



A Down Payment on Our Children's Future: The Case for Making a \$1 Billion Recovery Investment in Head Start

Head Start has suffered crippling cuts over the last six years. In 2002, 50% of eligible children were served. The program has effectively been cut 13% from that point by failing to receive any increases, and slots are now being reduced across the country. Nearly all providers have been forced to curtail services over the last six years. At same time, there has been an increase in living in poverty since 2004. Only 40% of eligible children are now served --- and adjusting for inflation and the increase in number of children in poverty, Head Start has effectively been cut by 20% since 2002.

The recovery package represents an enormous opportunity to help make a down payment on the future of young children living in poverty in the United States and served by the Head Start program. The Office of Head Start has long had a mechanism to allow Head Start programs to apply for one-time funds to make investments in infrastructure, such as new facilities, buses for children with special needs, and other one-time investments that actually help reduce on-going operating costs and improve the quality of services provided for children and families. As such, these one-time funds could get out to local providers within 90 days of being awarded, much faster than nearly any other mechanism to stimulate the economy. Sadly, there have been no Head Start one-time funds of any significance for six years, so the facilities and infrastructure that serve over 900,000 low-income children in Head Start programs are crumbling.

A \$1 billion "Recovery Investment" in Head Start would have the following positive impacts:

- Provide \$100 million as a one-time Cost of Living Adjust for the 200,000 staff in Head Start programs that have had their pay cut 13% over the last six years. This would provide each Head Start staffer with \$500 that could be used to pursue additional education (as required by the new Head Start Act), or help with other expenses that have increased while their pay has been flat for the last six years.
- Provide \$200 million for new classroom investments, such as computers, learning materials, books, and other items that Head Start programs have been unable to purchase at needed levels since 2002.
- Provide \$700 million for one-time construction and/or equipment costs to help Head Start programs acquire or renovate over 1000 new Head Start facilities. These funds will help make badly needed infrastructure investments that have been neglected over the last 8 years of effective cuts *and* reduce future operating costs. An estimated 200,000 young children and their families would be able to attend Head Start programs in renewed and refurbished buildings across the country.

This Recovery Investment will not only help ensure a brighter future for the children and families served by Head Start, it will help create an estimated 30,000 new jobs through the construction-related work of the one-time funds. In addition, it will provide a critical retention incentive for the 200,000 staff who currently serve our nation's highest need, lowest income children in Head Start programs nationwide.