



House of Representatives

General Assembly

File No. 448

February Session, 2018

Substitute House Bill No. 5449

House of Representatives, April 12, 2018

The Committee on Education reported through REP. FLEISCHMANN of the 18th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE ADMINISTRATION OF CERTAIN EARLY CHILDHOOD PROGRAMS AND THE PROVISION OF EARLY CHILDHOOD SERVICES BY THE OFFICE OF EARLY CHILDHOOD.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 10-500 of the 2018 supplement to
2 the general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective July 1, 2018*):

4 (b) The office shall be responsible for:

5 (1) [The delivery of] Delivering services to young children and their
6 families to ensure optimal health, safety and learning for each young
7 child;

8 (2) Developing and implementing the early childhood information
9 system, in accordance with the provisions of section 10-501;

10 (3) Developing and reporting on the early childhood accountability

11 plan, in accordance with the provisions of section 10-503;

12 (4) Implementing a communications strategy for outreach to
13 families, service providers and policymakers;

14 (5) Not later than September 1, 2014, beginning a state-wide
15 longitudinal evaluation of the school readiness program examining the
16 educational progress of children from prekindergarten programs to
17 grade four, inclusive;

18 (6) Developing, coordinating and supporting public and private
19 partnerships to aid early childhood initiatives;

20 (7) Developing a state-wide developmentally appropriate
21 kindergarten entrance inventory that measures a child's level of
22 preparedness for kindergarten, but shall not be used as a measurement
23 tool for program accountability;

24 (8) Creating a unified set of reporting requirements for the purpose
25 of collecting the data elements necessary to perform quality
26 assessments and longitudinal analysis;

27 (9) Comparing and analyzing data collected pursuant to reporting
28 requirements created under subdivision (8) of this subsection with the
29 data collected in the state-wide public school information system,
30 pursuant to section 10-10a, for population-level analysis of children
31 and families;

32 (10) Continually monitoring and evaluating all early care and
33 education and child development programs and services, focusing on
34 program outcomes in satisfying the health, safety, developmental and
35 educational needs of all children, while retaining distinct separation
36 between quality improvement services and licensing services for child
37 care centers, group child care homes and family child care homes;

38 (11) Coordinating home visitation services across programs for
39 young children;

40 (12) Providing information and technical assistance to persons
41 seeking early care and education and child development programs and
42 services;

43 (13) Assisting state agencies and municipalities in obtaining
44 available federal funding for early care and education and child
45 development programs and services;

46 (14) Providing technical assistance to providers of early care and
47 education programs and services to obtain licensing and improve
48 program quality;

49 (15) Establishing a quality rating and improvement system
50 developed by the office that covers home-based, center-based and
51 school-based early child care and learning;

52 (16) Maintaining an accreditation facilitation initiative to assist early
53 childhood care and education program and service providers in
54 achieving national standards and program improvement;

55 (17) Consulting with the Early Childhood Cabinet, established
56 pursuant to section 10-16z, and the Head Start advisory committee,
57 established pursuant to section 10-16n;

58 (18) Ensuring a coordinated and comprehensive state-wide system
59 of professional development for providers and staff of early care and
60 education and child development programs and services;

61 (19) Providing families with opportunities for choice in services
62 including quality child care and community-based family-centered
63 services;

64 (20) Integrating early childhood care and education and special
65 education services;

66 (21) Promoting universal access to early childhood care and
67 education;

68 (22) Ensuring nonduplication of monitoring and evaluation;

69 (23) Performing any other activities that will assist in the provision
70 of early care and education and child development programs and
71 services;

72 (24) Developing early learning and development standards to be
73 used by early care and education providers; [and]

74 (25) Developing and implementing a performance-based evaluation
75 system to evaluate licensed child care centers, in accordance with the
76 provisions of section 17b-749f; [.] and

77 (26) Promoting the delivery of services to infants and toddlers to
78 ensure optimal health, safety and learning of children from birth to
79 three years of age.

80 Sec. 2. (NEW) (*Effective July 1, 2018*) (a) For the fiscal year ending
81 June 30, 2019, and each fiscal year thereafter, the Office of Early
82 Childhood may expend in any year an amount not to exceed one
83 million dollars of the total amount appropriated to the office for early
84 care and education and child development programs for the purpose
85 of carrying out its responsibilities pursuant to section 10-500 of the
86 general statutes, as amended by this act, including, but not limited to,
87 program evaluation and improvement, interagency coordination and
88 collaboration and evaluative tools and infrastructure, except the office
89 may not expend more than two per cent of the amount appropriated to
90 the office for a single early care and education and child development
91 program under this subsection. As used in this subsection, "early care
92 and education and childhood development programs" includes the
93 child care subsidy program, established pursuant to section 17b-749 of
94 the general statutes, as amended by this act, the school readiness
95 program, as defined in section 10-16p of the general statutes, as
96 amended by this act, the supplemental quality enhancement grant
97 program, established pursuant to section 17b-749c of the general
98 statutes, as amended by this act, the Nurturing Families Network,
99 established pursuant to section 17b-751b of the general statutes, as
100 amended by this act, and the program for state financial assistance for
101 neighborhood facilities, including child care centers, pursuant to

102 section 8-210 of the general statutes, as amended by this act.

103 (b) Not later than January first of each year, the office shall submit a
104 report, in accordance with the provisions of section 11-4a of the general
105 statutes, relating to how the office has expended the funds described in
106 subsection (a) of this section, including the results of any program
107 evaluations conducted, to the joint standing committee of the General
108 Assembly having cognizance of matters relating to education.

109 Sec. 3. Section 17b-749 of the general statutes is repealed and the
110 following is substituted in lieu thereof (*Effective July 1, 2018*):

111 (a) The Commissioner of Early Childhood shall establish and
112 operate a child care subsidy program to increase the availability,
113 affordability and quality of child care services for families with a
114 parent or caretaker who (1) is working or attending high school, or (2)
115 receives cash assistance under the temporary family assistance
116 program from the Department of Social Services and is participating in
117 an education, training or other job preparation activity approved
118 pursuant to subsection (b) of section 17b-688i or subsection (b) of
119 section 17b-689d. Services available under the child care subsidy
120 program shall include the provision of child care subsidies for children
121 under the age of thirteen or children under the age of nineteen with
122 special needs. The Office of Early Childhood shall open and maintain
123 enrollment for the child care subsidy program and shall administer
124 such program within the existing budgetary resources available. The
125 office shall issue a notice on the office's Internet web site any time the
126 office closes the program to new applications, changes eligibility
127 requirements, changes program benefits or makes any other change to
128 the program's status or terms, except the office shall not be required to
129 issue such notice when the office expands program eligibility. Any
130 change in the office's acceptance of new applications, eligibility
131 requirements, program benefits or any other change to the program's
132 status or terms for which the office is required to give notice pursuant
133 to this subsection, shall not be effective until thirty days after the office
134 issues such notice.

135 (b) The commissioner shall establish income standards for
136 applicants and recipients at a level to include a family with gross
137 income up to fifty per cent of the state-wide median income, except the
138 commissioner (1) may increase the income level to up to seventy-five
139 per cent of the state-wide median income, (2) upon the request of the
140 Commissioner of Children and Families, may waive the income
141 standards for adoptive families so that children adopted on or after
142 October 1, 1999, from the Department of Children and Families are
143 eligible for the child care subsidy program, and (3) on and after March
144 1, 2003, shall reduce the income eligibility level to up to fifty-five per
145 cent of the state-wide median income for applicants and recipients
146 who qualify based on their loss of eligibility for temporary family
147 assistance. The commissioner may adopt regulations in accordance
148 with chapter 54 to establish income criteria and durational
149 requirements for such waiver of income standards.

150 (c) The commissioner, in consultation with the Commissioner of
151 Social Services, shall establish eligibility and program standards
152 including, but not limited to: (1) A priority intake and eligibility
153 system with preference given to serving (A) recipients of temporary
154 family assistance who are employed or engaged in employment
155 activities under the Department of Social Services' "Jobs First"
156 program, (B) working families whose temporary family assistance was
157 discontinued not more than five years prior to the date of application
158 for the child care subsidy program, (C) teen parents, (D) low-income
159 working families, (E) adoptive families of children who were adopted
160 from the Department of Children and Families and who are granted a
161 waiver of income standards under subdivision (2) of subsection (b) of
162 this section, (F) working families who are at risk of welfare
163 dependency, and (G) any household with a child or children
164 participating in the Early Head Start-Child Care Partnership federal
165 grant program for a period of up to twelve months based on Early
166 Head Start eligibility criteria; (2) health and safety standards for child
167 care providers not required to be licensed; (3) a reimbursement system
168 for child care services which account for differences in the age of the
169 child, number of children in the family, the geographic region and type

170 of care provided by licensed and unlicensed caregivers, the cost and
171 type of services provided by licensed and unlicensed caregivers,
172 successful completion of fifteen hours of annual in-service training or
173 credentialing of child care directors and administrators, and program
174 accreditation; (4) supplemental payment for special needs of the child
175 and extended nontraditional hours; (5) an annual rate review process
176 for providers which assures that reimbursement rates are maintained
177 at levels which permit equal access to a variety of child care settings;
178 (6) a sliding reimbursement scale for participating families; (7) an
179 administrative appeals process; (8) an administrative hearing process
180 to adjudicate cases of alleged fraud and abuse and to impose sanctions
181 and recover overpayments; (9) an extended period of program and
182 payment eligibility when a parent who is receiving a child care
183 subsidy experiences a temporary interruption in employment or other
184 approved activity; and (10) a waiting list for the child care subsidy
185 program that (A) prioritizes within and across existing priority groups,
186 including, but not limited to, children described in 45 CFR 98.46, as
187 amended from time to time, and households with an infant or toddler,
188 and (B) reflects the priority and eligibility system set forth in
189 subdivision (1) of this subsection, which is reviewed periodically, with
190 the inclusion of this information in the annual report required to be
191 issued annually by the office to the Governor and the General
192 Assembly in accordance with section 17b-733. Such action will include,
193 but not be limited to, family income, age of child, region of state and
194 length of time on such waiting list.

195 (d) Not later than July 1, 2015, an applicant determined to be eligible
196 for program benefits by the Commissioner of Early Childhood shall
197 remain eligible for such benefits for a period prescribed by federal law.

198 (e) Within available appropriations, a recipient of program benefits
199 who takes unpaid leave from such recipient's employment due to the
200 birth or impending birth of a child shall be granted not more than six
201 weeks of payment eligibility during the leave if: (1) The recipient
202 intends to return to work at the end of the unpaid leave; (2) the
203 recipient verifies that eligibility is needed to prevent the loss of a slot

204 in a school-based program or licensed child care setting; and (3) the
205 child receiving child care services under the program continues to
206 attend the program during the recipient's leave.

207 (f) A provider under the child care subsidy program that qualifies
208 for eligibility and subsequently receives payment for child care
209 services for recipients under this section shall be reimbursed for such
210 services until informed by the office of the recipient's ineligibility.

211 (g) All licensed child care providers and those providers exempt
212 from licensing shall provide the office with the following information
213 in order to maintain eligibility for reimbursement: (1) The name,
214 address, appropriate identification, Social Security number and
215 telephone number of the provider and all adults who work for or
216 reside at the location where care is provided; (2) the name and address
217 of the child's doctor, primary care provider and health insurance
218 company; (3) whether the child is immunized and has had health
219 screens pursuant to the federal Early and Periodic Screening,
220 Diagnostic and Treatment Services Program under 42 USC 1396d; and
221 (4) the number of children cared for by the provider.

222 (h) On or after July 1, 2014, the commissioner shall adopt
223 regulations, in accordance with the provisions of chapter 54, to
224 implement the provisions of this section.

225 (i) The commissioner shall submit to the joint standing committees
226 of the General Assembly having cognizance of matters relating to
227 human services and appropriations and the budgets of state agencies a
228 copy of the Child Care and Development Fund Plan that the
229 commissioner submits to the Administration for Children and Families
230 pursuant to federal law. The copy of the plan shall be submitted to the
231 committees not later than thirty days after submission of the plan to
232 the Administration for Children and Families.

233 (j) The commissioner may expend an amount not to exceed two per
234 cent of the amount appropriated for purposes of this section in a
235 manner consistent with the provisions of section 2 of this act.

236 Sec. 4. Subsection (k) of section 10-16p of the 2018 supplement to the
237 general statutes is repealed and the following is substituted in lieu
238 thereof (*Effective July 1, 2018*):

239 (k) (1) Up to two per cent of the amount of the appropriation for this
240 section may be allocated to the competitive grant program pursuant to
241 subsection (d) of this section. The determination of the amount of such
242 allocation shall be made on or before August first.

243 (2) Up to two per cent of the amount of the appropriation for this
244 section may be used by the commissioner in a manner consistent with
245 the provisions of section 2 of this act.

246 Sec. 5. Section 17b-749c of the general statutes is repealed and the
247 following is substituted in lieu thereof (*Effective July 1, 2018*):

248 (a) The Commissioner of Early Childhood shall establish a program,
249 within available appropriations, to provide, on a competitive basis,
250 supplemental quality enhancement grants to child care centers or
251 school readiness programs pursuant to section 10-16p, as amended by
252 this act, and section 10-16u. Child care centers and school readiness
253 programs may apply for a supplemental quality enhancement grant at
254 such time and on such form as the commissioner prescribes. Effective
255 July 1, 2014, the commissioner shall make funds payable to child care
256 centers and school readiness programs under such grants on a
257 prospective basis.

258 (b) Priority for such grants shall be given to programs that are: (1)
259 Included in a local school readiness plan; (2) full-day, year-round
260 programs; and (3) accredited, as defined in subdivision (4) of
261 subsection (a) of section 10-16p.

262 (c) The grants shall be used to:

263 (1) Help providers who are not accredited by the National
264 Association for the Education of Young Children to obtain such
265 accreditation;

- 266 (2) Help directors and administrators to obtain training;
- 267 (3) Provide comprehensive services, such as enhanced access to
268 health care, a health consultant, a mental health consultant, nutrition,
269 family support services, parent education, literacy and parental
270 involvement, and community and home outreach programs; and
271 provide information concerning access when needed to a speech and
272 language therapist;
- 273 (4) Purchase educational equipment;
- 274 (5) Provide scholarships for training to obtain a credential in early
275 childhood education or child development;
- 276 (6) Provide training for persons who are mentor teachers, as defined
277 in federal regulations for the Head Start program, and provide a
278 family service coordinator or a family service worker as such positions
279 are defined in such federal regulations;
- 280 (7) Repair fire, health and safety problems in existing facilities and
281 conduct minor remodeling to comply with the Americans with
282 Disabilities Act; train child care providers on injury and illness
283 prevention; and achieve compliance with national safety standards;
- 284 (8) Create a supportive network with family child care homes and
285 other providers of care for children;
- 286 (9) Provide for educational consultation and staff development;
- 287 (10) Provide for program quality assurance personnel;
- 288 (11) Provide technical assistance services to enable providers to
289 develop child care facilities pursuant to sections 17b-749g, 17b-749h
290 and 17b-749i;
- 291 (12) Establish a single point of entry system;
- 292 (13) Provide services that enhance the quality of programs to
293 maximize the health, safety and learning of children from birth to three

294 years of age, inclusive, including, but not limited to, those children
295 served by informal child care arrangements. Such grants may be used
296 for the improvement of staff to child ratios and interaction, initiatives
297 to promote staff retention, preliteracy development, parent
298 involvement, curriculum content and lesson plans.

299 (d) The commissioner may expend an amount not to exceed two per
300 cent of the amount appropriated for purposes of this section in a
301 manner consistent with the provisions of section 2 of this act.

302 Sec. 6. Section 17b-751b of the general statutes is repealed and the
303 following is substituted in lieu thereof (*Effective July 1, 2018*):

304 (a) The Commissioner of Early Childhood shall establish the
305 structure for a state-wide system for a Nurturing Families Network,
306 which demonstrates the benefits of preventive services by significantly
307 reducing the abuse and neglect of infants and by enhancing parent-
308 child relationships through hospital-based assessment with home
309 outreach follow-up on infants and their families within families
310 identified as high risk.

311 (b) The commissioner shall: (1) Develop the comprehensive risk
312 assessment to be used by the Nurturing Families Network's providers;
313 (2) develop the training program, standards, and protocols for the pilot
314 programs; and (3) develop, issue and evaluate requests for proposals
315 to procure the services required by this section. In evaluating the
316 proposals, the commissioner shall take into consideration the most
317 effective and consistent service delivery system allowing for the
318 continuation of current public and private programs.

319 (c) The commissioner shall establish a data system to enable the
320 programs to document the following information in a standard
321 manner: (1) The level of screening and assessment; (2) profiles of risk
322 and family demographics; (3) the incidence of child abuse and neglect;
323 (4) rates of child development; and (5) any other information the
324 commissioner deems appropriate.

325 (d) The commissioner shall report to the General Assembly, in
326 accordance with the provisions of section 11-4a, on the establishment,
327 implementation and progress of the Nurturing Families Network, on
328 July first of each year.

329 (e) The commissioner may expend an amount not to exceed two per
330 cent of the amount appropriated for purposes of this section in a
331 manner consistent with the provisions of section 2 of this act.

332 Sec. 7. Subsection (f) of section 8-210 of the 2018 supplement to the
333 general statutes is repealed and the following is substituted in lieu
334 thereof (*Effective July 1, 2018*):

335 (f) The Commissioner of Early Childhood may [, in his or her
336 discretion,] (1) with the approval of the Secretary of the Office of Policy
337 and Management, authorize the expenditure of such funds for the
338 purposes of this section as shall enable the Commissioner of Early
339 Childhood to apply for, qualify for and provide the state's share of
340 federally assisted child care services, and (2) expend an amount not to
341 exceed two per cent of the amount appropriated for purposes of this
342 section in a manner consistent with the provisions of section 2 of this
343 act.

344 Sec. 8. Subdivision (1) of subsection (b) of section 10-16q of the
345 general statutes is repealed and the following is substituted in lieu
346 thereof (*Effective July 1, 2018*):

347 (b) (1) [For the fiscal year ending June 30, 2015, and each fiscal year
348 thereafter, the per child cost of the Office of Early Childhood school
349 readiness program offered by a school readiness provider shall not
350 exceed eight thousand nine hundred twenty-seven dollars] Not later
351 than June 30, 2019, and at least once every three years thereafter, the
352 Commissioner of Early Childhood shall conduct a review of rates
353 being used for child day care contracts for the school readiness
354 program. The commissioner may establish, within available
355 appropriations, new rates based on the results of such review,
356 provided such new rates are established to improve program quality

357 and access.

358 Sec. 9. Subdivision (2) of subsection (e) of section 10-16p of the 2018
359 supplement to the general statutes is repealed and the following is
360 substituted in lieu thereof (*Effective July 1, 2018*):

361 (2) (A) If funds appropriated for the purposes of subsection (c) of
362 this section are not expended, the commissioner may deposit such
363 unexpended funds in the account established under section 10-16aa
364 and use such unexpended funds in accordance with the provisions of
365 section 10-16aa.

366 (B) For the fiscal year ending June 30, 2015, and each fiscal year
367 thereafter, if funds appropriated for the purposes of subsection (c) of
368 this section are not expended, an amount up to one million dollars of
369 such unexpended funds may be available for the provision of
370 professional development for early childhood care and education
371 program providers, and staff employed in such programs, provided
372 such programs accept state funds for infant, toddler and preschool
373 slots. Such unexpended funds may be available for use in accordance
374 with the provisions of this subparagraph for the subsequent fiscal year.
375 The commissioner may use such unexpended funds on and after July
376 1, 2015, to support early childhood education programs accepting state
377 funds in satisfying the staff qualifications requirements of
378 subparagraphs (B) and (C) of subdivision (2) of subsection (b) of this
379 section. The commissioner shall use any such funds to provide
380 assistance to individual staff members, giving priority to those staff
381 members (i) attending an institution of higher education accredited by
382 the Board of Regents for Higher Education or the Office of Higher
383 Education, and approved by the Office of Early Childhood, and
384 regionally accredited, at a maximum of ten thousand dollars per staff
385 member per year for the cost of higher education courses leading to a
386 bachelor's degree or, not later than December 31, 2015, an associate
387 degree, as such degrees are described in said subparagraphs (B) and
388 (C), or (ii) receiving noncredit competency-based training approved by
389 the office, at a maximum of one thousand dollars per staff member per

390 year, provided such staff members have applied for all available
391 federal and state scholarships and grants, and such assistance does not
392 exceed such staff members' financial need. Individual staff members
393 shall apply for such unexpended funds in a manner determined by the
394 commissioner. The commissioner shall determine how such
395 unexpended funds shall be distributed.

396 (C) If funds appropriated for the purposes of subsection (c) of this
397 section are not expended pursuant to subsection (c) of this section,
398 deposited pursuant to subparagraph (A) of this subdivision, or used
399 pursuant to subparagraph (B) of this subdivision, the commissioner
400 may use such unexpended funds to support local school readiness
401 programs. The commissioner may use such funds for purposes
402 including, but not limited to, (i) assisting local school readiness
403 programs in meeting and maintaining accreditation requirements, (ii)
404 providing training in implementing the preschool assessment and
405 curriculum frameworks, including training to enhance literacy
406 teaching skills, (iii) developing a state-wide preschool curriculum, (iv)
407 developing student assessments for students in grades kindergarten to
408 two, inclusive, (v) developing and implementing best practices for
409 parents in supporting preschool and kindergarten student learning,
410 (vi) developing and implementing strategies for children to
411 successfully transition to preschool and from preschool to
412 kindergarten, including through parental engagement and whole-
413 family supports that may be utilized through the two-generational
414 initiative, established pursuant to section 17b-112l, or through other
415 available resources, (vii) providing for professional development,
416 including assisting in career ladder advancement, for school readiness
417 staff, (viii) providing supplemental grants to other towns that are
418 eligible for grants pursuant to subsection (c) of this section, and (ix)
419 developing a plan to provide spaces in an accredited school readiness
420 program or a school readiness program seeking accreditation to all
421 eligible children who reside in an area or town described in
422 subparagraphs (A) to (D), inclusive, of subdivision (1) of subsection (d)
423 of this section.

This act shall take effect as follows and shall amend the following sections:

Section 1	July 1, 2018	10-500(b)
Sec. 2	July 1, 2018	New section
Sec. 3	July 1, 2018	17b-749
Sec. 4	July 1, 2018	10-16p(k)
Sec. 5	July 1, 2018	17b-749c
Sec. 6	July 1, 2018	17b-751b
Sec. 7	July 1, 2018	8-210(f)
Sec. 8	July 1, 2018	10-16q(b)(1)
Sec. 9	July 1, 2018	10-16p(e)(2)

Statement of Legislative Commissioners:

In Section 2(a), reference to "neighborhood facilities" was added for statutory consistency and Section 8 was rewritten for clarity and accuracy.

ED *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 19 \$	FY 20 \$
Office of Early Childhood	GF - Redistribution	See Below	See Below

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 19 \$	FY 20 \$
Various Municipalities	Potential Revenue Loss/Gain	See Below	See Below

Explanation

Section 1 adds to the list of responsibilities under the Office of Early Childhood (OEC), which has no fiscal impact as it is administrative in nature.

Sections 2 - 7 of the bill result in a redistribution of funding associated with allowing OEC to use up to \$1 million in total (and no more than two percent per line item) of FY 19 appropriated funds for certain programs for the purposes of program evaluation and improvement, interagency coordination and collaboration and evaluative tools and infrastructure. To the extent funding is diverted that otherwise would have been available to town-based programs, such town(s) could experience a revenue loss. A table identifying the applicable budgeted line items and the maximum allowable set aside based on FY 19 appropriations is provided below.

OEC Line Item	FY 19 Appropriated Per PA 17-2, JSS	Maximum Allowable*
Care4Kids - TANF/CCDF	130,032,034	1,000,000
Child Care Quality Enhancement	6,855,033	137,101
Early Care and Education (School Readiness & Child Day Care Centers)	101,507,832	1,000,000
Nurturing Families Network	10,230,303	204,606
Total	238,394,899	1,000,000

*The maximum total available to the agency for specified purposes is \$1 million, which could be taken from Care4Kids, Early Care and Education, or a combination of the above accounts.

Section 3 prioritizes certain children under any wait list for the Care4Kids program, which is not anticipated to result in a net impact.

Section 8 removes the per child cost cap of \$8,927 for school readiness and allows the OEC commissioner to set new rates based on a required rate review and available funding. This means individual rates may change but are limited by available appropriations. The impact of this change depends on the rates set by OEC. If rates are decreased, town-based providers would experience a decrease in the amount of revenue received on a per child basis. If rates are increased, town-based providers would experience a revenue increase on a per child basis.

Section 9 adds to the allowable use of unexpended School Readiness funds, which does not result in a net impact to the state.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the redistribution of funds and available appropriations.

OLR Bill Analysis**sHB 5449*****AN ACT CONCERNING THE ADMINISTRATION OF CERTAIN EARLY CHILDHOOD PROGRAMS AND THE PROVISION OF EARLY CHILDHOOD SERVICES BY THE OFFICE OF EARLY CHILDHOOD.*****SUMMARY**

This bill authorizes the Office of Early Childhood (OEC) to use up to \$1 million of the amount appropriated for five of its programs to carry out duties the bill names, including program evaluation and improvement, interagency coordination and collaboration, evaluative tools and infrastructure, and its other statutory duties. The bill limits, to no more than 2%, the amount OEC can expend for these purposes from any single program's appropriation.

The bill also:

1. adds promoting the delivery of infant and toddler services to ensure optimal health, safety, and learning of children from birth to three years of age to OEC's existing list of responsibilities (§ 1);
2. changes the Care 4 Kids program waiting list prioritization law (§ 3);
3. removes the fixed figure \$8,927 per child cost in the school readiness program and instead requires the OEC commissioner to conduct a review of rates (per child cost) for the program at least once every three years (§ 8); and
4. adds transition to preschool and parental engagement and family supports through the two generational initiative to an existing list of approved ways the OEC commissioner can use

unexpended school readiness funds (§ 9).

EFFECTIVE DATE: July 1, 2018

§§ 2-7 — DIVERSION OF PROGRAM FUNDS FOR EVALUATION AND IMPROVEMENT

The bill authorizes OEC to use up to \$1 million of the amount appropriated for five of its programs to carry out duties the bill names, including program evaluation and improvement, interagency coordination and collaboration, and evaluating tools and infrastructure, and its other statutory duties. The bill limits, to no more than 2%, the amount OEC can expend for these purposes from any single program's appropriation.

The programs are:

1. Care 4 Kids, a child care subsidy program for low-income families;
2. the school readiness program, a state-supported preschool program with an educational component;
3. the quality enhancement grant program for child care centers and school readiness programs;
4. Nurturing Families Network, which seeks to reduce infant abuse and neglect by assisting new parents through hospital-based assessment and home visitation follow-up; and
5. the financial assistance program for neighborhood facilities, including day care centers.

The bill requires OEC to report, by January 1 of each year, to the Education Committee on how it has expended the funds, including the results of any evaluations. The bill makes conforming changes in the laws that authorize each of the five programs (§§ 3-7).

§ 3 — CARE 4 KIDS WAITING LIST PRIORITIZATION

The bill changes the Care 4 Kids law regarding waiting list prioritization. Under current law, the commissioner must establish the waiting list based on the following prioritization:

1. Temporary Family Assistance (TFA) recipients, who are either employed or in employment activities (training or career-focused education) under the Department of Social Services' Jobs First Employment Services (JFES) program (see BACKGROUND);
2. working families whose TFA was discontinued not more than five years before the date of the Care 4 Kids application;
3. teen parents;
4. low-income working families;
5. adoptive families of children adopted from the Department of Children and Families and who were granted an income standards waiver;
6. working families who are at risk of welfare dependency; and
7. any household with a child or children participating in the Early Head Start-Child Care Partnership federal grant program for up to 12 months based on Early Head Start eligibility criteria.

In addition to the above list, the bill requires the waiting list to prioritize "within and across" existing priority groups, including, (1) households with an infant or toddler and (2) children who are homeless, from very low income families, or who have special needs or are part of a vulnerable population as defined by OEC (45 C.F.R. 98.46). Due to the numerous variables, it is unclear how OEC will implement this prioritization.

§ 8 — SCHOOL READINESS

The bill removes the fixed dollar amount of \$8,927 per child in the school readiness grant law and instead requires the OEC commissioner

to conduct, by June 30, 2019, a review of rates for the school readiness program at least once every three years. The review must examine the rates being used in school readiness child day care contracts. The commissioner may establish, within available appropriations, new rates based on the review results, provided the new rates are established to improve program quality and access.

This section, which eliminates the fixed dollar amount, is effective July 1, 2018, but the review of rates is not due until June 30, 2019. It is not clear what dollar amount or rates will be in place between those dates.

§ 9 — UNEXPENDED SCHOOL READINESS GRANT FUNDS

Current law authorizes the commissioner to use unexpended school readiness grant funds for, among other things, professional development for school readiness staff, assisting readiness programs in meeting accreditation requirements, developing and implementing strategies for children to transition from preschool to kindergarten, and other purposes.

The bill additionally authorizes OEC to use such funds to (1) develop and implement strategies for children to transition to preschool and (2) assist transitions through parental engagement and whole-family supports through OEC's two generational initiative or other available resources.

BACKGROUND

TFA and JFES

Unless exempted by law, TFA recipients generally have to participate in JFES to remain eligible for TFA. TFA generally provides up to 21 months of cash assistance to needy families with children. JFES provides services and support to help adult caretakers secure permanent employment within the time the recipient is receiving TFA.

COMMITTEE ACTION

Education Committee

Joint Favorable Substitute

Yea 35 Nay 0 (03/23/2018)