

Fiscal Year 2023 Recommendation

Head Start & Early Head Start | HHS – ACF – OHS

	FY21 Enacted	FY22 Enacted	President's FY23 Request	FY23 Recommendation
Head Start & Early Head Start Base Grant	\$10,493,022,323	\$10,748,095,000	\$11,036,820,000	\$11,036,820,000
Cost-of-Living Adjustment (COLA)	\$123,000,000	\$234,000,000	\$271,359,000 ¹	\$595,988,280
Workforce Compensation Realignment²	\$0	\$0	\$0	\$2,500,000,000
Quality Improvement Fund (QIF)	\$0	\$52,000,000	\$0	\$262,000,000
Tribal Colleges & Universities-Head Start Partnership Program	\$4,000,000	\$6,000,000	\$4,000,000	\$10,000,000
Head Start & Early Head Start Expansion	\$0	\$0	\$950,000,000	____**
Total³	\$10,748,095,000	\$11,036,820,000	\$12,203,454,000	\$14,404,808,280⁴

The Head Start community has faced unplanned and unprecedented financial and operational hurdles during the COVID-19 pandemic, but all grantees stepped up to the task. [The Centers for Disease Control and Prevention commended Head Start](#) for its ability to successfully operate in-person while mitigating COVID-19 spread. While we seem to be moving to the endemic phase, a “return to normal” still leaves much uncertainty. Systemic issues that plagued Head Start programs pre-COVID—workforce wages, aging infrastructure, and childhood trauma—were exacerbated by the pandemic and must still be addressed. **The National Head Start Association (NHSA) budget recommendations for FY23 explicitly include the funding necessary to support the long-term viability for Head Start and maximize the role Head Start plays in supporting our country’s most vulnerable children and their families.** With that in mind, NHSA encourages Congress to invest meaningfully in Head Start’s historically undervalued workforce and to address critical infrastructure deficits.

** The President’s FY23 Budget Request⁵ “ensures priorities are given to areas of greatest need and underserved populations” and includes \$12.2 billion for Head Start. The bulk of this \$1.16 billion increase is \$950 million to expand Early Head Start-Child Care Partnerships and increases available slots for birth-to-five Head Start and Early Head Start programs.⁶ **While expanding access is always welcomed and supported by the Head Start community, addressing current systemic wages issues in the Head Start workforce is critical to any expansion.** As such, NHSA believes that investments in the Head Start and Early Head Start workforce, that supports the fulfillment of existing slots, should be prioritized over expansion investments.

NHSA recommends \$14.4 billion in FY23 to: sustain the workforce through COLA (**\$596 million**) and Workforce Compensation Realignment (**\$2.5 billion**); provide flexibility to address local quality improvement priorities, including facility improvements (**\$262 million**); and help develop the most effective and appropriate staff for American Indian/Alaska Native programs (**\$10 million**). We understand this is a significant request, but decades of independent research have shown Head Start works and families and children desperately need what Head Start has to offer. In short, Head Start will not be able to adequately address these needs without the recommended increased funds.

Specifically, NHSA recommends increased funds for the following targeted areas:

Stabilization of the Workforce — \$596 MILLION IN ANNUAL SPENDING

All Head Start programs struggle to hire and retain quality staff. The high staff turnover rate directly impacts both quality of services and continuity of care. For several years, Congress has graciously allotted year-over-year COLA for Head Start. Unfortunately, inflation has increased significantly in the past year. With an FY22 COLA of 2.3%, the Head Start workforce was actually losing ground. In addition, the President's Budget Request for FY23 includes another extremely modest COLA which would set the Head Start workforce even further back. *NHSA recommends an FY23 COLA of 5.4%—or \$596 million—which is equal to the September 2021 Consumer Price Index-Urban (CPI-U) of 5.4%.*

Note: *The Head Start COLA is traditionally based upon the CPI-U for January prior to the beginning of the Fiscal Year. The January 2022 CPI-U was 7.5%, which would equate to an increase of \$827,761,500.*

Workforce Compensation Realignment — \$2.5 BILLION IN ANNUAL SPENDING

Strong outcomes for children and families receiving Head Start services rely on well-qualified staff and well-qualified staff need to be properly compensated. Compensation for the early childhood workforce, including Head Start, ranks in the lowest 10% of professions, threatening the stability and ability of Head Start programs to properly serve a maximum number of children. The pay gap—both with the public schools and private-sector jobs in retail and the service industry—has resulted in an unprecedented turnover in Head Start. *NHSA recommends \$2.5 billion for Workforce Compensation Realignment annually for FY23-FY27.*

Expand Quality Improvement Funding — \$262 MILLION IN ANNUAL SPENDING

Quality Improvement Funds (QIF) may be used for a number of program-specific needs, including increasing duration of services, staff training, and improving community-wide coordination. In FY22, Head Start programs were urged to use QIF resources to improve staff compensation in order to help recruit and retain qualified staff and address the rise of [adverse childhood experiences](#). Additional QIF is needed for improving facilities, classroom environments, and transportation safety. *NHSA recommends \$262 million in FY23 Quality Improvement Funding to enable programs to meet existing needs by providing the flexibility to address specific local priorities with the goal of improving program performance as authorized in the Head Start Act.*

Recruit & Develop Staff for American Indian/Alaska Native programs — \$10 MILLION IN ANNUAL SPENDING

The percentage of Head Start teachers in American Indian/Alaska Native (AI/AN) programs with the access and resources to receive their Bachelor's degree lags significantly behind Head Start teachers with Bachelor's degrees nationwide. As the ideal catalysts for filling this gap, the Tribal Colleges and Universities–Head Start Partnership Program expands the number of qualified teachers who are best suited, culturally and linguistically, to address the growing need for Head Start and Early Head Start services in AI/AN communities. *NHSA recommends \$10 million in FY23 to provide grants to help Tribal Colleges and Universities develop the staff necessary to address the growing need to staff AI/AN Head Start and Early Head Start programs.*

¹ The President's FY23 Request calls for a COLA of \$505,359,000 over FY21 enacted. \$234,000,000 was included in FY22 enacted, leaving this balance.

² This number is to be distributed annually for FY23-FY27. Totalling in a \$12.5 billion investment over five years.

³ Totals include training and technical assistance, and research, among other administrative costs, per the Head Start Act. Early Head Start-Child Care Partnerships funding is reflected in the total.

⁴ All funds appropriated to Head Start in FY23 should include a minimum of 4.5% set aside for Migrant and Seasonal programs and 3% for American Indian/Alaska Native programs, per the Head Start Act.

⁵ For FY23, the President's Budget request includes \$12.2 billion for Head Start, concentrating the \$1.16 billion increase over FY22 on providing a cost-of-living adjustment to the workforce (+\$271.4 million), expanding Early Head Start-Child Care Partnerships and access to Head Start and Early Head Start services (+\$950 million). The request also includes substantial investment in the Head Start Designation Renewal System (+\$25 million) and the Tribal Colleges and Universities-Head Start Partnership Program (+\$4 million).

⁶ Expansion should include dedicated opportunities for infant and toddler care in Migrant and Seasonal Head Start programs where 73% of currently enrolled children are under age three.