

## Office of Early Childhood OEC64800

### Permanent Full-Time Positions

Fund	Actual FY 17	Actual FY 18	Appropriation FY 19	Governor Recommended		Legislative	
				FY 20	FY 21	FY 20	FY 21
General Fund	116	118	118	118	118	118	118

### Budget Summary

Account	Actual FY 17	Actual FY 18	Appropriation FY 19	Governor Recommended		Legislative	
				FY 20	FY 21	FY 20	FY 21
Personal Services	7,276,350	7,400,004	7,574,843	8,655,055	9,156,554	8,655,055	9,156,554
Other Expenses	489,667	384,922	391,141	388,987	388,987	458,987	458,987
<b>Other Current Expenses</b>							
Children's Trust Fund	11,207,514	-	-	-	-	-	-
Birth to Three	32,447,839	21,446,803	21,446,804	21,822,123	22,204,010	22,845,964	23,452,407
Community Plans for Early Childhood	519,296	-	-	-	-	-	-
Evenstart	415,151	295,456	295,456	295,456	295,456	295,456	295,456
2Gen - TANF	-	108,335	412,500	412,500	412,500	412,500	412,500
Nurturing Families Network	-	10,026,687	10,230,303	10,278,822	10,278,822	10,278,822	10,278,822
<b>Other Than Payments to Local Governments</b>							
Head Start Services	5,571,838	5,048,843	5,083,238	5,083,238	5,083,238	5,083,238	5,083,238
Care4Kids TANF/CCDF	124,376,409	86,031,555	130,032,034	54,627,096	59,527,096	54,627,096	59,527,096
Child Care Quality Enhancements	2,378,698	6,836,989	6,855,033	6,855,033	6,855,033	6,855,033	6,855,033
Early Head Start-Child Care Partnership	1,130,750	1,575,750	1,130,750	1,130,750	100,000	1,130,750	100,000
Early Care and Education	107,985,987	119,109,796	101,507,832	127,798,399	127,798,399	127,848,399	130,548,399
Smart Start	-	-	3,325,000	3,325,000	3,325,000	3,325,000	3,325,000
<b>Grant Payments to Local Governments</b>							
School Readiness Quality Enhancement	3,771,753	-	-	-	-	-	-
<b>Agency Total - General Fund</b>	<b>297,571,252</b>	<b>258,265,140</b>	<b>288,284,934</b>	<b>240,672,459</b>	<b>245,425,095</b>	<b>241,816,300</b>	<b>249,493,492</b>
<b>Additional Funds Available</b>							
Carry Forward Funding	-	-	-	-	-	26,644,903	-
Federal & Other Restricted Act	-	48,104,381	55,902,074	115,597,932	113,597,932	115,597,932	113,597,932
Private Contributions & Other Restricted	-	7,955,879	505,000	500,000	500,000	500,000	500,000
<b>Agency Grand Total</b>	<b>297,571,252</b>	<b>314,325,400</b>	<b>344,692,008</b>	<b>356,770,391</b>	<b>359,523,027</b>	<b>384,559,135</b>	<b>363,591,424</b>

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21

### Policy Revisions

#### Net Appropriate Care4Kids

Care4Kids TANF/CCDF	(67,982,218)	(53,626,128)	(67,982,218)	(53,626,128)	-	-
<b>Total - General Fund</b>	<b>(67,982,218)</b>	<b>(53,626,128)</b>	<b>(67,982,218)</b>	<b>(53,626,128)</b>	<b>-</b>	<b>-</b>

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21

**Governor**

Reduce funding for Care4Kids by \$67,982,218 in FY 20 and \$53,626,128 in FY 21 to reflect only the state share of program funding in the General Fund line item. A similar adjustment is made to Federal Grants revenue to reflect reallocating federal Child Care Development Funds (CCDF), which support Care4Kids, to a separate federal account. While this change does not impact the overall funding for Care4Kids, it is a change from current practice to reflect only the state share of program funding in the budget.

**Legislative**

Same as Governor. As established by section 257 of PA 19-117, OEC is required to submit quarterly reports to the Committees on Appropriations and Education detailing the federal CCDF allocation, expenditures to date, estimated expenditures through the end of the fiscal year, and anticipated use of any balance of funds. In addition, OEC will detail overall Care4Kids program data (supported by both state and federal funds) including actual and estimated monthly caseload and associated costs by priority group.

**Provide Funding for Continued Care4Kids Rate Increases**

Care4Kids TANF/CCDF	4,900,000	9,800,000	4,900,000	9,800,000	-	-
<b>Total - General Fund</b>	<b>4,900,000</b>	<b>9,800,000</b>	<b>4,900,000</b>	<b>9,800,000</b>	<b>-</b>	<b>-</b>

**Governor**

Provide funding of \$4.9 million in FY 20 and \$9.8 million in FY 21 to reflect child care provider rate increases that are anticipated to begin in FY 19.

**Legislative**

Same as Governor. Section 27 of PA 19-177 allows OEC to carry forward the unexpended balance of Care4Kids TANF/CCDF funding from FY 19 to support child care provider rate increases in FY 20.

**Provide Increase for Full Day Childcare Rates**

Early Care and Education	-	-	-	2,700,000	-	2,700,000
<b>Total - General Fund</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,700,000</b>	<b>-</b>	<b>2,700,000</b>

**Legislative**

Provide funding of \$2.7 million in FY 21 to reflect increasing the full-day rate for school readiness and child day care center providers to not less than \$9,027. Sections 258-260 of PA 19-117 implement this change.

**Provide Funding for EdAdvance**

Early Care and Education	-	-	50,000	50,000	50,000	50,000
<b>Total - General Fund</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>

**Background**

EdAdvance is one of Connecticut's six Regional Educational Service Centers (RESCs).

**Legislative**

Provide funding of \$50,000 in both FY 20 and FY 21 for EdAdvance in Danbury.

**Adjust Funding for Expiring Federal Early Head Start-Child Care Partnership Grant**

Early Head Start-Child Care Partnership	-	(1,030,750)	-	(1,030,750)	-	-
<b>Total - General Fund</b>	<b>-</b>	<b>(1,030,750)</b>	<b>-</b>	<b>(1,030,750)</b>	<b>-</b>	<b>-</b>

**Background**

The Early Head Start- Child Care Partnership program supports three grantees serving 232 children through nine center-based providers and 32 family child care homes. The three grantees are TEAM, Inc., in Naugatuck, LULAC Heat Start in New Haven, and United Way of Greater New Haven.

**Governor**

Reduce funding by \$1,030,750 in FY 21 to reflect the elimination of state matching funds for the federal Early Head Start Child Care Partnership grant that will be expiring.

**Legislative**

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21

### Transfer Funding to OEC for CCDC

Other Expenses	-	-	70,000	70,000	70,000	70,000
<b>Total - General Fund</b>	<b>-</b>	<b>-</b>	<b>70,000</b>	<b>70,000</b>	<b>70,000</b>	<b>70,000</b>

#### Legislative

Transfer funding of \$70,000 from the Office of Legislative Management to reflect support for the Capitol Child Development Center (CCDC) under OEC.

### Adjust Funding to Reflect Cellular Services Savings

Other Expenses	(2,154)	(2,154)	(2,154)	(2,154)	-	-
<b>Total - General Fund</b>	<b>(2,154)</b>	<b>(2,154)</b>	<b>(2,154)</b>	<b>(2,154)</b>	<b>-</b>	<b>-</b>

#### Background

The Governor's FY 20 and FY 21 Budget reduces funding by \$197,555 in both FY 20 and FY 21, across five appropriated funds, to reflect cellular services savings.

#### Governor

Reduce funding by \$2,154 in both FY 20 and FY 21 to reflect this agency's cellular services savings.

#### Legislative

Same as Governor

## Current Services

### Reflect Increased Federal Child Care Development Funds (CCDF)

Care4Kids TANF/CCDF	14,356,090	-	14,356,090	-	-	-
<b>Total - General Fund</b>	<b>14,356,090</b>	<b>-</b>	<b>14,356,090</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### Background

The Child Care Development Fund (CCDF) program is administered by the Office of Child Care under the U.S Department of Health and Human Services. The CCDF is a state-federal program primarily used to provide financial assistance to low-income families for child care. Connecticut uses the federal funds to support the Care4Kids program. While the state typically receives approximately \$53 million under CCDF, this amount was increased by \$14.3 million in FY 18 and FY 19. This increase is anticipated to continue in FY 20.

#### Governor

Provide funding of \$14,356,090 to reflect increased CCDF funds in FY 20.

#### Legislative

Same as Governor

### Provide Funding for Birth to Three Caseload Growth

Birth to Three	375,319	757,206	1,399,160	2,005,603	1,023,841	1,248,397
<b>Total - General Fund</b>	<b>375,319</b>	<b>757,206</b>	<b>1,399,160</b>	<b>2,005,603</b>	<b>1,023,841</b>	<b>1,248,397</b>

#### Background

The Birth to Three program provides early intervention services to infants and toddlers to address developmental and health related needs. The federal program for infants and toddlers with disabilities, Part C of the federal Individuals With Disabilities Education Act (IDEA), assists states with operating a comprehensive, statewide program.

#### Governor

Provide funding of \$375,319 in FY 20 and \$757,206 in FY 21 to reflect 1.7% growth in the Birth to Three program in each year.

#### Legislative

Provide funding of \$1,399,160 in FY 20 and \$2,005,603 in FY 21 to reflect growth in the Birth to Three program.

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21

### Realign Funding for TANF, SSBG, and CCDF

Personal Services	666,791	666,791	666,791	666,791	-	-
Care4Kids TANF/CCDF	(26,678,810)	(26,678,810)	(26,678,810)	(26,678,810)	-	-
Early Care and Education	26,012,019	26,012,019	26,012,019	26,012,019	-	-
<b>Total - General Fund</b>	-	-	-	-	-	-

#### Background

PA 17-2 JSS, the biennial budget act, realigned General Fund and federal block grant resources across several agencies to simplify administrative activities related to the provision of block grant funded services. This included transferring a portion (10%) of the Temporary Assistance to Needy Families (TANF) block grant to the federal Child Care Development Fund (CCDF). In OEC, the General Fund appropriation for the Early Care and Education line item was reduced while CCDF support for the program was increased. This transfer, like the one approved via the Finance Advisory Committee (FAC) in March 2018 and September 2018, allows Child Care Development Funds (CCDF) to support the Care4Kids program, which already follows CCDF rules, in lieu of Early Care and Education (child care centers) and licensing staff which do not follow CCDF guidelines and would require extensive changes for compliance purposes. Total CCDF support for child day care centers and licensure was budgeted at \$26,678,810 in FY 19.

#### Governor

Transfer funding of \$26,678,810 from the Care4Kids line item to Personal Services (\$666,791 to support licensing staff) and Early Care and Education (\$26,012,019 to support child day care centers) to reflect the current funding structure of the programs. Federal CCDF support will be reallocated from child day care centers and licensing to the Care4Kids program. This shift will have no net impact on the General Fund or federal revenue, and will not result in any reduction in services.

#### Legislative

Same as Governor

### Provide Funds to Reflect the FY 19 Private Provider COLA

Nurturing Families Network	48,519	48,519	48,519	48,519	-	-
Early Care and Education	278,548	278,548	278,548	278,548	-	-
<b>Total - General Fund</b>	<b>327,067</b>	<b>327,067</b>	<b>327,067</b>	<b>327,067</b>	-	-

#### Background

The Revised FY 19 budget (PA 18-81, Sec. 69) provided a 1% COLA to employees of human services providers. In FY 19, funding to support these increases was appropriated to the Office of Policy and Management and a total of \$5.8 million was distributed to individual agencies.

#### Governor

Provide funding of \$327,067 in FY 20 and FY 21 to reflect the rollout of FY 19 Private Provider COLA.

#### Legislative

Same as Governor

### Provide Funding for Wage Increases

Personal Services	413,421	914,920	413,421	914,920	-	-
<b>Total - General Fund</b>	<b>413,421</b>	<b>914,920</b>	<b>413,421</b>	<b>914,920</b>	-	-

#### Background

The Governor's FY 20 and FY 21 Budget provides funding of \$70.3 million in FY 20 and \$165.9 million in FY 21, across seven appropriated funds, for state employee wages and collective bargaining increases.

#### Governor

Provide funding of \$413,421 in FY 20 and \$914,920 in FY 21 to reflect this agency's increased wage costs.

#### Legislative

Same as Governor

Account	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21

## Carry Forward

### Carry Forward Funding for Care4Kids

Care4Kids TANF/CCDF	-	-	26,556,903	-	26,556,903	-
<b>Total - Carry Forward Funding</b>	-	-	<b>26,556,903</b>	-	<b>26,556,903</b>	-

#### Background

Section 27 of PA 19-117 carries forward the unexpended balance of FY 19 Care4Kids funding for use in FY 20.

### Carry Forward Funding for Early Child Care and Education

Early Care and Education	-	-	88,000	-	88,000	-
<b>Total - Carry Forward Funding</b>	-	-	<b>88,000</b>	-	<b>88,000</b>	-

#### Background

FY 19 funding of \$88,000 for Early Care and Education is carried forward for use in FY 20, per CGS section 10-16p(e)(2)(A) and 10-16aa.

## Totals

Budget Components	Governor Recommended		Legislative		Difference from Governor	
	FY 20	FY 21	FY 20	FY 21	FY 20	FY 21
FY 19 Appropriation - GF	288,284,934	288,284,934	288,284,934	288,284,934	-	-
Policy Revisions	(63,084,372)	(44,859,032)	(62,964,372)	(42,039,032)	120,000	2,820,000
Current Services	15,471,897	1,999,193	16,495,738	3,247,590	1,023,841	1,248,397
<b>Total Recommended - GF</b>	<b>240,672,459</b>	<b>245,425,095</b>	<b>241,816,300</b>	<b>249,493,492</b>	<b>1,143,841</b>	<b>4,068,397</b>