

- Melissa Riegel-Garrett, and I am the executive director of the Vermont Association for the Education of Young Children. Member of the VT Early Childhood Alliance.
- Appreciate the difficult fiscal decisions facing your committees this year; hope you will consider *alternatives* to cuts. Thank you for the opportunity to speak to you about the Child Care Financial Assistance Program, which helps low-income families pay for child care so they can work or go to school or training.
- The Governor's FY16 budget proposes level funding for the CCFAP program. This is effectively a cut, both to eligibility as well as to the tiered reimbursement system.
- This program works much like the federal Pell grant for college tuition assistance, the CCFAP program requires families to be found eligible, and then determines the amount of the reimbursement rate paid on their behalf for their child care.
- The Governor's budget proposal ties eligibility to the 2014 federal poverty level, rather than increasing to the 2015 FPL. This means families that should be eligible for subsidies are excluded. And, families currently eligible may become ineligible or eligible for less help, due to a small wage increase. This is effectively a cut to the number of families who can access this program.
- One impact the proposed level funding of the reimbursement rates has is on the tiered reimbursements for families using higher quality programs. In 2014, 280 additional childcare

programs began participating in STARS, Vermont's Quality rating and improvement system. This is fabulous news for Vermont's children! However, level funding of the tiered reimbursement rate system, when there is an increasing number of programs participating in and at higher STAR levels makes no sense.

- CCFAP improves the economic stability of Vermont's working families. Fully funded, it allows low-income families access to quality childcare programs which support their children's growth and development. As I have described, there are increased pressures that mean level funding is in reality a cut to this program, and while there is a lot more to this, we will have to talk about that in the future.