



## Connecticut Early Childhood Alliance

Good afternoon, Senator Osten, Representative Walker and members of the Appropriations committee. Thank you for this opportunity to testify today in favor of House Bill 6555. My name is Merrill Gay. I'm the executive director of the Connecticut Early Childhood Alliance.

The Early Childhood Alliance supports HB 6555 because passage of the American Rescue Act creates a unique opportunity to dramatically improve child care in Connecticut and it is essential that you as the legislature have the ability to make sure we don't squander that opportunity.

The American Rescue Act appropriates \$39 Billion to states for child care. Connecticut's share of that is expected to be \$276 million. For comparison sake, Connecticut currently allocates a combined federal grant and state appropriation of \$140 million per year to the Care4Kids program.. So the American Rescue Act is going to provide CT with roughly twice what we currently spend each year to provide child care subsidies. Even when you take into account that the \$276 million can be spent over 2 years, this is still almost a 100% increase in the funds available for Care4kids.

Every year, we as early childhood advocates come before you asking for an increase so that child care providers can earn more than poverty wages and that we remedy problems like the fact that Connecticut is one of only two states in the country that does allow parents access to the child care subsidy program while they are in school or a job training program. Every year, we get told we'd love to do that but they're just isn't any money. Well, with passage of the American Recovery Act, that excuse no longer exists.

However, we fear that if the decisions about how these funds are to be spent are left entirely to the administration that OPM will do what OPM does. They will look at this and say, "Oh it's a one-time grant. We shouldn't do anything with it that might cause a need to incur ongoing expense for the state." That line of thinking is how we squander a once in a generation opportunity to fix our broken child care system. We urge you not to let that happen.

We could waste time trying to figure out new one time grant programs to spend all this money, or we could do what we have needed to do for years, raise payment rates for Care4kids to the federally recommended 75th percentile of the market rate. Then after we see how much that costs, open up eligibility to parents who are currently excluded.

This is a unique opportunity. We know that for the next two years we will have twice as much money as we currently spend. We also know that Congresswoman Delauro, the new chair of the House Appropriations committee in Congress has every intention of trying to put additional funds into the mandatory line of the child care development block grant so that we get more funds year after year. The single biggest obstacle she faces in achieving that goal will be states not spending the money that they get through the American Recovery Act.



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I urge you to pass House Bill 6555, so that you have a say in this and that this is not just OPM making the decision. Thank you for this opportunity to testify, and I'll be happy to answer any questions.