



House of Representatives

General Assembly

File No. 462

February Session, 2022

House Bill No. 5465

House of Representatives, April 13, 2022

The Committee on Education reported through REP. SANCHEZ, R. of the 25th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

***AN ACT INCREASING EARLY CHILDHOOD EDUCATOR SALARIES
AND EXPANDING CHILD CARE OPPORTUNITIES FOR FAMILIES.***

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

1 Section 1. (NEW) (*Effective July 1, 2022*) (a) As used in this section and
2 section 2 of this act:

3 (1) "Compensation schedule" means the early childhood educator
4 compensation schedule developed by the Office of Early Childhood
5 pursuant to section 10-531 of the general statutes, as amended by this
6 act;

7 (2) "Early childhood care and education program" means a child care
8 services provider, early childhood education program or license-exempt
9 early childhood provider;

10 (3) "Child care services provider" means a child care center or a group
11 child care home, as those terms are described in section 19a-77 of the
12 general statutes, as amended by this act;

13 (4) "Early childhood education program" means a private preschool
14 program, a school readiness program or program pursuant to section 8-
15 210 of the general statutes, as amended by this act;

16 (5) "School readiness program" has the same meaning as provided in
17 section 10-16p of the general statutes, as amended by this act;

18 (6) "License-exempt early childhood provider" means any child care
19 services provider or school readiness program that accepts state funds
20 for infant, toddler and preschool spaces associated with such program
21 that is not required to be licensed pursuant to subsection (b) of section
22 19a-77 of the general statutes, and is located in a public school building
23 but is not administered by a public school system;

24 (7) "Employee" means a person who is employed by an early
25 childhood care and education program and meets the eligibility criteria
26 described in the compensation schedule and policy developed by the
27 Office of Early Childhood pursuant to subsection (e) of this section;

28 (8) "Base salary" means the annual salary that an employee was paid
29 on December 31, 2021, or, if the position was vacant on December 31,
30 2021, the starting annual salary for such position on said date;

31 (9) "Benefits amount" means seven thousand five hundred dollars;

32 (10) "Individual employee salary enhancement amount" means, for
33 any fiscal year, the sum of (A) the difference between (i) the salary
34 prescribed in the compensation schedule for an employee, and (ii) the
35 amount of such employee's base salary, and (B) the benefits amount;

36 (11) "Salary enhancement amount" means the sum of the total
37 individual employee salary enhancement amounts for all employees of
38 an early childhood care and education program for the fiscal year; and

39 (12) "Family child care home" has the same meaning as provided in
40 section 19a-77 of the general statutes, as amended by this act.

41 (b) For the fiscal year ending June 30, 2023, and each fiscal year

42 thereafter, the Office of Early Childhood shall administer the early
43 childhood care and education salary enhancement grant program. The
44 office shall annually pay to each early childhood care and education
45 program a salary enhancement grant in the amount of such program's
46 salary enhancement amount. Such programs shall distribute such grant
47 funds to its employees in accordance with the policy developed by the
48 Commissioner of Early Childhood pursuant to subsection (e) of this
49 section.

50 (c) For the fiscal year ending June 30, 2023, and each fiscal year
51 thereafter, the office shall annually pay to each family child care home
52 a salary enhancement grant as follows: (1) Twenty thousand dollars for
53 each licensee of a family child care home, (2) six thousand dollars for
54 each full-time assistant or substitute staff member approved by the
55 Commissioner of Early Childhood pursuant to section 19a-87b of the
56 general statutes, and (3) three thousand dollars for each part-time
57 assistant or substitute staff member approved by the commissioner
58 pursuant to section 19a-87b of the general statutes, and employed by the
59 family child care home. The licensee shall distribute such grant funds in
60 accordance with the policy developed by the commissioner pursuant to
61 subsection (e) of this section.

62 (d) Each early childhood care and education program shall register,
63 at such time and in such manner as prescribed by the commissioner,
64 with the Office of Early Childhood to receive a grant under the program.
65 Upon registration, such program shall provide any information
66 required by the office, in accordance with the policy developed by the
67 commissioner pursuant to subsection (e) of this section.

68 (e) Not later than October 1, 2022, the commissioner shall develop a
69 policy for the administration of the early childhood care and education
70 salary enhancement grant program. The policy shall include, but need
71 not be limited to, eligibility criteria for the program, the registration
72 process for the program, the distribution requirements of the grant and
73 any other requirements the commissioner deems necessary.

74 Sec. 2. (NEW) (Effective July 1, 2022) On and after July 1, 2022, each

75 employee of an early childhood care and education program shall be
76 paid an annual salary as prescribed in the compensation schedule
77 developed pursuant to section 10-531 of the general statutes, as
78 amended by this act, except if an employee's salary is greater than the
79 amount prescribed in such compensation schedule then such employee
80 shall be paid such greater amount.

81 Sec. 3. Section 10-531 of the general statutes is repealed and the
82 following is substituted in lieu thereof (*Effective July 1, 2022*):

83 (a) As used in this section:

84 (1) "Early childhood education program" means any child care or
85 school readiness program that accepts state funds for infant, toddler and
86 preschool spaces associated with such program;

87 (2) "Employee" means any person who is employed by an [early
88 childhood education program and meets the applicable staff
89 qualifications requirement, as defined in section 10-16p] early childhood
90 care and education program and meets the eligibility criteria described
91 in the compensation schedule and policy developed by the Office of
92 Early Childhood pursuant to subsection (e) of section 1 of this act;

93 (3) "Compensation" means the salary, wages, benefits and other
94 forms of valuable consideration earned by and provided to an employee
95 in remuneration for services rendered; [and]

96 (4) "Compensation schedule" means a list or lists specifying a series
97 of compensation steps and ranges; [.]

98 (5) "Early childhood care and education program" means a child care
99 services provider or an early childhood education program;

100 (6) "Child care services provider" means a child care center or a group
101 child care home, as those terms are described in section 19a-77, as
102 amended by this act;

103 (7) "Early childhood education program" means a private preschool

104 program, a school readiness program or program pursuant to section 8-
105 210, as amended by this act; and

106 (8) "School readiness program" has the same meaning as provided in
107 section 10-16p, as amended by this act.

108 (b) The Office of Early Childhood shall establish, after notice and
109 opportunity for public comment, a proposed early childhood educator
110 compensation schedule for employees of early childhood education
111 programs.

112 (c) (1) The office shall consider the following factors in developing the
113 proposed early childhood educator compensation schedule: (A) Level
114 of education, (B) training in early childhood education or child
115 development, (C) relevant employment experience, including the
116 number of years an individual has been employed in an early childhood
117 education program, (D) compensation levels for certified teachers
118 employed in a preschool program operated by a local or regional board
119 of education or regional educational service center, and (E) cost of living
120 in the state.

121 (2) In developing the proposed early childhood educator
122 compensation schedule, the office may (A) consider the findings and
123 recommendations provided in "A Plan to Assist Early Education State
124 Funded Providers to Degree Attainment and Increased Compensation"
125 created by the office, pursuant to section 4 of public act 15-134, to create
126 a standardized salary scale and incentive package for early childhood
127 educators, (B) utilize state and federal funding, and (C) examine existing
128 programs that address early childhood educator compensation and staff
129 retention through financial incentives, such as bonuses for degree or
130 course completion.

131 (3) The office shall establish a recommended minimum salary for
132 employees as part of the proposed early childhood educator
133 compensation schedule.

134 (d) Not later than January 1, 2021, the office shall submit the proposed

135 early childhood educator compensation schedule and a report to the
136 joint standing committees of the General Assembly having cognizance
137 of matters relating to education and appropriations and the budgets of
138 state agencies, in accordance with the provisions of section 11-4a. Such
139 report shall include: (1) Any recommendations for legislation relating to
140 state-wide implementation of the proposed early childhood educator
141 compensation schedule, (2) an estimate of the cost of implementing the
142 proposed early childhood educator compensation schedule state-wide,
143 (3) an analysis of the effect of the state-wide implementation of the
144 proposed early childhood educator compensation schedule on the
145 number of available preschool seats, and (4) an explanation of how the
146 proposed early childhood educator compensation schedule will be
147 included in any quality rating and improvement system developed by
148 the office, pursuant to subdivision (15) of subsection (b) of section 10-
149 500.

150 (e) Not later than January 1, 2023, the office shall amend the
151 compensation schedule to include employees of early childhood care
152 and education programs.

153 Sec. 4. (NEW) (*Effective July 1, 2022*) (a) For the fiscal year ending June
154 30, 2023, and each fiscal year thereafter, the Office of Higher Education,
155 in collaboration with the Office of Early Childhood, shall, within
156 available appropriations, administer an early childhood educator loan
157 forgiveness grant program to persons who meet the eligibility
158 requirements described in subsection (b) of this section.

159 (b) The program shall provide a student loan forgiveness grant to any
160 person who (1) has been continuously employed by a licensed child care
161 center, group child care home or family child care home, as described in
162 section 19a-77 of the general statutes, as amended by this act, for at least
163 four years at the time of application, and (2) holds (A) an associate
164 degree with a concentration in early childhood education from a public
165 institution of higher education in the state that is regionally accredited,
166 provided such associate degree program is approved by (i) the Board of
167 Regents for Higher Education or the Office of Higher Education, and (ii)

168 the Office of Early Childhood, or (B) a bachelor's degree with a
169 concentration in early childhood education from a public institution of
170 higher education in the state that is regionally accredited, provided such
171 bachelor's degree program is approved by (i) the Board of Regents for
172 Higher Education or the Office of Higher Education, and (ii) the Office
173 of Early Childhood. As used in this subsection, "concentration in early
174 childhood education" has the same meaning as provided in section 10-
175 16p of the general statutes.

176 (c) Any person who satisfies the eligibility requirements prescribed
177 in subsection (b) of this section shall receive a grant in an amount equal
178 to the remaining balance of such person's federal or state educational
179 loans.

180 (d) Persons may apply to the Office of Higher Education for grants
181 under this section at such time and in such manner as the executive
182 director of the Office of Higher Education prescribes.

183 (e) Any unexpended funds appropriated for purposes of this section
184 shall not lapse at the end of the fiscal year but shall be available for
185 expenditure during the next fiscal year.

186 Sec. 5. Subdivision (1) of subsection (b) of section 10-16q of the
187 general statutes is repealed and the following is substituted in lieu
188 thereof (*Effective July 1, 2022*):

189 (b) (1) [For the fiscal year ending June 30, 2020, the per child cost of
190 the Office of Early Childhood school readiness program offered by a
191 school readiness provider shall not exceed eight thousand nine hundred
192 twenty-seven dollars.] For the fiscal year ending June 30, [2021] 2023,
193 and each fiscal year thereafter, the per child cost of the Office of Early
194 Childhood school readiness program offered by a school readiness
195 provider shall not exceed [nine] ten thousand twenty-seven dollars.

196 Sec. 6. Section 10-16p of the 2022 supplement to the general statutes
197 is repealed and the following is substituted in lieu thereof (*Effective July*
198 *1, 2022*):

199 (a) As used in sections 10-16o to 10-16r, inclusive, as amended by this
200 act, 10-16u, 17b-749a and 17b-749c:

201 (1) "School readiness program" means a nonsectarian program that
202 (A) meets the standards set by the Office of Early Childhood pursuant
203 to subsection (b) of this section and the requirements of section 10-16q,
204 as amended by this act, and (B) provides a developmentally appropriate
205 learning experience of not less than four hundred fifty hours and one
206 hundred eighty days for eligible children, except as provided in
207 subsection (d) of section 10-16q;

208 (2) "Eligible children" means children three and four years of age and
209 children five years of age who are not eligible to enroll in school
210 pursuant to section 10-15c, or who are eligible to enroll in school and
211 will attend a school readiness program pursuant to section 10-16t;

212 (3) "Priority school" means a school in which forty per cent or more
213 of the lunches served are served to students who are eligible for free or
214 reduced price lunches pursuant to federal law and regulations,
215 excluding such a school located in a priority school district pursuant to
216 section 10-266p or in a former priority school district receiving a grant
217 pursuant to subsection (c) of this section and, on and after July 1, 2001,
218 excluding such a school in a transitional school district receiving a grant
219 pursuant to section 10-16u;

220 (4) "Severe need school" means a school in a priority school district
221 pursuant to section 10-266p or in a former priority school district in
222 which forty per cent or more of the lunches served are served to students
223 who are eligible for free or reduced price lunches;

224 (5) "Accredited" means accredited by the National Association for the
225 Education of Young Children, National Association for Family Child
226 Care, a Head Start on-site program review instrument or a successor
227 instrument pursuant to federal regulations, or otherwise meeting such
228 criteria as may be established by the commissioner, unless the context
229 otherwise requires;

230 (6) "Year-round" means fifty weeks per year, except as provided in
231 subsection (d) of section 10-16q;

232 (7) "Commissioner" means the Commissioner of Early Childhood;

233 (8) "Office" means the Office of Early Childhood;

234 (9) "Seeking accreditation" means a school readiness program seeking
235 accreditation by the National Association for the Education of Young
236 Children, National Association for Family Child Care or a Head Start
237 on-site program review instrument or successor instrument pursuant to
238 federal regulations, or attempting to meet criteria as may be established
239 by the commissioner; and

240 (10) "Concentration in early childhood education" means a program
241 of study in early childhood education, including, but not limited to,
242 early childhood education, child study, child development or human
243 growth and development.

244 (b) (1) The office shall be the lead agency for school readiness. For
245 purposes of this section and section 10-16u, school readiness program
246 providers eligible for funding from the office shall include local and
247 regional boards of education, regional educational service centers,
248 family resource centers and providers of child care centers, group child
249 care homes and family child care homes, as described in section 19a-77,
250 as amended by this act, Head Start programs, preschool programs and
251 other programs that meet any standards established by the
252 commissioner. The office shall establish standards for school readiness
253 programs. The standards may include, but need not be limited to,
254 guidelines for staff-child interactions, curriculum content, including
255 preliteracy development, lesson plans, parental involvement, staff
256 qualifications and training, transition to school and administration. The
257 office shall develop age-appropriate developmental skills and goals for
258 children attending such programs. The commissioner, in consultation
259 with the president of the Connecticut State Colleges and Universities,
260 the Commissioners of Education and Social Services and other
261 appropriate entities, shall develop a professional development program

262 for the staff of school readiness programs.

263 (2) For purposes of this section:

264 (A) Prior to July 1, 2022, "staff qualifications" means that for each
265 early childhood education program accepting state funds for infant,
266 toddler and preschool spaces associated with such program's child care
267 program or school readiness program, there is in each classroom an
268 individual who has at least the following: (i) A childhood development
269 associate credential or an equivalent credential issued by an
270 organization approved by the commissioner and twelve credits or more
271 in early childhood education or child development, as determined by
272 the commissioner or the president of the Connecticut State Colleges and
273 Universities, after consultation with the commissioner, from an
274 institution of higher education (I) accredited by the Board of Regents for
275 Higher Education or Office of Higher Education, and (II) regionally
276 accredited; (ii) an associate degree with twelve credits or more in early
277 childhood education or child development, as determined by the
278 commissioner or the president of the Connecticut State Colleges and
279 Universities, after consultation with the commissioner, from such an
280 institution; (iii) a four-year degree with twelve credits or more in early
281 childhood education or child development, as determined by the
282 commissioner or the president of the Connecticut State Colleges and
283 Universities, after consultation with the commissioner, from such an
284 institution; (iv) certification pursuant to section 10-145b with an
285 endorsement in early childhood education or special education; (v) an
286 associate degree with a concentration in early childhood education from
287 an institution of higher education that is regionally accredited; or (vi) a
288 bachelor's degree with a concentration in early childhood education
289 from an institution of higher education that is regionally accredited;

290 (B) From July 1, 2022, until June 30, 2025, "staff qualifications" means
291 that for each early childhood education program accepting state funds
292 for infant, toddler and preschool spaces associated with such program's
293 child care program or school readiness program, (i) at least fifty per cent
294 of those individuals with the primary responsibility for a classroom of

295 children (I) hold certification pursuant to section 10-145b with an
296 endorsement in early childhood education or early childhood special
297 education, (II) have been issued an early childhood teacher credential,
298 pursuant to section 10-520b, (III) hold at least an associate degree with a
299 concentration in early childhood education from an institution of higher
300 education that is regionally accredited, or (IV) satisfy the requirements
301 of subdivision (3), (4) or (5) of this subsection, and (ii) such remaining
302 individuals with the primary responsibility for a classroom of children
303 hold a childhood development associate credential or an equivalent
304 credential issued by an organization approved by the commissioner and
305 twelve credits or more in early childhood education or child
306 development, as determined by the commissioner or the president of
307 the Connecticut State Colleges and Universities, after consultation with
308 the commissioner, from an institution of higher education (I) accredited
309 by the Board of Regents for Higher Education or Office of Higher
310 Education, and (II) regionally accredited;

311 (C) From July 1, 2025, until June 30, 2029, "staff qualifications" means
312 that for each early childhood education program accepting state funds
313 for infant, toddler and preschool spaces associated with such program's
314 child care program or school readiness program, (i) at least fifty per cent
315 of those individuals with the primary responsibility for a classroom of
316 children (I) hold certification pursuant to section 10-145b with an
317 endorsement in early childhood education or early childhood special
318 education, (II) have been issued an early childhood teacher credential,
319 pursuant to subdivision (2) of section 10-520b, (III) hold at least a
320 bachelor's degree with a concentration in early childhood education
321 from an institution of higher education that is regionally accredited, or
322 (IV) satisfy the requirements of subdivision (3), (4) or (5) of this
323 subsection, and (ii) such remaining individuals with the primary
324 responsibility for a classroom of children (I) hold an associate degree
325 with a concentration in early childhood education from an institution of
326 higher education that is regionally accredited, or (II) have been issued
327 an early childhood teacher credential, pursuant to subdivision (1) of
328 section 10-520b; and

329 (D) On and after July 1, 2029, "staff qualifications" means that for each
330 early childhood education program accepting state funds for infant,
331 toddler and preschool spaces associated with such program's child care
332 program or school readiness program, one hundred per cent of those
333 individuals with the primary responsibility for a classroom of children
334 (i) hold certification pursuant to section 10-145b with an endorsement in
335 early childhood education or early childhood special education, (ii) have
336 been issued an early childhood teacher credential, pursuant to
337 subdivision (2) of section 10-520b, (iii) hold at least a bachelor's degree
338 with a concentration in early childhood education from an institution of
339 higher education that is regionally accredited, or (iv) satisfy the
340 requirements of subdivision (3), (4) or (5) of this subsection.

341 (3) Any individual with a bachelor's degree in early childhood
342 education or child development or a bachelor's degree and twelve
343 credits or more in early childhood education or child development,
344 who, on or before June 30, 2015, is employed by an early childhood
345 education program that accepts state funds for infant, toddler and
346 preschool spaces associated with such program's child care program or
347 school readiness program shall be considered to meet the staff
348 qualifications required under subparagraphs (B) to (D), inclusive, of
349 subdivision (2) of this subsection. No such early childhood education
350 program shall terminate any such individual from employment for
351 purposes of meeting the staff qualification requirements set forth in
352 subparagraph (B), (C) or (D) of subdivision (2) of this subsection.

353 (4) Any individual with an associate degree or a bachelor's degree in
354 early childhood education or child development or an associate degree
355 or a bachelor's degree and twelve credits or more in early childhood
356 education or child development from an institution of higher education
357 that is regionally accredited, other than an associate degree or a
358 bachelor's degree with a concentration in early childhood education,
359 may submit documentation concerning such degree for review and
360 assessment by the office as to whether such degree has a sufficient
361 concentration in early childhood education so as to satisfy the
362 requirements set forth in subparagraphs (B) to (D), inclusive, of

363 subdivision (2) of this subsection.

364 (5) Any individual with an associate degree with twelve credits or
365 more in early childhood education or child development, as determined
366 by the commissioner or the president of the Connecticut State Colleges
367 and Universities, after consultation with the commissioner, from an
368 institution of higher education (A) accredited by the Board of Regents
369 for Higher Education or Office of Higher Education, and (B) regionally
370 accredited, who has been employed in the same early childhood
371 education program that accepts state funds for infant, toddler and
372 preschool spaces associated with such program's child care program or
373 school readiness program since 1995 shall be considered to meet the staff
374 qualifications required under subparagraphs (B) to (D), inclusive, of
375 subdivision (2) of this subsection until June 30, 2025. On and after July
376 1, 2025, such individual shall hold a childhood development associate
377 credential or an equivalent credential, described in subparagraph (A) of
378 subdivision (2) of this subsection, or otherwise meet the staff
379 qualifications required under subparagraphs (C) and (D) of subdivision
380 (2) of this subsection. Any such individual who terminates his or her
381 employment with such early childhood education program on or before
382 June 30, 2025, and accepts a position at another early childhood
383 education program accepting state funds for spaces associated with
384 such program's child care program or school readiness program shall
385 submit documentation of such individual's progress toward meeting
386 the staff qualification requirements set forth in subparagraph (B) to (D),
387 inclusive, of subdivision (2) of this subsection in a manner determined
388 by the office.

389 (c) The commissioner shall establish a grant program to provide
390 spaces in accredited school readiness programs located in priority
391 school districts, as described in section 10-266p, or in former priority
392 school districts for eligible children. The state, acting by and in the
393 discretion of the Commissioner of Early Childhood, in consultation with
394 a town or regional school readiness council, may enter into a contract
395 with a municipality, local or regional board of education, regional
396 educational service center, family resource center, provider of a child

397 care center, group child care home or family child care home, as
398 described in section 19a-77, as amended by this act, Head Start program,
399 preschool program or other program that meets such standards
400 established by the commissioner, to provide, within available
401 appropriations, state financial assistance. Eligibility shall be determined
402 for a five-year period based on an applicant's designation as a priority
403 school district for the initial year of application, except that if a school
404 district that receives a grant pursuant to this subsection is no longer
405 designated as a priority school district at the end of such five-year
406 period, such former priority school district shall continue to be eligible
407 to receive a grant pursuant to this subsection. Grant awards shall be
408 made annually contingent upon available funding and a satisfactory
409 annual evaluation. The chief elected official of such town and the
410 superintendent of schools for such priority school district or former
411 priority school district shall submit a plan for the expenditure of grant
412 funds and responses to the local request for proposal process to the
413 commissioner. The commissioner shall review and approve such plans.
414 The plan shall: (1) Be developed in consultation with the local or
415 regional school readiness council established pursuant to section 10-16r,
416 as amended by this act; (2) be based on a needs and resource assessment;
417 (3) provide for the issuance of requests for proposals for providers of
418 accredited school readiness programs, provided, after the initial
419 requests for proposals, facilities that have been approved to operate a
420 child care program financed through the Connecticut Health and
421 Education Facilities Authority and have received a commitment for debt
422 service from the Department of Social Services, pursuant to section 17b-
423 749i, on or before June 30, 2014, and on or after July 1, 2014, from the
424 office, are exempt from the requirement for issuance of annual requests
425 for proposals; and (4) identify the need for funding pursuant to section
426 17b-749a in order to extend the hours and days of operation of school
427 readiness programs in order to provide child care services for children
428 attending such programs.

429 (d) (1) The commissioner shall establish a competitive grant program
430 to provide spaces in accredited school readiness programs or school
431 readiness programs seeking accreditation located in (A) an area served

432 by a priority school or a former priority school, (B) a town ranked one
433 to fifty when all towns are ranked in ascending order according to town
434 wealth, as defined in subdivision (26) of section 10-262f, whose school
435 district is not a priority school district pursuant to section 10-266p, (C) a
436 town formerly a town described in subparagraph (B) of this subdivision,
437 as provided for in subdivision (2) of this subsection, or (D) a town
438 designated as an alliance district, as defined in section 10-262u, whose
439 school district is not a priority school district pursuant to section 10-
440 266p. A town in which a priority school is located, a regional school
441 readiness council, pursuant to subsection (c) of section 10-16r, as
442 amended by this act, for a region in which such a school is located or a
443 town described in subparagraph (B) of this subdivision may apply for
444 such a grant in an amount equal to the number of spaces in an accredited
445 school readiness program or a school readiness program seeking
446 accreditation multiplied by the per child cost set forth in subdivision (1)
447 of subsection (b) of section 10-16q, as amended by this act. Eligibility
448 shall be determined for a three-year period based on an applicant's
449 designation as having a priority school or being a town described in
450 subparagraph (B) of this subdivision for the initial year of application.
451 The state, acting by and in the discretion of the Commissioner of Early
452 Childhood, in consultation with a town or regional school readiness
453 council, may enter into a contract with a municipality, local or regional
454 board of education, regional educational service center, family resource
455 center, provider of a child care center, group child care home or family
456 child care home, as described in section 19a-77, as amended by this act,
457 Head Start program, preschool program or other program that meets
458 such standards established by the commissioner, to provide, within
459 available appropriations, state financial assistance. The chief elected
460 official of such town and the superintendent of schools of the school
461 district or the regional school readiness council shall submit a plan, as
462 described in subsection (c) of this section, for the expenditure of such
463 grant funds to the commissioner. In awarding grants pursuant to this
464 subsection, the commissioner shall give preference to applications
465 submitted by regional school readiness councils and may, within
466 available appropriations, provide a grant to such town or regional

467 school readiness council that increases the number of spaces for eligible
468 children who reside in an area or town described in subparagraphs (A)
469 to (D), inclusive, of this subdivision, in an accredited school readiness
470 program or a school readiness program seeking accreditation.

471 (2) (A) Except as provided in subparagraph (C) of this subdivision,
472 commencing with the fiscal year ending June 30, 2005, if a town received
473 a grant pursuant to subdivision (1) of this subsection and is no longer
474 eligible to receive such a grant, the town may receive a phase-out grant
475 for each of the three fiscal years following the fiscal year such town
476 received its final grant pursuant to subdivision (1) of this subsection.

477 (B) The amount of such phase-out grants shall be determined as
478 follows: (i) For the first fiscal year following the fiscal year such town
479 received its final grant pursuant to subdivision (1) of this subsection, in
480 an amount that does not exceed seventy-five per cent of the grant
481 amount such town received for the town or school's final year of
482 eligibility pursuant to subdivision (1) of this subsection; (ii) for the
483 second fiscal year following the fiscal year such town received its final
484 grant pursuant to subdivision (1) of this subsection, in an amount that
485 does not exceed fifty per cent of the grant amount such town received
486 for the town's or school's final year of eligibility pursuant to subdivision
487 (1) of this subsection; and (iii) for the third fiscal year following the fiscal
488 year such town received its final grant pursuant to subdivision (1) of
489 this subsection, in an amount that does not exceed twenty-five per cent
490 of the grant amount such town received for the town's or school's final
491 year of eligibility pursuant to subdivision (1) of this subsection.

492 (C) For the fiscal year ending June 30, 2011, and each fiscal year
493 thereafter, any town that received a grant pursuant to subparagraph (B)
494 of subdivision (1) of this subsection for the fiscal year ending June 30,
495 2010, shall continue to receive a grant under this subsection even if the
496 town no longer meets the criteria for such grant pursuant to
497 subparagraph (B) of subdivision (1) of this subsection.

498 (e) (1) If funds appropriated for the purposes of subsection (c) of this
499 section are not expended, the commissioner may deposit such

500 unexpended funds in the account established under section 10-16aa and
501 use such unexpended funds in accordance with the provisions of section
502 10-16aa.

503 (2) For the fiscal year ending June 30, 2015, and each fiscal year
504 thereafter, if funds appropriated for the purposes of subsection (c) of
505 this section are not expended, an amount up to one million dollars of
506 such unexpended funds may be available for the provision of
507 scholarships and professional development for early childhood care and
508 education program providers, and individual staff members employed
509 in such programs, provided such programs accept state funds for infant,
510 toddler and preschool slots. Such unexpended funds may be available
511 for use in accordance with the provisions of this [subparagraph]
512 subdivision for the subsequent fiscal year. The commissioner may use
513 such unexpended funds on and after July 1, 2015, to support early
514 childhood education programs accepting state funds in satisfying the
515 staff qualifications requirements of subparagraphs (B) and (C) of
516 subdivision (2) of subsection (b) of this section. The commissioner shall
517 use any such funds to provide assistance to individual staff members,
518 giving priority to those staff members (A) attending an institution of
519 higher education accredited by the Board of Regents for Higher
520 Education or the Office of Higher Education, and approved by the
521 Office of Early Childhood, and regionally accredited, at a maximum of
522 ten thousand dollars per staff member per year for the cost of higher
523 education courses leading to a bachelor's degree or, not later than
524 December 31, 2015, an associate degree, as such degrees are described
525 in said subparagraphs (B) and (C), or (B) receiving noncredit
526 competency-based training approved by the office, at a maximum of one
527 thousand dollars per staff member per year, provided such staff
528 members have applied for all available federal and state scholarships
529 and grants, and such assistance does not exceed such staff members'
530 financial need. Individual staff members shall apply for such
531 unexpended funds in a manner determined by the commissioner. The
532 commissioner shall determine how such unexpended funds shall be
533 distributed.

534 (3) If funds appropriated for the purposes of subsection (c) of this
535 section are not expended pursuant to subsection (c) of this section,
536 deposited pursuant to subdivision (1) of this subsection, or used
537 pursuant to subdivision (2) of this subsection, the commissioner may
538 use such unexpended funds to support local school readiness programs.
539 The commissioner may use such funds for purposes including, but not
540 limited to, (A) assisting local school readiness programs in meeting and
541 maintaining accreditation requirements, (B) providing training in
542 implementing the preschool assessment and curriculum frameworks,
543 including training to enhance literacy teaching skills, (C) developing a
544 state-wide preschool curriculum, (D) developing student assessments
545 for students in grades kindergarten to two, inclusive, (E) developing
546 and implementing best practices for parents in supporting preschool
547 and kindergarten student learning, (F) developing and implementing
548 strategies for children to successfully transition to preschool and from
549 preschool to kindergarten, including through parental engagement and
550 whole-family supports that may be utilized through the two-
551 generational initiative, established pursuant to section 17b-112l, or
552 through other available resources, (G) providing for professional
553 development, including assisting in career ladder advancement, for
554 school readiness staff, (H) providing supplemental grants to other
555 towns that are eligible for grants pursuant to subsection (c) of this
556 section, and (I) developing a plan to provide spaces in an accredited
557 school readiness program or a school readiness program seeking
558 accreditation to all eligible children who reside in an area or town
559 described in subparagraphs (A) to (D), inclusive, of subdivision (1) of
560 subsection (d) of this section.

561 (f) Any school readiness program that receives funds pursuant to this
562 section or section 10-16u shall not discriminate on the basis of race, color,
563 national origin, gender, religion or disability. For purposes of this
564 section, a nonsectarian program means any public or private school
565 readiness program that is not violative of the Establishment Clause of
566 the Constitution of the State of Connecticut or the Establishment Clause
567 of the Constitution of the United States of America.

568 (g) Subject to the provisions of this subsection, no funds received by
569 a town pursuant to subsection (c) or (d) of this section or section 10-16u
570 shall be used to supplant federal, state or local funding received by such
571 town for early childhood education, provided a town may use an
572 amount determined in accordance with this subsection for coordination,
573 program evaluation and administration. Such amount shall be at least
574 five per cent of the total grant allocation, but not more than seventy-five
575 thousand dollars and shall be determined by the commissioner based
576 on the school readiness grant award allocated to the town pursuant to
577 subsection (c) or (d) of this section or section 10-16u and the number of
578 operating sites for coordination, program evaluation and
579 administration. Such amount shall be increased by an amount equal to
580 local funding provided for early childhood education coordination,
581 program evaluation and administration, not to exceed twenty-five
582 thousand dollars. Each town that receives a grant pursuant to
583 subsection (c) or (d) of this section or section 10-16u shall designate a
584 person to be responsible for such coordination, program evaluation and
585 administration and to act as a liaison between the town and the
586 commissioner. Each school readiness program that receives funds
587 pursuant to this section or section 10-16u shall provide information to
588 the commissioner or the school readiness council, as requested, that is
589 necessary for purposes of any school readiness program evaluation.

590 (h) Any town receiving a grant pursuant to this section may use such
591 grant, with the approval of the commissioner, to prepare a facility or
592 staff for operating a school readiness program and shall be adjusted
593 based on the number of days of operation of a school readiness program
594 if a shorter term of operation is approved by the commissioner.

595 (i) A town may use grant funds to purchase spaces for eligible
596 children who reside in such town at an accredited school readiness
597 program located in another town. A regional school readiness council
598 may use grant funds to purchase spaces for eligible children who reside
599 in the region covered by the council at an accredited school readiness
600 program located outside such region.

601 (j) Children enrolled in school readiness programs funded pursuant
602 to this section shall not be counted (1) as resident students for purposes
603 of subdivision (22) of section 10-262f, or (2) in the determination of
604 average daily membership pursuant to subdivision (2) of subsection (a)
605 of section 10-261.

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

610 (2) Up to two per cent of the amount of the appropriation for this
611 section may be used by the commissioner in a manner consistent with
612 the provisions of section 10-509.

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

623 Sec. 7. Subsection (b) of section 8-210 of the 2022 supplement to the
624 general statutes is repealed and the following is substituted in lieu
625 thereof (*Effective July 1, 2022*):

626 (b) The state, acting by and in the discretion of the Commissioner of
627 Early Childhood, may enter into a contract with a municipality, a group
628 child care home or family child care home, as described in section 19a-
629 77, as amended by this act, a human resource development agency or a
630 nonprofit corporation for state financial assistance in developing and
631 operating child care centers, group child care homes and family child
632 care homes for children disadvantaged by reasons of economic, social

633 or environmental conditions, provided no such financial assistance shall
634 be available for the operating costs of any such child care center, group
635 child care home or family child care home unless it has been licensed by
636 the Commissioner of Early Childhood pursuant to section 19a-80. Such
637 financial assistance shall be available for a program of a municipality, of
638 a group child care home or family child care home, of a human resource
639 development agency or of a nonprofit corporation which may provide
640 for personnel, equipment, supplies, activities, program materials and
641 renovation and remodeling of the physical facilities of such child care
642 centers, group child care homes or family child care homes. Such
643 contract shall provide for state financial assistance, within available
644 appropriations, in the form of a state grant-in-aid (1) for a portion of the
645 cost of such program, as determined by the Commissioner of Early
646 Childhood, if not federally assisted, (2) equal to one-half of the amount
647 by which the net cost of such program, as approved by the
648 Commissioner of Early Childhood, exceeds the federal grant-in-aid
649 thereof, or (3) in an amount not less than the per child cost as described
650 in subdivision (1) of subsection (b) of section 10-16q, as amended by this
651 act, for each child in such program that is three or four years of age and
652 each child that is five years of age who is not eligible to enroll in school,
653 pursuant to section 10-15c, while maintaining services to children under
654 three years of age under this section. [For the fiscal year ending June 30,
655 2020, and each fiscal year thereafter, the amount per child pursuant to
656 subdivision (3) of this subsection that is over the amount of the per child
657 cost that was prescribed pursuant to the contract for the fiscal year
658 ending June 30, 2019, shall be used exclusively to increase the salaries of
659 early childhood educators employed at the child care center.] The
660 Commissioner of Early Childhood may authorize child care centers,
661 group child care homes and family child care homes receiving financial
662 assistance under this subsection to apply a program surplus to the next
663 program year. The Commissioner of Early Childhood shall consult with
664 directors of child care centers in establishing fees for the operation of
665 such centers.

666 Sec. 8. Subsections (a) and (b) of section 17b-749 of the 2022
667 supplement to the general statutes are repealed and the following is

668 substituted in lieu thereof (*Effective July 1, 2022*):

669 (a) The Commissioner of Early Childhood shall establish and operate
670 a child care subsidy program to increase the availability, affordability
671 and quality of child care services for families with a parent or caretaker
672 who (1) is (A) working or attending high school, or (B) [subject to the
673 provisions of subsection (d) of this section,] is enrolled or participating
674 in (i) a public or independent institution of higher education, (ii) a
675 private occupational school authorized pursuant to sections 10a-22a to
676 10a-22o, inclusive, (iii) a job training or employment program
677 administered by a regional workforce development board, (iv) an
678 apprenticeship program administered by the Labor Department's office
679 of apprenticeship training, (v) an alternate route to certification program
680 approved by the State Board of Education, (vi) an adult education
681 program pursuant to section 10-69 or other high school equivalency
682 program, or (vii) a local Even Start program or other adult education
683 program approved by the Commissioner of Early Childhood; or (2)
684 receives cash assistance under the temporary family assistance program
685 from the Department of Social Services and is participating in an
686 education, training or other job preparation activity approved pursuant
687 to subsection (b) of section 17b-688i or subsection (b) of section 17b-
688 689d. Services available under the child care subsidy program shall
689 include the provision of child care subsidies for children under the age
690 of thirteen or children under the age of nineteen with special needs. The
691 Office of Early Childhood shall open and maintain enrollment for the
692 child care subsidy program and shall administer such program within
693 the existing budgetary resources available. The office shall issue a notice
694 on the office's Internet web site any time the office closes the program to
695 new applications, changes eligibility requirements, changes program
696 benefits or makes any other change to the program's status or terms,
697 except the office shall not be required to issue such notice when the
698 office expands program eligibility. Any change in the office's acceptance
699 of new applications, eligibility requirements, program benefits or any
700 other change to the program's status or terms for which the office is
701 required to give notice pursuant to this subsection, shall not be effective
702 until thirty days after the office issues such notice.

703 (b) The commissioner shall (1) establish income standards for
704 applicants and recipients at a level to include a family with gross income
705 up to ~~[fifty]~~ seventy-five per cent of the state-wide median income,
706 except the commissioner, [(1) may increase the income level up to the
707 maximum level allowed under federal law, (2)] upon the request of the
708 Commissioner of Children and Families, may waive the income
709 standards for adoptive families so that children adopted on or after
710 October 1, 1999, from the Department of Children and Families are
711 eligible for the child care subsidy program, and [(3) on and after March
712 1, 2003, shall reduce the income eligibility level to up to fifty-five per
713 cent of the state-wide median income for applicants and recipients who
714 qualify based on their loss of eligibility for temporary family assistance]
715 (2) limit the amount of a family copay to a maximum of seven per cent
716 of a family's household income. The commissioner may adopt
717 regulations in accordance with chapter 54 to establish income criteria
718 and durational requirements for such waiver of income standards.

719 Sec. 9. Subsection (d) of section 17b-749 of the 2022 supplement to the
720 general statutes is repealed and the following is substituted in lieu
721 thereof (*Effective July 1, 2022*):

722 (d) (1) Not later than July 1, 2015, an applicant determined to be
723 eligible for program benefits by the Commissioner of Early Childhood
724 shall remain eligible for such benefits for a period prescribed by federal
725 law. [, except any applicant determined to be eligible for program
726 benefits by the commissioner under subparagraph (B) of subdivision (1)
727 of subsection (a) of this section shall only be eligible for and receive such
728 benefits upon the availability of federal funds received pursuant to
729 Coronavirus Response and Relief Supplemental Appropriations Act,
730 P.L. 116-260, as amended from time to time, or the American Rescue
731 Plan Act of 2021, P.L. 117-2, as amended from time to time, and
732 designated by the commissioner for such benefits.]

733 (2) For purposes of determining the eligibility of an applicant for
734 program benefits under subparagraph (A) of subdivision (1) of
735 subsection (a) of this section, the commissioner shall accept evidence of

736 registration with a job search assistance program administered by the
737 Labor Department. An applicant determined to be eligible for program
738 benefits under this subdivision shall be considered employed half-time
739 and eligible for such benefits for a period of ninety days while such
740 applicant seeks employment.

741 Sec. 10. Section 17b-749 of the 2022 supplement to the general statutes
742 is amended by adding subsection (l) as follows (*Effective July 1, 2022*):

743 (NEW) (l) For the fiscal year ending June 30, 2023, and each fiscal year
744 thereafter, the amount of the subsidy paid to providers under the child
745 care subsidy program shall be at least seventy-five per cent of the market
746 rate, as determined by the Commissioner of Early Childhood pursuant
747 to the current market rate study required under federal law.

748 Sec. 11. Subdivision (3) of subsection (a) of section 19a-77 of the
749 general statutes is repealed and the following is substituted in lieu
750 thereof (*Effective July 1, 2022*):

751 (3) A "family child care home" which consists of a private family
752 home (A) caring for not more than six children, including the provider's
753 own children not in school full time, or if there is an assistant or
754 substitute staff member approved by the Commissioner of Early
755 Childhood present, not more than nine children, (B) where the children
756 are cared for not less than three or more than twelve hours during a
757 twenty-four-hour period, and (C) where care is given on a regularly
758 recurring basis except that care may be provided in excess of twelve
759 hours but not more than seventy-two consecutive hours to
760 accommodate a need for extended care or intermittent short-term
761 overnight care. [During the regular school year, a maximum of three
762 additional children who are in school full time, including the provider's
763 own children, shall be permitted, except that if the provider has more
764 than three children who are in school full time] At any time during the
765 year, all of the provider's children shall be permitted; [. During the
766 summer months when regular school is not in session, a maximum of
767 three additional children who are otherwise enrolled in school full time,
768 including the provider's own children, shall be permitted if there is an

769 assistant or substitute staff member approved by the Commissioner of
770 Early Childhood, pursuant to section 19a-87b, present and assisting the
771 provider, except that (A) if the provider has more than three such
772 additional children who are the provider's own children, all of the
773 provider's own children shall be permitted, and (B) such approved
774 assistant or substitute staff member shall not be required if all of such
775 additional children are the provider's own children;]

776 Sec. 12. Section 10-16r of the 2022 supplement to the general statutes
777 is repealed and the following is substituted in lieu thereof (*Effective July*
778 *1, 2022*):

779 (a) A town seeking to apply for a grant pursuant to subsection (c) of
780 section 10-16p, as amended by this act, or section 10-16u shall convene
781 a local school readiness council or shall establish a regional school
782 readiness council pursuant to subsection (c) of this section. Any other
783 town may convene such a council. The chief elected official of the town
784 or, in the case of a regional school district, the chief elected officials of
785 the towns in the school district and the superintendent of schools for the
786 school district shall jointly appoint and convene such council. Each
787 school readiness council shall be composed of: (1) The chief elected
788 official, or the official's designee; (2) the superintendent of schools, or a
789 management level staff person as the superintendent's designee; (3)
790 parents; (4) representatives from local programs such as Head Start,
791 child care providers receiving state financial assistance pursuant to
792 section 8-210, as amended by this act, family resource centers, nonprofit
793 and for-profit child care centers, group child care homes,
794 prekindergarten and nursery schools, and family child care home
795 providers; (5) a representative from a health care provider in the
796 community; (6) the local homeless education liaison designated by the
797 local or regional board of education for the school district, pursuant to
798 Subtitle B of Title VII of the McKinney-Vento Homeless Assistance Act,
799 42 USC 11431 et seq., as amended from time to time; (7) a representative
800 from a workforce or job training entity in the community; (8) a
801 representative from a local business in the community; and (9) other
802 representatives from the community who provide services to children.

803 On and after July 1, 2021, the members of the school readiness council
804 shall elect the chairperson of the school readiness council. Each school
805 readiness council is required to document efforts to ensure that the
806 racial, ethnic and socioeconomic composition of the council reflects that
807 of its town or region, as applicable. At least twenty-five per cent of the
808 membership of the school readiness council shall be parents or
809 guardians of children eligible to attend a school readiness program.
810 Such parents or guardians may, within available appropriations, be
811 compensated for any time and travel related to council meetings, and
812 any activities related to training, leadership and community
813 engagement. School readiness council meetings shall be held at times
814 and locations that are convenient for the council members, including the
815 parent and guardian members.

816 (b) The local school readiness council shall: (1) Make
817 recommendations to the chief elected official and the superintendent of
818 schools on issues relating to school readiness, including any
819 applications for grants pursuant to sections 10-16p, as amended by this
820 act, 10-16u, 17b-749a and 17b-749c; (2) foster partnerships among
821 providers of school readiness programs; (3) cooperate with the Office of
822 Early Childhood in any evaluation of a school readiness program; (4)
823 identify existing and prospective resources and services available to
824 children and families; (5) facilitate the coordination of the delivery of
825 services to children and families, including (A) referral procedures, and
826 (B) before and after-school child care for children attending
827 kindergarten programs; (6) exchange information with other councils,
828 the community and organizations serving the needs of children and
829 families; (7) make recommendations to school officials concerning
830 transition from school readiness programs to kindergarten; (8)
831 encourage public participation; [and] (9) collaborate with the Office of
832 Early Childhood related to planning improvements to the state early
833 care and education governance structure; and (10) conduct, as
834 necessary, a needs assessment for early childhood education for
835 children and families in the community.

836 (c) Two or more towns or school districts and appropriate

837 representatives of groups or entities interested in early childhood
 838 education in a region may establish a regional school readiness council.
 839 If a priority school is located in at least one of such school districts, the
 840 regional school readiness council may apply for a grant pursuant to
 841 subsection (d) of section 10-16p, as amended by this act. The regional
 842 school readiness council may perform the duties outlined in
 843 subdivisions (2) to (8), inclusive, and (10) of subsection (b) of this
 844 section.

845 (d) On and after July 1, 2022, following a local needs assessment
 846 conducted pursuant to subdivision (10) of subsection (b) of this section,
 847 that reveals a surplus of unused school readiness spaces, a local or
 848 regional school readiness council may convert such unused school
 849 readiness spaces to infant and toddler spaces, provided the per child
 850 cost for such converted spaces does not exceed the per child cost for
 851 infant and toddler spaces for state-funded child care centers pursuant to
 852 section 8-210, as amended by this act.

853 Sec. 13. *(Effective July 1, 2022)* The sum of ____ dollars is appropriated
 854 to the Office of Early Childhood from the General Fund, for the fiscal
 855 year ending June 30, 2023, for the purpose of expending such funds in
 856 accordance with the provisions of subdivision (2) of subsection (e) of
 857 section 10-16p of the general statutes, as amended by this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2022	New section
Sec. 2	July 1, 2022	New section
Sec. 3	July 1, 2022	10-531
Sec. 4	July 1, 2022	New section
Sec. 5	July 1, 2022	10-16q(b)(1)
Sec. 6	July 1, 2022	10-16p
Sec. 7	July 1, 2022	8-210(b)
Sec. 8	July 1, 2022	17b-749(a) and (b)
Sec. 9	July 1, 2022	17b-749(d)
Sec. 10	July 1, 2022	17b-749
Sec. 11	July 1, 2022	19a-77(a)(3)

Sec. 12	<i>July 1, 2022</i>	10-16r
Sec. 13	<i>July 1, 2022</i>	New section

ED *Joint Favorable*

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 23 \$	FY 24 \$
Office of Early Childhood	GF - Cost	at least \$120 million	at least \$120 million
Higher Ed., Off.	GF - Cost	Significant	Significant
Higher Ed., Off.	GF - Cost	90,000	90,000
State Comptroller - Fringe Benefits ¹	GF - Cost	at least \$103,000	at least \$103,000

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 23 \$	FY 24 \$
Various Municipalities	STATE MANDATE ² - Potential	See Below	See Below

Explanation

The bill results in significant costs to the Office of Early Childhood (OEC) associated with increasing child care rates, administering a salary enhancement program for early child care employees, and expanding Care4Kids. The bill also results in a cost to the Office of Higher Education (OHE) associated with administering an early childhood

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 40.53% of payroll in FY 23.

² State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

educator loan forgiveness grant program.

Sections 1-3 result in a cost to OEC to administer and implement the early childhood care and education salary enhancement grant program beginning in FY 23. The total cost of grants is dependent the current salaries of early child care employees, the OEC compensation schedule, and the increases provided in the bill. The salary enhancement program is anticipated to impact up to approximately 21,000 employees. OEC will incur additional staffing costs of at least \$164,000 annually (with associated fringe of \$66,500) to administer the salary enhancement grant program.

The bill results in a cost to town-based early childhood care and education programs to the extent employee salaries are below the levels prescribed in OEC's early childhood educator compensation schedule, as well as a revenue increase associated with the salary enhancement grant provided by OEC.

Section 4 results in a significant cost to the Office of Higher Education (OHE) associated with the creation of a new early childhood educator loan reimbursement program.

OHE does not currently have the funds available to operate this program. This results in a significant cost to OHE; the scope of the costs are dependent upon the number of eligible grantees and the value of the remaining balance of such grantee's federal or state educational loans.

OHE would require one full-time program administrator, resulting in annual salary expenses of approximately \$90,000 and corresponding fringe benefit costs of approximately \$36,500.

Section 5 increases the annual, full-time rate for School Readiness programs by \$1,000 per child from \$9,027 to \$10,027, beginning in FY 23. The increased cost for existing seats is approximately \$10 million annually. Town based providers will receive a corresponding revenue gain associated with the increased rate.

Sections 6-7, which allow certain lapsing funds to be used for

scholarships and eliminate provisions requiring that increases in the per child rate be used for educator salaries, have no net fiscal impact.

Sections 8-10 result in increased costs for Care4Kids totaling approximately \$109.3 million beginning in FY 23.

Section 8 increases the income eligibility threshold from 50% of the state median income (SMI) to 75% SMI, resulting in a cost of approximately \$22.8 million to support an estimated 2,860 additional children annually. This section also limits the family copay to a maximum of 7% of a family's household income resulting in an annual cost of \$8.1 million.

Sections 8-9 remove provisions limiting the availability of benefits for applicants participating in certain postsecondary education and workforce training programs. This results in a cost to the General Fund when such federal funds are no longer available. Section 9 also results in a cost of approximately \$380,000 associated with three months of benefits for individuals registered with a DOL-administered job search assistance program (considered half-time employment for benefit purposes).

Section 10 results in a cost of approximately \$78 million by increasing Care4Kids rates to 75% of the market rate, beginning in FY 23.

Section 11, which makes changes to family child care home staffing and enrollment, has no fiscal impact as it does not impact subsidy eligibility requirements.

Section 12 requires local school readiness councils to conduct a needs assessment for early childhood education for children and families in the community, as needed. Following such assessment, councils may convert unused School Readiness spaces to infant and toddler spaces if the cost for conversion does not exceed the per child cost for infant and toddler spaces for state-funded child care centers. Towns could incur costs associated with conducting a needs assessment. To the extent an assessment shows unused School Readiness spaces and local school

readiness councils choose to convert such spaces to infant and toddler spaces, the state could forgo savings associated with unused School Readiness seats.

Section 13 appropriates an unspecified amount of General Funds to OEC to provide support to early childhood care and education program providers and staff for scholarships, professional development and meeting staff qualification requirements.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**HB 5465*****AN ACT INCREASING EARLY CHILDHOOD EDUCATOR SALARIES
AND EXPANDING CHILD CARE OPPORTUNITIES FOR FAMILIES.***

TABLE OF CONTENTS:

**[§ 1 — EARLY CHILDHOOD EDUCATOR SALARY ENHANCEMENT
GRANT PROGRAM](#)**

Requires OEC to administer an annual salary enhancement grant to eligible employees of family child care homes and early childhood care and education programs beginning in FY 23

**[§§ 2 & 3 — EARLY CHILDHOOD COMPENSATION SCHEDULE AND
SALARIES](#)**

Requires OEC to amend its proposed early childhood educator compensation schedule to include more employee categories; requires each early childhood care and education program employee to be paid an annual salary as prescribed in the OEC-developed compensation schedule beginning in FY 23

**[§ 4 — EARLY CHILDHOOD EDUCATOR LOAN FORGIVENESS
GRANT](#)**

Requires OHE to administer an early childhood educator loan forgiveness grant in collaboration with OEC beginning in FY 23

[§ 5 — SCHOOL READINESS COMPETITIVE GRANT PROGRAM](#)

Increases the per child cost cap used to calculate certain school readiness program grants beginning in FY 23

[§ 6 — EXCESS SCHOOL READINESS GRANT FUNDS](#)

Allows OEC to use appropriated, unexpended school readiness funds to provide scholarships for early childhood care and education program providers and their staff; eliminates licensed school readiness programs' authority to use unspent school readiness grant funds that exceed the per child school readiness cost to increase classroom teacher or caregiver salaries

**[§ 7 — EXCESS GRANT FUNDS FOR CHILD CARE CENTERS FOR
DISADVANTAGED CHILDREN](#)**

Eliminates the requirement that child care centers for disadvantaged children to use state per child grant amounts that exceed their FY 19 per child costs exclusively to increase their educators' salaries

§§ 8-10 — CARE 4 KIDS CHILD CARE SUBSIDY PROGRAM

Removes a program funding limitation related to federal COVID-19 relief fund availability; makes changes to applicant income limits and copays; requires OEC acceptance of specific evidence of program eligibility; and requires provider subsidies to be at least 75% of the market rate

§ 11 — FAMILY CHILD CARE HOME STAFFING AND ENROLLMENT

Requires family child care homes to employ an OEC-approved assistant to care for more than six and up nine children and removes a similar requirement in current law, limited to children enrolled in school, that only requires extra staff during the summer and for children that are not the provider's own children; allows all of a family child care home provider's own children to attend any time of year

§ 12 — SCHOOL READINESS LOCAL NEEDS ASSESSMENT

Requires local school readiness councils to conduct an early childhood education needs assessment for children and families in the community; allows a local or regional school readiness council to convert unused school readiness space into infant and toddler spaces

§ 13 — SCHOOL READINESS APPROPRIATION

Appropriates an unspecified amount to OEC in FY 23 to provide (1) scholarships and professional development for early childhood program providers and staff and (2) help for state-funded program staff members to meet qualification requirements

BACKGROUND

COMMENT

§ 1 — EARLY CHILDHOOD EDUCATOR SALARY ENHANCEMENT GRANT PROGRAM

Requires OEC to administer an annual salary enhancement grant to eligible employees of family child care homes and early childhood care and education programs beginning in FY 23

Beginning in FY 23, the bill requires the Office of Early Childhood (OEC) to administer the early childhood care and education salary

enhancement grant program. OEC must annually pay a salary enhancement grant to each family child care home and early childhood care and education program, which in turn must distribute the funds to their eligible employees consistent with OEC policy. Under the bill, early childhood care and education programs are the following:

1. child care centers;
2. group child care homes;
3. private preschool programs;
4. school readiness programs;
5. state funded child care centers for disadvantaged children; and
6. any state-funded, unlicensed child care services provider or school readiness program with infant, toddler, and preschool spaces that is located in a public school building but not part of the public school system (see BACKGROUND).

The bill requires the OEC commissioner to develop a grant program policy by October 1, 2022, before distributing grant funds to these entities. The policy must address at least the following: eligibility criteria, registration process, grant distribution requirements, and any other requirements the commissioner finds necessary.

Grants to Family Child Care Homes

Under the bill, OEC must annually pay each family child care home a salary enhancement grant in the following amount for each of the following employees: \$20,000 for each licensee; \$6,000 for each OEC-approved full-time assistant or substitute staff member; and \$3,000 for each part-time OEC-approved assistant or substitute staff member.

Each licensee must distribute the grant funds consistent with the OEC-developed policy.

Grants to Early Childhood Care and Education Programs

The bill requires each early childhood care and education program to register with OEC to receive a grant under the program, providing any information required by the office consistent with the program policy. The commissioner determines when and how the programs must register.

Under the bill, OEC must give each of these programs a grant that equals its respective salary enhancement amount. Each program's salary enhancement amount is calculated using the following formula:

1. finding the difference between each individual employee's (a) prescribed salary under the OEC's early childhood compensation schedule (see §§ 2 & 3 below) and (b) actual salary paid on December 31, 2021, or the annual starting salary for the position on that date if it was vacant;
2. adding \$7,500 to that number for each employee; and
3. adding together the above sums for each individual employee in the program for the fiscal year.

The bill requires these programs to distribute the grant funds to their employees consistent with the policy that OEC develops for the grant's administration.

EFFECTIVE DATE: July 1, 2022

§§ 2 & 3 — EARLY CHILDHOOD COMPENSATION SCHEDULE AND SALARIES

Requires OEC to amend its proposed early childhood educator compensation schedule to include more employee categories; requires each early childhood care and education program employee to be paid an annual salary as prescribed in the OEC-developed compensation schedule beginning in FY 23

Existing law required OEC to develop a proposed early childhood educator compensation schedule for employees of early childhood education programs and submit it, along with cost estimates, implementation recommendations, and other analyses to the Appropriations and Education committees by January 1, 2021. Specifically, the compensation schedule must be a list or series of lists

specifying a series of compensation steps and ranges for the salary, wages, benefits, and other forms of valuable consideration provided to employees for their work.

Compensation Schedule Amendment (§ 3)

The bill requires OEC to amend the compensation schedule to include employees of “early childhood care and education programs” by January 1, 2023.

Under the bill, these employees include individuals who meet the following criteria:

1. work for a (a) child care center, group child care home, or school readiness program that does not accept state funds; (b) child care or school readiness program that accepts state funds for infant, toddler, and preschool spaces; (c) private preschool program; or (d) state-funded child care center for disadvantaged children and
2. satisfy the eligibility criteria described in OEC’s (a) compensation schedule, rather than the staff qualifications requirements established by law (see BACKGROUND) as current law requires for the January 2021 schedule, and (b) policies for the early childhood care and education salary enhancement program (see § 1).

Salaries to Match Compensation Schedule (§ 2)

Beginning July 1, 2022, the bill requires each early childhood care and education program employee to be paid an annual salary as prescribed in the OEC-developed compensation schedule. By law, OEC must establish a recommended minimum salary for employees as part of the proposed early childhood educator compensation schedule. If, however, an employee’s salary is greater than the amount prescribed in the schedule, then the employee must be paid the greater amount.

Because this requirement takes effect in 2022, salaries must reflect the 2021 compensation schedule, not the new 2023 schedule required by this bill (see § 3; see COMMENT).

Early Childhood Education Program Definition (§ 3)

The bill also defines the term “early childhood education program” a second time. Under current law, the term refers to any child care or school readiness program with state-funded infant, toddler, and preschool spaces. The bill adds a second, separate definition, defining the term to mean a private preschool program, a private school readiness program, or a state-funded child care center for disadvantaged children. (Presumably, the term captures both definitions, which do not conflict.)

EFFECTIVE DATE: July 1, 2022

§ 4 — EARLY CHILDHOOD EDUCATOR LOAN FORGIVENESS GRANT

Requires OHE to administer an early childhood educator loan forgiveness grant in collaboration with OEC beginning in FY 23

Beginning in FY 23, the bill requires the Office of Higher Education (OHE), in collaboration with OEC, to administer an early childhood educator loan forgiveness grant program within available appropriations. This program provides grants to eligible applicants in the amount of their remaining federal or state educational loan balance. Applicants must meet the following criteria to receive a grant:

1. have been continuously employed by a licensed child care center or group or family child care home for at least four years at the time they apply and
2. hold either an associate or bachelor’s degree with a concentration in early childhood education from a regionally-accredited Connecticut public higher education institution, and the degree program is approved by (a) the Board of Regents for Higher Education or OHE and (b) OEC.

By law, a “concentration in early childhood education” is a program of study that includes early childhood education, child study, child development, or human growth and development (CGS § 10-16p(a)(10)).

Under the bill, OHE's executive director determines when and how applicants should apply to the program. Any funds appropriated for the program are nonlapsing, and any unexpended funds must be available during the following fiscal year.

EFFECTIVE DATE: July 1, 2022

§ 5 — SCHOOL READINESS COMPETITIVE GRANT PROGRAM

Increases the per child cost cap used to calculate certain school readiness program grants beginning in FY 23

Beginning in FY 23, the bill increases the per child cost cap used to calculate school readiness program grants for OEC's school readiness competitive grant program, which provides spaces in school readiness programs located in alliance districts, areas with priority schools or former priority schools, and the 50 poorest or formerly poorest towns whose school districts are not priority districts (CGS § 10-16p(d)(1)).

The bill raises the cap on the per child cost of this program offered by a school readiness provider by \$1,000, increasing the maximum cost from \$9,027 to \$10,027. This increase affects the calculation of OEC's competitive school readiness grant. By law, the grant amount for an applicant town is calculated by multiplying the per child cost by the number of spaces in the school readiness program. Therefore, a program that provides services at a cost above the current per child cap will receive a grant that is up to \$1,000 larger under the bill.

EFFECTIVE DATE: July 1, 2022

§ 6 — EXCESS SCHOOL READINESS GRANT FUNDS

Allows OEC to use appropriated, unexpended school readiness funds to provide scholarships for early childhood care and education program providers and their staff; eliminates licensed school readiness programs' authority to use unspent school readiness grant funds that exceed the per child school readiness cost to increase classroom teacher or caregiver salaries

The bill makes two changes to how the OEC commissioner and licensed school readiness programs may spend excess school readiness grant funds.

Provider and Staff Scholarships

Under existing law, OEC also offers a school readiness program grant to provide spaces in accredited school readiness programs located in current or former priority school districts (see BACKGROUND). Current law allows the OEC commissioner to use up to \$1 million of any appropriated, unexpended grant funds in the following fiscal year to provide, among other things, professional development for early childhood care and education program providers and their staff, so long as their programs accept state funds for infant, toddler, and preschool spaces. The bill expands this use of funds to include scholarships for these providers and their staff members.

Existing law, unchanged by the bill, requires the commissioner to use the funds to assist individual staff members with the cost of higher educational courses leading to a bachelor's degree. She may give up to \$10,000 per staff member per year for this purpose.

Staff Salary Increases

Current law requires licensed school readiness programs to use unspent school readiness grant funds that exceed the per child school readiness cost for FY 20 (see § 5 above) to increase salaries for individuals who directly teach or care for children in a school readiness classroom. The bill eliminates this requirement.

EFFECTIVE DATE: July 1, 2022

§ 7 — EXCESS GRANT FUNDS FOR CHILD CARE CENTERS FOR DISADVANTAGED CHILDREN

Eliminates the requirement that child care centers for disadvantaged children to use state per child grant amounts that exceed their FY 19 per child costs exclusively to increase their educators' salaries

By law, the state through the OEC commissioner may enter into contracts with municipalities, human resource development agencies, or nonprofit corporations for state financial assistance (i.e., grants) for developing and operating child care centers for disadvantaged children.

Current law requires that the contracts provide for a state grant for the following:

1. part of the program's cost, as determined by the OEC commissioner, if the program is not federally assisted;
2. half the amount by which the program's net cost, as approved by the commissioner, exceeds its federal grant; or
3. at least equal to the per child cost set in state law (see § 5 above) for each child age three to five not yet eligible to enroll in school.

The bill removes the requirement that any portion of the per child amount received by these centers under the third state grant option that exceeds the per child cost amount set in the contract for FY 19 be used exclusively to increase educators' salaries at the centers.

EFFECTIVE DATE: July 1, 2022

§§ 8-10 — CARE 4 KIDS CHILD CARE SUBSIDY PROGRAM

Removes a program funding limitation related to federal COVID-19 relief fund availability; makes changes to applicant income limits and copays; requires OEC acceptance of specific evidence of program eligibility; and requires provider subsidies to be at least 75% of the market rate

OEC's Care 4 Kids child care subsidy program helps low- to moderate-income families pay for child care costs if a parent or caretaker is working, attending high school, or enrolled or participating in certain postsecondary education and workforce training programs.

The bill (1) removes a program funding limitation related to federal COVID-19 relief fund availability; (2) makes changes to applicant income standards and copays; (3) requires OEC acceptance of specific evidence of program eligibility; and (4) requires provider subsidies to be at least 75% of the market rate.

COVID-19 Relief Funding Limitation (§§ 8 & 9)

The bill removes from current law a funding availability limitation on applicants participating in certain postsecondary education and workforce training programs. Under current law, these groups are only eligible to receive Care 4 Kids benefits if certain COVID-19 related relief funds are available under federal law (i.e., the Coronavirus Response

and Relief Supplemental Appropriations Act (P.L. 116-260) or the American Rescue Plan Act (P.L. 117-2)) and designated by the commissioner to fund the subsidies. Specifically, the bill removes this limitation for subsidy recipients enrolled in any of the following:

1. a public or private higher education institution,
2. a private occupational school,
3. a job training or employment program administered by a regional workforce development board,
4. a Department of Labor-administered apprenticeship program,
5. a State Board of Education-approved alternate route to certification program,
6. an adult education program or other high school equivalency program, or
7. a local Even Start program or other adult education program approved by the OEC commissioner.

Applicant Income Limits and Copays (§ 8)

The bill requires the OEC commissioner to expand Care 4 Kids eligibility by raising the income limit, allowing applicants and recipients to be families with a gross income up to 75%, rather than 50%, of the statewide median income (SMI). It also eliminates a separate income limit (55% of SMI) for people who qualify because they are no longer eligible for Temporary Family Assistance. It removes from current law the commissioner's authority to increase the income level up to maximum allowed under federal law (i.e., up to 85% of SMI under the Child Care Development Fund (CCDF) program, the federal funding source for child care subsidies).

Additionally, the bill requires the commissioner to limit an eligible family's copay amount to 7% of its household income. There are no copay limits for families specified under current law.

Evidence of Eligibility (§ 9)

Under the bill, when determining an applicant's eligibility for Care 4 Kids subsidies as a working parent or caretaker, the OEC commissioner must accept evidence of registration with a DOL-administered job search assistance program. The commissioner must consider this applicant to have half-time employment and be eligible for the subsidy for 90 days while seeking employment.

Provider Subsidies (§ 10)

Beginning in FY 23, the bill requires the Care 4 Kids subsidy amount paid to child care providers to be at least 75% of the market rate, as determined by the OEC commissioner under the current market rate study that federal law requires. The federal Child Care Development Block Grant Act of 2014 requires CCDF lead agencies such as OEC to certify, through a market rate survey and other means, that their payment rates are sufficient to ensure equal access for eligible children comparable to child care services provided to children whose parents are not eligible for CCDF.

EFFECTIVE DATE: July 1, 2022

§ 11 — FAMILY CHILD CARE HOME STAFFING AND ENROLLMENT

Requires family child care homes to employ an OEC-approved assistant to care for more than six and up nine children and removes a similar requirement in current law, limited to children enrolled in school, that only requires extra staff during the summer and for children that are not the provider's own children; allows all of a family child care home provider's own children to attend any time of year

Under current law, a family child care home may care for up to six children, including the provider's own children who are not in school full time, plus three additional children during the regular school year who are in school full time. However, if the provider has more than three children who are in school full time, then all of the provider's children may attend.

During the summer months when school is not in session, current law requires the family child care home to employ an OEC-approved assistant or substitute staff member for up to three additional school-aged children beyond the six to attend, including the provider's own

children. However, currently, additional staff is not required if all the additional children are the provider's own.

The bill maintains the base maximum number of enrolled children at six throughout the year, including the provider's own children who are not enrolled in school full time. However, the bill requires the employment of an OEC-approved assistant or substitute at all times of the year, rather than only in the summer as under current law, to enroll up to three more children, for a maximum total of nine. It also allows the three additional children to be any mix of ages, rather than specifying that they must be enrolled in school full time as required under current law. (It is unclear whether the assistant or substitute staff member must be present in addition to and simultaneously with the provider.)

Additionally, the bill allows all of the family child care home provider's children to attend at any time of the year, regardless of their school enrollment status. (It is unclear whether the six-child, year-round cap and the nine-child, year-round cap include all of the provider's children (see COMMENT).)

EFFECTIVE DATE: July 1, 2022

§ 12 — SCHOOL READINESS LOCAL NEEDS ASSESSMENT

Requires local school readiness councils to conduct an early childhood education needs assessment for children and families in the community; allows a local or regional school readiness council to convert unused school readiness space into infant and toddler spaces

By law, to be eligible for a school readiness grant, towns must convene a local school readiness council that makes recommendations to school officials and elected officials on issues relating to school readiness. The bill requires local school readiness councils to conduct a needs assessment as necessary for early childhood education for children and families in the community. It also allows regional school readiness councils, which two or more towns or school districts may form, to conduct this needs assessment.

Additionally, if a needs assessment reveals that a surplus of unused

school readiness spaces exists, then the bill allows a local or regional school readiness council to convert the spaces into infant and toddler spaces; however, the per child cost for the converted spaces cannot exceed the per child cost for infant and toddler spaces for state-funded child care centers (which is established by contract using one of three grant models in state law; see § 7 above).

EFFECTIVE DATE: July 1, 2022

§ 13 — SCHOOL READINESS APPROPRIATION

Appropriates an unspecified amount to OEC in FY 23 to provide (1) scholarships and professional development for early childhood program providers and staff and (2) help for state-funded program staff members to meet qualification requirements

The bill appropriates an unspecified amount to OEC from the General Fund in FY 23 to (1) provide scholarships and professional development for early childhood care and education program providers and their individual staff members and (2) help state-funded early childhood education programs and their individual staff members meet the staff qualification requirements in state law.

EFFECTIVE DATE: July 1, 2022

BACKGROUND

Related Bills

SB 2, § 1 (File 276), favorably reported by the Committee on Children, also raises the cap on the school readiness program per-child cost, but by a greater amount (a \$5,473 increase, from \$9,027 to \$14,500, rather than a \$1,000 increase under this bill).

SB 2, § 19, also contains an identical provision to § 11 in this bill on family child care home staffing and enrollment.

HB 5279, § 4, favorably reported by the Education Committee, also contains a similar, but not identical, provision revising family child care home staffing and enrollment.

Family Child Care Home

A family child care home is a private family home caring for up to six

children, including the provider's own children not in school full time, where a child is cared for between three and 12 hours per day on a regular basis. Care may be provided for up to 72 consecutive hours to accommodate a need for extended care or intermittent short-term overnight care. During the regular school year, a family child care home may care for more than six children in certain cases (CGS § 19a-77(a)(3)).

Child Care Center

A child care center offers or provides supplementary care to more than 12 children outside their own homes on a regular basis (CGS § 19a-77(a)(1)).

Group Child Care Home

A group child care home (1) offers or provides supplementary care to between seven and 12 children on a regular basis or (2) meets the family child care home definition, except that it does not operate in a private family home (CGS § 19a-77(a)(2)).

School Readiness Program

A school readiness program is a non-religious, state-funded program that provides a developmentally appropriate learning experience for children ages three to five who are too young to enroll in kindergarten (CGS § 10-16p).

Early Childhood Staff Qualifications

These qualification requirements call for lead classroom teachers in state-funded child care programs to meet increasingly higher educational standards over the next seven years, which culminate in requiring that all lead classroom teachers hold a bachelor's degree by July 1, 2029, with certain exceptions (CGS § 10-16p(b)).

Priority School District

Priority school districts are districts (1) whose students receive low standardized test scores, (2) that have high levels of poverty, or (3) in the eight towns with the largest population in the state (CGS § 10-266p(a)). There were 15 priority school districts in 2020-21.

COMMENT***Conflict***

In § 2, the bill requires each early childhood care and education program employee to be paid an annual salary as prescribed in the OEC-developed compensation schedule beginning July 1, 2022. However, because this requirement takes effect in 2022, salaries must reflect the 2021 compensation schedule, not the new 2023 schedule required by this bill. The 2021 schedule therefore does not contain a prescribed minimum salary for the following employees that the bill contemplates (1) child care centers, group child care homes, and school readiness programs that do not receive state funding and (2) private preschool programs.

Conflict

In § 11, the bill allows all of the family child care provider's own children of any age to attend the family child care home at any point in the year; however, it simultaneously caps the number of children attending at six (including the provider's own children who are not in school full time) or at nine with an assistant present. It is unclear whether the six- or nine-child cap includes any of the provider's own children.

COMMITTEE ACTION

Education Committee

Joint Favorable

Yea 31 Nay 8 (03/25/2022)