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## ABSTRACT

This guide for state policymakers argues that Connecticut is facing a "quiet crisis" in the provision of early care and education (ECE) supports for the state's youngest children. The guide provides estimates for current and future ECE needs in the state and details five goals and related action steps to address the crisis: (1) all children born in 2004 will enter kindergarten ready to succeed in school; (2) all parents will have access to high quality early care and learning environments for their children while they are at work; (3) all ECE professionals will have educational opportunities to improve their skills and improved compensation and supports; (4) health and education services for children and families will be well-coordinated, accessible, affordable, and effective; and (5) there will be demonstrable improvement in the quality and availability of data available to and from the state and the ECE community. Several assets are described for improving Connecticut's programs, including efforts of the Early Childhood Alliance and other organizations to launch a statewide ECE agenda, and the availability of national technical assistance. The report concludes by noting that Connecticut has strong economic capacity that can be tapped to help support the goals of assuring that all children in the state enter kindergarten ready for school success and that with a sensible, multi-year plan to address the current crisis and with a multi-year resource commitment, Connecticut can assure that the needs of its youngest citizens are met. (Contains 43 footnotes.) (KB)

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# All Children Ready for School: The Case for Early Care and Education<sup>1</sup>

A Guide for Policy Makers

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## Connecticut Voices for Children

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Connecticut faces a quiet crisis in the provision of early care and early learning supports for the state's youngest children. For too many families and children, access to high quality, affordable early care and education while one or both parents work is an ongoing challenge. For many parents, the decision to stay home for some period of time after the birth of a child is economically prohibitive. However, because parents in working families

continue to shoulder their early care responsibilities, quietly and reasonably well, this crisis has not reached prime time news. In our current world of international terrorism, homeland security issues, and perilous economic conditions, the question "who is taking care of our youngest children" is quietly asked and privately answered.

Yet, in Connecticut and across the nation, a number of family, work and economic trends and an impressive array of emerging research on child development and school readiness suggest that parents alone cannot resolve this issue. At the same time that demand for early care is increasing in Connecticut and across America, the early care and education "industry" is highly unstable. The U.S. Department of Labor estimates a growth rate of at least 26% over the period 1998 to 2008, and in Connecticut, early care is one of the ten fastest growing "service" industries. Yet

*The Five Elements of  
Readiness for School*

- Physical well-being and motor development
- Social and emotional development
- Approaches to learning, including curiosity and task completion
- Language development and communication ability
- Early thinking ability and knowledge

<sup>1</sup> "All Children Ready for School: The Case for Early Care and Education" is the first report in a new policy series entitled "Connecticut's Quiet Crisis: Resource Challenges in Early Care and Education." These reports reflect literature review and analyses by Connecticut Voices for Children, supported through grants from the William Graustein Memorial Fund, the National Center for Children in Poverty, and the Stoneman Family Fund. Subsequent reports will be released over the next six months. Each report provides a more in-depth examination of issues raised here. All reports will be accessible at – [www.ctkidslink.org](http://www.ctkidslink.org). For more information or a listing of forthcoming reports, contact J.M. Gruendel at – [JM Rab@aol.com](mailto:JM Rab@aol.com)

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the industry cannot retain existing professionals (in both licensed family homes and child care centers), and turnover among child care center staff is unacceptably high.

When demand and supply move in opposite directions, as is true now for early care and education, and when the needed service is critical to both human development and economic stability, it is time to “declare the crisis” and move swiftly to solutions.

We know much about the early learning needs and capacity of young children. They require stable, nurturing early care to assure their social and emotional growth. Similarly, young children require stimulating environments and experiences to assure that they develop a base of successful learning skills. Yet, national as well as state data tell us clearly that far too many children are arriving at the doors of kindergarten without these critical life and learning skills and knowledge. This failure of readiness results in vast expenditures in remedial and special education, threatens school completion, and portends continued social and economic costs for the individual and for society as a whole.

*“Child care is a concern for many Connecticut families. Parents must rely on child care arrangements in order to work, and their choice of arrangement can affect the health, safety and development of their children. This issue has become important to policymakers who are increasingly aware of its impact on working families and their children as well as on the state’s economy at large.”*

Governor John Rowland  
*The Status of Child Care in CT,*  
January 2001

### **Making the Case**

From a family and work perspective, perhaps the most important contributor to this quiet crisis is the fact that most parents are in the workforce. Ninety-two percent of all Connecticut children ages six and younger live with at least one parent in the full-time workforce. More than six in ten (62%) live in families where the only parent or both parents work full-time.

The increase of mothers in the workforce has been dramatic, especially among those who have children under the age of six and among single mothers. Today, nearly three-quarters (71%) of Connecticut women with children under the age of six are in the workforce, a significant increase over the 27% of women with children under six who worked in 1970.

Very recent Census data show that labor force participation rates of mothers *with infant children* fell from a record-high 59% in 1998 to 55% in 2000. This decline occurred primarily among working mothers who were white women 30-years or older, married women living with their husbands, and women with one or more years of college. Mothers under age 30, African American mothers, Hispanic mothers and mothers who had a high school education or less did not experience

a decline in their labor force participation rates between 1998 and 2000.<sup>2</sup> Taken together, these data suggest that policy makers and planners pay special attention to the early care needs of infants and toddlers of single women who are Hispanic, African American, and/or lack a college education.

From a workforce perspective, employers know well that employee attendance, work performance and loyalty are all related to the ability of employees to find and pay for care for their children during work hours. Employees themselves report that child care problems impact on their work performance, and problems in accessing child care is a major barrier for women moving from welfare to work, nationally and in Connecticut.<sup>3</sup>

From an economic perspective, the dramatic growth of lower-paying service jobs in Connecticut and across the nation places great pressure on families who require child care for their children in order to work. With the cost of infant and toddler care ranging from \$7,000 to \$15,000 in Connecticut and the cost of care for three- and four-year olds ranging from \$6,800 to \$10,000, many families struggle constantly with issues of affordability. Although Connecticut has a program to provide child care subsidies for lower- and moderate-income families, the Care 4 Kids<sup>4</sup> state subsidy program only serves 10% to 15% of Connecticut families who are actually eligible for economic support. Recently, the state closed admission to the Care 4 Kids program to all but families enrolled in the state's welfare program. This has increased the waiting list for Care 4 Kids subsidies.

The economics of early care and education has special significance for providers as well as consumers. In Connecticut, the "child care industry" continues to compensate its own employees with wages barely above the federal poverty level and well below Connecticut's self-sufficiency standard.<sup>5</sup> According to this standard, a family with two young children would need to earn between \$35,000 and \$40,000 annually to be able to afford basic necessities – housing, child care, food, clothing, transportation and health care – without reliance on government assistance. The low wage scale for adults who provide child care services to other

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<sup>2</sup> Given national welfare reform with its stringent work requirements, this finding is not surprising. It does, however, underline America's confusing, long term "values conflict" regarding mothers and work. Mothers with the economic means to remain home to care for their children are valued for those choices, while mothers with low or no income are expected to enter the workforce almost immediately after the birth of a young child.

<sup>3</sup> See the 2<sup>nd</sup> report in the Quiet Crisis series, "Framing the ECE Debate: Research on How People Understand the Early Care and Education Issue" for a comprehensive review.

<sup>4</sup> Formerly called the CT Child Care Assistance Program, Care 4 Kids is funded and managed through the CT Department of Social Services.

<sup>5</sup> Development of the CT Self-Sufficiency Standard was funded by the CT Office of Policy and Management and published in 1999, based on 1998 costs. The report provides information on the amount of money a family needs to meet "basic necessities" without government assistance for 12 regions of the state and a series of different family types. A copy of the CT Self Sufficiency Standard, including tables covering all Connecticut communities, is available from Leslie Brett, Executive Director of the CT Permanent Commission on the Status of Women – [leslie.brett@po.state.ct.us](mailto:leslie.brett@po.state.ct.us)

children subjects *their own children* to the well-documented challenges and academic risks of growing up in poverty themselves.

From the perspective of children's development, research repeatedly has shown that readiness for school is a function of early developmental experiences in the child's world. Early experience impacts on cognitive and language development, on children's self concepts and ability to navigate in a social world, on children's physical and emotional health, and on their values. Recent research on brain development presents convincing evidence that we must, as parents and policy makers, pay as much attention to infant and toddler development as we have to children's growth during the ages of three, four and five.<sup>6</sup>

Research has also shown that children's successful social and emotional development is related to the presence of consistent, nurturing caregivers. With so many parents of young children in the workforce, this responsibility is often left with both formal and informal early care providers. Yet, current turnover rates in Connecticut's child care centers range from 25% to 60%, virtually assuring that many children will not receive consistent early care in these environments.

From a public investment perspective, outcome studies document that the quality of children's earliest experiences – at home and in other than parental care – also has wide ranging implications for the delivery of education, welfare reform, and workforce services as well as for economic development and crime prevention. Based on these studies, the National Conference of State Legislators reports that the better the early care and education experience, the lower social costs that accrue later and the greater resulting economic productivity.<sup>7</sup>

In his recent book, *The First Three Years and Beyond*,<sup>8</sup> Head Start founder and Yale Professor Edward Zigler summarizes three scientifically rigorous longitudinal studies showing an unequivocal long term return on investment of

*"Children who start school behind their peers are unlikely to catch up. Children who enter kindergarten with limited words reading skills are the most likely to develop later reading difficulties and require remedial education. Even with this subsequent extra help, they continue to lag; children who are not at least modestly-skilled readers by the end of third grade are unlikely to graduate from high school."*

Committee for Economic  
Development  
Spring 2002

<sup>6</sup> This literature does not indicate that cognitive growth ends at age three or age five. We must give credence to these findings on the criticality of early development but, at the same time, avoid the trap that suggests that this is only age period of import in young children's lives.

<sup>7</sup> Go to – [www.ncsl.org](http://www.ncsl.org) – and search using the keywords "child care," for a listing of reports and publications.

<sup>8</sup> Zigler, E., Finn-Stevenson, M., and Hall, N.W. *The First Three Years and Beyond*. New Haven, CT: Yale University Press, 2002

about four dollars for every dollar invested in quality early care and education.<sup>9</sup> And recent studies in Connecticut and other major metropolitan areas such as Pittsburgh show an immediate return on investment as well, with significantly fewer children who attend quality preschool programs being retained in kindergarten and first grade and fewer requiring special education services in the early years of school.

Despite increasing data on the short- and long-term cost-effectiveness of early care and education, studies show that many children across America enter kindergarten unready for the school experience and that learning differences among children widen over time. In 1996, the Carnegie Corporation reported that one in three of America's children were not ready for kindergarten. When Educational Testing Service (ETS) and the Economic Policy Institute separately examined data from the national kindergarten database for children entering school in 1998-99, they both found "vast inequities" in children's cognitive ability as well as math and reading skills even as children enter school.<sup>10</sup> We can reasonably infer that some of these developmental gaps could have been predicted at birth, identified through early development and health assessment, and addressed by the time children entered the preschool years.<sup>11</sup>

Policymakers, educators and child development specialists have long recognized the importance of early care and early learning, but today even the business community – broadly writ – is calling for public investment in young children during this critical developmental period from birth to five years.

### The "Quiet" Crisis

With all of these arguments supporting broad public policy attention to the challenges of early care and education, one might wonder why this remains such a "quiet" crisis. There are several reasons for the relative silence around this issue. First, young children are always the most invisible members of society. They have no voice in the public policy process.

*"Poor children typically enter school a full year and a half behind their middle-class peers in language ability, studies show. So millions of kids start their lives with an educational deficit. That's why we have to get them while they're still tots."*

25 Ideas for a Changing World  
Business Week  
August 26, 2002

<sup>9</sup> See also two recent reports: (1) Masse, L. and Barnett S. A Benefit-Cost Analysis of the Abecedarian Early Childhood Intervention. National Institute for Early Education Research. Fall 2002. Online at – [//nieer.org/docs/index.php?DocID=57](http://nieer.org/docs/index.php?DocID=57) (2) Bruner, C. A Stitch in Time: Calculating the Cost of School Unreadiness," published electronically by The Finance Project, September 2002. Online at – [www.financeproject.org/stitchintime.pdf](http://www.financeproject.org/stitchintime.pdf)

<sup>10</sup> See the fourth report in the Quiet Crisis series, "Entering Kindergarten: Ready or Not," for a presentation of these data.

<sup>11</sup> Dworkin, P. Child Development Surveillance Key to Help Me Grow. A Special Report of the Connecticut Children's Trust Fund. December 2002.

Second, accepting their fundamental responsibility to provide care for their young children, parents who must and do work continue to find some place (perhaps, any place) for their children during work hours. In the face of a continued struggle for family economic security through work, these parents manage as best they can to juggle work and family demands. This means they are hard pressed to exercise their voices on behalf of their own individual children, let alone the children of others. Also, it is not clear that even families who can *afford* to choose among different early care and education options really understand what constitutes "quality." In fact, some economists argue that the crisis of poor quality cannot be addressed until "consumers have sound information about the quality of care as well as stronger incentives to purchase better care."<sup>12</sup>

Third, while a growing literature at the national level reveals that some groups of children enter kindergarten well below a "school readiness level," at present we have no way to systematically document comparable trends in Connecticut. Our earliest statewide data occurs at the beginning of the fourth grade when results of the Connecticut Mastery Tests show dramatic school achievement gaps among Connecticut's students. In the face of this information gap, even those Connecticut educators who assert that between a third and a half of their entering kindergarteners are not ready for school have little voice in the policy and resource debate.<sup>13</sup>

Fourth, despite the challenges of caring for young, energetic children, many early care and education providers are willing to work for low wages (at least for some period of time), suggesting that they find other than monetary benefits in delivering the service. For some, it is the satisfaction of contributing to the development of a child they come to know and love; for others, it may include being able to remain home with their own children while they are young. Only recently have workers conducted "virtual strikes" and taken other strong action to convey their displeasure with their economic situation and the perceived "value" of their profession.<sup>14</sup>

Fifth, policymakers in Connecticut in both the executive and legislative branches of government believe that they made a good start in 1997 with Connecticut's landmark school readiness legislation. They did. But, Connecticut has a history of engaging in "40% solutions" whereby a public policy problem is identified, partially solved, and then legislators move on to other issues. In the years since Connecticut's school readiness legislation passed, there has been little additional

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<sup>12</sup> Blau, D. (2001) Rethinking U.S. Child Care Policy. (Issues in Science and Technology Online. Winter 2001. Online at – [www.nap.edu/issues/18.2/blau.html](http://www.nap.edu/issues/18.2/blau.html)

<sup>13</sup> Dworkin, op cit. p. 2. "In the City of Hartford, As one example, "Up to 30% of kindergarten children reportedly lack the emotional, behavioral and/or developmental resources necessary for school success, and less than half of these children are identified prior to school entry."

<sup>14</sup> But see "Child Care Providers Assert Work Undervalued" in Women's Enews. August 9, 2001. "We don't value that which doesn't make a profit. And if children don't make us money, then we don't value the people who care for them -- whether they are stay-at-home parents or child care providers."

progress in assuring that all of the state's preschool-aged children have access to quality early education. Of special importance is that fact that some 15,000 three- and four-year olds who already have been identified by state agencies as at risk of kindergarten failure still await access to quality preschool programs.

At the same time, the state's commitment to improving the overall quality of early care has actually declined. Because of low wages, turnover in the early care industry exceeds 25% and may reach 50%, a level of churn that no business or organization can absorb and continue to provide quality service. Further, state resources to support ongoing education and professional development among early care employees have declined. Finally, while the state's welfare reform effort has directed low-income parents into work, state financial assistance to cover the added cost of early care has not increased to meet this need. Nor has the State of Connecticut taken effective advantage of available federal funding or its multi-billion dollar surpluses over the late nineties to expand the base of financial support for early care and education.

In Connecticut, this is neither a problem of partisan politics nor a problem that can be laid at the door of a single branch of government. During this period of incredible wealth expansion and budgetary surplus, Connecticut enjoyed the leadership of a Republican governor and a Democratic General Assembly. Either or both the executive or legislative branches of government could have taken leadership on these critical early care and education issues but did not. Also, since the economic capacity of 60% of Connecticut's families did not mirror the extraordinary revenue expansion that the state experienced over this period,<sup>15</sup> families – as early care and education consumers – could not have solved these problems without governmental public policy assistance and resource commitment.

### **Calculating Connecticut's ECE Needs**

**Projecting Current Need.** To calculate the potential need for non-parental care of Connecticut children ages birth through four, we rely on three types of data: the number of children in this age cohort, the number of children living in families in which both or the only parent is working, and the number of children in two-parent families in which either the mother or father are in the labor force. Employment data for families are now available from the 2000 US Census for children under the age of six, allowing us to calculate the potential need for early care and education for children five and under and to estimate it for children ages birth through four years.

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<sup>15</sup> From 1993 to 2000, the real adjusted gross income (AGI) of Connecticut's richest .5% of taxpayers grew by 127%. The real AGI of the top 15% grew by 61%. Contrastively, the lowest quintile of Connecticut families lost 19% in real family income over the decade of the nineties, while the next 20% lost 6%. Source: Pulling Apart in CT: An Analysis of Trends in Family Income. Connecticut Voices for Children, 2002. Online at – [info.med.yale.edu/childstudy/CTvoices/kidlink/kidlink2/reports/PDFs/CT%20Inequality%20Report.pdf](http://info.med.yale.edu/childstudy/CTvoices/kidlink/kidlink2/reports/PDFs/CT%20Inequality%20Report.pdf)

Based on year 2000 US Census Bureau data as reported by The Annie E. Casey KidsCount Census website<sup>16</sup>, there were 270,187 children ages birth through five in Connecticut in the year 2000.<sup>17</sup> Of these, 223,344 (83%) were between the ages of birth and four, and 46,843 (17%) were age five. More than nine in ten (92%) Connecticut *children* ages birth through five lived in families with at least one working parent, and 62% of Connecticut children ages birth through five lived in families in which all parents (i.e., either the single parent or both parent) worked.<sup>18</sup>

For children living in their own households, the data for children ages five or younger may be further disaggregated by family type and parental labor force participation. In 2000, 111,413 Connecticut children under the age of six lived in their own two-parent families where both parents worked. An additional 77,491 children lived in two parent families where either the mother or father worked. There are also 37,129 children ages five and younger living in mother-headed families where the mother worked, and 11,334 children lived in father-headed families where the father worked. Together, the total number of children living in single parent families with a parent in the labor force was 48,463. These data are shown in the chart that follows, along with an estimate of children ages four and younger in each of these family employment categories.

<b>Connecticut Children By Age Groupings, Family Composition and Parental Work Status: 2000 Census</b>		
<b>Category</b>	<b>Children Ages Five Years and Younger</b>	<b>Children Ages Four Years and Younger</b>
<b>Total # CT children</b>	<b>270,187</b>	<b>223,344</b>
<b>Total # CT children living with "own families"</b>	<b>258,382</b>	<b>214,457**</b>
<b>Children in own two-parent families, both parents working</b>	<b>111,413</b>	<b>92,473**</b>
<b>Children in own single parent working families</b>	<b>48,463</b>	<b>40,224**</b>
<b>Children in own two-parent families with one parent working</b>	<b>77,491</b>	<b>64,318**</b>
<b>** Estimated at 83% of the total in the same category for children ages 5 and younger.</b>		

<sup>16</sup> Online at – [www.kidscount.org](http://www.kidscount.org)

<sup>17</sup> Of the 270,187 Connecticut children, all but 484 lived in households. Please note that this number includes children living in their own households as well as children in relative homes or foster households.

<sup>18</sup> 2000 Census Data Summary Profile for Connecticut. Annie E. Casey Foundation. Online at – [www.aecf.org/cgi-bin/aecensus.cgi?action=profileresults&area=8](http://www.aecf.org/cgi-bin/aecensus.cgi?action=profileresults&area=8). Note that this represents an increase of 10% (57% to 62%) over the decade 1990 to 2000.

We make the assumption that some type of non-parental early care and education setting is required for all children living in two parent families where both parents are in the labor force and all children living in single parent families with the sole parent in the workforce. Connecticut will need to plan for full- and/or partial-day early care and education services for 132,697 Connecticut children simply to accommodate these parents' work hours. Additionally, some proportion of the 77,491 children living in two-parent families where only one parent is in the labor force may also require early care and education services, especially those children who are ages three and four whose parents may desire to enroll them in formal preschool programs.

**Estimating by Age.** State planners and policy makers have a special need to understand the demand for early care and education according to the ages of children involved. Utilizing the 2000 Census data we can examine the distribution of Connecticut's young children more specifically. These data follow:

<b>Connecticut Children Ages Birth Through Five 2000 Census</b>	
<b>Total ages birth through five</b>	<b>270,187</b>
<b>Total age five years</b>	<b>46,843</b>
<b>Total age four years</b>	<b>46,649</b>
<b>Total age three years</b>	<b>45,852</b>
<b>Total ages birth through two years</b>	<b>130,813</b>

**Infants and Toddlers.** Using this data, we can make a conservative projection of the number of infants and toddlers requiring early care because both parents or the single parent is in the labor force. In Connecticut in 2000, there were 130,813 infants and toddlers, ages birth through two. Of these, we can estimate that some 81,000 (62%) will require early care while one or both parents work. We must remember, however, that another group of infants and toddlers live in families where one of two parents work and those parents may seek some level of early care as well.

**Preschoolers.** To estimate the need for early care and education programs for Connecticut's three- and four-year old children, we entertain two hypotheses: first, that Connecticut will focus its pre-k support on only those children with both parents or the only parent in the workforce; second, that there is a public policy commitment to early education of all Connecticut three- and four-year olds.

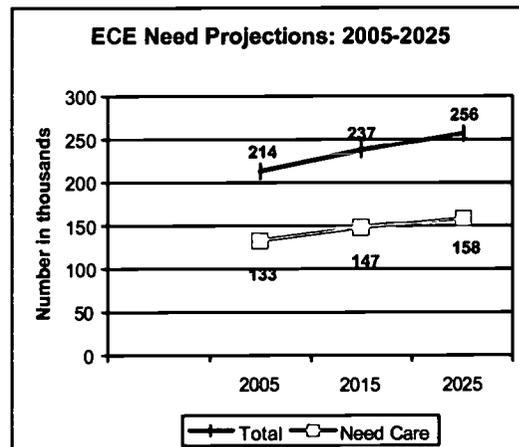
In the first case, we can estimate that a minimum of 57,350 preschoolers require early care and education programs, based on the finding that 62% of the state's three and four year olds live in families where their only parent or both parents are in the labor force. In addition, we must factor in some estimate of the number of preschoolers with one parent in the workforce who also require preschool services. Extrapolating from a recent reanalysis of 1997 NSAF data in which 45%

of three- and four-year old children in families with a non-employed parent attended center-based preschool, we can project that an additional 16,200 of the 36,000 Connecticut preschoolers with one parent in the labor force will require school readiness programs.<sup>19</sup> Taken together, these calculations suggest that Connecticut needs to a plan for high quality center-based preschool programs for at least 74,000 of its 92,000 preschool-aged children.

In the second instance, where the State of Connecticut makes a public policy commitment to support access to universal preschool for *all* three and four year olds,<sup>20</sup> as many as 92,000 slots will be required in some combination of full and partial day programs. Importantly, parental reports as part of the 2000 census data indicate that 56,433 (61%) of Connecticut three- and four-year olds were already “enrolled in preschool programs.”<sup>21</sup> Thus, the need for preschool program expansion slots may be estimated at about 36,000 slots.

**Projecting Future Need.** Based on US Census Bureau projections, we estimate that the number of Connecticut children who will need access to early care and education will grow to at least 147,000 in 2015 and 158,000 in 2025.<sup>22</sup>

To arrive at this projection, we applied a multiplier of 62%, representing the current proportion of children ages birth through four years who have both or a sole parent in the current labor force. We further assume that trends in labor force participation will not change significantly over the next 15 to 25 years. Note that, as was true in earlier calculations, these projections represent demonstrable under-estimates because they do not take into account the balance of children living in families where only one parent works or a



<sup>19</sup> Tout, K., Zaslow, M., Papillo, A., and Vandivere, S. Early Care and Education: Work Support for Families and Developmental Opportunity for Young Children. Assessing the New Federalism. The Urban Institute. Washington, D.C. September 2001.

<sup>20</sup> This conversation is currently underway at the CT State Board of Education, and the State Department of Education has begun to frame a multi-year plan to accomplish universal access to preschool for all of the state's three and four year olds, with a first emphasis on assuring access to all children in high need school districts. Personal communication from SDE Commissioner Ted Sergi, December 2002. For more information, contact Associate Commission George Coleman at – george.coleman@po.state.ct.us

<sup>21</sup> Note: These census data are now available on a town-by-town basis, allowing the State Department of Education or others to calculate need much more accurately. Also note that these data on reported preschool attendance say nothing about the quality of the program attended.

<sup>22</sup> With the exception of a slight decline in 2005, Connecticut's population of children ages birth through four was projected, by the US Census Bureau in 1998, to increase from 213,000 in 2000 to 227,000 in 2015 and 246,000 in 2025. As the year 2000 projection is 10,000 below the actual census data (223,344), we have increased these projections by 10,000 at each point to obtain a revised set of population estimates for children ages birth through four.

potential state policy decision to provide or fund universal access to preschool programs.

### **Ten Fast Facts**

The following "fast facts" summarize Connecticut's situation. For a number of these summary statements, national data are included to provide a broader context.

#### **1. Most Connecticut parents are working and away from their children for long periods of time.**

Ninety-two percent (92%) of all Connecticut children ages five and younger have one working parent and more than six in ten (62%) have their only parent or both parents in the full-time workforce. Over the past two decades Connecticut families have added nearly 12 extra weeks of work to their annual work year. Families headed by single parents worked 300 more hours, adding seven and a half extra work weeks to their work year. Based on the number of children currently living in families with both parents or the only parent in the labor force, we can conservatively estimate that some 133,000 of Connecticut's 223,000 children ages birth through four need full or partial-day access to quality early care and early education settings outside of parental care. Of the 133,000 projected to require ECE programs in 2000, 81,000 were infants and toddlers.

#### **2. As many as three-quarters of infants and about half of preschoolers are now served in *unlicensed* care.**

Among lower-income families assisted through the Connecticut Care 4 Kids program, 75% place their young children in unlicensed care. This rate of use of informal care in Connecticut is much higher than in other states, and while informal care is generally more affordable and may be more geographically accessible, states can make no assurance of safety or quality in unlicensed settings.

#### **3. There is strong citizen support for helping families and businesses address early care and early education issues.**

National surveys show that nearly three-quarters of the general public support tax credits for both businesses and families to aid in the cost of early care and education. Nearly 80% support increased government spending on preschool education. In a year 2000 survey conducted by the CT legislature's Permanent Commission on the Status of Women, nearly 70% of Connecticut women believed that more should be done to expand the availability of quality, affordable child care. Slightly more than half of men also agreed.

In a recent survey of 3,230 voters nationally, nearly nine out of ten (87%) agree that state government should provide sufficient funding for every American family

can be able to afford to send its three-and four-year old children to a high-quality preschool education program.

#### **4. The early years are crucial for children's development and school success.**

During the early years, children's neurological growth is astounding. At birth, a child has 100 billion brain cells. As children grow and learn, each cell can connect with up to 15,000 other brain cells. By the age of three, the brain's "wiring" can have about 1000 trillion connections, twice as many as adults. Children's early experiences influence how and how much of this development occurs. Also during children's early years, their social-emotional relationships with adults, beginning with their parents, determine how well they will be able to develop and sustain trusting relationships, learn appropriate social behaviors, and work and learn with others.

Children without solid learning opportunities enter kindergarten with fewer skills and less knowledge than they need for school success. In Connecticut, children's knowledge and skill gaps show up dramatically in results of the fourth grade Connecticut Mastery Tests (CMTs). In a recent interview with the Connecticut Commissioner of Education, the Hartford Courant reports that "only 25% of black and Hispanic students achieved the 4th grade mastery level on the CMTs as compared with 70% of white students. Boys scored lower than girls, and while 61% of all 6th graders met the state goal in math, only 33% of low-income students did so...Closing the achievement gap in Connecticut is the issue of the decade."<sup>23</sup>

#### **5. High quality early learning programs work.**

There is a substantial literature on the effectiveness of high quality early learning programs in improving school readiness by aiding cognitive, language and social-emotional development for children ages birth through four as well as increasing effective parenting practices. This research literature also shows sustainable gains for children into elementary school as well as reduced special education designations. Recent research in Connecticut shows clearly that high quality preschool programs enable children at risk to perform better in early elementary school than children of similar socio-economic backgrounds who did not participate in such programs.<sup>24</sup> This research also allows us to calculate the immediate return on investment from quality early care and education in terms of reduced retention and need for special education services at costs ranging from \$10,000 to \$13,000 per year per child at a minimum.

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<sup>23</sup> Hartford Courant, August 16, 2002, quoting Connecticut Education Commissioner Ted Sergi.

<sup>24</sup> Yale researcher Walter Gilliam has been conducting outcome studies for a number of Connecticut communities with school readiness programs. Two presentations of his results can be found online. See "Early Care and Education: Maximizing CT's Return on Investments in Tough Budget Times" at – [//info.med.yale.edu/chldstdy/CTvoices/kidlink/kidlink2/index.html](http://info.med.yale.edu/chldstdy/CTvoices/kidlink/kidlink2/index.html) – and "School Readiness: An Overview" at – [www.cga.state.ct.us/coc/SR-Overview.pdf](http://www.cga.state.ct.us/coc/SR-Overview.pdf)

National evidence on the positive impact of access to quality early care and early programs continues to mount, as does evidence of substantial accumulated savings for society. The National Conference of State Legislatures reports that quality in children's earliest experiences has "wide ranging implications for state education systems, welfare reform, workforce and economic development, and crime prevention."<sup>25</sup> The return on investment for every dollar spent on quality early care and education programs has been calculated at between 400% and 700%.<sup>26</sup>

**6. Staff turnover in the early care sector, resulting largely from low wages, is a huge contributor to lowered quality.**

In Connecticut, the early care industry has a high degree of employee turnover. Recent national research has shown teacher wages to be the strongest predictor of quality care, yet many CT early care providers earn wages at levels considerably below Connecticut's self-sufficiency level. The CT Department of Labor reports that, in 2000, early care workers earned an average annual salary of \$20,725, while preschool teachers earned \$23,955.

**7. Substantial numbers of Connecticut three- and four-year olds do not yet have access to formal, learning-based preschool programs that help prepare them for kindergarten success.**

On a statewide basis, 75% of Connecticut four-year olds are reported by their parents to have attended some kind of formal learning program<sup>27</sup> within the six months before beginning kindergarten. However, the proportion of children in Connecticut's highest income communities who attend formal preschool is nearly twice that of children in Connecticut's poorest communities. Among the nearly 54,000 three and four year old children in Connecticut's 46 high need communities, at least 14,700 (27%) do not yet have access to school readiness programs.

**8. The costs of early care and early learning programs are not insignificant for families. Acknowledging this financial challenge, parents call for tax and leave supports to assist them in making sound cost and choice decisions about the early care of their young children.**

For Connecticut *infants and toddlers*, costs generally range from \$7,000 to \$15,000 per child per year. Full-time early care and education programs for

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<sup>25</sup> Groginsky, s., Poppe, J. and Davis, J. Financing Child Care. National Conference of State Legislatures. June 2000. p. 1. Online at – [www.ncsl.org/programs.cyf/finrpt.htm](http://www.ncsl.org/programs.cyf/finrpt.htm)

<sup>26</sup> Masse, L. and Barnett S. A Benefit-Cost Analysis of the Abecedarian Early Childhood Intervention. National Institute for Early Education Research. Fall 2002. Online at – [//nieer.org/docs/index.php?DocID=57](http://nieer.org/docs/index.php?DocID=57)

<sup>27</sup> SDE asks parents to report if their kindergartener has attended "preschool, nursery school, or Head Start."

*preschoolers* range from \$6,800 to over \$10,000. For CT families with children, the cost of child care represents their second largest expense, just behind housing costs. Connecticut families at or below the state median income for a family of four (\$75,505) who have two young children can expend 25% to more than 30% of their annual gross income to pay for early care and education. In a recent national survey by Public Agenda, 64% of parents of young children called for better tax deductions to offset this cost, and 61% supported a six-month period of paid family leave to care for their new children.

**9. Connecticut has not made a policy commitment to provide economic supports for families with young children, nor has it continued its support of early care and early learning programs for their children.**

Once a national leader in program development and fiscal commitment to early care and early learning opportunities, Connecticut has fallen far behind other states in planning for, implementing and sustaining an integrated system of early care and early learning programs for its youngest children. As a matter of executive branch policy, Connecticut chose not to allocate surplus federal TANF funds to expand and enhance early care, as most other states did when welfare rolls dropped significantly (by half in Connecticut over the period ending in 2001). State early care subsidies are limited only to those parents within the CT TANF program, yet even among this most needy population of families waiting lists are long.

Similarly, as a matter of bi-partisan legislative policy, Connecticut did not apply any substantial funding from its more than \$2 billion surplus over the nine successive budget surplus years to systematic resource support for families, providers, employers and communities for early care and early learning. Nor did it expand education and career development opportunities to assure that Connecticut would have a quality provider workforce in early care and education.

Finally, Connecticut is unique among states in having no standard deduction for children in its state income tax code and no tax credits or deductions to help offset the costs of caring for them.

**10. Connecticut has just begun to explore the various ways in which early care and education programs contribute to the state's overall economy. These include actual revenue contributions, employee workforce support, and cost-aversion based on reduced elementary school grade retentions and special education.**

Other states and municipalities have begun to utilize econometric analyses to compute the contribution of the "child care industry" to the state or municipality's economy. Across a number of studies, it has been shown that a dollar spent on child care results in \$1.40 to \$1.80 in direct revenue to a state and between \$3

and \$5 in indirect revenue.<sup>28</sup> Although we calculate Connecticut's early care and education "industry" to include some 21,000 to over 30,000 non-parental providers working in both formal and informal arrangements, there is as yet no data documenting the industry's contribution to the Connecticut economy. This type of economically-based research has just begun in Connecticut and is guided by the Connecticut ECE Economic Impact Working Group which includes state agency, university and nonprofit organizations as well as citizen volunteers and national technical assistance.<sup>29</sup> The technical work of the group is supported by the Connecticut Center for Economic Analysis.

### **Temporal Imperatives**

A decade ago, the Carnegie Corporation of New York, funded the Quality 2000 Initiative designed to "address the crisis facing the delivery of services to young children and their families." Its description of the "system" is alarmingly similar to the way it would be characterized today, a decade later. In a June 1993 working paper, the Quality 2000 Essential Functions and Change Strategies Task Force describes America's system for serving young children and their families as a "deficit-oriented categorical service delivery system that often separates children and families into programs by income. Such a categorical approach, while attempting to safeguard the rights of economically impoverished children and families, has in fact yielded a system that is often incomprehensible and un navigable for parents, discontinuous for children and pits caregivers against one another to compete for scarce resources."<sup>30</sup>

In Connecticut alone, it is likely that over half a million young children have had contact with or spent considerable time in our child care "system" over the past decade. It can be argued that, given the incredible importance of the early years in shaping children's social, emotional and learning successes, allowing a "broken system" to exist for a decade is dramatically poor public policy. For any given child and family as well as for them all, our failure to address these issues with vision and persistent commitment is simply unacceptable in 2003. It is clearly time to fix this quiet crisis.

### **Connecticut's Fiscal Challenge and Opportunity**

Some have argued that Connecticut's current fiscal crisis is so dire that no new resources will be available to address this quiet crisis in early care and education. They argue further that our largest challenge will be to retain "current" service levels for young children and their families. On top of the \$2.5 billion deficit that has already been addressed largely through spending cuts and one-time revenue enhancements, current projections are for an additional shortfall of \$650 million this fiscal year and another \$1.5 billion deficit in state fiscal year 2003-04.

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<sup>28</sup> Personal communication, Louise Stoney, National Child Care Information Center, August 2002.

<sup>29</sup> For more information, contact Co-Chair Janice Gruendel at – [JMRab@aol.com](mailto:JMRab@aol.com) -- or Co-Chair Jim Horan (Connecticut Association for Human Services) at – [jhoran@cahs.org](mailto:jhoran@cahs.org)

<sup>30</sup> Quality 2000 Working Paper. A Vision for an Early Care and Education System. June 1993. p. 2

Certainly, the need to hold the line on current services for young children and their families is clear.

Just as clear, however, are facts showing that Connecticut's fiscal situation is a revenue problem, not a spending problem.<sup>31</sup> Over the period 1995 – 2001, Connecticut generated a cumulative budget surplus of \$3.15 billion. Over the same general period, instead of *expanding* state government and services with "wild exuberance," the state returned billions of dollars to individuals and businesses through tax cuts funded out of the surplus. The state budget increased an average of just 4.5% per year, just 2% over the rate of inflation. In fact, *The Connecticut Economy* recently rated Connecticut as the 2<sup>nd</sup> most frugal state in the nation. At the same time, service demands increased. For example, Connecticut educates nearly 100,000 more children in its K-12 public schools now than it did a decade ago and we have doubled our prison population.

An examination of Connecticut's budget priorities and revenue strategies is essential. This review must examine whether current tax breaks resulting in nearly \$2 billion annually in lost revenue have produced the desired results and are likely to continue to pay off in the future. The review must also examine the wisdom of excessive spending at the "back end" of our human services system.

It is time to trade a series of ineffective tax breaks and back-end services for a proven investment in the state's youngest children. Recognizing that improvements in access to quality early care and education services for Connecticut's youngest children will require a rededication of state resources,<sup>32</sup> we propose a two-pronged funding approach based on a reallocation of current fiscal resources and the development of at least one new revenue source.

One prong of this approach involves creation of a "Correctional Reinvestment Plan," that would include the reallocation of some \$10 million annually from the Connecticut Department of Corrections' one half billion dollar budget to the state's School Readiness Program. This savings could readily be accomplished by providing an appropriate base of community services for a small number of incarcerated inmates and assigning the net savings<sup>33</sup> to school readiness program

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<sup>31</sup> See "Weathering the Perfect Budget Storm" on CT KidsLink, the website of CT Voices for Children. Online at – [www.ctkidslink.org](http://www.ctkidslink.org). For a short summary of the budget situation as a revenue problem, see Geballe, S., Gruendel, J. & Scalettar, E. Connecticut's Spending Problem: Seeking Common Ground to Meet Children's Needs, December 2002. Online at – [www.ctkidslink.org](http://www.ctkidslink.org)

<sup>32</sup> We also acknowledge the parents and community resources will be required as part of a multi-source funding package. Our present funding streams, for both child care and school readiness, already rely on a combination of funding sources, and this should continue.

<sup>33</sup> Over the past decade, the population of incarcerated adult Department of Correction inmates has increased by 97%, while the proportion of inmates served in community placements has dropped dramatically. It costs, on average, \$35,000 to house an incarcerated adult annually. Community supervision, placement and treatment costs range from \$8,000 to \$18,000 per inmate for a year of supervision and service. To achieve a \$10 million savings after the costs of community supervision and service are provided would require that the State of Connecticut transfer just under 700 adults from prison to community supervision.

expansion. There is clear evidence that quality early care and education programs provide substantial long-term return on investment through reduced welfare and correctional involvement, thus helping to “close the prison door at the other end.”

The second prong of an early care and education investment strategy could include creation of a very small, new employer-paid annual levy of \$10 per employee. If this “Workforce Development Levy” were applied to all Connecticut employees, it would generate nearly \$17 million annually to finance early care and education. Given the State’s proper concern about the need for a competent, high quality workforce over the next two decades, employer supports for an expansion of quality early care and education provide a proper base of revenue.

Together these strategies would yield about 27 million dollars each year beginning in State Fiscal Year 2004-2005. While not sufficient to fully fund the multi-year plan for early education for all, this base of resources will assure that Connecticut can begin to re-invest in the school readiness of its children during this period of economic turbulence.

### **Five Goals to Address Connecticut’s Quiet Crisis**

Assuring that parents are assisted in the early care of their youngest children (so they can work and continue their own learning as a matter of both quality of life and continued human capital development) *and* assuring that all children enter kindergarten truly ready for school success are *achievable* goals.

Meeting these basic needs will require an expanded allocation of resources. Importantly, Connecticut has that capacity. The following early care and education goals for Connecticut are simple yet comprehensive, *and achievable*.

**Goal I.** All children born in 2004 will enter kindergarten in 2009 truly ready to succeed in school. First attention will be given to assuring that sufficient school readiness programs exist for three- and four-year old children in priority, transitional and special needs school districts, with the longer goal of achieving universal preschool access for all Connecticut four-year olds. Priority attention must also be given to assuring that all Connecticut children are born healthy and achieve optimal development during their infant and toddler years so that they do not arrive at the door of school readiness programs at age three already behind.

#### **Action Steps:**

##### **1.1. Develop a Connecticut “Pre-K for All” Financing Plan**

The State of Connecticut needs to develop a multi-year funding plan for school readiness programs for all Connecticut *three- and four-year olds* who would enter kindergarten in 2009. The plan should:

- Address physical plant and workforce development issues and make financing recommendations for both areas
- Involve the employer community (including business, K-16 education, public service and early care provider organizations), members of the philanthropic community, and the CT Early Childhood Alliance
- Include a representative survey of Connecticut families with young children to determine the services, supports, and policies they view as most helpful
- Utilize nationally accepted financial modeling methodologies such as provided by Professors Kagan (Columbia University) and Brandon (University of Washington) for the states of Ohio, New York, Illinois, and South Carolina
- Include resources to improve quality assurance, licensing, training, research and evaluation, and strategic planning available to the early care and education sector
- Address the state's needs for an effective data management and outcomes tracking process to assure the availability of current, accurate and useful quantitative and qualitative information about the early care and education service sector.

The plan should be submitted by the Connecticut State Department of Education to the Governor and the Connecticut General Assembly by December 2003 and formally updated annually thereafter.

## **1.2. Convene a Blue Ribbon Panel on Infants and Toddlers**

Create a *Connecticut Blue Ribbon Panel on Infants and Toddlers* to collect and analyze data, research and public policy information on (1) the needs of infants and toddlers and (2) on health and early care programs proven to be effective in serving them and their families. Additionally, this Panel would develop a profile of Connecticut's paid but unlicensed early care sector, with recommendations on how to strengthen quality and broaden linkages with the system of licensed care providers.

The Panel should be convened in July 2003 and report to the Governor and the Connecticut General Assembly by January 15, 2004. Membership should include representatives of the CT Early Childhood Alliance, municipal leaders, relevant state agencies, the parent community, employers, higher education and the philanthropic community, and the current early care provider community.

**Goal II.** All parents will have access to high quality early care and early learning environments for their children while they are at work, with a special focus on (1) economic supports to help families living below the Connecticut self-sufficiency standard to afford quality early care and (2) options that support parents to remain home and care for their infant(s) during the child's first six months of life.

**Action Steps:**

**II.1. Develop a Comprehensive Plan to Support Parents in the Care of their Young Children**

The State of Connecticut should develop a comprehensive plan to support parents in the care of their young children. The plan should include a fiscal analysis of at least the following four strategies to increase parental resources for the provision and purchase of high quality early care:

- Calculation of costs involved in fully funding the Connecticut Department of Social Services' child care subsidy program, Care 4 Kids, with rates based on the required annual market rate survey<sup>34</sup> and funding sufficient to address the current and projected annual waiting list. This strategy will assist low- and moderate-way working families to afford quality early care so that they can participate in the Connecticut labor force. Results of this analysis should be included within the work of the Blue Ribbon Panel on Infants and Toddlers and the Pre-K for All financing plans.
- Identification of resources required for a statewide outreach and education program to encourage more families eligible for the federal EITC and the newly refundable federal Child Tax Credit to claim those federal dollars. This will assist families to afford quality early care by claiming millions of dollars for which they are already eligible but not claiming. Increasing the federal claiming rate will also provide a boost to the state economy, at no cost to Connecticut.
- Enact a refundable Connecticut Earned Income Tax Credit (EITC), as a piggyback to the federal credit, and a refundable Connecticut Child Care (or Dependent Care) credit as a piggyback to the newly refundable federal child tax credit. This strategy increases family economic resources through the tax side of the budget.

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<sup>34</sup> While the State of Connecticut does conduct market rate surveys of the child care industry as required by federal law, it does not regularly use that cost information to adjust child care subsidy rates. Specifically, until January of 2002, rates had not been adjusted since 1991 despite completion of the surveys.

- Establish a pilot *employee-funded* paid family leave program so that a parent can afford to remain at home caring for a new infant for some period within the child's first six months. This strategy can reduce the need to develop very costly center-based infant services at little or no cost to the State of Connecticut. The recently enacted California paid family leave program may provide a useful model for developing a Connecticut pilot.

**Goal III.** All early care and early learning professionals will have (1) educational opportunities to improve their skills so they can provide consistently high quality care and early learning and (2) improved compensation and supports so that their own children do not grow up in poverty. Further, the early care "industry" will be aided to identify cost and administrative efficiencies and explore models for improved management.

**Action Steps:**

**III.1. CT Early Care and Education Economic Impact Study**

In 2003, release the *CT Child Care Economic Impact Study*, being conducted by the Connecticut Center for Economic Analysis through a public-private partnership with the Connecticut General Assembly's Select Committee on Workforce Development, Connecticut Voices for Children, Connecticut Association for Human Services, Permanent Commission on the Status of Women, Commission on Children, State Department of Social Services, State Department of Education, Office for Workforce Competitiveness, Department of Labor, Charts A Course, and representatives from among higher education economists and the Connecticut business community. This study is guided by the CT ECE Economic Impact Working Group and will profile the state's early care and education industry and calculate its contribution to Connecticut workforce capacity and fiscal bottom-line.

**III.2. ECE Workforce Development Plan**

By December 2003, develop a multi-year career advancement plan (with projected costs) for center-based early care and early learning staff, including predictable salary raises and access to benefit programs, to improve quality and reduce turnover. The Permanent Commission on the Status of Women, along with the Pay Equity Working Group, has taken a lead on this effort to date. Previous legislation enabled the Department of Social Services to implement such a plan, based on available resources.

**III.3. Health Coverage for ECE Workforce**

Over State Fiscal Year 2003-04, the Office of the State Comptroller should conduct a survey of health care coverage for early care providers, including a

review of how other states assist early care employees to obtain coverage, and make recommendations to the General Assembly on ways to improve coverage.

### **III.4. Designation of ECE as Connecticut Economic Development “Industry Cluster”**

By June 2004, seek designation of the early care industry as a Connecticut economic development “industry cluster” through work with the CT Department of Economic and Community Development, the Office for Workforce Competitiveness, and the Governor’s Council on Economic Competitiveness, and conduct a design analysis to propose cost and administrative efficiencies for the early care and education sector.

**Goal IV.** Within and across communities, health and education services for children and families will be well-coordinated, accessible, affordable and effective, with special attention to the health and social-emotional needs of infants and their families and with a commitment to the early establishment of home-school partnerships.

#### **Action Steps:**

### **IV.1. Systems Integration Across Health, Early Care and Education, and Public Elementary Education**

Four Connecticut foundations – The Children’s Fund, William Caspar Graustein Memorial Fund, Connecticut Health Foundation, and the Community Foundation for Greater New Haven – have issued an RFP to fund several programs that focus on the integration of healthy care services for young children and early care and education programs. Based on learning from these grants, we must identify barriers to service and identify ways to expand required interconnections between these two major systems.

Additionally, over 2003-04, it will be useful to review data from the Graustein Memorial Fund’s 50 Discovery Communities and from the 24 United Way Chapters of Connecticut to examine system integration successes and challenges regarding the early care, education, and health needs of Connecticut children ages birth through eight, and their families. Special attention should be directed at understanding where there are effective linkages between community early care programs and the public schools in terms of transition to kindergarten and kindergarten developmental assessments.

**Goal V.** There will be demonstrable improvement in the quality and availability of data available to and from the State of Connecticut, as well as from the early care and education community, concerning all aspects of the delivery of early care and education in order to improve strategic planning, ensure regulatory effectiveness, promote service cost efficiencies, and assure accountability for children's sound developmental outcomes.

**Action Steps:**

**V.1. Annual Report to the General Assembly on CT Revenue, Expenditures and Outcomes for Early Care and Education**

During the 2003 session of the Connecticut General Assembly, enact legislation requiring the State Department of Education in cooperation with the CT Department of Social Services, Department of Labor, Department of Economic and Community Development, and the Office for Workforce Competitiveness to prepare and release an *Annual Report to the CT General Assembly on Revenues, Expenditure and Outcomes in Early Care and Education*. The report will be due to the legislature by November 1, 2003 and on November first of each successive year, and will include the following elements:

- All federal funding sought and received by the State of Connecticut and its municipalities for early care and education programs, services and support, including but not limited to Head Start, Early Head State, Preschool Education, Child Care Development Fund, Child Care Development Block Grant, Social Services Block Grant, TANF funding.
- All state and local funding directed at meeting the early care and education needs of the state's children ages birth through five, including child care, school readiness, preschool programs, family economic supports, parent training and support, public education at kindergarten, and health care for children and families.
- A community-by-community report on children's readiness for kindergarten, utilizing to the greatest extent possible, assessment measures that are common or comparable across school districts. This report will include data on kindergarten and first grade retentions, number and type of special education designations for kindergartners and first graders, and unmet health needs of children entering public school. The report will also provide community-by-community data on licensed and NAEYC<sup>35</sup> certified early care and education programs, along with baseline program quality data across all licensed settings utilizing the national ECRS methodology.

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<sup>35</sup> National Association for the Education of Young Children

## **Ten Principles for Improving Connecticut's ECE Service System**

The following ten principles, taken directly from the national Quality 2000 Initiative, should guide Connecticut's work to improve its early care and education services and supports:

1. "An early care and education system must be comprehensive, providing access to the health care and social services families need, and must be available to all children, including those with special needs."
2. "An early care and education system must provide continuity of services to families, acknowledge the different needs of children at different stages of development, address the differentiated needs of families over time, and assure continuity of care for every child. For families with working parents, the system must accommodate the hours of care needed."
3. "An early care and education system must reflect the range of diversity in communities and in this nation in both staffing and design of service delivery."
4. "The design and delivery of early care and education services will and should vary from state to state but must have uniformly adequate funding to assure quality services for children and families."
5. "Early care and education services should be financed with a combination of public and private dollars to ensure that all families have access to the financial resources they need to obtain quality care. Financing of the early care and education system should be diverse but comprehensive, utilizing federal funding streams, tax credits, investment from the private sector, and other funding mechanisms."
6. "The early care and education system must recognize and value those working in the field. This includes world class pre-service and in-service training, appropriate compensation, excellent working conditions, and opportunities for professional development."
7. "Parents must have a primary voice in the planning and delivery of services for their children, and policies should support parent priorities. Regulations should serve as a consumer protection mechanism, and parents must be able to choose among a variety of high quality choices of care."
8. "Early care and education represents a continuum of high quality services for young children from birth through age eight, so an early care and education system must support those services both before and after children enroll in school."
9. "An early care and education system must encompass services regardless of auspices, including home-based programs as well as child care centers,

nursery schools, Head Start, family child care, and elementary school through third grade.”

10. “The early care and education system must remain responsive to family and community needs through effective evaluation, data collection, and continual assessment. Effective community development must be realized through strong advocacy and development of leadership from within those communities.”

### **Building on Connecticut’s Assets**

**CT Early Childhood Alliance.** Connecticut is fortunate to have a strong base of assets to bring to the task, including a new statewide coalition that can guide this process of strategic planning -- the CT Early Childhood Alliance. Supported over the past 24 months by the William Caspar Graustein Memorial Fund and CT Voices for Children, the CT Early Childhood Alliance is a growing network of organizations and citizens whose goal is to improve developmental outcomes for Connecticut’s children, ages birth to eight, and their families. The Alliance is focused on issues of family economic security, child and family health and safety, early care and education, the transition to kindergarten, and successful schooling in first, second and third grade.

Participants on the CT Early Childhood Alliance include the philanthropic community, nonprofit policy and advocacy organizations, community coalitions including school readiness councils, state government agencies and commissions, child care and school readiness providers as well as the K-12 and higher education communities, and parent organizations and representatives. Work is currently ongoing to engage less involved constituencies including the business community and other employers, and the media.

Through its participation with One Connecticut, an alliance of some 100 statewide and local organizations working to promote civic engagement, affordable housing, health care, quality education and good jobs, the CT Early Childhood Alliance has been able to expand its stakeholder base and assure the inclusion of its issues in a broader economic and social action context.

**Ready, Set, Grow...CT Kids!** Over the next several months, members of the CT Early Childhood Alliance will join with other partners to launch a multi-year

*“We envision a time, within the next decade, when all Connecticut children are born healthy, live safely within their home and community, and have ongoing opportunities for successful learning. We want all Connecticut children to grow up eager to learn and ready for school success, and we want their families to become, if they are not already, economically self-sufficient. We respect families as the cradle of learning, and we seek to ensure that all families can access opportunities and services that strengthen this critical role.”*

CT Early Childhood Alliance  
December 2002

communications and mobilizing campaign to promote a statewide, multi-year early care and education agenda. A 2003 implementation plan for the campaign – *Ready, Set, Grow...CT Kids!* – is currently in development, aided by national technical assistance from the ECE Communications Collaborative, a leadership consortia of similar efforts in seven other states, and by the national Communications Consortium Media Center in Washington, DC.

This effort, currently supported by CT Voices for Children, the William Caspar Graustein Memorial Fund, Community Foundation for Greater New Haven, and Connecticut State Medical Society, will reach out to citizens, parents and grandparents, municipal leaders, and members of the educational, nonprofit, health, legal and business communities for support and participation. Work is currently underway to identify significant media and corporate partnerships in support of the campaign.

**Philanthropic Leadership.** The work of the Connecticut Early Childhood Alliance is also closely tied to another large initiative supported by the Graustein Memorial Fund. Growing from its seven year, multi-town Children First Initiative, the Memorial Fund has committed support for work to develop effective early care and education systems in 47 communities across Connecticut facing important economic challenges. These communities include all priority school district, transitional school district and special needs school district municipalities. Over a five-year period, the Memorial Fund will expend more than \$15 million dollars to support this effort on behalf of Connecticut's most vulnerable children, ages birth through eight, and their families.

Other members of Connecticut's "giving community" are also making investments in improving community early care and education systems, including the Hartford Foundation for Public Giving which is investing \$20 million over the next two decades in the Greater Hartford area and the Community Foundation of Greater New Haven which is finalizing a nearly \$10 million initiative. Like the community foundations, the United Way of Connecticut – along with its 26 community affiliates – has identified early care and education as one of its three top priorities for the coming years. Planning is currently underway by the United Way of Connecticut and the Connecticut State Department of Education for a spring forum and a two-year community-building process to promote universal access to preschool programs for the state's three- and four-year old children.<sup>36</sup> This effort is supported as well by Connecticut Voices for Children and the Connecticut Commission on Children.

Also in partnership with the CT Council on Philanthropy and the United Way of Connecticut, CT Voices for Children will begin surveying foundations and United Ways at the community level to identify current levels of financial and other support for Connecticut early care and education programs.

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<sup>36</sup> For more information on the forum, contact SDE Associate Commissioner and United Way President George Coleman at – [george.coleman@po.state.ct.us](mailto:george.coleman@po.state.ct.us)

**Municipal Leadership.** Connecticut's mayors are increasingly playing a significant role in moving their communities forward toward high quality, more available early care and education services. Under the guidance of Mayor Dannel Malloy, Stamford became the first Connecticut municipality to affirm a policy commitment to universal access to preschool programs for all four-year olds. Two years ago, New Haven Mayor John DeStefano established a Task Force to recommend ways for the city to achieve universal preschool services for its four-year olds. Mayors in each of the Graustein Memorial Fund's Discovery Grant communities are currently involved, along with school superintendents, in local analysis and planning for improved early care and education services, and the Connecticut Conference of Municipalities along with the Commission on Children is exploring the development of a "Municipal Institute for Early Childhood Success" to enhance early childhood development efforts in Connecticut's cities and towns through municipal leadership.

**Business Involvement.** Although community effort -- through municipal, education and philanthropic resources -- is necessary for effective change to occur, it is not sufficient. The engagement of the Connecticut business community is also essential.

Beginning a decade ago, leaders of Connecticut's business community expressed strong support for improvements in early care and education. The business "voice" in 1992 was guided by the persistent and effective advocacy of People's Bank CEO David Carson and other members of the Connecticut Commission on Children's Business Advisory Committee. Importantly, Carson's quote below is included in the State of Connecticut's 1992 state budget document: "If Connecticut wishes to remain competitive, there is no room for our children to fail. An early childhood focus offers positive long term results with a cost savings...The Business Advisory Committee recommends increased preschool programs for three- and four-year olds and full-day kindergarten for all children who need optimal learning environments while their parents are working. We will stand behind these policy directions in the interest of both the family and the economy."

*"School readiness produces a higher quality education and greater achievement for individual students. Effective pre-school readiness programs improve total school performance, lead to broad-based achievement gains and reduce long-term remediation and special education expenses."*

SACIA, The Business Council  
July 2003

A decade later, Connecticut's business community has spoken again. Concerned about well-documented achievement gaps in elementary and secondary schools, SACIA, The Business Council released its June 2002 report *Achievement Gaps In Our Schools: A Resource Guide*. Recognizing a growing body of literature documenting the cost effectiveness of early care and education, the report begins

by renewing the call for attention to children's earliest development and identifies school readiness as an essential early investment.

There is also opportunity for business engagement on the economic development front. Three years ago, Connecticut's Governor Rowland appointed members to his Governor's Advisory Council on Economic Competitiveness and Technology with the charge to develop and implement a statewide economic development strategy based on "industry clusters." The work of this Council, whose members include 45 CEOs of major state businesses as well as business associations, educational institutions and nonprofits (including CT Voices for Children), has been widely praised and the Governor has extended the terms of Council members. Several Council members have begun a conversation designed to explore early care as a workforce support similar to transportation and public utilities.

Finally, the opportunity for business involvement and partnership exists in the context of workforce development through the state's newly reconfigured Workforce Investment Boards, charged with implementing Connecticut's plan under the federal Workforce Investment Act. These boards focus on improving employment and career opportunities for lower income residents of the state, with a special emphasis over the past several years on adults leaving welfare for work and youth at risk (including teen parents). For women with young children in Connecticut's Jobs First Program, a number of the Workforce Investment Boards have found that access to child care is a tremendously important workforce support yet often inadequately accessible at times and in locations that support re-entering workers. At the statewide level, this work is supported by the Connecticut Office for Workforce Competitiveness and the Connecticut Employment and Training Commission.

**A Workforce and Economic Development Focus.** While early care is not classically understood as an "economic development strategy," Connecticut is now engaged in an analysis of the quantifiable economic impact of the child care industry.<sup>37</sup> Participants in the design and support of the study include the Department of Social Services, State Department of Education, Office for Workforce Competitiveness, General Assembly's Select Committee on Workforce Development, several Connecticut universities, and members of the CT Early Childhood Alliance. Technical assistance for the study is being provided by the National Child Care Information Center, through the support of the Department of Social Services. A report on the first phase of the research is expected about six months after funding has been secured.<sup>38</sup>

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<sup>37</sup> See "Framing the Debate: How People are Thinking and Talking About Early Care and Education," the 2<sup>nd</sup> report in this policy series for a review of the literature on communication frames (including an "economic frame" for early care and education) and a summary of recent public polling on the issues. For more information, contact Janice Gruendel at – JMRab@aol.com

<sup>38</sup> The study, to be conducted in two phases, is estimated by the CT Center for Economic Analysis to cost between \$45,000 and \$60,000. Initial funding commitments of \$15,000 have already been secured and the study has begun.

**Family Economic Outreach.** In 1999, over 70% of Hartford taxpayers were eligible to receive the federal Earned Income Tax Credit but only 43% claimed it. In 2002, CT Voices for Children partnered with the Connecticut Internal Revenue Services (IRS) Hartford Office on a campaign to increase the number of Connecticut residents who claim the refundable federal Earned Income Tax Credit and the newly refundable federal Child Tax Credit. These added resources, if claimed by Hartford families, could enable them to better afford the costs of quality early care while pumping millions of additional revenue into the economy of the city and state.

Hartford's "Take the Money" campaign provided an important learning experience in social marketing, and set the stage for an expanded effort in 2003. This spring, several of Connecticut's urban centers, including Hartford and New Haven, are sponsoring efforts to improve family financial resources by increasing claims on the federal Earned Income Tax Credit and Child Tax Credit.<sup>39</sup> National support continues to be available from the Center for Budget and Policy Priorities in Washington, DC<sup>40</sup> and the Internal Revenue Service.

**National Technical Assistance.** All of this work in Connecticut is leveraged and strengthened by Connecticut's recent inclusion in a national Early Care and Education (ECE) Communications Collaborative, supported by the Communications Consortium Media Center. Other states in this collaborative include Florida, Pennsylvania, Colorado, Illinois, Missouri, New Jersey and Kansas. Inclusion in the collaborative affords Connecticut, represented by Connecticut Voices for Children, to participate with and learn from the work of national foundations along with other states and municipalities, all working on improving the quality of early care and education along with children's readiness for school success.<sup>41</sup>

Additionally, through leadership from the Connecticut Health and Development Institute (CHDI), Connecticut is a participant in two other nationally-supported early care and education initiatives: the School Readiness Indicators Initiative, a joint project of the Packard, Kauffman and Ford Foundations; and the New England Workforce (NEW) Partners initiative focusing on early care workforce issues.<sup>42</sup> Finally, CT Voices for Children is working closely with New Haven Mayor John DeStefano, President of the National League of Cities – a consortium of 18,000 municipalities across the nation – on a series of early care and education and family economic security projects.<sup>43</sup>

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<sup>39</sup> Take Your Money, Hartford is online at -- [www.hplct.org/tym/](http://www.hplct.org/tym/)

<sup>40</sup> A tool kit for states, municipalities and organizations working to assist low-wage families to claim these credits is available from the Center for Budget and Policy Priorities, online at --

<sup>41</sup> Much of the work of the collaborative is available at the ECE Collaborative website -- [www.earlycare.org](http://www.earlycare.org)

<sup>42</sup> For more information, contact Sue Wilson, CT Health and Development Institute, at -- [SWilson@uchc.edu](mailto:SWilson@uchc.edu)

<sup>43</sup> For more information, contact Janice Gruendel, CT Voices for Children, at -- [JMRab@aol.com](mailto:JMRab@aol.com)

## The Bottom Line

Assuring that all children enter kindergarten healthy, safe, eager to learn and ready for school success is a necessity if we are to reduce both the short term costs of grade retention and special education and the longer term costs of academic failure, an inadequately capable workforce, welfare involvement and judicial incarceration.

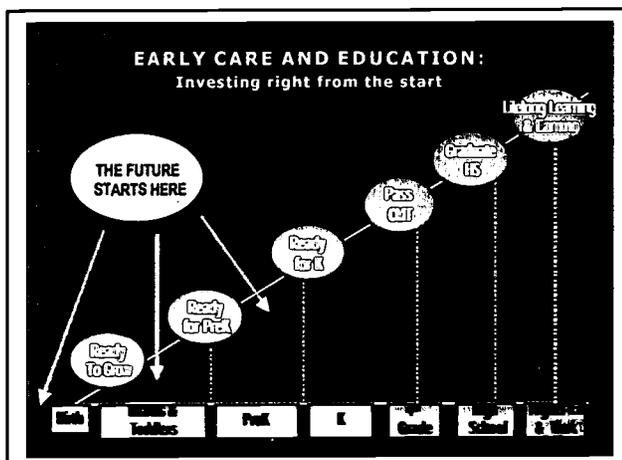
Connecticut has strong economic capacity -- among the highest per capita income and family income in the nation, and a vibrant business economy -- that can be tapped to help support the primary goal of assuring that all children in Connecticut enter kindergarten ready for school success. Even in the context of Connecticut's current budget crisis, we believe there is untapped fiscal capacity for an appropriate multi-year public policy and resource response.

With our 1997-98 landmark school readiness legislation and the early commitment of some \$40 million state dollars for implementation, Connecticut was once a national leader on issues of early care and education.

Today, however, we are no longer at the forefront of public policy, program implementation or resource commitment on behalf of our youngest children. Through high-level leadership and public-private partnerships, many other states have made the policy and resource commitments necessary to assure that they will have vibrant young learners and well-educated future employees.

Connecticut made a strong commitment to support early school success when it began its school readiness initiative in 1997-1998. It is now time for the State to make good on its promise to leave no child behind. The bottom line is clear. Babies will continue to be born in Connecticut, each one providing a unique opportunity to become an asset or a liability for tomorrow. Parents will continue to go to work, many leaving their children -- even the very young ones -- in the care of someone else. And all of these children need to enter our schools healthy, eager to learn and ready for the challenges of their time.

With a sensible, multi-year plan to address Connecticut's "quiet crisis" followed by a multi-year resource commitment, Connecticut can assure that the needs of our youngest children and their families are met and that all Connecticut children enter kindergarten truly ready for school success. No less than the civic, social, familial, community and economic future of Connecticut is riding on these decisions.





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