

**Testimony of Beth Bye, Commissioner, Office of Early Childhood  
Before the Appropriations Committee  
H.B. 6864 - An Act Concerning the State Budget for the  
Biennium Ending June Thirtieth, 2027, and Making Appropriations Therefor  
Thursday, February 20, 2025**

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Good morning, Senator Osten, Representative Walker, Senator Somers, Representative Nuccio and distinguished members of the Appropriations Committee. I am Beth Bye, Commissioner of the Office of Early Childhood (OEC). I am here today to testify in support of the Governor's proposed budget, H.B. 6864 - An Act Concerning the State Budget for the Biennium Ending June Thirtieth, 2027, and Making Appropriations Therefor.

The earliest years of a child's life shape who that child will grow up to be, affecting their future health, education, and success. The Office of Early Childhood focuses on children from birth to age 5. Helping young children learn, develop, and overcome barriers will have benefits that last a lifetime. A key part of our work is supporting the providers, teachers, and other professionals who have dedicated their careers to caring for and educating children.

The Governor's budget for the Office of Early Childhood demonstrates the state's ongoing commitment to our youngest children. In his budget address, the Governor announced a historic action by establishing a Universal Preschool Endowment that over time will make preschool accessible and affordable for families. Funding for the Universal Preschool Endowment would be accomplished through transfers of available General Fund operating surplus. This investment builds on the recommendations of the Governor's Blue Ribbon Panel on Child Care, which brought together voices from across the industry, parents, businesses, and government, to provide a strategic roadmap to guide ongoing investments in child care and early education.

In this testimony before your Committee, I will address the specific funding expansions, adjustments, reallocations, and reductions for the OEC's early childhood services and agency supports in H.B. 6864.

The Governor's budget provides a 4 percent rate increase for Early Start CT contracted providers. Early Start CT, effective July 1, 2025, combines the School Readiness, Child Day Care, and State Head Start Supplement funding streams. The rate increase of \$8 million in FY 27 builds upon rate increases and recommendations in the Blue Ribbon Panel report to help improve hiring and retaining child care staff.

The budget also funds the third year of Care 4 Kids negotiated rates, which increases reimbursement rates by 11 percent for licensed family child care providers and 6 percent for unlicensed relatives care to comply with federal Child Care Development Fund (CCDF) requirements. These rate increases infuse \$35,130,600 in FY 26 and \$38,400,000 in FY27 into the state's Care 4 Kids child care subsidy program.

The private provider increase is annualized totaling \$5,830,131 in FY26 and FY27. This increase will support Early Start CT, home visiting providers, and Birth to Three contracted providers.

The budget maintains and expands funding for Smart Start for Recovery by \$3 million in FY27. Smart Start for Recovery was supported with ARPA funds that added 16 public school preschool programs, serving 240 children, to the OEC's existing Smart Start program. This funding also increases the per classroom payment from \$75,000 to \$97,500 to help support the operations and expenses.

Funding is provided to implement the Birth to Three tiered rate system recommended by the Birth to Three Medicaid rate study report at an increase of \$6 million to OEC in FY27. Birth to Three service providers are funded through a fee-for-service payment structure that pays providers based on the individual services provided for the family. Using data from market salary analysis, cost reports, personnel rosters, and time studies the study recommended new rates that would compensate early intervention programs at levels that are more competitive with equivalent markets in Connecticut and the New England region.

This increase and implementation of a tiered rate system will help fiscally stabilize the Birth to Three field, support best practices in service delivery, pay staff based on credentials, and help to recruit and retain the workforce. With the establishment of a tiered rate model, the existing General Administrative Payment (GAP) will be adjusted to the reduction in GAP in the proposed budget.

Funding is provided for the Sparkler mobile app in FY27 in an amount of \$2 million to ensure the innovative application remains free and available to families. Sparkler mobile application helps families and early childhood educators monitor children's developmental milestones and provides ideas to promote learning at home. Parents can download the Sparkler app to complete the Ages & Stages Questionnaires® (ASQ-3 and ASQ-SE), answering questions about their child's development and social emotional growth. Results of the ASQ-3 and ASQ-SE indicate whether further evaluation is needed to determine if a child has a delay or disability and/or qualifies for intervention services such as Birth to Three or Preschool Special Education. If further evaluation is needed or if families have questions about their child's development, they are referred to Help Me Grow for personalized support through connection to services and case management.

The proposed budget also provides \$1.8 million in FY27 for Family Bridge, the state's first universal nurse home visiting pilot. This pilot program is for families with new babies, offering the family access to a Registered Nurse and certified Community Health Workers. Family Bridge launched at Bridgeport Hospital in October 2023, expanded to include St. Vincent's Medical Center in May 2024, and is currently launching at Backus Hospital in Norwich.

Funding of \$1.6 million is provided in the Other Expenses account in FY 27 to fund the continuation of the Tri-Share program. This is a new program, as recommended in the Blue Ribbon Panel report, where business, parents, and the state share the cost of child care for a participating family. Tri-Share is in the development stages with nonprofit and business partners in southeastern Connecticut. PA 24-91 established the program

and requires it be run for at least two years. The program's initial funding was provided through \$1.8 million in ARPA.

Funding is maintained with \$5 million in Other Expenses in FY27 to support the final phase of the five-year Start Early- Early Childhood Developmental Initiative. This initiative is a study of the impact of early care and education from infancy to age five to better understand the components of high quality infant/toddler care, the importance of supporting families, and the impact of the ecosystem in which a child develops. Based on the science of "whole child: whole family" services, the intervention brings comprehensive family services to community-based child care settings, both center and family child care.

There are a few reallocations in the proposed budget for the agency. Funding to support the Capitol Child Development Center with \$263,000 in FY26 and FY27 is transferred from the Office of Legislative Management to the OEC. Funds in the amount of \$750,000 are transferred from the Early Care and Education account to the Head Start Services account. This transfer will support an additional 90 spaces under the State Head Start Supplement grant.

For FY26 and FY27, \$1 million in Part B funds are transferred from the State Department of Education to the OEC Birth to Three program to allow our agency to carry out Part B responsibilities consistent with the Individual Disabilities Education Act (IDEA). This transfer is implemented each year.

The proposed budget annualizes existing wage agreements totaling \$384,347 in each fiscal year. In addition, there is a \$600,000 reduction in the agency Personal Services line item for staffing.

In closing, I want to thank the Appropriations Committee for its long-standing investment in our youngest children and their families. Our agency is committed to working together to better serve young children and their families.

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*The Connecticut Office of Early Childhood advances a two-generation family-centered approach in our pursuit of optimal health, safety, and learning outcomes for young children. Through our core programs, we support infant and toddler care, preschool, after-school care, child care and youth camp licensing, home visiting, and early intervention to address developmental delays. OEC is working toward better-coordinated, cost-effective services that support Connecticut's youngest children and families.*