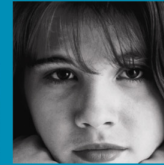


CONNECTICUT VOICES FOR CHILDREN



Using Federal Stimulus Dollars to Improve Infant and Toddler Care

April 2009

The federal American Recovery and Reinvestment Act (ARRA) of 2009 allocates \$2 billion to states for child care assistance to low income families.¹ This funding is provided via the Child Care and Development Block Grant (CCDBG) and is in *addition* to current CCDBG levels.² Connecticut is likely to receive approximately \$13.7 million of these dollars.³

The ARRA earmarks \$255 million of this \$2 billion exclusively for quality improvement,⁴ in apparent recognition of the vast data showing that *high quality* child care is linked to the child's success later on, in school and in life, and to later savings for society as a whole. The ARRA further mandates that \$93.6 million of these quality improvement funds be spent on activities to improve care for infants and toddlers specifically,⁵ in apparent acknowledgment of the importance of the first thousand days of life in a child's development.

Connecticut will receive approximately \$665,000 to spend on improving care for its youngest citizens.⁶ Under CCDBG, states have flexibility in deciding how to spend their quality improvement dollars.⁷ However, the following two principles should be kept in mind. First, the ARRA intends for its funds to be spent quickly in order to save and create jobs. Second, because these additional CCDBG dollars are "one-time funds," they must be invested wisely, in short-term initiatives that have the potential for long-term benefits, rather than in ways that result in unsustainable continuing commitments after the funding expires.⁸

The majority of Connecticut's low-income infants and toddlers are currently cared for in family child care or unlicensed settings, and are *not* in

center-based care. As of December 2008, 21% of infants and toddlers receiving Care4Kids (Connecticut's child care subsidy) were in family child care⁹ (home-based settings serving not more than 9 children at one time¹⁰) and 31% were in "kith-and-kin" (relative) care in unlicensed settings.¹¹ Accordingly, it makes sense to devote quality improvement resources to the smaller settings where the infants and toddlers are located.

Connecticut should allocate a portion of its infant/toddler quality improvement dollars to help license family child care providers and provide them with technical assistance and professional development. Both of these investments meet the ARRA's stated goal of achieving long-term benefits without incurring continuing financial commitments: the former would expand the state's supply of licensed family child care, with the license providing a guarantee of at least a certain level of quality, while the latter would further enhance the quality of care and reduce the turnover rate among this group of providers.

There is already evidence that there is demand from family child care providers for help with the licensing process, and that a project providing such help can be successful in increasing the number of licensed providers. For example, in 2003, the New Haven-based, nonprofit organization All Our Kin launched its Family Child Care Toolkit Licensing Project, an initiative designed to help unlicensed caregivers meet health and safety standards, complete state licensing requirements, and become part of a professional community of child care providers. The Project reaches out to unlicensed caregivers, and then provides them with consultation as well as a "toolkit" containing paperwork and

supplies that provide a step-by-step guide through the licensing process. Since its inception, this Project has helped a total of 140 caregivers become licensed.¹²

There is further evidence that there is demand from family child care providers for support and consultation, and that a project providing such support can be successful in enhancing quality of care. In July 2006, 211 Child Care (a funded partnership between Connecticut United Way and the State of Connecticut) launched its Family Child Care Support Project, a program targeted to newly licensed providers and designed to give assistance on topics including child growth and development, developmentally appropriate activities, and communicating with families.¹³ Providers are referred to early childhood specialists who speak with them about their areas of interest, meet with them, bringing customized materials based on the initial conversation, and then provide continued support via phone calls and/or an additional visit. Since its inception, 211's Project has completed site visits to approximately 216 providers.¹⁴ All Our Kin has a similar project, known as the All Our Kin Family Child Care Network. The Network, which has operated in New Haven since 2002, sends consultants into providers' homes on a regular basis to model lessons and provide toys and materials, professional articles, and activity and curriculum ideas.¹⁵ The Network currently reaches over 150 child care providers, who serve over 900 children.¹⁶

Projects providing licensing support and technical assistance to family child care providers promote workforce development. While one of the goals of the ARRA is improving the quality of child care, a separate goal is workforce development, as illustrated by the \$3.95 billion the ARRA devotes to Workforce Investment Act programs.¹⁷ Using a portion of the CCDBG funds for projects supporting licensing and continued professional development has the enviable benefit of meeting both of these goals. Moreover, projects like these which target family child care providers reach a segment of the population who are particularly in need of workforce development, and who are particularly hard to reach: mainly women with low levels of education, many of whom are immigrants and/or for whom English is a second language.

Other infant and toddler care providers should not be forgotten. It is important to remember that although expanding Connecticut's supply of licensed family child care and enhancing the quality of such care are both important goals, they should not be the state's *only* priorities. The average infant and toddler reimbursement rate for Connecticut's state-funded child care centers is only slightly higher than the reimbursement rate for preschoolers, despite the higher cost of care for the younger age group (due to mandated higher staff to child ratios).¹⁸ And the provider reimbursement rates for Care4Kids have not been raised since 2001, and are *far* below the federal recommendation of the seventy-fifth percentile of current market rates. This means that state-funded centers are struggling to keep their infant/toddler programs afloat, while young children receiving Care4Kids have access mainly to lower cost (and, possibly, lower quality) programs. As we consider what to do with the more than \$13 million in CCDBG stimulus funds that are *not* specifically earmarked for infant-toddler quality improvement, we should keep these current failings of the system in mind.

The Governor and General Assembly should act now. These additional CCDBG funds must be obligated by September 30, 2010, and spent by September 30, 2011.¹⁹ Licensing and support projects will have maximum impact if they have a full two and a half years in which to operate. The money should be allocated by Connecticut policymakers now, because our youngest citizens can't wait.

¹ [Conference Report to Accompany H.R. 1](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_reports&docid=f:hr016.111.pdf) at 65 (February 12, 2009) [hereinafter "Conference Report"], available at http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_reports&docid=f:hr016.111.pdf.

² *Id.*

³ Center for Law and Social Policy, "Impact of American Recovery and Reinvestment Act (ARRA) of 2009 on Child Care and Development Block Grant (CCDBG) Funding: Estimated State Allocations" (February 13, 2009) [hereinafter "CLASP CCDBG report"]. The estimations contained therein are based on the assumption that each state will receive the same proportional share of the \$2 billion in ARRA funds as they received in FY 2009 CCDBG Discretionary funds, and that any funds targeted specifically for quality improvement will similarly be distributed based on the proportion of quality funds that each state received in FY 2009. See e-mail from Hannah Matthews,

Senior Policy Analyst, Center for Law and Social Policy (March 27, 2009). Note that CCDBG funds are divided amongst states according to a formula that takes into account (1) the ratio of the number of children under age five in the state to the number of children under age five in the country; (2) the ratio of the number of children in the state who receive free or reduced price school lunches under the National School Lunch Act to the number of such children in the country; and (3) a weighting factor determined by dividing the three-year average national per capita income by the three-year average per State capita income (as calculated every two years). See Administration for Children and Families, U.S. Department of Health and Human Services, “How CCDF Allocations are Calculated,” available at http://www.acf.hhs.gov/programs/ccb/law/allocations/ccdf_calculations.pdf.

⁴ Conference Report to Accompany H.R. 1 at 65 (February 12, 2009), available at http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_reports&docid=f:hr016.111.pdf.

⁵ Id.

⁶ CLASP CCDBG report.

⁷ Administration for Children and Families, U.S. Department of Health and Human Services, “Overview of the Child Care and Development Fund” (October 2006), available at http://www.acf.hhs.gov/programs/ccb/ccdf/ccdf06_07desc.pdf.

⁸ Although the U.S. Department of Health and Human Services has not yet announced any principles to guide the expenditure of additional CCDBG funds, the U.S. Department of Education has specifically embraced the two principles we suggest here. See U.S. Department of Education, “The American Recovery and Reinvestment Act of 2009: Saving and Creating Jobs and Reforming Education” (March 7, 2009), available at <http://www.ed.gov/policy/gen/leg/recovery/implementation.html>.

⁹ Data provided by Peter Palermino, Department of Social Services, via e-mail on March 24, 2009, and current as of December 4, 2008.

¹⁰ National Child Care Information and Technical Assistance Center, “Definition of Licensed FCC Homes in 2007,” available at <http://nccic.acf.hhs.gov/pubs/cclicensingreq/definition-fcc.html>.

¹¹ Id.

¹² E-mail from Jessica Sager, Executive Director, All Our Kin, March 30, 2009.

¹³ 211 Child Care, “Press Release: 211 Child Care Launches Family Child Care Support Project” (July 31, 2007) [hereinafter “211 Press Release”], available at <http://211childcare.org/docs/CareerSupportProjectpr.pdf>.

¹⁴ E-mail from Sherri Sutera, 211 Child Care, on April 10, 2009.

¹⁵ Information available at <http://allourkin.org/network.php>.

¹⁶ Information available at <http://allourkin.org/network2.php>.

¹⁷ Conference Report at 59.

¹⁸ The average infant/toddler rate is \$8,400, compared to \$8,025 for preschoolers. Email from Peter Palermino, Department of Social Services, October 26, 2008. However, infant/toddler classrooms may have no more than 8 children, and require a staff-child ration of 4:1, while preschooler classrooms may have as many as 20 children, and require a staff-child ratio of 10:1.

Email from Kathy Queen, State-Funded Center, October 27, 2008.

¹⁹ 211 Press Release.