



General Assembly

Amendment

February Session, 2026

LCO No. 5358



Offered by:

SEN. HARDING, 30th Dist.

SEN. KISSEL, 7th Dist.

SEN. PERILLO J., 21st Dist.

To: Subst. Senate Bill No. 266

File No. 19

Cal. No. 47

(As Amended by Amendment Schedule "A")

**"AN ACT LIMITING THE ACCESS OF PRIVATE EQUITY TO FUNDS
FROM THE EARLY CHILDHOOD EDUCATION ENDOWMENT."**

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 10-512d of the 2026 supplement to the general
4 statutes is repealed and the following is substituted in lieu thereof
5 (*Effective October 1, 2026*):

6 For the fiscal year ending June 30, 2026, and each fiscal year
7 thereafter, the Commissioner of Early Childhood may expend, in
8 accordance with the provisions of section 10-512c, funds released by the
9 Treasurer from the Early Childhood Education Endowment, pursuant
10 to section 10-512b, to any early care and education program providing
11 child care services, as described in section 19a-77, or preschool program

12 operated by a local or regional board of education that is (1) receiving
13 financial assistance under Early Start CT pursuant to section 10-550b, (2)
14 participating in the quality improvement system established by the
15 Office of Early Childhood under subdivision (15) of subsection (b) of
16 section 10-500, and (3) participating in the Child and Adult Care Food
17 Program, 42 USC 1766, as amended from time to time, unless such
18 program has received a waiver from participation in said program by
19 the Commissioner of Early Childhood or is a public school preschool
20 program that offers free or reduced priced lunches pursuant to federal
21 law and regulations, except the commissioner may not expend such
22 funds to any such early care and education programs or preschool
23 programs for which a private equity entity has a controlling interest
24 until such funds have been expended to all other eligible early care and
25 education programs and preschool programs, provided the
26 commissioner has determined there are no other eligible entities to
27 provide such early care and education programs and preschool
28 programs and the private equity entity otherwise meets all of the office's
29 applicable application standards. The office shall annually compile a list
30 of early care and education programs and preschool programs that
31 applied for a funding during the prior fiscal year but did not receive
32 such funding and make such list available on the office's Internet web
33 site. As used in this section, (A) "private equity entity" means any entity
34 that collects capital investments from individuals or entities and
35 purchases, as a parent company or through another entity that the
36 private equity entity completely or partially owns or controls, a direct
37 or indirect ownership interest of an early care and education program
38 or preschool program; (B) "indirect ownership interest" has the same
39 meaning as provided in 42 CFR 455.101, as amended from time to time;
40 and (C) "controlling interest" means the direct or indirect power to direct
41 the management and policies of an early care and education program or
42 preschool program, whether through ownership of voting securities,
43 contract or other means."

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2026</i>	10-512d
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