

**Testimony before the Education Committee
of the Connecticut General Assembly
Submitted by Connecticut Early Childhood Funder Collaborative
March 6, 2019**

Bill #933 & 934

Good morning, Senator McCrory, Representative Sanchez, Senator Berthel, Representative McCarty and members of the Education Committee.

Thank you for the opportunity to share the perspective of funders who are committed to improving programs and services for young children and their families.

The Connecticut Early Childhood Funder Collaborative, a project of the Connecticut Council for Philanthropy is comprised of 18 funders from across the state. These include community, family and private foundations and United Ways. Established in 2011, the Collaborative seeks to bring the collective voice and resources of philanthropy to build and sustain a comprehensive early childhood system that works for all children, families, communities and the workforce in Connecticut.

As the Committee considers [S.B. No. 933](#) 'AN ACT EXPANDING ELIGIBILITY FOR CERTAIN FAMILIES IN THE CARE4KIDS PROGRAM', to include families with a gross income of up to seventy-five per cent of the state-wide median income and [S.B. No. 934](#) 'AN ACT EXPANDING ELIGIBILITY IN THE CARE4KIDS PROGRAM TO PARENTS ENROLLED IN OTHER TYPES OF SCHOOL', to expand eligibility to parents enrolled in school or job training, the CT Early Childhood Funder Collaborative would like to share findings from two national studies by business associations on the importance of high quality, accessible, affordable childcare as part of a broader economic growth strategy. Both reports show that child care is a highly used and in demand service that impacts the state's workforce, productivity and economic competitiveness.

The Committee for Economic Development of the Conference Board, a leading national organization of business executives, reported the following in ["Child Care in State Economies: 2019 Update:"](#)

- Almost 72% of mothers in our state are in the workforce.
- 183,321 children under the age of 5 in Connecticut may require paid child care services.
- 72,797 children under the age 5 are in paid childcare, with many additional children being cared for by grandparents and other relatives.
- More than 61% of children birth to age 5 in Connecticut are in some form of non-parental care every week.
- Center-based child care for infants has an annual cost of more than \$15,000, or an average of 21% of household income, based on state median income. For two parents earning our state's minimum wage, the cost is more than 35% of household income.
- For family child care, the annual cost is \$10,556, or more than 14% of household income.

Ready Nation, a national, bipartisan group of 2,300 business executives seeking to build a skilled workforce by promoting solutions that prepare children to succeed in education, work and life, released a report in late January, ["Want to Grow the Economy? Fix the Child Care Crisis."](#) While the study provides a national overview of the issue, the implications for our state are clear:

- “the economic impacts of the nation’s child care crisis on working parents, employers, and taxpayers...are an annual economic cost of \$57 billion in lost earnings, productivity and revenue.”
- 25% of parents participating in the survey reported having problems participating in work-related education or training due to lack of child care.
- As a result of child care issues, 25% reduced their regular work hours; 25% turned down further education or training.

According to Ready Nation, what does the lack of affordable, accessible childcare mean?

- For **parents**, it’s lost earnings now from lower productivity and fewer hours and lost earnings in the future from less work experience, lower skills.
- For **businesses**, it’s lost revenues now from lower output, extra costs due to employee turnover and absenteeism and lost revenues in the future from lower output.
- For **taxpayers**, it’s lost tax revenue from lower GDP, lost sales and tax consumption revenue and lost tax revenue in the future.

As the Committee considers changes to the eligibility requirements of Care4Kids, we urge you to consider these findings in recognition of the real opportunity costs – financial and personal -- to children, families, employers and ultimately to our state’s economic future.

Thank you.