OFFICE OF EARLY CHILDHOOD 2025 LEGISLATIVE SESSION PUBLIC ACT SUMMARY CONCERNING EARLY CHILDHOOD

The following is a compilation of public acts passed during the 2025 regular legislative session concerning early childhood matters and/or impacting the Office of Early Childhood (OEC) operations. This is only a summary. These summaries are based on both the actual bill language and the bill analysis prepared by the General Assembly's Office of Legislative Research (OLR). The complete text of each public act can be reviewed and may be accessed on the Connecticut General Assembly's web site at cga.ct.gov.

P.A. 25-93 (S.B. 1) – AN ACT INCREASING RESOURCES FOR STUDENTS, SCHOOLS AND SPECIAL EDUCATION (Signed by Governor)

Section 1: Beginning July 1, 2025, the Early Childhood Education Endowment (ECE Endowment) is established. The Treasurer shall be responsible for the funds in the endowment. (*Effective from passage*)

Section 2: Annually, the estimated unappropriated general fund surplus, prior to close of the fiscal year, is moved into the ECE Endowment. For FY25, up to \$300 million will be added, and in future years, the full estimate of the amount of unappropriated surplus, (except if the Budget Reserve Fund is less than 18% of the General Fund appropriations, then the amount transferred shall be reduced to preserve 18% in the budget reserve fund) the entire amount shall be transferred to the ECE Endowment. (Effective from passage)

If, after the fiscal year closes and the Comptroller determines that a deficit will exist for the preceding fiscal year, the amount necessary to fund such deficit shall be deducted from the amount transferred in the preceding fiscal year. If such deficit exceeds the amount transferred, no additional funds from the endowment shall be used to fund the deficit. (Effective from passage)

Section 3: For FY26 and FY27, the Treasurer with the ECE Endowment Advisory Board shall annually authorize the release of funds from the ECE Endowment in an amount not to exceed 12 percent of the total amount deposited in the endowment to OEC. For FY28 and annually after, the Treasurer shall, in consultation with the ECE Endowment Advisory Board, annually authorize an amount not to exceed 10 percent of the total amount deposited in the endowment to OEC. (Effective from passage)

Section 4: This section defines expansion costs, programmatic costs, administrative costs. Any of the funds from the endowment spent by OEC shall supplement and not supplant any other

local, state, or federal funds available for ECE, cannot be comingled with any Care 4 Kids funds, and shall not lapse if not expended at the end of the fiscal year. (Effective from passage)

Section 5: For the fiscal year ending June 30, 2026, ECE Endowment funds can go to child care programs operated by public school districts if those programs receive financial assistance from Early Start CT, participate in the Elevate quality improvement system, and participate in the Child Adult Care Food Program (CACFP), unless they receive a waiver from OEC or is a public school offering free or reduced lunch. (*Effective from passage*)

Section 6: On and after July 1, 2027, any expansion of spaces in ECE programs paid for with funds from the ECE Endowment shall be at least 35% infant and toddler spaces. (Effective from passage)

Section 7: For FY28 and annually after, the family contribution for child care services provided by an early care and education program that receives ECE Endowment funds shall be:

- For a family making less than \$100,000 annually, there will be no charge for child care services.
- For a family making more than \$100,000 annually, the family shall pay a maximum of 7%
 of their annual household income, regardless of the number of children in the family
 enrolled in a child care program.

The amount collected shall be deducted from the overall rate paid by OEC to the program and shall be settled in reconciliation. (Effective from passage)

Section 8: The Early Childhood Education Advisory Board is established. The Advisory Board:

- provides oversight of the administration of the ECE Endowment
- ensures funds from the endowment are expended appropriately
- reviews reports and expenditure plans concerning the endowment submitted by the Treasurer and Commissioner of Early Childhood
- reviews and assesses the outcomes related to the expenditure of funds from the endowment, and
- prepares and submits reports and recommendations to the General Assembly concerning the administration of the endowment and permissible expenditure of funds from the endowment, including recommendations for expansion of permissible expenditures of funds from the endowment.

The OEC Commissioner or their designee, the representative, and the senator on the board serve as tri-chairs. The board shall meet by October 1, 2025, meet quarterly, and host an annual public hearing. The treasurer shall annually report actuarial charts to the board. No later than

Jan 1, 2026, and annually after, the board shall report to the Education, Children's, Appropriations, and Finance, Revenue and Bond committees on:

- the financial health and actuarial future of the endowment based on information received from the Treasurer
- the expenditures of funds from the endowment
- status updates of early care and education programs, early childhood educators, families and children served, and
- any recommendations for legislation.

(Effective from passage)

Section 9: OEC shall make recommendations to the Early Childhood Education Advisory Board on indicators for prioritization in a competitive procurement process when considering programs for expansion. (*Effective from passage*)

Section 10: No later than Jan 1, 2032, and every 5 years after, the OEC shall prepare an impact analysis on the ECE Endowment on the availability, affordability, and quality of child care in the state. (Effective from passage)

Section 11: After receiving the impact analysis from OEC, and consulting with the Treasurer on the solvency of the ECE Endowment, the Early Childhood Advisory Board shall submit reports, not later than January 1, 2032, to the Education, Children's, Appropriations, and Finance, Revenue and Bond committees. (*Effective from passage*)

Section 12: This is standard language on the Treasurer's permissions regarding overseeing a trust. (*Effective from passage*)

Section 13: This is standard language on the Treasurer's duties regarding overseeing a trust. (*Effective from passage*)

Section 14: Adds the ECE Endowment to the state's list of trust funds in statute. (Effective July 1, 2025)

Section 15: Establishes the Health Benefit Plan and subsidy for all early care and education program staff statewide. By Jan 1, 2026, the CT Health Insurance Exchange shall study the level of need for coverage under a health benefit plan for early care and education providers. For FY27, CT Health Insurance Exchange and OEC shall establish the health insurance subsidy program for employees of early care and education programs.

No later than May 1, 2026, the CT Health Insurance Exchange shall submit to the ECE Advisory Board recommendations for the subsidy funding amount to be available for FY27. On or before FY26, the ECE Advisory Board shall approve or modify such recommendation. OEC shall contract with community organizations to coordinate outreach activities regarding this subsidy and or Medicaid. (Effective July 1, 2025)

P.A. 25-82 (H.B. 5003) – AN ACT CONCERNING THE EARLY CHILDHOOD CARE AND EDUCATION FUND (Signed by Governor)

Section 1: Requires the Office of Early Childhood (OEC) to establish and maintain an electronic portal available through a mobile application and OEC's website that provides information on the availability of early childhood program slots in the state. The bill requires the portal to include, at a minimum: 1. a way for parents and guardians to submit information for referral and enrollment in an early childhood program; 2. a way for OEC to manage payments to early childhood programs; 3. information on slot availability in early childhood programs, including free or subsidized slots, in each town and on a regional and statewide basis; 4. a means for early childhood program providers to efficiently enter slot availability and enrollment information into the portal; 5. portal access through a mobile application or website; and 6. opportunities for families to apply for child care subsidies or other assistance.

In developing the portal, OEC must (1) enter into memoranda of understanding with other state agencies to link data collected by the other state agencies with the functions of the portal and (2) seek input from early childhood programs and parents and guardians of children enrolled in early childhood programs. (Effective July 1, 2025)

Section 2: Requires the OEC, by July 1, 2027, to implement a prospective payment system for Care 4 Kids to comply with federal law. (*Effective from passage*)

Section 3: Expands the information that all licensed and license-exempt child care providers must submit to the OEC to include certain business information in order to maintain their eligibility to receive Care 4 Kids provider payments. The expanded information is the following (1) provider's business entity type and (2) names of the provider's officers, directors, and owners, or, in the case of a provider affiliate that is receiving payments, the names of the affiliate's officers, directors, and owners. (Effective July 1, 2025)

Section 4: Requires the OEC commissioner, by October 1, 2025, to enter into a data-sharing agreement with the Children's Funding Project (CFP) to create a fiscal map showing a comprehensive view of state funding and spending for children in Connecticut. However, OEC is not required to do this if CFP charges a direct fee for its services. CFP is a national nonprofit

organization that focuses on financial strategies for funding programs for infants, toddlers, and youth for governments and other organizations. (Effective from passage)

Section 5: Requires OEC, in collaboration with the Insurance Department and the attorney general, to jointly study liability insurance for child care centers and family child care homes. The study must (1) assess liability insurance's prevalence, appropriateness, and affordability and (2) examine factors contributing to increasing liability insurance costs. OEC must submit a report on the study's findings and any recommendations by July 1, 2026, to the Children's, Education, and Insurance and Real Estate Committees. (Effective from passage)

Section 6: Requires OEC, in consultation with the Department of Emergency Services and Public Protection (DESPP), to develop a report on background checks for early childhood educators. The report must examine the average processing time for background checks, ways to improve processing speed, and options for improving the convenience and ease of fingerprinting and submitting background check materials. It must also assess the possibility of educators sharing fingerprint and background check results with multiple prospective employers. Requires OEC to submit a report by July 1, 2026, on its findings and recommendations to the Children's, Education, and Public Safety and Security committees. (*Effective from passage*)

Section 7: For FY 26 - 29, allows currently licensed family child care homes to serve a maximum of 12 children (rather than nine) if the OEC grants the licensee a large family child care home endorsement. The pilot limits to no more than 30 endorsements statewide a year.

With the endorsement, the licensee can provide care for up to 12 children, including his or her own, provided (1) the home is operated and staffed in conformance with OEC requirements and (2) when the licensee is providing care for more than nine children, there is the assistance of a commissioner-approved additional assistant or substitute staff member present.

Applicants cannot be approved for an endorsement without submitting a proper application and having an inspection. An application must include a copy of the current fire marshal certificate of compliance with the Fire Safety Code, and written verification of compliance with local zoning and building requirements and local health ordinances. The commissioner may require an applicant to comply with additional conditions relating to the health and safety of the children who will be served in the home. The bill requires the family child care home to have a minimum of 35 square feet of useable indoor space and 75 square feet per child of outdoor space.

Any endorsement issued under the bill will expire on June 30, 2029, except the commissioner may suspend or revoke an endorsement under the commissioner's existing statutory authority. (Effective July 1, 2025)

Section 8: Requires the OEC commissioner, in consultation with the social services commissioner, within available appropriations, to develop and administer a one-year pilot program to disseminate information to expectant mothers receiving prenatal care in hospitals and from providers of obstetric services in the state. The program must disseminate information concerning licensed child care services, early intervention programs, and financial assistance programs available to expectant mothers.

OEC must develop: 1. criteria to select hospitals and obstetric services providers that serve geographically diverse areas of the state, with preference given to hospitals and providers that serve a high proportion of low-income families and are located in areas where the availability of child care services does not meet the demand; 2. requirements to distribute the documents to patients receiving prenatal care, including a requirement that information be provided during the first trimester of pregnancy whenever possible; and 3. a system to track and report how many documents are provided to patients receiving care from each selected hospital and provider each month.

The documents must be tailored to each individual hospital or provider and contain the following: 1. a list of all licensed child care centers, group child care homes, and family child care homes located in the municipalities in which most of the prenatal patients served by the hospital or provider live, including, when available, contact information and website addresses; a list of OEC early intervention programs, including program descriptions, contact information, and website addresses, if available; and 3. information on financial assistance programs available to families, including instructions on how to apply.

By January 1, 2026, the OEC commissioner must electronically disseminate the compiled documents to the administrator of each hospital and office manager or other responsible party for each participating provider. From January 1, 2026, to December 31, 2026, a copy of the documents tailored to a participating hospital or provider must be distributed to each patient receiving prenatal care.

From January 1, 2026, to December 31, 2027, the OEC commissioner must administer a parent or guardian survey for those with a child enrolled in child care services or an OEC early intervention program to determine whether the parent or guardian enrolled because of the

pilot program. The survey is optional for parents and guardians and the commissioner determines how it will be conducted.

By June 1, 2028, the OEC commissioner must submit a report to the Committee on Children that includes an analysis of the pilot program's efficacy and any legislative recommendations to expand the program or implement it statewide and permanently. (Effective July 1, 2025)

P.A. 25-143 (H.B. 6921) – AN ACT CONCERNING THE RECOMMENDATIONS OF THE OFFICE OF EARLY CHILDHOOD (Signed by Governor)

Section 1: Designated Qualified Staff Member (DQSM) – Section 10-550g

Clarifies that the effective date of new Designated Qualified Staff Member (DWSM) requirements is July 1, 2025.

Makes language on degree requirements for family child care homes consistent as "associate degree or higher."

Clarifies language about who can supervise educators by setting. "On-site supervision" pertains to staff in centers, group homes, and license-exempt early childhood programs. In these settings, staff who hold an associate degree can count as a designated qualified staff member, but only if they are supervised by another staff who meets the qualified staff member requirements at the bachelor's degree level. This supervisor must work on-site at the same program. The on-site distinction clarifies that the supervisor cannot be in a central office or work at another site and thus distant from the educator they are supervising. "Off-site supervision" pertains to family child care homes. The associate's degree designated staff member, who is the owner and lead teacher, may be supervised off-site if (2) they are working toward an early childhood associate's degree or higher and (2) the supervisor meets the requirements for a bachelor's degree-designated qualified staff member and provides coaching at the family child care home.

After 2035, the designated qualified staff member in a family child care homes, who is the owner and lead teacher, must hold an associate degree or higher in early childhood education. (Effective July 1, 2025)

Section 2: Youth Camp Licensing - *Section 19a-421*

Clarifies that licenses are non-transferrable. The addition of the non-transferability language brings the youth camp statute into alignment with the statutes and regulations governing all other licenses issued by OEC. Non-transferability language ensures that the business or

individual to which the license was issued is the actual operator of the youth camp, and that different businesses cannot operate youth camps under one license simultaneously.

In addition, language clarifies that in addition to a renewal fee, an application must be submitted to renew a license. (Effective July 1, 2025)

Section 3: Youth Camp Licensing - Sec. 19a-420

Clarifies the three definitions of "Youth Camp," "Day Camp," and "Resident Camp." The overarching definition is "youth camp," with resident camp and day camp further defined. Both the resident camp and day camp definitions previously included "on any parcel or parcels of land on which there are located dwelling units or buildings intended to accommodate five or more children who are at least three years of age and under sixteen years of age," however, the definition of "youth camp" did not include the language "conducted on a parcel of land that has dwelling units or buildings." Removing it from the definitions of resident camp and day camp and inserting this language in the definition of youth camp more clearly defines the overall meaning of youth camp. (Effective July 1, 2025)

Section 4: Birth to Three Interagency Coordinating Council - Section 17a-248b

Replaces "minority parents" with "parents representing culturally diverse communities" on the Birth to Three Interagency Coordinating Council (ICC) to reflect updated policy practice. Eliminates the ICC two-year term limit for the following council members: 1. the state coordinators of (a) education for homeless children and youth and (b) early childhood special education and 2. members representing each of the participating state agencies (excluding the State Department of Education). This allows individuals designated with specific roles within a state agency to remain on the Council due to the ongoing role and responsibilities of their position and to be able to contribute expertise. (Effective July 1, 2025)

Section 5: Early Childhood Cabinet - *Section 10-16z*

Removes the requirement to submit an annual strategic early care and education report to the legislature. The OEC has developed a Blue Ribbon 5-year strategic plan to develop an equitable, high-quality, and sustainable system that ensures that every child has a quality educational foundation that will prepare them to grow, learn, and succeed. OEC will document the progress made on the components in the federal Head Start Act of 2007 and how the Blue Ribbon plan work aligns with those components. (Effective July 1, 2025)

Section 6: Early Start CT – *Section 10-550d*

Extends, from July 1, 2025, to July 1, 2027, the date that OEC must establish a sliding fee scale for families enrolled in an early care and education program under Early Start CT. By law, the fee scale must be based on family income and consistent with the existing Care 4 Kids fee scale. (Effective July 1, 2025)

Section 7: Early Start CT – *Section 10-550c*

One local governance partner is designated to be established in either a community or a region. This clarifies that multiple local or regional governance partners in a community or region are not allowed. (Effective July 1, 2025)

Section 8: Early Start CT – Local Governance Partner - *Section 10-550b*

Clarifies that up to 10 per cent of the total *Early Start CT funding for child care spaces awarded* can be used for administrative set-aside to support Local Governance Partners. Increases the Local Governance Partner (LGP) allowable administrative set-aside funding language from up to \$150,000 to up to \$350,000. (*Effective July 1, 2025*)

Sections 20, 24, and 25: Medical Administration

Section 20 clarifies that a child care center or group child care home shall not deny services to a child because a child has a prescription for nasal spray or any other medical equipment approved by the United States Food and Drug Administration that is used to treat an allergic reaction, or for nasal spray or any other medical equipment approved by the United States Food and Drug Administration that is used to administer glucagon. (*Effective July 1, 2025*)

Section 24 clarifies that any provider of child care services in a child care center, group child care home, or family child care home may maintain a supply of epinephrine that is administered in ways other than by a cartridge injector. (*Effective July 1, 2025*)

Section 25 adds to the definition of epinephrine by adding nasal spray or any other medical equipment approved by the United States Food and Drug Administration to the methods by which epinephrine is delivered in a standard dose for an emergency first aid response to an allergic reaction. (*Effective July 1, 2025*)

P.A. 25-8 (S.B. 1286) - AN ACT CONCERNING THE LEGISLATIVE COMMISSIONERS'
RECOMMENDATIONS FOR TECHNICAL REVISIONS TO THE EDUCATION AND EARLY CHILDHOOD STATUTES (Signed by Governor)

This bill makes technical changes to the education and early childhood statutes in Sections 5, 7, and 9. (Effective from passage)

P.A. 25-52 (HB 6894) - AN ACT ESTABLISHING AN INTERAGENCY COUNCIL ON HOMELESSNESS (Signed by Governor)

Establishes an interagency council on homelessness to advise and assist the

Commissioner of Housing to improve homelessness prevention and response efforts in the state. The act requires the council to convene by October 1, 2025, and to meet at the request of the DOH commissioner or a majority of the regular members. The act also requires the council, starting July 1, 2026, to annually report its recommendations to the governor and the Appropriations, Housing, and Human Services committees.

The Office of Early Childhood may be named an ad hoc member, as determined by the DOH Commissioner, or designee. (Effective upon passage)

P.A. 25-151 (S.B. 1358) - AN ACT CONCERNING EQUITABLE COMPENSATION FOR STATE-CONTRACTED NONPROFIT HUMAN SERVICES PROVIDERS (Signed by Governor)

Establishes annual inflationary increases for rates paid to nonprofit human services providers that contract with the state and requires the Office of Policy and Management (OPM) to report every three years on appropriations needed to make these increases. Nonprofit human services provider includes, but not limited to, nonprofit organizations that perform (1) services for people with physical, intellectual, or developmental disabilities (including autism spectrum disorder) or (2) behavioral health services.

Requires any state agency contracting with a nonprofit human services provider to annually increase rates beginning July 1, 2027, for recurring contracts by the percentage increase in the consumer price index (CPI) for all urban consumers in the northeast region in the previous calendar year (a measure of inflation). Applies to contracts with any state board, authority, commission, department, office, institution, council, or other agency of the state, including higher education institutions. Prohibits agencies from decreasing rates if the CPI decreases.

Also requires the Department of Social Services (DSS) commissioner to adjust Medicaid rates annually beginning July 1, 2027, for nonprofit human services providers contracting with DSS. The increase is the same percentage increase, if any, for state agency contracts described above. DSS must make the adjustment unless federal Medicaid laws do not allow it. (Effective from passage)