



Investing in the Early Years: A Great Return for Kids and for Connecticut Cyd Oppenheimer, J.D.

March 2009

Investing in the first five years of children's lives benefits the children, their parents, and society at large. High quality caring and learning environments in the early years – *starting at birth* – are necessary if children are to be ready to enter school at age five. The high cost of quality care for young children, however, makes it unaffordable for most low-income and many middle-income families. Too many parents are forced to go to work without the assurance that their children are in safe, nurturing, and educational settings.

Funding for early care and education not only benefits children and parents, it also benefits Connecticut by allowing parents to participate in the workforce and by setting the stage for the next generation of workers to be productive members of society. Though Connecticut has publicly recognized these many advantages of investing in early care and education, and has begun constructing an admirable framework to ensure that its children make timely developmental progress from birth to age 5, its funding for early care and education remains insufficient to make this goal a reality. Indeed, despite a professed commitment among policymakers to expand early care and education opportunities, overall state funding for early care (adjusted for inflation) is *lower* than it was in 2002.

The first 1,000 days of a child's life are a time of rapid cognitive, linguistic, social, emotional, and motor development.¹ For this development to occur, children must receive adequate stimulation. Consequently, it is essential to ensure that all children have access to language-rich, nurturing, and responsive caregiving during their first three years of life.² Low-income children are at particular risk for

not receiving this stimulation in their own homes, making the quality of care provided to them outside their homes all the more important.

It *is* possible to improve outcomes for children from low-income and high-stress environments by — among other things — improving prenatal health and nutrition; providing home visitation services and wraparound services in the areas of health, mental health, and social-emotional development; and providing access to high quality, yet affordable, early care and education programs.³

Connecticut's funding for infants and toddlers does not reflect the need for intervention in the first 1,000 days. The Connecticut Early Childhood Education Cabinet, established by law in 2005 to promote the development of all the state's young children, has recognized the importance of the first three years of life, offering a series of recommendations to help meet this goal. Yet currently there are *no* new funds allocated to implement any of these recommendations.

Meanwhile, the average state reimbursement rate for infants and toddlers in state-funded child care centers is only slightly higher than preschooler rates,⁴ despite the fact that it is much costlier to care for infants and toddlers than for preschoolers (since more staff are required). Reimbursement rates for Care4Kids, the state's child care subsidy program, which served almost 20,000 children in 2007 (a third of whom were infants and toddlers), have not been increased since 2001. This means that state-funded centers are struggling to keep their infant-toddler programs afloat, and children receiving Care4Kids have access mainly to the lower-cost programs. Additionally,

funding for Care4Kids is 37% less in Fiscal Year 2009 (FY 09) than it was in FY 02 (adjusted for inflation). In other words, not only do children receiving Care4Kids have less access to high-quality programs, far fewer children have access to Care4Kids at all.

Investing in preschool is not a substitute for investing in the first three years of life, but it *is* necessary to reinforce and continue brain development, vocabulary expansion, and social maturation. Two years in a high-quality preschool setting results in dramatic increases in language and literacy skills, math skills, social-emotional skills, and fine motor skills.⁵

Although Connecticut understands the importance of a preschool education, its funding for preschool expansion is insufficient and does not address the obstacles to expansion that providers face. Connecticut's School Readiness program has existed since 1998, yet as of 2007 it still lacked the capacity to serve nearly 13,000 program-eligible children.⁶ Although the FY 09 budget significantly increased funding for School Readiness, the State Department of Education (SDE) has chosen, at this time, to hold back some of these funds, creating fewer new slots than the current budget would allow in anticipation of a potential deficit in future years. This decision, along with the state's failure to make a strong, multi-year commitment to expanded funding for preschool, is a major barrier to providers' ability and willingness to expand their capacity.⁷

We must increase funding for early care and education to ensure that children have access to *quality* programs. At the present time there are no funds in place for quality *improvement*: the technical training and professional development that will enable all early care and education settings to provide quality care. Without these funds, low-rated programs simply won't improve and young children will pay the price.

Increasing state funding for early care and education helps working parents as well as children. There is no reason why "early childhood programs" cannot *also* be "work support programs." If funding for early care and education is spent wisely, it will serve the dual purposes of promoting child development and enabling parents to work. Child

care in Connecticut costs, on average, about \$10,617/year for infant care, \$9,245/year for preschooler care, and \$1,415/year for a school-age child.⁸ For a single working mother with income at the maximum eligibility level for Care4Kids who is raising an infant and school-age child, child care would cost 31% of her annual income, if no subsidy is provided.⁹ *Without assistance*, quality care is simply unaffordable for most low-income and many middle-income families in Connecticut. State funding is a crucial element in enabling parents to maximize future prospects for both their children and themselves.

Investing in the early years is a smart investment in Connecticut's future. Effective early intervention programs have long-lasting and far-reaching outcomes. There is evidence that children who participate in these programs are less likely to be retained in school, less likely to need special education services, and more likely to graduate from high school.¹⁰ They are also less likely to become involved with the welfare system, less likely to be involved in criminal activity, and more likely to be productively employed.¹¹ In other words, they cost society and government less and contribute more. Studies have shown that the most effective early childhood programs can yield returns to society for each early dollar invested of up to \$17.¹²

Connecticut can improve the quality of its early care system and expand access to services by:

- Increasing per-child funding for all state-subsidized early care and education programs to a rate based on the actual cost of providing high quality programs;
- Fully funding both the *rating* and *improvement* elements of a Quality Rating and Improvement System;
- Increasing funding for professional development and scholarship assistance for child care staff;
- Continuing to expand School Readiness so that all eligible children have access to programs;
- Expanding consultation and wraparound services in the areas of children's health, mental health, and social-emotional development; and
- Helping parents afford to stay home and care for their own children in their earliest years of life, through paid family leave.

¹ Center on the Developing Child at Harvard University, “A Science-Based Framework for Early Childhood Policy: Using Evidence to Improve Outcomes in Learning, Behavior, and Health for Vulnerable Children” (August 2007) at 6.

² Id. at 7.

³ Id. at 15.

⁴ 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.

⁵ Connecticut Early Childhood Education Cabinet, “Ready by 5 & Fine by 9: Connecticut’s Early Childhood Investment Framework” (October 2006) at 13 (citing Connecticut Commission on Children, State Department of Education, and the Connecticut Center for School Change, “Opening the Kindergarten Door: The Preschool Difference,” (March 2004) (hereinafter “Opening the Kindergarten Door”).

⁶ Governor’s Early Childhood Research & Policy Council, “Ready by 5 & Fine by 9: Connecticut’s Early Childhood Investment Plan (Part 1)” (February 2007) at 19.

⁷ Id. at 3.

⁸ These numbers are based on the most recent fee analysis of child care centers conducted by 211 Child Care, dated January 30, 2009, and available at <http://211childcare.org/professionals/FeeCT.asp> (last accessed March 17, 2009). They represent an average over regions and types of care. The cost for a school-aged child is based on the assumption that the school year is 36 weeks and that child care is needed for the remaining 16 weeks of the year. It does not take into account the cost of child care that might be needed before or after school hours on a regular school day.

⁹ To be eligible for Care 4 Kids, a working parent must have income below 50% of the State Median Income, as determined by the U.S. Department of Health and Human Services. See Regulations of Connecticut State Agencies § 17b-749-05(a)(1), available at http://www.ct.gov/dss/cwp/view.asp?a=2353&q=305180#_Toc519328194. For a family of three, this is an annual income of \$39,405. This is the Connecticut number for FY 09 from the U.S. Department of Health and Human Services. See (see <http://www.acf.hhs.gov/programs/ocs/liheap/guidance/SMI75FY09.pdf>).

¹⁰ RAND Labor and Population Research Brief, “Proven Benefits of Early Childhood Interventions” (2005), available at http://www.rand.org/pubs/research_briefs/2005/RAND_RB9145.pdf.

¹¹ Id.

¹² Id.