

On February 9<sup>th</sup>, Congress passed the Bipartisan Budget Act of 2018 (BBA), marking thoughtful bipartisan progress toward a predictable budget process that invests in kids. The budget deal ends the uncertainty associated with a government funded by back-to-back Continuing Resolutions (CR's) and a looming debt ceiling, paving the way for Congress to continue to work across the aisle to address the pressing needs of children and families. The legislation further meets the needs of children and families with the statutory reauthorization of several programs that Congress had allowed to expire.

**Lifts Non-Defense Discretionary Caps:** The BBA wisely raises the budget caps established in the Budget Control Act of 2011 and increases defense and Non-Defense Discretionary (NDD) spending with parity. This crucial decision is particularly important given that of the 172 programs tracked in *Children's Budget 2017*, roughly 80 percent rely on NDD funding. This is a step in the right direction for reversing the trend of declining federal investment in children's programs, whose share of the federal budget hit an all-time low of just 7.75 percent in 2017. If allocated properly, this equal increase in spending for NDD and defense discretionary programs can provide relief from forced cuts that have put downward pressure on federal spending on children.

**Extension of the Children's Health Insurance Program (CHIP):** CHIP funding is extended for a total of 10 years by the agreement crafted in the Senate, which is four years longer than what was agreed to by the House in the last CR.

The bipartisan HEALTHY KIDS Act provisions remain in place along with an extension of the maintenance of effort (MOE) through 2027; extension of the contingency fund, the qualifying state option, express lane eligibility, the pediatric quality measures program, and the outreach and enrollment program through FY 2027; and, a new requirement for states to report quality measures in the child core set beginning in FFY 2024.

The new language covers all CHIP expenditures through FY 2027. However, the one downside is that the agreement creates an arbitrary CHIP baseline of \$15.3 billion in FY 2028 and beyond, which will potentially create a CHIP funding crisis or cliff in the future.

These CHIP policies are estimated to save the federal government \$4.85 billion over 10 years due to the fact that CHIP is less expensive than the alternative, which would be coverage in Affordable Care Act (ACA) marketplaces.

**Extension of the Maternal, Infant Early Childhood Home Visiting (MIECHV) Program:** The BBA reauthorizes MIECHV for five-years at level funding of \$400 million annually, providing important funding and stability for home visiting programs that improve the health and education of pregnant women and their young children and help lift children and families out of poverty in 50 states, 6 territories and numerous tribes and tribal communities. This bipartisan program is one of the cornerstones of evidence-based, two-generational programs that promotes a broad range of outcomes that set children and families up to succeed.

**Passage of Key Child Welfare Provisions:** The Bipartisan Budget Act includes important child welfare legislation, including the Family First Prevention Services Act (FFPSA), which redirects federal funds to provide services to keep children safely with their families and out of foster care, and when foster care is needed allows federal reimbursement only for family-based settings and certain residential treatment programs for children with emotional and behavioral disturbance requiring special treatment. This groundbreaking law promotes prevention, supports relative caregivers and services to prevent maltreatment as a result of substance abuse, among other policies. The Budget Amendment also includes policies in the following legislative proposals that previously passed the House of Representatives:

- Modernizing the Interstate Placement of Children in Foster Care Act
- Improving Services for Older Youth in Foster Care Act
- Reducing Barriers for Relative Foster Parents
- The Partnership Grants to Strengthen Families Affected by Parental Substance Abuse Act
- The Supporting Families in Substance Abuse Treatment Act

These child welfare provisions mark a significant investment in child welfare policies that help children and families.

#### **Passage of Health Extenders Important to Children**

- **Community Health Centers (CHC):** This extension of funding (\$3.8 billion for FY 2018 and \$4 billion for FY 2019), though touted as two years, is actually only 19 months, because five months have passed since their funding expired. This funding will keep centers open and was important, as CHCs provide care to around 9 million children, but the short-term extension doesn't allow CHCs to build their programs or maintain staff and services in the way that five years of funding would have.
- **Family-to-Family Health Information Centers:** These centers, which serve as a central source for families of children and young adults with disabilities and special health care needs to obtain support, advocacy, and information about health care were extended for two years. The extension also provides for the establishment of F2F Centers in the territories and the tribal communities.
- **Special Diabetes Program for Type I Diabetes and Special Diabetes Program for American Indians:** These programs were each extended for two years, for a combined total of \$300 million.

**Commitments to Fund Programs Benefitting Children:** To ease passage of the BBA, Senate leadership committed to several funding priorities that will benefit children, including:

- **Opioid Epidemic Funding:** \$6 billion in additional funding for combatting the opioid substance abuse epidemic, which has threatened the health and welfare of children across the nation
- **Child Care Development Block Grant (CCDBG):** \$5.8 billion over two years to reach 230,000 families currently eligible for childcare assistance
- **Disaster Relief:** \$89.3 billion in relief for regions recovering from recent hurricanes, wildfires and other disasters, with specific commitments to Head Start, K-12 Education, and the Special Supplemental Nutrition Assistance Program for Women, Infants and Children (WIC)

**Funding for the 2020 Census:** The BBA passes up to an additional \$182 million in order to maintain the schedule for the 2020 Decennial Census Program (the House Continuing Resolution serving as a vehicle for the BBA included up to \$1.2 billion for the Census.) Federal assistance for young children and families is allocated based on Census counts, yet young children continue to be undercounted. It is critical that this data collection effort is fully funded to ensure that all children and families are counted.