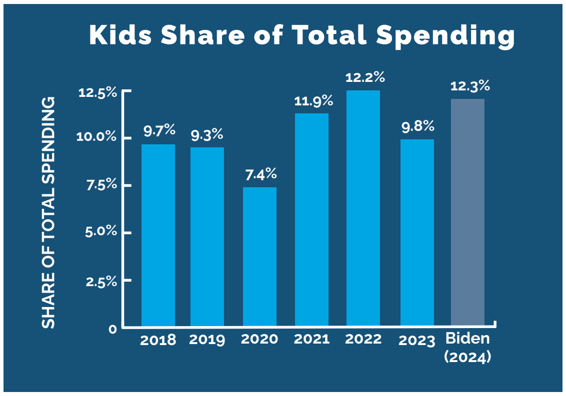
# PRELIMINARY FEDERAL BUDGET ANALYSIS FOR CHILDREN IN FY 2023

First Focus on Children

First Focus on Children is proud to release preliminary analyses of the FY 2023 budget, which estimates the share of spending allocated to kids across more than 250 government programs in the federal budget. Below, we detail key takeaways that provide a snapshot of how children fare in the FY 2023 budget.




1. The share of federal funding for children decreases by approximately 3 percentage points in 2023, indicating that children are getting a smaller share of federal spending after long-needed boosts in investments in FY 2021 and 2022.

2. Overall children's funding has experienced real year-to-year declines since FY 2021, dropping nearly 19% in FY 2022 and nearly 17% in FY 2023.

| OVERALL DOMESTIC SPENDING | | | | | | | |
|---|---|---|---|---|---|---|---|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | Biden 2024 |
| **Spending Level** | 399.56 | 412.66 | 482.27 | 810.93 | 710.7 | 625.93 | 823.52 |
| **Real Change from Prior Year** | 1.11% | 1.39% | 15.20% | 62.78% | -18.78% | -16.65% | 31.54% |

3. The children's share of discretionary funding continues to decrease and this harmful trend is anticipated to continue under the recently enacted Fiscal Responsibility Act and its significant spending limits for non-defense discretionary spending. Over 80% of children's programs are discretionary, leaving them particularly vulnerable to cuts. These significant spending cuts come as children face ever-increasing hardship negatively impacting every aspect of their daily lives. According to USDA's Economic Research Service, at-home food costs rose 10.2% from 2022-2023. **The cost of child care for a family with two children in a center was more than annual mortgage payments in 41 states and the District of Columbia**, and the cost of child care for an infant in a center was more than in-state tuition at a public university in 32 states and the District of Columbia. **More than 1 million school-age children were identified as homeless in the 2020-2021 school year and rising rents** — median household rent increased 15% from 2021 to 2022 in the U.S. — are adding to those numbers. Existing rental assistance already is inadequate: Only 1-in-4 families who are eligible for rent assistance receive it.

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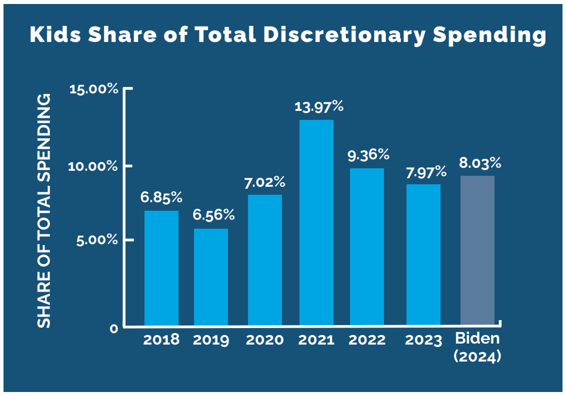


We have seen the game-changing, positive outcomes stemming from increased resources dedicated to children and families. Investments to expand the Child Tax Credit and nutrition benefits, boost child care funding, increase education and housing supports, and more drove a 46% reduction in child poverty in 2021 – the largest year-to-year reduction on record of child poverty -- and led to remarkable declines in child hunger and decreased the rate of children without health insurance. American voters understand the importance of these investments. In a May 2022 poll by Lake Research Partners, by a 90-8% margin, voters believe that "investing in children helps improve their lives, development and outcomes." Moreover, by an 89-7% margin, voters believe "investing in children has a large return in a healthy society and healthy economy." **We urge lawmakers to build off the recent successful increased investments in our children giving them the opportunity to be successful for themselves and our nation's future**.

***NOTE: These analyses are preliminary and are subject to change.***