



Impact of May Budget Adjustments on the FY 11 Budget for Early Care and Education Annemarie Hillman

May 2010

On May 7, 2010, the Connecticut legislature's adjustments to FY 11 expenditures (S.B. 494) were signed into law by Governor Rell. Adjustments affecting early care and education largely mirrored recommendations made by the Appropriations Committee in March 2010. Perhaps most significantly, funding for Connecticut's Care4Kids program was increased to \$103.42 million. This represents an addition of \$7.5 million to the initial FY 11 appropriation for the program, and an increase of \$19 million from the Governor's proposed revisions to the FY 11 budget. If fully spent, this increase will be crucial to maintaining the level of child care support offered to Connecticut's working families.

Another noteworthy change in the budget is the allotment of \$15.43 million to the Children's Trust Fund, which had faced a loss of almost half its budget in the Governor's initial proposed FY 11 budget revisions. The May budget adjustments fully restore funding to the Trust Fund, and furthermore, provides an additional \$1.75 million in funding over the initial FY 11 appropriations. At this time, it is unclear if the additional funding provided to the Children's Trust Fund will be directed to one or more of its existing programs (such as the Parent Trust Fund, the Nurturing Families Network, or Legal Services for Children) or an entirely new program.

Other items of note include:

- Funding for Community Plans for Early Childhood has been reduced to \$427,500, which is a 5% decrease from initially appropriated levels. (Note, however, that the Governor had proposed eliminating this funding altogether.)
- Funding for Head Start – Early Childhood Link, which includes funding for the ABCD Total Learning Program in Bridgeport as well as enhancements for Head Start programs, has been reduced to \$2.09 million from \$2.2 million, as recommended in the Governor's revisions.
- The Office of Early Childhood Planning, Outreach, and Coordination and the Early Childhood Advisory Cabinet will receive no funding.
- Funding for state-funded centers remains stable at \$15.88 million.

Appendix: Early Care and Education Budget Comparisons
(all amounts listed in millions \$)

	FY 09 Expenditure ¹	FY 10 Appropriated ²	FY 10 Est. Expenditure ³	FY 11 Original Appropriated ⁴	FY 11 Governor's Proposed Revisions ⁵	FY 11 Appropriations Committee's Proposed Revisions ⁶	FY11 Final Budget ⁷
Care4Kids.....	102.27 ⁸	103.87	93.17 ⁹	95.92	84.42	103.42	103.42
State-funded Centers ¹⁰	15.88	15.88	15.35	15.88	15.88	15.88	15.88
School Readiness Priority School Districts.....	68.01	69.81	69.81	69.81	69.81	69.81	69.81
School Readiness Competitive School Districts...	4.98	5.01	5.01	5.01	5.01	5.01	5.01
DSS School Readiness.....	4.62	4.62	4.62	4.62	4.62	4.62	4.62
Family Resource Centers.....	6.04	6.04	5.74	6.04	6.04	6.04	6.04
State Head Start.....	2.61	2.75	2.61	2.75	2.75	2.75	2.75
Head Start Enhancement.....	1.68	1.77	1.68	1.77	1.77	1.77	1.77
Head Start Early Childhood Link.....	2.09	2.20	2.09	2.2	2.09	2.09	2.09
Community Plans for Early Childhood.....	0.58 ¹¹	0.45	0.43	0.45	0	0.43	0.43
Improving Early Literacy.....	0	0.15	0.14	0.15	0.15	0.15	0.15
Early Childhood Advisory Cabinet.....	2.49 ¹²	0.075	0.064	0.075	0	0	0
Office of Early Childhood Planning, Outreach....	0	0.40 ¹³	0.40	0.40	0 ¹⁴	0	0 ¹⁵
Day Care Projects ¹⁶	0.45	0.48	0.45	0.48	0.36	0.48	0.48
Children's Trust Fund ¹⁷	13.16	13.58	13.01	13.67	6.70	13.67	15.43

¹ Jodi M. Rell, "Connecticut FY2010-2011 Governor's Midterm Budget Adjustments"(print version).

² This budget was originally passed on September 1, 2009, as bill HB 6802, as amended by LCO 9659, and became law, without the Governor's signature, on September 8, 2009. For FY10 appropriations, see the following documents:

HB 6802: <http://www.cga.ct.gov/2009/TOB/h/pdf/2009HB-06802-R00-HB.pdf>;

LCO 9659: <http://www.cga.ct.gov/2009/lcoamd/pdf/2009LCO09659-R00-AMD.pdf>;

Budget Implementer: <http://cga.ct.gov/2009/ACT/PA/2009PA-00006-R00SB-02053SS3-PA.htm>.

³ Unless otherwise indicated, these estimated expenditures are based upon initial appropriations for FY10 minus the Governor's November 5 and November 24 rescissions. The November 5th rescissions can be viewed at: http://www.ct.gov/governorrell/lib/governorrell/fy10_nov_5th_rescissions_report_final_nc.pdf. The November 24th rescissions can be viewed at: http://www.ct.gov/governorrell/lib/governorrell/defmit_plan_24nov09.pdf.

⁴ Governor Jodi Rell, "Connecticut FY2010-2011 Governor's Midterm Budget Allotments." Available at: <http://www.ct.gov/opm/cwp/view.asp?a=2958&Q=454262&PM=1>.

⁵ Governor Jodi Rell, "Connecticut FY2010-2011 Governor's Midterm Budget Allotments." Available at: <http://www.ct.gov/opm/cwp/view.asp?a=2958&Q=454262&PM=1>.

⁶ The Appropriations Committee budget was released on March 25, 2010. In order to enter into effect, it had to be passed by both the House and the Senate and signed by the Governor; this did not occur. The Appropriations budget is available at: <http://www.cga.ct.gov/ofa/Documents/OFABudget/2010/Committee/Committee%20%20Book.pdf>.

⁷ S.B. 494 was approved by the legislature on May 5, 2010, and signed into law by Governor Rell on May 7, 2010. S.B. 494 is not currently available as one document, but the initial language of the bill and its approved amendments are available at: <http://cga.ct.gov/2010/TOB/S/2010SB-00494-R00-SB.htm> (language of initial bill); <http://cga.ct.gov/2010/AMD/S/2010SB-00494-R00SA-AMD.htm> (Senate Schedule A LCO # 5717); <http://cga.ct.gov/2010/AMD/S/2010SB-00494-R00SB-AMD.htm> (Senate Schedule B LCO #5735); and <http://cga.ct.gov/2010/AMD/S/2010SB-00494-R00SC-AMD.htm> (Senate Schedule C LCO #5719).

⁸ Although the FY09 expenditure is listed in the FY2010-2011 Governor's Midterm Budget Allotments as being only \$93.12 million, this does not include ARRA funding that was also used to fund the Care4Kids program. See e-mail from Peter Palermino, Connecticut Department of Social Services, September 8, 2009.

⁹ Connecticut Department of Social Services testimony before the Appropriations Committee, November 18, 2009.

¹⁰ The amounts listed for this line item do not include funding from the federal social services block grant (SSBG), but rather reflect *only* state funds. The Department of Social Services expects that approximately the same amount of federal funding will be available for state-funded centers in FY10 and FY11 as was available in FY09 (\$15.70 million), according to a September 2, 2009, email from Peter Palermino, Program Manager at the Connecticut Department of Social Services.

¹¹ Although "Community Plans for Early Childhood" was not an independent line item in FY 09, the Early Childhood Education Cabinet used \$578,036 from the Preschool Quality Rating System line item for this purpose.

¹² Although the FY 09 appropriation for the Early Childhood Advisory Cabinet was \$1.05 million, the Cabinet was permitted to roll forward \$280,000 from FY 08 and was allowed to include in its budget the \$2.5 million from the Preschool Quality Rating System line item, for a total budget of \$3.83 million. The \$2.49 million stated here represents the portion of the total \$3.83 million that the Cabinet expended. Note that this \$2.49 million includes the \$578,036 for Community Plans for Early Childhood which is also listed separately on our chart.

¹³ The "Office of Early Childhood Planning, Outreach, and Coordination" is an unlisted component of the "Personal Services" line item in the State Department of Education agency budget. Call with Sarah Bourne, Connecticut Office of Fiscal Analysis, October 13, 2009.

¹⁴ Funding for this Office was not included in the Governor's proposed midterm budget. Call with Sarah Bourne, Connecticut Office of Fiscal Analysis, February 3, 2010.

¹⁵ Loss of funding for the Office of Early Childhood Planning, Outreach, and Coordination was confirmed by an email from Emily Shepard, Connecticut Office of Fiscal Analysis, May 12, 2010.

¹⁶ In 2008, this line item was split between several projects – about 60% goes to before and after school programs, about 17% is spent on state-funded centers, about 16% goes to 211 child care, and about 6% is spent on the state-wide newsletter. Phone call with Peter Palermino, Connecticut Department of Social Services, July 9, 2008. Note that the state-wide newsletter has since been eliminated.

¹⁷ Funding for the Children's Trust Fund is found within both the Children's Trust Fund Council and Department of Social Services agency budget. Call with Joan Soulsby, Connecticut Office of Fiscal Analysis, November 30, 2009.