



ALL OUR KIN INC.

A SAFE AND LOVING PLACE WHERE PARENTS AND CHILDREN CAN LEARN

February 28, 2007

Dear Representative Fleischmann, Senator Gaffey, and Esteemed Members of the Education Committee:

We write to the committee regarding S. B. No. 1114, AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET RECOMMENDATIONS REGARDING EDUCATION.

While the Governor's proposed budget for education calls for a boost in state funding for early childhood education, one crucial program, Care4Kids, remains woefully under-funded. In the Governor's 2008 budget, Care4Kids is slated to receive almost \$9 million more than the program did in 2007, bringing the state's funding close to \$90 million next year. Though many assume this increase in funds will translate into more families being served and more support for child care providers, this will not be the case.

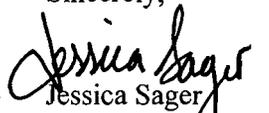
Despite the 2007 budget allocation of \$71.2 million for Care4Kids, spending on the program this year will top \$90 million. That the 2008 budget increases Care4Kids spending to \$90 million does little more than simply bring the state's budget in line with what is already required to keep the program operating at the status quo—no new families, and no increase in support to child care programs.

In order to provide low-income families with what the U.S. Department of Health and Human Services describes as "*sufficient access to child care*," the Department suggests that states set their rate of reimbursement to child care providers at the 75th percentile of the federally mandated market rate surveys.

But Connecticut's rate lags far behind the federal recommendations. Not only has the state set the rate of reimbursement to the 60th percentile of the market rate, but this rate has not been readjusted since 2001. Based on the 2005 market rate study, Care4Kids payments to child care centers and licensed family child cares are currently below the 50th percentile of the going market rate for child care. For kith and kin providers, whose rate of reimbursement is set to one-third of the state's minimum wage in 2001, the situation is especially dire. The chronic under-funding of Care4Kids has meant that many low-income families are being priced out of quality child care, and the child care providers who do choose to open their doors to these families are sacrificing their financial stability to do so.

If we wish our children to be truly prepared to succeed, we must invest in all the settings where our children are learning. At present, Care4Kids is the only state mechanism for supporting licensed family child care and care by relatives and neighbors, even though these providers care for a significant portion of the state's low-income infants, toddlers, and preschoolers. We ask that the Committee consider a true increase in Care4Kids funding to provide higher rates of reimbursement to child care providers. Such an investment by the state will go a long way to increasing the quality and stability of the child care programs that care for our state's youngest and most vulnerable children.

Sincerely,


Jessica Sager
Executive Director


Nazneen Mehta
All Our Kin Fellow