

# Universal Preschool: House Committee on Education and Labor's FY2022 Reconciliation Recommendations

September 14, 2021

On September 10, 2021, the House Committee on Education and Labor [voted](#) (28-22) to transmit a committee print, as amended, to the House Committee on the Budget. The [committee print](#) contains recommendations responding to reconciliation directives in the FY2022 budget resolution (S.Con.Res. 14). Section 23002 of Subtitle D makes recommendations for a new Universal Preschool program. According to the [committee's fact sheet](#), the Universal Preschool program (highlights of which are discussed in this Insight), together with a proposed child care entitlement program (discussed in CRS Insight IN11750), are expected to cost a combined \$450 billion throughout the reconciliation budget window.

## Appropriations

Section 23002 recommends open-ended mandatory appropriations of “such sums as may be necessary” for each of FY2022-FY2028 to carry out this section. Funds would be appropriated to the U.S. Department of Health and Human Services (HHS); the program would be administered by HHS in collaboration with the U.S. Department of Education (ED).

HHS would provide funds to states, territories, local entities serving families engaged in migrant or seasonal agricultural labor, and Indian tribes, tribal organizations, and Urban Indian organizations. In addition, certain amounts would be reserved for HHS administrative costs (including costs of monitoring, technical assistance, and research), grants to improve compensation in Head Start programs, and grants to eligible localities located in states that have indicated they do not intend to submit an application and plan for funds under this section.

## Eligible Children and Providers

Eligible children would be those [ages three or four](#) on the date established by the local educational agency for kindergarten entry. There would be no income, asset, or parental activity requirements.

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Preschool providers would be eligible if they are Head Start agencies; local educational agencies (acting alone or with an educational service agency) that are licensed by the state or meet comparable health and safety standards; licensed child care providers (including center-based providers, family child care providers, and community- or neighborhood-networks of family child care providers); or consortia of such entities.

## Use of Funds

Under the committee print, states could use funds for certain state-level activities. These include costs of program administration, data systems, degree attainment, age-appropriate transportation for children, and improving inclusive services for children with disabilities, among others.

In addition, states could fund subgrants or contracts with eligible providers to cover the costs of enrolling and serving children in preschool programs. These include personnel costs; costs of meeting state standards (including those related to child development, licensure, and health and safety); professional development and training; materials, equipment, and supplies; and rent, mortgage, utilities, insurance, and costs associated with security and maintenance.

The committee print recommends that amounts to eligible providers reflect variations in the cost of preschool services by geographic area, type of provider, age of child, and additional costs of providing inclusive services. For providers serving a high percentage of low-income children, amounts should be enhanced to support comprehensive (including social and emotional) services, health and developmental screenings, and service referrals for participating families. Subgrants and contracts should generally be awarded for a period of not less than three years. In awarding funds, states must prioritize high-need communities.

## State Match

In FY2022-FY2024, there would be no state match required for spending on the *costs of preschool services*. Starting in FY2025, states (including the District of Columbia) must contribute a 10% match, in cash or in kind. The required state match would increase incrementally, stopping at 40% in FY2028. Meanwhile, spending on *state-level activities* must be matched at 50% in each year (FY2022-FY2028). Total spending on state-level activities would be capped.

In general, a state must maintain its combined fiscal effort per child under this section, as well as under any [existing publicly-funded preschool programs](#) or [state-funded Head Start programs](#). If a state reduces per child spending, HHS (in collaboration with ED) may correspondingly reduce federal funds. (States may request a waiver of this requirement in certain circumstances.) Funds provided under this section shall supplement, not supplant, other federal, state, and local funds for early childhood care and education programs.

## State Plans

States seeking funds would have to submit plans, as required by HHS (in consultation with ED). In these plans, states would have to (among other things):

- Certify they have developmentally appropriate, evidence-based preschool standards (including for class sizes and ratios) that are as rigorous as [Head Start performance standards](#). (All preschool services funded under this section must meet these standards within one year of receiving funds.)
- Certify they will prioritize preschool programs in high-need communities (accounting for poverty rates, access to high-quality preschool, and disparities in access for underserved

or vulnerable populations) and ensure that a majority of children in such communities are offered services before expanding to lower-need communities.

- Describe, as applicable, how they will use funds to ensure [existing publicly-funded preschool programs](#) (as of the date state plans are submitted) meet the requirements of this section.
- Certify they will use a mixed-delivery system (i.e., allow participation of Head Start programs and other eligible providers, including family child care providers).
- Certify that preschool seats will be distributed equitably among child care (including family child care), Head Start, and schools.
- Certify that children with disabilities will have access to inclusive programs that meet the requirements of [Section 619 of the Individuals with Disabilities Education Act](#).
- Assure all preschool services funded under this section will be universally available to all children in the state and be high quality, free, and inclusive.
- Assure all preschool services funded under this section will be offered for at least 1,020 hours annually (consistent with certain center-based Head Start standards for a full school-year and -day).
- Assure that [preschool staff salaries](#) will be equivalent to [salaries of elementary school staff](#) with similar credentials and experience.
- Assure that, within seven years of enactment, preschool teachers will have a [baccalaureate degree](#) in early childhood education (or a related field). (Exceptions may be made for certain teachers employed for three of the five years prior to enactment who are determined by a state to have the necessary knowledge and skills.)

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