

# Points of Entry for Early Childhood Care and Education in Connecticut

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#### Issue

Describe state programs available to assist families with child care and related costs and the eligibility requirements for these programs.

## Summary

The Office of Early Childhood (OEC) funds early child care and education programs across the state through grants and contracts. These programs include child day care contracts, Head Start programs, and the school readiness program. Local providers are responsible for family enrollment and ensuring that families meet program eligibility requirements. Generally, programs require families to meet federal low-income guidelines, but providers may also use the <u>OEC fee schedule</u> or the Care 4 Kids program's eligibility requirements. The OEC fee schedule is based on state median income (SMI) levels annually published in the Federal Register.

## **Child Day Care Contracts**

OEC contracts with child day care programs to allow them to serve lower income families. The contracts provide state financial assistance (i.e., grants) to municipalities, human resource development agencies, nonprofit corporations, and group or family child care homes for developing and operating child care homes or centers for disadvantaged children. Contracts entered into on or after July 1, 2022, must include a provision requiring at least 60% of the enrolled children to be from families with incomes at or below 75% of the SMI.

These contracts provide state financial assistance, within available appropriations, in the form of a grant, for (1) part of the program's cost, as determined by the OEC commissioner, if the program is not federally assisted; (2) half the amount by which the program's net cost, as approved by the commissioner, exceeds its federal grant; or (3) an amount at least equal to (a) the per-child cost set in state law for each child age three to five not yet eligible to enroll in school and (b) \$13,500 for each child age three or under who is in infant and toddler care and not yet in preschool (CGS § 8-210(b)).

The child day care <u>programs</u> include (1) full-time and limited part-time care for infants, toddlers, and preschoolers and (2) before- and after-school and summer care programs for school age children. They must be (1) OEC-licensed and (2) either a Head Start program or accredited by the National Association for the Education of Young Children. Families contribute to program costs based on OEC's fee schedule.

## Head Start and Early Head Start Programs and Services

<u>Head Start and Early Head Start</u> are early childhood programs and services for children from birth to age five, pregnant women, and expectant families. The federal government funds these programs through the U.S. Department of Health and Human Services' Administration for Children and Families. Public schools, nonprofit and for-profit organizations, faith-based institutions, and tribal councils may apply for grants to receive federal Head Start funding. Head Start programs may combine federal, state, and local funding to provide services and must adhere to program requirements once they receive a federal grant award.

In Connecticut, the <u>Connecticut Head Start Association</u> partners with OEC's Head Start Collaboration office, Head Start program providers, and others to provide early education and child care services, including early learning and development, health and wellness, family well-being, and family engagement programs.

Eligible families must meet federal low-income guidelines and have incomes at or below the federal poverty guidelines (see Table 1 below). Families may also qualify if they participate in (1) Temporary Assistance for Needy Families (TANF), (2) Supplemental Security Income, or (3) Supplemental Nutrition Assistance Program (SNAP) services.

Household Size	Maximum Annual Income Level
1	\$14,580
2	19,720
3	24,860
4	30,000
5	35,140
6	40,280
7	45,420
8	50,560
Source: Connecticut Head Start Eligibility	

Table 1: Annual Household Income Limits (Before Taxes) for Head Start Eligibility

ource: Connecticut Head Start Eligibility

#### **School Readiness Program**

The school readiness program provides early care and education services to children who aren't yet eligible for kindergarten. PA 23-160, §§ 35 & 37, extended the eligible age groups for this program. Under prior law, three- to five-year-olds could enroll, and the act allows children to enroll beginning at birth as of July 1, 2023.

The school readiness grant program funds part- and full-time programs in communities that are (1) designated as a priority school district or former priority school district, (2) in the lowest 50 towns ranked by wealth that are not also priority school districts, (3) formerly in the second category, or (4) designated as an alliance district but not a priority school district (CGS § 10-16p(d)). OEC determines applicants' eligibility for a three-year period and annually issues a request for proposals from communities. According to OEC's school readiness website, at least 60% of the children enrolled in the school readiness program must be at or below 75% of the SMI. The programs can charge families using the OEC fee schedule or may use the Care 4 Kids program's eligibility requirements (see below).

#### **Care 4 Kids Program**

The Care 4 Kids program is a state and federally funded subsidy program that provides child care assistance to low to moderate income families in the state. Participating families receive a Care 4 Kids certificate to cover certain child care costs, which is funded by a federal and state partnership program. The program requires families to meet certain eligibility requirements to receive subsidies, and subsidies are generally available until children reach age 13 (CGS § 17b-749).

#### Eligibility Requirements

To <u>qualify</u> to receive benefits under the Care 4 Kids program, families must (1) reside in Connecticut, (2) be employed or attending a Jobs First approved education or training activity, and (3) meet <u>income requirements</u>. Families must meet the following income limits when applying or reapplying for the Care 4 Kids program:

- 1. less than 60% of the SMI for initial applications received on or after October 1, 2023; and
- 2. less than 65% of the SMI for reapplication after October 1, 2023.

Families <u>must report</u> (1) income over 85% of the SMI, (2) loss of employment or approved training activity, (3) whether a child receiving Care 4 Kids benefits is no longer in the home, or (4) a change of phone number or address.

The OEC commissioner assigns families to a priority group, and the office must accept applications based on certain priorities, including, among others, (1) teen parents, (2) parents or caretakers enrolled in an adult education or other high school equivalency program, (3) low-income working families, and (4) working families who are at risk of welfare dependency (<u>CGS 17b-749(c)</u>).

#### Recent Legislation About Care 4 Kids Income Level Eligibility

New state legislation requires the OEC commissioner to establish a two-tiered income eligibility limit to conform with federal regulations (PA 23-160, § 41). These regulations require that if OEC establishes a maximum income level at less than 85% SMI, then OEC must provide a two-tiered income limit for new applicants and current recipients by implementing (1) the original eligibility tier and (2) a second tier set between the agency's initial eligibility threshold (which is currently 60%) and 85% SMI to account for the typical household budget of a low-income family (45 C.F.R. § 98.21(b)).

The federal regulation also requires OEC to provide justification that the second tier threshold (1) is sufficient to accommodate increases over time in family income and that promote and support family economic stability and (2) reasonably allows a family to continue accessing child care services without disruption. The second tier must be used when the recipient is considered for redetermination.

#### Care 4 Kids Payment Determination

According to OEC's <u>Care 4 Kids website</u>, when determining the certificate amount issued to families, the Care 4 Kids program considers the provider's location in the state, the type of

provider, and if the provider is accredited through a state or national accrediting agency recognized by OEC.

Care 4 Kids also considers the following family factors when issuing certificates to families: (1) the parents' work or training schedule; (2) the child's age; (3) the hours of care a child needs; (4) whether the child has special needs; and (5) the family's income.

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