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TESTIMONY BEFORE THE APPROPRIATIONS COMMITTEE SUPPORTING INCREASED FUNDING FOR THE OFFICE OF EARLY CHILDHOOD February 24, 2014

Good evening, Senator Bye, Representative Walker and esteemed members of the Appropriations Committee. My name is Tamara Kramer and I am a Policy Analyst at the Connecticut Association for Human Services. CAHS works to reduce poverty and promote economic success both through policy and program work.

I am here today to testify in strong support of the Governor's FY 15 proposed budget adjustments as they relate to the state's early care and education programs. These appropriations are intended to improve access to, and the quality of, the early care and education programs here in the state -- programs that have the potential to be the foundation for future academic and personal success for many of our most vulnerable infants, toddlers, and preschoolers. This increase in funding reverses a recent decline in both the state's overall investment in early childhood programs and a decrease in the number of children who were receiving subsidies for early care and education. The Governor's proposed budget, which provides additional funding both for new program slots and increased rates for providers, demonstrates an understanding of the importance of children not just being in an early care and education program, but programs that provide a high-quality early childhood experience.

i. Complete the Establishment of the Office of Early Childhood

Although we are in strong support of the Governor's proposal to increase funding, and his goal of reaching universal access to early care and education programs, we know that success of such a rollout will require thoughtful and strategic planning. It is therefore critical that this legislature complete the establishment of the Office of Early Childhood (OEC). In its current form, the OEC exists through a combination of an Executive Order and fund allocations from the FY 14-FY 15 budget that was passed at the end of last year's legislative session. Senate Bill 25, which was introduced by House and Senate Leadership earlier this month, would codify the OEC and charge this new office with developing both a plan for a coordinated early childhood education structure and a comprehensive early childhood information data system. We hope that with the permanent creation of this office we will finally be able to address the complicated and fragmented nature of the programs and services we offer to our youngest children and their families.

ii. Support Universal Access to High-Quality Preschool Experiences

We were thrilled when the Governor announced that he would be spearheading a four-year plan designed to get the state to universal preschool access. The plan, as announced, will give all children the ability to have a preschool experience, regardless of family income. Although the Governor's budget adjustments are limited to FY 2015, he has announced a plan to generate 4,000 additional seats in School Readiness classrooms and Child Development Centers by 2019. FY 2015 has funding to support the creation of 1,020 of these 4,000 new slots. In addition, \$2.3 million of carry-forward money has been earmarked for the creation and expansion of early childhood classrooms to make room for these new children.

As the Governor's office and this committee moves forward on this expansion, we strongly encourage that funding remain flexible so the OEC can invest not only in additional slots, but in the personnel and services that will allow for the maintenance and improvement of the quality of the state's early care and education programs.

iii. Increase Care4Kids Rates to Support Families & Providers

The Governor's proposal of a 3% increase in Care4Kids rates for licensed centers and family childcare providers, retroactive to January 2014, marks the first raise in 13 years. The Governor has also included an increase in rates for kith and kin providers to one-third of the current minimum wage. Prior to the announced increase, the Care4Kids program was reimbursing providers and centers at rates that were at the 60th percentile of a 2001 market rate study. Low and inadequate reimbursement rates in the Care4Kids program are harmful to both families and providers. Families are limited in their ability to select between programs, and rarely have access to high quality care and education. Providers, who are small business owners, are limited in their ability to make investments, and often are pushed out of the industry due to the insufficient compensation of the Care4Kids program.

The proposed Care4Kids rate increases are primarily a result of a successful union negotiation between the providers, kith and kin recipients, and the state. The negotiated contract will come before the legislature for approval this session. The Governor has also included an additional \$3 million in his budget to support an estimated increase in the Care4Kids caseload. These increases are long overdue, and these more competitive rates are critical to attracting additional high quality providers to the Care4Kids program.

iv. Increase Support for the Early Childhood Workforce

In 2011, Connecticut enacted legislation that requires that early childhood teachers meet higher standards of educational attainment over a period of nine years – with a requirement that by 2020 one-hundred percent of early childhood teachers in state funded programs hold a B.A. degree. However, the numbers from our state colleges show that too few teachers are graduating with degrees to meet the demand. This is further complicated by the fact that early childhood teachers and aides continue to be among the lowest paid workers in Connecticut, with many of these professionals relying on state and federal assistance programs (such as SNAP and Medicaid) to supplement low wages. Low compensation makes it difficult for early care and education providers to both attract and then retain staff. It is particularly difficult to retain

an individual once they have a degree, as compensation is much higher in the public school system for comparable teaching positions.

The Governor took small steps towards addressing this problem by including a 3 percent rate increase in the School Readiness programs (the increases in the Care4Kids program are similarly intended to address quality and insufficient compensation). We also believe that the Governor intended to include a 3 percent increase for the State Funded Centers; however the increase was erroneously calculated on only the state half of the total allocation to the State Funded Centers, the other half coming from a federal block grant that does not appear in the state budget. We hope this committee can provide parity, and remedy the calculation error, by providing for an additional \$500,000 in the Child Care Services line ítem.

In providing rate increases, the Governor's proposed budget adjustments acknowledges the issues facing the early childhood community. We applaud these increases and recognize that increased funding for providers is a strong first step towards a sustainable and well-educated workforce.

We would like to thank this Committee for its continued support of our state's youngest children. We look forward to working in collaboration with the Committee and the Governor as we strive towards the goal of a high-quality early childhood experience for each and every young person in Connecticut.

I thank you for your consideration and would be happy to answer any questions you may have.