**AN ACT CONCERNING PAYMENTS TO CHILD CARE PROVIDERS.**

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

Section 1. Subsection (b) of section 8-210 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2019):

(b) The state, acting by and in the discretion of the Commissioner of Early Childhood, may enter into a contract with a municipality, a human resource development agency or a nonprofit corporation for state financial assistance in developing and operating child care centers for children disadvantaged by reasons of economic, social or environmental conditions, provided no such financial assistance shall be available for the operating costs of any such child care center unless it has been licensed by the Commissioner of Early Childhood pursuant to section 19a-80. Such financial assistance shall be available for a program of a municipality, of a human resource development agency or of a nonprofit corporation which may provide for personnel, equipment, supplies, activities, program materials and renovation and remodeling of the physical facilities of such child care centers. Such contract shall provide for state financial assistance, within available appropriations, in the form of a state grant-in-aid (1) for a portion of the cost of such program, as determined by the Commissioner of Early Childhood, if not federally assisted, (2) equal to one-half of the amount by which the net cost of such program, as approved by the
Commissioner of Early Childhood, exceeds the federal grant-in-aid thereof, or (3) in an amount up to the per child cost as described in subdivision (1) of subsection (b) of section 10-16q, for each child in such program that is three or four years of age and each child that is five years of age who is not eligible to enroll in school, pursuant to section 10-15c, while maintaining services to children under three years of age under this section. For the fiscal year ending June 30, 2020, and each fiscal year thereafter, the amount per child pursuant to subdivision (3) of this subsection that is over the amount of the per child cost that was prescribed pursuant to the contract for the fiscal year ending June 30, 2019, shall be used exclusively to increase the salaries of early childhood educators employed at the child care center. The Commissioner of Early Childhood may authorize child care centers receiving financial assistance under this subsection to apply a program surplus to the next program year. The Commissioner of Early Childhood shall consult with directors of child care centers in establishing fees for the operation of such centers.

Sec. 2. Section 10-16p of the general statutes is amended by adding subsection (l) as follows (Effective July 1, 2019):

(NEW) (l) For the fiscal year ending June 30, 2020, and each fiscal year thereafter, any school readiness program that (1) is licensed by the Office of Early Childhood pursuant to chapter 368a, (2) provides full-day and year-round child care and education programs for children, and (3) receives funds pursuant to this section or section 10-16u, shall use any amount of the per child cost as described in subdivision (1) of subsection (b) of section 10-16q that is over the amount of eight thousand nine hundred twenty-seven dollars, exclusively to increase the salaries of those individuals with direct responsibility for teaching or caring for children in a classroom at such school readiness program.

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

| Section 1 | July 1, 2019 | 8-210(b) |
| Sec. 2 | July 1, 2019 | 10-16p |