

Finance, Revenue and Bonding Committee

JOINT FAVORABLE REPORT

Bill No.: Senate Bill 487

AN ACT ESTABLISHING THE INFANT AND TODDLER EARLY CARE AND

Title: FAMILY SUPPORT INITIATIVE.

Vote Date: 4/5/2022

Vote Action: Joint Favorable

PH Date: 3/30/2022

File No.: 624

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SPONSORS OF BILL:

Finance, Revenue and Bonding Committee

Co-Sponsors:

Rep. Anthony L. Nolan, 39th District

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REASONS FOR BILL:

This bill redirects tax revenue from the budget reserve in order to make childcare more affordable, especially in lower-income areas.

RESPONSE FROM ADMINISTRATION/AGENCY:

None expressed.

NATURE AND SOURCES OF SUPPORT:

[Geraldo Reyes Jr., State Representative, Connecticut General Assembly](#) testified, "the residents of the 75th District struggle to make ends meet. In demographic terms, I represent some of the poorest people in the state, which is why I am here today strongly advocating for S.B. 487 to prevent a crossroads from becoming a crisis that leads to the collapse of the Early Childhood Education system in Connecticut. Early Childhood Education programs prepare our children for the future through positive social, emotional, educational, and developmental

outcomes. They also allow parents and guardians to go to work every day. However, herein lies the double-edged problem. Parents and caregivers pay high percentages of their salaries toward childcare, but the hard-earned money they do pay is not enough to support decent wages for the staff of those watching their children. It is a maddening juxtaposition. In passing this bill, thousands of new infant and toddler care spots would open, and providers could grow their workforce and increase the availability of high-quality childcare. Without passage and the subsequent investment, programs in Waterbury and across the state will be forced to close, which will cause a tremendous negative impact on children and families."

[Maegan Adams, Executive Director of Operations, Bristol Child Development Center](#) testified, "we are the only subsidized infant and toddler program in Bristol, we have a year-long wait list of families that are looking for care. It is incredibly challenging to open additional infant and toddler classrooms without subsidized funding. The reason being is that the ratio for infants and toddlers are 1 staff to 4 children which makes the cost to run the classroom extremely high. As it is, the subsidies I receive for the current infant and toddler slots are not enough to sustain that age group, so I am frequently relying on other sources of income or grants to make up the difference and keep my infant and toddler classrooms open. To run a high-quality infant and toddler classroom and to pay our highly qualified and degreed teachers livable wages it would cost us about 30% more than what we receive now. A major goal in our program is to expand services for families by converting existing classrooms to open two more infants and toddler rooms, this would help with our wait list, and it would get families into programs they need for their children. However, one major concern we have is the cost to renovate and open this classroom without additional subsidies. Being able to access this additional funding would allow for us to increase our programming and support our community."

[Megan Baker, Melvette Hill, Thomas Nuccio, and Anna Hollowell, Commission on Women, Children, Seniors, Equity, and Opportunity \(CWCSEO\)](#) testified, "one of the key elements of a high-quality education is early intervention . As many as one in four children prior to the age of five are at risk of developmental delays or disabilities. Early intervention allows communities to identify and support these particular needs of children efficiently and cost effectively early on, rather than costly special education services later in K-12 settings. Birth to five programs ultimately help prepare our children for a successful K-12 educational experience with adequate social and emotional growth. "If developmental concerns are caught early, you can help ensure that children receive the extra support they need..." The importance of infant and toddler early care and family support goes far beyond detection of delays or disabilities. Having toddlers in child care centers can positively impact the development of the child. The benefits of Connecticut having a much more robust early childcare program are imperative for our state. Senate Bill 487 establishes the Infant and Toddler Early Care and Family Support Initiative that shall provide grants-in-aid to child care service providers and staffed family child care networks." SWECSEO provided suggested revisions in their testimony as well.

[Christie Balka, Vice President of Policy, All Our Kin](#) testified, "family child care providers serve a disproportionately large share of infants and toddlers in Connecticut and nationwide. Despite strong parent demand, the supply of licensed family child care has sharply declined over the past 15 years, leaving parents with fewer options for their infants and toddlers. Family child care providers are closing because they can't afford to care for infants and toddlers. SB 487 would reverse the long-term decrease of family child care in Connecticut and expand options for parents with infants and toddlers. This Initiative builds on evidence-based best practices.

SB 487 would establish and fund pathways to high-quality care in addition to rewarding programs that already meet high quality standards."

[John Cattelan, Connecticut Alliance of YMCAs](#) testified, " During the past 20 years YMCA childcare centers have received one rate increase of three percent for Care4Kids and School Readiness. During that same time, the minimum wage has increased by over 50% and inflation has risen by almost 50% as well. The fact is that Care4Kids provider payments are at the 50th percentile of the market rate for infants and toddlers and only the 25th percentile for preschool while the federal government recommends paying at the 75th percentile of the market rate. This proposal would pay childcare providers at the 75th percentile. Funds in this proposal would then be used to contract with childcare providers both centers and family childcare homes to increase the supply of high-quality infant toddler care. Priority will be given to childcare providers in lower income childcare deserts. Many of our YMCAs are challenged to provide infant toddler care because of the low reimbursement rates and we believe this proposal would all us to increase our ability to provide infant toddler care."

[Julie Clark, Owner, CAST Preschool and Childcare Center](#) testified, "In all of the 30+ years that I have been in business, I have never seen such a dire situation affecting parents, children and caregivers. The biggest problem that we face is a lack of qualified teachers who are willing to work for the meager wages that childcare businesses can afford to pay. Without teachers, we cannot offer childcare spots to families who need them. We cannot ask parents to pay the difference, as parents are already burdened with costs that can equal that of a college tuition. The clear fact is that the expense of running a quality childcare program is more than what parents can afford to pay. The largest immediate need is in the area of infant/toddler childcare. In these rooms, the ratio is one to four. These "under 3" spots cause a financial drain on a childcare business, yet at this time, these placements are the most sought after. We have a waiting list of babies and toddlers needing care and not enough spots to accommodate them."

[Michelle Doucette Cunningham, Executive Director, Connecticut After School Network](#) testified, "this investment is the smartest financial step the state can take in spurring the Connecticut economy and building prosperity for all. The economics are straightforward – you can return this surplus to the taxpayers, or you can invest it on behalf of all Connecticut residents, in a way that only the state can, so that it provides more than eightfold what you invested. No individual can make an investment of this sort – it requires leadership and collective action by our representatives, by all of you, here in this committee and in the General Assembly. Investing in infant and toddler child care allows more parents to return to the work force, increasing their taxable earnings. It provides an increased pool of employees who can work with fewer distractions for employers in Connecticut. It increases the likelihood that these children will succeed in life, needing fewer expensive supports, and making them more likely to have higher taxable income in the future, in time paying for itself many times over. This investment is also the smart thing to do, not only the right thing."

[Madeline Granato, Policy Director, Connecticut Women's Education and Legal Fund](#) testified, "access to affordable, quality child care is essential to support Connecticut's workforce. However, prior to the COVID-19 pandemic, a 2018 report indicated that 44% of Connecticut's population lived in a "child care desert," defined as an area with "little or no access to quality child care." The Office of Early Child (OEC) also estimated prior to COVID-19 that Connecticut was short 51,000 licensed child care spaces for infants and toddlers. Child care deserts are more likely to exist in geographic areas with higher percentages of rural, low-income,

Black/African American and Hispanic/Latino families. Research shows the pandemic could result in the loss of almost half (48%) of Connecticut's child care supply, or 46,349 slots. Lack of access to child care is compounded by issues with affordability. Research in Connecticut depicts that only 1 in 20 families of color can afford high quality child care. When families do not have access to the affordable and reliable childcare that they need, women are more likely to bear the burden of caregiving responsibilities: during the pandemic, 76% female parents reported needing to stay home and not work due to their child care situation compared to 24% of male parents."

[Janice Gruendel, Resident, Branford, Connecticut](#) testified, "I support this bill based on data that we have collected in Bridgeport revealing how very many of our youngest children are not consistently hitting developmental milestones at the age of three years. It should stop you in your tracks to learn that between half and three-quarters of our youngest children are not "on target" at the age of three. We have data from 2014, 2017 and 2021 so we know that this is not a statistical fluke. Most recently, Medicaid data documents that many of these children are not even being identified as needing extra help and support. I hate the words "behind at three," but that is where we find ourselves.

For many of our children, across economic and racial divides, the women (and sometimes men) who provide childcare for our infants and toddlers are their second parents. They care for, protect, and nurture these young children so their own parents can go to work, thus contributing to the economic capacity of our state and, of course, of their own families. As second parents, our childcare workers are responsible for the development and well-being of thousands of little children during these earliest critical years. This is not a babysitter service or a place to drop off a child for an hour or two. Rather, young children are with them for six to ten hour a day, or longer. Yet through a terribly complicated system of inadequate funding, we support this industry just barely enough to keep its doors open -- while many childcare providers earn only a poverty wage themselves. On top of that, there are nowhere near enough childcare providers and slots for this state's babies and toddlers so parents can go to work or school themselves."

[Hartford Foundation for Public Giving](#) testified, "in January 2016, the Foundation launched the Career Pathways Initiative (CPI) that integrated education programs, support services, and career development to assist adult learners and expand their academic and job skill levels as a way of reaching self-sufficiency. CPI included an extensive evaluation of its various programs and outlined some of the challenges and success of the initiative. One of the key findings was that childcare was the most frequent and costliest barrier to address. While several of the CPI programs included support for childcare, it ultimately remained a significant barrier to employment. Ensuring that all children, especially those most vulnerable, have access to high quality early childhood experiences is a critical step to removing this barrier to employment."

[Allison Logan, BS-ED, MS, Executive Director, Bridgeport Prospers](#) testified, "over the last few years, my work in Bridgeport has focused in the prenatal to three space, with our outcome goal that all babies in Bridgeport will be healthy and reach developmental milestones by age three. Recognizing that there is scant evidence that any one single action, support or intervention will result in the level of family and systems change imagined for Bridgeport's babies, our birth to three community action team proposed an innovative, values-anchored, science-informed baby "bundle." The framework is anchored in the neuroscience of trauma to resilience, along with a bundle of comprehensive, whole-family supports and practices- represents a sweeping,

systemic change effort to equip young children and their families in Connecticut's largest city with the supports they need to thrive. Increasing infant and toddler care and support for families is one of the key bundle components."

[Tracey Madden-Hennessey, Executive Director, YWCA-New Britain](#) testified, "as one of New Britain's few providers with Infant/Toddler Childcare, I can attest the shortage of care for our youngest children has existed during my entire tenure at the YWCA (almost 40 years). In New Britain, a survey of childcare slots (both center and home daycare based) indicates only enough supply for 7 of every 100 children under age 3.

A fundamental issue regarding infant/toddler care is the cost of providing it. Given the vulnerability of very young children, a smaller teacher to child ratio is necessary, however, the tuition charged to parents is unable to support the full cost of the care. However, parents, particularly in low-income communities like New Britain, can't afford to pay more. To date, there have been no other resources to support this service.

Research on brain development substantiates that the largest amount of growth takes place in children under age 3. So much of a child's success rests on healthy development experienced during these early years. Children who experience trauma during this formative period also experience complete changes to brain development and interference to connectivity in the brain as a result. Access to high quality care and family stability are essential."

[Beth Mattingly, Assistant Vice President, and Sarah Savage, Senior Policy Analyst and Advisor, Federal Reserve Bank of Boston](#) testified, "we recognize that infant and toddler care is the most expensive care for providers to offer and for parents to access. Yet this care is an important economic issue. Its primary purpose is to provide care for young children so that parents can work. This stands in contrast to early education for preschool-age children, who may be attending for socialization, developmental, and educational purposes; to enable parental work; or a combination thereof. Yet it is critical that infant and toddler care be developmentally appropriate and meet health and safety standards to avoid harmful outcomes for both children and their parents, for whom care disruptions are costly.

A family's economic security and their communities are more likely to thrive when they have access to quality care:

- Workforce participation is significantly higher in places with considerably more infant/toddler care.
- The top ten states with the highest maternal labor force participation rates in 2019 had a 17 percent higher share of children ages 0-4 in paid care on average than the ten states with the lowest participation rates.
- Mothers' participation in the labor force increases with age of child, with the 2020 participation rate of mothers with a child under 1 at 60.3 percent, under 3 at 63.3 percent, under 6 at 65.8 percent and 6 to 17 years of age at 75.4 percent. Cost of child care likely explains at least some of the low rates among mothers of very young children.
- The economic burden of the child care gap – families without access to formal child care facilities – on CT households, businesses, and tax revenues is estimated to range from \$1.26 billion to \$1.92 billion annually."

[Laiza Melendez, Even Start Director's Coalition \(Middletown, New London, Torrington\)](#)

testified, "another great part of this bill is that this initiative considers the need for family support services. Targeting the entire family is a holistic, comprehensive, multigenerational approach which Even Start encompasses by providing parenting education, interactive parent and child activities and home visiting services. Family support services promote healthy parent-child relationships, increases child development education, increases awareness of community resources, provides a sense of community among many benefits. In New London, the Even Start program provides parents access to education, a social worker, a nurse, special education consultant, early childhood education, school guidance counselor, workforce development training and a post-secondary transitions specialist. The supportive services help families identify barriers and provide encouragement and reassurance in their abilities. The wraparound services contribute to the positive rapport established between the families, their children, and staff members. These support services help families establish a positive network to maintain the ability to "bounce back" in towns with some of the lowest median household incomes."

[David Morgan, Chief Executive Officer, TEAM Inc.](#) testified, "I am a father of 3 that witnessed firsthand the empowerment of myself and family's access to Infant & Toddler care for my own gainful employment, my desire and ability to contribute to my community and Connecticut, and how access to Early Care and Family Support was a critical element in the wellbeing of my entire family and the community where I live and work..."

In addition to the countless corporations and the business community flooding Connecticut with pleas to our State's lawmakers to fund child care, we are also reminded of the overwhelming research and evidence on the financial return on investment of Early Care and Family Support – most notably the work of Nobel Laureate in economics and an expert in the economics of human development, James J. Heckman, demonstrating that high quality Early Care and Family Support for economically disadvantaged children can deliver a 13% per year return on Connecticut's investment in this initiative!"

[Patrick O'Brien, PhD, Research and Policy Fellow, Connecticut Voices for Children](#) testified,

"• According to the World Population Review, Connecticut has the fourth highest average child care costs in the country, at \$15,591 per year.

• According to United Way 211 child care cost data, the average cost of full-time infant and toddler care at a child care center over a year (52 weeks) is \$16,305, and costs may reach as high as \$32,500. The average cost of full-time infant and toddler care at a family child care home over a year is \$12,609, and costs may reach as high as \$24,700.

• The high and growing cost of raising a child, especially for families that require full-time child care, has contributed to a decline in the natural rate of population change, which has slowed population growth in the U.S. and even more so in Connecticut. This in turn has contributed to slow economic growth in the U.S. and even slower growth in Connecticut, which hurts all of the state's families.

• Child care providers in Connecticut are not paid a fair and sustainable wage, and this is especially true for those who provide infant and toddler care. Connecticut child care workers' families are more than twice as likely to live in poverty than other families: 11.8 percent compared with 5.8 percent. Once accounting for the number of hours family child care (FCC) providers work, CT Voices estimates their hourly 2020 wages were between \$6.10 and \$8.64 if entirely relying on Care 4 Kids. Similarly, we find that child care center directors cannot cover

all their costs if they rely on Care 4 Kids alone. They must charge market-rate tuition to break even financially."

[Carol O'Donnell, Executive Director, Connecticut Early Childhood Funder Collaborative](#) testified, "What will happen if Connecticut does not address the need for infant/toddler care?"

- **Lower labor market participation.** Labor participation rates are falling across the state. The state's labor force declined by 17,000 people last year and is down 92,000 (5%) since February 2020. Employers are citing lack of child care as one of the contributing factors. Parents of infants and toddlers are the most likely to drop out of the workforce or reduce their hours citing the cost of care and lack of options.

- **Reduced family income and lower tax revenues due to fewer parents working.** It has been estimated that the amount of new economic activity would equal \$2.1 billion if child care were capped at 7% of income, allowing 15,349 more parents the option to work¹. Alternatively, reduced family income and resultant lower tax revenue are the consequences when parents are forced to leave the work force or reduce their hours.

- **Risks to our state's competitiveness.** Neighboring states such as New York are considering bold investments in child care in an effort to retain and attract young families.

- **Fewer child care educators.** Already child care educators are leaving the workforce for other jobs paying higher hourly wages, often with health and education benefits. Once employees leave a business sector, they often do not return."

[Cynthia Osborne, Executive Director, Prenatal-to-3 Policy Impact Center, Vanderbilt University](#)

testified, "the science of the developing child is clear that the first three years of life are the most rapid and sensitive period of development. The brain is forming more than a million neural connections per second, and more than 90% of the brain is formed during this time. So, if you want to support children's healthy development, investing in the time period in which they are developing the most is an effective choice. Access to high quality, affordable child care is one of the most effective strategies that states can make to foster healthy development and ensure children thrive from the start."

[Deb Polun, Executive Director, Connecticut Association For Community Action](#) testified, "seven

of Connecticut's Community Action Agencies provide at least one form of early childhood education for infants through age five, including Head Start, Early Head Start, School Readiness, and other programs. Combined, these agencies served 4,390 children from 10/1/2019- 9/30/2020, the most recent reporting period available. These early childhood programs prepare children for future success by helping to ensure positive and improved social, emotional, educational, and developmental outcomes. They also allow parents and guardians to go to work with the comfort of knowing that their children are being well cared for.

Right now, the child care industry is in danger: child care providers like Community Action Agencies are struggling to hire and retain child care workers, leaving many classrooms closed. Paradoxically, parents and caregivers are paying high proportions of their salaries towards child care, but these payments are not enough to support decent wages for our staff. And, fewer people are going into the child care field, which worries us for the future.

Investing in a statewide Early Care and Family Support account as proposed would create an estimated 10,000 to 15,000 new infant and toddler care spots, allowing Community Action Agencies and other providers to grow their workforce and increase the supply of high-quality child care for this age group."

[Jessica Powell, Associate Professor of Education, Southern Connecticut State University](#) testified, "research in the field of early childhood education has demonstrated again and again that high quality early childhood care is not only a moral investment in our society, but also an economic one. The University of North Carolina's famous Abecedarian study followed children for over 35 years and found that those who attended high quality early childhood centers had not only higher educational outcomes, but also lower rates of physical and mental health needs. Similarly, a meta-analysis of studies on early childhood care led by a team at Harvard University found that children who attended high quality early childhood centers were more likely to graduate high school and less likely to receive special education services. A recent follow up study to the Abecedarian project published in Science revealed that children who received high quality early childhood care as infants through age 5 had better physical health through their mid 30's, compared to those who did not attend childcare settings. Moreover, parents of the children who attended childcare were more likely to graduate high school and attend postsecondary schools, leading them to increased earnings and less reliance on government-funded support services."

[Lynn Reichart, Senior Director Early Care and Education, Child and Family Agency of Southeastern Connecticut](#) testified, "Child and Family Agency of Southeastern Connecticut has been providing childcare services to the New London and Groton areas since 1991 (New London Day Nursery and Groton-Mystic Early Childhood Development Center). Our childcare programs serve children ages 6 weeks to 5 years of age living in New London, Groton and surrounding towns...Between our two programs, we are only able to serve a total of 20 infants and toddlers and currently have a waiting list of 109 children ages birth to three. Over the last several years the demand for quality infant/toddler care has continued to increase while programs serving this 0- 3 population have continued to decrease. Without this investment in quality infant/toddler early childhood education, we are creating unintended consequences which lead to significant educational gaps (i.e. language delays & social/emotional processing) for children even before they enter kindergarten. Babies deserve a healthy start, a strong foundation and opportunities to reach their full potential in school and eventually the workforce."

[William Rybczyk, President and Chief Executive Officer, New Opportunities, Inc.](#) testified, "there is a crisis in the availability of qualified classroom staff, there is a crisis in the ability of providers to retain staff at a competitive wage, and there is a crisis in the availability of licensable space for infants and toddlers. The only sufficient answer to avoid the shutdown of this lynchpin service is the provision of adequate and sustainable financial resources."

As the operator of an early education center which is funded for 5 classrooms impacting 39 infants and toddlers we are experiencing the crisis on a daily basis. Currently the agency is only able to open 4 classrooms based on a shortage of qualified classroom staff. The average cost to provide early education for an infant/toddler is \$15,504.00 annually while our current reimbursement rate is \$10,212.80 annually. The program has seen an increase of over 44-4% in salary/fringe costs over the past 5 years while the reimbursement rate has remain unchanged. Without immediate and direct financial intervention our program will be forced to close down. Senate Bill 487 will ensure that a sustainable financial resource is made available to support infant and toddler programming."

[Lauren Scopaz Daunais, Resident, Stamford, Connecticut](#) testified, "all parents love their children and want the best for them. In order to work to provide for them, and to continue the

growth of our economy, quality child care is paramount. Many parents have to resort to shuffling kids around to family and friends, who mean well, but may not have the resources, time, or education to provide a stimulating environment. Parents may have to choose between working and caring for a child. If caring for a child, many struggle to put food on the table and support basic needs due to the high cost of living. This negatively affects our families, children, and the economy."

[Danielle Singleton, Coordinator of Special Education, New Britain School District](#) testified, "the Individuals with Disabilities Education Act (IDEA) requires that early intervention services be provided, to the maximum extent appropriate, in natural environments for infants and toddlers. The natural environment includes home and community settings where children would be participating if they did not have a disability." (Office of Special Education Programs - OSEP). One problem we run into is that first time parents, or often young parents, without knowledge about what is and is not developmentally appropriate for their youngsters, can miss signs of delays or disabilities. When this happens, the opportunity for providing early intervention services can be missed. The thing about early intervention services is that once that window is missed, we can't go back in time to retrieve it. It's simply missed. When children enroll in school for Kindergarten and that's the first time educators are identifying a developmental delay or disability, we recommend services and assist the family and child. Despite this, research shows that the earlier we intervene to provide support for children, the better their outcomes. By increasing access to infant and toddler care, we also increase the opportunity for identifying delays and offering early intervention services to children. There are more trained eyes on them, assuring that they get what they need at the earliest possible opportunity."

[Barbara Vita Coordinator, Connecticut Children's Collective](#) testified, "in Connecticut there is a need for roughly 50,000 slots for infant and toddler care in our childcare system. The ratio for infant and child care is 4 babies to 1 caregiver. This translates to high costs for parents to provide childcare for their babies as they return to work, and high costs for childcare providers, which ultimately translates to very low wages for the caregivers. So without these slots, parents can't work or they are forced to leave their infants in care that is not high quality. And this worries me. What happens when a baby is kept in a crib or playpen all day? What happens when a baby is left in a stroller or car seat all day? What happens when those babies start to cry and no one picks them up to sooth them or feed them or change their diapers. What happens if the baby is surrounded by yelling or is yelled at themselves? What happens is that the synapses don't introduce the neurons to each other and the baby's brain doesn't grow as it should. The baby will have difficulty bonding, self-regulating emotions, learning, walking, and these effects, if not addressed, will last a lifetime. They are what we know now to be ACES, Adverse Childhood Experiences. This Act will create an opportunity for all of our Connecticut babies and toddlers to have the opportunity to grow up healthy and happy in safe and loving environment."

NATURE AND SOURCES OF OPPOSITION:

None expressed.

Reported by: Brie J. Wolf

Date: 4/22/22