

Testimony Regarding H.B. 7006: AN ACT RESTORING OVERSIGHT OF THE CARE 4 KIDS PROGRAM TO THE DEPARTMENT OF SOCIAL SERVICES AND ALLOWING FOR THE TRANSFER OF FEDERAL BLOCK GRANT FUNDS TO THE PROGRAM.

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Human Services Committee
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Representative Abercrombie, Senator Moore, Senator Markley and members of the Human Services Committee,

I am submitting this testimony today on behalf of Connecticut Voices for Children, a research-based child advocacy organization working to ensure that all Connecticut children have an equitable opportunity to achieve their full potential.

H.B. 7006 - Restoring the Care 4 Kids Program to the Department of Social Services (DSS) proposes to transfer Care 4 Kids from the Office of Early Childhood (OEC) to the Department of Social Services. Connecticut Voices for Children opposes this move.

We appreciate the concerns about funding that motivated this bill. We are also concerned about the closing of Care 4 Kids to new families in two out of the five categories covered by Care 4 Kids. We respect the interest in using TANF funds to help fully fund Care 4 Kids.

However, the “solution” to move Care 4 Kids to DSS harms the long-term goal of providing coherent, coordinated, affordable high quality child care to all children in Connecticut in exchange for potential short-term increases in funding from DSS.

We are skeptical that this move from OEC to DSS will make Care 4 Kids stronger.

- **First, Care 4 Kids should stay in the OEC to ensure a unified quality early care and education system that integrates the wide variety of child care and preschool programs in Connecticut.** We need to give the OEC time to fulfill this mission.
- **Second, the history of support for Care 4 Kids under DSS suggests that Care 4 Kids enrollment and funding could be at risk if Care 4 Kids moves to DSS.** It is important to note that the largest drop in Care 4 Kids availability in the last two decades occurred in 2004 when Care 4 Kids was under DSS (see figures 1 and 2). Before Care 4 Kids moved to OEC, there were dramatic fluctuations in eligibility requirements under DSS that led to notable fluctuation in enrollments (see examples in table 1). In addition, it is important to note that DSS has moved funds both into and out of Care 4 Kids when Care4Kids was under DSS (see table 2). Placing Care 4 Kids under the OEC has helped ensure that funds for early care and education are protected and cannot be moved away from child care and pre-school supports into other programs.

Past experience of Care 4 Kids under DSS shows that the program would remain vulnerable. For example, under DSS the program saw severe cuts between 2002 and 2005, when the program was previously closed; enrollment dropped by half. Access to TANF funding would likely prove elusive in a context of diminishing federal funding and competing priorities.

The OEC was created with the aim of consolidating under one roof the dizzying variety of programs and funding streams related to early childhood in the state. By creating an agency that could look at the system as a whole, blending and braiding funding streams to make more efficient use of existing resources. Moving Care 4 Kids back to DSS would weaken this structure, and the early care and education system as a whole.

Before the creation of the OEC we had a disjointed system. One system (Care 4 Kids), focused on the needs of working parents. The other system (School Readiness and other programs), focused on the needs of children.

Care 4 Kids was focused on the needs of parents in that it provided child care subsidies as a form of work support for low-income parents. These programs did not have sufficient quality controls to ensure safe and quality child care.

In contrast programs such as School Readiness focused on children's needs by providing quality early care and education to help children develop and be better prepared to enter Kindergarten. However, these programs failed to meet parent needs. The schedules often were not designed to meet the needs of working parents and often parents and/or providers had to use a multitude of programs to make certain that children could have adequate quality pre-school and child care.

OEC was created to ensure a coordinated system that would meet the needs of both parents and children. Progress has been made with the dramatic expansion of basic quality monitoring, supports to help programs meet the highest quality standards, the creation of a uniform data system, and the beginning of efforts to blend and braid existing programs. There is more work to be done but the creation of an integrated system of early care and education takes time. We need to give the OEC time to fulfill its mission of creating a coordinated and quality early care and education that meets the needs of both parents and children.

Last, we believe that we need to preserve the OEC *and* find additional funds for Care 4 Kids. We encourage the State of Connecticut to find additional sources of revenue for the OEC to ensure high quality care and education for all children.¹

¹ Connecticut Voices for Children has researched a wide variety of revenue options. See our *Revenue Options are Key to Addressing Budget Shortfalls and Supporting Thriving Communities* http://www.ctvoices.org/sites/default/files/Revenue%20Options%202017_0.pdf

Figure 1: Number of Infants and Toddlers Served in State- and Federally-funded ECE Programs

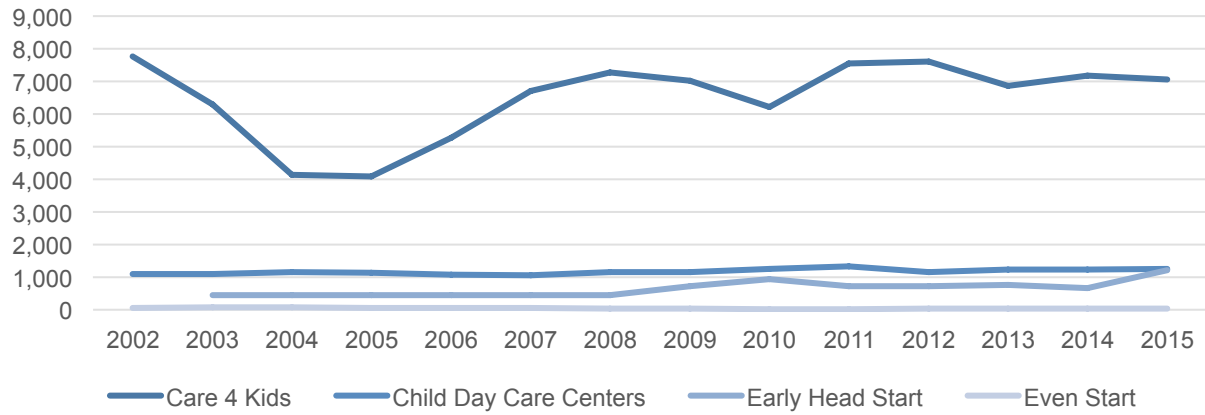
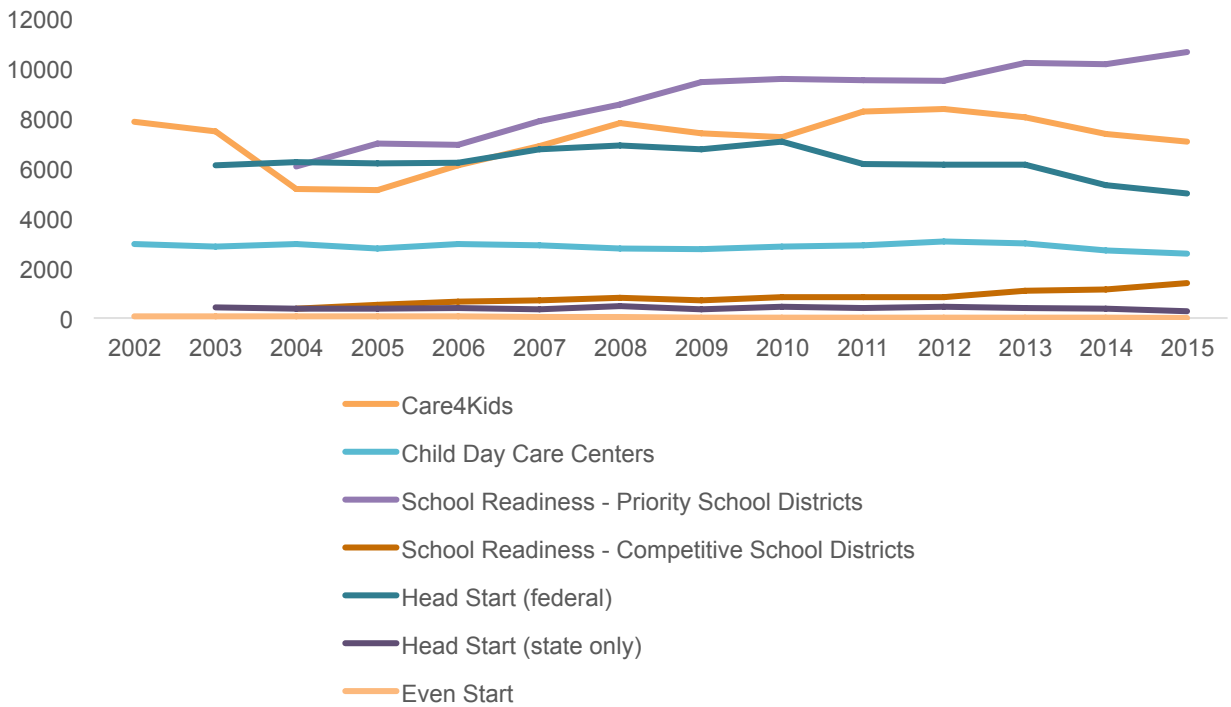


Figure 2: Number of Preschoolers Served in State-and Federally-funded ECE Programs



Source for Figures 1 and 2: <http://www.ctvoices.org/ctvoices.org/state-early-childhood-2015>

Table 1: Select Years with Changes in Care4Kids Eligibility under DSS from 1988-2004 (Federal limit allows up to 85%)

Year	Income Limit (% of SMI)
1988	TFA Families and Working Families up to 55%
1991	TFA Families and Working Families up to 70%
1992	TFA Families and Working Families up to 75%
2002	TFA Families Only
2003	TFA Families Only
2004	TFA Families and Working Families up to 50%

Source: <http://www.ctvoices.org/publications/erosion-child-care-funding-working-families-connecticut>

Table 2: Transfers of Funds out of and into Care 4 Kids from 2006-2016

Agency	Fiscal Year	Original Appropriation	Adjustment
Department of Social Services	06	68,579,793	5,100,000
Department of Social Services	07	71,220,228	12,300,000
Department of Social Services	08	89,985,229	9,800,000
Department of Social Services	09	93,118,727	-
Department of Social Services	10	103,872,455	(10,300,000)
Department of Social Services	11	103,415,536	(4,500,000)
Department of Social Services	12	97,598,443	3,600,000
Department of Social Services	13	104,440,819	(6,487,321)
Department of Social Services	14	98,967,400	3,000,000
Department of Social Services	15	-	-
Office of Early Childhood	15	116,717,658	(5,835,882)
Office of Early Childhood	16	120,930,084	2,900,000

(Note: In the adjustment line, the number in parentheses are payments out of Care 4 Kids to other programs and numbers without parentheses are payments into Care 4 Kids)

Source: Correspondence with Alexander Romanowicz from Office of Fiscal Analysis of Connecticut General Assembly