CONNECTICUT VOICES FOR CHILDREN

Governor's Proposed Budget Cuts Target Services for Children

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The Governor's proposed deficit mitigation plan for Fiscal Year 2010 (released 11/24/09) targets children: $73.96 million of the proposed cuts are to education, child care, health care and other basic state services children need. The plan proposes an additional $47.88 million in cuts to municipalities' K-12 education funding. A total of $121.84 million in cuts would negatively affect children—who are not only the most vulnerable among us, but also our future workforce and taxpayers. Thus, 36% of the $337.1 million in cuts proposed by the Governor directly target services for children.

The attached table shows these cuts by various categories, including child care, health, education, and family supports. Some of the most significant cuts may not only adversely affect children, but also have ripple effects of increasing unemployment, poor health and instability amongst Connecticut's already struggling families.

Child Care

The Governor's deficit mitigation package recommends very large reductions in child care programs. **State Funded Child Development Centers** provide comprehensive early childhood services for families and children. In Fiscal Year 2007, the centers served over 1,000 infants and toddlers, close to 3,000 preschool aged children, and over 350 school-aged children in municipalities across the state. Enrollment is targeted to families earning less than 75% of the State Median Income (SMI). Centers are required to maintain the same level of quality as School Readiness programs (and often serve children funded with that grant as well). The Governor's deficit mitigation package calls for reducing funding to State Funded Child Development Centers by $4.5 million (a reduction of about 15% of their total state and federal funding). This proposed cut will most likely lead to the decline in the number of children served, staff layoffs, and the closing of some programs.

Funding for the **Care4Kids Program** also takes a significant hit. Care4Kids is an essential component of child care in Connecticut, helping to subsidize child care costs for low- to moderate- income families, many of whom would be unable to obtain safe and affordable child care for their children without assistance. DSS is planning to spend only $93 million on Care4Kids, though $103.87 million has been budgeted. With the loss of this funding, fewer families will receive subsidized child care. As a result, they `may be unable to work or may leave children at home without proper care and supervision. The loss of funding will also result in layoffs at child care centers, increasing Connecticut's already skyrocketing unemployment rate. This cut of $10.7 million to the Care4Kids budget harms Connecticut's children, families, and economy as a whole. Combined with the cuts to State-Funded Child Development Centers, funding for child care for working families is reduced by over $15 million.

Health

Health-related cuts affecting children are also significant. **School based health centers** (SBHCs) provide health services to children in grades preK-12, often serving those children who have limited access to outside medical care. In 2006-2007, over 20,000 students were served by 68 state-funded school based health clinics in 19 communities. The Governor's deficit mitigation plan includes an immediate rescission of $522,032 to school-based health clinics. The Governor has also proposed further reducing the SBHC account by 25%, or $2,610,162.

The **HUSKY B** program, which provides health insurance coverage to nearly 16,000 uninsured children, is targeted

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for a $910,000 cut in state funding, through increased premiums for low-income families . The federal government reimburses Connecticut for 65% of HUSKY B expenses, so in order to "save" $910,000 in state funds, Connecticut must cut a total of $2.6 million and forego almost $1.7 M in federal funds. Experience has shown that imposing or increasing premiums on these families leads to children losing their coverage when their families cannot afford to pay the premiums.

And while the proposal to suspend intake of the **Department of Children and Families' Voluntary Services Program** results in the relatively smaller cut of $162,500, the costs of *not providing* these services could be catastrophic. Children denied access to essential mental and behavioral health services through the suspension of VSP intake are – by definition – children who cannot access services elsewhere. If denied voluntary services, these children and families will not cure themselves, and treatment costs after delay and exacerbation of their illnesses will only cost more, in hospitals, classrooms and the community. Similarly, the $3,153,848 in rescissions and proposed cuts to the **Department of Developmental Services' Voluntary Services Program** will have devastating effects on some of our states' most vulnerable children: children who have intellectual disabilities and significant emotional, behavioral, or mental health needs. These services are essential to enabling families to care for children within their own homes.

Education

K-12 education faces serious reductions in funding. Connecticut's state grant-funded **After School Program** serves 6,084 students in 29 towns. Typical program offerings include academic support, arts and creative enrichment, and recreation. The original budget for the After School Program was $5 million for 2009-2010. The Governor has proposed cutting funding by 98.4%.

But by far the largest hit to children arises from the Governor's proposed **reduced municipal funding.** The Governor has proposed cutting aid to municipalities by $84 million, or 3%. In 2004-2005, 57% of municipal budgets were spent on K-12 education. If municipalities cut 57% of total proposed losses from education, K-12 schools might lose $47.88 million in funding.

Juvenile Justice

Landmark juvenile justice reform in Connecticut is also at risk of unnecessary delay due to extensive proposed budget cuts, totaling $10,885,770. Connecticut is currently one of only three states to prosecute 16-year-olds as adults, even for minor crimes. In 2007, Governor Rell and the General Assembly enacted legislation that would place sixteen and seventeen year olds in the juvenile court system, where they could receive developmentally appropriate services, be kept safe, and enjoy a greater likelihood of staying in school. Treating sixteen and seventeen year olds in the juvenile – as opposed to the adult – criminal system would also improve public safety and save Connecticut significant money by reducing the risk of recidivism, including the risk of more serious crimes. This reform has received overwhelming support and garnered Connecticut significant national attention. Although government agencies and communities have planned extensively over the last three years to implement this law promptly in a cost-effective manner, this eleventh hour delay risks undoing significant reform and investments. As a result, many of the proposed savings will likely not be realized, and will be far offset by devastating social costs to our children and communities.

Other areas

Other major cuts proposed include $4.5 M taken from the **Children's Trust Fund**, including the Nurturing Families Network, which is a preventive program to promote parenting skills and reduce child maltreatment.

The Governor's budget mitigation package proposes $121.84 million in cuts to child care, education, health and other services that children need in order to be healthy, educated and safe.

Please see below a chart detailing the Governor's rescissions and proposed cuts to children's services.

GOVERNOR'S RESCISSIONS AND PROPOSED CUTS FOR FISCAL YEAR 2010: Summary of cuts to children's services

	Item (Agency)	Rescissions and Proposed Cuts: Loss of State Dollars
Cuts to K-12 Education and Early Childhood Education		
	Eliminate Non-Formula Charter School Increase (SDE)	$70,000
	Eliminate Non-Formula ECS Increase (SDE)	$426,769
	Reduce Interdistrict Cooperative Funding (SDE)	$3,000,000
	Suspend After School Program (SDE)	$4,920,000
	Reduce Funding for Primary Mental Health (SDE)	$25,015
	Reduce Funding for Vocational Technical School Textbooks (SDE)	$25,000
	Reduce Funding for Regional Education Services (SDE)	$76,500
	Reduce Funding for Magnet Schools (SDE)	$55,000
	Suspend Special Magnet School Subsidies for Two Schools (SDE)	$1,500,000
	Reduce Funding for Youth Service Bureaus by 25% (SDE)	$892,854
	Suspend Connecticut Pre-Engineering Subsidy (SDE)	$350,000
	Suspend Connecticut Writing Project (SDE)	$50,000
	Suspend Funding for Readers as Leaders Program (SDE)	$60,000
	Suspend Funding for Young Parents Program (SDE)	$229,330
	Reduce Funding for Best Practices (SDE)	$23,750
	Reduce Funding for School Accountability (SDE)	$51,778
	Reduce Funding for Family Resource Centers (SDE)	$302,074
	Reduce Funding for State Head Start ("Head Start Services") (SDE)	$137,408
	Reduce Funding for Head Start Enhancement (SDE)	**$88,650**
	Reduce Funding for Bridgeport's ABCD Program (This cut is found under "Head Start Early Childhood Link" and "Remove Non-Head Start Program.") (SDE)	$655,000
	Reduce Funding for Community Plans for Early Childhood (This cut is found under "Delay New Early Childhood Learning Funding.") (SDE	$450,000
	Reduce Funding for Improving Early Literacy (This cut is found under "Delay New Early Childhood Learning Funding.") (SDE	$150,000
	Reduce Funding for Early Childhood Advisory Cabinet (SDE)	$11,131
	Suspend Funding for New Early Childhood Planning, Outreach, and Coordination (SDE)	$400,000
	Reduce Funding for CommPACT Schools (This cut is the sum of one rescission and one proposed program reduction.) (DHE)	$356,250
	Reduce Funding for Care4Kids (This cut is not in the deficit mitigation plan but is a forced lapse characterized as a "surplus" in DSS testimony 11/18/09.) (DSS	$10,700,000
	Reduce Funding for State-funded Centers (This cut is found under "Child Day Care"; Part of this cut is also located under "Reduce Non-Entitlement Grant Accounts by 25%.") (DSS)	$4,501,145
	Reduce Funding for Day Care Projects (Part of this cut is located under "Reduce Non-Entitlement Grants by 25%.") (DSS)	$143,646
Cuts to Children's Health Programs		
	Increase Co-Pays in HUSKY B (This cut results in higher costs to families. This cut is found under "Align HUSKY B Co-Pay Requirements with Co-Pays Charged in the State Employee Health Plans.") (DSS)	$70,000
	Increase HUSKY B Premiums (This cut results in higher costs to families. This cut is found under "Impose HUSKY B Premiums Under Band 1 and Impose HUSKY B Premiums Under Band 2.") (DSS)	$840,000
	Eliminate Funding for Teen Pregnancy Prevention Added During FY08/FY09 Biennium (DSS)	$100,000
	Suspend Supplemental Payments to FQHCs and Hospitals for Costs Related to Prenatal Care for Undocumented Pregnant Women (DSS)	$2,000,000
	Reduce Funding to Healthy Start (Part of this cut is located under "Reduce Non-Entitlement Grants by 25%.") (DSS)	$372,555
	Reduce Funding to Teen Pregnancy Prevention (Part of this cut is located under "Reduce Non-Entitlement Grants by 25%." Two accounts under Teen Pregnancy Prevention are cut.) (DSS)	$675,797
	Reduce Funding for HUSKY Outreach (DSS)	$35,323
	Reduce Funding for Childhood Lead Poisoning (This cut is the sum of one rescission and one proposed program reduction.) (DPH)	$275,081
	Reduce Funding for Children with Special Health Care Needs (This cut is the sum of one rescission and one proposed program reduction.) (DPH)	$381,488
	Reduce Funding for Children's Health Initiatives (This cut is the sum of one rescission and one proposed program reduction.) (DPH)	$444,530
	Reduce Funding for School Based Health Clinics (This cut is the sum of one rescission and one proposed program reduction.) (DPH)	$3,132,194
	Reduce Funding for Services for Children Affected by AIDS (This cut is the sum of one rescission and one proposed program reduction.) (DPH)	$73,508
	Anticipated Lapse of Funding for Fetal and Infant Mortality Review (DPH)	$315,000

	Item (Agency)	Rescissions and Proposed Cuts: Loss of State Dollars
Cuts to Connecticut's Youth Employment Program		
	Reduce Funding for Connecticut's Youth Employment Program (This cut is the sum of one rescission and one proposed program reduction.) (DOL)	$825,000
Cuts to Juvenile Justice, Child Welfare, and Children's Mental Health		
	Eliminate State Funding for Diaper Bank (DCF)	$75,000
	Suspend Intake for the Voluntary Services Program (DCF)	$162,000
	Suspend Funding for Neighborhood Center (DCF)	$104,404
	Suspend New Funding for Enhanced Care Coordination (DCF)	$120,000
	Postpone "Raise The Age" (Change in Age of Juvenile Justice Jurisdiction) until FY 11 (DCF/Judicial)	$10,885,770
	Reduce Funding for Board and Care for Children – Foster Care (DCF)	$3,500,000
	Reduce Funding for Board & Care - Residential (DCF)	$2,500,000
	Total of all November 24 Rescissions under the "Department of Children and Families" (DCF)	$3,114,821
	Reduce Funding for Voluntary Services (This cut is the sum of one rescission and one program reduction within gubernatorial authority.) (DDS)	$3,153,848
Cuts to Children of Incarcerated Parents		
	Anticipated Lapse of Funding for Children of Incarcerated Parents (This cut is the sum of one rescission and an anticipated lapse.) (DOC)	$700,000
Other Cuts That Affect Children		
	Reduce Funding for Children's Trust Fund (Nurturing Families, Legal Srvcs for Children, Parent Trust Fund; Part of this cut is located under "Reduce Non-Entitlement Grant Accounts by 25%") (DSS)	$4,594,317
	Reduce Funding for Child Protection Commission (Child Protection Commission)	$535,728
	Reduce Funding for Office of the Child Advocate (Part of this cut is located under "OCA- Reduce Staffing by 50%.") (OCA)	$204,996
	Eliminate Funding for Neighborhood Youth Centers (This cut is the sum of one rescission and one proposed program reduction.) (OPM)	$1,213,741
	Reduce Funding for Leadership, Education, Athletics in Partnership (This cut is the sum of one rescission and one proposed program reduction.) (OPM)	$193,139
	Suspend HUSKY Performance Monitoring (This cut is found under "Children's Health Council.") (DSS)	$218,317
	Suspend the Child Care Facilities Loan Fund Program for New Projects (OTT)	$3,500,000
TOTAL CUTS TO CHILDREN'S SERVICES:		***$73,967,857***

Source: State of Connecticut Office of the Governor, Deficit Mitigation Plan for Fiscal Year 2010, issued November 24, 2009; with clarification from the Office of Fiscal Analysis.