

Public Policy Notes

Southern Early Childhood Association

What's Coming in Washington in 2011?

What can we expect from Washington in 2011? There are several issues that will impact policy debates and the financing that we have in place for early childhood education.

- 1) **The party composition of the U.S. House and Senate has changed** and the Republicans now hold a majority in the House. Democrats retain a small majority in the Senate. There is a great deal of discussion about eliminating partisanship and “working across the aisle” but it remains to be seen if a new atmosphere will prevail in Washington.
- 2) **Many of the new Congressional members**

campaigned on very conservative platforms and this means fiscal conservatism and a reduction in the growth and presence of the federal government. Republicans have already announced their intent to take federal spending back to 2008 levels.

- 3) **The federal government is operating under a continuing resolution that will expire in March.** If appropriation bills are not passed at that point, Congress will either need to pass another continuing resolution or the federal government will close because there will be no

spending authority in place.

- 4) **House Republicans have announced their intent to repeal the Health Care Reform Act,** although it is highly unlikely that the Senate would vote for repeal. Regardless, the components of the bill are under review and you'll likely see some major changes in how that system will look.
- 5) **The US Supreme Court** will decide if the mandate that individuals buy health insurance is constitutional.

MONEY & IDEOLOGY 2011 in Washington!

Twenty-Six States Challenge Health Care Law

Building on a lawsuit that was filed by the Attorney General of Florida immediately upon the signing of the Health Care Reform Act, twenty-six states are now challenging the new law. The challenge is based on two issues:

- 1) The constitutionality of the individual mandate

that will force individuals to purchase health insurance, either through private companies or through the federal system.

- 2) The mandate that states expand their Medicaid systems to cover larger populations. State Medicaid budgets are

already one of the biggest contributors to state budget deficits and the federal money to support the new mandates is short term.

Over half of US states are now challenging the law. Many SECA states are included in that list.

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Inside this issue:

Trend 1: Stimulus Money Gone	2
Trend 2: Big Budget Holes	2
Trend 3: States Owe the Feds	2
Trend 4: Redistricting	3
Trend 5: ECE Funding Safe?	3
Trend 6: No Frills	3
Making Your Case	4

News to Note

Kate Thegen will be our featured speaker at the 2011 Leadership Summit in Savannah. She is representing the *Frameworks Institute*, a group that helps constituencies learn to “frame their message.” In late February, we'll post some of the resources and insights that Kate provides on the Public Policy Page of the website. Be sure to check for the information.

Trend #1 in 2011: The Stimulus Money is Going

During 2009 and 2010, the federal government provided billions of dollars to states to support struggling economies. These dollars provided support in our field for the following, among other things:

1. An expansion of Head Start
2. An increase in the Child Care & Development Block Grant.
3. Educational support to avoid layoffs of teachers and school staff.

That money was “one-time” money and for those states that used it to shore up ailing operational budgets and expand

services, the support is coming to an end.

Most supporters of the stimulus anticipated that the economy would improve by this point so that enhanced state tax revenues would be able to fill those “holes” that were filled by stimulus money. They hoped that any expansion in services provided by the stimulus funds would be future funded through federal appropriations.

Unfortunately, the economy hasn’t improved significantly enough (although the beginning signs are there) to close some of the major budget gaps in states,

and with the 2010 elections, it is highly improbable that any of the expanded initiatives funded through the stimulus will be continued.

What does this mean for your state?

You’ll need to know where the money went and what impact its loss will have.

For example, in Arkansas, some money was used to expand child care subsidies for a short period; however, those subsidies ended and there were no funds to replace them. The waiting list has grown significantly again.

Trend #2 in 2011: Many SECA States Still Have Big Budget Holes

In 2010, many states were faced with enormous budget deficits and they took action to eliminate those deficits. Different approaches were utilized to cut the deficits and you may anticipate that some of these approaches will continue into 2011.

Cuts to State Employee Benefits: Georgia and Virginia

Across the Board Percent Cuts: Alabama, Arkansas Georgia, Kentucky, Mississippi, North Carolina, South Caro-

lina, Virginia, West Virginia

Targeted Cuts: Florida, Georgia, Kentucky, Oklahoma, South Carolina, Virginia, West Virginia

Reduction of Local Aid to Cities & Counties: South Carolina and Virginia

Reorganization of Agencies: Florida

Rainy Day Fund: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, Oklahoma, South Carolina, Tennessee

Lottery Expansion & Gaming/Gambling Expansion: No SECA States

Source: *The Fiscal Survey of the States, Fall 2010, Table 12*, <http://nasbo.org>

As states implemented these approaches to reducing state budget deficits, many faced what used to be the “sacred cows” of state government: significant reductions in public school financing and public safety net programs such as Medicaid.

Trend #3 in 2011: The States Owe the Federal Government

During 2010, as unemployment stayed steady around 9% or above in many states, federal unemployment benefits were extended to support those out of work for long periods of time.

Although this supported people who needed the help, it didn’t come without a price tag and many states were forced to borrow from the federal government to provide those benefits.

(Unemployment benefits are financed

through levies on employers and states may borrow funds from the federal government during times of high unemployment if their trust funds aren’t sufficient.)

As with any loan, interest charges accrue on monies borrowed and states are now facing paying back millions of dollars (principal and interest) to the federal government, even though their finances have not improved.

Some states are investigating whether to float a bond issue to repay the loan and may be able to get a lower rate of interest on the bonds than the federal government will charge.

Why is this important to you? It’s important because it’s another multi-million dollar budget item that the state will have to figure out how to pay.

Where will the money come from in your state budget?

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Southern Early Childhood Association



"A Voice for Southern
Children"

We're on the Web!
www.southernearlychildhood.org

How to Use This Newsletter

If you're interested in advocacy, one of the most effective tools that you can have is access to information. This newsletter is provided as a service to locate and share information that we think will be helpful to you in your work at the state level and to keep you updated on what's happening in public policy.

You'll find information that:

- **Compares your state to other SECA states**—how you're doing, what issues you have in common, what the hot topics are in your states.
- **Brings the national scene to your fingertips** and gives you a perspective on how national events might impact you...You'll also receive information about where to find additional information.

We hope you'll find it helpful. Children need you to be their "voice" in your community and state.

Getting Your Message Across

Regardless of whether you're advocating for children, working on community projects or supporting a cause or group, the principles of communicating with your legislators are the same.

If you're writing or calling your legislator, what should you do?

1. Explain why you care about the issue.
2. Keep it simple.
3. Focus on one topic.
4. Don't just complain: support a specific proposal.
5. Keep it short.
6. If you can, include facts and data
7. Be polite.

Source:

<http://www.houselogic.com/articles/7-tips-writing-letters-change-home-town/>

Some other things to consider:

- **Remember that legislators are inundated with constituent calls.** Don't be upset if you speak to a staff person instead of the legislator. That staff person is responsible for ensuring that his/her boss knows how his constituents are thinking.
- **Try to keep your phone call to 2-3 minutes. A letter shouldn't be more than a page.** That requires you to think ahead about what you want to say—notes can be helpful before you call or write.

- **If you can meet your legislator when they are not in session at the Capitol, you have a better chance of developing a personal relationship.** Become that legislator's (or staff person's) "go-to expert". You know more about our field than he or she does and you can share your personal experience.
- **Don't ever burn your bridges.** You may be angry and things may not go your way this time, but you may have a different result on a different issue in the future.

Keep your cool and make your case. That's what a good advocate is all about!