

Testimony Regarding S.B. 1135: An Act Establishing a Sustainable Path for Maintaining the Budget Reserve Fund and Reducing the Effect of Revenue Volatility on the State Budget

Finance, Revenue and Bonding Committee

April 23, 2015

Senator Fonfara, Representative Berger, and distinguished members of the Committee:

My name is Kathy Queen and I am the Co-chair of the State Funded Child Development Director's Forum, representing 102 programs serving over 4,000 children, including infants, toddlers and school age children. I am also the former Director of the Wallingford Child Development Center. On behalf of the Forum, I am here today to speak in favor of SB 1135 that seeks to change the manner of estimating revenue in order to end the cycle of surpluses and deficits that makes the state budget unpredictable and volatile causing hardship and real pain in the lives of citizens and businesses in Connecticut. As members of the Early Childhood Alliance, we support raising revenue to restore the drastic cuts to children and social services programs proposed in the Governor's budget.

The cuts are deep. The Governor's budget cuts nearly \$600 million from programs critical to families across the state, including:

- \$158.0 million from the State Department of Education
- \$49.3 million from the HUSKY health insurance program for children, families and pregnant women
- \$65.9 million from higher education; and
- \$11.3 million from the Office of Early Childhood.

The cuts are unfair. Spending on children and families makes up only a *third* of the budget, but over *half* the cuts.

The cuts are shortsighted. Failing to invest now in our best resource, our children, means we will pay much more later.

Our Centers have served the children of hard working Connecticut families since 1968. We are grateful for the funding from the State, but struggle to meet the demands of new staff requirements that call for 50% of teachers in publicly funded programs to hold an Associate's Degree by July 1, 2015 and 50% to hold a BA degree by 2020. We have supported high standards and NAEYC accreditation and advocated for the new Office of Early Childhood. But funding levels have not increased in over 5 years, and it is difficult, if not impossible to hire qualified staff and or retain existing staff. Quite frankly, we cannot compete with the salaries of public schools including Magnate and Charter Schools.

This situation is critical. We ask the committee to not only look at raising revenue to restore cuts to the proposed budget, but to look at ways to increase funding to child care programs to maintain staff and high quality services. We support the revenue ideas of groups like

Connecticut Voices for Children, including a more progressive income tax, the elimination of tax breaks and looking to other taxes.

We need to make better choices. Every cut we make is a choice, and we must make better choices. For example:

- If we choose to end the 1997 tax break for Internet services (\$62.2 million), we can maintain health insurance coverage for low-income parents and pregnant women (\$49.3 million) and restore the EITC (\$11.0 million).
- If we choose to make our personal income tax more progressive (\$300 million), we can prevent significant cuts to K-12 and higher education (\$223.9 million), restore cuts to the Office of Early childhood (\$11.3 million), and much more.
- If we choose to eliminate a 1993 tax break for amusement and recreation services (\$70.0 million), we can maintain state support for developmentally disabled children (\$20.0 million), the Department of Children and Families (\$15.7 million), youth mental health and addiction services (\$2.7 million) and more.

Thank you for taking the time to read this testimony.

Kathy M. Queen

Wallingford, CT

State Funded Child Development Centers Director's Forum