Testimony of Merrill Gay in support of HB 6759

Senator McCrory, Representative Curry, ranking members Berthel and McCarty and members of the committee, my name is Merrill Gay I'm the executive director of the Connecticut Early Childhood Alliance. Thank you for this opportunity to testify on HB 6759 An Act Concerning Early Childhood.

This bill has four unrelated sections. I will comment on each separately:

Section 1

The bill requires licensed center and group home childcare providers to pay their teaching staff on the proposed OEC compensation scale. We applaud the recognition of the compensation problem as the most vexing issue facing the early care and education system. Early care and education is inherently a labor intensive enterprise. Licensing regulations require no more than 4 children under 3 years old per adult and for older children no more than 10 per adult. Years of research demonstrate the importance of stable, responsive relationships with caring adults during the first few years of a child's life. A skilled, experienced and adequately compensated early childhood workforce is the critical element to help children arrive ready for kindergarten.

Unfortunately, experienced early educators are leaving for better paying jobs almost anywhere else in the economy. A recent survey by the CT Association for Human Services found that early care and education programs were short 4,400 staff resulting in hundreds of classroom closures. The sad reality is that the women (and it is 90% women) who care for our most precious possessions are some of the lowest paid workers in the economy. According to the most recent Bureau of Labor Statistics data the average wage for a "Child Care Worker" in Connecticut was $11.56[1]. For a "Preschool Teacher it was $15.32[2] Family child care owner operators work on average 68 hours a week and after expenses earn about $8.50 per hour[3]

The primary cause of these chronically low wages is the fact that most of the revenue for early care and education programs comes from tuition paid by parents. For those parents, paying for a child's tuition is probably their 2nd largest expense after housing. If they have more than one child in care, tuition will easily be their largest household expense. The vast majority of parents can't afford the true cost of quality early care and education, without the early educators underwriting the cost by working for poverty wages.

Our state funded early care and education programs are in a somewhat different situation. They can only charge parents a percentage of their income as dictated by an OEC fee schedule. They are required to maintain accreditation and have a "Qualified Staff Member" in each

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[1] http://www1.ctdol.state.ct.us/lmi/wages/20171/0901000009/39-9011.htm
[2] http://www1.ctdol.state.ct.us/lmi/wages/20171/0901000009/25-2011.htm
[3] https://www.ctoec.org/wp-content/uploads/2022/06/FCC-NCA-Final-report.pdf figure 4

classroom. In 2010 the legislature set the goal of a Bachelor's level teacher in every state funded classroom by 2015. Low wages in the field have prevented much progress toward that goal and it has repeatedly been extended. Currently programs are required to have at least half of their classrooms taught by teachers holding at least an Associate degree in Early Childhood and the other half must have at least a CDA + 12 early childhood credits. In 2025 the requirement becomes half the classrooms led by a Bachelor's level teacher and the other half Associate degrees. Then in 2029 all classrooms must be taught by a teacher holding a Bachelors in early childhood.

While the requirements placed on the state funded programs have ratcheted up, their per child funding has remained flat for the past seven years. Staff who in 2015 were earning $5 or $6 above minimum wage have gotten minimal raises while programs have had to pay their least skilled new hires more each year as the minimum wage has risen. This has led to many of those experienced early educators leaving for other jobs.

Connecticut's School Readiness Preschool programs which are concentrated in the state's urban centers, have experienced a huge loss of experienced staff. The public schools, experiencing their own staff shortages have hired away many. All of this has made it even harder for those state funded programs to meet the required staffing ratios, much less have a "Qualified Staff Member " in each classroom. As a result classrooms are closed and roughly 20% of slots are unused. This year OEC will lapse tens of millions of dollars from the early care and education line item that you appropriated to get our poorest children ready for kindergarten. OEC will lapse those funds because it is not paying providers enough that they can offer competitive wages to attract and retain the staff needed to operate classrooms.

In 2019, frustrated by the lack of progress addressing the primary barrier to attracting and retaining a skilled workforce of early educators, the General Assembly instructed OEC to develop a compensation scale. That compensation scale, which was delivered to the Education Committee last year, is based on the idea of parity with similarly credentialed staff in the public schools. This past summer, UConn used the compensation scale to calculate a per child cost. Using the entry level scale[4], the cost of a full day, full year pre preschool slot was $14,487. Using a mid career scale to account for years of experience, the rate went to $16,138. The cost for infant toddler care with its much lower staff to student ratio is much higher $22,067 when calculated using the entry level scale and $31,767 on the midcareer scale.[5]

That brings us to the piece of this bill that is missing. The bill would require all licensed center or group home early care and education programs to pay their employees on the OEC compensation scale. **That will take a substantial amount of money**. If passed as currently drafted the bill is doomed to fail just as the earlier efforts to mandate degree requirements for the state funded programs. Early care and education programs would love to pay their staff more. However, without the resources to do it they can not.

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[4] Excerpted from the UConn Center Base Childcare Narrow Cost Analysis Report cited below
[5] https://www.ctoec.org/wp-content/uploads/2022/06/CBC-Final-Report-f-6-28-22.pdf figure 12 on page 18

For the state funded Child Development Centers and School Readiness Programs that can not raise tuition, the only way to achieve this important goal is for the state to increase the amount that it pays per child. The administration's budget proposal to raise their preschool rate for the first time in seven years to $10,500 per child falls about $4,000 per child short of what it needs to be. For infant/toddler care, that was just increased to $13,500 last year, the additional amount needed per child is $8,500.

Below is an illustration of how much more money might be needed in just the existing state funded programs based on the current OEC workforce registry data for those programs.

Credential Category	# in ECE workforce PreK & Inf/Toddler	approximate current wage	Entry Level Compensation scale wage	Difference	$ needed to raise them up	% increase to bring staff to wage scale
< CDA +12	1850	$14.50	$16.36	$1.86	$6,950,820	19.96%
CDA +12 or other	548	$15.25	$18.81	$3.56	$3,940,778	11.32%
AA in ECE	483	$16.00	$21.63	$5.63	$5,492,966	15.77%
BA in ECE	957	$17.50	$27.04	$9.54	$18,442,156	52.95%
	3838				$34,826,719	
Currently only 80% of staff positions filled						
To account for the additional positions we divide the number above by .8 to get						$43,533,399
Teaching staff are about 75% of payroll costs						
To account for the other support positions we divide the number above by .75 to get						$58,044,532
Wages typically represent 80% of costs.						
In order to determine the additional amount programs need we divide the number above by .8 to get						$72,555,665
Total Cost to raise state funded ECE workforce to entry level compensation scale levels						**$72,555,665**

Private tuition based programs, if required to pay their staff on the compensation scale would be forced to dramatically increase tuition which would be horribly disruptive to families and would inevitably price many families out of the child care market. The bill as written also leaves out the lowest paid early educators, family child care providers.

While bringing the state funded programs up to a point where they could pay staff on the compensation scale is relatively straightforward, raising compensation for the early educators who work in the other 70% to 80% of the early care and education programs that are not subsidized is more complicated. Data about the workforce in these programs is incomplete. Only state funded programs and providers participating in the Care4Kids system are required to enter their staff information into the workforce registry. The data in the registry is not complete or up to date. OEC is currently using the second round of ARPA wage support payments to incentivize programs to update their registry data.

Despite the complexity of the problem, rebuilding a well trained and well compensated workforce of early educators is critically important for the optimal development of the state's young children and to enable parents to participate in the workforce to solve Connecticut's broader workforce shortage. The Early Childhood Alliance supports increasing state appropriations to enable the state funded programs to pay their staff at the compensation scale levels. Further we support the creation of an Early Educator Wage Fund as described in the report of the Early Childhood Workforce Development Task Force that was delivered to the Committee today.

Section 2

The Alliance supports extending the current temporary Care4kids eligibility for parents in college or job training programs made possible with ARPA funding that is due to expire in June. For years we advocated to add this eligibility category. Until the temporary change was made, CT was one of only two states that made no provision for child care subsidies for these families. The actual cost of including these parents in Care4Kids has been far less than prior predictions. In December CBIA reported that there were 97,000 job openings in CT with 79,600 looking for work which meant that there were 17,400 more jobs than job seekers. Particularly, in a tight labor market, many of those jobs can only be filled if more people get trained to have the needed skills. Eliminating the child care barrier can help make it possible for parents with young children to receive that training so they can get the better paying job they need to support their family.

Section 3

The Early Childhood Alliance supports child care licensing to assure children's safety. We oppose the practice of creating carve outs for individual programs.

Section 4

The Alliance supports allowing licensed child care providers to administer epinephrine in emergency situations. Child care providers are already required to be trained to administer medications and while the training will be modified to include the administration of epinephrine, this is not an onerous task burden. If a 10 year old can be trusted to use an epipen when having an allergic reaction, surely licensed child care providers can be as well.