Connecticut
Early Childhood
Alliance

Testimony on HB 6365
An Act Concerning the State Budget for the Biennium Ending June 30, 2011
Shaun McNally, Executive Director

My name is Shaun McNally and I am Executive Director of the Connecticut Early Childhood Alliance, a statewide coalition of organizations, providers, parents and advocates who are concerned about early care and education issues.

I wish to comment on aspects of the Department of Social Services budget as they relate to early childhood care and education.

On behalf of the Alliance, let me begin by expressing our gratitude to the General Assembly for your strong support for investments in early care and education, as well as critical supportive services for young children.

You have changed young lives for the better – in ways that you will never know.

We also wish to express appreciation for support for core early childhood programs contained in the Governor's proposed budget, programs like;

- State Funded Child Care Centers
- Care for Kids
- School readiness
- Head Start
- Family resource centers

These programs are the safety net of early care and education. These programs provide critical support for working families and form the foundation of a quality based early childhood education system that is important for our long term economic success.

The budget before you proposes a no-growth plan over the next three years for these key safety net programs. In the context of this economic downturn, it is all we can ask for. But we wish to note that flat funding will still force centers to make difficult choices over program access, teacher compensation and benefits, as the cost of health care, insurance and utilities rise unabated.

In good times, this marginally funded system is fragile. Small changes in revenues – either from reduced state subsidies or a few laid off parents – can determine a center's survival.

Additional cuts to levels recommended by the Governor will likely have devastating effects, shutting down hundreds of child care education centers and leaving thousands of families without access to critical education and employment support.

In the economic downturn, programs like state funded centers and Care 4 Kids keep low and moderate income wage earners employed. Without these supports, keeping a job becomes difficult, and sometimes impossible.

I would also like to comment specifically on Care 4 Kids and the recently passed Stimulus Package.

New CDBG dollars contained in the Stimulus package should not be used entirely to supplant existing funding. We offer two options to consider.

Temporarily Expand Subsidized Early Care and Education Access As incomes decline from a wage earner losing their job, demand for quality subsidized care will undoubtedly increase. Expanded access will be necessary to meet the demand. Capping enrollment – as was proposed as a budget option by the Department – is the wrong direction at this time.

Temporarily Extend Care for Kids Coverage For Unemployed In the Care 4 Kids program, when an eligible parents lose their jobs, they lose access to the program. We suggest directing a portion of the early childhood stimulus dollars to Care 4 Kids, temporarily extending eligibility of the unemployed and linking it to extended Unemployment Compensation benefit limits.

This action will help families have time to find new work. It will keep keep kids in high quality early learning environments. It will help providers remain financially solvent.

The Department claims an 8 week extension already exists – providers have been told 4 weeks. Guidelines are unclear a best. This is a critical time to clearly state the policy, and to change it temporarily to help families confront today's extraordinary circumstances.

As you grapple with the budget, we wish to make clear that we have not opposed budget cuts to this program area. We did not oppose a $7 million reduction to School Readiness made earlier this year. There are an additional $5.3 million in cuts in the Governors budget. Most of those additional cuts are not opposed by the Alliance, except where state cuts would foreclose significant private sector matching funds.

In addition, the Alliance offers other suggestions for ways precious dollars can be stretched.

- A group of advocates and providers are working with Rep. Beth Bye and state agencies to tackle the conflicting regulations, duplicative reporting and myriad funding streams to help move to an integrated system of early care and education. Reducing needless bureaucracy to providers will increase program value to taxpayers and kids.

- While the Alliance is a leading voice calling for a quality-based system of early care and education, funds for a Preschool Quality Rating System should be postponed at this time.

- In addition, postponing very costly workforce requirements, as well as other non-critical unfunded mandates, would help early education centers stretch every dollar and focus the benefit on kids.

While we understand the need to reduce spending, we ask you to make smart reductions that do not harm Connecticut's long term economic strength. We wish to emphasize the critical nature of early childhood safety net programs like school readiness, Head Start and family resource centers, as well as the benefits of the Early Reading Success program.

Early childhood investments pay off. Study after study shows that children who enter public school ready to learn reduce special education costs for cities and towns. They have higher test scores, repeat grades less often, graduate from high school more often, and are more likely go to college. Kids receiving quality early care and education are much less likely to commit a crime and spend time in prison. They have significantly higher lifetime earnings. A Connecticut study showed that $1 spent on quality early care and education produced over $18 in benefits for the state.

In conclusion, we wish to thank you for your past support for investments in early care and education, expanded health coverage, affordable housing and aid to local schools. We ask you to stand by these wise investments.

We look forward to working with you in the weeks and months ahead to craft a budget that protects young children.

Thank you for your time.