Good afternoon Senator Leone, Representative Boukus and members of the General Bonding Subcommittee of the Finance, Revenue and Bonding Committee. I am Pietro Rosato, Chief of Business Operations for the Office of Early Childhood. I am here today to provide information about our bonding activities and to answer any questions. Commissioner Jones-Taylor sends her regrets as she is not available to attend today’s hearing.

The Office of Early Childhood (OEC) was established by Executive Order #35 in June of 2013. In the 2014 legislative session, the OEC was statutorily established thanks to approval from the General Assembly. The mission of the OEC is to support all young children in their development by ensuring that early childhood policy, funding and services strengthen the critical role families, providers, educators and communities play in a child’s life.

The document supplied by the Office of Fiscal Analysis provides information about our two major bond programs: Minor Capital Improvements and Smart Start.

I will first provide an overview of our Minor Capital Improvement programs. These are grants-in-aid to municipalities and nonprofit organizations for our two major early care and education programs, School Readiness and Child Day Care Centers. These grants make it possible for these programs to make minor capital facilities improvements. The grants are currently capped at $95,000. Examples of minor capital improvements include security system upgrades, playground surfacing, ADA compliance, cooling and air ventilation, door and window replacement, and roof replacement.

The bond funding for Wiring and Technology and Minor Capital Improvements and were combined in the OEC’s most recent RFP. Examples of uses under wiring and technology include upgrades to network infrastructure, updates to voice technology, cabling to allow for high-speed and secure Internet access and upgrades to electrical systems to support increased technology usage.
The demand for this bonding is high as Early Care and Education providers have a substantial need for improvement to their facilities and technological capabilities. The funding granted to these programs enhances the health and safety of our youngest children. The OEC thanks the General Assembly for establishing this bond program and for approving bond proposals for early care and education programs.

The grantees included the first two cohorts are listed in Appendices G and H. In addition, the handout provided further outlines the bond funding received in Cohorts 1 and 2 and details the categories that this funding will be used to support. The funding status of each cohort is explained on page 2.

Also provided is a list of grantees that were approved by the Bonding Committee on Tuesday, March 17, totaling $7,454,986, for Cohort 3. The RFP process for this phase will begin this summer.

Our other major bond program is the Smart Start program. The Smart Start program was established in the 2014 legislative session. This is a competitive grant program for public schools that demonstrate an unmet need to provide preschool for eligible 3- and 4-year-olds.

A total of $105 million is authorized over 10 years for capital expenses for the Smart Start program; $15 million in FY15 and $10 million annually from FY16 to FY24. The Governor’s FY16 budget proposal reduces the bonding from $10 million to $5 million. This reduction does not cause a problem because bond requests for this fiscal year came in far under $5 million as the information contained on page 20 of the OFA report shows.

To date, 22 public school districts applied for Smart Start funding for both capital and operating support and of those district, 14 of them received awards for 2015. The Smart Start bond funds can be used for making minor facility improvements and to ensure the classroom is appropriate for 3- and 4-year-old children.

Thank you for the opportunity to come before you today.

I would be happy to take any questions.