

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

Low Income Home Energy Assistance Program

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*ADMINISTRATION FOR CHILDREN AND FAMILIES*

Low Income Home Energy Assistance Program

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, [\$1,800,000,000] *\$1,800,500,000, of which \$500,000 will be available for evaluation purposes.*<sup>1</sup>

For making payments under title XXVI of the Omnibus Budget Reconciliation Act of 1981, [\$100,000,000] *\$200,000,000*, to remain available until expended: Provided, That these funds are for the unanticipated home energy assistance needs of one or more States, as authorized by section 2604(e) of the Act, and notwithstanding the designation requirement of section 2602(e).

*Division E, H.R. 2673, Consolidated Appropriations Bill, FY 2004*

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<sup>1</sup> This language is needed to provide the authority to conduct a program evaluation of the Low-Income Home Energy Assistance Program.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Low Income Home Energy Assistance Program

Amounts Available for Obligation

	<u>2003 Actual</u>	<u>2004 Final Conference</u>	<u>2005 Estimate</u>
Regular Appropriation.....	\$1,788,300,000	\$1,789,380,000	\$1,800,500,000
Contingency Fund.....	[0]	[99,410,000]	[200,000,000]
Contingency Funds Released.....	\$200,000,000	N/A	N/A

Low Income Home Energy Assistance Program

SUMMARY OF CHANGES

Regular Program

2004 Final Conference .....	\$1,789,380,000
2005 Estimate .....	<u>\$1,800,500,000</u>
Net Change .....	+\$11,120,000

Contingency Funds

2004 Final Conference .....	\$99,410,000
2005 Request .....	<u>\$200,000,000</u>
Net Change .....	+\$100,590,000

	<u>2004 Final Conference</u>	<u>Change from Base</u>
<u>Increases:</u>		
Block Grant increase.....	\$1,789,380,000	+\$11,120,000
Contingency Fund increase.....	\$99,410,000	<u>+\$100,590,000</u>
Total Increases		+\$111,710,000
Net Change.....		+\$111,710,000

Low Income Home Energy Assistance Program

Budget Authority by Activity

	<u>2003 Actual</u>	<u>2004 Final Conference</u>	<u>2005 Estimate</u>
Program Funds	\$1,760,681,000	\$1,761,744,000	\$1,772,200,000
Leveraging Incentive Funds	27,321,000	27,338,000	27,500,000
Training and Technical Assistance	298,000	298,000	800,000
Contingency Funds	0	99,410,000	200,000,000
Contingency Funds Released	[200,000,000]	N/A	N/A
Total, Adjusted Budget Authority	\$1,788,300,000	\$1,888,790,000	\$2,000,500,000

Budget Authority by Object

	<u>2004 Final Conference</u>	<u>2005 Estimate</u>	<u>Increase or Decrease</u>
Travel.....	\$10,000	\$12,000	+\$2,000
Training and technical assistance .....	288,000	788,000	+500,000
Grants, subsidies and contributions...	<u>1,888,492,000</u>	<u>1,999,700,000</u>	<u>+111,208,000</u>
Total, Budget Authority.....	\$1,888,790,000	\$2,000,500,000	+\$111,710,000

## Low Income Home Energy Assistance Program

### SIGNIFICANT ITEMS IN HOUSE, SENATE AND CONFERENCE APPROPRIATIONS COMMITTEE REPORTS

#### 2004 Senate Committee Report Language

##### Item

**[Power disconnections]** – The conferees are aware that one of the criteria for release of emergency funds is a significant increase in disconnections. The precursor to disconnection is a household in arrearage. The conferees believe that helping families prior to disconnection would prevent safety and health concerns surrounding a household without energy services. For that reason, the conferees urge the Secretary to monitor arrearage trends nationwide and consider a significant increase in arrearage rates as part of the disconnection criteria.

##### Action Taken or to be Taken

The Department has examined the possibility of collecting national arrearage and disconnection information in the past and determined that this kind of data was not readily available. GAO supported that position in a 1986 report on LIHEAP in which they cited the difficulties in collecting this kind of data. Individual states continue to have the flexibility to design a program that would address these kinds of issues. Many states actively work with utility companies on behalf of low-income households to obtain forgiveness or reduction in arrearages where possible and to work out payment plans for households cut off from service. In addition, states can provide budget counseling services under their LIHEAP programs to help low-income households pay their energy bills in a timely manner and to effectively manage their resources to avoid future disconnections.

#### 2004 Conference Report Language

##### Item

**[LIHEAP contingency funds]** – The conference agreement includes \$100,000,000 as proposed by the House for the contingency fund to meet the additional home energy assistance needs arising from a natural disaster or other emergency. The Senate bill did not include funds for the contingency fund. The conferees expect the Secretary to consider the factors identified in the statute when making decisions about the release of funds. The conferees are aware that the Secretary formally notifies the authorizing committees in advance of issuing grants from LIHEAP contingency funds, pursuant to Section 2604(e) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8623(e)). The conferees request that the House and Senate Committees on Appropriations receive copies of such notifications in advance of issuing grants. The conferees urge the Department to provide regular information on significant, unanticipated

changes in home heating and cooling costs and to receive quarterly reports on significant variances in regional weather data and fuel prices to the Committees on Appropriations and the appropriate authorizing committees. Such reports should be provided within 30 days of the end of any fiscal quarter in which LIHEAP contingency funds remain available for obligation. In addition, the conferees request for any quarter in which there is a release of funds to receive a detailed explanation of the factors used to determine the distribution of funds among States.

#### Action Taken or to be Taken

To the extent there are significant variances in regional and fuel data, the Department will provide quarterly data to appropriations and authorizing committees as requested during the period contingency funds remain available for obligation. These reports will be based on the information from the National Weather Service with respect to degree day data for the states, and the information from the Department of Energy on prices for various heating fuels.

Low Income Home Energy Assistance Program

Authorizing Legislation

	<u>2004 Amount Authorized</u>	<u>2004 Final Conference</u>	<u>2005 Amount Authorized<sup>1</sup></u>	<u>2005 Budget Request</u>
<u>Home Energy Assistance Activity:</u>				
Section 2602(b) of the Low Income Home Energy Assistance Act	Such sums	\$1,761,744,000	\$2,000,000,000	\$1,772,200,000
Leveraging Incentive Fund, Section 2602(d) of the Low Income Home Energy Assistance Act	30,000,000	27,338,000	30,000,000	27,500,000
Energy Emergency Contingency Fund, Section 2602(e) of the Low Income Home Energy Assistance Act	600,000,000	99,410,000	600,000,000	200,000,000
Training and Technical Assistance, Section 2609A(a) from funds made available under Section 2602(b) of the Low Income Home Energy Assistance Act	300,000	298,000	800,000	800,000
Appropriation		\$1,888,790,000		\$2,000,500,000

<sup>1</sup> Legislation has been proposed to reauthorized Section 2602(b) of the Low Income Home Energy Assistance Act.

Low Income Home Energy Assistance Program

APPROPRIATIONS HISTORY TABLE

	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1996 – Appropriated in FY 95 for obligation in FY 96	1,319,204,000	1,319,204,000	1,319,204,000	1,319,204,000
Emergency Funding	---	---	---	[300,000,000]
Rescission	---	---	---	(319,204,000)
Further Reduction	---	(1,000,000,000)	(100,000,000)	(100,000,000)
Admin. Reduction	---	---	---	(2,500)
Emergency Sup.	---	180,000,000	180,000,000	180,000,000
1997	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Emergency Funding <sup>1</sup>	[300,000,000]	[300,000,000]	[300,000,000]	[420,000,000]
Emergency Funds Disbursed <sup>2</sup>	---	---	---	215,000,000
1998 – Appropriated in FY 97 for obligation in FY 98	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Emergency Funding	[300,000,000]	[300,000,000]	[300,000,000]	
Emergency Funds Disbursed	---	---	---	160,000,000 <sup>3</sup>
1999 – Appropriated in FY 98 for obligation in FY 99	1,000,000,000	1,000,000,000	1,200,000,000	1,100,000,000
House Action on Advance Funding	---	(1,100,000,000)	---	1,100,000,000
Emergency Funding <sup>4</sup>	[300,000,000]	[300,000,000]	[300,000,000]	[300,000,000]
Reallocation of PY Funds	---	---	---	2,207,431
Emergency Funds Disbursed	---	---	---	175,298,765 <sup>5</sup>

<sup>1</sup> In addition to the \$300,000,000 in emergency contingency funds made in FY 96 for FY 97, Congress added the balance of FY 96 funds (\$120,000,000) neither formally appropriated nor obligated in FY 96.

<sup>2</sup> \$5,000,000 released to North and South Dakota January 15, 1997; the balance released to all states January 31, with special relief for eight mid-west states hardest hit by particularly cold weather.

<sup>3</sup> Because of extreme and life-threatening hot weather, \$150,000,000 was released during the summer of 1998 to: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas. In addition, \$10,000,000 was released to Alaska to buy fuel oil for the coming winter for villages facing high heating costs that were difficult to meet due to the disastrously low salmon run.

<sup>4</sup> Advance Funding requested in FY 99 for FY 00.

	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
2000				
Emergency Sup. Emergency Funds Disbursed	---	---	---	600,000,000
	---	---	---	744,350,000 <sup>6</sup>
2001 – Appropriated in FY 00 for obligation in FY 01	1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Regular Appro.	---	---	---	300,000,000
Emergency Funding	[300,000,000]	[300,000,000]	[300,000,000]	[300,000,000]
Emergency Suppl. Emergency Funds Disbursed	---	300,000,000	300,000,000	300,000,000
	---	---	---	455,650,000 <sup>7</sup>
2002	1,100,000,000	1,100,000,000	---	---
Emergency Funding	[300,000,000]	[300,000,000]	[300,000,000]	[300,000,000]
Emergency Sup. Carryover from FY 01 Emergency Funds Disbursed	---	---	---	[300,000,000]
	---	---	---	100,000,000
2003	1,400,000,000	---	1,700,000,000	1,788,300,000
Emergency Funding	[300,000,000]	---	[300,000,000]	[0]
Emergency Sup. Carryover from FY 01 Emergency Sup. Funds Disbursed	---	---	---	[300,000,000]
	---	---	---	200,000,000
2004	1,700,000,000	1,700,000,000	2,000,000,000	
Emergency Funding	[300,000,000]	[100,000,000]	[0]	
Emergency Funds Disbursed	---	---	---	---
2005	1,800,500,000			

<sup>5</sup> Due to excessively hot weather during late June and early July of 1999, \$100 million was released to 17 eastern states and the District of Columbia, including 15 Indian tribes. In August, an additional \$55 million was released to 9 additional states that had experienced extreme heat. In September, \$29,298,765 was released to North Carolina to assist with energy-related flood damage.

<sup>6</sup> In October 1999, \$5,000,000 was released to New Jersey to assist with energy-related damage due to Hurricane Floyd. In January 2000, \$45,000,000 was released to 11 States who depend heavily on heating oil and liquid petroleum, whose costs were higher than the previous year's. By the end of the fiscal year, \$744,350,000 had been released to offset the increasing costs of fuel.

<sup>7</sup> The emergency supplemental for FY 2001 was available until expended. A balance of \$155,650,000 was carried over into FY 2001 and that amount, together with the \$300,000,000 in new budget authority for emergency contingencies, had been obligated by the end of December 2000 to offset continuing increases in fuel prices and an unusually cold November and December.

## Low Income Home Energy Assistance Program

### Justification

	2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
Program Grants	\$1,760,681,000	\$1,761,744,000	\$1,772,200,000	+\$10,456,000
Leveraging Grants	27,321,000	27,338,000	27,500,000	+162,000
Subtotal	1,788,002,000	1,789,082,000	1,799,700,000	+10,618,000
Contingency Fund	0	99,410,000	200,000,000	+100,590,000
Training and Technical Assistance	298,000	298,000	800,000	+502,000
Contingency Funds Released	[200,000,000]	N/A	N/A	N/A
Total, BA	\$1,788,300,000	\$1,888,790,000	\$2,000,500,000	+\$111,710,000

### General Statement

Consistent with the Administration for Children and Families' strategic goal to build healthy, safe and supportive communities and tribes, the Low Income Home Energy Assistance Program (LIHEAP) provides assistance to low income households in meeting the costs of home energy heating and cooling their homes.

Approximately 24 percent of LIHEAP recipients are "working poor" households that do not receive any other public assistance through TANF, food stamps, SSI, or subsidized housing. Approximately 35 percent of LIHEAP recipients are elderly households. LIHEAP funds are not intended to meet the entire home energy costs of low-income households. Rather, LIHEAP funds are intended to supplement other available Federal assistance as well as the households' own resources and State resources.

Legislation enacted in 1994 made it easier for states to use LIHEAP funds more effectively to target assistance to households with high energy burdens or need and authorized States to use a portion of their funds to assist households in reducing their need for home energy. Through a collaborative process to develop performance objectives and measures, states increasingly are targeting resources more effectively.

A leveraging incentive fund has been successful in encouraging States to develop increased non-Federal energy assistance resources to be used in conjunction with LIHEAP funds. Beginning in FY 1996, a new Residential Energy Assistance Challenge Grant program (REACH) became a component of the leveraging incentive fund. It assists a limited number of LIHEAP grantees in developing and operating programs to help LIHEAP-eligible households reduce their energy vulnerability.

The COATS Human Services Reauthorization Act of 1998 (Public Law 105-285) reauthorized this program for FY 2000 through FY 2004, at a level of “such sums” for FY 2000 and FY 2001, and at \$2 billion for FY 2002 through FY 2004. This legislation increased the allowable set-aside for training and technical assistance from \$250,000 to \$300,000, extended on a permanent basis the authority to set aside up to 25 percent of the funds earmarked for leveraging incentive award program, and directed the Comptroller General to conduct an evaluation of the REACH program.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

Authorizing Legislation – Legislation has been proposed to reauthorize Section 2602(b) of the Low Income Home Energy Assistance Act of 1981, as amended, P.L. 97-35.

2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
\$1,788,300,000	\$1,789,380,000	\$1,800,500,000	+\$11,120,000

FY 2005 Authorization....\$2,000,500,000.

Purpose and Method of Operation

The Low Income Home Energy Assistance Program provides home energy assistance to low-income households through payments to eligible households and to energy suppliers. Funds are provided through block grants to states, Indian tribes and tribal organizations, Puerto Rico and four other territories for their use in programs tailored to meet the unique requirements of their jurisdictions. This program assists eligible households in meeting the costs of home energy, defined by the statute to include sources of residential heating and cooling.

States may give priority to households with the highest home energy costs or need in relation to income. States are allowed flexibility in determining payment levels and types of payments, including unrestricted cash payments, payments to vendors on behalf of eligible households, or energy vouchers. Generally states elect to provide benefits in the form of payments to vendors on behalf of recipient households. Up to ten percent of the funds payable to a state may be used to pay planning and administrative costs. A grantee may hold up to ten percent of the funds payable to it for obligation in the subsequent year.

Funding for the Low Income Home Energy Assistance Program during the last five years, exclusive of contingency funds, has been as follows:

2000 (advance appropriation in FY 1999).....	\$1,100,000,000
2001 (advance appropriation in FY 2000) .....	\$1,100,000,000
2001 (regular appropriation) .....	\$300,000,000
2002 (regular appropriation) .....	\$1,700,000,000
2003 (regular appropriation) .....	\$1,788,300,000
2004 (regular appropriation) .....	\$1,789,380,000

Rationale for the Budget Request

In order to continue to provide home energy assistance, \$1,800,500,000 is requested for FY 2005, an increase of \$11,120,000 over the FY 2004 Conference level. This request will enable states to

meet the increasing demands for LIHEAP assistance, ensure that low-income households are not without heating or cooling, and provide protection to our most vulnerable populations, the elderly, households with small children and person with disabilities. This increase will enable states to meet energy emergencies due to extremes in temperature, either during severe cold weather in the winter or sustained heat waves in the summer.

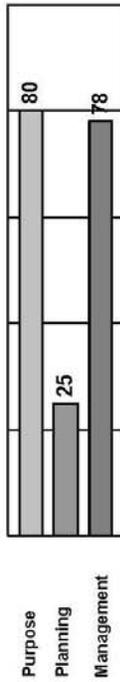
Under our reauthorization proposal, \$500,000 will be available to conduct a feasibility study of a nationally representative evaluation of LIHEAP program operations. The feasibility study will identify options for a thorough and objective evaluation. The existing authority requires the Secretary to divide a small sum of \$300,000 with the responsibilities of evaluation, training and technical assistance. The current statute also limits spending by the LIHEAP grantees for administrative and planning costs to no more than 10 percent of their allotments. This limited funding has rendered the program incapable of collecting, tabulating, and analyzing reliable performance data.

The LIHEAP program was selected for evaluation under the Program Assessment Rating Tool (PART) as part of the FY 2005 budget formulation process. Funding this evaluation proposal will provide us with the resources to collect data and more effectively address performance measurement as discussed in the PART review. A summary of the PART assessment follows on the next page.

**Program: Low Income Home Energy Assistance Program**

Agency: Department of Health and Human Services

Bureau: Office of Community Services, ACF



Key Performance Measures	Year	Target	Actual
Annual Measure: Increase the targeting index of LIHEAP recipient households having at least one member 60 years or older compared to non-vulnerable LIHEAP recipient households	2001	Baseline	90
	2002	90:64	91:72
	2003	TBD	TBD
	2004	TBD	TBD
Annual Measure: Increase the targeting index of LIHEAP recipient households having at least one member 5 years or younger compared to non-vulnerable LIHEAP recipient households	2001	Baseline	109:64
	2002	109:64	110:72
	2003	TBD	TBD
	2004	TBD	TBD
Annual Efficiency Measure: Increase the amount of non-Federal energy assistance resources leveraged through the LIHEAP leveraging incentive program (Developmental)	2004	TBD	TBD

**Rating: Results Not Demonstrated**

Program Type: Block / Formula Grant

**Program Summary:**

The Low Income Home Energy Assistance Program (LIHEAP) provides low income families who pay a high proportion of household income for home energy with assistance in meeting their immediate home energy needs.

The assessment found that the program has a clear mission and addresses a specific problem and need, but it lacks strong performance measures and ambitious goals. Additional findings include:

- While energy trend data suggests that the net effect of LIHEAP assistance has been to move low income household heating burdens closer to that of all households, the program lacks performance data to support this suggestion.
- There have been no national studies conducted to evaluate program effectiveness and improvement to date, but LIHEAP is currently undertaking a national study to examine energy assistance to those low income households with the lowest incomes and highest energy costs.
- The program does not have a system of evaluating program management and correcting deficiencies.

In response to these findings, the Administration is:

1. working to develop long-term and efficiency measures; and
2. recommending \$500 thousand for HHS to conduct a feasibility study of a nationally representative evaluation of LIHEAP program operations.

**Program Funding Level (in millions of dollars)**

2003 Actual	2004 Estimate	2005 Estimate
1,788	1,900	2,001

LOW INCOME HOME ENERGY ASSISTANCE CONTINGENCY FUND

Authorizing Legislation – Legislation has been proposed to reauthorize Section 2602(e) and 2604(g) of the Low Income Home Energy Assistance Act of 1981.

2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
\$0	\$99,410,000	\$200,000,000	+\$100,590,000

FY 2005 Authorization....\$600,000,000.

Purpose and Method of Operation

Consistent with the ACF goal to target energy assistance, this program is designed to provide additional funds to States that are adversely affected by extreme heat or cold, or other causes of energy-related emergencies. The 1994 amendments to the authorizing statute added language to provide a permanent authorization for the emergency fund and to permit targeting of grants to meet emergency needs.

Funding for the Low Income Home Energy Assistance Contingency Fund during the last five years has been as follows:

2000 .....	(\$900,000,000)
2000 funds distributed .....	\$175,298,765
2001 .....	(\$755,650,000)
2001 funds distributed .....	\$455,650,000
2002 .....	(\$300,000,000)
2002 funds available to be distributed .....	(\$500,000,000)
2002 funds distributed .....	\$100,000,000
2003 .....	(\$0)
2003 funds available to be distributed .....	(\$400,000,000)
2003 funds distributed .....	\$200,000,000)
2004 .....	(\$99,410,000)

Rationale for the Budget Request

The FY 2005 request for the Contingency Fund is \$200,000,000, an increase of \$100,590,000 over the FY 2004 Conference level, to permit targeting of funds for emergency needs.

**Resource and Program Data**  
**Low Income Home Energy Assistance Program**

	2003 Enacted	2004 Final Conference	2005 Estimate
<u>Resource Data:</u>			
Service Grants:			
Formula	\$1,760,680,700	\$1,761,744,020	\$1,772,200,000
Leveraging	20,490,938	20,503,313	20,625,000
REACH	6,830,312	6,834,437	6,875,000
Contingency Funds		99,410,000	200,000,000
Contingency Funds Released	[200,000,000] <sup>1</sup>	NA	NA
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance	287,530	288,000	788,000
Program Support <sup>2</sup>	10,520	10,230	12,000
Total, Resources	\$1,788,300,000	\$1,888,790,000	\$2,000,500,000
<u>Program Data:</u>			
Number of Grants	281	281	281
New Starts:			
#	270	270	270
\$	1,787,765,059	1,788,816,941 <sup>3</sup>	1,799,435,171 <sup>3</sup>
Continuations:			
#	11	11	11
\$	236,891	264,829	264,829
Contracts:			
#	3	3	4
\$	251,430	253,500	725,000
Interagency Agreements:			
#	2	2	2
\$	36,100	34,500	63,000

<sup>1</sup> \$200M was released in January, 2003 due to higher than normal energy prices, especially home heating oil.

<sup>2</sup> Includes funding for information technology support, grant/panel reviews and printing costs.

<sup>3</sup> Does not reflect release of contingency funds since no decisions have been made at this time.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2005 DISCRETIONARY STATE/FORMULA GRANTS**

**PROGRAM: Low Income Home Energy Assistance Program - Block Grants (CFDA # 93.568)**

<b>STATE/TERRITORY</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Conference</b>	<b>FY 2005 Estimate</b>	<b>Difference +/- 2004</b>
Alabama	\$15,037,406	\$15,038,613	\$15,127,867	\$89,254
Alaska	6,461,563	8,286,270	8,335,449	49,179
Arizona	6,719,049	6,723,106	6,763,008	39,902
Arkansas	11,538,907	11,545,876	11,614,401	68,525
California	80,557,702	80,598,969	81,077,326	478,357
Colorado	28,286,063	28,278,146	28,445,977	167,831
Connecticut	36,900,168	36,922,453	37,141,588	219,135
Delaware	4,897,787	4,900,745	4,929,831	29,086
District of Columbia	5,730,657	5,734,118	5,768,150	34,032
Florida	23,921,605	23,936,053	24,078,114	142,061
Georgia	18,918,547	18,929,972	19,042,322	112,350
Hawaii	1,905,202	1,906,352	1,917,666	11,314
Idaho	10,852,502	10,844,212	10,908,573	64,361
Illinois	102,133,292	102,194,973	102,801,502	606,529
Indiana	46,236,422	46,264,349	46,538,929	274,580
Iowa	32,773,095	32,792,887	32,987,513	194,626
Kansas	15,040,700	15,049,790	15,139,111	89,321
Kentucky	24,064,746	24,079,279	24,222,190	142,911
Louisiana	15,460,066	15,469,403	15,561,214	91,811
Maine	23,031,683	23,045,594	23,182,370	136,776
Maryland	28,253,992	28,271,055	28,438,844	167,789
Massachusetts	73,783,030	73,827,590	74,265,758	438,168
Michigan	96,519,935	96,425,811	96,998,100	572,289
Minnesota	69,858,956	69,901,146	70,316,010	414,864
Mississippi	12,943,222	12,951,039	13,027,904	76,865
Missouri	40,796,025	40,820,662	41,062,933	242,271
Montana	10,982,095	10,988,728	11,053,946	65,218
Nebraska	16,203,953	16,213,741	16,309,970	96,229
Nevada	3,434,814	3,436,889	3,457,287	20,398
New Hampshire	13,971,211	13,979,649	14,062,618	82,969
New Jersey	68,352,159	68,393,438	68,799,354	405,916
New Mexico	8,469,606	8,474,722	8,525,020	50,298
New York	223,409,992	223,498,763	224,825,232	1,326,469
North Carolina	32,808,048	32,827,862	33,022,696	194,834
North Dakota	11,340,928	11,401,233	11,468,900	67,667

STATE/TERRITORY	FY 2003 Actual	FY 2004 Conference	FY 2005 Estimate	Difference +/- 2004
Ohio	90,352,163	90,406,728	90,943,293	536,565
Oklahoma	12,729,045	12,687,049	12,762,347	75,298
Oregon	21,757,435	21,752,989	21,882,093	129,104
Pennsylvania	120,181,131	120,253,711	120,967,419	713,708
Rhode Island	12,115,542	12,122,858	12,194,807	71,949
South Carolina	12,010,060	12,017,313	12,088,636	71,323
South Dakota	9,387,799	9,393,468	9,449,218	55,750
Tennessee	24,377,072	24,391,794	24,536,560	144,766
Texas	39,807,774	39,831,815	40,068,217	236,402
Utah	12,906,413	12,894,280	12,970,808	76,528
Vermont	10,471,920	10,478,244	10,540,433	62,189
Virginia	34,416,521	34,437,306	34,641,692	204,386
Washington	34,597,075	34,609,508	34,814,916	205,408
West Virginia	15,925,469	15,935,087	16,029,662	94,575
Wisconsin	62,883,092	62,921,068	63,294,506	373,438
Wyoming	5,185,972	5,055,988	5,085,995	30,007
<b>Subtotal</b>	<b>1,740,699,611</b>	<b>1,743,142,694</b>	<b>1,753,488,275</b>	<b>10,345,581</b>
Tribes	17,596,634	16,215,430	16,311,669	96,239
American Samoa	39,444	39,469	39,703	234
Guam	86,481	86,534	87,048	514
Northern Mariana Islands	30,036	30,056	30,234	178
Puerto Rico	2,146,718	2,148,009	2,160,757	12,748
Virgin Islands	81,776	81,828	82,314	486
<b>Subtotal</b>	<b>19,981,089</b>	<b>18,601,326</b>	<b>18,711,725</b>	<b>110,399</b>
<b>Total States/Territories</b>	<b>1,760,680,700</b>	<b>1,761,744,020</b>	<b>1,772,200,000</b>	<b>10,455,980</b>
Discretionary Funds	27,321,250	27,337,750	27,500,000	162,250
Technical Assistance	298,050	298,230	800,000	501,770
<b>Subtotal adjustments</b>	<b>27,619,300</b>	<b>27,635,980</b>	<b>28,300,000</b>	<b>664,020</b>
<b>TOTAL RESOURCES</b>	<b>\$1,788,300,000</b>	<b>\$1,789,380,000</b>	<b>\$1,800,500,000</b>	<b>\$11,120,000</b>

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2005 DISCRETIONARY STATE/FORMULA GRANTS**

**PROGRAM: Low Income Home Energy Assistance Program - Contingency Funds (CFDA #93.568)**

<b>STATE/TERRITORY</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Conference</b>	<b>FY 2005 Estimate</b>	<b>Difference +/- 2004</b>
Alabama	\$1,085,372	n/a	n/a	n/a
Alaska	1,299,683	n/a	n/a	n/a
Arizona	462,357	n/a	n/a	n/a
Arkansas	793,720	n/a	n/a	n/a
California	5,548,701	n/a	n/a	n/a
Colorado	1,948,680	n/a	n/a	n/a
Connecticut	6,908,830	n/a	n/a	n/a
Delaware	867,954	n/a	n/a	n/a
District of Columbia	537,929	n/a	n/a	n/a
Florida	1,942,341	n/a	n/a	n/a
Georgia	1,396,842	n/a	n/a	n/a
Hawaii	130,604	n/a	n/a	n/a
Idaho	985,043	n/a	n/a	n/a
Illinois	7,487,253	n/a	n/a	n/a
Indiana	3,960,848	n/a	n/a	n/a
Iowa	2,742,905	n/a	n/a	n/a
Kansas	1,037,998	n/a	n/a	n/a
Kentucky	2,011,539	n/a	n/a	n/a
Louisiana	1,071,167	n/a	n/a	n/a
Maine	5,567,518	n/a	n/a	n/a
Maryland	3,808,774	n/a	n/a	n/a
Massachusetts	12,272,222	n/a	n/a	n/a
Michigan	8,362,344	n/a	n/a	n/a
Minnesota	7,626,531	n/a	n/a	n/a
Mississippi	901,208	n/a	n/a	n/a
Missouri	2,957,449	n/a	n/a	n/a
Montana	870,335	n/a	n/a	n/a
Nebraska	1,230,905	n/a	n/a	n/a
Nevada	263,451	n/a	n/a	n/a
New Hampshire	2,951,570	n/a	n/a	n/a
New Jersey	10,330,192	n/a	n/a	n/a
New Mexico	583,707	n/a	n/a	n/a
New York	36,711,213	n/a	n/a	n/a
North Carolina	4,651,264	n/a	n/a	n/a
North Dakota	1,270,000	n/a	n/a	n/a

STATE/TERRITORY	FY 2003 Actual	FY 2004 Conference	FY 2005 Estimate	Difference +/- 2004
Ohio	7,797,095	n/a	n/a	n/a
Oklahoma	871,518	n/a	n/a	n/a
Oregon	2,021,690	n/a	n/a	n/a
Pennsylvania	16,469,576	n/a	n/a	n/a
Rhode Island	2,046,693	n/a	n/a	n/a
South Carolina	1,367,982	n/a	n/a	n/a
South Dakota	989,821	n/a	n/a	n/a
Tennessee	2,007,525	n/a	n/a	n/a
Texas	2,735,094	n/a	n/a	n/a
Utah	942,294	n/a	n/a	n/a
Vermont	2,128,885	n/a	n/a	n/a
Virginia	4,653,087	n/a	n/a	n/a
Washington	3,060,200	n/a	n/a	n/a
West Virginia	1,429,584	n/a	n/a	n/a
Wisconsin	6,661,621	n/a	n/a	n/a
Wyoming	360,809	n/a	n/a	n/a
<b>Subtotal</b>	<b>198,121,923</b>	<b>0</b>	<b>0</b>	<b>0</b>
Tribes	1,715,563	n/a	n/a	n/a
American Samoa	2,688	n/a	n/a	n/a
Guam	5,894	n/a	n/a	n/a
Palau	2,047	n/a	n/a	n/a
Puerto Rico	146,311	n/a	n/a	n/a
Virgin Islands	5,574	n/a	n/a	n/a
<b>Subtotal</b>	<b>1,878,077</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total States/Territories</b>	<b>200,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$200,000,000</b>	<b>\$99,410,000</b>	<b>\$200,000,000</b>	<b>\$0</b>

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

Child Care and Development Block Grant

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ADMINISTRATION FOR CHILDREN AND FAMILIES  
Payments to States for Child Care and Development Block Grant

For carrying out sections 658A through 658R of the Omnibus Budget Reconciliation Act of 1981 (The Child Care and Development Block Grant Act of 1990), \$2,099,729,000 shall be used to supplement, not supplant state general revenue funds for child care assistance for low-income families: *Provided*, That \$19,120,000 shall be available for child care resource and referral and school-aged child care activities, of which \$1,000,000 shall be for the Child Care Aware toll-free hotline: *Provided further*, That in addition to the amounts required to be reserved by the States under section 658G, \$272,672,000 shall be reserved by the States for activities authorized under 658G of which \$100,000,000 shall be for activities that improve the quality of infant and toddler care: *Provided further*, That \$9,864,000 shall be for use by the Secretary for child care research, demonstration, and evaluation activities.

*Division E, H.R. 2673, Consolidated Appropriations Bill, FY 2004*

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and families  
Child Care and Development Block Grant

Amounts Available for Obligation

	<u>2003 Enacted</u>	<u>2004 Final Conference</u>	<u>2005 Estimate</u>
Child Care and Development Block Grant	\$2,089,994,000	\$2,089,865,000	\$2,089,865,000
Research and Evaluation Fund	10,000,000	9,864,000	9,864,000
Enacted Rescission	-13,650,000	-12,419,000	
Subtotal, Adjusted Appropriation	\$2,086,344,000	\$2,087,310,000	\$2,099,729,000
Total Obligations	\$2,086,344,000	\$2,087,310,000	\$2,099,729,000

Child Care and Development Block Grant

SUMMARY OF CHANGES

2004 Final Conference.....	\$2,087,310,000
Total estimated budget authority .....	\$2,087,310,000
(Obligations) .....	\$2,087,310,000
2005 Estimate .....	\$2,099,729,000
(Obligations).....	\$2,099,729,000
Net change .....	+\$12,419,000
(Obligations).....	+\$12,419,000

	<u>2004 Final Conference Base</u>	<u>Change from Base</u>
Increases:		
A. <u>Program</u> :		
1. Child Care Development State Grants: Restoration of funding reduced during the 2004 appropriation process through application of statutory rescissions.	\$2,077,504,000	+\$12,361,000
2. Child Care Development Research Grants: Restoration of funding reduced during the 2004 appropriation process through application of statutory rescissions.	\$9,806,000	+\$58,000
Net Change.....	\$2,087,310,000	+\$12,419,000

Child Care and Development Block Grant

**Budget Authority by Activity**

	<u>2003 Enacted</u>	<u>2004 Final Conference</u>	<u>2005 Estimate</u>
Child Care and Development Block Grant	\$2,076,409,000	\$2,077,504,000	\$2,089,865,000
Research and Evaluation Fund	9,935,000	9,806,000	9,864,000
Total, BA	\$2,086,344,000	\$2,087,310,000	\$2,099,729,000

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**Budget Authority by Object**

	<u>2004 Final Conference</u>	<u>2005 Estimate</u>	<u>Increase or Decrease</u>
Travel (21.0).....	\$1,700,000	\$1,700,000	
Advisory and assistance services (25.1).....	\$4,750,000	\$4,808,000	+\$58,000
Purchase of goods and services from government accounts (25.3).....	500,000	500,000	\$0
Grants, subsidies and contributions (41.0).....	2,080,360,000	2,092,721,000	+\$12,361,000
Total, BA	\$2,087,310,000	\$2,099,729,000	-\$12,419,000

## Child Care and Development Block Grant

### SIGNIFICANT ITEMS IN HOUSE, SENATE AND CONFERENCE APPROPRIATIONS COMMITTEE REPORTS

#### **2004 Senate Report Language (S. Rpt 108-81)**

##### Item

***[Before and afterschool services and resource and referral programs]*** — The Committee recommendation continues specific earmarks in appropriations language, also included in the budget request, that provide targeted resources to specific policy priorities including \$19,120,000 for the purposes of supporting before and afterschool services, as well as resource and referral programs. This represents the Federal commitment to the activities previously funded under the dependent care block grant. The Committee expects that these funds will not supplant current funding dedicated to resource and referral and school age activities provided by the child care and development block grant. The Committee strongly encourages States to address the matters of before and afterschool care and the establishment of resource and referral programs with the funds provided in this program. (p. 197)

##### Action Taken or to be Taken

The Child Care Bureau is informing state and tribal Child Care Lead Agencies of the earmark and is providing a range of technical services that will assist grantees in making decisions on how to invest these resources. In addition, the Bureau is providing a chart that lists the dollar amount of the earmark for each state and tribe. This is a continuation of a previously established earmark.

Child Care and Development Block Grant  
 Authorizing Legislation

	2004 Amount Authorized <sup>1</sup>	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
Section 658 B of the Child Care and Development Block Grant Act	\$2,099,994,000	\$2,087,310,000	\$2,099,994,000	\$2,099,729,000

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<sup>1</sup> Expired in FY 2002.

**APPROPRIATIONS HISTORY TABLE**  
 Child Care and Development Block Grant

<u>Year</u>	<u>Budget Estimate To Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1996	1,048,825,000	934,642,000	934,642,000	934,642,000
1997	1,048,825,000	950,000,000	956,120,000	956,120,000
1998	65,672,000	937,000,000	963,120,000	1,002,672,000
1999	1,182,672,000	1,000,000,000	1,000,000,000	999,974,000
2000	1,182,672,000	1,182,672,000	1,182,672,000	1,182,672,000
2001				
Advance Appropriation	1,182,672,000	1,182,672,000	1,182,672,000	1,182,672,000
Advance FY02	817,328,000	400,000,000	817,328,000	817,196,000
	2,000,000,000	2,000,000,000	0	0
2002	2,199,987,000	2,199,987,000	2,000,000,000	2,099,976,000
<i>Rescission</i>				-15,000
				2,042,000,000
2003	2,099,994,000			2,099,994,000
<i>Rescission</i>				-13,649,961
				\$2,086,344,039
2004	2,099,729,000			\$2,099,729,000
<i>Rescission</i>				-\$12,419,000
				\$2,087,310,000
2005	2,099,729,000			

## Child Care and Development Block Grant

### Justification

	2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
Child Care and Development Block Grant	\$2,076,409,000	\$2,077,504,000	\$2,089,865,000	+\$12,361,000
Research and Evaluation Fund	9,935,000	9,806,000	9,864,000	+\$58,000
Total, BA	\$2,086,344,000	\$2,087,310,000	\$2,099,729,000	+\$12,419,000

### General Statement

The Child Care and Development Block Grant was created by the Omnibus Budget Reconciliation Act of 1990 (OBRA 1990) as a discretionary funded program. The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (P.L. 104-193) made changes to this program by combining the child care entitlement programs (AFDC Child Care, Transitional Child Care and At-Risk Child Care) into the Child Care and Development Block Grant (CCDBG) Act of 1990, as amended. The entitlement portion consisted of mandatory and matching funds made available under section 418 of the Social Security Act, while the discretionary funding was authorized by the Child Care and Development Block Grant Act. The combined funding from these streams was designated the Child Care and Development Fund (CCDF).

The Child Care and Development Block Grant makes funds available for child care services and activities to improve the availability, accessibility, and affordability of child care. The program allows states maximum flexibility in developing child care programs and enables states to use resources most effectively to meet local needs. Child care subsidies funded through the Block Grant assist low-income families who are working or attending training/education. A minimum of four percent of funds are set aside for activities to provide comprehensive consumer education to parents and the public, activities that increase parental choice and activities designed to improve the quality and availability of child care (such as implementing state health and safety and licensing regulations and resource and referral services). Additional appropriation earmarks also designate funds for improving the quality and availability of care. Quality child care promotes literacy and prepares children to succeed in school.

Two percent of the funds are reserved for Indian tribes, and one half of one percent is reserved for the Territories. A quarter of a percent is reserved for technical assistance. The 2005 request includes funding (\$9,864,000) for research and evaluation to promote the generation of critically-needed information for and about parents, children, and the child care market.

CHILD CARE AND DEVELOPMENT BLOCK GRANT

Authorizing Legislation – Legislation to reauthorize Section 658 B of the Child Care and Development Block Grant Act is pending Congressional action.

2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
\$2,076,409,000	\$2,077,504,000	\$2,089,865,000	+\$12,361,000

2005 Authorization.....\$2,089,994,000 (reflects authorization level as proposed in the President’s budget).

Purpose and Method of Operation

The Child Care and Development Block Grant provides grants to states, federally recognized tribes, and territories for the purposes of: providing low-income families with financial assistance for child care; improving the quality and availability of child care; and establishing or expanding and conducting early child development programs and before- and after-school programs. Federal funds enable states, tribes and territories to provide child care services through grants, contracts, and certificates to low-income families for a parent who is working or attending training or educational programs. This program is designed to help low-income families succeed at work and remain self-sufficient.

Funding for the Child Care and Development Block Grant for the last five years has been as follows:

2000.....	\$1,172,672,000
2001.....	\$1,989,927,500
2002.....	\$2,089,970,000
2003.....	\$2,076,409,000
2004 .....	\$2,077,504,000

These child care funds will:

- Allow each state maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within each state;
- Promote parental choice to empower working parents to make their own decisions on child care that best suits their family's needs;
- Encourage states to provide consumer education information to help parents make informed choices about child care;

- Assist states in providing child care to parents trying to achieve and maintain independence from public assistance and assist other low-income working parents to maintain quality child care services for their children; and
- Assist states in implementing the health, safety, licensing, and registration standards established in state regulations.

#### Rationale for the Budget Request

The 2005 request of \$2,089,865,000, an increase of \$12,361,000 over the 2004 Conference level, will provide funding to assist states in meeting the critical child care needs of families. The Child Care and Development Block Grant program helps states and communities to build the supply of high quality, affordable child care. The funds will continue ACF's commitment to providing resources that allow families to become and remain self-sufficient and productive members of society. These funds also allow families to access quality child care, which promotes child development, literacy, and school readiness. All segments of society — parents, schools, employers, health providers, faith-based institutions and other charitable agencies, states and the federal government — must be involved to ensure access to quality child care.

Resource and Program Data  
Child Care and Development Block Grant

	2003 Enacted	2004 Final Conference	2005 Estimate
<u>Resource Data:</u>			
Service Grants:			
Formula	\$2,073,689,000	\$2,074,189,000	\$2,086,550,000
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance	2,220,000	2,815,000	2,815,000
Program Support <sup>1</sup>	500,000	500,000	500,000
Total, Resources	\$2,076,409,000	\$2,077,504,000	\$2,089,865,000
<u>Program Data:</u>			
Number of Grants	321	321	321
New Starts:			
#	0	0	0
\$			
Continuations:			
#	321	321	321
\$	\$2,073,689,000	\$2,074,189,000	\$2,086,550,000
Contracts:			
#	4	4	4
\$	\$2,220,000	\$2,815,000	\$2,815,000
Interagency Agreements:			
#	0	0	0
\$			

<sup>1</sup> Includes funding for information technology support and other associated overhead.

RESEARCH AND EVALUATION FUND

Authorizing Legislation – Legislation to reauthorize Section 658 B of the Child Care and Development Block Grant Act is pending Congressional action.

2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
\$9,935,000	\$9,806,000	\$9,864,000	+\$58,000

2005 Authorization.... \$9,864,000. (reflects authorization level as proposed in the President’s budget).

Purpose and Method of Operation

In accordance with ACF's goal of ensuring healthy, safe and affordable child care for America's working families, this program will support research, demonstration, and evaluation activities designed to provide a sound basis for policy development, consumer education, and innovation toward improved child care services and systems for the 21<sup>st</sup> century.

Funding for the Child Care and Development Block Grant Research and Evaluation fund has been as follows:

2000.....	\$10,000,000
2001.....	\$9,991,000
2002.....	\$9,972,000
2003.....	\$9,935,000
2004.....	\$9,806,000

Rationale for the Budget Request

For 2005 the request of \$9,864,000, a \$58,000 increase over the 2004 Conference level, will support continuing research, demonstration, and evaluation activities. Increasing our knowledge of what child care services and systems work best and disseminating that knowledge throughout the country are important steps in improving the quality of care provided to our children. Research and evaluation will provide information and data for policy makers to make decisions about how best to use resources and develop innovative child care strategies. In consultation with researchers, policy makers and practitioners, ACF developed a comprehensive research agenda to develop the capacity to support ongoing and future child care research while at the same time answering key questions for child care policy, planning, and program administration.

Prior year funds have been used for a number of critical efforts, including:

- Rigorous evaluation of alternative state child care subsidy policies designed to identify effective strategies for improving outcomes for families and children.
- A four-year multi-site study of alternative approaches that show promise for improving the knowledge, skills, and performance of child care providers.
- Enhancement of states' capacity to collect administrative data and conduct policy-relevant research and analysis.
- Development of a Child Care Research Collaboration and Archive to provide web-based access to reports, papers, briefs, data and other research-related information to child care researchers and policymakers.
- Promotion of research partnerships involving a variety of stakeholders to link research, policy and practice.

The 2005 request will allow the continuation of efforts to further document emerging trends in the child care field and encourage evidence-based practices.

Resource and Program Data  
Research and Evaluation Fund

	2003 Enacted	2004 Final Conference	2005 Estimate
<u>Resource Data:</u>			
Service Grants:			
Formula	\$0	\$0	\$0
Discretionary			
Research/Evaluation	7,300,000	7,171,000	7,229,000
Demonstration/Development	2,635,000	2,635,000	2,635,000
Training/Technical Assistance			
Program Support <sup>1</sup>	100,000	100,000	100,000
Total, Resources	\$9,935,000	\$9,806,000	\$9,864,000
<u>Program Data:</u>			
Number of Grants	34	25	25
New Starts:			
#	9	14	5
\$	\$1,600,000	\$2,714,000	\$1,464,000
Continuations:			
#	25	11	20
\$	\$5,071,000	\$4,450,000	\$4,707,000
Contracts:			
#	3	1	1
\$	\$2,864,000	\$2,242,000	\$3,293,000
Interagency Agreements:			
#	2	2	2
\$	\$400,000	\$400,000	\$400,000

<sup>1</sup> Includes funding for information technology support and other associated overhead.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2005 DISCRETIONARY STATE/FORMULA GRANTS**

**PROGRAM: Child Care & Development Block Grant (CFDA #93.575)**

<b>STATE/TERRITORY</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Conference</b>	<b>FY 2005 Estimate</b>	<b>Difference +/- 2004</b>
Alabama	\$41,669,808	\$41,347,462	\$41,590,526	\$243,064
Alaska	4,235,305	4,238,388	4,263,304	24,916
Arizona	45,571,488	47,827,407	48,108,566	281,159
Arkansas	24,908,331	24,828,097	24,974,052	145,955
California	237,916,955	236,074,407	237,462,196	1,387,789
Colorado	23,005,510	23,901,439	24,041,947	140,508
Connecticut	15,024,485	14,833,330	14,920,529	87,199
Delaware	4,457,902	4,405,682	4,431,581	25,899
District of Columbia	3,629,174	3,419,772	3,439,876	20,104
Florida	109,499,949	113,432,667	114,099,493	666,826
Georgia	71,135,781	74,026,767	74,461,941	435,174
Hawaii	8,396,509	8,540,023	8,590,226	50,203
Idaho	11,226,805	11,282,059	11,348,382	66,323
Illinois	79,108,757	78,796,914	79,260,130	463,216
Indiana	40,065,212	40,675,367	40,914,482	239,115
Iowa	19,106,391	18,451,717	18,560,187	108,470
Kansas	19,990,557	18,816,540	18,927,154	110,614
Kentucky	35,915,722	34,865,702	35,070,664	204,962
Louisiana	49,229,580	48,317,442	48,601,481	284,039
Maine	7,745,944	7,274,479	7,317,242	42,763
Maryland	27,852,704	28,257,372	28,423,486	166,114
Massachusetts	27,871,895	26,968,694	27,127,232	158,538
Michigan	60,260,357	59,304,470	59,653,098	348,628
Minnesota	26,588,285	25,791,248	25,942,865	151,617
Mississippi	33,831,691	33,350,196	33,546,248	196,052
Missouri	39,380,751	39,717,792	39,951,276	233,484
Montana	6,161,988	5,850,383	5,884,774	34,391
Nebraska	11,821,200	11,786,547	11,855,835	69,288
Nevada	11,693,764	12,666,526	12,740,987	74,461
New Hampshire	5,120,587	4,953,174	4,982,292	29,118
New Jersey	39,224,508	38,635,528	38,862,651	227,123
New Mexico	18,863,936	18,661,715	18,771,420	109,705
New York	116,406,824	112,928,164	113,592,023	663,859

STATE/TERRITORY	FY 2003 Actual	FY 2004 Conference	FY 2005 Estimate	Difference +/- 2004
North Carolina	61,674,871	64,051,195	64,427,726	376,531
North Dakota	4,442,320	4,128,455	4,152,725	24,270
Ohio	69,277,206	69,473,155	69,881,560	408,405
Oklahoma	31,231,786	30,891,174	31,072,771	181,597
Oregon	22,218,120	22,511,528	22,643,865	132,337
Pennsylvania	65,775,370	63,998,511	64,374,732	376,221
Rhode Island	5,731,440	5,557,612	5,590,282	32,670
South Carolina	36,969,971	36,762,032	36,978,140	216,108
South Dakota	6,125,525	5,934,969	5,969,858	34,889
Tennessee	45,041,191	45,806,907	46,076,187	269,280
Texas	200,954,072	206,707,311	207,922,460	1,215,149
Utah	20,756,252	21,300,968	21,426,187	125,219
Vermont	3,352,999	3,159,692	3,178,266	18,574
Virginia	40,206,082	40,721,936	40,961,323	239,387
Washington	34,070,750	34,113,125	34,313,663	200,538
West Virginia	14,332,291	13,655,519	13,735,794	80,275
Wisconsin	30,894,490	30,504,115	30,683,435	179,320
Wyoming	3,195,665	3,073,625	3,091,694	18,069
Subtotal	1,973,169,056	1,976,579,299	1,988,198,814	11,619,515
Indian Tribes	41,726,881	41,746,200	41,994,580	248,380
American Samoa	2,646,159	2,647,385	2,767,911	120,526
Guam	3,974,740	3,976,580	3,960,731	-15,849
Northern Mariana Islands	1,625,883	1,626,636	1,732,999	106,363
Puerto Rico	44,872,022	42,537,576	42,787,638	250,062
Virgin Islands	2,184,938	2,185,949	2,037,004	-148,945
Subtotal	97,030,623	94,720,326	95,280,863	560,537
Total States/Territories	2,070,199,679	2,071,299,625	2,083,479,677	12,180,052
Technical Assistance	5,215,860	5,218,275	5,249,323	31,048
Research Set-Aside	9,935,000	9,798,000	10,000,000	202,000
Child Care Aware	993,500	994,100	1,000,000	5,900
Subtotal Adjustments	16,144,360	16,010,375	16,249,323	238,948
<b>TOTAL RESOURCES</b>	<b>\$2,086,344,039</b>	<b>\$2,087,310,000</b>	<b>\$2,099,729,000</b>	<b>\$12,419,000</b>

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

Children and Families Services Programs

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ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children and Families Services Programs

For carrying out, except as otherwise provided; the Runaway and Homeless Youth Act, the Developmental Disabilities Assistance and Bill of Rights Act, the Head Start Act, the Child Abuse Prevention and Treatment Act, sections 310 and 316 of the Family Violence Prevention and Services Act, as amended, the Native American Programs Act of 1974, title II of Public Law 95-266 (adoption opportunities), the Adoption and Safe Families Act of 1997 (Public Law 105-89), sections 1201 and 1211 of the Children's Health Act of 2000, the Abandoned Infants Assistance Act of 1988, sections 261 and 291 of the Help America Vote Act of 2002, [the Early Learning Opportunities Act,]<sup>5</sup> part B(1) of title IV and sections 413, 429A, 1110, and 1115 of the Social Security Act, and sections 40155, 40211, and 40241 of Public Law 103-322; for making payments under the Community Services Block Grant Act, sections 439(h), 473A, [and 477i] 474, and 477(i) of the Social Security Act, and title IV of Public Law 105-285, and for necessary administrative expenses to carry out said Acts and titles I, IV, V<sup>6</sup>, X, XI, XIV, XVI, and XX of the Social Security Act, the Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus Budget Reconciliation Act of 1981, title IV of the Immigration and Nationality Act, section 501 of the Refugee Education Assistance Act of 1980, [section 5 of the Torture Victims Relief Act of 1998 (Public Law 105-320)]<sup>7</sup> sections 40155, 40211, and 40241 of Public Law 103-322, and section 126 and titles IV and V of Public Law 100-485, [\$8,816,097,000] \$9,056,025,000, of which [\$7,500,000] \$32,103,000, to remain available until September 30, [2005] 2006, shall be for

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<sup>5</sup> No funds are being requested in FY 2005 for the Early Learning Opportunities Program. The FY 2004 President's Budget request proposes to fund similar activities in the Department of Education through the Early Reading First program and the Early Childhood Education Professional Development Grant.

<sup>6</sup> This reference is added to incorporate authority to carry out necessary administrative expenses for the mandatory Abstinence Education Program.

<sup>7</sup> The elimination of the reference to the Torture Victims Relief Act provides for broader use of funds to carry out the program as envisioned by authorizing language.

grants to States for adoption incentive payments, as authorized by section 473A of title IV of the Social Security Act (42 U.S.C. 670-679) and may be made for adoptions completed before September 30, [2004 Provided, That funds appropriated in Public Law 108-7 for grants to States as authorized by section 473A of title IV of the Social Security Act shall also be available for adoption incentive payments for adoptions completed before September 30, 2004]<sup>8</sup>2005

Provided further, That [\$6,815,570,000] \$6,943,580,000 shall be for making payments under the Head Start Act, of which \$1,400,000,000 shall become available October 1, [2004] 2005 and remain available through September 30, [2005] 2006: *Provided further, That notwithstanding section 640 of the Head Start Act, of funds appropriated to Head Start, \$45,000,000 shall be available as grants to States that directly administer the Head Start program*<sup>9</sup>: Provided further, That [\$735,686,000] \$552,350,000 shall be for making payments under the Community Services Block Grant Act: [Provided further, That not less than \$7,227,000 shall be for section 680(3)(B) of the Community Services Block Grant Act, as amended:<sup>10</sup> Provided further, That in addition to amounts provided herein, \$6,000,000 shall be available from amounts available under section 241 of the Public Health Service Act to carry out the provisions of section 1110 of the Social Security Act: ]<sup>11</sup> Provided further, That to the extent Community Services Block Grant funds are distributed as grant funds by a State to an eligible entity as provided under the Act, and have not been expended by such entity, they shall remain with such entity

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<sup>8</sup> This language change reflects deletion of the provision to expand the purpose of the FY 2003 appropriation. This provision is not needed to change the purpose of the FY 2004 appropriation.

<sup>9</sup> This language change reflects the inclusion of a proposed \$45-million set-aside to improve Head Start by funding a nine state pilot program in FY 2005.

<sup>10</sup> This language is deleted because funding is not being requested for the Rural Community Facilities program in FY 2005.

<sup>11</sup> This funding has not been included in the FY 2005 request.

for carryover into the next fiscal year for expenditure by such entity consistent with program purposes: Provided further, That the Secretary shall establish procedures regarding the disposition of intangible property which permits grant funds, or intangible assets acquired with funds authorized under section 680 of the Community Services Block Grant Act, as amended, to become the sole property of such grantees after a period of not more than 12 years after the end of the grant for purposes and uses consistent with the original grant: Provided further, That funds appropriated for section 680(a)(2) of the Community Services Block Grant Act, as amended, shall be available for financing construction and rehabilitation and loans or investments in private business enterprises owned by community development corporations: [Provided further, That \$89,978,000 shall be for activities authorized by the Runaway and Homeless Youth Act, notwithstanding the allocation requirements of section 388(a) of such Act, of which \$40,505,000 is for the transitional living program:]<sup>12</sup> Provided further, That [\$48,000,000] \$100,000,000 is for a compassion capital fund to provide grants to charitable organizations to emulate model social service programs and to encourage research on the best practices of social service organizations: Provided further, That [\$15,000,000] \$14,912,000 shall be for activities authorized by the Help America Vote Act of 2002, of which [\$10,000,000] \$9,941,000 shall be for payments to States to promote [disabled voter] *access for voters with disabilities*, and of which [\$5,000,000] \$4,971,000 shall be for payments to States for [disabled voters] protection and advocacy systems for voters with disabilities: *Provided further, That \$181,926,000 is only for making competitive grants to provide abstinence education (as defined by section 510(b)(2) of the Social Security Act) to adolescents, and for Federal costs of administering the grant; Provided further, That grants under the immediately preceding proviso shall be made only to*

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<sup>12</sup> This language can be deleted as a result of new language included in the reauthorization of the Runaway and Homeless Youth Act.

*public and private entities which agree that, with respect to an adolescent to whom the entities provide abstinence education under such grant, the entities will not provide to that adolescent any other education regarding sexual conduct, except that, in the case of an entity expressly required by law to provide health information or services the adolescent shall not be precluded from seeking health information or services from the entity in a different setting than the setting in which the abstinence education was provided: Provided further, That in addition to amounts provided herein for abstinence education to adolescents, \$4,500,000 shall be available from amounts available under section 241 of the Public Health Services Act to carry out evaluations (including longitudinal evaluations) of adolescent pregnancy prevention approaches:<sup>13</sup> Provided further, That \$2,000,000 shall be for improving the Public Assistance Reporting Information System, including grants to States to support data collection for a study of the system's effectiveness.<sup>14</sup>*

*Division E, H.R. 2673, Consolidated Appropriations Bill, FY 2004*

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<sup>13</sup> This language change is proposed to reflect the incorporation of the Community-Based Abstinence Education Program, which previously has been included in the appropriation for the Health Resources and Services Administration, into the Children and Families Services account.

<sup>14</sup> Language added to authorize use of funds in the Federal Administration account to carry out the PARIS competitive grant program under the authority of Section 1110 of the Social Security Act.

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
Administration for Children and Families  
Children and Families Services Programs

Amounts Available for Obligation<sup>1</sup>

	<u>2003 Enacted</u>	<u>2004 Final Conference</u>	<u>2005 Estimate</u>
Appropriation:			
Annual .....	8,658,118,000	\$8,816,597,000	\$9,106,025,000 <sup>2</sup>
Pre-Appropriated Mandatory <sup>3</sup>	50,000,000	50,000,000	50,000,000
Advance funding of Head Start included in annual appropriation.....	[1,400,000,000]	[1,400,000,000]	[1,400,000,000]
Enacted rescission.....	<u>-12,843,000</u>	<u>-53,409,000</u>	<u>0</u>
Subtotal, Adjusted Appropriation.....	\$8,695,275,000	\$8,813,188,000	\$9,106,025,000
Comparable transfer from: HRSA	54,643,000	70,049,000	
Unobligated balance expiring.....	0	0	0
Unobligated balances available.....	<u>0</u>	<u>0</u>	<u>0</u>
Total, obligations discretionary only	\$8,699,918,000	\$8,833,237,000	\$9,106,025,000
Total, obligations	\$8,749,918,000	\$8,883,237,000	\$9,156,025,000

<sup>1</sup> Excludes the following amounts for reimbursements: FY 2003 \$14,461,000, FY 2004 \$14,461,000, FY 2005 \$14,461,000.

<sup>2</sup> This total differs from the amount shown in the proposed appropriations language because this includes a legislative proposal supporting the request of \$50,000,000 requested for Promotion and Support of Responsible Fatherhood and Healthy Marriage.

<sup>3</sup> Reflects the reassignment of the Abstinence Education programs from HRSA to ACF. These mandatory pre-appropriated funds are shown in this discretionary account for display purposes.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Children and Families Services Programs  
 (Discretionary only)

SUMMARY OF CHANGES

FY 2004 Final Conference	
Total estimated budget authority .....	\$8,833,237,000
(Obligations).....	(\$8,861,031,000) <sup>1</sup>
FY 2005 Estimate .....	\$9,106,025,000
Net change .....	+\$272,788,000
(Obligations).....	+\$244,994,000

	<u>2004 Current Budget Base</u>		<u>Change from Base</u>	
	<u>(FTE)</u>	<u>Budget Authority</u>	<u>(FTE)</u>	<u>Budget Authority</u>
<u>Increases:</u>				
A. <u>Built-in:</u>				
1) Increase in personnel compensation and related benefit costs associated with January 2005 civilian pay raise, annualization of FY 2004 pay raise, within grade increase, and one day extra pay in FY 2005.....				\$4,818,000
2) Inflationary increases in Rent and other non-pay costs.....				+1,054,000
Subtotal, Built-in Increases	1,425	\$8,833,237,000		+5,872,000
B. <u>Program:</u>				
1) Head Start program increase.....				+168,732,000
2) Runaway and Homeless Youth program increase .....				+10,016,000
3) Community-Based Abstinence Education program increase.....				+111,877,000

<sup>1</sup> Includes carryover from FY 2003 Adoption Incentives program to be obligated in FY 2004.

	<u>2004 Current Budget Base</u>		<u>Change from Base</u>	
	<u>(FTE)</u>	<u>Budget Authority</u>	<u>(FTE)</u>	<u>Budget Authority</u>
4) Mentoring Children of Prisoners program increase .....				+299,000
5) Child Abuse State Grants program increase.....				+20,130,000
6) Community-Based Child Abuse Prevention program increase.....				+31,797,000
7) Child Welfare Program increase...				+2,999,000
8) Independent Living Education and Training Vouchers program increase				+15,267,000
9) Adoption Incentives program increase.....				+24,647,000
10) Children's Health Act program increase.....				+121,000
11) Projects of National Significance program increase.....				+81,000
12) Voting Access for Individuals with Disabilities program increase.....				+1,000
13) Compassion Capital Fund program increase.....				+52,298,000
14) Promotion and Support of Responsible Fatherhood and Healthy Marriage ( <i>legislative proposal</i> ).....				+50,000,000
15) Violent Crime Reduction program increase.....				+18,000
16) Increased funding for Public Assistance Reporting and Information System (PARIS),				

	<u>2004 Current Budget Base</u>		<u>Change from Base</u>	
	<u>(FTE)</u>	<u>Budget Authority</u>	<u>(FTE)</u>	<u>Budget Authority</u>
Unified Financial Management System (UFMS), and the IT Service Center.....				+6,458,000
Subtotal, Program Increases				+\$494,741,000
<i>Total Increases</i>				+\$500,613,000
 <u>Decreases:</u>				
<b>B. <u>Program</u></b>				
1) Elimination of Early Learning Opportunities Program.....				-33,580,000
2) Reduction in Child Abuse Discretionary Activities.....				-8,120,000
3) Reduction in Native American Programs.....				-2,000
4) Reduction in Social Service Research and Demonstration.....				-7,189,000
5) Reduction in Community Service Programs.....				-178,934,000
Subtotal, Program Decreases				-\$227,825,000
<i>Total Decreases</i>				-\$227,825,000
Net Change.....				<u>+\$272,788,000</u>

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children and Families Services Programs

**Budget Authority by Activity**

(Dollars in thousands)

	<u>2003</u> <u>Enacted</u>		<u>2004 Final</u> <u>Conference</u>		<u>2005</u> <u>Estimate</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Head Start		\$6,667,533		\$6,774,848		\$6,943,580
Early Learning Opportunities Program		33,799		33,580		0
Runaway and Homeless Youth Program		89,978		89,431		89,447
Maternity Group Homes		0		0		10,000
Education and Prevention Grants to Prevent Sexual Abuse of Runaway, Homeless and Street Youth		15,399		15,302		15,302
Community-Based Abstinence Education		54,643		70,049		181,926
Abstinence Education (Mandatory Pre- appropriated)		50,000		50,000		50,000
Mentoring Children of Prisoners		9,935		49,701		50,000
Child Abuse State Grants		21,870		21,883		42,013
Child Abuse Discretionary Activities		33,845		34,386		26,266
Community-Based Child Abuse Prevention		33,199		33,205		65,002
Child Welfare Services		290,088		289,320		291,986

	<u>2003</u> <u>Enacted</u>		<u>2004 Final</u> <u>Conference</u>		<u>2005</u> <u>Estimate</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Child Welfare Training		7,449		7,411		7,470
Adoption Opportunities		27,227		27,103		27,343
Abandoned Infants Assistance Program		12,126		12,052		12,086
Independent Living Education and Training Vouchers		41,727		44,733		60,000
Adoption Incentives		42,721		7,456		32,103
Children's Health Act Programs		12,822		12,785		12,906
Developmental Disabilities: State Councils		71,134		73,081		73,081
Developmental Disabilities: Protection and Advocacy		36,263		38,416		38,416
Developmental Disabilities: Projects of National Significance		12,403		11,561		11,642
Developmental Disabilities: University Centers For Excellence		24,962		26,803		26,803
Voting Access for Individuals with Disabilities		15,000		14,911		14,912
Native American Programs		45,457		45,157		45,155
Social Services Research and Demonstration		28,749		13,171		5,982

	<u>2003</u> <u>Enacted</u>		<u>2004 Final</u> <u>Conference</u>		<u>2005</u> <u>Estimate</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
Compassion Capital Fund		34,773		47,702		100,000
Promotion and Support of Responsible Fatherhood and Healthy Marriage		0		0		20,000
Community Services Block Grant		645,762		641,935		494,946
Community Services Discretionary Activities		39,749		39,522		32,492
National Youth Sports		16,890		17,894		0
Community Food and Nutrition		7,281		7,238		0
Individual Development Accounts		24,827		24,695		24,912
Battered Women's Shelters and Domestic Violence Hotline		128,965		128,630		128,648
Federal Administration		171,872		177,890		190,206
Center for Faith-Based and Community Initiatives		1,490		1,386		1,400
Total, BA (Discretionary)		\$8,699,918		\$8,833,237		\$9,106,025
(Total Obligations, Discretionary)		(\$8,596,344)		(\$8,861,031)		
Total, BA (Discretionary and Mandatory)		\$8,749,918		\$8,883,237		\$9,156,025
Total Obligations		(\$8,646,344)		(\$8,911,031)		

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children and Families Services Programs

Budget Authority by Object

	<u>2004 Final Conference</u>	<u>2005 Estimate</u>	<u>Increase or Decrease</u>
Full-time equivalent employment ceiling ...	1,425	1,425	0
Full-time equivalent of overtime and holiday hours.....	0	0	0
Average GS grade.....	12.5	12.5	12.5
Average GS salary .....	65,140	67,837	69,385
<u>Personnel Compensation:</u>			
Full-Time Permanent (11.1) .....	112,647,000	116,738,000	4,091,000
Other Than Full-Time Permanent (11.3) .	1,599,000	1,658,000	59,000
Other Personnel Compensation (11.5) .....	1,146,000	1,187,000	41,000
Total Personnel Compensation (11.9) .....	115,392,000	119,583,000	4,191,000
Civilian Personnel Benefits (12.1) .....	21,909,000	22,706,000	797,000
Subtotal, Pay Costs .....	137,301,000	142,289,000	4,988,000
Travel (21.0) .....	4,084,000	4,138,000	54,000
Rental Payments to GSA (23.1) .....	20,040,000	21,496,000	1,456,000
Rental Payments to Others (23.2) .....	615,000	652,000	37,000
Communications, Utilities and Miscellaneous Charges (23.3) .....	3,250,000	3,277,000	27,000
Printing and Reproduction (24.0) .....	2,417,000	2,357,000	(59,000)
<u>Other Contractual Services:</u>			
Advisory and Assistance Services (25.1) .	135,318,000	141,011,000	5,693,000
Other Services (25.2) .....	7,845,000	8,104,000	259,000
Purchases from Govt. Accounts (25.3) .....	64,170,000	71,023,000	6,853,000
Operation & Maintenance of Facilities (25.4) .....	450,000	450,000	0
Subtotal Other Contractual Services.....	207,783,000	220,588,000	12,805,000
Supplies and Materials (26.0) .....	697,000	721,000	24,000
Equipment (31.0) .....	280,000	290,000	10,000
Grants (41.0) .....	8,456,770,000	8,710,217,000	253,447,000
Subtotal, Non-Pay Costs.....	8,695,936,000	8,963,736,000	267,800,000
Total.....	\$8,833,237,000	\$9,106,025,000	\$272,788,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
 Children and Families Services  
 Salaries and Expenses  
 (Budget Authority)

	<u>2004 Final</u> <u>Conference</u>	<u>2005</u> <u>Estimate</u>	<u>Increase or</u> <u>Decrease</u>
<u>Personnel Compensation:</u>			
Full-Time Permanent (11.1) .....	112,647,000	116,738,000	4,091,000
Other Than Full-Time Permanent (11.3) .....	1,599,000	1,658,000	59,000
Other Personnel Compensation (11.5) .....	1,146,000	1,187,000	41,000
Total Personnel Compensation (11.9) .....	115,392,000	119,583,000	4,191,000
Civilian Personnel Benefits (12.1) .....	21,909,000	22,706,000	797,000
Subtotal Pay Costs .....	137,301,000	142,289,000	4,988,000
Travel (21.0) .....	4,084,000	4,138,000	54,000
Rental Payments to Others (23.2) .....	20,040,000	21,496,000	1,456,000
Communications, Utilities and Miscellaneous Charges (23.3) .....	3,250,000	3,277,000	27,000
Printing and Reproduction (24.0) .....	2,417,000	2,357,000	(60,000)
<u>Other Contractual Services:</u>			
Consulting Services (25.1) .....	135,318,000	141,011,000	5,693,000
Other Services (25.2) .....	7,845,000	8,104,000	259,000
Purchases from Govt. Accounts (25.3) .....	64,170,000	71,023,000	6,853,000
Operation & Maintenance of Facilities (25.4)	450,000	450,000	0
Subtotal Other Contractual Services .....	207,783,000	220,588,000	12,805,000
Supplies and Materials (26.0) .....	697,000	721,000	24,000
Subtotal Non-pay Costs .....	238,271,000	252,577,000	14,306,000
Total Current Law Salaries and Expenses .....	\$375,572,000	\$394,866,000	\$19,294,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children and Families Services Program

***SIGNIFICANT ITEMS IN HOUSE, SENATE AND CONFERENCE***

***APPROPRIATIONS COMMITTEE REPORTS***

FY 2004 House Appropriations Committee Report Language (H. Rpt 108-188)

Item

***[Head Start]*** — The Committee also believes that a greater link needs to be made between Head Start centers and the school systems which will eventually serve these children. The Committee is aware that such links frequently do occur, and that in many cases a school system also serves as the Head Start center grantee. However, the Committee continues to be concerned that not enough emphasis is placed upon the transition from pre-school to regular school for these children and that gains made in Head Start are sometimes lost once the child enters the regular school system. Therefore, the Committee encourages Head Start centers and school districts to develop stronger partnerships to ensure a smooth transition between Head Start and kindergarten. Specifically, the Committee encourages collaboration between Head Start and school districts in the approval of curriculum and professional development for the school readiness portion of the program, and recognizes the importance of partnerships in the approval and performance of professional development of the teachers in the program. (p. 113)

Action taken or to be taken

The Department will continue to inform Head Start grantees of the importance of on-going coordination with local school systems so as to assure that Head Start children are well prepared for entry into kindergarten and that the transition of children from Head Start to the public schools is an orderly and smooth process. The Department urges the Congress to support the Administration's proposal to allow States to assume a greater role in the administration of Head Start. Such an approach will help address the committee's concerns by allowing much greater coordination among pre-K programs and between pre-K programs and local elementary schools.

Item

***[Transitional living opportunities]*** — It is the Committee's expectation that current and future transitional living program grantees will continue to provide transitional living opportunities and supports to pregnant and parenting homeless youth, as is their current practice. To further ensure that pregnant and parenting homeless youth are able to access transitional living opportunities and supports in their communities, the Committee encourages the Secretary, acting through the network of federally-funded runaway and homeless youth training and technical assistance providers, to offer guidance to grantees and others on the programmatic modifications required to address the unique needs of pregnant and parenting youth and on the various sources of funding available for residential services to this population. (p. 114)

### Action taken or to be taken

The Family and Youth Services Bureau will incorporate language into each Training and Technical Assistance Cooperative Agreement assuring that appropriate training and technical assistance will be delivered to those Transitional Living Programs serving pregnant and parenting teens.

### Item

***[Child welfare services and training]*** — The Committee continues to be concerned about the crisis existing in child welfare agencies across the country. As states work to improve their child welfare workforce through targeted training, it is vital that an independent evaluation of the effectiveness of those training programs be conducted. The Committee is aware of the work of the National Resource Center on Child Welfare Training and Evaluation at the University of Louisville and urges the Administration for Children and Families to continue to partner with them as we seek to improve the effectiveness of child welfare workers. (p. 115)

### Action taken or to be taken

ACF remains highly concerned about the crisis in child welfare agencies throughout the nation, specifically related to workforce development, recruitment, retention and targeted training strategies necessary to produce positive safety, permanency and well-being outcomes for children and families. Consequently, the Children's Bureau made available a number of training grants to train personnel to work in the field of child welfare. The announcement specified five priority areas which resulted in the funding of thirty-three child welfare training projects; each with its own evaluation strategy. The priority areas and number of projects funded for each are:

- Professional Education for Public Child Welfare Practitioners (13 projects)
- Training for Effective Child Welfare Practice in Rural Communities ( 6 projects)
- Developing Models of Effective Child Welfare Staff Recruitment and Retention Training (8 projects)
- Training for Healthy Marriage and Family Formation (5 projects)
- National Evaluation of Child Welfare Training Grants (1 project)

The National Resource Center on Child Welfare Training and Evaluation at the University of Louisville bid on three priority areas. The University was selected for funding on the Training for Healthy Marriage and Family Formation priority area and as such ACF will continue to work with the Center to improve the effectiveness of child welfare workers in this important training priority.

### FY 2004 House Appropriations Committee Report Language (H. Rpt 108-193)

### Item

***[Focus of Head Start Assessments]*** — The Committee commends the outstanding successes of the Head Start program and appreciates the Head Start Bureau’s dedication to the continued improvement of the comprehensive services provided to eligible children and families. However, the Committee is concerned that proposed assessments will focus only on literacy and math. While these skills are an important part of the Head Start curriculum, the Committee is concerned that the assessments will not fully represent the comprehensive nature of the program, specifically the nutrition, social, emotional, and cognitive aspects of the curriculum. The Committee is troubled by the potential use of these assessments in deciding grant status, particularly for children in the Early Head Start program. The Committee is aware that many child development experts believe that testing children under the age of 6 does not show an accurate picture of their development, and could be potentially detrimental to them. The Head Start Bureau shall report to the Committee by **April 2004** on the steps the Bureau has taken to ensure that the proposed assessment is age-appropriate and on the proposed use of the assessment results. The report should include the extent to which funding decisions will be based upon the assessments, the impact such a decision will have on rural programs facing greater obstacles, and the ways in which the Bureau intends to incorporate the comprehensive physical, social, and emotional benefits of the program into funding decisions. (p. 200-201)

Action taken or to be taken

The Department appreciates the Committee’s recognition of our continued efforts to improve the Head Start program and is fully committed to continuing the comprehensive nature of this program. The Department will continue to be sure that any assessment of Head Start children will be age appropriate and will inform programs of areas in which they may need improvement. The Department will submit the requested report to the Committee.

FY 2004 Senate Appropriations Committee Report Language (S. Rpt 108-81)

Item

***[Before and afterschool services and resource and referral programs]*** — The Committee recommendation continues specific earmarks in appropriations language, also included in the budget request, that provide targeted resources to specific policy priorities including \$19,120,000 for the purposes of supporting before and afterschool services, as well as resource and referral programs. This represents the Federal commitment to the activities previously funded under the dependent care block grant. The Committee expects that these funds will not supplant current funding dedicated to resource and referral and school age activities provided by the child care and development block grant. The Committee strongly encourages States to address the matters of before and after school care and the establishment of resource and referral programs with the funds provided in this program. (p. 197)

Action Taken or to be Taken

The Child Care Bureau is informing state and tribal Child Care Lead Agencies of the earmark and is providing a range of technical services that will assist grantees in making decisions on

how to invest these resources. In addition, the Bureau is providing a chart that lists the dollar amount of the earmark for each state and tribe. This is a continuation of a previously established earmark.

Item

***[Tribal College and University Head Start Partnership program]*** — The Committee recommends continued support sufficient to maintain the current funding level for existing grantees and to provide a new grant competition in fiscal year 2004 under the Tribal College and University Head Start Partnership program. While current law requires that 50 percent of Head Start teachers in center-based Head Start programs have not less than an associate degree in early childhood education or a related field, American Indian Head Start programs are generally located in areas that are isolated from mainstream colleges where such degrees can be earned. . . . The Committee is disappointed that the Head Start Bureau neglected to direct sufficient funding to allow current grantees to extend their programs thus allowing them a full 5 year program, but believes that continued support of new 5-year grant competitions can help remedy this situation and improve outcomes for American Indian Head Start programs. (p. 199)

Action taken or to be taken

The Department will make available new funds in FY 2004 to provide funding, competitively, to Tribal Colleges which will be focused on increasing the number of teachers in American Indian programs with college degrees.

Item

***[Head Start teacher training]*** — The Committee strongly supports the effort to strengthen the qualifications of Head Start teachers. The Committee encourages Head Start to continue to work toward the goal of having all of their teachers in center-based Head Start programs have an associate, baccalaureate, or advanced degree in early childhood education, or a degree in a related field with experience in teaching preschool children. The Committee expects the Department to focus staff development efforts on increasing the educational level of Head Start teachers in order to meet this goal. (p. 199)

Action taken or to be taken

The Department is pleased to report that the number of degreed teachers has increased to 58 percent. The Department will continue to work with programs to help them increase the professional training of their classroom staff.

Item

***[Migrant Head Start]*** — The Committee is aware that the Department’s “Descriptive Study of Seasonal Farmworker Families” published in September 2001 revealed that just 19 percent of eligible children of migrant and seasonal farmworkers are served by Migrant Head Start programs. The study also concluded “that Migrant Head Start agencies greatly improve the lives

of migrant and seasonal farmworker families, and in doing so, help to strengthen local agricultural economies.” The Committee urges the Head Start Bureau to continue to provide sufficient funds for Migrant Head Start programs proportionate to the overall increase in the Head Start appropriation. (p. 200)

Action taken or to be taken

The Department will continue to assure that Migrant Head Start programs will receive their full and fair share of all Head Start funding, including any increases that may be appropriated.

Item

***[Pre-literacy skills in Head Start children]*** — The Committee is conscious of efforts currently being undertaken to improve pre-literacy skills in Head Start children and applauds the Administration for its commitment to this effort. However, the Committee cautions against anything that would detract from the comprehensive nature of the program in delivering early childhood development and family services. While school readiness is front and center in the goals of Head Start, the elements necessary to achieve that readiness range from adequate nutrition and health screening, to social and emotional development and family building, as well as the cognitive growth of young children. (p. 200)

Action taken or to be taken

The central purpose of the Head Start program, as noted in its authorizing legislation, is to promote school readiness. Clearly one of the important ways that Head Start can help children be better prepared for school is to teach them basic concepts of literacy and numeracy. The Department believes that a Head Start program which teaches such concepts, while at the same time recognizing the importance of health, nutrition, social services and parent involvement, offers children their best Head Start opportunity for success in school and later in life. The Department remains fully committed to continuing the comprehensive nature of the Head Start program.

Item

***[Head Start - monitoring educational performance]*** — . . . . The Committee expects the Department to continue to promote learning and brain development to accelerate and improve the cognitive development of Head Start children. The Committee expects the Department to monitor Head Start programs to ensure that a majority of children participating in Head Start programs meet the minimum educational performance measures and standards upon completion of the program as outlined in the Head Start Act, as amended in 1998. (p. 200)

Action taken or to be taken

The Department is fully supportive of the Committee’s interest in assuring that Head Start children are provided high quality, comprehensive education services which are designed to

prepare children for success in school. The Department will monitor approximately 650 Head Start grantees in FY 2004 and grantees' compliance with educational standards and measures will be an important component of each of these monitoring trips.

The Department is also carrying out a major new initiative, the National Reporting System (NRS) on Child Outcomes, to help ensure that the majority of children in Head Start are meeting the outcomes mandated in the 1998 re-authorization.

The National Reporting System is designed on the basis of President Bush's Good Start, Grow Smart, Early Childhood Initiative and provisions of the Head Start Act to create a new national data base on the progress and accomplishments of 4- and 5-year-old Head Start children on specific child outcomes. In 2003 and 2004, programs are administering a common NRS assessment to all 4- and 5-year-old children at the beginning and end of the program year in order to determine some of the skills with which they enter Head Start, their levels of achievement when they leave Head Start, and the progress they make during the Head Start year. This fall, assessments have been completed on more than 425,000 children.

The NRS child assessment will provide information on the following five learning indicators as mandated by Congress in the Head Start Act in 1998:

- understanding and using language to communicate for various purposes;
- using increasingly complex and varied vocabulary;
- progressing toward acquisition of the English language in the case of children whose native language is other than English;
- identifying at least 10 letters of the alphabet; and
- numeracy awareness.

The assessment information collected through the NRS will be used to strengthen Head Start program effectiveness in these ways: (1) each local Head Start program will receive information from the NRS to supplement and enhance their local child outcome data and local program self-assessment efforts and results; (2) ACF will use NRS information to plan future training and technical assistance efforts; and (3) future Head Start program monitoring reviews will incorporate consideration of child outcomes information from the NRS. It is important to stress that the NRS assessment and reporting system is not intended to be used to assess the school readiness of individual children, nor to replace locally-designed ongoing child assessment efforts.

#### Item

***[Consolidated Runaway and Homeless Youth Program]*** — This program addresses the crisis needs of runaway and homeless youth and their families through support to local and State governments and private agencies. . . . These programs have been proven effective at supporting positive youth development, securing stable and safe living arrangements and providing the skills required to engage in positive relationships with caring adults and contributes to society. The Committee looks forward to the release of performance outcome data available through the new management information system. (p. 201)

### Action taken or to be taken

In August 2001 the Family and Youth Services Bureau released the new version of the Runaway and Homeless Youth Management Information System (RHYMIS-LITE). This streamlined version of RHYMIS was designed to enhance data reporting by the Runaway and Homeless Youth Program grantees. With the implementation of RHYMIS-LITE the grantee reporting rate increased by nearly 51 percent. The increased reporting rate will allow FYSB to more accurately reflect the outcomes of youth served by Runaway and Homeless Youth Program grantees.

### Item

***[Native American Languages program]*** — The Committee continues its significant interest in the revitalization of native languages through education. The Committee encourages ANA to allocate additional resources to support the Native American Languages program and urges the ANA to make schools a part of this effort, consistent with the policy expressed in the Native American Languages Act. (p. 207)

### Action Taken or to be Taken

In Fiscal Year 2004, ANA will offer an increase in the maximum grant award from \$60,000 to \$100,000 for category I planning language preservation grants and from \$150,000 to \$175,000 for category II design and/or implementation of language grants. In 2004, ANA also will be implementing an interagency agreement with the Smithsonian National Museum of American Indians for a language repository. This project will include a planning committee with some members representing Native American academic institutions. Additionally, ANA will continue to award eligible applicants grants that integrate Native languages into the Tribal Head Start Program.

### Item

***[Timely release of funds]*** — The Committee expects the Office of Community Services to release funding to States in the most timely manner. The Committee also expects states to make funds available promptly. The Committee is aware that the Office of Community Services and some States have been extraordinarily delinquent in providing funds to local eligible entities.

### Action taken or to be taken

Last year and this year, the Office of Community Services issued grant awards to the states as soon as funds were available. OCS will continue to work diligently with all parties within the Department to ensure timely availability of funds to the states and encourage the states to disburse funds in a timely manner.

Item

**[Notification of policy changes]** — . . . the Committee again expects the Office of Community Services to inform the State CSBG grantees of any policy changes affecting carryover CSBG funds within a reasonable time after the beginning of the Federal fiscal year.

Action taken or to be taken

The Office of Community Services does not anticipate any policy changes regarding carryover balances unless directed to do so in the CSBG reauthorization Act or by the Appropriations Committees.

Item

**[Community emergency preparedness]** — The Committee is concerned that many small and very small community water and wastewater treatment systems might be most vulnerable to terrorist attack, and yet least prepared to deal with the issue. The Committee urges OCS to continue to support RCAP Small Community Infrastructure Safety and Security Training and Technical Assistance project, which provides State, regional and national infrastructure safety and security training workshops and on-site technical assistance targeted to small and very small community water and wastewater treatment systems. The goal of the project is to improve the capacity of small systems to better prepare for emergencies, develop emergency preparedness training manuals for small water systems, identify appropriate technologies to secure such systems, and provide technical assistance to small communities struggling to deal with these issues.

Action taken and to be taken

In FY 2003, the Office of Community Services (OCS) provided funding for the Rural Community Assistance Program (RCAP) Small Community Infrastructure Safety and Security Training and Technical Assistance project to address the Committee concern that many small and very small community water and wastewater treatment systems might be most vulnerable to terrorist attack, and yet least prepared to deal with the issue. OCS plans to continue to support RCAP funding for the aforementioned project in FY 2004. This will enable the organization to continue to provide technical assistance and training to the state, regional and national infrastructure through safety and security training workshops and on-site technical assistance targeted to small and very small community water and wastewater treatment systems. In FY 2004, the RCAP grant will be administered as a non-competitive continuation, once funds are made available.

Item

**Program Administration** — . . . The Committee urges ACF to continue to make progress in improving its Annual Performance Plan and Annual Performance Report. The Committee notes that many programs proposed for funding do not have solid data for baselines or performance outcome measures. This lack of objective data makes more difficult the Committee's decisions regarding the allocation of limited resources. The Committee believes that the Agency should

work with program grantees and relevant associations to identify the most objective ways in which to evaluate the effectiveness of ACF programs and establish a timeline for producing meaningful data by which programs can be assessed. The Committee urges that steps be taken to improve this situation and expects information regarding such actions to be included in the fiscal year 2005 congressional justification. (p. 211)

#### Action taken and to be taken

The Administration shares the Committee's concerns about the need for better data for baselines or performance outcome measures and an improved basis for the allocation of limited resources. In FY 2004, the Administration submitted a reauthorization proposal aimed at developing rigorous performance measures — which currently are lacking — for the Community Services Block Grant program. In FY 2005, under our LIHEAP reauthorization proposal, \$500,000 will be available to conduct a feasibility study of a nationally representative evaluation of LIHEAP program operations. The feasibility study will identify options for a thorough and objective evaluation. This limited funding has rendered the program incapable of collecting, tabulating, and analyzing reliable performance data. The Department is also committed to working with the House and Senate Appropriations Committees to accomplish better integration of budget and performance information in the Congressional Justification during the FY 2006 process.

#### FY 2004 Conference Appropriations Committee Report Language (Conf. Rpt 108-401)

#### Item

**[Head Start]** — Conferees recognize that children's safety is the most important consideration and that many students participating in Head Start programs need access to safe and reliable transportation provided by public schools for local transit systems. For this reason, the conferees direct the U.S. Department of Health and Human Services to offer a wavier option to local educational agency-contracted Head Start programs that provide integrated transportation to Head Start students. In the cases where public schools or local transit authorities provide Head Start services, local educational agencies should have the option to comply with transportation standards for preschool students mandated by the State or local educational agencies, transit agencies, State Departments of Transportation or the U.S. Department of Health and Human Services. (p. 789)

#### Action taken or to be taken

The Department understands that the transportation requirements for Head Start grantees mandated to take effect on January 20, 2004 may cause problems for some Head Start grantees, particularly those grantees that provide transportation through a coordinated arrangement with a local transportation provider such as a school system. Accordingly, the Department issued interim final rules on January 16, 2004 extending the effective date to June 21, 2004 and allowing grantees the opportunity to request further extension of the effective date when such an extension is in the best interest of the children they serve. In tandem with these rules, HHS will

evaluate the issues raised in the transportation requirements and seek solutions for the safest, most effective transportation system possible for Head Start and Early Head Start children and families.

Item

***[Administration on Developmental Disabilities]*** — The conferees are aware that funding for protection and advocacy services under section 291 of the Help America Vote Act currently is not being made available to protection and advocacy services that specifically address the Native American community. Native Americans with disabilities experience unique challenges in exercising the right to vote. For that reason, the conferees intend that organizations providing protection and advocacy services to Native Americans as defined in the Developmental Disabilities Assistance and Bill of Rights Act should also be deemed an eligible entity under the Help America Vote Act. (p. 794)

Action taken or to be taken

ADD recognizes that Native Americans with disabilities experience unique challenges in exercising the right to vote and the important role the Native American Consortium Protection and Advocacy system plays in providing services that specifically address the needs of the Native American community. However, the appropriations language indicates that activities authorized by the Help America Vote Act shall be for payments to States for disabled voters protection and advocacy systems. Therefore, ADD would not have the authority to award such a grant to the Native American Consortium, the only protection and advocacy agency serving the Native American population.

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children and Families Services Programs

Authorizing Legislation

This table includes annotations for expiring legislation, indicating the date that authorization expired as follows: a single asterisk (\*) indicates that the program expired at the end of FY 2002; a double (\*\*) asterisk indicates that the program expired at the end of FY 2003.

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
1. Head Start [Section 639 of the Head Start Act]**	Such sums	\$6,774,848,000	Such sums	\$6,943,580,000
2. Head Start Transition Grants [Section 639(b)(1)]**	Not more than \$35,000,000 and not less than the amount obligated for FY 1998	(35,000,000)	Not more than \$35,000,000 and not less than the amount obligated for FY 1998	(35,000,000)
3. Indian and Migrant Program [Section 640(a)(2)(A)]**	Not less than the amount obligated for FY 1998	(451,019,000)	Not less than the amount obligated for FY 1998	(459,366,000)
4. Training and Technical Assistance [Section 640(a)(2)(C)]**	Not less than 1% of (appropriation) \$3M to Family Literacy program	(70,748,480)	(Not less than 1% of (appropriation) \$3M to Family Literacy program	(71,985,800)
5. Collaboration grants [Section 640(a)(5) (A)]**	Such sums	(8,175,000)	Such sums	(8,175,000)
6. Infants and Toddlers Program [Section 640 (a)(6)]**	10 % of amount appropriated	(677,484,800)	(10 % of amount appropriated)	(689,858,000)

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
7. Quality Improvement [Section 640(a)(3)(A)(i)]**	At least 25 % of amount exceeding previous year's adjusted appropriation	0	At least 25% of amount exceeding previous year's adjusted appropriation	(15,000,000)
8. Head Start Fellowships [Section 648A(d)(6)]**	No more than \$1,000,000	(1,000,000)	No more than \$1,000,000	(1,000,000)
9. Head Start Research, Demonstration, Evaluation [Section 639(b)(3)]**	Such sums	(20,000,000)	Such sums	(20,000,000)
10. Impact studies [Section 639(b)(2)]	No more than \$5,000,000	(5,000,000)	No more than \$5,000,000	(5,000,000)
11. Early Head Start Training and Technical Assistance [Section 640(a)(6)]**	No less than 5% and not more than 10% of appropriated total under section 640(a)(6)	(33,874,240)	No less than 5% and not more than 10% of appropriated total under section 640(a)(6)	(34,492,900)
12. State Pilot Grants (Proposed Legislation)	0	0	\$45,000,000	(45,000,000)
13. Runaway and Homeless Youth	\$105,000,000	49,473,000	Such sums	49,181,000

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
Program Basic Center Program [Section 388(a)(1) of the Runaway and Homeless Youth Act]				
14. Runaway and Homeless Youth Transitional Living Programs and Maternity Group Home [Section 388(a)(1) of the Runaway and Homeless Youth Act]	45% of the RHY appropriated amount and increasing to 55% as warranted	40,260,000	45% of the RHY appropriated amount and increasing to 55% as warranted	40,266,000
15. Maternity Group Homes [Section 388(a)(1) of the Runaway and Homeless Youth Act]	Such sums	0	Such sums	10,000,000
16. Education and Prevention Grants to Reduce Sexual Abuse of Runaway, Homeless Street Youth [Section 388(a)(4) of the Runaway and Homeless Youth Act]	Such sums	15,302,000	Such sums	15,302,000
17. Community- Based Abstinence Education Program [Section 1110 of the Social Security Act]	Such sums	70,049,000	Such sums	181,926,000

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
(using the definitions contained in Section 510 (b)(2) of the Act) and the appropriations act for the Departments of Labor, HHS, Education, and Related Agencies (appropriation language is being proposed in FY 2005 to shift the program from HRSA to ACF) ]				
18. Mentoring Children of Prisoners [Section 439(h) of the Social Security Act	Such sums	49,701,000	Such sums	50,000,000
19. Child Abuse State Grants [Section 112(a)(1) of the Child Abuse Prevention and Treatment Act]	\$120,000,000	22,013,000	Such sums	22,013,000
20. Child Abuse Discretionary Activities [Section 112 (a)(2) of the Child Abuse Prevention and Treatment Act]	30% of the total is for discretionary use and 40% is available for demonstrations	26,351,000	Such sums	26,301,000
21. Community-Based Child Abuse Grants for	\$80,000,000	33,417,000	Such sums	33,403,000

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
the Prevention of Child Abuse and Neglect [Section 210 of the Child Abuse Prevention and Treatment Act]				
22. Child Welfare Services [Section 420 of the Social Security Act]	\$325,000,000	291,986,000	\$325,000,000	291,986,000
23. Child Welfare Training [Section 426 of the Social Security Act]	Such sums	7,498,000	Such sums	7,470,000
24. Adoption Opportunities [Section 205 of the Child Abuse Prevention and Treatment and Adoption Reform Act]	\$40,000,000	27,405,000	Such sums	27,343,000
25. Abandoned Infants Assistance [Section 104(a)(1) of the Abandoned Infants Assistance Act]	\$40,000,000	12,205,000	Such sums	12,086,000
26. Independent Living Training Vouchers [Section 477(i) of the Social Security Act]	\$60,000,000	44,733,000	\$60,000,000	60,000,000
27. Adoption Incentives [Section 473A of Social Security Act]	\$43,000,000	7,456,000	\$43,000,000	32,103,000

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
28. Children's Health Activities [Section 330 F & G of title III of the Public Health Service Act]	Such sums	12,906,000	Such sums	12,906,000
29. State Councils [Section 129(b) of the Developmental Disabilities Assistance and Bill of Rights Act]	Such sums	73,081,000	Such sums	73,081,000
30. Protection and Advocacy [Section 145 of the Developmental Disabilities Assistance and Bill of Rights Act]	Such sums	38,416,000	Such sums	38,416,000
31. Projects of National Significance [Section 163 of the Developmental Disabilities Assistance and Bill of Rights Act]	Such sums	11,561,000	Such sums	11,642,000
32. University Centers for Excellence [Section 156 of the Developmental Disabilities Assistance and Bill Rights Act, as amended]	Such sums	26,803,000	Such sums	26,803,000

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
33. Voters Access for Individuals with Disabilities [Section 264 and 291 of the Help America Vote Act of 2002]	\$35,000,000	14,911,000	\$35,000,000	14,912,000
34. Programs for Native Americans [Section 816(a) of the Native American Programs Act of 1974]*	Such sums	45,157,000	Such sums	45,155,000
35. Social Services Research and Demonstration [Section 1110 of the Social Security Act]	Such sums	13,171,000	Such sums	5,982,000
36. Compassion Capital Fund [Section 1110 of the Social Security Act]	Such sums	47,702,000	Such sums	100,000,000
37. Promotion and Support of Responsible Fatherhood and Healthy Marriage [Proposed legislation]	\$20,000,000 (Pending authorization)	0	\$20,000,000 (Pending authorization)	50,000,000
38. Community Services Block Grant [Section 674 (a) Community	Such sums	641,935,000	Such sums	494,946,000

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
Services Block Grant Act]**				
39. Community Services Discretionary Activities [Section 674(b)(3) of the Community Services Block Grant Act]**	Not more than 9% of section 674(a)	34,090,000	Not more than 9% of section 674(a)	27,011,000
40. Job Opportunities for Low Income Individuals [Title V, Section 505 of the FSA of 1998, P.L. 100-485 and Section 112 of the PRWORA 1996, P.L. 104-193]	\$25,000,000	5,432,000	\$25,000,000	5,481,000
41. Individual Development Accounts [Section 416 of the Assets for Independence Act]**	\$25,000,000	24,695,000	\$25,000,000	24,912,000
42. Battered Women's Shelters [Section 310 of the Family Violence Prevention Act]	\$175,000,000	125,648,000	Such sums	125,648,000
43. Domestic Violence Hotline and Internet Grant [Section 316 (g)(f) of the Family Violence Prevention Act]	\$3,500,000 (Secretary to make portion available for internet grants to the extent the appropriated amount exceeds	2,982,000	\$3,500,000 (Secretary to make portion available for internet grants to the extent the appropriated amount exceeds	3,000,000

	2004 Amount Authorized \$3M)	2004 Final Conference	2005 Amount Authorized \$3M)	2005 Budget Request
44. Federal Administration	Such sums	179,276,000	Such sums	191,606,000
<b>Unfunded Authorizations:</b>				
1. National Youth Sports [Section 682(g) of the Community Services Block Grant Act]**	\$15,000,000	17,894,000	\$15,000,000	0
2. Community Food and Nutrition [Section 681(d) of the Community Services Block Grant Act]**	Such sums	7,238,000	Such sums	0
3. Rural Community Facilities Program [Section 680 (a)(s) of the Community Services Block Grant Act, as amended]**	From amounts reserved under 674 (b)(3) of the Community Services Block Grant Act	(7,184,000)	From amounts reserved under 674 (b)(3) of the Community Services Block Grant Act	0
4. Transitional Housing Assistance Program [Section 319 of the Family Violence Prevention and Services Act]	\$25,000,000	0	\$25,000,000	0
<b>Mandatory Authorization:</b>				
1. Abstinence	Such sums	50,000,000	Such sums	50,000,000

	2004 Amount Authorized	2004 Final Conference	2005 Amount Authorized	2005 Budget Request
Education [Section 510 of the Social Security Act]				
Total discretionary request level		\$8,833,237,000		\$9,106,025,000
Total request level		\$8,883,237,000		\$9,156,025,000
Total request level against definite authorizations		\$1,278,000,000		\$618,000,000

ADMINISTRATION FOR CHILDREN AND FAMILIES  
Children and Families Services Programs

APPROPRIATIONS HISTORY TABLE

<u>Year</u>	<u>Budget Estimate to Congress</u>	<u>House Allowance</u>	<u>Senate Allowance</u>	<u>Appropriation</u>
1996	4,878,625,000	4,862,286,000	4,877,550,000	4,849,730,000
Recession				628,887
1997	5,234,257,263	4,544,643,000	4,560,652,000	4,765,969,428
Rescission				508,000
1998	5,251,298,000	4,856,435,000	4,779,434,000	5,363,061,000
1999	5,498,900,000	5,598,052,000	5,611,094,000	5,676,058,614
2000	5,944,100,000	5,946,820,683	6,113,784,000	6,032,087,000

Rescission				6,142,000
2001	6,587,953,000	6,135,216,000	6,684,635,000	7,956,354,000
Rescission				506,000
2002	8,181,492,000	8,275,442,000	8,592,496,000	8,429,183,000
Rescission				2,327,000
2003				8,645,275,00
Rescission				12,843,000
2004				8,763,188,000
Rescission				53,409,000
2005	9,106,025,000			

Children and Families Services Programs

Justification

	2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
Budget Authority	\$8,699,918,000	\$8,833,237,000	\$9,106,025,000	+\$272,788,000
FTE	1,390	1,425	1,425	0

**General Statement**

The FY 2005 request for Children and Families Services Programs is \$9,106,025,000, a net increase of \$272,788,000 over the 2004 Final Conference level. This budget would support 1,425 FTE in FY 2005, the same as the 2004 Final Conference level.

Highlights of the FY 2005 request for Children and Families Services Programs include:

- Child Abuse and Neglect (+\$51.9 million) – An increase in funding for the Child Abuse State Grant and the Community-Based Child Abuse Prevention programs would assist states as they implement the prevention-related requirements of the Keeping Children and Families Safe Act of 2003.
- Head Start (+\$168.7 million) – This cost-of-living increases to offset inflationary cost and maintain competitive salaries to attract and retain highly motivated, well trained classroom staff. In addition, \$45 million is requested to support implementation of a pilot project which would allow up to nine states to coordinate their State Pre-K, Head Start and child care programs in a comprehensive system which would address the needs of low-income pre-school age children and their families.
- Abstinence Education Program (+\$111.9 million) – These new funds would be used to support a new Presidential initiative focused on educating teens and parents about the health risks associated with early sexual activity and to provide the tools needed to help teens make responsible choices. The major funding increase proposed for Community-Based Abstinence Education reflects a portion of the President’s funding commitment by broadening the availability of abstinence education for adolescents.
- Compassion Capital Fund (+\$52.3 million) – This increase would allow ACF to meet the increased demand of faith-based and community organizations interested in partnering with the federal government under the Compassion Capital Fund. The increase would ensure the funding of additional organizations working in several social service priority areas, such as elders in need, families and individuals in transition from welfare to work, those in need of intensive rehabilitation such as addicts or prisoners, and organizations that help couples who choose marriage for themselves to develop the skills and knowledge to form and sustain healthy marriages.
- Promotion and Support of Responsible Fatherhood and Healthy Marriage (+\$20 million) – This funding would spur increased state and community level approaches to assist fathers to be more actively and productively involved in the lives of their children.
- Adoption Incentives (+\$24.6 million) – This funding will allow ACF to fully pay any incentives due to states under the newly authorized system. The newly reauthorized Adoption Incentives program will focus state attention on meeting the needs of children and youth who traditionally have been less likely to be considered as candidates for adoption.
- Independent Living Education and Training Vouchers (+\$15.3 million) – These additional funds would expand our ability to provide \$5,000 vouchers for youth who “age out” of foster care for college tuition or vocational training. This increase would provide an additional 3,000 youth with resources to prepare for independent living, increasing the prospect that they would be able to secure work and become contributing members of society.
- Maternity Group Homes (+\$10 million) – This increase would establish a separate stream of funding for the Maternity Group Home program, which would assist in breaking the cycle of abuse and poverty often faced by young pregnant women and their children who lack safe

and stable environments in which to live, we must provide funding for community-based, adult-supervised group homes.

- Federal Administration (+\$12.4 million) – This increase is needed to maintain the current base staffing levels and related program management and support activities.

The President’s Budget appropriation request of \$9,106,025,000 for the Children and Families Services account includes \$9,056,025,000 under current law requirements. Proposed legislation includes:

Promotion and Support of Responsible Fatherhood and Healthy Marriage.....\$50,000,000

This budget reflects the Administration’s commitment to a balanced fiscal framework that puts discretionary spending on a more reasonable and sustainable growth path, while focusing new resources on innovative solutions for meeting the challenges that face the nation. ACF continues to use strategic management of human and real capital to accomplish the President’s management priorities, such as identifying activities and services that could more efficiently be achieved using outsourcing services; targeting improvements in the financial management performance arena, including participation in the Department’s unified systems integration project; and directing resources to better manage our e-government activities and expand the e-government services we provide to our clients.

## HEAD START

Authorizing Legislation – Pending reauthorization of section 639 of the Head Start Act.

	2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
Current Funding	\$5,267,533,000	\$5,383,108,000	\$5,543,580,000	+\$160,472,000
Advance Funding	1,400,000,000	1,391,740,000	1,400,000,000	+8,260,000
Total, BA	\$6,667,533,000	\$6,774,848,000	\$6,943,580,000	+\$168,732,000

2005 Authorization.....Such sums as may be appropriated.

### Purpose and Method of Operation

The Head Start Program provides grants to local public and private non-profit and for-profit agencies to provide comprehensive child development services to economically disadvantaged children and families, with a special focus on helping children develop the early reading and math skills they need to be successful in school. Intended primarily for preschoolers from low-income families, Head Start promotes school readiness by enhancing the social and cognitive development of children through the provision of educational, health, nutritional, social and other services. Head Start programs emphasize cognitive, language and socio-emotional development to enable each child to develop and function at his or her highest potential. At least ten percent of the enrollment opportunities in each program must be made available to children with disabilities. Head Start engages parents in their children's learning and helps them in making progress toward their educational, literacy and employment goals. The Head Start program also emphasizes significant involvement of parents in the administration of local Head Start programs.

Head Start grantees must, unless a waiver is granted, contribute 20 percent of the total cost of the program from non-federal funds. No more than 15 percent of total costs may be for program administration. Many Head Start programs provide part-day, center-based services or home-based services for eight or nine months a year. However, grantees have the option of providing full-day, full-year services and, in recent years, an increased number of grantees have been offering this option, often through collaborations with local child care providers to help meet the child care needs of parents who are either working or in job training.

In FY 1995, the Early Head Start program was established in recognition of the mounting evidence that the earliest years, from birth to three years of age, matter a great deal to children's growth and development. In FY 2005, approximately 62,000 children under the age of three would participate in the Early Head Start, the same as estimated for FY 2004.

Funding for the Head Start program during the last five years has been as follows:

2000 .....	\$5,266,211,000
Advance appropriation available FY 2001 .....	[\$1,400,000,000]
2001 .....	\$4,799,123,000
Advance appropriation available FY 2002 .....	[\$1,400,000,000]
2002 .....	\$5,136,570,000
Advance appropriation available FY 2003 .....	[\$1,400,000,000]
2003 .....	\$5,267,533,000
Advance appropriation available FY 2004 .....	[\$1,400,000,000]
2004.....	\$5,383,108,000
Advance appropriation available FY 2005 .....	[\$1,391,740,000]

### Rationale for the Budget Request

In FY 2005, ACF is requesting an increase in Head Start funding of \$168.7 million. Of this amount \$121.2 million would be used to award all Head Start programs an increase in their FY 2004 funding level of 1.8 percent, which would offset inflationary increases and maintain competitive salaries for classroom staff while maintaining FY 2004 enrollment levels. Head Start staff with salaries in excess of \$100,000 would be precluded from receiving any of these increased funds. In addition, \$2.5 million would be used to increase the training and technical assistance budget as required by statute.

The Administration also is proposing appropriation language in the FY 2005 budget which would target the remaining \$45 million of the increased funds to be used to support state implementation of a new pilot project. This pilot would allow up to nine states to coordinate their state Pre-K, Head Start and child care programs in a comprehensive system which would address the needs of low-income pre-school age children and their families. This pilot project (which builds on the comprehensive reauthorization proposal submitted to Congress in FY 2004) would assess the extent to which states could better meet the needs of low-income children and their families, by increasing coordination, reducing bureaucratic overlap, and achieving more cost efficiencies if they were able to have a greater role in administering all the programs in their state focused on pre-school age children.

Head Start also will continue to fund two comprehensive evaluation efforts designed to measure Head Start's overall effectiveness – the Family and Children Experiences Survey (FACES) and the National Impact Study. In addition, Head Start will continue the National Reporting System (NRS) in which all four and five year old children will be assessed at the beginning and end of the program year in order to determine some of the skills with which they enter Head Start, their levels of achievement when they leave Head Start and the progress they make during the Head Start year. Children will be assessed in such areas as language comprehension, vocabulary, phonemic and numeracy awareness, letter recognition and, for children whose native language is other than English, progress toward acquisition of the English language.

In the fall of the 2003-2004 program year, approximately 420,000 children were assessed using the National Reporting System. These same children will be assessed again in the spring of 2004.

Since the President announced the Good Start, Grow Smart initiative in April, 2002, Head Start has undertaken increased efforts to help Head Start programs increase and enhance the school readiness and the early literacy skills of enrolled children. These efforts are designed to assure that every Head Start teacher has the education, training and skills needed to effectively provide children the literacy, language and numeracy skills they will need to be successful in school. ACF will build on these efforts in FY 2005.

In addition, we will launch a new Parent Mentoring Model which will enhance the involvement of parents in their children's early literacy and language skills so that each parent can play an increased role in their child's education while that child is enrolled in Head Start and as the child continues into elementary school and beyond. Parents will also be assisted with leadership and life skills that will help them not only in working with their local Head Start program but in working with the local school systems which their children will attend upon leaving Head Start.

ACF will, as well, continue to assure that Head Start programs are collaborating with other community providers and will strengthen the role of the Head Start State Collaboration Offices.

A PART assessment was conducted on the Head Start program as part of the FY 2004 budget formulation process. The status of the PART recommendations is shown in the Corrective Action Plan on the following page.

Corrective Action Plan  
Administration for Children and Families, Head Start Bureau  
Head Start

1.	<b>Recommendation</b> Create a new system to assess every Head Start center on its success in preparing children for schools.	<b>Completion Date</b> 09/01/03	<b>On Track? (Y/N)</b> Y	<b>Comments on Status</b> Training has been completed. Grantees will begin administering assessments this fall.
	<b>Next Milestone</b> Fall assessment completed.	<b>Milestone Date</b> 11/01/03	<b>Lead Organization</b> Head Start Bureau	<b>Lead Official</b> Windy Hill
2.	<b>Recommendation</b> Propose legislation to better integrate Head Start, child care, and state operated preschool programs.	<b>Completion Date</b> 09/31/03	<b>On Track? (Y/N)</b> Y	<b>Comments on Status</b> Passed by House; under consideration in Senate.
	<b>Next Milestone</b> Passage by the Senate.	<b>Milestone Date</b>	<b>Lead Organization</b> Head Start Bureau	<b>Lead Official</b> Windy Hill
3.	<b>Recommendation</b> Develop annual performance measures that assess the progress of individual grantees in improving school readiness and better measure the impact on children.	<b>Completion Date</b> 10/01/04	<b>On Track? (Y/N)</b> Y	<b>Comments on Status</b> Measures to be developed after collection and assessment of 1 <sup>st</sup> year data.
	<b>Next Milestone</b>	<b>Milestone Date</b>	<b>Lead Organization</b> Head Start Bureau	<b>Lead Official</b> Windy Hill
4.	<b>Recommendation</b> Provide inflationary increases in program funding for 2004.	<b>Completion Date</b> 10/01/03 to 09/30/04	<b>On Track? (Y/N)</b> Y	<b>Comments on Status</b> Awaiting passage of FY 2004 Appropriations Bill.
	<b>Next Milestone</b>	<b>Milestone Date</b>	<b>Lead Organization</b> Head Start Bureau	<b>Lead Official</b> Windy Hill

Resource and Program Data  
Head Start

	2003 Actual	2004 Final Conference	2005 Estimate
<u>Resource Data:</u>			
Service Grants:			
Formula	\$0	\$0	\$0
Discretionary	6,451,044,000	6,623,424,000	6,789,625,000
(Head Start)	(5,823,205,000)	(5,985,393,000)	(6,135,565,000)
(Early Head Start)	(627,839,000)	(638,031,000)	(654,060,000)
Research/Evaluation	20,000,000	20,000,000	20,000,000
Demonstration/Development			
Training/Technical Assistance	169,688,000	104,623,000	107,154,000
(Head Start)	(136,350,000)	(70,749,000)	(72,436,000)
(Early Head Start)	(33,338,000)	(33,874,000)	(34,718,000)
Program Support <sup>1</sup>	26,051,000	26,801,000	26,801,000
Total, Resources	\$6,666,783,000	\$6,774,848,000	\$6,943,580,000
<u>Program Data:</u>			
Number of Grants	1,690	1,700	1,720
New Starts:			
#	30	40	50
\$	\$6,200,000	\$12,200,000	\$57,200,000
Continuations:			
#	1,660	1,660	1,670
\$	\$6,541,573,000	\$6,643,638,000	\$6,767,370,000
Contracts:			
#	23	23	23
\$	\$77,501,000	\$77,501,000	\$77,501,000
Interagency Agreements:			
#	4	4	4
\$	\$41,509,000	\$41,509,000	\$41,509,000

<sup>1</sup> Includes funding for grants/panel review costs, federal oversight responsibilities and technology costs.

### Additional Head Start Program Data

	2003 Actual	2004 Final Conference	2005 Estimate
Number of Grantees	1,670	1,680	1,680
Children in Head Start Projects:			
(Head Start)	909,608	919,271	919,271
(Early Head Start)	847,931	857,594	857,594
	61,677	61,677	61,677
Average ACYF Cost Per Child			
(Head Start)	\$7,092	\$7,205	\$7,337
(Early Head Start)	\$6,868	\$6,979	\$7,102
	\$10,179	\$10,345	\$10,605
Number of Staff	206,000	208,000	208,000
Volunteers	1,372,000	1,387,000	1,387,000
Number of Classrooms	47,000	47,500	47,500

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2005 DISCRETIONARY STATE/FORMULA GRANTS**

**PROGRAM: Head Start (CFDA #93.600)**

<b>STATE/TERRITORY</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Conference</b>	<b>FY 2005 Estimate</b>	<b>Difference +/- 2004</b>
Alabama	\$103,588,331	\$105,318,000	\$107,267,000	\$1,949,000
Alaska	12,126,424	12,329,000	\$12,557,000	\$228,000
Arizona	100,173,750	101,846,000	\$103,731,000	\$1,885,000
Arkansas	62,645,003	63,691,000	\$64,870,000	\$1,179,000
California	811,486,631	825,026,000	\$840,295,000	\$15,269,000
Colorado	66,427,807	67,537,000	\$68,787,000	\$1,250,000
Connecticut	50,604,341	51,449,000	\$52,401,000	\$952,000
Delaware	12,536,909	12,746,000	\$12,982,000	\$236,000
District of Columbia	24,407,526	24,815,000	\$25,274,000	\$459,000
Florida	255,501,245	259,767,000	\$264,575,000	\$4,808,000
Georgia	163,757,113	166,491,000	\$169,572,000	\$3,081,000
Hawaii	22,248,160	22,620,000	\$23,039,000	\$419,000
Idaho	21,819,720	22,184,000	\$22,595,000	\$411,000
Illinois	263,047,115	267,439,000	\$272,389,000	\$4,950,000
Indiana	93,523,057	95,084,000	\$96,844,000	\$1,760,000
Iowa	50,108,568	50,945,000	\$51,888,000	\$943,000
Kansas	49,503,208	50,330,000	\$51,262,000	\$932,000
Kentucky	104,828,778	106,579,000	\$108,552,000	\$1,973,000
Louisiana	141,891,707	144,261,000	\$146,931,000	\$2,670,000
Maine	26,990,760	27,441,000	\$27,949,000	\$508,000
Maryland	75,851,238	77,118,000	\$78,545,000	\$1,427,000
Massachusetts	105,475,665	107,237,000	\$109,222,000	\$1,985,000
Michigan	228,044,810	231,852,000	\$236,143,000	\$4,291,000
Minnesota	70,369,154	71,544,000	\$72,868,000	\$1,324,000
Mississippi	157,164,747	159,789,000	\$162,746,000	\$2,957,000
Missouri	115,662,551	117,594,000	\$119,770,000	\$2,176,000
Montana	20,365,406	20,705,000	\$21,088,000	\$383,000
Nebraska	35,008,457	35,593,000	\$36,252,000	\$659,000
Nevada	23,315,025	23,704,000	\$24,143,000	\$439,000
New Hampshire	13,018,299	13,236,000	\$13,481,000	\$245,000
New Jersey	126,711,091	128,827,000	\$131,211,000	\$2,384,000
New Mexico	50,852,224	51,701,000	\$52,658,000	\$957,000
New York	422,349,645	429,401,000	\$437,348,000	\$7,947,000
North Carolina	137,403,001	139,697,000	\$142,283,000	\$2,586,000
North Dakota	16,696,830	16,976,000	\$17,290,000	\$314,000

STATE/TERRITORY	FY 2003 Actual	FY 2004 Conference	FY 2005 Estimate	Difference +/- 2004
Ohio	239,770,120	243,773,000	\$248,285,000	\$4,512,000
Oklahoma	78,783,942	80,099,000	\$81,581,000	\$1,482,000
Oregon	57,703,995	58,667,000	\$59,753,000	\$1,086,000
Pennsylvania	222,603,242	226,319,000	\$230,508,000	\$4,189,000
Rhode Island	21,445,541	21,804,000	\$22,208,000	\$404,000
South Carolina	80,222,592	81,562,000	\$83,072,000	\$1,510,000
South Dakota	18,301,095	18,607,000	\$18,951,000	\$344,000
Tennessee	116,071,781	118,010,000	\$120,194,000	\$2,184,000
Texas	465,421,856	473,192,000	\$481,950,000	\$8,758,000
Utah	36,709,468	37,322,000	\$38,013,000	\$691,000
Vermont	13,182,631	13,403,000	\$13,651,000	\$248,000
Virginia	96,213,748	97,820,000	\$99,630,000	\$1,810,000
Washington	98,022,295	99,659,000	\$101,503,000	\$1,844,000
West Virginia	49,227,458	50,049,000	\$50,975,000	\$926,000
Wisconsin	88,082,140	89,553,000	\$91,210,000	\$1,657,000
Wyoming	12,027,897	12,229,000	\$12,456,000	\$227,000
<b>Subtotal</b>	<b>5,729,294,097</b>	<b>5,824,940,000</b>	<b>5,932,748,000</b>	<b>\$107,808,000</b>
Indian Tribes	183,412,092	186,474,000	\$189,925,000	\$3,451,000
Migrant Program	260,201,087	264,545,000	\$269,441,000	\$4,896,000
Outer Pacific	15,128,452	15,381,000	\$15,666,000	\$285,000
Puerto Rico	243,016,007	247,073,000	\$251,646,000	\$4,573,000
Virgin Islands	9,992,265	10,159,000	\$10,347,000	\$188,000
<b>Subtotal</b>	<b>711,749,903</b>	<b>723,632,000</b>	<b>737,025,000</b>	<b>\$13,393,000</b>
<b>Total States/Territories</b>	<b>6,441,044,000</b>	<b>6,548,572,000</b>	<b>6,669,773,000</b>	<b>\$121,201,000</b>
Secretary's Reserve	10,000,000	10,000,000	10,000,000	\$0
Unallocated Expansion	0	64,852,000	64,852,000	\$0
State Demonstration	0	0	45,000,000	\$45,000,000
	<b>10,000,000</b>	<b>74,852,000</b>	<b>119,852,000</b>	<b>\$45,000,000</b>
Technical Assistance	169,688,000	104,623,000	107,154,000	\$2,531,000
RD&E	20,000,000	20,000,000	20,000,000	\$0
Program Support	26,051,000	26,801,000	26,801,000	\$0
<b>Subtotal Adjustments</b>	<b>215,739,000</b>	<b>151,424,000</b>	<b>153,955,000</b>	<b>\$2,531,000</b>
<b>TOTAL RESOURCES</b>	<b>\$6,666,783,000</b>	<b>\$6,774,848,000</b>	<b>\$6,943,580,000</b>	<b>\$168,732,000</b>

EARLY LEARNING OPPORTUNITIES PROGRAM

Authorizing Legislation – FY 2001 Departments of Labor, HHS, Education and Related Agencies Appropriations Act.

2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
\$33,779,000	\$33,580,000	\$0	-\$33,580,000

2005 Authorization....Such sums as may be appropriated.

Purpose and Method of Operation

In FY 2003, 43 grants were made to local community councils composed of representatives from agencies involved in early learning programs, parent organizations and key community leaders. The grants support programs that help parents, caregivers, child care providers and educators increase their capacity to facilitate development of cognitive skills, language comprehension, expressive language, social-emotional and motor skills, and promote learning readiness; promote effective parenting; enhance early childhood literacy; develop linkages among early learning programs within a community and between early learning programs and health care services for young children; increase access to early learning opportunities for young children with special needs (including developmental delays); increase access to existing early learning programs by expanding days or times young children are served, by expanding the number served, or by improving the affordability of the programs for low-income families; improve the quality of early learning programs through professional development and training, increased compensation, and recruitment and retention incentives for early learning providers; and remove barriers to early learning (e.g., transportation difficulties and needs for services in nontraditional hours). Grants range from \$255,000 to \$1 million. The grantees include one Alaska Native Regional Corporation and an Indian Tribe. Grant periods are 17 months in duration. In FY 2004, ACF anticipates awarding approximately 40 grants.

Funding for the Early Learning Opportunities program has been as follows:

2001 .....	\$19,995,000
2002 .....	\$24,988,000
2003 .....	\$33,779,000
2004 .....	\$33,580,000

Rationale for the Budget Request

No funds are being requested in FY 2005 for the Early Learning Opportunities Program, a reduction of \$33,580,000 from the 2004 Conference level. The FY 2005 President’s Budget

request proposes to fund similar activities in the Department of Education through the Early Reading First program and the Early Childhood Education Professional Development Grant program.

Resource and Program Data  
Early Learning Opportunities Program

	2003 Enacted	2004 Final Conference	2005 Estimate
<u>Resource Data:</u>			
Service Grants:			
Formula			
Discretionary <sup>1</sup>	\$32,765,630	\$32,572,630	\$0
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support <sup>2</sup>	\$1,013,370	\$1,007,370	0
Total, Resources	\$33,779,000	\$33,580,000	\$0
<u>Program Data:</u>			
Number of Grants	43	40	0
New Starts:			
#	43	40	0
\$	\$32,569,782	\$32,376,782	\$0
Continuations:			
#	0	0	0
\$			\$0
Contracts:			
#	1	1	0
\$	\$772,218	\$766,218	\$0
Interagency Agreements:			
#	2	2	0
\$	\$432,000	\$432,000	\$0

<sup>1</sup> Includes funds for discretionary grants and panel review of grants in the making of the awards.

<sup>2</sup> Includes funding for information technology support, technical assistance, salaries/benefits, and associated overhead.

## RUNAWAY AND HOMELESS YOUTH PROGRAM

Authorizing Legislation – Section 388(a)(1) of the Runaway and Homeless Youth Act.

	2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
Basic Centers	\$49,473,000	\$49,171,000	\$49,181,000	+\$10,000
Transitional Living (including Maternity Group Homes)	40,505,000	40,260,000	\$50,266,000	+10,006,000
Total, BA	\$89,978,000	\$89,431,000	\$99,447,000	+\$10,016,000

2005 Authorization....Such sums as may be appropriated.

### Purpose and Method of Operation

The Runaway and Homeless Youth Program provides grants to public and private organizations to establish and operate runaway and homeless youth shelters consistent with the Administration for Children and Families' goals of improving the well-being of youth and improving services provided to youth and their families. The shelters address the crisis needs of runaway and homeless youth and their families. Grants are used to develop or strengthen community-based shelters that are not a part of the law enforcement, juvenile justice, child welfare and mental health systems. It is estimated that between 500,000 and 1.5 million young people run away from home each year.

The Runaway and Homeless Youth Programs were reauthorized under Public Law 108-96, the Runaway, Homeless, and Missing Children Protection Act of 2003. The law sets 18 years as the maximum age limit for youth seeking shelter (from 21) and an exception to the 20 youth capacity rule. Centers are now able to exceed the 20 youth capacity rule if the State requires a higher limit in order to be licensed under the Basic Center program. Within the Transitional Living Program (TLP), Maternity Group Homes were authorized and the eligibility section was amended to allow youth to remain in the program longer than 540 days if the youth has not reached age 18. Finally, the allocation formula for the Runaway and Homeless Youth programs were revised to increase the allotment for Transitional Living Programs to 45 percent with discretion to increase the percent to 55 percent when conditions warrant.

Under Part A, the **Basic Center Program** awards grants to community-based public and private agencies for the provision of outreach, crisis intervention, temporary shelter, counseling, family unification and aftercare services to runaway and homeless youth and their families. Funds

available for the Basic Center Programs are allotted among the states using a formula based on the population of youth not more than 18 years of age as a proportion of the national population.

Under Part B, the **Transitional Living Program** provides grants to public and private organizations to support projects that provide longer-term residential services to homeless youth ages 16-21. These services include counseling in basic life skills, interpersonal skill building, educational advancement, job attainment skills, and physical and mental health care. These services are designed to help youth that are homeless make a successful transition to self-sufficient living and assist young mothers in moving forward with their lives by providing support so they can finish school, acquire job skills and learn to be good parents.

Transitional Living Program grantees are required to provide youth with stable, safe living accommodations and services that help them develop the skills necessary to move to independence. Living accommodations may be host family homes, group homes, or “supervised apartments.” (Supervised apartments are either agency-owned apartment buildings or “scattered site” apartments, which are single-occupancy apartments rented directly by young people with support from the agency.) These community-based, adults-supervised group homes will provide safe, stable, nurturing environments for youth who cannot live safely with their own families.

The newly authorized **Maternity Group Homes** component of the Transitional Living Program will provide an additional alternative to help protect and support some of the most vulnerable of America’s families and the vital role they play in the nation’s future. The need is especially great for young pregnant mothers and their children who lack safe and stable environments in which to live. These women are vulnerable to abuse and neglect and often end up on welfare, in foster care, in homeless shelters, or on the streets and sadly, their children are at high risk of being teen parents themselves. To break this cycle of abuse and poverty, funds will be targeted for community-based, adult-supervised group homes for young mothers and their children. Grantees will be providing a range of coordinated services such as child care, education, job training, health and nutrition, counseling and advice on parenting and life skills to young mothers.

Approximately 10 percent of the funds from the Runaway and Homeless Youth Program in each of the past five years have been used to fund projects that support and strengthen the work of the shelters. These include the national toll-free runaway and homeless youth crisis hotline; training and technical assistance activities; Runaway and Homeless Youth Management Information System (RHYMIS); demonstration projects on a wide variety of topics identified in the legislation; and initiatives to improve program administration, outreach, and prevention activities among local shelters. The crisis hotline responds to approximately 120,000 calls a year. Of these calls, 42 percent come from youth, 34 percent come from parents and the remaining 24 percent are general information and client-related calls.

Funding for the Runaway and Homeless Youth program during the last five years has been as follows:

2000 .....	\$64,145,000
2001 .....	\$69,123,000

2002 .....	\$88,023,000
2003 .....	\$89,978,000
2004 .....	\$89,431,000

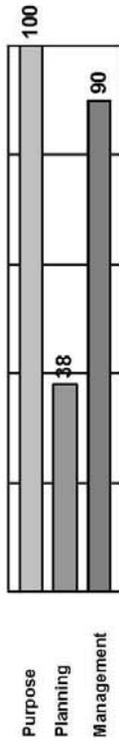
Rationale for the Budget Request

The FY 2005 request for the Runaway and Homeless Youth Program is \$99,447,000, a \$10,016,000 increase over the FY 2004 Conference level. The additional funds would support the Administration priority to increase funding for the Maternity Group Homes component under the Transitional Living Program. The additional 46 grants would be supported by these funds.

A PART assessment was conducted for this program and helped inform the FY 2005 budget policy. The assessment indicated that performance measures should be strengthened and an independent evaluation should be conducted of the program’s performance. In response to these findings, FYSB will continue to develop new long-term and efficiency performance measures and ambitious performance targets. A summary of the PART assessment follows on the next page.

**Program: Runaway and Homeless Youth**

**Agency:** Department of Health and Human Services  
**Bureau:** Family and Youth Services Bureau (FYSB)



Key Performance Measures	Year	Target	Actual
Annual Measure: Increase the proportion of youth living in safe and appropriate settings after exiting the runaway and homeless youth programs.	2002	N/A	89.5%
	2003	N/A	89.6%
	2004	91%	
	2005	92%	
Annual Measure: Increase the proportion of youth that enter an RHY shelter or basic center program through outreach efforts.	2002	N/A	3.4%
	2003	N/A	7.6%
	2004	9%	
	2005	10%	

**Rating: Results Not Demonstrated**

**Program Type:** Competitive Grant

**Program Summary:**

The purpose of the Runaway and Homeless Youth (RHY) Programs is to develop an effective system of care for youth who have become homeless or who leave and remain away from home without parental permission. This includes preventive services (RHY Street Outreach Program), emergency shelter services (RHY Basic Centers), and extended residential shelter (RHY Transitional Living Program) outside the law enforcement, juvenile justice, child welfare and mental health systems.

The assessment indicates that the overall purpose of the program is clear and addresses a specific need. However, performance measurement should be strengthened. Findings include:

1. Long-term and efficiency performance measures as well as ambitious annual performance targets should be developed.
2. There is still a lack of independent evaluations, and the budget and program goals are not aligned.
3. The program does not have procedures to measure efficiencies and cost effectiveness in program execution.

In response to these findings, the Administration will continue to develop new long-term and efficiency performance measures and ambitious performance targets.

**Program Funding Level (in millions of dollars)**

2003 Actual	2004 Estimate	2005 Estimate
105	105	105

Resource and Program Data  
Basic Centers Program

	2003 Actual	2004 Final Conference	2005 Estimate
<u>Resource Data:</u>			
Service Grants:			
Formula	\$0	\$0	\$0
Discretionary	44,057,932	44,253,900	\$44,268,300
Research/Evaluation	175,000	184,000	193,000
Demonstration/Development	600,000	600,000	600,000
Training/Technical Assistance	1,062,000	1,062,000	1,062,000
Program Support <sup>1</sup>	115,731	150,000	1,115,700
Other <sup>2</sup>	3,412,337	2,921,100	1,942,000
Total, Resources	\$49,423,000	\$49,171,000	\$49,181,000
<u>Program Data:</u>			
Number of Grants	355	356	356
New Starts:			
#	111	136	136
\$	\$11,557,145	\$16,573,321	\$16,596,621
Continuations:			
#	244	220	220
\$	\$34,337,786	\$29,526,679	\$29,526,679
Contracts:			
#	5	5	5
\$	\$3,528,069	\$3,071,000	\$3,057,700
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

<sup>1</sup> Includes information technology support, printing, and grants/panel reviews.

<sup>2</sup> "Other" includes training and technical assistance, the National Clearinghouse for Youth/Summit, logistical support, and RHYMIS.

Resource and Program Data  
Transitional Living Program

	2003 Actual	2004 Final Conference	2005 Estimate
<u>Resource Data:</u>			
Service Grants:			
Formula	\$0	\$0	\$0
Discretionary	37,463,770	36,234,000	45,234,000
Research/Evaluation			
Demonstration/Development	480,000	480,000	480,000
Training/Technical Assistance	1,065,000	1,065,000	1,065,000
Program Support <sup>1</sup>	1,496,230	1,500,000	1,350,000
Other <sup>2</sup>	0	981,000	2,137,000
Total, Resources	\$40,505,000	\$40,260,000	\$50,266,000
<u>Program Data:</u>			
Number of Grants			
	191	191	237
New Starts:			
#	75	60	46
\$	\$15,934,826	\$10,956,074	\$9,000,000
Continuations:			
#	116	131	191
\$	\$23,073,944	\$26,822,926	\$37,779,000
Contracts:			
#	2	3	4
\$	\$1,496,230	\$2,481,000	\$3,487,000
Interagency Agreements:			
#	0	0	0
\$	\$0	\$0	\$0

<sup>1</sup> Includes funding for information technology, GATES, printing, and grants/panel reviews.

<sup>2</sup> "Other" includes funding for logistical support, clearinghouse and research.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2005 DISCRETIONARY STATE/FORMULA GRANTS**

**PROGRAM: Runaway and Homeless Youth - Basic Center (CFDA #93.623)**

<b>STATE/TERRITORY</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Conference</b>	<b>FY 2005 Estimate</b>	<b>Difference +/- 2004</b>
Alabama	\$680,026	\$683,051	\$683,205	\$154
Alaska	271,935	114,195	114,221	26
Arizona	804,409	807,987	808,170	183
Arkansas	410,267	412,092	412,185	93
California	5,242,232	5,266,483	5,267,665	1,182
Colorado	656,645	659,565	659,715	150
Connecticut	497,431	499,636	499,745	109
Delaware	118,075	118,601	118,627	26
District of Columbia	112,500	100,000	100,000	0
Florida	2,197,503	2,207,277	2,207,776	499
Georgia	1,288,710	1,294,442	1,294,734	292
Hawaii	176,412	174,214	174,254	40
Idaho	209,507	224,954	225,005	51
Illinois	1,750,230	1,751,230	1,751,869	639
Indiana	949,149	953,371	953,587	216
Iowa	434,203	454,977	455,000	23
Kansas	431,855	433,736	433,850	114
Kentucky	600,397	603,068	603,200	132
Louisiana	693,093	728,489	728,660	171
Maine	171,038	188,344	188,390	46
Maryland	807,079	810,669	810,860	191
Massachusetts	864,752	869,034	869,250	216
Michigan	1,566,767	1,573,736	1,574,000	264
Minnesota	965,272	870,924	871,102	178
Mississippi	473,700	447,299	447,400	101
Missouri	867,068	870,924	871,121	197
Montana	143,467	125,491	125,550	59
Nebraska	293,009	265,475	265,540	65
Nevada	294,400	295,709	295,776	67
New Hampshire	190,146	190,991	191,035	44
New Jersey	1,170,884	1,178,803	1,179,100	297
New Mexico	307,535	308,903	308,980	77
New York	3,198,884	3,370,912	3,371,550	638
North Carolina	1,171,307	1,176,517	1,176,783	266
North Dakota	102,500	102,484	102,507	23

<b>STATE/TERRITORY</b>	<b>FY 2003 Actual</b>	<b>FY 2004 Conference</b>	<b>FY 2005 Estimate</b>	<b>Difference +/- 2004</b>
Ohio	1,742,972	1,750,725	1,751,120	395
Oklahoma	643,907	544,865	544,988	123
Oregon	389,643	498,521	498,637	116
Pennsylvania	1,790,873	1,698,561	1,698,970	409
Rhode Island	145,063	221,382	221,420	38
South Carolina	616,939	619,683	619,823	140
South Dakota	124,940	125,496	125,524	28
Tennessee	840,069	843,805	843,996	191
Texas	3,435,176	3,501,135	3,501,926	791
Utah	426,071	415,000	415,100	100
Vermont	100,000	100,000	100,000	0
Virginia	1,019,122	1,049,360	1,049,597	237
Washington	912,705	916,765	916,972	207
West Virginia	246,172	251,053	251,110	57
Wisconsin	842,619	846,367	846,558	191
Wyoming	218,000	100,000	100,000	0
<b>Subtotal</b>	<b>43,606,658</b>	<b>43,616,301</b>	<b>43,626,153</b>	<b>9,852</b>
American Samoa	45,000	45,000	45,000	0
Guam	45,000	45,000	45,000	0
Northern Mariana Islands	45,000	45,000	45,000	0
Puerto Rico	271,274	457,599	457,747	148
Virgin Islands	45,000	45,000	45,000	0
<b>Subtotal</b>	<b>451,274</b>	<b>637,599</b>	<b>637,747</b>	<b>148</b>
<b>Total States/Territories</b>	<b>44,057,932</b>	<b>44,253,900</b>	<b>44,263,900</b>	<b>10,000</b>
Technical Assistance	1,062,000	1,062,000	1,062,000	0
Other	4,303,068	3,855,100	3,855,100	0
<b>Subtotal Adjustments</b>	<b>5,415,388</b>	<b>4,917,100</b>	<b>4,917,100</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$49,473,320</b>	<b>\$49,171,000</b>	<b>\$49,181,000</b>	<b>\$10,000</b>

EDUCATION AND PREVENTION GRANTS TO REDUCE SEXUAL ABUSE OF  
RUNAWAY, HOMELESS AND STREET YOUTH

Authorizing Legislation – Section 388 of Part E of the Runaway and Homeless Youth Act.

2003 Enacted	2004 Final Conference	2005 Estimate	Increase or Decrease
\$15,399,000	\$15,302,000	\$15,302,000	\$0

2005 Authorization....Such sums as may be appropriated.

Purpose and Method of Operation

The Runaway and Homeless Youth Act (RHY) provides grants to private, non-profit agencies for street-based outreach and education, including treatment, counseling, provision of information, and referral for runaway, homeless and street youth who have been subjected to or are at risk of being subjected to sexual abuse. The goal of these efforts is to help young people leave the streets.

This street outreach program for runaway, homeless and street youth is a lifeline to youth living on the streets that have either been sexually abused or are at risk for sexual abuse and exploitation. Due to the transient and sometimes anonymous characteristics of such youth, who often avoid contact with service providers until trust has been established, little is known about the unduplicated numbers served by Family Youth Services Bureau (FYSB) grantees. However, a new data collection tool will for the first time record the number of contacts, as well as the tangible assistance provided in the form of food, hygiene packages, and information or referrals given to street youth, many of whom eventually enter RHY shelters for more services. These services will be coordinated with existing services for runaway and homeless youth, namely emergency shelter and transitional living program efforts. The coordination of these resources and programs will increase the capacity of service providers to provide outreach to street youth.

Funding for the program during the last five years has been as follows:

2000 .....	\$14,997,000
2001 .....	\$14,999,000
2002 .....	\$14,999,000
2003 .....	\$15,399,000
2004 .....	\$15,302,000

### Rationale for the Budget Request

The FY 2005 budget request for the Education and Prevention Grants to Reduce Sexual Abuse program is \$15,302,000, the same level as the FY 2004 Conference level. This would continue to allow existing grantees to receive funding designed to build relationships between grantee staff and street youth for street-based outreach and education.

**Resource and Program Data**  
**Education & Prevention Grants to Reduce Sexual Abuse of**  
**Runaway, Homeless and Street Youth**

	2003 Actual	2004 Final Conference	2005 Estimate
<u>Resource Data:</u>			
Service Grants:			
Formula	\$0	\$0	\$0
Discretionary	13,859,314	13,771,800	13,771,800
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support <sup>1</sup>	1,539,686	1,530,200	1,530,200
Total, Resources	\$15,399,000	\$15,302,000	\$15,302,000
<u>Program Data:</u>			
Number of Grants	147	139	139
New Starts:			
#	52	87	0
\$	\$5,025,288	\$8,746,562	\$0
Continuations:			
#	95	52	139
\$	\$8,834,026	\$5,025,238	\$13,771,800
Contracts:			
#	1	1	1
\$	\$1,539,686	\$1,530,200	\$1,530,200