



General Assembly

January Session, 2025

Raised Bill No. 1369

LCO No. 4915



Referred to Committee on COMMITTEE ON CHILDREN

Introduced by:
(KID)

**AN ACT CONCERNING CHILD CARE SUPPORT FOR
CONNECTICUT'S WORKFORCE.**

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

1 Section 1. (NEW) (*Effective July 1, 2025*) (a) There is established the
2 Workforce Child Care Program to assist working families with the cost
3 of child care and to provide financial assistance to early care and
4 education program providers to support operational and workforce
5 needs. The program shall be administered by the Workforce Child Care
6 Board, established pursuant to section 2 of this act, and the board shall
7 authorize the expenditure of funds from the Workforce Child Care
8 Fund, established pursuant to section 3 of this act in accordance with the
9 provisions of this section.

10 (b) Eligibility for participation in the program shall be limited to the
11 following:

12 (1) Any family (A) with a child or children under thirteen years of
13 age, (B) with an individual who is employed and has been employed for
14 (i) at least twenty-six consecutive weeks if such individual regularly
15 works twenty or more hours per week, or (ii) at least one hundred

16 seventy-five days if such individual works fewer than twenty hours per
17 week, and (C) that is not currently receiving a subsidy or other financial
18 assistance from or enrolled in (i) a Head Start or Early Head Start
19 program, (ii) the child care subsidy program, established pursuant to
20 section 17b-749 of the general statutes, (iii) an early care and education
21 program receiving financial assistance under Early Start CT pursuant to
22 section 10-550b of the general statutes, (iv) a preschool program under
23 the Connecticut Smart Start competitive grant program, pursuant to
24 section 10-506 of the general statutes, (v) the temporary family
25 assistance program pursuant to section 17b-112 of the general statutes,
26 (vi) foster care placements or certified relative foster care placements
27 through the Department of Children and Families, or (vii) any other
28 state or federal program from which the family is receiving a subsidy or
29 financial assistance for child care; and

30 (2) Any licensed provider of an early care and education program in
31 the state that is providing child care services, as described in section 19a-
32 77 of the general statutes.

33 (c) As part of the program, the cost of child care charged by a
34 participating early care and education program provider to an eligible
35 family shall not exceed seven per cent of the annual household income
36 of such eligible family.

37 (d) The board shall authorize payments from the Workforce Child
38 Care Fund established pursuant to section 3 of this act as follows:

39 (1) For grants to participating early care and education program
40 providers, in accordance with sliding scale subsidy guidelines
41 developed by the board, in order to implement the provisions of
42 subsection (c) of this section.

43 (2) To implement the early childhood care and education salary
44 enhancement grant program in accordance with the provisions of
45 sections 6 and 7 of this act.

46 (3) For grants to employees of early care and education programs for
47 (A) professional development, (B) scholarships for associate and
48 bachelor's degrees, certifications and advanced training, and (C)
49 retention incentives, including, but not limited to, performance-based
50 bonuses and retention grants.

51 (4) For capital improvements, including renovations, structural
52 upgrades and purchasing equipment and materials, in order for child
53 care facilities to meet health and safety standards, expand capacity and
54 enhance educational resources.

55 (5) To develop and maintain the Workforce Child Care Program
56 enrollment portal, as described in section 5 of this act.

57 (e) On and after July 1, 2026, the Workforce Child Care Board may
58 expand the program to authorize payments from the Workforce Child
59 Care Fund for enrollment in before-school and after-school programs,
60 summer camps and youth camps and for emergency access to parents
61 and guardians who are not employed for one-quarter of coverage,
62 provided the fund will maintain solvency in the subsequent fiscal year
63 following such program expansion.

64 (f) Not later than January 1, 2027, and annually thereafter, the
65 Workforce Child Care Board shall prepare a report on the
66 implementation of the program. Such report shall include, but need not
67 be limited to, (1) the number of eligible families and participating
68 providers in the program, an analysis of how the program has impacted
69 the child care workforce and child care accessibility and if the program
70 has had an effect on economic growth in the state, and (2) any
71 recommendations for improvements or enhancements to the program.
72 The board shall submit such report to the joint standing committee of
73 the General Assembly having cognizance of matters relating to children
74 in accordance with the provisions of section 11-4a of the general statutes.

75 Sec. 2. (NEW) (*Effective July 1, 2025*) (a) (1) There is established the
76 Workforce Child Care Board. The board shall administer the Workforce

77 Child Care Program, established pursuant to section 1 of this act, and
78 review and report on the financial health and status of the Workforce
79 Child Care Fund, established pursuant to section 3 of this act.

80 (2) The board shall consist of the following members:

81 (A) Two appointed by the speaker of the House of Representatives,
82 (i) one of whom shall be a parent, and (ii) one of whom shall be currently
83 employed in the early childhood workforce;

84 (B) Two appointed by the president pro tempore of the Senate, (i) one
85 of whom shall be a representative from the Service Employees'
86 International Union, Local 2001, and (ii) one of whom shall be a member
87 of the Connecticut Early Childhood Alliance;

88 (C) Two appointed by the majority leader of the House of
89 Representatives, (i) one of whom shall be a representative of an early
90 childhood education program operator in the state, and (ii) one of whom
91 shall be a representative of a family resource center described under
92 section 10-4o of the general statutes;

93 (D) Two appointed by the majority leader of the Senate, (i) one of
94 whom shall be a representative of a philanthropic organization that is
95 (I) engaged in early childhood education issues or child care issues in
96 the state, and (II) a member of the Early Childhood Funder
97 Collaborative, and (ii) one of whom shall be a representative of a
98 business organization that is (I) engaged in early childhood education
99 issues or child care issues in the state, and (II) a member of the
100 Connecticut Business Industry Association;

101 (E) Two appointed by the minority leader of the House of
102 Representatives, (i) one of whom shall be a representative of a non-
103 home-based child care services provider in the state, and (ii) one of
104 whom shall be a parent;

105 (F) Two appointed by the minority leader of the Senate, (i) one of

106 whom shall be a representative of a corporation with a significant
107 physical presence in the state and that employs individuals who may
108 benefit from early childhood education and state child care initiatives,
109 and (ii) one of whom shall be a member of the parent cabinet established
110 by the Office of Early Childhood pursuant to section 10-500 of the
111 general statutes;

112 (G) The Commissioner of Early Childhood, or the commissioner's
113 designee;

114 (H) The Secretary of the Office of Policy and Management, or the
115 secretary's designee;

116 (I) The Treasurer, or the Treasurer's designee; and

117 (J) The Comptroller, or the Comptroller's designee.

118 (3) Each appointed member shall serve in accordance with the
119 provisions of section 4-1a of the general statutes and the appointing
120 authorities shall appoint members to ensure representation on the board
121 of all geographic areas in the state, to the extent practicable.

122 (4) The Commissioner of Early Childhood shall schedule the first
123 meeting of the board, which shall be held not later than October 1, 2025.
124 The members shall elect the chairperson at the first meeting. The board
125 shall meet as often as deemed necessary by the chairperson or a majority
126 of the board. Any appointed member who fails to attend three
127 consecutive meetings or who fails to attend fifty per cent of all meetings
128 held during any calendar year shall be deemed to have resigned from
129 the board.

130 (5) Any vacancy shall be filled by the appointing authority. Any
131 vacancy occurring other than by expiration of term shall be filled for the
132 balance of the unexpired term.

133 (6) A majority of the board shall constitute a quorum for the
134 transaction of any business.

135 (b) The board shall have the following powers and duties:

136 (1) Review and monitor the Workforce Child Care Fund to assess its
137 financial sustainability;

138 (2) Obtain from any executive department, board or other agency of
139 the state such assistance and data as necessary and available to carry out
140 the purposes of this section; and

141 (3) Perform such other acts as may be necessary and appropriate to
142 carry out the duties described in this section.

143 (c) The board shall:

144 (1) Not later than January 1, 2026, submit a five-year plan, in
145 accordance with the provisions of section 11-4a of the general statutes,
146 to the joint standing committees of the General Assembly having
147 cognizance of matters relating to appropriations and the budgets of state
148 agencies, finance, revenue and bonding, education and children of
149 recommendations of expenditures from said fund that would best
150 support working families in reducing the cost and access to child care
151 in the state. The board shall, in developing such plan, consider reports
152 on the state of early childhood care and education in the state, as well as
153 best practices in other states. The board shall update such plan at least
154 annually and submit such updated plan annually to said committees;

155 (2) Commencing with the fiscal year ending June 30, 2026, hold an
156 annual public hearing on the state of the fund and of the cost of early
157 childhood education and child care in the state; and

158 (3) Not later than January 1, 2027, and annually thereafter, submit a
159 report, in accordance with the provisions of section 11-4a of the general
160 statutes, to the joint standing committees of the General Assembly
161 having cognizance of matters relating to appropriations and the budgets
162 of state agencies, finance, revenue and bonding, education and children
163 on the financial health and status of the Workforce Child Care Fund,

164 including, but not limited to, (A) the amounts on deposit in said fund,
165 (B) disbursements made or expected to be made from said fund for the
166 applicable fiscal year, (C) the rates of return on investments made by the
167 Treasurer pursuant to subsection (c) of section 3 of this act, (D) a
168 statement as to the sufficiency of the amounts on deposit in said fund to
169 achieve the purposes of said fund, and (E) any recommendations for
170 policy changes and amendments to the general statutes necessary to
171 further the purposes of said fund;

172 (d) The Workforce Child Care Board shall be within the Office of
173 Early Childhood for administrative purposes only.

174 Sec. 3. (NEW) (*Effective July 1, 2025*) (a) There is established the
175 Workforce Child Care Fund. Said fund may contain any moneys
176 required or permitted by law to be deposited in the fund and shall
177 receive and hold all payments and deposits for contributions intended
178 for said fund, as well as gifts, bequests, endowments or federal, state or
179 local grants and any other funds from any public or private source and
180 all earnings until disbursed in accordance with the provisions of this
181 section.

182 (b) The amounts on deposit in said fund shall not constitute property
183 of the state and said fund shall not be construed to be a department,
184 institution or agency of the state. Amounts on deposit in said fund shall
185 not be commingled with state funds and the state shall have no claim to
186 or against, or any interest in, such deposits. Any contract entered into
187 by or any obligation of said fund shall not constitute a debt or obligation
188 of the state and the state shall have no obligation to any person on
189 account of said fund and all amounts obligated to be paid from said
190 fund shall be limited to amounts available for such obligation on deposit
191 in said fund. Said fund shall continue in existence as long as it holds any
192 deposits or has any obligations and until its existence is terminated by
193 law.

194 (c) The Treasurer shall invest the amounts on deposit in said fund in

195 a manner reasonable and appropriate to achieve the objectives of said
196 fund, exercising the discretion and care of a prudent person in similar
197 circumstances with similar objectives. The Treasurer shall give due
198 consideration to rate of return, risk, term or maturity, diversification of
199 the total portfolio within said fund, liquidity, the projected
200 disbursements and expenditures and the expected payments, deposits,
201 contributions and gifts to be received. The Treasurer shall not require
202 said fund to invest directly in obligations of the state or any political
203 subdivision of the state or in any investment or other fund administered
204 by the Treasurer. The assets of said fund shall be continuously invested
205 and reinvested in a manner consistent with the objectives of said fund
206 until disbursed by the Comptroller in accordance with the provisions of
207 this section.

208 (d) The Treasurer, on behalf of said fund and for purposes of said
209 fund, may:

210 (1) Receive and invest moneys in said fund in any instruments,
211 obligations, securities or property in accordance with this section;

212 (2) Enter into one or more contractual agreements, including
213 contracts for legal, actuarial, accounting, custodial, advisory,
214 management, administrative, advertising, marketing and consulting
215 services for said fund and pay for such services from the assets of said
216 fund;

217 (3) Procure insurance in connection with said fund's property, assets,
218 activities or deposits to said fund;

219 (4) Apply for and accept gifts, grants or donations from public or
220 private sources to enable said fund to carry out its objectives;

221 (5) Adopt regulations in accordance with chapter 54 of the general
222 statutes for purposes of this section;

223 (6) Sue and be sued;

224 (7) Establish one or more accounts within said fund; and

225 (8) Take any other action necessary to carry out the purposes of this
226 section and incidental to the duties imposed on the Treasurer pursuant
227 to this section.

228 (e) The amounts on deposit in said fund shall be used for the
229 purposes of (1) implementing the Workforce Child Care Program,
230 established pursuant to section 1 of this act, (2) supporting the
231 establishment and maintenance of the enrollment portal, as described in
232 section 5 of this act, (3) implementing the early childhood care and
233 education salary enhancement grant program in accordance with the
234 provisions of sections 6 and 7 of this act, and (4) providing financial
235 assistance to early care and education program providers for other
236 operational and workforce needs.

237 Sec. 4. (NEW) (*Effective July 1, 2025*) (a) As used in this section:

238 (1) "Employer" means an employer required to deduct and withhold
239 tax from wages pursuant to section 12-705 of the general statutes.
240 "Employer" does not include any early care and education program
241 provider; and

242 (2) "Payroll expense" means (A) wages, as defined in Section 3121 of
243 the Internal Revenue Code of 1986, or any subsequent corresponding
244 internal revenue code of the United States, as amended from time to
245 time, without regard to Section 3121(a)(1) of said code, and (B)
246 compensation, as defined in Section 3231 of said code, without regard
247 to Section 3231(e)(2)(A)(i) of said code, that are paid to all covered
248 employees.

249 (b) On and after January 1, 2026, each employer shall pay a tax on
250 such employer's payroll expense at the following rate: For the taxable
251 year commencing January 1, 2026, one and one-half per cent of such
252 employer's payroll expense during the year.

253 (c) All amounts collected under this section shall be deposited in the
254 Workforce Child Care Fund, established pursuant to section 3 of this act.

255 Sec. 5. (NEW) (*Effective July 1, 2025*) (a) The Workforce Child Care
256 Board, in collaboration with the Office of Early Childhood, shall develop
257 a centralized online enrollment portal for families to apply for (1)
258 participation in the Workforce Child Care Program, established
259 pursuant to section 1 of this act, and (2) a subsidy or other state or
260 federal financial assistance for child care under (A) a Head Start or Early
261 Head Start program, (B) the child care subsidy program, established
262 pursuant to section 17b-749 of the general statutes, (C) an early care and
263 education program receiving financial assistance under Early Start CT
264 pursuant to section 10-550b of the general statutes, (D) a preschool
265 program under the Connecticut Smart Start competitive grant program,
266 pursuant to section 10-506 of the general statutes, (E) temporary family
267 assistance program pursuant to section 17b-112 of the general statutes,
268 (F) foster care placements or certified relative foster care placements
269 through the Department of Children and Families, or (G) any other state
270 or federal program for child care assistance.

271 (b) For applicants seeking participation in the Workforce Child Care
272 Program, the enrollment portal shall (1) enable families seeking to
273 participate in the program to determine eligibility and apply for a
274 subsidy, (2) allow early care and education program providers to
275 participate in the program, (3) facilitate the connection of participating
276 providers and eligible families by providing opportunities for eligible
277 families to enroll in participating provider programs, (4) ensure secure
278 data management to protect applicant information and privacy and
279 system integrity, and (5) include provisions for special enrollment
280 periods for life events, including job loss, income changes and new
281 parenthood.

282 (c) Any child who is enrolled in an early care and education program
283 through the enrollment portal shall be assigned a state-assigned student
284 identifier.

285 Sec. 6. (NEW) (*Effective July 1, 2025*) (a) As used in this section and
286 section 7 of this act:

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

291 (2) "Early childhood care and education program" means a child care
292 services provider, early childhood education program or license-exempt
293 early childhood provider;

294 (3) "Child care services provider" means a child care center or a group
295 child care home, as such terms are described in section 19a-77 of the
296 general statutes;

297 (4) "Early childhood education program" means a private preschool
298 program or an early care and education program under Early Start CT,
299 pursuant to section 10-550b of the general statutes;

300 (5) "License-exempt early childhood provider" means any child care
301 services provider or an early care and education program under Early
302 Start CT that is not required to be licensed pursuant to subsection (b) of
303 section 19a-77 of the general statutes and is located in a public school
304 building but is not administered by a public school system;

305 (6) "Employee" means a person who is employed by an early
306 childhood care and education program and meets the eligibility criteria
307 described in the compensation schedule and policy developed by the
308 Office of Early Childhood pursuant to subsection (e) of this section;

309 (7) "Base salary" means the annual salary that an employee was paid
310 for a position on December 31, 2024, or, if the position was vacant on
311 December 31, 2024, the starting annual salary for such position on said
312 date;

313 (8) "Benefits amount" means seven thousand five hundred dollars;

314 (9) "Individual employee salary enhancement amount" means, for
315 any fiscal year, the sum of (A) the difference between (i) the salary
316 prescribed in the compensation schedule for an employee, and (ii) the
317 amount of such employee's base salary, and (B) the benefits amount;

318 (10) "Salary enhancement amount" means the sum of the total
319 individual employee salary enhancement amounts for all employees of
320 an early childhood care and education program for the fiscal year; and

321 (11) "Family child care home" has the same meaning as provided in
322 section 19a-77 of the general statutes.

323 (b) For the fiscal year ending June 30, 2026, and each fiscal year
324 thereafter, the Office of Early Childhood, in collaboration with the
325 Workforce Child Care Board established pursuant to section 2 of this
326 act, shall administer the early childhood care and education salary
327 enhancement grant program. The office shall annually pay to each early
328 childhood care and education program a salary enhancement grant in
329 the amount of such program's salary enhancement amount. Such
330 program shall distribute such grant funds to its employees in
331 accordance with the policy developed by the Commissioner of Early
332 Childhood pursuant to subsection (e) of this section.

333 (c) For the fiscal year ending June 30, 2026, and each fiscal year
334 thereafter, the office shall annually pay to each family child care home
335 a salary enhancement grant as follows: (1) Twenty thousand dollars for
336 each licensee of a family child care home, (2) six thousand dollars for
337 each full-time assistant or substitute staff member approved by the
338 Commissioner of Early Childhood pursuant to section 19a-87b of the
339 general statutes, and (3) three thousand dollars for each part-time
340 assistant or substitute staff member approved by the commissioner
341 pursuant to section 19a-87b of the general statutes, and employed by the
342 family child care home. The licensee shall distribute such grant funds in
343 accordance with the policy developed by the commissioner pursuant to
344 subsection (e) of this section.

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

351 (e) Not later than October 1, 2025, the commissioner shall develop a
352 policy for the administration of the early childhood care and education
353 salary enhancement grant program. The policy shall include, but need
354 not be limited to, eligibility criteria for the program, the registration
355 process for the program, the distribution requirements of the grant and
356 any other requirements the commissioner deems necessary.

357 Sec. 7. (NEW) (*Effective July 1, 2025*) On and after July 1, 2025, each
358 employee of an early childhood care and education program shall be
359 paid an annual salary as prescribed in the compensation schedule
360 developed pursuant to section 10-531 of the general statutes, as
361 amended by this act, except if the amount of an employee's salary is
362 greater than the amount prescribed in such compensation schedule,
363 such employee shall be paid such greater amount.

364 Sec. 8. Section 10-531 of the general statutes is repealed and the
365 following is substituted in lieu thereof (*Effective July 1, 2025*):

366 (a) As used in this section:

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

370 (2) "Employee" means any person who is employed by an early
371 childhood [education program and meets the applicable staff
372 qualifications requirement, as defined in section 10-16p] care and
373 education program and meets the eligibility criteria described in the
374 compensation schedule and policy developed by the Office of Early

375 Childhood pursuant to subsection (e) of section 1 of this act;

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

379 (4) "Compensation schedule" means a list or lists specifying a series
380 of compensation steps and ranges;

381 (5) "Early childhood care and education program" means (A) a child
382 care center or a group child care home, as such terms are described in
383 section 19a-77, or (B) a private preschool program or an early care and
384 education program under Early Start CT, pursuant to section 10-550b.

385 (b) The Office of Early Childhood shall establish, after notice and
386 opportunity for public comment, a proposed early childhood educator
387 compensation schedule for employees of early childhood education
388 programs.

389 (c) (1) The office shall consider the following factors in developing the
390 proposed early childhood educator compensation schedule: (A) Level
391 of education, (B) training in early childhood education or child
392 development, (C) relevant employment experience, including the
393 number of years an individual has been employed in an early childhood
394 education program, (D) compensation levels for certified teachers
395 employed in a preschool program operated by a local or regional board
396 of education or regional educational service center, and (E) cost of living
397 in the state.

398 (2) In developing the proposed early childhood educator
399 compensation schedule, the office may (A) consider the findings and
400 recommendations provided in "A Plan to Assist Early Education State
401 Funded Providers to Degree Attainment and Increased Compensation"
402 created by the office, pursuant to section 4 of public act 15-134, to create
403 a standardized salary scale and incentive package for early childhood
404 educators, (B) utilize state and federal funding, and (C) examine existing

405 programs that address early childhood educator compensation and staff
406 retention through financial incentives, such as bonuses for degree or
407 course completion.

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

411 (d) Not later than January 1, 2021, the office shall submit the proposed
412 early childhood educator compensation schedule and a report to the
413 joint standing committees of the General Assembly having cognizance
414 of matters relating to education and appropriations and the budgets of
415 state agencies, in accordance with the provisions of section 11-4a. Such
416 report shall include: (1) Any recommendations for legislation relating to
417 state-wide implementation of the proposed early childhood educator
418 compensation schedule, (2) an estimate of the cost of implementing the
419 proposed early childhood educator compensation schedule state-wide,
420 (3) an analysis of the effect of the state-wide implementation of the
421 proposed early childhood educator compensation schedule on the
422 number of available preschool seats, and (4) an explanation of how the
423 proposed early childhood educator compensation schedule will be
424 included in any quality rating and improvement system developed by
425 the office, pursuant to subdivision (15) of subsection (b) of section 10-
426 500.

427 (e) Not later than January 1, 2026, the office shall amend the
428 compensation schedule to include employees of early childhood care
429 and education programs.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2025</i>	New section
Sec. 2	<i>July 1, 2025</i>	New section
Sec. 3	<i>July 1, 2025</i>	New section
Sec. 4	<i>July 1, 2025</i>	New section

Sec. 5	<i>July 1, 2025</i>	New section
Sec. 6	<i>July 1, 2025</i>	New section
Sec. 7	<i>July 1, 2025</i>	New section
Sec. 8	<i>July 1, 2025</i>	10-531

Statement of Purpose:

To establish the Workforce Child Care Fund to assist working families in the cost of child care and to cap the cost of child care at seven per cent of a family's annual household income.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]