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STATE OF CONNECTICUT

OFFICE OF EARLY CHILDHOOD



Beth Bye
Commissioner

**Testimony of Beth Bye, Commissioner
Office of Early Childhood
Before the Appropriations Committee
H.B. No. 6659 - An Act Concerning the State Budget for the Biennium Ending
June 30, 2025 and Making Appropriations Therefor
Thursday, February 23, 2023**

Good morning, Senator Osten, Representative Walker, Senator Berthel, Rep. Nuccio; subcommittee members Senator McCrory, Rep. Felipe, Rep. McCarty; and distinguished members of the Appropriations Committee. I am Beth Bye, Commissioner of the Office of Early Childhood (OEC).

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. This past year, we revised our [mission, vision, and guiding principles](#) to reflect equity, social justice, and parent and community voice.

The Governor's FY24-25 budget proposal continues investments in high-quality early childhood services administered by the Office of Early Childhood. Significant increases are proposed for our state-funded child care programs, School Readiness and Child Day Care, and the Care 4 Kids child care subsidy program. Funding continues to support Birth to Three, Home Visiting, and for our smaller funding streams: Early Head Start – Child Care Partnership, Even Start, and 2Gen. The current budget funds needed services and adapts to post-COVID funding levels.

Care 4 Kids

The Governor's budget proposed to increase Care 4 Kids by 10% in both years of the FY24-25 budget. This leads to a \$14.2 million increase in FY24 and a \$53.3 million increase in FY25. In addition, to help keep families enrolled in Care 4 Kids, the Governor's budget adds \$35 million in federal relief funds in FY24. The rate changes are ongoing for Care 4 Kids and will give family child care homes and child care centers ongoing increases in funds per child. The rate increase will provide ongoing support, allow for programs to pay staff higher wages, and give parents better buying power, choice, and access to higher-quality programs.

State Funded Early Childhood Education

Recognizing the need to support and enhance our state-funded programs as we emerge from the challenges posed by the pandemic, the Governor's budget increases School Readiness and Child Day Care funding for full-day preschool from \$8,924 to \$10,500 per child - a 17.6% increase at a cost of approximately \$15.5 million, beginning in FY25. While, as discussed later in this testimony, these programs will be supported through one time initiatives in FY24, the FY25 increase will give programs ongoing increases that they can budget and use to improve staff salaries and meet other costs of operating.

Birth to Three

The Governor's budget maintains the \$5 million added for General Administered Payment (GAP) allocated in last year's budget. These funds end in FY25, as required by the legislation enabling these payments.

OEC is currently working with a contractor on a cost of care and rate analysis for the Birth to Three system. This study will consider costs of services, Medicaid reimbursement options, and the current landscape to with regards to Birth to Three reimbursements. That will inform any budget changes that may be needed in FY25. The Governor's budget also continues the policy of not charging parent fees to assure access to needed services by allocating \$1.5 million to the agency budget. Birth to Three is an entitlement program, and the state must make services available to children who qualify.

Parent Cabinet

In 2021, using Federal Preschool Development Grant Funds the OEC and parents designed and created an OEC Parent Cabinet. This statewide, diverse, parent-led body is made up of 12 regional representatives who meet monthly and advise the office on programs and policy. This state funding of \$250,000 in each fiscal year makes the OEC Parent Cabinet permanent and will cover the cost of a coordinator, outreach to local community parent ambassadors, and ongoing supporting expenses.

Updates on Various One-Time Initiatives

We also want to provide the Appropriations Committee an update on various one-time funding initiatives.

\$70 million in Child Care Wage Supports

OEC sent Round 1 of Wage Supports to the child care field beginning in the fall of 2022. Full-time staff members at licensed programs received a \$1,000 bonus and part-time staff, \$400 each. Round 2 will build in more equity and quality features to support workforce recruitment and retention. Currently, programs in the state have been notified to enter their staff in the ECE Registry to prepare for the release of the application for Round 2 in March. These funds will be fully expended by the end of FY23.

\$15 million for Child Care Facility Funds

OEC has identified a contractor through an RFP process to distribute these funds. The contract is nearly complete. As soon as complete, the contractor will begin an application process for facility improvements.

\$20 million Study of Infant/Toddler Care

OEC has a contract with UCONN for study design and OEC and UCONN are in conversations with a national early childhood research center to finalize design and launch this study. The timing of the funding gives Connecticut a unique opportunity to study the impact of infant and toddler programs as it coincides with the release of 1,300 new infant and toddler spaces funded in the FY23 budget. Different interventions can be layered onto new classrooms to understand what features of programs lead to optimal outcomes for children and families.

\$6.5 million in Child Care Apprenticeship Funds

OEC has rolled out more than \$2 million in agency ARPA funding for apprenticeship pilots in 8 communities. Reports are coming in from the first cohorts to complete training. OEC will use this to design an approach for the \$6.5 million of statewide ARPA funds in the coming 16 months, completing by end of FY24. Also, OEC has finalized an apprenticeship model with SEIU and Department of Labor for a class of 20 family child care apprentices, using the funds.

\$30 Million School Readiness

While rate increases for these programs will be implemented in FY 2025, OEC continues to operationalize the ARPA funding for School Readiness Allocated last session. OEC will release \$17 million in ARPA grants in the summer of 2023 to child care programs located in high Social Vulnerability Index (SVI) communities and child care deserts. The balance of the funding has already been distributed this fiscal year. Grants will follow formulas similar to our original stabilization grant program.

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 work together to better serve young children and their families.

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.