



**Testimony Supporting the Governor's Proposed Budget Revisions  
for the Office of Early Childhood in FY 2019**

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Appropriations Committee  
February 22, 2018

Good evening Senator Osten, Senator Formica, Representative Walker, Representative Ziobron, and esteemed members of the Appropriations Committee:

My name is Nicole Updegrove, and I am testifying 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. Thank you for the opportunity to testify today. **I am here to voice my support for the Governor's proposed budget adjustments for the Office of Early Childhood and to urge the Legislature to adopt one further revision: adding new federal Child Care Development Block Grant money for child care subsidies while maintaining state funding at the current level.**

The Office of Early Childhood (OEC) supports children and families for five critical years with state funding at less than ten percent of the budget for the State Department of Education. The agency's responsibilities include licensing thousands of child care centers and home child care providers, providing state-funded child care and preschool,<sup>1</sup> administering the child care subsidy for low-income parents, and coordinating an array of home visiting programs and other supports for young children and their families.

We commend the Governor for protecting early childhood from new cuts in Fiscal Year 2019 (FY 19). Ensuring that families can find affordable child care when they need it is essential to strengthening Connecticut's workforce today, and supporting the social and emotional development of our young future leaders is critical to building our state's prosperous future. The OEC coordinates a whole network of early childhood supports that work together to support the whole family; cuts to any part of this system inevitably damage the others.

Connecticut's early childhood system is still struggling after the fifteen-month closure of Care 4 Kids. Care 4 Kids is a child care subsidy for low-income working families that constitutes a critical part of our early childhood system: unlike slot-based early care and education programs like School Readiness or Head Start, Care 4 Kids helps families access the child care they need all throughout Connecticut, regardless of where they live. In 49 percent of towns (for example, Glastonbury, Montville, Old Lyme, and East Haddam), Care 4 Kids is the only state support for child care.<sup>2</sup> In 2016, the federal government issued an unfunded mandate to improve continuity of care for child care subsidy recipients. In the absence of new funding to meet these heightened requirements, Connecticut had to close the Care 4 Kids child care subsidy to new enrollments.

During the enrollment closure, the program shrunk from a high of 15,594 infants, toddlers, and preschoolers in August of 2016 to a low of 9,023 in October of 2017 (see graph in the Appendix of this document).<sup>3</sup> Child care providers in low-income areas report that the subsidy closure threatened the viability of their businesses: 54 percent of surveyed providers reporting financial difficulties after the program closure; 19 percent closed classrooms, and 24 percent reported laying off staff.<sup>4</sup> Between FY 15 and FY 17, the number of center-based program closing entirely each year tripled.<sup>5</sup> The closure of child care classrooms and providers has eroded our early childhood infrastructure, making it more difficult for families across the income spectrum to find care.

**Even now that the program has been reopened, Care 4 Kids does not have the funds to maintain previous caseload levels and has never had sufficient funds to fully implement 2016 federal requirements** regarding paying local market rates or graduated phase-out for families emerging from poverty. Under the status quo, too many families still face unaffordable child care costs even with subsidies; moreover, in the event that their incomes do increase, families face steep benefit cliffs when they pass fifty percent state median income.

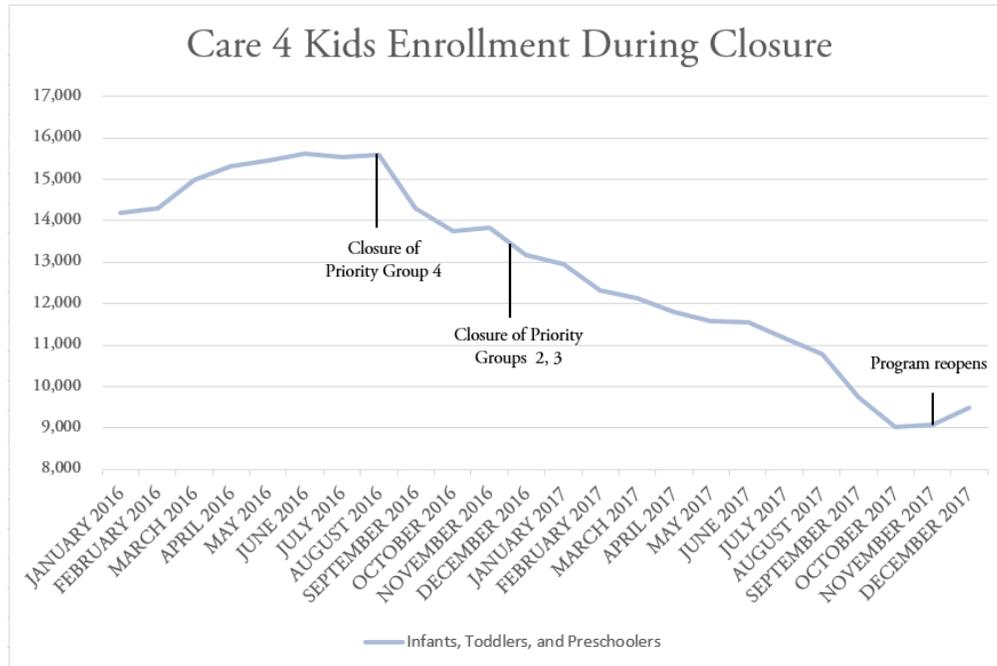
At the same time, other cuts and lapses have damaged other interconnected early childhood services. Small cuts and delayed funding to programs such as Family Resource Centers, Head Start, and Help Me Grow have chipped away at the wrap-around programs that meet children's needs in and outside the classroom.

Between the release of the Governor's proposed budget adjustments and today, Congress voted to double the discretionary funding of the Child Care Development Block Grant (CCDBG), which funds the federal portion of Care 4 Kids. Connecticut will receive an estimated \$18.4 million in new federal funds for child care subsidies for each of the next two years:<sup>6</sup> a 14.7 percent increase over budgeted funding levels in Fiscal Year 18. **Historically, federal appropriations legislation has required that CCDBG funds be used to supplement - not supplant - state funding.**<sup>7</sup> This increased federal funding should help states meet the federal mandate to provide the heightened continuity and quality of care that families need.

We urge the Legislature to support the Governor's recommendations for the early childhood budget, with the addition of new federal funds through the Child Care Development Block Grant. We commend the Legislature for increasing state funding for Care 4 Kids last session and urge this Committee to maintain state funding at this level. Receipt of new federal funds should not be used as a reason to reduce the state portion of child care subsidy funding. **These new federal funds will allow our subsidy program to meet federal requirements for continuity of care, help rebuild fragile provider infrastructure, and most critically, to ensure that families and children get the care they need when they need it.**

Thank you for the opportunity to testify on the Governor's proposed changes to the FY 19 budget for the Office of Early Childhood. I am happy to answer questions, and I can be reached with any questions at [nupdegrove@ctvoices.org](mailto:nupdegrove@ctvoices.org) or at 203-498-4240, ext. 107.

## Appendix



The graph above shows the contraction of over 40 percent in the number of infants, toddlers, and preschoolers attending child care using a Care 4 Kids child care subsidy after the program closed to new enrollments in August 2016. Source: CT Voices analysis of Care 4 Kids monthly reports, available online at <http://www.ctcare4kids.com/care-4-kids-program/reports/>.

<sup>1</sup> Programs include Child Day Care Centers, School Readiness, Head Start, Even Start, and Smart Start.

<sup>2</sup> Long, D and Updegrove N. (2017) "Care 4 Kids in Connecticut: Impact of Program Closure on Children, Parents, and Providers." Connecticut Voices for Children. Retrieved from: <http://www.ctvoices.org/sites/default/files/Care%204%20Kids%20Brief%20-%20TFinal.pdf>.

<sup>3</sup> CT Voices analysis of Care 4 Kids enrollment data, available online at <http://www.ctcare4kids.com/care-4-kids-program/reports/>.

<sup>4</sup> Connecticut Association of Human Services and Connecticut Early Childhood Alliance. (2017). "Care4Kids Policy Brief." Retrieved from: [https://d3n8a8pro7vhmx.cloudfront.net/ctassetbuilding/pages/555/attachments/original/1503504111/Care4Kids\\_July\\_2017\\_Policy\\_Brief.pdf?1503504111](https://d3n8a8pro7vhmx.cloudfront.net/ctassetbuilding/pages/555/attachments/original/1503504111/Care4Kids_July_2017_Policy_Brief.pdf?1503504111).

<sup>5</sup> Updegrove, N, Long, D, and Ruth L. (2017). "The Changing State of Early Childhood 2016 – 2017." Connecticut Voices for Children. Retrieved from: <http://www.ctvoices.org/publications/changing-state-early-childhood-2016-2017>.

<sup>6</sup> Matthews, H. (December 2017). "Democratic Proposal Would Expand Child Care Assistance to Nearly 230,000 Children." Retrieved from: [https://www.clasp.org/sites/default/files/publications/2017/12/2017\\_democraticproposalwould.pdf](https://www.clasp.org/sites/default/files/publications/2017/12/2017_democraticproposalwould.pdf)

<sup>7</sup> "The Consolidated Appropriations Act, 2017, (P.L. 115-31) appropriates \$2.856 billion for CCDBG, the Discretionary portion of CCDF funds. The law requires that the entire amount of CCDBG funds be used to supplement, not supplant, State general revenue funds for child care assistance for low-income families." Administration for Children and Families Office of Child Care. (2017). Retrieved from: <https://www.acf.hhs.gov/occ/fiscal-year-2017-federal-child-care-and-related-appropriations>.