

Early Childhood Education Endowment Advisory Board Testimony

December 10, 2025

Interim Commissioner Trueworthy, Senator Maher, Representative Farrar, Treasurer Russell, Commissioner Russell-Tucker, and Members of the Early Childhood Education Endowment Advisory Board:

On behalf of The Connecticut Project Action Fund, an organization that advocates to make Connecticut work for working class people, thank you to the state legislature, Governor Lamont, the Office of Early Childhood, and members of this Advisory Board for creating the Early Childhood Education Endowment, and thank you for your commitment to making affordable access to child care a reality for families throughout Connecticut. Child care is a significant and often overwhelming financial burden for working class families in every part of our state, and affordable, accessible child care is key to children and families' futures.

Right now, Connecticut has the opportunity to deliver what decades of research have shown: high-quality early care and education is one of the best investments a state can make. It yields lifelong benefits for children, financial stability for families, and measurable gains for the economy. The Endowment presents the possibility to reorient Connecticut's early childhood education system from one built on temporary, discrete, and fragmented funding streams to one anchored by a permanent, state-owned and operated fund.

To achieve this transformation, we as a state need be clear about the continued commitment necessary to fund it. The Governor, Office of Early Childhood, and the Treasurer need to publicly set a clear target for the Endowment's ultimate size, based on the funding needed for the Endowment's beneficiaries: working class families. To achieve this, we recommend that the Governor, Office of Early Childhood, and Treasurer commit to an annual target to invest in the Endowment, starting with a minimum of \$300M per year. By sustaining this commitment even in lean years, Connecticut can make a promise to families that will outlast fiscal cycles.

To deliver on the promise of universal, affordable child care, it's essential that the state not only grows the Endowment's funding but also spends it wisely. The state should clearly allocate resources along the following set of priorities: center families, stabilize providers, and ensure that the system has the capacity to grow and be sustained.

This framework ensures immediate relief for people who are most at risk – working class families and early childhood educators – and lays the groundwork for long-term transformation of the early childhood education system. In doing so, it addresses challenges that have historically undermined the early childhood education system. All of the policy and implementation decisions made by the Office of Early Childhood, with input from this advisory board, must center the experience of families, especially the working class families that stand to benefit most from increased access to universal, affordable child care.

We offer six core values and associated policy recommendations to govern the Endowment's implementation. Each of these would ensure that affordable, high quality child care is available where and when working class families need and want it.

Value Statement #1: Working class families earning below \$150,000 should be prioritized first.

This threshold encompasses the majority of families who are below the ALICE (Asset Limited Income Constrained Employed) threshold as well as middle class families who are close to the ALICE survival threshold. As a point of reference, the ALICE survival threshold for two adults and two children in child care is \$116,208 and the ALICE stability threshold is \$183,192. Child care is more expensive than most families can afford, and while state funded programs have historically set aside a majority of seats for lower income families, the threshold for prioritization has left out many ALICE families. These families currently spend about 25% of their monthly income on child care, nearly two times as much as their housing costs.¹ According to recent Census estimates, approximately 60% of families in Connecticut earn below \$150,000 per year. Expanding eligibility to cover families earning below \$150,000 will not only have significant impacts on household income but also has the potential to yield the most substantial and enduring educational benefits, as demonstrated by the Tobin Center's research in New Haven.²

Policy Recommendation: Connecticut should prioritize working class families by expanding income thresholds to prioritize all families earning below \$150,000 and requiring that at least 60% of Early Start slots are filled by families earning below \$150,000 (reflective of Connecticut's demographics of families with young children).

Value Statement #2: Child care should be available during the hours families need and want it.

Access to early childhood education and care is an effective labor market policy. It has the potential to significantly and sustainably increase household income when it is offered during the hours that parents work, which for many families means a minimum of eight hours per day, year-round.⁷ It is also important that child care is available for parents who work second and third shifts. Careers in manufacturing, health care, and construction, for example, often require overnight or weekend hours. Leveraging Endowment funding to increase access to full-day, year-round care, plus overnight and weekend care for families that work second and third shifts, directly supports Connecticut's economic goals by increasing labor market participation, significantly and sustainably increasing household income, and growing the state's GDP and General Fund.

¹ [Advocating with and for ALICE Families - United Way of Connecticut](#)

² [Yale Tobin Center - Pre-K Key Facts.pdf](#)

Policy Recommendation: Connecticut should ensure child care is available when families need it by requiring that 60% of Early Start slots are a minimum of 10 hours per day, year-round and by reducing the unmet need for overnight and weekend care by 50% by FY 2030.

Value Statement #3: Child care should be available where families need and want it.

There is important data to inform the allocation of new slots, like the Care4Kids waitlist and designated child care deserts. Connecticut's Office of Early Childhood (OEC) is already using data on child care deserts to prioritize certain communities for the allocation of new slots. However, building infrastructure in child care deserts to meet unmet need requires different types of investments. New programs need funding to launch, hire staff, and recruit families with the promise of affordable child care. OEC could consider advanced conditional slot allotment or a precommitment of funding to programs in child care deserts before they open. This approach offers a pathway to sustainable funding for new programs, especially in regions of the state (like some rural communities) where sustaining child care programs has been a challenge.

In addition, the state should continue working to gain a thorough understanding of parent demand. For example, the Office of Early Childhood is working to create an enrollment and navigation portal for child care programs that will collect real time data on the types of programs, locations, and hours for which families are searching. In the future, these data can inform the Early Start procurement process, ensuring that new slots are allocated to programs that best meet families' needs and preferences and track how effectively the system is adjusting to meet demand.

Policy Recommendation: Connecticut should prioritize child care deserts and families on the Care4Kids waitlist for Early Start slot allocation. To sustainably close the gap in child care deserts specifically, Connecticut can implement approaches like advanced conditional slot allocation.

Value Statement #4: Families should have access to a user-friendly system that empowers them to find the affordable child care options they want and need (a unified child care subsidy system).

The process of researching, applying for, and accessing subsidized child care in Connecticut is time-consuming and complicated. Parents must navigate among numerous programs, managed by different entities (federal and state), and the processes are separate with no information, knowledge sharing, or referrals across programs. Furthermore, the eligibility criteria and parent fee schedules are all different. The Federal Poverty Line, State Median Income, and a straight income threshold are used to determine eligibility for different programs. A parent today looking for an affordable child care program might hear about Head Start, Early Start, Care4Kids, magnet schools, public preschool, and private programs with independent scholarships or sliding scale tuitions. Parents must research and apply for each option separately and are sometimes required to apply to multiple programs simultaneously in an attempt to combine part-time or partially funded slots with wrap-around services

to cover the hours they work. It is incredibly complicated for families to know what they are eligible for, what they can anticipate paying, and where they can access a child care slot in their local community.

Implementation of the Early Childhood Education Endowment and its related infrastructure offer a unique opportunity to address this challenge head on. There are ways to make the experience of learning about, applying for, and enrolling in the various publicly funded child care and preschool options more unified, streamlined, and efficient, and to ultimately create better outcomes for families.

A child care benefits screener that also functions as a single point of entry to the various application and enrollment systems is a first step. Another possibility is better aligning eligibility criteria across programs and keeping those criteria as simple and as straightforward as possible. If the state creates a simple screener and eligibility criteria, we would also recommend an enrollment campaign to inform families of the programs for which they are eligible.

Policy Recommendation: Connecticut can empower families to find the child care that they want and need by:

- 1. Aligning eligibility across Care4Kids and Early Start so it's easier for families to know and understand their options;*
- 2. Improving the application and enrollment processes for Care4Kids and Early Start, so that the parent user experience is more efficient and less burdensome;*
- 3. Requiring notification of other subsidized child care options that exist if a family is placed on a waitlist. For example, if a family is placed on the Care4Kids waitlist, the state should notify them of programs in their community that have available Early Start slots.*

Value Statement #5: Improve quality by increasing compensation and supporting educators so children enter kindergarten ready to learn, grow, and succeed.

Quality child care programs have the most potent impact on children's brain development and future life outcomes. The biggest barrier to quality improvement in child care is provider workforce turnover, and this turnover can mostly be attributed to poor compensation, lack of access to health insurance and other benefits, and lack of access to sufficient training. With respect to compensation, increasing the reimbursement rate or the amount of funding child care programs will receive per child as part of their Early Start contracts will enable child care programs to pay themselves and the educators that work for them more. Reimbursement rates must increase by nearly \$15,000 for infant and toddler slots and by nearly \$10,000 for preschool slots to enable child care programs to implement OEC's 2022 compensation schedule which achieves pay parity with K-12 public school teachers.⁷

Senate Bill 1 / Public Act 25-93 requires the Connecticut Health Insurance Exchange to study gaps in access to health insurance for early childhood educators and to make recommendations on the policies, programs, and funding required to address them. As part of this research, it is important to be mindful of potential benefit cliffs

that could emerge as early childhood educators start to earn more money. Connecticut could also think about commissioning additional research and recommendations regarding access to other benefits for early childhood educators.

Access to training and ongoing professional development is also critical to workforce retention. This includes not only access to pipelines and incentives to enter the field, but ongoing support along a career ladder or lattice to ensure that the early childhood education field is viewed as a viable profession. Connecticut must better understand the needs of its early childhood educator workforce in terms of training and ongoing support. It must also develop defined outcomes for workforce development programs that align with the state's overall vision for early childhood education quality.

Connecticut can ensure the quality of early childhood education by:

- 1. Increasing reimbursement rates for Care4Kids and Early Start by 25% each year for the next 5 years. This rate will close the gap between current reimbursement rates and the rate needed for state funded child care programs to implement the state's compensation schedule;*
- 2. Commissioning studies and recommendations on access to the full range of benefit programs for early childhood educators, including health insurance, vision & dental insurance, life insurance, and retirement plans, while paying close attention to benefits cliffs;*
- 3. Developing a theory of change with respect to early childhood educator workforce development, including benchmarks, and identifying or creating programs to achieve outcomes for educators that align with Connecticut's vision for early childhood education quality.*

Value Statement #6: The system should be accountable to working class parents with young children.

Accountability is key to maintaining public trust and political will. Families, providers, and the broader economy must all see and feel the benefits of this investment. That means defining indicators of success and measuring progress clearly. These indicators should include goals around more families having access to affordable child care that is offered where and when they need and want it, providers having stronger financial footing, and measurable returns to families' economic stability. Transparent reporting and data-driven evaluation will show that Connecticut is keeping its promise, year after year.

To make this accountability possible, Connecticut must ensure that it has the systems and processes in place to have accurate and up-to-date data. This can be achieved by developing and implementing an effective single point of entry data and enrollment system, as well as making sure that existing tools like the workforce registry are user friendly, effective, and universally used by state funded programs. With access to the data and information, advocates and other organizations, such as data-focused nonprofits, could generate an annual report that measures progress. Over the course of the next year, advocates, data-focused organizations, and OEC should identify the key indicators of success and the data needed to effectively track progress, assess the

availability and reliability of sources of these data, and develop a plan for how it can be responsibly shared and accessed.

Policy Recommendation: Connecticut should ensure the Endowment is accountable to working class parents with young children by annually reporting on the progress it is making each year to increase the number of working class families with access to affordable child care where and when they need it. Parent satisfaction should be a key indicator to track overtime.

The Early Childhood Education Endowment Advisory Board has an incredible opportunity to guide implementation of Connecticut's historic commitment to working class families. While the policy milestones accomplished to date are worthy of celebration, the hard work of ensuring that we deliver on the Endowment's promise is only beginning. We hope that the board will apply the values outlined in this testimony to guide its feedback and recommendations. The Connecticut Project Action Fund and our sister organization The Connecticut Project stand ready to support.

Respectfully submitted,

Courtney Parkerson
Director
The Connecticut Project

Garth Harries
President & Chief Executive Officer
The Connecticut Project and The
Connecticut Project Action Fund

Melvin J. Medina
Vice President of Advocacy & External Affairs
The Connecticut Project Action Fund