



Dannel P. Malloy  
Governor  
Nancy Wyman  
Lt. Governor

# STATE OF CONNECTICUT

## OFFICE OF EARLY CHILDHOOD



Connecticut Office of  
Early Childhood

Linda Goodman  
Acting Commissioner

**Testimony of Linda Goodman, Acting Commissioner  
Office of Early Childhood  
Before the Appropriations Committee  
Re: HB 7207 - An Act Concerning the State Budget for the Biennium Ending June  
Thirtieth 2019, and Making Appropriations Therefore  
Tuesday, February 21, 2017**

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Good morning Senator Osten, Representative Walker, Senator Formica, Rep. Ziobron and distinguished members of the Appropriations Committee. I am Linda Goodman, Acting Commissioner of the Office of Early Childhood (OEC). I am here today to testify before this committee concerning the Governor's FY 18-19 budget plan.

The Governor is faced with a daunting task of balancing a budget in extremely difficult state fiscal times. We cannot spend more dollars than we bring in to state government and the Governor's budget reflects that economic reality. We are committed to preserving the agency's following core services:

- Protecting the health and safety of children in child care and camp settings
- Promoting parent information and referral support
- Providing family support through home visiting services
- Delivering affordable, accessible and high quality early care and education
- Building a quality improvement system to support early childhood providers

Over the past biennium, the Office of Early Childhood has made progress in expanding services to children, improving quality of services, and bringing efficiencies to the agency. I will highlight a few examples of the positive strides we have made over the last two years.

- The OEC has expanded pre-k opportunities for 714 3- and 4-year-old children in 24 communities through our Smart Start program.
- We secured a \$48 million federal Preschool Development grant in 2014 and are now serving 730 4-year-old children in 13 communities.
- Our family support division successfully secured the federal Maternal Infant Early Childhood Home Visiting (MIECHV) grant and most recently a MIECHV innovations grant for workforce development among home visitors.

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- The agency has worked diligently to meet the challenging new federal Child Care Development Fund (CCDF) requirements and we are successfully meeting the compliance deadlines to maintain the federal funding.
- As one component of the new CCDF requirements, we have begun to conduct health and safety checks for the first time ever for license-exempt programs, including public school and municipal programs.
- Our licensing division is now conducting annual unannounced licensing inspections to ensure the health and safety of our young children. The licensing division conducts more than 7,000 initial inspection and follow-up compliance visits to programs each year.
- Working with the Home Visiting Consortium, we are well on our way to implementing the provisions of Public Act 13-178 and 15-45 for a common referral process, core knowledge and competencies, standards, outcomes, and coordinated training.
- The OEC has significantly streamlined processing of the early care and education scholarships through a LEAN process.
- Working closely with our Care 4 Kids vendor, the United Way of Connecticut, we have modernized the application, invoicing, and payment process, yielding cost savings.

I will now turn to the Governor's proposed budget. State funding in the Office of Early Childhood is reduced by approximately \$54 million in FY18 and \$62 million in FY19. This leaves total agency state funding at \$250 million in FY 18 and \$242 million in FY19. I will lay out the reductions and reallocations in the Governor's budget plan.

Care 4 Kids funding is reduced by \$7.4 million in FY18 and \$12.6 million in FY19 for a total appropriation of \$114,730,084 in FY18 and \$109,530,084 in FY19. This will require keeping Priority Groups 2, 3 and 4 frozen to new applicants until the middle of FY19. Priority Group 2 is for parents who have been enrolled in the Temporary Family Assistance (TFA) in the past five years. Priority Group 3 is for teen parents, age 18 and 19 years old, who are attending school. Priority Group 4 is for low-income working parents earning under 50 percent of the State Median Income.

The budget plan eliminates funding for the following programs: Healthy Start, Community Plans for Early Childhood, Improving Early Literacy, Even Start and Help Me Grow yielding a reduction of \$2,343,902. State-funded Head Start funding is reduced by \$557,184.

The Governor's plan transfers the Individuals with Disabilities Education Act (IDEA) Infant Toddler program, which in Connecticut is known as Birth to Three, from the OEC to the Department of Social Services (DSS). On July 1, 2015, the Medicaid portion of Birth to Three was transferred from the Department of Developmental Services (DDS) to DSS and the non-Medicaid portion of Birth to Three was transferred from DDS to OEC. The budget proposal



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moves the balance of Birth to Three funding and staffing from OEC to DSS to align Medicaid funding and health services.

The budget also changes how the subsidized Child Day Care (CDC) centers are funded with federal dollars. Currently, the federal portion of funding for the CDC program is a 10% Temporary Assistance to Needy Families (TANF) transfer to the Social Services Block Grant (SSBG), which is administered by DSS. In turn, DSS transfers the dollars to the OEC. This SSBG/TANF transfer comes with federal restrictions, reporting requirements, and interagency transfers that are administratively burdensome. The Governor's proposed budget transfers 10% of TANF funding to the Child Care Development Fund (CCDF) rather than to SSBG, which will reduce administrative burdens.

Specifically, the state portion of funding for the subsidized CDC centers is reduced by \$7,735,567 in FY18 and \$10,314,089 in FY19 under the OEC Early Care and Education line item and is shifted to the federal CCDF to cover subsidized CDC centers. Therefore, there is no net impact on revenue and no reduction in CDC funding.

The Governor's budget plan funds three staff positions to process criminal background checks in order to comply with new federal CCDF requirements.

These are not easy economic times. I will work with my management team to come up with a plan to protect core services to the extent possible.

Thank you for the opportunity to appear before you today. I am here to listen to your thoughts and answer any questions both today and at the subcommittee meeting.

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