

CRS Report for Congress

Head Start: Background and Issues

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Summary

Head Start is a federal program that has provided comprehensive early childhood development services to low-income children since 1965. Services provided to preschool-aged children include child development, educational, health, nutritional, social and other activities, intended to prepare low-income children for entering kindergarten. The program is administered by the Department of Health and Human Services (HHS). Federal Head Start funds are provided directly to local grantees, rather than through states. Programs are locally designed and are administered by a network of over 1,600 public and private nonprofit and for-profit agencies. In FY2006, Head Start funded enrollment for 909,201 children.

Head Start was last reauthorized in 1998 for FY1999-FY2003, and after unsuccessful efforts by the 108th and 109th Congresses to complete the reauthorization process, the 110th Congress has now undertaken the task. On May 2, 2007 the House passed its reauthorization bill, H.R. 1429, by a vote of 365-48. The Senate passed its own version of H.R. 1429 by voice vote under unanimous consent on June 19, 2007. The Senate version of H.R. 1429 adopted the language of the committee-passed S. 556, with a few technical changes. Conferees have been appointed to resolve differences between the House and Senate versions.

Head Start funding for the entirety of FY2007 was not settled until after four continuing resolution measures were passed, the first three providing temporary funding at Head Start's FY2006 annual rate. The fourth CR (H.J.Res. 20), signed into law (P.L. 110-5) on February 15, 2007, included \$6.889 billion for Head Start, an increase of approximately \$100 million above the FY2006 level provided in the Labor-HHS-Education Appropriations Act (P.L. 109-149). Supplemental dedicated funding for Head Start was included in the FY2006 Defense Appropriations Act (P.L. 109-148), which provided \$90 million for Head Start to serve children displaced by the Gulf Coast hurricanes of 2005 and to help with the costs of renovating affected facilities. (Of the \$90 million provided, only \$74 million was awarded, based on grantee requests.) The President's budget for FY2008 proposes funding Head Start at \$6.789 billion, the same as FY2006, but \$100 million less than what was ultimately provided for FY2007.

Program performance, fiscal management, staff qualifications, and the long-term impact on children, particularly with respect to educational attainment, continue to be areas of focus and concern, and the subject of reauthorization proposals. The National Reporting System (NRS), developed with the purpose of assessing the effectiveness of Head Start programs in achieving successful outcomes for children in terms of school readiness, and first implemented in fall 2003, is just one subject of current debate. Both the House and Senate versions of H.R. 1429 have proposed suspension of the NRS, pending further review by the National Academy of Sciences.

This report will be updated to reflect legislative and program developments.

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Head Start: Background and Issues

Recent Developments

Reauthorization Activity. On June 19, 2007, the Senate passed (by voice vote under a unanimous consent agreement) its Head Start for School Readiness Act. The Senate adopted the bill number (H.R. 1429) of the reauthorization bill that passed the House (365-48) on May 2, 2007, but substituted its own committee-reported bill language of S. 556 (with a few technical changes). Unlike the Senate bill passage, which occurred via voice vote, without floor debate, and under unanimous consent, the House debated twelve amendments, of which nine were adopted. Those amendments, as well as other provisions included in the House and Senate reauthorization bills, are summarized later in this report; see the section entitled “Reauthorization Bills in the 110th Congress.” Conferees have been appointed to resolve differences between the two bills.

FY2008 Appropriations Activity. On June 19, 2007, the House passed (by a vote of 276-140) its Labor-HHS-Education appropriations bill (H.R. 3043), which proposes \$6.964 billion for Head Start (an increase of \$75 million above current funding). This is the same level that was approved by the House Appropriations Committee (H.Rept. 110-231) by voice vote on July, 11, 2007. When the House began floor debate on the bill, the Office of Management and Budget (OMB) issued a Statement of Administration Policy stating its opposition to the bill and threatened a presidential veto if it is ultimately presented to the President.

The full Senate has yet to take up a Labor-HHS-Education bill; however, on June 27, 2007, the Senate Appropriations Committee approved and reported S. 1720/S.Rept. 110-107. The committee-passed bill would provide \$7.089 billion for Head Start, an increase of \$200 million above current funding.

House Subcommittee Hearing on Head Start. On February 28, 2007, the Early Childhood, Elementary and Secondary Education Subcommittee of the House Education and Labor Committee held a hearing, “Improving Head Start for America’s Children.” Witness testimony and an archived webcast of the hearing may be accessed at [<http://edworkforce.house.gov/hearings/ecese022807.shtml>].

FY2007 Appropriations Finalized. After three continuing resolutions (CR) had extended temporary funding for Head Start at its FY2006 annual rate, a fourth CR (H.J.Res. 20) signed into law (P.L. 110-5) on February 15, 2007, ultimately provided funding for the entirety of FY2007. This appropriations measure included \$6.889 billion for Head Start, an increase of approximately \$100 million above the FY2006 level provided in last year’s HHS appropriations law.

FY2008 Budget Proposal. The Administration released its proposed budget for FY2008 on February 5, 2007. The President proposes to fund Head Start at the FY2006 level of \$6.789 billion. (Of note: at the time of the budget's release, the FY2007 appropriations law, providing an additional \$100 million for Head Start, had not been enacted. As a result, the budget proposal reflects what was at that point considered level funding, rather than what would now actually be a \$100 million decrease.)

Overview

Head Start is a federal program that has provided comprehensive early childhood development services to low-income children since 1965. The program is administered by the Administration for Children and Families of the Department of Health and Human Services (HHS), which provides grants directly from the federal government to local entities (as opposed to providing funding through the state). Head Start was last reauthorized in 1998 (P.L. 105-285) for fiscal years 1999-2003, and though addressed by legislation offered and vigorously debated during both the 108th and 109th Congresses, the Head Start Act was not reauthorized. Thus, it remains an agenda item for the 110th Congress.

The reauthorization bills that were introduced in the 109th Congress differed in substantial ways from those that received attention in the 108th Congress. While much of the debate in the 108th Congress focused on a House proposal to allow up to eight qualifying states to take over the administration of Head Start programs in their states, the House bill passed by the 109th Congress (H.R. 2123) did not include that provision. Rather than proposing the eight-state pilot project (characterized by critics as “block grants” to eight states) that would allow for state administration of the Head Start program (as did H.R. 2210, 108th Congress), H.R. 2123 instead aimed to promote better coordination between Head Start and other early childhood programs by requiring that Head Start grantees in all 50 states align their objectives for improving school readiness with state-developed standards for kindergarten, and demonstrate active partnerships with local school districts serving the same communities. The direct relationship between the federal government and local grantees would have remained unchanged under this bill. Neither the reauthorization bill offered in the Senate during the 108th Congress (S. 1940), nor the Senate committee-passed bill of the last Congress (S. 1107; 109th Congress), included a provision to allow for state administration of the Head Start program.

Another major source of debate during reauthorization discussions in the 108th Congress was a provision included in the House bill (H.R. 2210, 108th) — but not S. 1940 — which would have amended Section 654 of the Head Start Act to allow for discrimination in the employment of Head Start staff, based on religion. An amendment to strip the provision from H.R. 2210 was offered by Representative Woolsey on the House floor, but the amendment was not adopted [failing 199-231], and the House subsequently passed H.R. 2210, containing the new language allowing discrimination, by a one-vote margin. In the last Congress (the 109th), the House bill (H.R. 2123), as introduced and amended in committee, did not contain the discrimination language of the bill from the 108th Congress; however, Chairman

Boehner followed through on his plan (openly discussed in the committee markup) to offer the provision as an amendment when the bill was brought to the House floor. The provision faced strong opposition from many Democrats, and dominated much of the floor debate, but ultimately passed (220-196). The full bill, including the faith-based amendment among others, passed the House by a vote of 231-184.

Concerns regarding financial management problems among some Head Start grantees (highlighted by a February 28, 2005 GAO report),¹ and other program performance issues were newly addressed by the reauthorization bills of the 109th Congress. Both the House bill and the Senate committee-passed bill included provisions to increase competition for grants, requiring most grantees to re compete for funding every five years. Priority for funding (and refunding) would have been given to high performing grantees (those found to be meeting the goals aligned with the Head Start child outcomes framework, state early learning standards, and expectations for local schools).

The 110th Congress has inherited the task of working to reauthorize the Head Start Act, and at this writing, both the House and Senate have passed their own versions of a reauthorization measure (H.R. 1429). While many of the proposals included in previous reauthorization bills are included in this year's legislation, the controversial provision pertaining to the ability to discriminate in hiring of Head Start staff, based on religion, is not included in either the House or Senate version of H.R. 1429. (Efforts to amend H.R. 1429 in the House to include the provision were unsuccessful.) The status of the reauthorization bills and explanation of the major provisions contained within them are summarized later in this report.

Congress appropriates funds annually for the Head Start program as part of the appropriations process for the Department of Health and Human Services. Appropriations have been made without an authorization since FY2003. The Head Start program has received increases of varying levels over the past two decades (see **Table 1**, below). At the conclusion of the 108th Congress, the Consolidated Appropriations Act for FY2005 was signed into law (P.L. 108-447), providing the Head Start program with \$6.843 billion (this amount reflects the across-the-board cut of 0.8% applied to the \$6.899 billion found in the legislative language). Of that amount, \$1.386 billion became available in FY2006. Head Start funding in the FY2006 HHS Appropriations Act (P.L. 109-149) was subject to an across-the-board cut of 1%, which brought the total to \$6.786 billion (with \$1.389 billion of that becoming available in FY2007). In addition, the Defense Appropriations Act (P.L. 109-148) included \$90 million in supplementary funding for Head Start, to be used specifically for grantees serving children displaced by the Gulf Coast hurricanes of 2005, and to help with costs of renovating Head Start facilities that were affected by the storms. (See *FY2006 Appropriations*, later in this report.) The FY2007 appropriation law (P.L. 110-5) provides \$6.889 billion for Head Start.

¹ Government Accountability Office, *Head Start: Comprehensive Approach to Identifying and Addressing Risks Could Help Prevent Grantee Financial Management Weaknesses*, GAO-05-176, February 28, 2005, [<http://www.gao.gov/new.items/d05176.pdf>].

Head Start Program

Services

Head Start provides comprehensive early childhood development, educational, health, nutritional, social and other services to low-income preschool children and their families. These services are intended to prepare children to enter kindergarten and to improve the conditions necessary for their success in later school and life. Head Start strongly emphasizes the involvement of families and the local community to assure that programs are responsive to the unique needs of each community. Since flexibility in local program design and operation is encouraged, there is wide variation across the country in how Head Start services are delivered (e.g., center-based, home-based, or some combination), as well as in local program costs, sponsoring agencies, and coordination arrangements with other social service programs. Head Start operates both full- and part-day programs — most only during the school year. Some local Head Start programs do coordinate with other programs to lengthen the time of care, both in terms of hours, and the year. Full-day enrollment in Head Start is defined as six or more hours per day. Part-day sessions must comply with a minimum class time requirement of 3.5 hours.

Funding

Federal appropriations for Head Start substantially increased during the 1990s, tripling from the FY1990 level of \$1.552 billion to the FY1999 level of \$4.658 billion, and more than quadrupling from FY1990 to the FY2005 level of \$6.843 billion. These increased appropriations have been used both to expand the number of children served and for quality improvement activities. In FY2006, regular Head Start funding decreased to \$6.786 billion (after the 1% across-the-board rescission); however the FY2006 Defense Appropriations Act (P.L. 109-148) also provided \$90 million in supplementary funding to assist with Head Start needs arising as a result of the Gulf Coast hurricanes (See **Table 1**, below). The appropriation for FY2007 (including a portion of advance funds for FY2008) was settled in February 2007 and includes \$6.889 billion for Head Start.

Unlike some other federal social service programs that are funded through the states, HHS awards Head Start funds directly to local public and private nonprofit and for-profit grantees. Grantees must contribute a 20% nonfederal match, which may be in cash or in-kind, unless they are granted a waiver. No more than 15% of a grantee's total program costs may be for administration. Funds are awarded to over 1,600 grantees at the discretion of HHS from state allocations determined by a formula in law. However, before these state allocations are made, the law contains a series of set-aside provisions that reserve funds for specified activities.

Under the 1998 Head Start amendments (P.L. 105-285), up to \$35 million of total Head Start appropriations is reserved annually for transition-to-school grants; up to \$5 million is reserved annually for national research on the impact of Head Start; and \$12 million in FY1999 and such sums as necessary thereafter is reserved for other research, demonstration and evaluation activities, including longitudinal studies.

Also of total Head Start appropriations, the Secretary must reserve 13% for use in the following priority order:

- Indian and migrant Head Start programs², and services for children with disabilities;
- payments to outlying territories, not to exceed one-half of 1% of the total annual appropriation. The territories include Guam, American Samoa, the Northern Mariana Islands, the Virgin Islands, Micronesia, the Marshall Islands, and Palau;
- training and technical assistance (not less than 2% of the total annual appropriation, of which at least \$3 million must be related to family literacy);
- discretionary payments made by the Secretary, including the costs (other than federal salaries) of local program monitoring and correcting deficiencies and conducting proceedings to terminate Head Start grantees; and
- payments for research, demonstration and evaluation activities.

Of remaining Head Start appropriations (after reserving the amounts described above and adjusting the prior year appropriation to reflect the percentage change in the Consumer Price Index), “regular” Head Start funds are allotted among states according to the following formula, which was established in the 1998 amendments:

- each state first receives an amount equal to the amount received by grantees in that state for FY1998, and any amounts available above the FY1998 level are distributed proportionately among states on the basis of the number of children under five years old whose family income is below the federal poverty line.

Although the amounts allocated according to the above formula are actually distributed directly to local grantees, the Secretary may use a portion of these funds to make grants to the states, to foster collaboration within the state among Head Start and other activities designed to benefit low-income children and families. These state collaboration grants typically range between \$125,000 and \$225,000 per state. (See **Table 3** for actual state allocations for Head Start for FY2006.)

² In FY2006, the actual appropriation ultimately reserved for Indian Head Start programs was approximately 2.7% and for Migrant and Seasonal programs, approximately 4%. No percentage is written into current law.

Table 1. Head Start Funding: FY1989-FY2007
(\$ in billions)

Year	Authorization	Appropriation	Year	Authorization	Appropriation
1989	1.332	1.235	1999	ssan	4.658
1990	1.552	1.552	2000	ssan	5.267 ^a
1991	2.386	1.952	2001	ssan	6.200 ^a
1992	4.273	2.202	2002	ssan	6.537 ^a
1993	5.924	2.776	2003	ssan	6.668 ^a
1994	7.660	3.326	2004	expired	6.775 ^{a,b}
1995	ssan	3.534	2005	expired	6.843 ^c
1996	ssan	3.569	2006	expired	6.786 ^d
1997	ssan	3.981		(see footnote ^e)	0.090 ^e
1998	ssan	4.347	2007	expired	6.889

Source: Table prepared by the Congressional Research Service (CRS) using data from the Head Start Bureau.

Note: ssan = such sums as necessary.

- a. This amount includes an advance appropriation of \$1.4 billion for the following fiscal year.
- b. This amount reflects the across-the-board 0.59% rescission applied to discretionary programs under the FY2004 Consolidated Appropriations Act (P.L. 108-199).
- c. This amount reflects the across-the-board 0.8% rescission applied to discretionary programs under the FY2005 Appropriations Act (P.L. 108-447). Of the \$6.843 billion, \$1.386 billion became available in FY2006. (Prior to the rescission, the total amount was \$6.899 billion.)
- d. This amount reflects the across-the-board 1% rescission applied to discretionary programs under the FY2006 Labor-HHS Appropriations Act (P.L. 109-149). (Prior to the rescission, the amount was \$6.843 billion.) Of the \$6.786 billion, \$1.389 billion became available in FY2007.
- e. The FY2006 Defense Appropriations Act (P.L. 109-148) appropriated \$90 million in Head Start funding to be used specifically to address needs arising from the Gulf Coast hurricanes (i.e., serving displaced children and helping with costs of renovating affected facilities). Of the \$90 million appropriated, a total of \$74 million was actually awarded, based on grantee requests.

FY2007 Appropriations. After three continuing resolutions (CR) had extended temporary funding for Head Start at its FY2006 annual rate³, a fourth CR (H.J.Res. 20) signed into law (P.L. 110-5) on February 15, 2007, ultimately provided funding for the entirety of FY2007. This appropriations measure included \$6.889 billion for Head Start, an increase of approximately \$100 million above the FY2006 level provided in last year's HHS appropriations law.

Leading up to the CR activity, on July 20, 2006, in the 109th Congress, the Senate Appropriations Committee reported S. 3708 (S.Rept. 109-287), a bill making appropriations for the Departments of Labor, HHS, and Education. The committee-

³ The first continuing resolution was attached to the Defense Appropriations Conference Report (H.Rept. 109-676) and signed into law (P.L. 109-289) on September 29, 2006. It was followed by a second CR (P.L. 109-369) that ran through December 8, 2006, and a third (P.L. 109-383) that extended funding through February 15, 2007.

passed bill proposed \$6.789 billion for Head Start, an increase of approximately \$3.7 million above the comparable *regular* Head Start funding included in the FY2006 appropriations law (note that \$90 million in special hurricane funds were included as part of the FY2006 Defense Appropriations).

A month earlier, on June 20, 2006, the House Appropriations Committee reported its version of a Labor/HHS/Education appropriations bill, H.R. 5647 (H.Rept. 109-515), which included the same funding levels and provisions for Head Start as proposed in the Senate Committee-passed bill described above.

FY2006 Appropriations. Following a lengthy appropriations process that included three continuing resolutions⁴ and consideration of two conference reports⁵, a bill making appropriations for the Departments of Labor, HHS, and Education (H.R. 3010) was signed into law (P.L. 109-149) on December 30, 2005. Head Start, like other discretionary programs funded under this act, was subject to an across-the-board cut of 1%, which brought the total appropriation to \$6.786 billion (of which \$1.389 billion became available in FY2007). In addition to funding, the law included provisions allowing for Head Start transportation safety waivers, an earmark of \$1 million to be used to establish a National Academy of Sciences panel to review and provide guidance on appropriate outcomes and assessments for young children, and a provision limiting the use of Head Start funds to pay compensation in excess of the Executive Level II rate.

Earlier in the appropriations process, the House had passed its version of H.R. 3010, which would have funded Head Start at a level of \$6.899 billion. The Senate-passed version would have provided the lesser amount of \$6.874 billion. As part of passing its version of H.R. 3010, the Senate accepted an amendment (S.Amdt. 2280) offered by Senator Harkin, which would provide the HHS Secretary with the authority to temporarily waive certain transportation safety requirements for Head Start programs, and postpone the effective date of particular Head Start regulations under certain conditions. Similar transportation safety provisions were adopted in conference. The conference report did not adopt either the House- or Senate-proposed funding level, however. Instead, Head Start funding was maintained at the FY2005 level.

Additional Funding in the Defense Appropriations Act. The Defense Appropriations Act (P.L. 109-148) included \$90 million in additional funding for Head Start, to be used specifically for grantees serving children displaced by the Gulf Coast hurricanes of 2005, and to help with the costs of renovating Head Start facilities affected by the storms. Those funds were not allocated according to the

⁴ The first continuing resolution (H.J.Res. 68/P.L. 109-77) extended funding through November 18, 2005. The second (H.J.Res. 72, P.L. 109-105) continued the funding through December 17, 2005), and the third (H.J.Res. 75, P.L. 109-128) through December 31, 2005.

⁵ On November 17, 2005, the House failed to approve the first Conference Report (H.Rept. 109-300) on H.R. 3010. A second Conference Report (H.Rept. 109-337) was subsequently approved by the House on December 14, 2005 (by vote of 215-213), and by unanimous consent in the Senate on December 21, 2005. Head Start provisions in the two did not differ.

standard Head Start formula due to the targeted purpose of the funding. As discussed below, the Head Start Bureau has taken action to assess and address the needs of Head Start grantees in response to these hurricanes. Of the \$90 million appropriated, a total of \$74 million was awarded, based on grantee requests. The remainder was returned to the Treasury.

President's FY2007 Budget Request

The Administration's budget request for FY2007, released on February 6, 2006, proposed to maintain Head Start funding at a level of \$6.786 billion [the same amount, post-rescission, included in the FY2006 HHS Appropriations Act (P.L. 109-149)]. In its Justification of Estimates for the Appropriations Committees, the Administration (HHS) contended that by allowing a greater portion of Head Start funds to be shifted away from training and technical assistance and into direct service grants, the number of children estimated to be served by Head Start (and Early Head Start) would increase to approximately 917,000 (an increase of roughly 10,000 children from FY2006 estimates). (For more details, see *President's Head Start Proposals and Initiatives* later in this report.)

Response to Gulf Coast Hurricanes

The Head Start Bureau urged all of its grantees to provide Head Start services to any displaced children and families now in their communities as a result of the 2005 hurricanes. On September 12, 2005, HHS announced that it was making available \$15 million for this purpose, to help cover costs over a 30-day period. Grantees were instructed to treat any preschool-aged child whose family was displaced from their home as income-eligible, with or without documentation. The Head Start Bureau anticipated that programs serving newly enrolled displaced children may struggle to meet certain Head Start regulations, and issued guidance for requesting waivers in those areas. Moreover, the Bureau encouraged grantees to contact their regional federal offices with any concerns arising from serving evacuated families. The regional offices were asked (by HHS) to collect data (on a daily basis) from their respective grantees regarding the number of evacuee children being served by their program(s), and whether these children were new to Head Start, or, instead, were previously enrolled in a Head Start program in the community from which they have been displaced as a result of Hurricane Katrina. For copies of documents prepared by HHS relating to Head Start's role in responding to children and families affected by Hurricane Katrina, as well as Head Start staff from centers affected by the hurricane, see the following website: [http://www.headstartinfo.org/hurricane_rir.htm].

Eligibility

As authorized by law, HHS regulations require that at least 90% of children enrolled by each Head Start grantee must come from families with income at or below the official federal poverty guideline (\$20,650 for a family of four in 2007) or from families receiving welfare assistance. Up to 10% of the children may be from families whose incomes exceed the poverty guideline. Regulations also require grantees to reserve at least 10% of their slots for children with disabilities. In the

2005-2006 Head Start program year, 12.1% of Head Start enrollment consisted of children with disabilities. Head Start is authorized to serve children at any age prior to compulsory school attendance; however, most children are three- and four-year-olds. However, the 1994 reauthorization did create the Early Head Start program, which serves children under age 3. In FY2006, according to HHS fact sheets, children under age 3 represented 10% of total enrollment.

Under the 1998 amendments, a child who has been determined to be low-income and who is participating in Head Start may continue to be considered low-income for another program year. The 1998 amendments also provide grantees with additional flexibility in determining family income and therefore, eligibility for participation. Specifically, the amendments authorize grantees to consider family income during the 12 months before the month in which an application is submitted, or during the calendar year before the calendar year in which an application is submitted.

Participation

Data from HHS show funded enrollment for Head Start in FY2006 to have totaled 909,201 children (of whom approximately 10% were under age 3 and served by Early Head Start).⁶ It should be noted that “funded enrollment” refers to the number of Head Start “slots” that are funded, not the total number of children served throughout the year (accounting for turnover), which is higher. The funded enrollments for FY2006, FY2005 (906,993), FY2004 (905,851) and FY2003 (909,608) all represent decreases from the FY2002 level of 912,345, and do not trend in the same direction from year to year (when funding has increased), reflecting that an increase in funding does not necessarily translate to additional slots. Rather, the decrease may be indicative of grantees opting to convert the home-based slots to more expensive center-based care, or part-day slots to full-day.

Estimates of Head Start Eligibility and Participation

Table 2 provides *estimates* of the percentage of the age-5-and-under population economically or categorically eligible for the Head Start program. The estimates are derived from data collected in the Census’s Current Population Survey, 2006 Annual Social and Economic Supplement. The estimated number of eligible children, shown in the second column of the table, is based on the number of children living in families with annual 2005 income below the Federal Poverty Guidelines (most recently issued in February 2006), or in a family receiving TANF or Supplemental Security Income (SSI), or in foster care. (Other potentially eligible children, such as children with disabilities, were not estimated.) The third column draws upon the most recent data available regarding funded enrollment in Head Start (i.e. the number of slots funded at a given point in the FY2005 program year) to reflect funded enrollment, by age. The final column shows estimates of the percentage of eligibles served, by age, calculated using the information in the prior two columns.

⁶ Department of Health and Human Services, Administration for Children and Families, FY2007 Justification of Estimates for Appropriations Committees.

Readers of previous versions of this report should note that the methodology used to calculate the estimates shown in **Table 2** for FY2005 differs from that used for previous years. As a result, a comparison with previous estimates (e.g., for FY2004) reflects changes in the percentage of eligibles served (see the Note at the bottom of Table 2 for details) that are due to methodological changes in calculating the estimates, and are not necessarily attributable to significant programmatic or population changes. The inclusion of children from families receiving SSI, as well as the inclusion of foster children, has increased the denominator of potentially eligible Head Start children, translating to estimates of smaller percentages of eligibles being served, at least in the 3- and 4-year-old age groups.⁷ Moreover, in estimating the number of poor families, the new methodology measures family income against the poverty guidelines of the survey year (in this case the February 2006 guidelines) as opposed to using guidelines issued in the income year (2005). While the new methodology has been implemented to provide a more comprehensive estimate, readers are cautioned that neither method can capture the extent to which Head Start eligibility workers use all residing family members' income (used for these estimates, and allowable under Head Start rules) versus only parent(s)/caretaker(s) income in determining eligibility.

As shown in the enrollment column, most children served by Head Start are 3- and 4-year-olds, contributing to the higher percentage of eligibles served. It should be noted that the percentage of eligible children under age 3 served (3%) is notably lower than that of three- and four-year-old children, in part because the applicable program for children under three, Early Head Start, is by current law limited to 10% of the total Head Start appropriation.

⁷ Under the methodology used for previous versions of this CRS report, the estimated percentages of eligible children served in 2005 would reflect slight increases over the estimates for 2004, rather than slight decreases. See table notes for details.

Table 2. Estimates of Head Start Eligibility and Participation, FY2005

(numbers in thousands)

Age	Population	Economically or Categorically Eligible	FY2005 Funded Enrollment	Percent Served
Under 3	12,268	2,916	91	3%
Age 3	4,021	871	308	35%
Age 4	4,075	927	472	51%
Age 3-4 (combined)	8,096	1,799	780	43%
Age 5 ^a	4,037	890	36	4%

Source: Table prepared by the Congressional Research Service (CRS) using data from the U.S. Census Bureau's Current Population Survey, 2006 Annual Social and Economic Supplement (CPS/ASEC). Estimates of economic eligibility are based on the percentage of children living in families with annual 2005 income below Federal Poverty Income Guidelines issued in February 2006, or living in families receiving Temporary Assistance for Needy Families (TANF) or Supplemental Security Income (SSI) in 2005, or living in foster care. Head Start enrollment numbers represent "funded enrollment" (or budgeted "slots" at a given point) as published by the Department of Health and Human Services, not the total actual number of children who participate in the program at any point over the course of the year.

Note: The methodology used to calculate these estimates differs from that used for this table in previous years, resulting in comparatively lower percentages of eligible children served. Three changes in methodology have been made: The inclusion of children from families receiving SSI, as well as the inclusion of foster children, has increased the denominator of potentially eligible Head Start children, translating to lower percentages of eligibles being served, at least for the 3- and 4-year-olds. The potentially eligible population also increased as a result of measuring poverty using the poverty guidelines of the survey year rather than the income year. If the estimated percentages of eligible children served in 2005 had been calculated in the same way as in earlier years, they would reflect slight increases over the estimates for 2004: 3% of under three year olds (same as in 2004); 39% of three year olds (37% in 2004); 56% of 4-year-olds (55% in 2004); and 4% of 5-year-olds (3% in 2004).

a. The funded enrollment for "age 5" includes children in the Head Start program who may be over 5, but not yet in kindergarten.

Early Head Start

Early Head Start (EHS) was established in the 1994 reauthorization legislation (P.L. 103-252), to serve infants and toddlers who are generally too young to participate in the regular Head Start program. The law requires that a portion of Head Start's total appropriation be set aside to fund the EHS program. For FY1998, Congress earmarked more than was required by law for EHS, and the statutory set-aside was increased in the 1998 amendments to Head Start. One of the few legislative changes sought by the Clinton Administration, during the 1998 debate on Head Start, was an increase in the EHS program. The current law EHS set-asides are 7.5% in FY1999, 8% in FY2000, 9% in FY2001, and 10% in each of FY2002 and

FY2003. (Although authorized only through FY2003, the allotments since then have maintained the 10% set-aside for Early Head Start.)

The first EHS grants were awarded in September 1995, and totaled \$47 million. In FY2005, nearly \$685 million was used to support more than 650 projects in all 50 states, the District of Columbia, and Puerto Rico. These projects served approximately 62,000 low-income families with children under the age of 3.

EHS grantees must design programs which respond to the strengths and needs of individual families with services including education, in and out of the home; home visits, especially for families with newborns and infants; parent education, including parent-child activities; comprehensive health services, including services to women during and after pregnancy; and ongoing parental support through case management and peer groups. All programs must conduct an assessment of community resources and needs and must ensure the recruitment and development of high-quality staff.

In addition to increasing EHS appropriations, the 1998 amendments also require that an EHS research and evaluation plan be developed to identify successful program models and variables contributing to program outcomes and to lay groundwork for future longitudinal studies.

President's Head Start Proposals and Initiatives: Past and Present

Over the course of his presidency, President Bush has proposed significant changes to the Head Start program. Not all the proposals have gained legislative traction. Some proposals have remained dormant, with no legislative support; others have been modified and included in unsuccessful reauthorization measures, only to be dropped from pending reauthorization bills; a few remain as current reauthorization proposals; and finally, a few initiatives are currently under way, not requiring new congressional approval. All of these proposals and initiatives are discussed below, starting with proposals and initiatives mentioned as part of the President's FY2007 and FY2008 budgets.

Training and Technical Assistance Set-Aside Proposal. The President's budgets for both FY2007 and FY2008 maintained support for a change to the statutory set-aside of Head Start funds for training and technical assistance. (The Administration has been advocating for this change since its FY2004 budget request.) The proposal specifically called for changing current law's set-aside for training and technical assistance (T/TA) from *at least* 2% of the total Head Start appropriation to *up to* 2%. In doing so, the Administration contended that the Secretary would be afforded more discretionary authority to allocate resources each year in a manner that would maximize benefits to children and families. (Neither H.R. 1429 nor S. 556 proposes to make this change to the T/TA set-aside.)

FACES and Head Start Impact Study. In addition to reiterating support for a change to the T/TA set-aside, the FY2008 budget proposal maintained the Administration's commitment to funding two comprehensive Head Start evaluation

studies: the Family and Children Experiences Survey (FACES) and the National Impact Study. FACES and the Impact Study are two evaluation efforts already under way that are designed to measure the effectiveness of the Head Start program.

FACES, initially launched in 1997 (with the most recent cohort starting in Fall of 2000), is a periodic, longitudinal study of successive nationally representative samples of children and families in Head Start programs. The purpose of the study is to provide descriptions of the cognitive, social, emotional, and physical development of Head Start children; the characteristics, well-being, and accomplishments of families; the observed quality of Head Start classrooms; and the characteristics, needs, and opinions of Head Start teachers and other program staff. Children and parents are studied at entry into the program, followed for one or two years of program participation, and followed-up at the end of the child's kindergarten year.⁸

The National Impact Study, mandated by the 1998 reauthorization law (P.L. 105-285), began in FY2001, and is designed to provide a national analysis of the impact of Head Start on the development and school-readiness of low-income children. The HHS study requires random assignment of children to Head Start and non-Head Start groups, with attention being paid to the type and quality of other care and services that the control group receives. Data collection began in the fall of 2002, and was scheduled to continue through 2006. Preliminary results from the first year of data collection demonstrate small to moderate positive effects favoring the children enrolled in Head Start for some outcomes in each domain. Fewer positive effects were found for children in the 4-year-old group.⁹

National Reporting System (NRS). The President maintains his support for continuing the development and implementation of a national reporting system that can be used to assess the effectiveness of Head Start programs in achieving successful outcomes for children in terms of school readiness, particularly in the areas of language comprehension, vocabulary, phonemic and numeracy awareness, letter recognition, and for children whose native language is not English, progress toward acquisition of the English language. Not having required legislative action, this national reporting system, implemented for the first time in the fall of 2003, is designed to assess Head Start 4- and 5-year-olds twice a year on educational performance measures — using indicators that were included in legislation as part of the 1998 reauthorization of Head Start [P.L. 105-285, Section 108 (b)(5)]. A May 2005 report from the Government Accountability Office (GAO) concluded that analysis of the NRS to support its use for the purposes of accountability is incomplete, and provides recommendations for improving the implementation of the

⁸ For information on recent findings from the FACES study research team, see “What Are We Learning About Program Quality and Child Development?” by Ruth Hubbell, available at [http://www.acf.hhs.gov/programs/opre/hs/faces/pres_papers/nhsa/nhsa_home.html].

⁹ Highlights of the preliminary findings from the Head Start Impact Study, as published by the Department of Health and Human Services, can be found at [http://www.acf.hhs.gov/programs/opre/hs/impact_study/reports/first_yr_execsum/firstyr_sum_highlights.html].

system.¹⁰ (Both H.R. 1429 and S. 556 would suspend the NRS pending further review.) On February 12, 2007, HHS released a report from the Advisory Committee on Head Start Accountability and Educational Performance Measures, a group established by the Secretary in 2004.¹¹ The report provides recommendations for the integration of the NRS with other ongoing assessments.

Project STEP. Like the National Reporting System, which did not require any additional legislative action to be implemented, the Administration's initiative aimed at enhancing professional development continues to move ahead. This initiative is known as Project STEP. The Strategic Teacher Education Program, also known as Project STEP, is described by the Head Start Bureau as "a comprehensive, multi-faceted, sequential professional development endeavor to ensure teachers use research-based strategies to implement early and emergent literacy." As part of this development, during the summer and fall of 2002, 3,000 Head Start staff and 100 state child care administrators received 32 hours of training in strategies to support children's emerging literacy. Those who were trained are expected to serve as "mentor coaches" for staff within their respective Head Start programs.

State Pilot Projects. The proposal to allow some or all states to administer the Head Start program (as opposed to the direct federal to local structure now in place) is not contained in any of the reauthorization bills pending before Congress. Likewise, the President did not reintroduce the proposal in his last two budget requests (FY2007 or FY2008). However, in past budgets, the President advocated for shifting the administration of the program to the states.

In his FY2006 budget, the President requested \$45 million to support his initiative to improve Head Start by funding a nine-state pilot project to coordinate Head Start, state preschool programs, and federal child care grants into a comprehensive system of early childhood programs. According to the Administration's budget documents, coordination is a means of improving preschool programs in general, to help ensure that children enter school prepared to succeed. The nine-state pilot project was intended to assist states with implementing reforms that promote better coordination, and in turn, school readiness.

The nine-state pilot project proposal, first introduced in the FY2005 budget, followed the more expansive proposal from FY2004, which would have allowed *all* states the option to administer Head Start, provided they fulfilled certain criteria. That initial proposal, issued on February 3, 2003, alongside release of the President's FY2004 Budget, was included in a press release announcing the President's proposal to make changes to the Head Start program.¹² This was followed by a White House

¹⁰ Government Accountability Office, *Head Start: Further Development Could Allow Results of New Test to Be Used for Decision Making*, May 2005, GAO-05-343 [<http://www.gao.gov/new.items/d05343.pdf>].

¹¹ Secretary of Health and Human Services Advisory Committee on Head Start Accountability and Educational Performance Measures, January 2007 [http://www.acf.hhs.gov/programs/hsb/budget/AdvCmteSep05/FINAL_SAC_NRS_Report_Jan2007.pdf].

¹² For additional information, see the press release from the Department of Health and (continued...)

document outlining the Administration's assessment of the status of the Head Start program, and its plans for the program in the future.¹³ The Administration stated that the top goal of the Head Start reauthorization should be to improve both Head Start and other preschool programs to ensure that children are prepared to enter kindergarten. The President asserted that states should have the opportunity to administer the program, provided they demonstrate how Head Start will be coordinated with other preschool programs and services to emphasize developing skills and behaviors including language development; pre-reading skills; numeracy; and social and emotional competence, while meeting state-established accountability standards.

Under the President's proposal, interested states would submit a plan for the approval of both HHS *and* the Department of Education, in which they outline: state preschool goals and activities; a state accountability program; an explanation of how the current level of enrollment of Head Start-eligible 3- and 4-year-olds would be maintained (if not exceeded); information regarding the most recent year's spending on Head Start and state preschool programs, and assurances that this level would be at a minimum maintained; plans for assuring professional development for staff; and the plans for coordination of programs and funding (state and federal) for the purpose of promoting school readiness. Programs specifically mentioned were Head Start, Early Head Start, Title I preschool, the special education preschool program (IDEA), state-funded preschool, and the Child Care and Development Block Grant.

The President's FY2005 budget did not reiterate plans to allow all the states the option to administer Head Start, but did continue to promote the goal of improved coordination among Head Start and other early childhood and child care programs, through a new set of nine pilot programs. Those same goals (and pilot program proposals) were raised again in the President's budget for FY2006. Note that in the House reauthorization bill (H.R. 2210, 108th Congress) a maximum of eight states would have been afforded the option of administering the Head Start program. The Senate bill (S. 1940, 108th Congress) did not provide for state administration of Head Start. In the last Congress (109th) neither the House nor Senate bills (H.R. 2123 and S. 1107, respectively) include the state pilot proposal in any form, nor do H.R. 1429¹⁴ and S. 556 in this Congress.

FY2004 Proposal to Transfer Head Start to Department of Education. The proposal to transfer Head Start from HHS to the Department of Education has lay dormant since first proposed in the Administration's FY2004 budget. In the FY2004 budget, the Administration contended that "in order to improve coordination between Head Start and other Federal, State, and local programs affecting pre-school children, the President plans to move responsibility for

¹² (...continued)

Human Services (HHS), at [<http://www.dhhs.gov/news/press/2003pres/20030203.html>].

¹³ This document, entitled "Head Start Policy Book" is available on the White House website [<http://www.whitehouse.gov/infocus/earlychildhood/hspolicybook/summary.html>].

¹⁴ During floor debate of H.R. 1429, Rep. Price offered an amendment (H.Amdt. 117) that would have allowed for the 8 state pilot projects, but the measure failed by a vote of 165-254.

managing the Head Start program from the Department of Health and Human Services to the Department of Education.”¹⁵ It proposed that this transition begin in 2004, with the Department of Education assuming full responsibility for the program in 2005. However, such a transition would have required a change to the Head Start statute, and was not proposed in either the House or Senate reauthorization legislation introduced in the 108th Congress. Moreover, the FY2005 budget did not mention any plan to transfer the Head Start program from HHS, nor did any subsequent budgets.

History of the Proposed Transfer of Head Start to the Department of Education. During his 2000 presidential campaign, President Bush proposed moving the Head Start program from HHS to the Department of Education as part of an effort to prioritize the education (school-readiness) component of Head Start over the health, nutrition, and social service components of the program. The President proposed a Reading First reform agenda aimed at making pre-reading and numeracy skills Head Start’s top priority. By also supporting an early childhood reading initiative in the Department of Education, along with a reading program focused on children in kindergarten through second grade who are at risk of falling behind, the President’s goal is to ensure that young children participating in existing preschool and Head Start programs are able to read by the time they reach third grade.

Many Head Start advocates believe that the Head Start program should remain in HHS. Because Head Start offers a wide variety of services beyond traditional education, there is concern that transferring the program to the Department of Education could restrict Head Start to a narrow, classroom program, without the broad set of human services currently provided. Opponents of the shift further suggest that moving the program from an agency where children receive comprehensive services, to one focused on education, would compromise the parental and community action strengths of Head Start. When promoting the proposal in the FY2004 budget, an aide to the President offered assurances that the proposed move was not intended to interrupt any of the social service components, but rather to stress the most important part of Head Start, which the President believes is literacy development. At the time of proposing it, the President described the transfer as consistent with his priorities, and expressed hope that moving the program to the Department of Education would increase the chances of making every child a proficient reader by third grade. Some of those in favor of keeping Head Start in HHS argue that Head Start currently focuses on getting children ready for school, including readiness in language and early literacy.

There is a history of proposed transfers of the Head Start program. In 1978, President Carter proposed to transfer Head Start to the Department of Education. Edward Zigler, a noted architect of Head Start, was one of the most ardent opponents of the transfer, for the reasons cited above. While the Reagan Administration tried to include Head Start in a block grant, up until now, no President since Carter has recommended a transfer of Head Start to the Department of Education. As mentioned earlier, however, neither the House nor Senate reauthorization bill (H.R. 2210 and S.

¹⁵ See *Fiscal Year 2004 Budget of the U.S. Government: Analytical Perspectives*, p. 251.

1940, 108th Congress) included the proposal to transfer Head Start to the Department of Education, and the President's most recent budget is silent on the issue of a transfer.

Reauthorization Bills in the 110th Congress

After unsuccessful efforts to complete reauthorization of the Head Start program last Congress, the 110th Congress is underway in its efforts to accomplish the task. Most recently, the Senate passed its version of a reauthorization bill, adopting House bill number H.R. 1429, while substituting its own committee bill (S. 556) language with a few technical changes. The House passed its reauthorization measure, H.R. 1429, The Improving Head Start Act of 2007, including 9 amendments to the House committee-reported version of the bill. Major provisions of both the House and Senate bills are summarized below, tracing the evolution of each bill, from introduction, through committee, and floor passage.¹⁶

H.R. 1429, The Improving Head Start Act of 2007 (As Introduced).

H.R. 1429, a bill to reauthorize and amend the Head Start Act, was introduced by Representative Kildee on March 9, 2007. As introduced (see amendments below), the legislation would authorize appropriations for the Head Start program at a level of \$7.350 billion in FY2008, and such sums as necessary for FY2009-2012. Of the total appropriation, at least 3.5% would be reserved for Indian Head Start programs and at least 5% for migrant and seasonal programs, provided that doing so does not result in a loss of non-tribal and migrant Head Start slots. (Under current law, Indian, Migrant and Seasonal programs do not have specified set-aside percentages, but are categories for which the overall 13% reservation may be spent.) The bill would require that a report, detailing the different amounts of expenditures within the 13% set-aside, be submitted by HHS to Congress annually. The percentage of the total appropriation remaining for "quality funds" after adjusting the prior year's appropriation for state allotments (updating the hold harmless to FY2007) and reserving the 13% set-aside would be set at 60% (an increase from the current 25%).

The percentage of funding allocated for the Early Head Start program would increase from the current 10% level to at least 12% in FY2008, rising to 20% in FY2012. As with the aforementioned Indian and Migrant program set-asides, the EHS percentages are only to increase if the regular Head Start slots and quality levels are not reduced as a result. Moreover, the bill would permit states the ability to apply to use regular Head Start funding for serving infants and toddlers.

In the area of bolstering staff credentials, the bill calls for at least 50% of all Head Start teachers nationwide in center-based programs to have a B.A. or advanced degree in early childhood education by the end of FY2013 (as opposed to the A.A. degree required under current law).

The bill would increase competition for Head Start grants, requiring recompetition every five years for grantees shown to have a deficiency. The bill

¹⁶ For a detailed comparison of the reauthorization bills and current law, see CRS Report RL33968, *Head Start Reauthorization: A Side-by-Side Comparison of House- and Senate-passed Versions of H.R. 1429 and Current Law*.

proposes to create an expert panel that would devise a grant review process for the new system. Grantees without deficiencies would be designated as priority grantees, and would not be subject to recompetition (in that five-year cycle). The bill would also require that to be designated as a Head Start grantee, the Head Start agency must establish an independent board of directors, which would have oversight responsibility for all program activities and finances. While the board would be required to consult with its policy council (of whom a majority of members must be parents of enrolled or recently enrolled children), policy councils would not retain their current regulatory authority to jointly approve or disapprove of many budget, program, and hiring policies. They would instead serve in an advisory capacity. However, the bill does require that the Secretary develop an “impasse policy” to be implemented in cases where disputes arise between the council and board.

The bill calls for grantees to enroll 100% of its funded enrollment and to maintain an active waiting list. Coordination with local education agencies (LEAs) and state-funded prekindergartens is to be encouraged through the development of memoranda of understanding (MOUs), and alignment of all program activities, curricula, and instruction with state-developed K-12 academic standards, where applicable.

The bill would suspend use of the National Reporting system pending further review by a National Academy of Sciences panel. Other studies that the bill would require include a study on the status of limited English proficient children and families participating in the Head Start program.

H.R. 1429 (As Amended in Committee). On March 14, 2007, the Education and Labor Committee markup began with the panel’s approval of a manager’s amendment in the nature of a substitute. The substitute added provisions to allow for increasing eligibility for Head Start from 100% of poverty to 130% of poverty; to reserve at least 25% of “quality improvement funds” for boosting staff compensation and salaries; to coordinate with Teach for America as a source of Head Start staff; to encourage programs to extend mental health services to children; and to mandate a study of the effects of Hurricanes Katrina and Rita on Head Start programs, and the development of a disaster preparedness plan for improving Head Start centers’ coordination with the Federal Emergency Management Agency.

Other amendments offered, debated, and accepted during markup included

- Representative Davis’s (IL) amendment, which would establish standards for training, qualifications, and conduct of home visitation in Early Head Start programs. (Voice vote approval)
- Representative Foxx’s amendment, which would ensure confidentiality of the records of participating Head Start children, allowing access to parents but prohibiting the creation of a national database with such information. (Voice vote approval)
- Representative Bishop’s (NY) amendment, which would allow Head Start grantees to use up to 10% of their quality improvement funds for costs associated with transportation services necessary to maintain services for participating children. (Voice vote approval)

- Representative Grijalva's amendment, which would require the Secretary of HHS to report to Congress on the percentage of Head Start classroom teachers with A.A. degrees and above, disaggregated by race, ethnicity, and proficiency in languages other than English. (Voice vote approval)
- Representative Andrews's amendment, which would require the Secretary of HHS to consult with experts on issues concerning air quality and impact on children's health (e.g. asthma), and to inform Head Start agencies of programs that provide methods of improving indoor air quality. (Voice vote approval)
- Representative Yarmuth's amendment, which would extend the authority of the Secretary of HHS to grant transportation waivers to grantees with good cause, and codifies the transportation regulations issued by HHS. (Voice vote approval)
- Representative Grijalva's amendment, which would encourage use of culturally and linguistically appropriate instruction for children with limited English proficiency. (Voice vote approval)
- Representative Hinojosa's amendment (with a second degree amendment from Representative McKeon), which would authorize demonstration grants to tribal colleges and universities for educating individuals to serve as Indian Head Start teachers. It would also authorize demonstration grants to Hispanic-serving institutions that would provide career ladders and financial assistance to Head Start staff to complete degree programs leading to service in Head Start as a bilingual teacher (for a period of time equivalent to the period for which financial assistance was received). (Voice vote approval)
- Representative McCarthy's amendment, which would require the Secretary of HHS to publish regulations on the issue of preventing and reducing obesity in children who participate in Head Start programs. (Voice vote approval)
- Representative Hare's amendment, which would provide technical assistance and training to help teacher recruitment and retention in rural Head Start programs. (Voice vote approval)

Amendments rejected by the committee included two controversial yet familiar provisions from last Congress's reauthorization debates. Representative Fortuño offered the amendment proposing to allow faith-based Head Start agencies to discriminate in hiring based on religion, and after vigorous debate, it failed by a vote of 19-26. Representative Price offered the amendment proposing state pilot projects for up to eight states, and it too failed, by a vote of 18-27.

H.R. 1429 (As Passed by the House). The bill passed the House on May 2, 2007 by a vote of 365-48. Twelve amendments to the committee-reported version of the bill (described above) were offered on the House floor, and nine were accepted. The amendments offered and accepted were as follows:

- Representative E.B. Johnson's amendment, which would instruct the Secretary of HHS to create partnerships between Head Start and historically black colleges and universities (HBCUs). Education programs implemented through the partnerships are to help increase

the degrees (AA, BA, and advanced degrees) in early childhood education that are earned by Head Start staff. (Note: Although Head Start-HBCU partnerships currently exist, current law does not specifically address them.) (Voice vote approval)

- Representatives Kennedy and Hall’s amendment, which would define “inclusive classroom” to be those classes serving both children with and without disabilities. The amendment would make funds available to increase the understanding of the impact of Head Start service delivery on all children in inclusive classrooms, and to assist Head Start programs in improving the quality of those classrooms. (Voice vote approval)
- Representative Porter’s amendment, which would require that prior to hiring an individual, a Head Start grantee is to conduct an interview, verify personal and employment references, and obtain a criminal records check. (Voice vote approval)
- Representative Cuellar’s amendment, which would require that a description of the assessment(s) used to determine the rate of progress made by limited English proficient children be included as part of the proposed (in H.R. 1429) Report to Congress on the status of Head Start children with limited English proficiency. (Voice vote approval)
- Representatives Space, Hare, and Welch’s amendment, which would require that in allocating technical assistance and training funding, the Secretary of HHS shall provide assistance to address the unique needs of programs located in rural communities, including removing barriers related to recruiting and training teachers in rural areas, developing effective models of staff development, and removing barriers to parent involvement and outreach. The amendment would also require that when entering into contracts for training and technical assistance, the Secretary ensure that the entities contracted address the needs of grantees in both urban and rural areas. (Voice vote approval)
- Representative Sestak’s amendment, which would authorize the Secretary of Education, in consultation with the Secretary of HHS, to implement a student loan forgiveness program for Head Start and Early Head Start teachers who receive a BA in a field related to early childhood education and agree to teach in a Head Start program for a minimum of three years. (Approved 312-107)
- Representative Hirono’s amendment, which would require that training and technical assistance in the Early Head Start program be provided by entities with specific expertise in infant and toddler (age 0-3 years) development. (Approved 372-50)
- Representative Carnahan’s amendment, which would provide that if the Head Start appropriation does not exceed the prior year’s, grantees may negotiate a reduced funded-enrollment level, if able to demonstrate (to HHS) that doing so is necessary to maintain the quality of services provided. (Approved 253-171)
- Representatives Shuler, Ellworth, and Loeb sack’s amendment, which would add findings into law, outlining the history and importance of faith-based and community-based organizations participating in the Head Start program. The amendment also adds language clarifying

that these organizations would continue to be eligible to participate in the Head Start program on the same basis as other organizations.
(Approved 229-195)

Failed Amendments. Amendments that failed on the floor included the familiar (from previous Congresses) proposal to establish a demonstration program allowing eight states to administer the Head Start program (offered by Representative Price, failed 165-254); a proposal to require 50% of Head Start teachers nationwide to have a BA degree by 2011 (offered by Representative Mica, failed 137-286); and an amendment which would strike provisions in H.R. 1429 requiring the development and implementation of a new system of grant application review, and would require that all grantees recompile for funds every five years, regardless of performance (offered by Representative Putnam, failed 161-262).

One amendment that was frequently referenced during consideration of H.R. 1429, but that had been rejected by the Rules Committee for floor consideration, was an amendment pertaining to faith-based providers' ability to discriminate in hiring. The amendment, submitted by Representative Fortuño, would have allowed faith-based Head Start providers to discriminate in their hiring of Head Start employees, based on religion — overriding a provision in current Head Start law that bars this. It also would have stipulated that (1) religious organizations be considered as Head Start providers on the same basis as other nongovernmental organizations and not be discriminated against because of their religious character, (2) faith-based providers can retain their religious character and control of their internal governance, (3) religious providers cannot be required to remove religious symbols and art, (4) federal Head Start funds cannot be used for sectarian worship, instruction, or proselytization, and (5) federal audits of faith-based Head Start providers be limited to federal funds they receive.¹⁷ Although Representative Fortuño's amendment was not approved for floor consideration, a motion was made (by Representative McKeon) during floor debate to return H.R. 1429 to the Education and Labor Committee for further consideration of the provisions in this amendment. The motion failed by a vote of 195-222. The reauthorization measure, H.R. 1429 as amended, subsequently passed the House by a vote of 365-48.

S. 556/H.R. 1429, The Head Start for School Readiness Act. This bill was originally introduced as S. 556 by Senator Kennedy in February 2007 and was approved and reported by the Senate HELP Committee (S.Rept. 110-049). On June 19, 2007, the full Senate passed this bill (with technical changes) under the House bill's number, H.R. 1429, by voice vote (under unanimous consent).

The bill would amend and reauthorize the Head Start Act, authorizing appropriations for Head Start at the following levels: \$7.350 billion for FY2008;

¹⁷ Unlike the employment provision, these requirements generally would not reflect a change in current Head Start practices. All but the federal audit provision are addressed in a current Office of Head Start, HHS, policy clarification (OHS-PC-A-001), issued on July 11, 2006, although they are not explicitly covered in Head Start law or regulations. Available at [http://eclkc.ohs.acf.hhs.gov/hslc/Program%20Design%20and%20Management/Head%20Start%20Requirements/Policy%20Clarifications%20and%20FAQs/a_pc.htm].

\$7.650 billion for FY2009; \$7.995 billion for FY2010; and such sums as may be necessary for FY2011 and FY2012. Specified percentages for Indian programs (not less than 4%) and migrant and seasonal programs (not less than 5%) are proposed in the bill, to the extent that those percentages are practicable within other budgetary constraints of the law. The percentage of the total appropriation remaining for quality purposes after adjusting the prior year's appropriation for state allotments and reserving the set-asides would be set at 30% for FY2008, and 40% for each of FY2009-FY2012 (an increase from the current 25%).

The formula for determining state allotments would be changed by updating the "hold harmless" to FY2007, and distributing any remaining amounts based in part (65%) on the percentage of eligible children being served by the state, and in part (35%) on the number of low-income children under age 5 in the state.

Like the House bill, the percentage of funding reserved for Early Head Start programs would be increased from the current level of 10%. Reservations would be as follows: at least 12% for FY2008; 14% for FY2009; 16% for FY2010; 18% for FY2011; and 20% for FY2012 (again, provided that doing so does not negatively impact the ability to fund regular Head Start).

The income of families eligible for participation in Head Start would be raised from current law's 100% of poverty to 130% of poverty.

Like the bill introduced in the House, the Senate version would increase competition for grant funds, by requiring grantees to re compete for funding every five years. High-performing grantees would receive priority, with "high-performing" meaning those grantees who meet goals for improving school readiness and who meet goals aligned with the Head Start child outcomes framework, state early learning standards, and requirements and expectations for local schools. The bill would require agencies designated as Head Start grantees to assemble a governing body, which is to receive regular and accurate information about program planning, finances, and performance data, and is to work with the grantee's policy council and committee.

Also like the House bill, the Senate version would put into law the requirement that each Head Start agency is to establish procedures for evaluating its delegate agencies, and procedures for, when necessary, defunding them. The bill also would add to law new provisions regarding reduction of funding for grantees that exhibit chronic underenrollment. Reduction and redistribution of funds would occur only if actual enrollment still fails to reach 95% of funded enrollment after receiving technical assistance attempting to remedy the situation.

Drawing on last year's Senate committee-passed bill, the Senate version of H.R. 1429 would authorize \$90 million for the Secretary to make a maximum of 200 grants (of at least \$200,000 per year for five years) to Head Start agencies nominated by Governors as "Centers of Excellence" in early childhood. Grants could be used for purposes such as: furthering best practices, serving more children, and providing additional training for staff. In a separate authorization of funds, the Senate bill would authorize \$10 million in FY2008 (and such sums as necessary for FY2009-FY2012) to award grants for tribal colleges and university Head Start partnerships.

Staff qualifications and degree requirements for Head Start teachers are also addressed by this bill, but differently than in the House version of H.R. 1429. Among other provisions to increase staff qualifications, the bill would require (except in cases where a waiver could be granted) that by the end of FY2012, all Head Start teachers nationwide in center-based programs have at least an associate degree relating to early childhood (or a related educational area, with coursework relating to early childhood; or demonstrated competency as determined by the program director). All Head Start teachers would be required to attend an average of at least 15 hours of professional development a year.

Like the House version of H.R. 1429, the Senate bill includes the provision to suspend use of the National Reporting System and to commission a National Academy of Sciences panel to review a range of issues related to early childhood care and education — including assessments.

Reauthorization Bills in the 109th Congress

The Head Start program was not reauthorized by the 109th Congress, but a bill (H.R. 2123) was introduced, amended, and approved by the House, and on the Senate side, another bill (S. 1107) was approved (by voice vote) by the full Health, Education, Labor and Pensions Committee, but did not reach the floor. Summaries of major provisions in the two bills appear below.

The School Readiness Act of 2005 (H.R. 2123). This bill to reauthorize the Head Start Act was originally introduced on May 5, 2005 by Representative Castle. It was amended and approved (48-0) by the full Committee on Education and the Workforce on May 18, 2005. On September 22, 2005, H.R. 2123 was amended further, and passed by the House (231-184).

The bill would have authorized funding for Head Start at a level of \$6.9 billion for FY2006, and such sums as may be necessary for FY2007-FY2011. Of the total appropriation, 3.5% would have been reserved for Indian Head Start programs and at least 5% for migrant and seasonal programs (under current law, Indian, Migrant and Seasonal programs do not have a specified set-aside, but are categories for which the 13% reservation may be spent). The set-aside for training and technical assistance would be changed from at least 2% to “equal to 2%.” Funding for Early Head Start would be maintained at 10% for each of FY2006-FY2011.

This House bill would have increased competition for Head Start grants, requiring recompetition every five years for grantees shown to have a deficiency. Grantees without deficiencies would have been designated as priority grantees, and would not have been subject to recompetition (in that five-year cycle). Priority grantees would have earned that designation in part by demonstrating active partnerships and collaboration with local educational agencies. The bill would also have required that to be designated as a Head Start grantee, the Head Start agency must establish an independent board of directors, which would have oversight responsibility for all program activities and finances. While the board would have been required to consult with its policy council (of whom a majority of members must be parents of enrolled or recently enrolled children), policy councils would not have retained their current regulatory authority to jointly approve or disapprove of many

budget, program, and hiring policies. They would have instead served in an advisory capacity. (On the House floor, Representative Souder offered an amendment that would have maintained the policy councils' decision-making authority, but it failed by a vote of 153-266.)

H.R. 2123 would have put into law the requirement that each Head Start agency is to establish procedures for evaluating its delegate agencies, and procedures for, when necessary, defunding them. The bill also would have added to law new provisions regarding reduction of funding for grantees that exhibit chronic underenrollment. Reduction and redistribution of funds would occur only if actual enrollment still fails to reach 95% of funded enrollment after receiving technical assistance attempting to remedy the situation. The House bill also would have made changes to a grantee's rights with respect to appealing any suspension or termination. Under H.R. 2123, a grantee would have no longer received reimbursement (with federal Head Start funds) for legal fees and other costs associated with waging an appeal.

As a means of improving coordination among Head Start and other state and local early childhood education programs, H.R. 2123 would have required that Head Start agencies enter into a memorandum of understanding with those state and local entities, and align all program activities, curricula, and instruction with state-developed K-12 academic standards.

New standards with respect to staff qualifications and degree requirements were also included in H.R. 2123. This bill would have required that by the end of FY2011, at least 50% of all Head Start teachers in center-based programs have a B.A. or advanced degree in early childhood education; or a B.A. or advanced degree in a related field, with pre-school teaching experience.

The bill also adopted the provision to commission a National Academy of Sciences panel to review a range of issues related to early childhood care and education. The panel would have been required to complete its recommendations within 18 months of convening.

Floor Amendments to H.R. 2123. Amendments offered and accepted on the House floor included the hotly debated provision to allow faith-based Head Start providers to discriminate in hiring, based on religion (H.Amdt. 574, Boehner, accepted 220-196); an amendment to suspend further implementation of the National Reporting System while the National Academy of Sciences (NAS) conducts a review and provides guidance (as authorized in H.R. 2123) on appropriate child outcomes and assessments for young children (H.Amdt. 568, Kind, accepted by voice vote); a provision directing the Secretary of HHS to implement an outreach program to train and recruit African-American and Latino-American men to become Head Start teachers (H.Amdt. 567, Davis (IL), accepted 401-14); an amendment to decrease barriers to homeless and foster children's participation in Head Start (H.Amdt. 571, Millender-McDonald, accepted by voice vote); an amendment to assist Head Start programs in areas affected by Hurricane Katrina by providing additional resources, waiving documentation requirements for six months, and providing the Secretary of HHS with waiver authority to exempt programs from providing their local match (20%) (H.Amdt. 573, Woolsey, accepted by voice vote); an amendment to allow Head

Start centers to develop or maintain partnerships with institutions of higher education and non-profit organizations to support college students that serve as mentors and reading coaches to preschool children (H.Amdt. 565, DeLauro, accepted by voice vote); an amendment directing HHS to undergo a management reform initiative, with the aid of an outside management consulting firm (H.Amdt. 569, Mica, accepted by voice vote); an amendment to initiate a study to assess the impact of new Head Start teacher qualification and development regulations on teacher retention (H.Amdt. 570, Filner, accepted by voice vote); and an amendment to include children with disabilities as a group for which special staff training shall be provided (H.Amdt. 566, Stearns, accepted 411-0).

The Head Start Improvements for School Readiness Act (S. 1107).

This bill to reauthorize the Head Start Act was introduced by HELP Committee Chairman Enzi on May 23, 2005, and approved by voice vote with no amendments two days later by the HELP Committee.

The bill would have authorized funding for Head Start at the following levels: \$7.215 billion for FY2006; \$7.515 billion for FY2007; \$7.815 billion for FY2008; and such sums as necessary for FY2009 and FY2010. Under S. 1107, changes would have been made to the way funds are allotted among programs: tribal programs would receive 4% of the entire Head Start appropriation, and migrant and seasonal programs 5% (provided that doing so would not reduce the total number of children served by Head Start programs); exactly 2% of funds would be reserved for training and technical assistance; and state allotments would be based on amounts received in FY2005 (updating the “hold harmless” from FY1998) with any remaining funds distributed not by the share of poor children under age 5 (as dictated by current law), but instead by apportioning 65% of the remainder among states giving priority to those whose programs serve the lowest percentage of eligible children, and awarding 35% of the remainder on a competitive basis.

The percentage of funding reserved for Early Head Start programs would have been increased from the current level of 10%. Reservations would be as follows: 11% for FY2006; 13% for FY2007; 15% for FY2008; 17% for FY2009; and 18% for FY2010.

Like the House bill, S. 1107 would have increased competition for grant funds, by requiring grantees to re compete for funding every five years. High-performing grantees would receive priority, with “high-performing” meaning those grantees who meet goals for improving school readiness and who meet goals aligned with the Head Start child outcomes framework, state early learning standards, and requirements and expectations for local schools. The bill would have required agencies designated as Head Start grantees to assemble a governing body, which is to receive regular and accurate information about program planning, finances, and performance data, and is to work with the grantee’s policy council and committee.

Like the House bill, S. 1107 would have put into law the requirement that each Head Start agency is to establish procedures for evaluating its delegate agencies, and procedures for, when necessary, defunding them. The bill also would have added to law new provisions regarding reduction of funding for grantees that exhibit chronic underenrollment. Reduction and redistribution of funds would occur only if actual

enrollment still fails to reach 95% of funded enrollment after receiving technical assistance attempting to remedy the situation.

Similar to the bill introduced in the Senate during the 108th Congress, S. 1107 would authorize \$90 million for the Secretary to make a maximum of 200 grants (of at least \$200,000 per year for five years) to Head Start agencies nominated by Governors as “Centers of Excellence” in early childhood. Grants could be used for purposes such as: furthering best practices, serving more children, and providing additional training for staff. In a separate authorization of funds, S. 1107 would have authorized \$10 million in FY2006 (and such sums as necessary for FY2007-FY2010) to award grants for tribal colleges and university Head Start partnerships.

Staff qualifications and degree requirements for Head Start teachers were also addressed by S. 1107. Among other provisions to increase staff qualifications, the bill would have required (except in cases where a waiver could be granted) that by the end of FY2010, all Head Start teachers in center-based programs have at least an associate degree relating to early childhood (or a related educational area, with coursework relating to early childhood). In states that have established state teacher requirements for their pre-K programs, all Head Start teachers would have been required (by the end of FY2011) to meet those requirements (provided they are not lower than Head Start requirements). For states without established pre-K staff requirements, 50% of Head Start teachers in those states’ programs would have been required to have a B.A. degree relating to early childhood by the end of FY2011. All Head Start teachers would have been required to attend an average of at least 15 hours of professional development a year.

Also adopted from the 108th Congress’ Senate committee bill was the provision increasing income eligibility for Head Start from the poverty line up to 130% of the poverty guideline. Moreover, any homeless child would have been deemed eligible for the program. The bill also adopted the provision to commission a National Academy of Sciences panel to review a range of issues related to early childhood care and education — including assessments. (During the brief discussion of S. 1107 prior to a voice vote passage, a few Democratic members of the committee did express concern regarding use of the National Reporting System, noting that the recently released (May 17, 2005) GAO report calls the effectiveness of the assessment system into question.)¹⁸

Other Legislation in the 109th Congress

Bills that were introduced in the 109th Congress with provisions pertaining to Head Start included **S. 189 (Inhofe)**, a bill to amend the Head Start Act to require parental consent for nonemergency intrusive physical examinations; **H.R. 2340 (De Lauro)/S. 117 (Feinstein)**, a bill to extend loan forgiveness for certain loans to Head Start teachers; **S. 15 (Bingaman)** a bill that would authorize increased funding for Head Start, and increase access to Early Head Start, and Indian and Migrant programs;

¹⁸ Government Accountability Office, *Head Start: Further Development Could Allow Results of New Test to Be Used for Decision Making*, May 2005, GAO-05-343 [http://www.gao.gov/new.items/d05343.pdf].

S. 9 (Enzi) a comprehensive education bill that calls for the Senate, in reauthorizing Head Start, to establish new educational standards for Head Start, to improve coordination and alignment of Head Start with other early childhood programs, and to support efforts to improve fiscal management and accountability; **S. 1101 (Murray)**, a bill to improve Head Start access for homeless and foster children; and, **H.R. 778 (Putnam)**, a bill to provide greater accountability for Head Start agencies. Bills to enable children affected by Hurricane Katrina to participate in Head Start and Early Head Start (by waiving requirements when necessary, and by providing additional technical assistance) include **H.R. 3890 (Thompson, B.)**, **S. 1715 (Enzi)**, and **H.R. 3975 (Jindal)**.

Reauthorization Bills in the 108th Congress

Efforts to pass reauthorization legislation in the 108th Congress were unsuccessful, after the House narrowly passed its bill (H.R. 2210) by one vote, and a markedly different bill emerged out of committee in the Senate (S. 1940), but was never brought to the full floor. The House bill's passage followed a heated debate over proposals to allow state administration of Head Start in up to eight qualifying states, and to allow discrimination in employment of Head Start staff based on religion. The Senate bill contained neither of those controversial provisions. Both bills propose to increase competition for Head Start grants, and also to foster greater collaboration between Head Start and other entities providing early childhood services at the state and local level. Likewise, both bills proposed to increase staff qualifications beyond the levels required by the legislation enacted in 1998. Summary of both bills follow. Also, following is a summary of S. 1483, a reauthorization bill introduced by Senator Dodd, prior to the HELP committee's activity on S. 1940.

The School Readiness Act of 2003 (H.R. 2210): House Passage. This bill to reauthorize the Head Start Act was introduced in the House by Representative Castle on May 2, 2003, with eight Republican co-sponsors. The originally introduced bill, H.R. 2210, was subsequently amended at both the subcommittee and full committee level, and was passed by the House on July 25, 2003.

H.R. 2210, as amended by the full Committee on Education and the Workforce on June 19, 2003, included two titles; the first would have amended sections of the current Head Start law, and the second would have introduced a new option for eight qualifying states to administer their own federal Head Start funds. (The bill as originally introduced would have provided this option to all qualifying states, but as amended would have limited the option to eight qualifying states over the five year period of the legislation.) H.R. 2210 was reported from the full Committee on Education and the Workforce with a vote of 27 (Republicans) to 20 (Democrats), and subsequently was passed by the House by a one-vote margin of 217-216. Prior to passage, Representative George Miller offered a substitute bill on the floor (H.Amdt. 322), which proposed to retain the changes to Title I as included in H.R. 2210, with the exception of the bill language allowing discrimination in employment based on

religion.¹⁹ The substitute bill would have struck Title II (the section proposing state demonstration projects). The Miller amendment failed by a vote of 200-229.

H.R. 2210 as passed would have authorized an appropriation for Head Start in FY2004 of \$6.87 billion, rising to \$7.427 billion in FY2008. If appropriated, this FY2004 amount would have reflected a \$200 million increase above the FY2003 funding level of \$6.67 billion. The President's budget request for FY2004 included \$6.816 billion for Head Start, which is \$54 million less than the amount H.R. 2210 would have authorized.

Major features of the bill's Title I ("Program Improvements") included increased credentials for Head Start teachers; a 2% *cap* on the percentage of funds to be reserved for training and technical assistance (under current law, the *floor* is set at 2%); increased requirements to promote collaboration and coordination among early childhood programs; a 60% set-aside of excess appropriation funds for quality improvement; a requirement that at least 10% of the total Head Start appropriation be reserved for Early Head Start; and new language that would explicitly allow faith-based Head Start programs to discriminate in hiring, based on religion (Sec. 116).

The proposal to increase credentials for Head Start teachers would have required that by 2008, 50% of Head Start teachers have a B.A. or advanced degree in early childhood education. (Current law requires that 50% of Head Start teachers nationwide have an A.A. or above in early childhood education by 2003. That requirement was met.) In addition, within three years after the date of enactment, this legislation would have required that the Secretary require all Head Start teachers in center-based programs, hired following the date of enactment, to have an A.A. degree or above in early childhood education, or be enrolled in a program of study leading to an A.A. degree in early childhood education, with an agreement to complete the program within three years of being hired.

Title II ("State Demonstration Program") of the bill contained provisions that would have allowed up to eight qualifying states to participate in "state demonstration programs" in which their allocation of federal Head Start funding would be administered by the state (as opposed to current law's system of direct federal to local grantees). To qualify, a state would have had to have an existing state-supported system of public-pre-kindergarten; standards for school readiness that are aligned with state kindergarten through grade 12; prior-year state and local spending at a level of at least 50% of the federal Head Start funds to be allocated to the state; and an established "means" for interagency coordination and collaboration. States would have been required to demonstrate that their standards "generally meet or exceed the standards that ensure the quality and effectiveness of programs operated by Head Start agencies."

A local grantee currently receiving funds would have continued to receive funds, from the participating state, for at least three years after that state received approval

¹⁹ For more discussion of executive and legislative efforts to allow for religious organizations to give preference to co-religionists when hiring, see CRS Report RS21924, *Charitable Choice: Expansion by Executive Action*, by Joe Richardson.

to participate in the program (assuming the grantee has no uncorrected deficiencies identified in monitoring reports from the most recent five-year period).

Head Start Improvements for School Readiness Act (S. 1940). This bill to reauthorize Head Start was introduced and reported by Chairman Gregg of the Senate Health, Education, Labor and Pensions Committee on November 24, 2003. There were significant differences between the House bill (H.R. 2210) and the bill reported by the HELP committee. Most notably, S. 1940 (S.Rept. 108-208), unlike the House-passed H.R. 2210, would not have provided any state the option to administer the Head Start program (nor would it have changed current law with respect to the non-discrimination in hiring provision). A summary of many of the bill's provisions follows.

As reported, S. 1940 did not include a funding authorization amount for FY2004, but would have authorized \$7.215 billion for FY2005, \$7.615 billion for FY2006, \$8.015 billion for FY2007, and such sums as may be necessary for each of fiscal years 2008 and 2009. The bill would have made changes to the way in which Head Start funds are allocated, allowing not less than 4% to Indians, and not less than 5% to migrant and seasonal Head Start programs (provided this could be done without reducing the total number of children funded by Head Start). The bill would also have changed the way in which remaining funds (after the set-asides, including exactly 2% for training and technical assistance) would be allocated, giving priority to grantees in states serving the smallest percentages of eligible children, and distributing a portion of the funds on a competitive basis. The bill would have provided a 60% set-aside of excess appropriation funds for quality improvement.

The percentage of funds allotted for the Early Head Start program would have been maintained at 10% in FY2004 and would have gradually increased to 18% in FY2009. Collaboration grants would have been awarded to each state by the Secretary, and each state's Governor would have designated a State Advisory Council to advise states on collaboration between Head Start and other entities involved with early child care and education.

The bill would have authorized \$90 million for the Secretary to make a maximum of 200 grants (of at least \$100,000 per year for five years) to Head Start agencies nominated by Governors as "Centers of Excellence" in early childhood. Grants could have been used for purposes such as furthering best practices, serving more children, and providing additional training for staff.

The bill would have also addressed the population of children eligible for Head Start services by increasing the eligibility level to 130% of the poverty line. Programs would also have been required to keep an active waiting list at all times. S. 1940 would have required monthly enrollment reporting to the Secretary, and if actual enrollment were found to be lower than 95% of funded enrollment for a period of a year, technical assistance would have been required to be provided to alleviate chronic under-enrollment. If the under-enrollment were to persist after 18 months of technical assistance, the bill would have allowed for the grantee's base grant to be reduced by a percentage reflecting the under-enrollment.

The bill would have provided for the Secretary to make training and technical assistance funds available to support a regional or state system of early childhood education and training and technical assistance. The bill also outlined a variety of uses for those funds.

Other provisions in the bill included increasing Head Start staff qualifications and requirements (requiring that no later than September 30, 2010, 50% of all Head Start teachers in center-based programs have both a B.A. degree relating to early childhood and demonstrated teaching competencies); requiring that school readiness-related goals be established by a Head Start agency before designating it as such; commissioning a National Academy of Sciences panel to review a range of issues related to early childhood care and education (including assessments); and authorizing \$10 million for FY2004 to award grants for tribal college (or university) Head Start partnerships.

Head Start Coordination and School Readiness Act (S. 1483). This bill to reauthorize Head Start was introduced by Senator Dodd on July 29, 2003. Unlike the House bill, S. 1483 would not have provided any state the option to administer the Head Start program. Included in the bill were provisions to require expanded coordination and collaboration among Head Start and other agencies, and to provide funding for doing so. The bill would have established state Head Start Quality Improvement and Collaboration (HSQIC) Offices, expanding the functions of state Head Start Collaboration Offices. As proposed, the HSQIC Offices would have worked in consultation with State advisory councils (also newly defined in the bill) to improve coordination among programs, and to plan for a state system of training and technical assistance. Advisory councils would have been composed of representatives from a wide range of early childhood programs, agencies and organizations in the state, including Head Start.

The bill would have authorized \$8.570 billion for FY2004, \$10.445 billion for FY2005, \$12.384 billion for FY2006, \$14.334 billion for FY2007, and \$16.332 billion for FY2008.

Under this bill, center-based Head Start program classrooms would have been required within eight years (at most) to have at least one teacher with a B.A. degree in early childhood education (or an advanced degree in related field). Like the House bill, this bill proposed that within three years of enactment, the Secretary of HHS would have required that newly hired Head Start teachers (for center-based programs) have an A.A., B.A., or advanced degree in early childhood education, or be currently enrolled (or enrolled within a year) in an associate degree program in early childhood education. S. 1483 would have authorized new additional funding to be used to meet the increased staff qualification requirements: \$387 million for FY2004, rising to \$841 million for FY2008.

Other Head Start Legislation in the 108th Congress

Several Head Start bills of narrower scope than the reauthorization bills outlined above were introduced in the 108th Congress. **S. 1474 (Alexander)**, The Head Start Centers of Excellence Act of 2003, would have established grant programs to fund 200 Head Start agencies designated by HHS as “Centers of Excellence in Early Childhood.” This bill would also have awarded grants to states to establish state councils that would identify barriers to, and opportunities for, coordination and collaboration among early childhood programs. **S. 1444 (Harkin)** would have gradually increased the set-aside for Early Head Start to 20% in FY2008. The overall authorization of appropriations for FY2003-FY2008 would have been set at “such sums as may be necessary.” **H.R. 2563 (Berkley)** would have amended the Head Start Act to provide additional funding for states with increased numbers of Head Start-eligible children. **S. 1469 (Bingaman)** would have amended the Head Start Act to provide grants to Tribal Colleges and Universities to increase the number of post-secondary degrees in early childhood education and related fields earned by Indian Head Start agency staff. **H.R. 2291 (DeLauro)/S. 140 (Feinstein)** would have amended the Higher Education Act to extend loan forgiveness for certain loans to Head Start teachers. **H.R. 2945 (P. Kennedy)/S. 1620 (Bingaman)** would have conditioned the implementation of assessment procedures in connection with the Head Start National Reporting System on Child Outcomes.

1998 Reauthorization

Although Head Start has traditionally enjoyed widespread support, the program has not been without criticism. Concern has been expressed about the quality of services and the program’s potential for sustaining positive effects over the long term. The 1998 amendments to Head Start, included in the legislation reauthorizing the program in 1998, continued to emphasize the need for quality improvement.

The 1998 reauthorization law (P.L. 105-285) increased the amount of new appropriations that must be used for quality improvement activities, at least until FY2003, and slowed the pace at which the program could expand. The law required HHS to develop specific education performance standards, and established teacher and staff training related to these standards as a priority use of quality improvement funds. The law encouraged payment of higher salaries for staff with higher levels of education and training, and required every Head Start classroom to have a teacher with demonstrated competency to perform certain functions related to school readiness and child development. The legislation also required that, by September 30, 2003, half of all Head Start teachers nationwide must have at least an associate, bachelors, or graduate degree in early childhood education or development, or in a related field with experience teaching preschool children. According to HHS Head Start Program Information Report (PIR) data, this requirement was met in the 2002 program year, reaching just over 50% — up from 37% holding a postsecondary degree in 1999. The law further required HHS to develop results-based performance measures, and to review the effectiveness of individual programs in meeting those measures.

Long-Term Benefits

During the 1998 reauthorization of Head Start, several congressional committees expressed interest in a rigorous evaluation component for Head Start. While there is widespread agreement that Head Start produces significant short-term gains, there continues to be disagreement over the program's long-term benefits. Several studies in the 1980s and early 1990s found a "fade-out" of Head Start benefits for children during their later school years, but some researchers have questioned whether this apparent fade-out was due to the children's preschool experience or the poor quality of the schooling they later received. A 1995 report by the Packard Foundation presents evidence that high-quality early childhood education for low-income children, including Head Start, does produce long-term educational, economic, and societal gains.²⁰ Head Start programs included in the review generally showed significant favorable effects on grade retention and special education placement. Multi-service Head Start programs did not fare as well as better-funded public preschool programs in overall effectiveness measures, although the report noted that Head Start participants tend to be more disadvantaged, so that comparisons could be affected by preexisting conditions.

The General Accounting Office (GAO, now the Government Accountability Office) published a Head Start literature review in 1997, in which it concluded that an extensive body of literature exists, but the research is inadequate to draw conclusions about the impact of Head Start on a national basis (*Head Start: Research Provides Little Information on Impact of Current Program*, HEHS-97-59, April 1997). GAO noted that most of the studies were on cognitive outcomes and did not evaluate such program components as nutrition or health-related services. Moreover, the quality of some of the research was poor and none of the studies used a nationally representative sample that would enable conclusions to be drawn about the national program. However, GAO pointed out that HHS currently has a variety of research and evaluation activities underway that will eventually produce information about the program's impact.

The 1998 amendments to Head Start mandated and reserved funds for additional studies on the impact of Head Start. The law also required all Head Start agencies to coordinate with the local education agency and community schools, to develop procedures for the transition of Head Start children into kindergarten and elementary school. The law also required HHS to provide technical assistance to Head Start programs to help ensure school readiness of children and to promote family literacy.

Coordination with Child Care

Particularly in light of welfare reform requirements instituted in 1996, which have caused more parents to work or participate in training activities, Head Start is working to respond to the needs of families for full-time child care. In recent years, HHS has used some of the Head Start expansion funds to build partnerships with child

²⁰ The Future of Children, *Long-term Outcomes of Early Childhood Programs*, The David and Lucille Packard Foundation, winter 1995. Available via the Web, at [http://www.futureofchildren.org/pubs-info2825/pubs-info.htm?doc_id=77657].

care providers to deliver full-day, full-year services. The 1998 amendments also were intended to encourage collaboration between child care and Head Start and to promote the development of unified early education and child care plans that will increase the availability of full-time services. The law authorized the Secretary of HHS to provide supplemental collaboration funds to states that undertake such unified planning or other innovative collaborative initiatives.

The 1998 amendments also directed the Secretary to identify barriers to collaboration and to develop a mechanism for resolving programmatic conflicts, and to provide technical assistance related to the provision of full-day, full-year services. In addition, factors to be considered in awarding Head Start expansion grants, under the 1998 amendments, include the applicant's ability to coordinate with other community child care providers and preschool programs to provide full-day, full-year services. Moreover, the law authorized Head Start agencies to charge fees for extended-day services provided to children, if necessary as part of a collaboration with another agency.

Final Rule on Head Start Transportation Waivers

On October 4, 2006, a final rule was published in the Federal Register²¹ authorizing, effective November 1, 2006, the Department of Health and Human Services to issue waivers to Head Start grantees from two of the provisions of the Head Start Transportation Regulation (45 CFR Part 1310). These two requirements are that children be secured in age- and weight-appropriate child restraint systems, and that there be at least one monitor onboard any bus transporting Head Start children.²²

On June 15, 2006, the President had signed legislation (P.L. 109-234) that included a provision extending the deadline (from June 30 to December 30, 2006) for Head Start grantees to comply with requirements included in the Head Start transportation regulations (45 CFR Part 1310.12), namely, equipping allowable Head Start vehicles with child safety restraints.²³

²¹ *Federal Register*, Vol. 71, No. 192, October 4, 2006, pp. 58533-58536.

²² On August 28, 2006, the Government Accountability Office (GAO) released *Head Start: Progress and Challenges in Implementing Transportation Regulations* (GAO-06-767R), a report conveying information provided by GAO to requesting Congressional staff on May 16, 2006. The report may be accessed at [<http://www.gao.gov/new.items/d06767r.pdf>].

²³ On August 28, 2006, the Government Accountability Office (GAO) released *Head Start: Progress and Challenges in Implementing Transportation Regulations* (GAO-06-767R), a report conveying information provided by GAO to requesting Congressional staff on May 16, 2006. The report may be accessed at [<http://www.gao.gov/new.items/d06767r.pdf>].

Table 3. Head Start FY2006 State Allocations
(actuals)

State	Amount	State	Amount
Alabama	\$105,467,527	Nevada	24,015,210
Alaska	12,336,713	New Hampshire	13,240,062
Arizona	102,373,122	New Jersey	127,606,975
Arkansas	63,823,622	New Mexico	51,729,545
California	822,593,768	New York	428,470,291
Colorado	67,594,321	North Carolina	139,734,909
Connecticut	51,332,832	North Dakota	16,987,597
Delaware	13,091,612	Ohio	244,204,960
District of Columbia	24,834,071	Oklahoma	80,166,186
Florida	260,267,223	Oregon	58,820,971
Georgia	166,671,579	Pennsylvania	225,684,989
Hawaii	22,636,682	Puerto Rico	246,599,340
Idaho	22,565,199	Rhode Island	21,775,158
Illinois	267,812,098	South Carolina	81,602,767
Indiana	95,151,487	South Dakota	18,620,111
Iowa	50,987,675	Tennessee	118,039,184
Kansas	50,371,658	Texas	473,492,116
Kentucky	106,670,143	Utah	37,352,635
Louisiana	144,311,959	Vermont	13,411,517
Maine	27,309,854	Virginia	98,017,628
Maryland	77,183,646	Washington	99,268,177
Massachusetts	107,169,026	West Virginia	50,091,048
Michigan	231,993,266	Wisconsin	89,887,220
Minnesota	71,218,555	Wyoming	12,236,450
Mississippi	159,927,300	Virgin Islands	7,909,770
Missouri	117,694,689	Outer Pacific	7,231,776
Montana	20,720,770	American Indian	185,393,811
Nebraska	35,665,489	Migrant Programs	283,370,711

Source: Table prepared by the Congressional Research Service (CRS) based on data included in the Department of Health and Human Services FY2008 Justification of Estimates for Appropriations Committees.

Note: Estimated state allocations do not include estimated funding for technical assistance (\$173 million), Research, Development and Evaluation (\$20 million), and Program Support (\$40 million), or the supplemental \$90 million in hurricane relief funding (of which \$74 million was actually awarded).