

Table 1. Discretionary Spending Under Division A, the Emergency Child Care Support Appropriations Act, 2020

July 17, 2020

By Fiscal Year, Millions of Dollars

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2020-2025	2020-2030
Appropriations Subcommittee													
Financial Services and General Government													
Internal Revenue Services													
Budget Authority	5	0	0	0	0	0	0	0	0	0	0	5	5
Estimated Outlays	4	1	0	0	0	0	0	0	0	0	0	5	5
Labor, Health and Human Services, Education													
Child Care and Development Fund													
Budget Authority	10,000	0	0	0	0	0	0	0	0	0	0	10,000	10,000
Estimated Outlays	225	2,050	5,000	1,800	500	300	100	0	0	0	0	9,875	9,975
Total Changes in Discretionary Spending													
Budget Authority	10,005	0	0	0	0	0	0	0	0	0	0	10,005	10,005
Estimated Outlays	229	2,051	5,000	1,800	500	300	100	0	0	0	0	9,880	9,980

Source: Congressional Budget Office.

Assumes enactment in August 2020.

Division A would provide supplemental appropriations primarily for federal agencies to provide grants to states to support child care programs. The legislation would designate those amounts as emergency requirements in accordance with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985.

Table 2. Changes in Direct Spending and Revenues Under Division B, the Worker Access to Child and Family Care Act^a July 17, 2020

	By Fiscal Year, Millions of Dollars											2020-	2020-
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2025	2030
INCREASES IN DIRECT SPENDING													
Sec. 402 - Refundability and Enhancement of Child and Dependent Care Tax Credit													
Estimated Budget Authority	0	3,518	3,363	3,890	3,850	3,865	3,865	3,050	3,045	3,072	3,095	18,486	34,613
Estimated Outlays	0	3,518	3,363	3,890	3,850	3,865	3,865	3,050	3,045	3,072	3,095	18,486	34,613
Sec. 408 - Child Care Stabilization Fund													
Budget Authority	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	7,100	42,600	78,100
Estimated Outlays	615	5,822	8,094	8,449	8,591	8,047	7,739	7,739	7,739	7,029	7,029	39,618	76,893
Sec. 409 - Family Care for Essential Workers													
Budget Authority	850	0	0	0	0	0	0	0	0	0	0	850	850
Estimated Outlays	212	595	43	0	0	0	0	0	0	0	0	850	850
Total Changes in Direct Spending													
Estimated Budget Authority	7,950	10,618	10,463	10,990	10,950	10,965	10,965	10,150	10,145	10,172	10,195	61,936	113,563
Estimated Outlays	827	9,935	11,500	12,339	12,441	11,912	11,604	10,789	10,784	10,101	10,124	58,954	112,356
INCREASES OR DECREASES (-) IN REVENUES													
Sec. 402 - Refundability and Enhancement of Child and Dependent Care Tax Credit													
Estimated Revenues	0	-4,049	-4,127	-4,592	-4,792	-5,021	-5,560	-6,108	-6,368	-6,612	-6,846	-22,581	-54,072
Sec. 403 - Increase in Exclusion for Employer-Provided Dependent Care Assistance													
Estimated Revenues	*	-185	-260	-273	-280	-287	-290	-296	-305	-314	-322	-1,286	-2,814
Sec. 404 - Payroll Credit for Certain Fixed Expenses of Child Care Facilities													
Estimated Revenues	0	-84	0	0	0	0	0	0	0	0	0	-84	-84
Sec. 405 - Payroll Credit for Certain Employee Dependent Care Expenses													
Estimated Revenues	0	-21	0	0	0	0	0	0	0	0	0	-21	-21
Sec. 406 - Flexibility for Dependent Care Flexible Spending Arrangements													
Estimated Revenues	0	217	54	0	0	0	0	0	0	0	0	271	271
Sec. 407 - Employee Retention Credit Allowed with Respect to Employment of Domestic Workers													
Estimated Revenues	-7	-2	0	0	0	0	0	0	0	0	0	-9	-9
Total Changes in Revenues													
Estimated Revenues	-7	-4,124	-4,333	-4,865	-5,072	-5,308	-5,850	-6,404	-6,673	-6,926	-7,168	-23,710	-56,729
NET INCREASE IN THE DEFICIT													
Total	834	14,059	15,833	17,204	17,513	17,220	17,454	17,193	17,457	17,027	17,292	82,664	169,085
<i>On-Budget</i>	834	13,969	15,641	16,987	17,291	16,992	17,224	16,958	17,215	16,778	17,036	81,715	166,924
<i>Off-Budget^b</i>	*	90	192	217	222	228	230	235	242	249	256	949	2,161

Source: Congressional Budget Office and staff of the Joint Committee on Taxation
Assumes enactment in August 2020.

Amounts may not sum because of rounding; * = between -\$500,000 and \$500,000

Division B would provide additional funds to states to support child care programs. It also would make various changes to the tax code related to expenses for child and dependent care.

a. H.R. 7327 is appropriation legislation, but section 306 of division A specifies requirements for the budgetary treatment of division B. Consistent with those requirements, and at the direction of the House Committee on the Budget, division B is considered to be authorizing legislation rather than appropriation legislation and thus its estimated direct spending and revenue effects are subject to pay-as-you-go procedures. However, the legislation also would require the estimated budgetary effects stemming from that division to be excluded from the pay-as-you-go scorecards maintained by the U.S. Senate and the Office of Management and Budget.

b. Off-budget revenue losses come from changes in Social Security revenues.