



**C A F C A**

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**Testimony in support of H. B. No. 7302: An Act Concerning Rates Paid to Providers under the Child Care Subsidy Program**  
**Submitted by the Connecticut Association for Community Action, Inc. to the Human Services Committee Public Hearing, March 6, 2007**

Senator Harris, Representative Villano and committee members: thank you for the opportunity to submit written testimony to the Human Services committee. My name is Paul Copes and I am the Director of Education at the Community Renewal Team in Hartford and writing to you on behalf of the CT Association for Community Action, the association of Connecticut's twelve Community Action Agencies (CAAs), nine of which operate early childhood education programs. I am writing today in support of HB 7302: An Act Concerning Rates Paid to Providers under the Child Care Subsidy Program.

The Child Care subsidy program, also known as Care 4 Kids, is a vitally important way to help working parents afford needed child care. However, it is important for you to also understand that this program is also critical for providing high quality preschool education for three and four year olds. The program offers parents an opportunity to access quality care for their children and it is also a critical source of revenue to providers of preschool education. Unfortunately for many years, the Care 4 Kids program has not provided a subsidy using the market rate data. This is under funding programs and causing quality to suffer.

Quality early childhood education programs have been shown to improve child outcomes, reduce the achievement gap between white and minority children, and provide society a significant return-on-investment. However that investment is threatened today because Care 4 Kids reimbursement rates are artificially low; lower than what the federal government recommends.

SDE School Readiness and DSS Child Development Centers both rely on Care 4 Kids childcare subsidies that parents receive to fill the gap and adequately fund their programs. However, with budget cuts over the years, the funding for Care 4 Kids has decreased significantly from its peak.

Care 4 Kids should be funded at a level that will restore reimbursement rates to reflect the biennial market rate survey and be required to automatically update the reimbursement rate every two years commensurate with the market rate survey results. Care 4 Kids should also be fully funded in order to restore eligibility to include all working families with incomes below 75% of the state median income.

Connecticut's nationally recognized Early Childhood Education system is still heading toward a crisis. The program deficits caused by the loss of Care4Kids subsidies will ultimately hurt the children and families we are trying to help. Connecticut already has the largest achievement gap in the nation. Research shows that providing high quality preschool helps to reduce that gap. Low-income working families will chose high quality early childhood education when they are given the opportunity to be able to afford it. Don't shortchange the low-income children who need quality preschool education the most. Fully fund the Care 4 Kids program.