

Testimony of Beth Bye, Commissioner, Office of Early Childhood
Before the Education Committee
S.B. 1 – An Act Increasing Resources for Students, Schools, and Special Education
Wednesday, March 19, 2025

Good morning, Senator McCrory, Representative Leeper, Senator Berthel, Representative Zupkus and distinguished members of the Education Committee. I am Beth Bye, Commissioner of the Office of Early Childhood (OEC). I am here today to testify concerning **S.B. 1 – An Act Increasing Resources for Students, Schools, and Special Education**.

The Office of Early Childhood appreciates the intent of S.B. 1 and believes a number of its provisions align with the Governor’s Universal Preschool Endowment. 2025 is proving to be a session where there is wide agreement about the need to make a significant investment in early childhood education. Like the Governor’s plan, S.B. 1 takes a path aimed at establishing a sustainable funding mechanism to support the development of our youngest learners and support their families’ economic stability.

The Governor’s plan in H.B. 6867 calls for the Universal Preschool Endowment to be established to: fund the expansion of free and affordable preschool options for families, significantly increase in the per-child rates to support professional salaries for early childhood educators, support facility expansion and renovation, extend the length of the day for preschoolers with special education needs, and invest in ongoing quality improvement. The Governor’s plan builds upon Connecticut’s mixed-delivery system of community-based child care centers, family child care homes, and public schools. It also relies on local data/needs assessment and local community planning to leverage the use of existing preschool programs – state funded and private.

The Governor’s plan builds on a year-long process of listening to families, providers, and businesses through the Blue Ribbon Panel listening and feedback process. This process led to Early Start CT, an approach to make the current non-system into an early childhood education system that meets family and community needs. The Governor’s Universal Preschool Endowment proposal, intentionally built upon the structure and approach of Early Start CT, has been widely shared and was updated even before its release based on additional feedback from families and the early childhood education field.

The Buffet Institute recently commented on Governor Lamont’s Universal Preschool Endowment proposal: “Governor Lamont’s proposal for universal preschool will make Connecticut a national leader among states because of its comprehensive approach to supporting children and families. It offers more hours for that both support early learning and allows working families the ability to work. The focus on quality of care and options that meet family needs also stands out. Perhaps the most unique feature is that it protects the care of infants and toddlers while creating universal preschool for our threes and fours.”

The funding mechanism for S.B. 1, described in Section 2 and Section 3 of the bill mirrors the Governor's Universal Preschool Endowment in using surplus dollars to seed a fund and continue to grow it over time. OEC supports this approach.

Section 4 of the bill outlines a roll out of funds as the Trust Fund gains value. OEC is open to the idea of phases and has planned a phase-in approach administratively, that is not outlined statutorily in H.B. 6867. Preschool expansion, rate increases, and quality standards are time urgent. OEC supports the Governor's approach which begins implementing these elements beginning on July 1, 2025. S.B. 1 prioritizes only Tri-Share, a program that is in its infancy – having launched this past January, and some public school classrooms in FY27 but does not address supporting community-based providers for at least several years.

In addition, the funding strategy seems predicated on what the fund balance can support which in practice risks fiscal cliffs in the outyears where program expansions are unable to be supported by the fund in the outyears. The Governor's proposal predicates funding based on a local needs assessment, through a competitive process, and limited to 10% of the fund to ensure program expansion are sustainable in the outyears and to manage any downside risk to the fund's solvency. The ability of the fund to support costs in a sustainable way is imperative given the ongoing nature of the costs being borne by providers. Lastly, in S.B. 1 it is unclear how investment returns are going to be measured and which expenses the returns are going to be compared to in order to decide when a phase will begin.

Another difference is tuition: section 4 of S.B. 1 caps the parent co-pay at 7% of current household income; H.B. 6867 lays out a free or \$20 a day affordable tuition approach. A cap of 7% of income for family fees is in alignment with federal Child Care Development Fund (CCDF) rules. S.B. 1 eliminates the free tuition and will increase co-payment amounts for families making more than \$60,000 a year when compared to the Governor's plan.

Section 5 of the bill outlines a reimbursement system for the Trust Fund beneficiaries. Through the Blue Ribbon Panel listening process, and OEC's experience with COVID funding, we have shifted our payment system for the Early Start CT state-funded programs from a multi-step process to a rate-based direct payment system beginning in July 2025 to increase stability for providers. While S.B. 1 would employ an outside contractor to support a payment system, OEC believes it is more efficient and cost effective to have the agency implement a payment system.

Section 6 outlines a Universal Preschool Trust Fund Board. OEC currently has an Early Childhood Cabinet and a Parent Cabinet that we look to for guidance and advice. An important question is how does this Trust Fund Board relate to the Early Childhood Cabinet and the Early Childhood Care and Education

Fund Advisory Commission passed in legislation under P.A. 24-91 in 2024? It would be important to align the goals and roles of these entities to reduce duplication of efforts. In addition, we recommend that any board include our partners at the State Department of Education.

Section 11 changes the Tri-Share model and moves it to a statewide program. This innovative model was specifically designed to address Southeastern Connecticut due to the child care challenges in that region. Furthermore, as previously stated, as this model is innovative and new, it is still being tested as a pilot program before being rolled out on a broader basis. There are limited funds currently allocated for this program; therefore, expansion efforts are a challenge.

In section 12, we support the establishment of an on-line enrollment portal, which OEC plans to build and establish to ensure easy access for families to enroll their children in child care that meets their needs.

In closing, there are some areas of alignment in approach between S.B. 1 and the Governor's plan. There are also distinct differences. We look forward to ongoing discussions about a path to strengthen and build our child care system that works for families and children. The time is urgent to ensure we keep the child care industry in place to meet families' needs now and in the future.

Thank you for your time and attention. The OEC is committed to working together—with legislators, the executive branch, providers, advocates, and parents—to better serve our families with young children.

The Connecticut Office of Early Childhood advances a two-generation family-centered approach in our pursuit of optimal health, safety, and learning outcomes for young children. Through our core programs, we support infant and toddler care, preschool, after-school care, child care and youth camp licensing, home visiting, and early intervention to address developmental delays. OEC is working toward better-coordinated, cost-effective services that support Connecticut's youngest children and families.