



# STRONG START KY

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PRICHARD COMMITTEE FOR ACADEMIC EXCELLENCE

## State Budget & Covid-19 Update

April 8, 2021

# State Budget Update – 2021 Regular Session

- General Assembly enacted a 1-year budget in 2020 due to Covid-19 and had to complete the biennial budget this session.
- Much of the budget is a continuation of current year spending.
- BUT – there are some positive “down payments.”



# State Budget Update – 2021 Regular Session

- An additional \$12 million in FY 2022 for child care assistance to support a \$2/day reimbursement rate increase.
- An additional \$140 million in FY 2022 to support full-day kindergarten in all school districts.
- Senate Bill 148 – Eases planning and zoning restrictions on the establishment of family child care homes.

**STATE BUDGET COMPARISON - FY 2020 BASELINE -vs- FY 2021 & FY 2022 ENACTED**

Investment	FY 2020 Baseline	FY 2021 Enacted	FY 2022 Enacted	Line-Item Language
<b>Child Care Assistance Program - General Fund</b>	\$10,600,000	\$10,600,000	\$22,600,000	<p><b>Child Care Assistance Program:</b> Included in the above General Fund appropriation is \$10,600,000 in fiscal year 2020-2021 to provide services to families at or below 160 percent of the federal poverty level as determined annually by the U.S. Department of Health and Human Services.</p> <p><b>Reimbursement Rate Increase:</b> There is hereby appropriated General Fund moneys in the amount of \$12,000,000 in fiscal year 2021-2022 to the Department for Community Based Services to provide a \$2 per child increase in the Child Care Assistance Program provider reimbursement rate.</p>
<b>Child Care Assistance Program - Tobacco Funds</b>	\$9,750,000	\$9,750,000	\$9,750,000	<p><b>Tobacco Settlement Funds:</b> Included in the above General Fund (Tobacco) appropriation is \$9,750,000 in fiscal year 2020-2021 for the Early Childhood Development Program.</p>
<b>Public Preschool Program - Per-Child</b>	\$76,981,100	\$84,481,100	\$84,481,100	\$84,481,100 for the Preschool Program
<b>Public Preschool Program - Partnership Grants</b>	\$7,500,000	\$0	\$0	n/a
<b>HANDS</b>	\$9,000,000	\$7,000,000	\$7,000,000	n/a

# Federal Stimulus Update – American Rescue Plan

- What is In the American Rescue Plan for KY?
  - \$2.4 billion for state government.
  - \$1.15 billion for counties.
  - \$751.5 million for cities.
  - \$764 million for child care.
  - \$2.1 billion for K-12.
  - \$454.2 million for postsecondary education.
- That is a lot of \$\$\$ - \$7.6 billion...and an opportunity not just to return to pre-pandemic status quo, but rather to envision a better system of supports for students, families and educators into the future.

**Select Education-Related Funding from Major COVID-19 Federal Stimulus Packages - KENTUCKY**

	<b>The Coronavirus Aid, Relief, and Economic Security Act (CARES Act, 2020)</b>	<b>The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA Act, 2020)</b>	<b>The American Rescue Plan (ARP, 2021)</b>
<b>Child Care Development Block Grant and Stabilization Support</b>	<u><a href="#">\$67.7 Million</a></u>	<u><a href="#">\$192.5 Million</a></u>	<u><a href="#">\$764 Million</a></u>
<b>K-12 Education - Elementary &amp; Secondary Emergency Relief Funds</b>	<u><a href="#">\$193.2 Million</a></u>	<u><a href="#">\$928.3 Million</a></u>	<u><a href="#">\$2.1 Billion</a></u>
<b>Postsecondary Education - Higher Education Emergency Relief Funds</b>	<u><a href="#">\$156.8 Million</a></u>	<u><a href="#">\$294.9 Million</a></u>	<u><a href="#">\$454.2 Million</a></u>
<b>Education General - Governors Emergency Education Relief Funds</b>	<u><a href="#">\$43.8 Million</a></u>	<u><a href="#">\$19.3 Million</a></u>	N/A

# Federal Stimulus Update – American Rescue Plan

## Child Care

The ARP included two pots of funds for child care totaling \$39 billion of which Kentucky is to receive approximately \$764 million.

- \$15 billion will provide expanded child care assistance for families and essential workers through the Child Care Development Block Grant (CCDBG). Kentucky will receive approximately \$293.9 million from this fund.
- \$24 billion will be for a child care stabilization fund to support eligible child care providers with an array of expenses including personnel, rent, maintenance, COVID-19-related supplies, costs associated with reopening, as well as supports for children and educators. Kentucky will receive approximately \$470.1 million from this fund.

# Federal Stimulus Update – American Rescue Plan

## K-12 Education

The ARP included \$122.8 billion in total for public schools in the Elementary and Secondary School Emergency Relief Fund (ESSER) of which Kentucky will receive approximately \$2.1 billion.

Funding Category	State's Funding
Minimum Grants to Local School Districts (90% of total)	\$1,876,295,700
Minimum - Learning Recovery Grants (5% of total)	\$104,238,650
Summer Enrichment (1% of total)	\$20,847,730
After-School Programs (1% of total)	\$20,847,730
Administrative Costs (Up to half of 1% of total)	\$10,423,865
Remaining State Funding (2.5% of total)	\$52,119,325
	\$2,084,773,000

- Of the nearly \$1.9 billion above that is reserved for grants to local school districts, 20% must be used by districts to address learning loss - totaling \$375.2 million. The rest of local district funding can be used flexibly to make strategic investments to support students and teachers. Examples include accelerating student learning with extended school years, summer programs, tutoring and other wraparound supports; safely reopening schools and upgrades to school facilities for healthy learning environments; and supporting the educator workforce and teacher pipeline.



# Resources

- Prichard Committee Resources
  - [Learning Through COVID](#)
  - [State Budget Update](#)
  - [American Rescue Plan Summary](#)



# Thanks & Recognition

- To partners including Kentucky Youth Advocates, Metro United Way, United Way of Kentucky, United Way of Greater Cincinnati, Learning Grove, Child Care Advocates of Kentucky, Community Coordinated Child Care (4-C), Appalachian Early Childhood Network, EC Learn and Child Care Council of Kentucky for deep work during our COVID year on child care surveys and advocacy at state and federal level for increase funding.
- Special recognition to Mandy Simpson (MUW) and Benjamin Gies (KYA) for their strong leadership in getting \$12 million for child care assistance in the state budget and the passage of Senate Bill 148.