

Department for Children and Families
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Agency of Human Services

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Date: March 1, 2023

To: Senator Lyons and Senate Health and Welfare Committee

From: Miranda Gray, Deputy Commissioner, Department for Children and Families

Re: S. 56 An act relating to child care and early childhood education – DCF Follow Up

The Department for Children and Families appreciates the continued opportunity to provide our thoughts and suggestions on S.56 with the Senate Health and Welfare committee. We have included information on questions that were raised last Tuesday when we testified, as well as questions that have been raised over the last two days of mark-up in committee. We have detailed this by section using draft no. 1.1.

Section 2 Child Care Financial Assistance Program; Eligibility

Moving from 150 to 185% of the FPL will require programming to be done in the Child Development Divisions' new Information Technology system. Though this is not in the Governor's budget, we are compelled to share that we do not believe this can be done for a 7/1/23 start date. The division could try for 10/1/2023, if this were to pass, however it is with a note of caution that this means that other work that was scheduled to be done during this time would be delayed there by pushing out the overall timeline of completion. This would also have a fiscal impact as this is not currently within scope of the build.

As we have previously shared, there is not currently an electronic application, and this would not be able to be completed for a 7/1/23 deadline. We note the same caution as stated above this will have overall timeline implications and a fiscal impact.

Section 3 Child Care Financial Assistance Program; Eligibility

In looking at others states compensation standards that other witnesses have submitted to the committee, the state has not found an example where the ability of a program to receive Child Care Financial Assistance (CCFAP) was tied to the private child care programs agreement to pay their employees a particular wage. In addition to maintaining our previous stance that this is a conflict of interest for the state to both set CCFAP rates and set wages for private programs, the state is also concerned that coupling the two would be a deterrent for programs to accept CCFAP, which only hurts families who rely on this support to help pay for child care.

Section 4 Payment to Providers



The Child Development Division has a report on attendance versus enrollment due on March 30th.

Sections 7 & 8 Noncitizen Child Care Assistance Program

An estimate of the time needed to add a Noncitizen Child Care Financial Assistance Program to the Child Development Division Information System (CDDIS) is approximately 6 weeks for programming, testing and deployment which will push back the full schedule and timeline for Module 1. Not including time for an electronic application this would push out the completion to Spring 2024. This would also have a fiscal impact.

Section 9 Report; Special Accommodations Grant

The administration appreciates the opportunity to continue to look at how the Special Accommodation Grants process can be improved. The Child Development Division currently has an agreement with Building Bright Futures to support the Children's Integrated Services team to analyze existing data on our Special Accommodation Grants due 9/30/2023. We believe this information will help with the report as outlined in S.56. Suggested language is detailed below:

(1) the appropriateness of moving to a 12 month grant cycle and, if so, for which populations". If you don't like "appropriateness", then try "suitability" or "usefulness"

(4) any other proposals the Department deems essential to the goal of streamlining the application process for special accommodation grants

Section 12 Appropriation; Scholarships for Current Early Childhood Providers

Historically the T.E.A.C.H. (the current student scholarship program) agreement was funded at \$150,000. Through Act 45 an additional \$300,000 was added for 3 years using American Rescue Plan Act (ARPA) funds. The ARPA funds end 9/30/2024. The proposed addition of \$500,000 is not in the Governor's budget.

Other Items not attached to a section:

Governor's Child Care Initiative

High quality child care is a critical component of the early childhood system and for stable and supported families. The proposed expansion will expand services to over 4,600 children.

The proposal includes: CCFAP 400% Expansion (\$41.5M)

Increasing CCFAP to 400% FPL. This investment would mean a family of three with an annual income of \$92,120 would qualify for assistance.

Equity CCFAP Payments (\$4.9M)



Establishing that CCFAP payments are not tied to STARS ratings. Ensures the state is paying the same rate on behalf of a family regardless of where they live or the number of STARS.

School Age Subsidies (\$7M)

Serving over 5,500 more school-age youth in afterschool and summer programs that will accept CCFAP

Eligibility & Referral Contracts: (\$2M)

Increasing the Community Child Care Support Agency contract to ensure the system can support the increased caseload

6 New Positions + Operating: (\$638K)

How can we incentivize quality without STARS?

Current incentives include in order to be a Head Start program you need 5 STARS, 4 or 5 STARS is needed to be a UPK program, and a program needs 3, 4, or 5 STARS to be a specialized child care program which equates to the program receiving an additional 20% reimbursement for care.

Outside of the Child Development Divisions SFY'24 budget, CDD is also implementing Quality Coaches which will support programs in setting goals related to increasing quality and connecting programs to resources to achieve their goals. The Business Technical Assistance Program administered by Children's First Finance will assist programs with enhancing their business acumen. By providing these supports the state is removing barriers that child care programs had identified were keeping them from being able to engage in increasing their STARS.

Additionally, we know that programs use their STARS level to inform families about the quality of the program in order to attract families and maintain full enrollment.

