



Testimony Regarding Provisions Affecting the Department of Social Services in HB 6350: **An Act Concerning the Budget for the Biennium Ending June 30, 2015 and Other Provisions Related to Revenue**

Senator Harp, Representative Walker, and Distinguished Members of the Appropriations Committee:

On behalf of the New Haven Early Childhood Council (NHECC), **we strongly oppose the proposed reduction of funding for Care4Kids in HB 6350 and the associated restrictions of program eligibility** and urge the Committee to consider the impact these cuts will have on hard-working families across Connecticut.

The NHECC works closely with our early childhood partners to identify the barriers families may experience enrolling their children in an early childhood program and we work to continuously improve and design a local early childhood system that works for families. One of the most significant barriers to ensuring that families enroll their children in a quality early childhood program is the cost of childcare. Childcare is expensive and consumes a large portion of a family's weekly after-tax income. The Care4Kids (C4K) subsidy helps lower-income CT families provide their child with a quality early childhood experience.

The proposed changes in C4K will have a significant impact on families moving toward financial sufficiency. Currently a family of three earning 50% of SMI qualifies for C4K and can continue to receive the subsidy as long as their income does not exceed 75% of SMI. The proposed program eligibility restrictions will immediately cut off the childcare subsidy once the family exceeds the 50% SMI threshold. This means even a small increase in a parent's wages could cost a family significantly, as it might leave the family subject to suddenly shouldering the full cost of child care. At the same time, the overall savings to the state are small, given that the subsidy is administered on a sliding fee scale, and those families earning between 50% and 75% of SMI are receiving the smallest subsidies.

The Council strongly believes that the proposed C4K program reductions and eligibility restrictions is counterproductive to a strong statewide early childhood system and will result in unintended consequences for families, including the decision by a family to find a more affordable childcare alternative, which in many cases will mean a reduction in quality. **We urge the committee to maintain funding for Care4Kids and retain current eligibility categories.**

Sincerely,

Jennifer Heath
Co-chair NHECC

Cyd Oppenheimer
Co-chair NHECC