estimates of the \$1 billion in Head Start appropriations proposed by the committee’s reconciliation recommendations, along with actual and estimated allocations provided by HHS for recent supplemental Head Start appropriations provided to prevent, prepare for, and respond to the Coronavirus Disease 2019 (COVID-19). Specifically, Head Start received

- \$750 million in supplemental discretionary appropriations in FY2020 from the Coronavirus Aid, Relief, and Economic Security Act (CARES, P.L. 116-136) and
- \$250 million in supplemental discretionary appropriations in the Coronavirus Relief and Response Supplemental Appropriations Act (CRRSA, Division M of P.L. 116-260).

These supplemental discretionary appropriations were allocated by HHS² on the basis of enrollment, similar to the way funds under the committee’s reconciliation recommendations would be distributed. Since HHS has access to more current enrollment data than Congressional Research Service (CRS), the reconciliation estimates allocate the proposed funds on a basis that is roughly proportional to actual and estimated HHS allocations from these recent supplemental appropriations. (The CRRSA Act allocations

¹ For information on the budget resolution for 2021, which contains reconciliation directives, see CRS Report R46675, *S.Con.Res. 5: The Budget Resolution for FY2021*. For information on budget reconciliation in general, see CRS Report R44058, *The Budget Reconciliation Process: Stages of Consideration*.

² As of February 11, 2021, HHS had not yet awarded amounts from the CRRSA Act to Head Start agencies. However, HHS provided the Congressional Research Service (CRS) with estimated CRRSA allocations by email on February 11, 2021.

are considered estimates since HHS had not yet distributed these funds as of the date the allocation estimates were shared with CRS.) CRS assumed that HHS would reserve 0.5% of the total appropriation for federal administrative expenses. This is comparable to the share of funds reserved by HHS for this purpose from the CARES Act, but is more than HHS reserved from the CRRSA Act.

Please note that the reconciliation estimates below were developed in time-limited circumstances and are *intended to be illustrative only*. Should these recommendations become law, the U.S. Department of Health and Human Services (HHS) would be the federal agency tasked with allotting these funds.

Table I. Estimated Allocations for the FY2021 Head Start Appropriations Proposed in Section 2205 of the House Committee on Education and Labor’s Reconciliation Recommendations

(Dollars in Millions)

States	CARES Actual	CRRSA Estimates	Reconciliation Estimates
Alabama	12.030	4.030	16.040
Alaska	1.181	0.396	1.575
Arizona	11.818	3.959	15.758
Arkansas	8.330	2.791	11.106
California	78.855	26.417	105.140
Colorado	8.109	2.717	10.813
Connecticut	5.001	1.675	6.668
Delaware	1.860	0.623	2.479
District of Columbia	1.610	0.539	2.146
Florida	35.876	12.019	47.834
Georgia	20.046	6.715	26.728
Hawaii	2.597	0.870	3.462
Idaho	2.490	0.834	3.320
Illinois	29.748	9.966	39.664
Indiana	12.051	4.037	16.069
Iowa	6.422	2.151	8.562
Kansas	6.012	2.014	8.016
Kentucky	13.362	4.476	17.816
Louisiana	16.961	5.682	22.614
Maine	2.667	0.893	3.555
Maryland	8.276	2.773	11.035
Massachusetts	10.221	3.424	13.628
Michigan	25.842	8.657	34.456
Minnesota	8.816	2.954	11.755
Mississippi	19.586	6.561	26.114
Missouri	12.947	4.337	17.262
Montana	2.663	0.892	3.551

States	CARES Actual	CRRSA Estimates	Reconciliation Estimates
Nebraska	4.311	1.444	5.747
Nevada	2.653	0.889	3.538
New Hampshire	1.380	0.462	1.840
New Jersey	12.006	4.022	16.007
New Mexico	6.229	2.087	8.306
New York	44.306	14.843	59.075
North Carolina	18.735	6.277	24.981
North Dakota	1.673	0.561	2.231
Ohio	29.742	9.964	39.657
Oklahoma	12.194	4.085	16.258
Oregon	5.572	1.867	7.430
Pennsylvania	26.001	8.711	34.669
Rhode Island	2.253	0.755	3.004
South Carolina	10.722	3.592	14.296
South Dakota	2.429	0.814	3.239
Tennessee	14.883	4.986	19.845
Texas	65.108	21.812	86.811
Utah	5.395	1.807	7.193
Vermont	1.278	0.428	1.704
Virginia	12.418	4.160	16.557
Washington	9.759	3.269	13.012
West Virginia	6.930	2.322	9.240
Wisconsin	11.621	3.893	15.495
Wyoming	1.390	0.466	1.853
Subtotal, States	674.366	225.918	899.155
American Samoa	1.176	0.394	1.568
Guam	0.471	0.158	0.629
Northern Mariana Islands	0.406	0.136	0.542
Palau	0.309	0.104	0.412
Puerto Rico	27.249	9.129	36.332
Virgin Islands	0.895	0.300	1.194
Subtotal, Territories	30.507	10.220	40.676
AIAN	19.051	6.382	25.401
Migrant Program	22.326	7.479	29.768
Other (admin, technical assistance oversight)	3.750	0.000	5.000
Total	750.000	250.000	1,000.000

Source: Amounts shown for the Coronavirus Aid, Relief, and Economic Security Act (CARES Act, P.L. 116-136) represent actual awards, as reported by HHS in email correspondence with the Congressional Research Service on February 11, 2021. Estimates for the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA, P.L. 116-260, Division M) represent estimated awards, as reported by HHS in that same email correspondence; HHS had not yet awarded these funds as of February 11. Reconciliation estimates were allocated in a manner that is roughly proportional to amounts reported by HHS from the prior supplemental measures.

Notes: The estimates assume that HHS will reserve 0.5% of the total appropriation for federal administrative activities (including technical assistance and oversight), comparable to amounts reserved for these purposes under the CARES Act. Section 2205 of the reconciliation recommendations do not place a cap on the amounts HHS may reserve for this purpose. The reconciliation estimates are intended to be used for illustrative purposes only. HHS is the federal agency responsible for awarding these funds. Amounts in this table may not sum to totals due to rounding.