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TESTIMONY BEFORE THE APPROPRIATIONS COMMITTEE SUPPORTING INCREASED FUNDING FOR THE OFFICE OF EARLY CHILDHOOD

Good evening, Senator Bye, Representative Walker and the esteemed members of the Appropriations Committee. My name is Tamara Kramer and I am a Policy Analyst at the Connecticut Association for Human Services. CAHS works to reduce poverty and promote economic success both through policy and program work.

I am here today to testify in strong support of the Governor's FY 15 proposed budget adjustments as they relate to the state's early care and education programs. These programs are critical to the future academic and personal success of many of Connecticut's most vulnerable infants, toddlers, and preschoolers. The proposed increase in funding reverses a recent decline in both the state's overall investment in early childhood programs and a decrease in the number of children who were receiving subsidies for early care and education. The Governor's proposed adjustments, which provide additional funding both for new program slots and a modest rate increases for providers, demonstrate an understanding of the importance of children not just being in an early care and education program, but in programs that provide a high-quality early childhood experience.

i. Complete the Establishment of the Office of Early Childhood

Although we are in strong support of the Governor's proposal to increase funding, and his goal of reaching universal access to early care and education programs, we know that success of such a rollout will require thoughtful and strategic planning. It is therefore critical that this legislature complete the establishment of the Office of Early Childhood (OEC). In its current form, the OEC exists through a combination of an Executive Order and fund allocations from the FY 14-FY 15 budget. Senate Bill 25, which was introduced by House and Senate Leadership earlier this month, would codify the OEC and charge this new office with developing both a plan for a coordinated early childhood education structure and a comprehensive early childhood information data system. We hope that with the permanent creation of this office that the state will be able to address the complicated and fragmented nature of the programs and services we offer to our youngest children and their families.

ii. Support Universal Access to High-Quality Preschool Experiences

We were thrilled when the Governor announced that he would be spearheading a four-year plan designed to move the state to universal preschool access. The plan, as announced, will give all children the ability to have a preschool experience, regardless of family income. Although the Governor's budget adjustments are limited to FY 2015, he has stated he is committed to generating 4,000 additional seats in School Readiness classrooms by 2019. FY 2015 has funding to support the creation of 1,020 of these 4,000 new slots. In addition, \$2.3 million of carry-forward money has been earmarked for creating and expanding early childhood classrooms to make room for these new children.

As the Governor's office and this committee move forward on this expansion, we strongly encourage that funding be flexible so the OEC can invest not only in additional slots but also in the resources needed to ensure the state has high quality early childhood programs. We also ask for flexibility in the placement of the new preschool seats – currently around 90% of School Readiness classrooms are located in the state's 15 priority school districts.¹ As we build out towards universal access, the OEC will need to support preschool programs in cities and towns across the state.

iii. Increase Care4Kids Rates to Support Families & Providers

If enacted, the Governor's proposed 3% increase in Care4Kids rates for licensed centers and family childcare providers would result in the first rate raise in 13 years. The Governor has also included an increase in rates for kith and kin providers to one-third of the state's minimum wage. The Care4Kids program is currently reimbursing providers and centers at rates that are at the 60th percentile of a 2001 market rate study (the Federal Administration for Children and Families strongly encourages states to establish payment rates equivalent to at least the 75th percentile of the current year's local market rate). While the proposed increase is a step in the right direction, these increases do not compensate for inflation over the past 13 year period and are still far too low for families seeking to access high quality programs. Low and inadequate reimbursement rates in the Care4Kids program are also harmful to providers, who are a large number of the state's small business owners. Without appropriate compensation, providers are limited in their ability to make the investments that are necessary to deliver high quality care and education, and too often this low compensation results in providers getting pushed out of the industry.

The proposed rate increases are primarily a result of a successful union negotiation between the providers, kith and kin recipients, and the state regarding changes in the Care4Kids program. The negotiated contract will come before the legislature for approval this session. The Governor has also included an additional \$3 million in his budget to support an estimated increase in the Care4Kids caseload. These increases are long overdue, and these more competitive rates are critical to attracting additional high quality providers to the Care4Kids program.

iv. Increase Support for the Early Childhood Workforce

¹ According to the State Department of Education's website, the Priority School Districts for the 2013-2014 school year are: Ansonia, Bridgeport, Danbury, East Hartford, Hartford, Meriden, New Britain, New Haven, New London, Norwalk, Norwich, Putnam, Stamford, Waterbury, and Windham.

In 2011, Connecticut enacted legislation that requires that early childhood teachers meet higher standards of educational attainment over a period of nine years – with a requirement that by 2020 one-hundred percent of early childhood teachers in state funded programs hold a B.A. degree. However, the numbers from our state colleges show that too few teachers are graduating with degrees to meet the demand. This is further complicated by the fact that early childhood teachers and aides continue to be among the lowest paid workers in Connecticut, with many of these professionals relying on state and federal assistance programs (such as SNAP and Medicaid) to supplement low wages. Low compensation makes it difficult for early care and education providers to both attract and retain staff. It is particularly difficult to retain an individual once they have a degree, as compensation is much higher in the K-12 system for comparable teaching positions (In February 2014, Salary.com reported survey results that found the median day care center teacher in Hartford was earning \$29,403, in comparison with the reported \$56,843 median salary for an elementary school teacher).²

The Governor took small steps towards addressing this problem by including a 3 percent rate increase in the School Readiness programs (the increases in the Care4Kids program are similarly intended to address quality and insufficient compensation). We also believe that the Governor intended to include a 3 percent increase for the State Funded Centers; however the increase was erroneously calculated on only the state half of the total allocation to the State Funded Centers, the other half coming from a federal block grant that does not appear in the state budget. We hope this committee can provide parity, and remedy a calculation error, by providing for an additional \$500,000 in the Child Care Services line item.

In providing rate increases, which can be used to attract individuals who have attained a higher level of education, the Governor's proposed budget adjustments acknowledges the issues facing the early childhood workforce. We applaud these increases and recognize that increased funding for providers is a strong first step towards a sustainable and well-educated early care and education workforce.

We would like to thank this Committee for its continued support of our state's youngest children. We look forward to working in collaboration with the Committee and the Governor as we build towards the goal of a high-quality early childhood experience for each and every young person in Connecticut.

I thank you for your consideration and would be happy to answer any questions you may have.

² The February 2014 Salary.com report on Hartford's elementary teacher wages can be viewed here: <http://swz.salary.com/SalaryWizard/Teacher-Elementary-School-Salary-Details-Hartford-CT.aspx>. The February 2014 Salary.com report on Hartford's early education teacher wages can be viewed here: <http://www1.salary.com/CT/Hartford/Day-Care-Center-Teacher-salary.html>.

