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Jennifer Castagna

jcastagna@wpllc.net

The following memo provides a summary of recent developments in public policy issues of interest to Early Childhood advocates.

Budget and Appropriations

Tonight is the night...President Obama will address the nation in his first State of the Union address. The occasion is viewed as an important opportunity for him to defend the need for healthcare reform and to outline his policy goals for the year. It will also serve as his response to the voter discontent that was made apparent by Republican success in the Massachusetts Senatorial special election. As generally occurs the week before a State of the Union speech, ideas and highlights were previewed this week in news articles and interviews with the Administration.

On Tuesday, the Office of Management and Budget (OMB) announced that the President's Fiscal Year (FY) 2011 Budget will propose a three-year budget spending freeze, which will cut \$250 billion from the Federal deficit over the next decade. Specifically, the Administration's FY 2011 Budget will propose to freeze nonsecurity, nondefense discretionary spending for FY 2011 and the two subsequent fiscal years. OMB noted that the proposed spending freeze will be government-wide, with the exception of defense, homeland security, veterans, and international spending. Also, the spending freeze will not impact mandatory spending programs, such as, Medicare, Medicaid, and Social Security. Additionally, the freeze will not be "across the board". OMB stated that the Administration has gone through the budget "line by line" to eliminate programs that are not working and cut those that are not considered priorities. As a result, some programs will see proposed increases, while others will see proposed cuts or eliminations.

Then news came late Tuesday that Federal education spending would be one area that will actually see a spending increase of 6.2% in the President's FY 2011 Budget. The budget will propose to increase education spending by \$3 billion, with an additional \$1 billion investment contingent on completing the reauthorization of the Elementary and Secondary Education Act in FY 2011. While this is overall good news for the education community, the actual impact of the Administration's proposal on specific programs will not be known until the budget is released. Stakeholders will anxiously be awaiting details, since the Administration has announced that in addition to increases for education broadly, some specific programs will be streamlined, consolidated or eliminated.

Monday, February 1, 2010, marks the day to circle in red—the Administration’s FY 2011 budget will be released. How much of that same red ink has been used to slash funding from the budget remains to be seen.

Health Care Reform

The stunning Republican victory in the race for the Senate seat held for 40 years by the late Senator Edward Kennedy (D-MA) is still sending shock waves through the corridors of the Capitol and in the halls of the White House. Members are contemplating the win (or loss), depending on one’s point of view, and next steps. The immediate impact was an indefinite hold on consideration of comprehensive healthcare reform legislation. It will take some time for the White House and congressional leaders to decide on next steps. Since healthcare was considered the obstacle to consideration of a long list of other important measures, how this issue is resolved has implications for the entire legislative calendar this year.

This week, the consensus among those who think about such things is that President Obama and congressional Democrats can still pass healthcare legislation, but will need to work with Republicans to make it happen. With House Speaker Nancy Pelosi (D-CA) saying that the House still does not have the votes to pass the Senate health care reform bill, the only viable option appears to be reconsidering a yet-to-be cobbled together compromise version of the health care reform bills passed by the House and Senate that is crafted in a way that would garner enough Republican support to pass the Senate. Key to this option will be the willingness of Maine Senators Olympia Snowe (R) and Susan Collins (R) to work with the Democrats on a health care reform proposal. Clearly, tonight’s State of the Union address will shed some light on the next steps in health care reform.

First Lady Highlights Fight Against Childhood Obesity

In a recent speech before the U.S. Conference of Mayors, First Lady Michelle Obama reaffirmed her commitment to addressing childhood obesity. While noting that the problem of childhood obesity cannot be remedied overnight, Obama made clear her intent to address the problem, which has reached epidemic proportions. “Medical experts are predicting that this generation is on track to have a shorter lifespan than their parents,” Obama said during her speech, which came in advance of an anti-obesity initiative she will launch next month. She called on mayors to participate in the anticipated initiative by creating solutions to improve children’s health. In addition to mayors, she is expected to seek input and assistance from educators, businesses, religious leaders, nonprofits, community and health centers, as well as government to join the fight child obesity. To read full coverage, access the January 21, 2010, Washington Post article, “Michelle Obama talks to mayors about her initiative to combat childhood obesity,” <http://www.washingtonpost.com/wp-dyn/content/article/2010/01/20/AR2010012004550.html>.