

## Governor Cooper Issues Recommended Budget for FY 2021-2023

### What's in the budget for young children and families?

Governor Roy Cooper announced his recommended budget for FY 2021-2023 on Wednesday afternoon. The budget invests \$27.4 billion in 2021-2022 and \$28.5 billion in 2022-2023 in areas including education, economic development, and health care as North Carolina continues to face the COVID-19 pandemic and look towards recovery. The budget does not include recommendations for how to use the federal funds North Carolina will receive



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from the American Rescue Plan for COVID relief; the Governor will issue recommendations about this at a later time. [Click here to read Governor Cooper's full recommended budget.](#)

**We are grateful to Governor Cooper for recommending a strong budget for early education that will support North Carolina's young children, their families, and their early educators!**

The majority of the early education components in the Governor's recommended budget focus on implementing the state action plan in the Leandro case. The Supreme Court of North Carolina, in its landmark *Leandro v. State of North Carolina* decision, affirmed the fundamental right of every child to have the opportunity to receive a sound basic public education, starting in early childhood. The Court also ruled that North Carolina was not meeting this constitutional requirement. The state was then required to put forth a plan for remediation to the Court, and the [comprehensive long-term plan](#) was submitted earlier this month.

To provide the resources necessary to achieve the actions in this plan, the Governor's recommended budget includes \$585.6 million in funding for FY 2021-22 and \$1.0 billion for FY 2022-23, including [substantial investments to strengthen early childhood education and supports](#): \$75.3 million in FY 2021-22 and \$123.4 million in FY 2022-23.

**The Governor's recommended budget includes the following [investments in early education](#):**

- \$26.5 million in FY 2021-22 and \$45.4 million in FY 2022-23 to increase NC Pre-K reimbursement rates by almost 16% and to serve an additional 1,500 eligible four-year-olds.
- \$20 million in both fiscal years for Smart Start.
- \$10 million in both fiscal years for Child Care Subsidy Assistance to serve an additional 1,700 children in low-income working families.
- \$10 million in FY 2021-22 and \$26 million in FY 2022-23 to expand the Child Care WAGE\$ salary supplement program statewide.

- \$9.25 million for Pre-K Teacher B-K License Pay Equity to provide compensation based on the K-12 Teacher Salary Scale for all birth to kindergarten (B-K) licensed Pre-K educators working in private child care settings.
- \$1.75 million to increase the quality of the early childhood educator pipeline by providing funding to leverage professional development and scale innovative strategies in the Educator Workforce Program.
- \$1.82 million to develop and implement a real-time Early Childhood Workforce Data System to support building the pipeline of early childhood educators.
- \$1.5 million to decrease the impact of implicit bias on children of color and children with disabilities.
- \$8.2 million in FY 2021-22 and \$10.2 million in FY 2022-23 in high-quality early intervention services.

**Think Babies™ NC priorities included in the Governor's budget:**

Several of the priorities listed above are also [priorities for the Think Babies™ NC Alliance](#), including workforce compensation for infant-toddler teachers, increasing access to child care subsidy assistance for infants and toddlers, and expanding early intervention services. Other family support and health priorities for the Think Babies™ NC Alliance are also included in the budget, including Medicaid expansion to close the health care coverage gap, a state-level child care tax credit, and the reinstatement of the state Earned Income Tax Credit.

