

# Finance, Revenue and Bonding Committee

## JOINT FAVORABLE REPORT

**Bill No:** SB-514 / [Bill Status](#) / [Public Hearing Testimony](#)

AN ACT CONCERNING COMMUNITY PARTNERSHIP OPPORTUNITY

**Title:** AGREEMENTS.

**Vote Date:** 3/30/2026

**Vote Action:** Joint Favorable

**PH Date:** 3/27/2026

**File No.:**

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### SPONSORS OF BILL:

Finance, Revenue & Bonding Committee

### REASONS FOR BILL:

S.B. 514 was raised to establish a coordinated, performance-based framework for addressing economic and educational disparities in Connecticut's most disadvantaged communities. The bill seeks to bring together state agencies, community-based organizations, and private investors to fund and scale interventions in early childhood education and workforce development. The bill aims to promote accountability and effectiveness by tying state repayment to the achievement of measurable outcomes, such as kindergarten readiness, third grade reading proficiency, and employment-related milestones. The bill also aims to leverage private capital to support long-term, community-centered strategies while reducing upfront financial risks to the state, ultimately advancing economic mobility, and improving access to opportunity.

### RESPONSE FROM ADMINISTRATION/AGENCY:

#### **Daniel O'Keefe, Commissioner, Department of Economic Development**

Commissioner O'Keefe submitted testimony on S.B. 514, outlining the bill's proposed framework to establish a five-year performance-based partnership program aimed at improving educational and workforce outcomes in economically disadvantaged communities. He described the model as leveraging private investment with repayment tied to the achievement of specific metrics, including early childhood and workforce benchmarks, and noted associated reporting requirements to the legislature. While he expresses willingness to work with policymakers to strengthen outcomes, O'Keefe indicated that DECD does not have primary expertise in early childhood or education policy and suggested that agencies such as the Department of Education, Office of Early Childhood, and Office of Workforce Strategy would be better suited to oversee implementation. He also raised considerations regarding funding, administrative capacity, and the lack of defined limits on success

payments, noting that the proposal was not included in the Governor's budget and would require identified resources for implementation.

## **NATURE AND SOURCES OF SUPPORT:**

### **Janice Castle, Interim Executive Director, Clay Arsenal Community Development Corporation**

Castle voices strong support for S.B. 514, stating that its structure promotes accountability and effectiveness, while minimizing financial risk to the state. She cites data collected from the City of Hartford demonstrating the critical link between early childhood education and future earning potential. Castle emphasizes that the bill addresses these issues through long-term investment, consistent implementation, and ongoing evaluation, ultimately advancing economic mobility and educational success.

### **Alex Johnson, President and CEO, Capital Workforce Partners**

Johnson supports the bill, describing it as a results-driven framework for aligning community-based organizations, implementing partners, and private investors to improve economic mobility. He highlighted the bill's pay-for-success model as a mechanism to promote accountability while leveraging external funding and noted its emphasis on measurable workforce outcomes. Johnson also discussed the role of community development corporations as coordinating entities and emphasized the importance of maintaining flexibility to support comprehensive and family-centered services. He concludes that the framework described in the bill could serve as a scalable model for addressing similar challenges across Connecticut.

### **Jenna Peduzzi**

Peduzzi, a social worker and MSW student, submitted testimony in support of S.B. 514, citing its alignment with social justice and equitable access to resources. They highlight the impact of the digital divide on low-income communities, noting that limited internet access can hinder participation in education, employment, and social service systems that increasingly rely on online platforms. The proposed bill could help reduce these disparities by expanding internet access.

## **NATURE AND SOURCES OF OPPOSITION:**

### **Kate Dias, President, Connecticut Education Association**

Kate Dias and Joslyn DeLancey, Vice President of the Connecticut Education Association, submitted testimony in opposition to S.B. 514, raising concerns about the bill's proposed educational technology components. They stated that such investments may not align with student needs or lead to improved educational outcomes, particularly for students with disabilities, while also noting the potential for high costs without direct benefit. The testimony also expressed concern that the bill's pay-for-success model could prioritize investor returns over student outcomes, citing research suggesting that performance-based contracting has at times been ineffective and more costly for school districts. While opposing the bill as written, they indicated openness to further discussion with the Department of Economic and Community Development and suggested greater investment in community and teacher-led schools.

**GENERAL COMMENTS:**

**Drew Michael McWeeney, Assistant Professor, CT State Community College - Norwalk**

McWeeney raises concerns about the structure of S.B. 514, and its underlying assumptions. He questioned the validity and consistency of proposed success metrics, such as kindergarten readiness and third grade reading proficiency, noting a lack of clear definitions and challenges in attributing outcomes directly to specific interventions. McWeeney has also identified issues with the bill's timeline, evaluation methods, and use of "evidence-based" standards, arguing that they may lead to premature or inaccurate conclusions. Additionally, he expressed concern that the pay-for-success model could create incentives for selective participation and short-term gains, while criticizing the independence of evaluators outlined in the bill. While supportive of the investment in education and workforce development, the bill as written may not achieve its intended goals.

**Reported by: Aliana Montalvo**

**Date: 4/10/2026**