Executive Summary
In this brief, we provide an overview of Care 4 Kids, examine the impact of the program’s closure on children, families and employers, and discuss possibilities for fully funding the Care 4 Kids program. Based on a combination of data analysis and parent and provider interviews, we document:

Extensive Need for Care 4 Kids
- Our state has a high need for affordable child care. Thirty percent of working parents with children under age five live in low-income households (earning less than 50 percent of state median income). Economic data and parent stories confirm that child care is both essential and unaffordable to low-income families in Connecticut without the Care 4 Kids subsidy or other supports.
- Care 4 Kids child care subsidies address gaps in coverage by region and age. Care 4 Kids is the only state wide childcare subsidy for working parents. In 49% of towns, Care 4 Kids is the only form of state subsidy for child care: these towns lack School Readiness, Smart Start classrooms, state-funded child development centers, and Head Start programs. Statewide, Care 4 Kids provides the primary subsidies for infant and toddler care.

Impact of Changes to Care 4 Kids Eligibility
- Since the closure of Care 4 Kids, enrollment has dropped significantly. The current waitlist contains about 3,000 families. The waitlist is projected to increase to about 5,000 families by July 2017.
- Connecticut may see a decline in the number of child care centers and home day care providers. Loss of child care funding could have a spiraling effect, as centers and home care providers that receive partial funding from Care 4 Kids subsidies close their doors and are thus unable to meet the needs of other working parents.
- Thousands of families may face a summer camp crisis. Care 4 Kids enrollment increases during the summer: 2,200 families requested “summer only” child care subsidies in 2016. Given the closure of Care 4 Kids to new applicants, we predict about 2,200 families (in addition to the regular waitlist) may be unable to afford safe child care this coming summer.

Policies to Protect Care 4 Kids Funding
- Full funding of Care 4 Kids would require an additional $33 million per year above current FY 2017 allocations. This brief explores several proposed funding options.

Acknowledgements: We would like to thank the Connecticut Early Childhood Funder Collaborative, a project of the Connecticut Council for Philanthropy for supporting this research.
Introduction: The Need for Child Care

Care 4 Kids is a subsidy program that helps low-income working parents in Connecticut afford child care for their infants and toddlers, preschoolers, and school age children. Last fall, the state closed the program to most new applicants, a change that impacted the lives of children and families across the state.

Below, Luis and Jessica Serrano, share their family’s story about the importance of Care 4 Kids to help make ends meet. Their story is one among thousands of other families who need Care 4 Kids to be able to work and care for their children in a high-quality early care and educational setting.

Luis & Jessica Serrano’s Story

Luis and Jessica explain how Care 4 Kids helps them lift their family out of poverty.

“My wife and I are hard working parents with young children who struggle to make ends meet when it comes to providing the best early care and educational experiences for our children while my wife and I work. If it weren’t for the support of getting Care 4 Kids, we would be struggling even more…. How are parents supposed to work and make ends meet for wellness check-ups, quality care, housing and so much more if every time you are finally getting ahead the very services and programs that support you, bring you down again to become dependent on a system that no parent wants a hand out from . . . . Care 4 Kids is critical for the success of working families to lift themselves up out of poverty-stricken living conditions and we have to fight for what is right for all our children, not only ours!”

What is Care 4 Kids? How is it Funded? Who is Served?

The Care 4 Kids childcare subsidy program supports low-income working parents across the state. In the table below, we list the numbers of children served by Care 4 Kids in Connecticut (during high summer enrollment before the program closure) compared to the total number of children in low-income working families in the state.

Table 1: July 2016 Enrollment Compared to Number of Children in Low-Income Families in CT

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Children enrolled in Care 4 Kids (July 2016)</th>
<th>Children in working low-income families in Connecticut</th>
<th>Children in low-income families with single working parents or two parent families with both parents working</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infants and Toddlers (ages 0 to 2)</td>
<td>8,190</td>
<td>29,319</td>
<td>20,137</td>
</tr>
<tr>
<td>Preschoolers (most ages 3 and 4)</td>
<td>7,345</td>
<td>19,707</td>
<td>15,916</td>
</tr>
<tr>
<td>School Age Children (ages 5 to 12)</td>
<td>7,390</td>
<td>90,059</td>
<td>70,128</td>
</tr>
</tbody>
</table>

Source: Data from the Office of Early Childhood and Connecticut Voices analysis of the 2015 American Community Survey.

Note: “low-income” refers to families earning less than 50% of Connecticut’s state median income.
This program currently serves five priority groups (see Table 2): parents who receive Temporary Assistance for Needy Families (TANF), parents who have received TANF in the last five years, teenage parents, and working families who earn at or below 50% of the state median income (about $45,000 for a family of three). An additional priority group covers families who remain part of the program short-term, despite increased income.

Table 2: Groups Served by Care 4 Kids

<table>
<thead>
<tr>
<th>Priority Group</th>
<th>Enrollment Dec. 2016</th>
<th>Open or Closed to New Applicants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Priority Group #1: Family that currently receives TANF with a parent employed in a training activity</td>
<td>2,427</td>
<td>Open</td>
</tr>
<tr>
<td>Priority Group #2: Working parent who has received TANF within 5 years of the application date</td>
<td>3,302</td>
<td>Closed Dec. 2016</td>
</tr>
<tr>
<td>Priority Group #3: Teen parent (age 18 or 19) in high school or high school equivalent</td>
<td>23</td>
<td>Closed Dec. 2016</td>
</tr>
<tr>
<td>Priority Group #4: Working parent with income under 50% of state median income</td>
<td>7,931</td>
<td>Closed Aug. 2016</td>
</tr>
<tr>
<td>Priority Group #6: Working parent with income between 50% and 85% of state median income</td>
<td>172</td>
<td>Closed to new applicants</td>
</tr>
</tbody>
</table>

Source: Data from the Office of Early Childhood

Care 4 Kids evolved out of the welfare-to-work reforms in Connecticut and is currently funded by federal grants and state funds. In Fiscal Year 16 (FY 16), Care 4 Kids received $53,145,531 from federal funds and $70,115,147 from state funds, for total funding of $123,260,678. In 2016, federally mandated quality improvements contributed to an increase in program costs. Due to these costs, the Office of Early Childhood (OEC) projected that fully funding Care 4 Kids for FY 2017 would require an additional $33 million. In the absence of supplemental funding, the OEC closed Care 4 Kids to new applicants in Priority Group 4, working parents with income under 50% of state median income. To address continued underfunding, in the fall of 2016, the OEC closed Priority Groups 2 and 3. Together, these program closures led to a waiting list of about 3,000 families as of February 2017, with an expected waiting list of 5,000 families by July 2017.

Women’s League Child Development Center, Hartford

Iris Rich highlights how Care 4 Kids allows her child care center to reach more families.

“Iris Rich – Women’s League Child Development Center, Hartford”

“Care 4 Kids has made it possible for children with the Women’s League program to be here. They need to be here. This is a place where children, who otherwise wouldn’t have the opportunity to prepare for success in school and build both academic and social skills have that very opportunity. Many families come to us without experience with child development and child needs to promote success. Care 4 Kids has made it possible to level the playing field and give families opportunities to access high-quality early care and education, regardless of income status. Care 4 Kids provides the opportunity to stop the cycle of poverty. . . . What this reduction to Care 4 Kids will do is cause parents to quit their jobs, quit school, and go on public assistance. The families are doing everything right, and they’re being denied.”
Care 4 Kids Provides Support for Working Families in Almost Every Town in Connecticut

Care 4 Kids addresses critical regional gaps in child care coverage. It provides support for working families in 97% of towns in Connecticut, and is the only state or federal program supporting child care in 49% of towns in Connecticut.\(^7\)

Below, we map the distribution of child care support statewide. The state and federal government provide numerous supports for child care in about 50% of Connecticut’s cities and towns.\(^8\) These supports include:

- State-funded Child Day Care Centers
- School Readiness Preschool Programs
- Smart Start Preschool Programs
- Preschool Programs in magnet schools and local school districts
- State and federally funded Head Start programs for preschoolers
- Federally funded Early Head Start for infants and toddlers

Figure 1: Care 4 Kids Addresses Regional Gaps in Child Care Support in Connecticut

Source: CT Voices analysis of data from the Office of Early Childhood concerning Care 4 Kids enrollments in December 2016 and the average number of spaces in 2016 for state-funded programs such as Child Day Care Centers, School Readiness Programs, Smart Start, most local school district preschools, and State Head Start.
Trusenia Onofrio’s Story

Trusenia explains how Care 4 Kids provided access to the high-quality care necessary for her son to overcome emotional challenges.

“As a parent of an only child, I was hesitant towards putting my son Anthony in a childcare setting. I feared that Anthony at the age of 3 would be mistreated, misunderstood and most sadly over looked. My fears all derived from negative experiences that I had with his first day care. Anthony was a bright 3-year-old boy who knew all of his colors and at times could count up to 30 all by himself. After placing him in his first day care however, he started to become physically violent towards himself and his father and no one knew why. When my husband and I saw this shift in Anthony’s attitude, we decided that the day care was not a good fit for him.

With the child care professionals at Hope Early Care & Education Center, I found the support and education my son needed all along. Hope supported us along the way, as a whole family, with the education we needed to understand what is to be expected. Through this collective effort, my husband and I saw our son transform into a child that could control his tantrums and decreased his challenging behaviors, which greatly improved his speech and use of words more regularly ~ by using his voice to express what he needs and wants. To date, Anthony has progressed academically and enjoys going to preschool every day. My son enjoys sharing all he learns in school with us and loves to read books pertaining to hands-on science and nature, which is wonderful to witness. My husband and I are so thankful to have found a place like the Hope Early Care & Educational Center that has such dedicated staff who truly love our child and knows what soothes him to gain the most of his academic day with them. We are so thankful to have had Care 4 Kids support to be able to afford the expenses of a high-quality program.”

High Costs of Child Care

Connecticut ranks among the highest in the nation for child care costs. The average annual cost of center-based care in Connecticut for an infant is $13,880 – the 6th highest in the nation. The average annual cost in Connecticut for center-based care for a four-year-old is $11,502 – 4th highest, behind only the District of Columbia, Massachusetts, and New York. Child care costs more than one year of in-state tuition at one of Connecticut’s public universities and just slightly less than a year of rent, based on average housing costs across the state.10

For many low-income families in Connecticut, child care at market rates is therefore out of reach; for example, a single parent working full-time at minimum wage with an infant and a toddler would face child care costs greater than their entire salary. Child care costs comprise an extremely high portion of even middle-income family budgets. The median family income for families with children under five in Connecticut in 2015 was about $60,000,11 while the cost of child care for an infant and a four-year old was over $25,000 per year, about 42% of the median total household income (see Figure 2).
Figure 2: Comparisons of the Cost of Child Care to Annual Salaries in Connecticut

![Bar chart showing cost of child care compared to annual salaries.]

Sources: CT Voices analysis of 2015 American Community Survey, ChildCare Aware of America report\textsuperscript{12}

**Carelot Children’s Center in East Lyme, CT**

*Larry Bevilacqua describes how Care 4 Kids cuts will affect the jobs of both parents and child care providers.*

**Q. How have children and parents in your program benefited from the Care 4 Kids subsidy?**

A: “The ability to work full time and pay for childcare has given [parents] the opportunity to re-enter the workforce and enjoy the many benefits of being in the community. The children have benefited by having a safe, nurturing learning environment, where they can flourish and grow as little individuals. The parents have the peace of mind that their children are learning while they are earning.”

**Q. How would the predicted decline in new Care 4 Kids enrollment impact your program?**

A: “The predicted decline will result in layoffs and possible site closures, putting the potential of more than 120 families out of qualified early childhood education. These programs will suffer with the loss of the Care 4 Kids program, and families may be without quality choices for these children.”

**Q. What would the economic impact of the closure of Care 4 Kids?**

A. “Any anticipated savings from the reduced funding for the Care 4 Kids program will be lost when these families must leave their jobs and stay home and collect food stamps, heating assistance, and other forms of assistance provided to non-working families in our state.”
High Need for Care 4 Kids for Working Families

To better understand the needs of working families with young children, we examine the economic statuses of low-income households with working parents and children under five (see Figure 3). “Low-income” refers to families who earn less than 50% of the state median household income – in other words, families who qualify for Care 4 Kids. In Connecticut, 29% of children under five with one or more parents working are low-income. Fifty-nine percent of children under five in families in single parent families with a working parent are low-income.

In other words, among families with children under five, over a quarter of all working parents and over half of single working parents qualify for Care 4 Kids.

The need for Care 4 Kids rises when families increasingly need all parents in the household in the workforce. Among children under five, 30% live in single-parent families; the remaining 70% live in two-parent families. Eighty-one percent of all single parents with children under five participate in the labor force. In two parent families with children under five, 67% have both parents working; 32% have only one parent working; and in 1%, neither parent participates in the labor force.13

Annunziata Zito’s Story

Annunziata shares how Care 4 Kids keeps her working.

“Care 4 Kids is a very important subsidy for both my children because I am a working parent that is looking to get ahead in life.”

Annunziata Zito describes what would happen if she did not have Care 4 Kids:

“If I lose Care 4 Kids, I will have to quit my job and stay home to tend to my children, which will result in my having to apply for other state funding such as food stamps and cash assistance, while I have worked so hard to try to lift myself and my family out of poverty. This cut would be so detrimental to not only my children and me but also to my friends and family because so much changes in your attitude towards life when you are forced to live in struggling conditions versus getting ourselves to a place where we can fend for ourselves.”
Increased Need due to Increasing Child Poverty

Connecticut’s rising inequality, decline in high-wage jobs, increase in low-wage jobs, and other factors that prevent upward mobility have led to high levels of child poverty. In 2015, 16.4% of the 183,000 children under five in Connecticut were living in poverty. This measure is based upon Federal Poverty Level (FPL) guidelines, a threshold which we know greatly underestimates need. A single parent with one child, for example, had to earn under $16,337 per year in 2015 to be defined as below the poverty level.

Even under this narrow definition of poverty, between 2010 and 2015, the number of children in Connecticut living in poverty increased, even as the number of children in the state decreased overall. Over the past five years, the number of children in poverty under the age of five increased by 8.5% while the total population of children under the age of five decreased by 7% (see Figure 4).

For an increasing portion of families, the child care that children and families need is unattainable without state investment.

Figure 4: More Young Children in Poverty Despite a Decline in Total Number of Children in Connecticut

Source: CT Voices analysis of American Community Survey 2006-2010 and 2010-2015
YWCA New Britain

Tracey Madden-Hennessey reveals how Care 4 Kids cuts will compromise summer care.

Q: How important is Care 4 Kids to your entire program? What percentage of total revenue comes from Care 4 Kids?
A: “Care 4 Kids is critical. It’s 44 percent of our income in our childcare programs (collectively).”

Q: How would the predicted decline in new Care 4 Kids enrollment impact your program?
A: “We’re very concerned about the future. For us, ‘D-Day’ occurs in August. That’s when our preschoolers transition into Kindergarten. New families seeking Care 4 Kids certificates won’t be able to replace the transitioning preschoolers. This has a direct impact on our ability to provide the services we’re required to as a School Readiness provider.”

Q: Would you be able to find other sources of revenue to make up for the decline in the Care 4 Kids subsidy?
A: “Highly unlikely. The United Way and private foundation representatives have told me they don’t have enough resources to stem this tide around the state.”

Q. How would the closure of Care 4 Kids influence summer care?
A: “Parents who use low-cost or free options during the school year don’t have those options in the summer. They have to turn to fee-based programs. If they haven’t already been on Care 4 Kids, they won’t be eligible. A lot of kids will be staying home. Children, particularly from the inner-city or living in poverty, will experience summer learning loss. They’ll come back to school in the fall further behind. If that continues year after year, the achievement gap gets larger and harder to overcome.

“We don’t know how many families we’ll be able to serve. We don’t have enough resources to offer sliding-fee scales. And if we aren’t providing as many services, we won’t be hiring as many people. That’s an economic impact I believe will be compounded around the state.”

Decline in the Number of Child Care Providers

Providers regularly report that Care 4 Kids subsidies are an essential component of their business model. The Office of Early Childhood describes child care in Connecticut as being based on three legs of support:

1. Parent fees
2. Care 4 Kids child care subsidy
3. State-supported programs (like Child Day Care Centers, School Readiness programs, and Smart Start day care centers)

Unless providers drastically increase parent fees to compensate for the loss of Care 4 Kids, many child care providers will have to downsize, eliminate staff positions, or even possibly close if Care 4 Kids remains closed to new applicants. Some of the providers at risk include the School Readiness and other state-supported programs, many of which cannot operate without substantial Care 4 Kids funding.
The Care 4 Kids subsidy also provides important revenue for small Home Day Care providers, which often operate on very tight budgets. For over a decade, Home Day Care providers have already been closing at a rate of about 100 per year. As Care 4 Kids enrollment continues to decline, subsequent declines in child care enrollment and provider income could cause many more providers to close.

Care 4 Kids is also critical for “Relative Care” – child care provided by a child’s relative in a home setting. Through Relative Care, Care 4 Kids pays children’s extended relatives directly to care for them while parents work, thereby supporting multiple generations or networks of a low-income family. Without Care 4 Kids funding, relatives may be unavailable to provide care due to the need to pursue other income.

**Summer Child Care Crisis**

Care 4 Kids regularly experiences a jump in applications for child care for children ages five to twelve in the spring for summer care. Based on past years’ enrollment, the Office of Early Childhood predicts that about 2,200 families will request “summer-only” certificates. Figure 5 shows that the number of subsidies for school-age children during Fiscal Year 2016 jumped from an average of 5,822 during the school year to 7,310 during the summer. Given the current closure of Care 4 Kids, many families will not have support for summer care in the coming summers. If this summer follows last year’s pattern, the closure of Care 4 Kids to new applicants means that 1,500 school age children and many additional preschoolers, infants, and toddlers would not receive funding for summer care.

**Figure 5: Increased Summer Enrollment in Care 4 Kids for School Age Children**

![Graph showing increased summer enrollment in Care 4 Kids for school age children]

Source: Data on enrollment from [http://www.ctCare4Kids.com/care-4-kids-program/reports/](http://www.ctCare4Kids.com/care-4-kids-program/reports/).

**How Could the Care 4 Kids Funding Gap be Addressed?**

The Governor’s proposed biennium budget for Fiscal Years 2018 and 2019 includes further cuts to Care 4 Kids, leaving the program closed to new applications until mid-Fiscal Year 2019. In Fiscal Year 2017, the OEC had projected that Care 4 Kids would need an estimated additional $33 million to keep the program open and cover all four Priority Groups.

The Governor’s proposed biennium budget recommends cutting Care 4 Kids funding by $9.3 million in FY 2018 and an additional $5.2 million (for a total of $14.5 million in cuts) in FY 2019, generating a potential shortfall of about $42 million in FY 2018 and almost $48 million in FY 2019. This would keep the program closed until mid-FY 2019. We discuss various ways to achieve this funding.
1. Sugary Drinks Tax: Recommended

Legislation proposed in Connecticut in 2015 called for a tax of one cent on each fluid ounce of soda sold. This tax would have raised more than $85 million in the current fiscal year.\textsuperscript{21} This sugary drink tax would address the projected $42 million funding gap for Care 4 Kids in FY 2018 with an additional $43 million in revenue to fund other programs.

This tax also has additional health benefits. A growing body of research indicates that increasing the price of sugar-sweetened beverages reduces consumption and the associated adverse health impacts, especially for low-income individuals.\textsuperscript{22} In response, Berkeley, California, Philadelphia, and Cook County, Illinois have all enacted a per-ounce tax on sweetened beverages.

2. Transfer Funds from the Temporary Assistance for Needy Families (TANF) Program

The current $33 million funding gap could be addressed by dedicating more TANF funds to Care 4 Kids. In FY 2015, Connecticut received $267 million in funds from TANF block grants, which were matched by $239 million in state Maintenance-of-Effort spending, for a total of $506 million in TANF spending. However, many of these funds are currently used for other key services for families and children, including $85 million in preschool support and $54 million for child welfare.\textsuperscript{23} It is possible that the gains in child care benefits for low-income families would be offset by cuts in other programs that benefit children and families.

3. Other Options

Connecticut Voices for Children has reviewed other revenue options, which are summarized below in Table 3. Refer to our Revenue Brief for more details.\textsuperscript{24}

Table 3: Other Revenue Options

<table>
<thead>
<tr>
<th>Modernize Outdated Sales Tax</th>
<th>Reform Wealth and Income Taxes</th>
<th>Strengthen Corporate Income Tax</th>
<th>Support Critical Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apply sales tax to services*</td>
<td>Increase personal income tax by a half a percentage point for top earners</td>
<td>Eliminate throwback rule to eliminate “nowhere income”*</td>
<td>Enact sweetened beverage tax</td>
</tr>
<tr>
<td>Collect a larger share of taxes due on internet sales*</td>
<td>Higher rates on dividends and capital gains</td>
<td>Eliminate the corporate income tax capital base system and replace with a value-added tax as an alternative minimum tax*</td>
<td>Institute a low-wage employer fee</td>
</tr>
<tr>
<td>Apply the sales tax to digital downloads*</td>
<td>Repatriation of deferred management fees</td>
<td>To be determined</td>
<td>$85 to $141 million</td>
</tr>
<tr>
<td>$730 million to $1.5 billion</td>
<td>$141.8 million</td>
<td>To be determined</td>
<td></td>
</tr>
<tr>
<td>$65 to $75 million</td>
<td>To be determined</td>
<td>$12 to $25 million</td>
<td></td>
</tr>
<tr>
<td>$7 to $11 million</td>
<td>$535 million</td>
<td>$12 to $25 million</td>
<td></td>
</tr>
<tr>
<td>$40 million</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: *Asterisk denotes policies discussed and/or recommended by the State Tax Panel.
Angie Rosario’s Story

Angie shares how Care 4 Kids gives her peace of mind and lets her provide for her family.

“Being a single parent is difficult enough to raise 3 daughters with no financial supports to help. I am no longer eligible for Care 4 Kids, which means that I will not be able to afford day care with their Lovable Angels Early Care & Education Program which breaks my heart and negatively impacts my twin children’s daily routine. I live paycheck to paycheck to give my girls the best even when there are struggles. I have my oldest daughter in private school to ensure she gets a great education and I expect the same for my youngest girls as well. In order to keep a roof over my head with my daughters I work hard to pay my bills that include, but are not limited to rent, utilities, groceries, etc.

“Now, I cannot afford childcare which means I would have to quit my job and stay home with my youngest girls London and Paris to become solely dependent on the state to take care of me and my girls with food stamps, rental fees, etc. which will cost the state a lot more than just keeping Care 4 Kids intact for me to continue working and letting me take care of my own family. Care 4 Kids has been a worthwhile program that has helped me over the years and I believe it is an equitable right to have the adults maintain access to affordable options to provide for their children quality care by not cutting the very Care 4 Kids subsidy that lifts single moms like me out of poverty by becoming more self-sufficient and self-driven to work with the sound mindset that my girls are being taken well care of and learning so much more about socializing, creativity, and expansion of knowledge-based activities that help them grow into productive citizens that give back to their communities in the long run. Save Care 4 Kids and know that the dollars invested today keep us from falling into a dependent system that can destroy families.”
Lack of Funds for Care 4 Kids Hurts Children, Families, and Providers

- Fully funding Care 4 Kids in 2018 requires an additional $42 million over the Governor’s proposed budget.
- 3,000 families remained on a waitlist for Care 4 Kids as of February 2017.
- The waitlist will expand to 5,000 families by July 2017.
- The closure of Care 4 Kids could lead to the closure of many day care providers, jeopardizing access to child care for working parents of all income levels.

Maintaining the closure of Care 4 Kids is not a tenable component of the solution to the state’s fiscal crisis. Care 4 Kids provides low-income working families with child care subsidies so that parents can work while their children have access to safe, high-quality early care and education. About 30% of children under five in families with one or more working parents qualify for Care 4 Kids due to their parents’ low income. Among young children of single parents, about 50% of children qualify. The program is currently closed to almost all new families, and as of February 15, 2017, almost 3,000 were on the waitlist.

In 2017 there was a $33 million shortfall in Care 4 Kids, causing a closure to most new applicants. The Governor’s proposed biennium budget will make this shortfall worse by cutting current allocations for Care 4 Kids by $9.3 million in FY 2018 and a total of $14.5 million in FY 2019. Under the governor’s budget, fully funding Care 4 Kids requires an additional $42.3 million in FY 2018 and $47.5 million in FY 2019. The stated effect is that under this budget, the program would remain closed to new applications until 2019.

In 49% of towns, Care 4 Kids is the only form of state subsidy for child care: these towns lack public school preschool, School Readiness, Smart Start classrooms, state-funded child development centers, and Head Start programs. For many families in these towns, Care 4 Kids is the only way to make quality day care and preschool affordable. Without subsidies, many families who are unable to afford licensed child care must reduce their working hours, leave work altogether, or leave their children in unsafe settings. Any one of these “choices” leaves families at great risk.

Moreover, the closure of the Care 4 Kids program has far-reaching effects upon other providers. Many early childhood providers report financial difficulties posed by new families’ inability to pay while subsidies are unavailable. This includes other state-subsidized programs like School Readiness, whose financial structure is designed to include Care 4 Kids funding. These problems are expected to worsen as children currently in the program age out of early care and education and enter K-12 schooling. The sustained closure of Care 4 Kids will not only impact the families who need it, but the entire child care system across the state.

Even in difficult fiscal times, our state must protect the most vulnerable from harm. Care 4 Kids – which helps children access quality child care and education, enables low-income parents to work, and supports the statewide child care system on which all parents depend – is a critical program that must be protected.
Data on Care 4 Kids enrollment obtained from http://www.ctcare4kids.com/care-4-kids-program/reports/.


Reported by Harriet Feldlauder, Office of Early Childhood, February 16, 2017.

Enrollment data reported by Harriet Feldlauder, Office of Early Childhood, February 16, 2017.

Budget data reported by Harriet Feldlauder, Office of Early Childhood, February 16, 2017.


CT Voices analysis of data from the Office of Early Childhood concerning Care 4 Kids enrollments in December 2016 and the average number of spaces in 2016 for state-funded programs such as Child Day Care Centers, School Readiness Programs, Smart Start, most local school district preschools, and State Head Start. Data supplied by Julie Bisi, January 12, 2017.

Ibid.


CT Voices analysis of 2015 American Community Survey data.


Statistics depicting the percent of individuals in different family types who participate in the workforce are based on CT Voices analysis of American Community Survey data.


CT Voices analysis of American Community Survey data.

Talk by Harriet Feldlauder, Office of Early Childhood, February 16, 2017.


CT Voices analysis of Care 4 Kids monthly enrollment data obtained from http://www.ctcare4kids.com/care-4-kids-program/reports/.

CT Voices analysis of Governor’s proposed biennium budget. The FY 2017 allocation for Care 4 Kids was $124,030,084. The Office of Early Childhood reported that an additional $33,000,000 was needed, for a total of $157,030,084 to fully fund Care 4 Kids. The Governor’s recommended budget for FY 2018 for Care 4 Kids was $114,730,084; for FY 2019, $109,530,084.


