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## OLR Bill Analysis

HB 5003 (as amended by House "A")\*

### **AN ACT CONCERNING THE EARLY CHILDHOOD CARE AND EDUCATION FUND.**

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*Requires the OEC commissioner to develop and administer a one-year pilot program to disseminate certain information to expectant mothers receiving prenatal care in hospitals and from obstetric services providers*

#### **SUMMARY**

This bill makes numerous additions and changes to the early childhood care and education laws, as described in the section-by-section analysis that follows.

\*House Amendment “A” (1) adds provisions on the early care and education program portal, the large family child care home endorsement, and a pilot program to distribute child care and other assistance information; (2) removes provisions to transfer unappropriated surplus funds to the Early Childhood Care and Education Fund and to create a health care subsidy for early care and education employees; and (3) makes minor changes to other provisions of the underlying bill.

EFFECTIVE DATE: Upon passage, except as noted below.

## **§ 1 — EARLY CARE AND EDUCATION PROGRAM PORTAL**

*Requires OEC to establish and maintain an electronic portal available through a mobile application and OEC’s website that provides information on the availability of, and allows enrollment in, early childhood programs*

By July 1, 2028, the bill requires the Office of Early Childhood (OEC) to establish and maintain an electronic portal available through a mobile application and OEC’s website that provides information on the availability of early childhood program slots in the state and collects data for analysis by OEC.

The bill requires the portal to include, at a minimum:

1. a way for parents and guardians to submit information for referral and enrollment in an early childhood program;
2. a way for OEC to manage payments to early childhood programs;
3. information on slot availability in early childhood programs, including free or subsidized slots, in each town and on a regional and statewide basis;
4. a means for early childhood program providers to efficiently enter slot availability and enrollment information into the portal;

5. portal access through a mobile application or website; and
6. opportunities for families to apply for child care subsidies or other assistance.

In developing the portal, OEC must (1) enter into memoranda of understanding with other state agencies to link data collected by the other state agencies with the functions of the portal and (2) seek input from early childhood programs and parents and guardians of children enrolled in early childhood programs.

EFFECTIVE DATE: July 1, 2025

## **§ 2 — CARE 4 KIDS PROSPECTIVE PAYMENT SYSTEM**

*Requires OEC to implement a prospective payment system for Care 4 Kids*

The bill requires OEC, by July 1, 2027, to implement a prospective payment system (payment based on enrollment rather than attendance) for Care 4 Kids to comply with federal law. Care 4 Kids receives federal dollars from the Child Care and Development Fund (CCDF) administered by the U.S. Department of Health and Human Services. (The CCDF is the largest federal funding source for child care, with funds distributed to states, tribes, and territories to help them administer child care assistance programs for low-income working families.)

## **§ 3 — REPORTING REQUIREMENTS FOR CARE 4 KIDS PROVIDERS**

*Establishes new reporting requirements for all providers*

The bill expands the information that all child care providers (whether licensed or exempt from licensure) must give OEC to maintain their eligibility to receive Care 4 Kids provider payments to include certain business information.

Currently, they must provide OEC with the following:

1. the name, address, appropriate identification, Social Security number, and telephone number of the provider and all adults who work for or live at where care is provided;

2. the name and address of the child's doctor, primary care provider, and health insurance company;
3. whether the child is immunized and had health screenings pursuant to the federal early screening requirements; and
4. how many children the provider cares for.

The bill requires them also to give the (1) provider's business entity type and (2) names of the provider's officers, directors, and owners, or, in the case of a provider affiliate that is receiving payments, the names of the affiliate's officers, directors, and owners.

EFFECTIVE DATE: July 1, 2025

#### **§ 4 — DATA-SHARING AGREEMENT AND FISCAL MAP ON FUNDING FOR CHILDREN**

*Conditionally requires OEC to enter into a data-sharing agreement to create a fiscal map of funding and spending for children in Connecticut*

The bill conditionally requires the OEC commissioner, by October 1, 2025, to enter into a data-sharing agreement with the Children's Funding Project (CFP) to create a fiscal map showing a comprehensive view of state funding and spending for children in Connecticut. However, OEC does not need to do this if CFP charges a direct fee for its services. (CFP is a national non-profit organization that focuses on financial strategies for funding programs for infants, toddlers, and youth for governments and other organizations.)

#### **§ 5 — STUDY ON CHILD CARE CENTER AND FAMILY CHILD CARE HOME LIABILITY INSURANCE**

*Requires OEC, the Insurance Department, and the attorney general to study liability insurance for child care centers and family child care homes*

The bill requires OEC, in collaboration with the Insurance Department and the attorney general, to jointly study liability insurance for child care centers and family child care homes. The study must (1) assess liability insurance's prevalence, appropriateness, and affordability and (2) examine factors contributing to increasing liability insurance costs.

OEC must submit a report on the study's findings and any recommendations by July 1, 2026, to the Children's, Education, and Insurance and Real Estate committees.

## **§ 6 — REPORT ON BACKGROUND CHECKS FOR EARLY CHILDHOOD EDUCATORS**

*Requires OEC, in consultation with DESPP, to develop a report on background checks for early childhood educators, including ways to improve processing time*

The bill requires OEC, in consultation with the Department of Emergency Services and Public Protection (DESPP), to develop a report on background checks for early childhood educators.

The report must examine the average processing time for background checks, ways to improve processing speed, and options for improving the convenience and ease of fingerprinting and submitting background check materials. It must also assess the possibility of educators sharing fingerprint and background check results with multiple prospective employers.

The bill requires OEC to submit a report by July 1, 2026, on its findings and recommendations to the Children's, Education, and Public Safety and Security committees.

## **§ 7 — LARGE FAMILY CHILD CARE HOME ENDORSEMENT**

*For FYs 26 – 29, allows family child care homes to serve a maximum of 12 children (rather than nine) if the OEC grants the licensee a large family child care home endorsement; limits program to no more than 30 endorsements a year*

The bill allows family child care homes, where licensed child care is provided in a private family home, to serve a maximum of 12 children (rather than nine) if the OEC grants the licensee a large family child care home endorsement.

By law, the individual licensee of a family child care home can serve up to six children, including the provider's own children who are not in school full-time. Current law permits an additional three children, including the provider's own children, if an assistant or a substitute staff member is present.

The bill creates a limited window, FY 26 to FY 29, when the OEC

commissioner can approve a large family child care home endorsement for a family child care home licensee who received their license before June 30, 2025. With the endorsement, the licensee can provide care for up to 12 children, including his or her own, provided (1) the home is operated and staffed in conformance with OEC regulations and (2) when the licensee is providing care for more than nine children, there is the assistance of a commissioner-approved additional assistant or substitute staff member.

### ***Conditions for Approval***

Applicants cannot be approved for an endorsement without submitting a proper application and having an inspection. An application must include a copy of the current fire marshal certificate of compliance with the Fire Safety Code, and written verification of compliance with local zoning and building requirements and local health ordinances. The commissioner may require an applicant to comply with additional conditions relating to the health and safety of the children who will be served in the home.

The bill requires the family child care home for which the endorsement is sought to have a minimum of 35 square feet of useable indoor space and 75 square feet per child of outdoor space.

### ***Limitations***

The commissioner is limited to granting no more than 30 endorsements in any year under the bill. Any endorsement issued under the bill will expire on June 30, 2029, except the commissioner may suspend or revoke an endorsement under her existing statutory authority.

EFFECTIVE DATE: July 1, 2025

## **§ 8 — PILOT PROGRAM TO DISTRIBUTE CHILD CARE SERVICES AND OTHER ASSISTANCE PROGRAM INFORMATION**

*Requires the OEC commissioner to develop and administer a one-year pilot program to disseminate certain information to expectant mothers receiving prenatal care in hospitals and from obstetric services providers*

The bill requires the OEC commissioner, in consultation with the

social services commissioner, to develop and administer a one-year pilot program to disseminate information to expectant mothers receiving prenatal care in hospitals and from providers of obstetric services in the state. The program must disseminate information concerning licensed child care services, early intervention programs, and financial assistance programs available to expectant mothers. It will operate for FY 26.

### ***Program Development***

To create the program, the OEC commissioner must develop:

1. criteria to select hospitals and obstetric services providers that serve geographically diverse areas of the state, with preference given to hospitals and providers that serve a high proportion of low-income families and are located in areas where the availability of child care services does not meet the demand;
2. requirements to distribute the documents compiled as per the bill (see below) to patients receiving prenatal care, including a requirement that information be provided during the first trimester of pregnancy whenever possible; and
3. a system to track and report how many documents are provided to patients receiving care from each selected hospital and provider each month.

### ***Participating Hospitals and Providers and Required Documents***

The commissioner must (1) select three hospitals and two providers using the bill's criteria and (2) compile documents for distribution to patients receiving prenatal care from those selected.

The documents must be tailored to each individual hospital or provider and contain the following:

1. a list of all licensed child care centers, group child care homes, and family child care homes located in the municipalities in which most of the prenatal patients served by the hospital or provider live, including, when available, contact information and website addresses;

2. a list of OEC early intervention programs, including program descriptions, contact information, and website addresses, if available; and
3. information on financial assistance programs available to families, including instructions on how to apply.

***Document Dissemination***

By January 1, 2026, the OEC commissioner must electronically disseminate the compiled documents to the administrator of each hospital and office manager or other responsible party for each participating provider. From January 1, 2026, to December 31, 2026, a copy of the documents tailored to a participating hospital or provider must be distributed to each patient receiving prenatal care.

***Survey of Participants***

From January 1, 2026, to December 31, 2027, the OEC commissioner must administer a parent or guardian survey for those with a child enrolled in child care services or an OEC early intervention program to determine whether the parent or guardian enrolled because of the pilot program. The survey is optional for parents and guardians and the commissioner determines how it will be conducted.

***Report***

By June 1, 2028, the OEC commissioner must submit a report to the Committee on Children that includes an analysis of the pilot program's efficacy and any legislative recommendations to expand the program or implement it statewide and permanently.

**COMMITTEE ACTION**

Committee on Children

Joint Favorable

Yea 12    Nay 5    (03/06/2025)

Education Committee

Joint Favorable



Yea 29 Nay 15 (04/08/2025)

Appropriations Committee

Joint Favorable

Yea 38 Nay 12 (05/05/2025)