

Testimony on Vermont's Child Care Financial Assistance Program
Senate Health and Welfare Committee
Friday, April 15, 2016
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Thank you very much for having me here today. Let's Grow Kids is a public awareness and engagement campaign about the important role that high-quality, affordable child care can play in supporting the healthy development of Vermont's children during their first five years—the most important years for laying a foundation for success in relationships, in school and in life. As you have already heard this morning from Sonja, Vermont's Child Care Financial Assistance Program (CCFAP) plays an important role in the lives of lower-income Vermont families with young children, helping them enroll their children in quality early care and learning programs. Unfortunately, CCFAP has been chronically underfunded for years resulting in a \$10 million plus funding gap. This underfunding has resulted in programmatic imbalances that limit families' ability to access quality, affordable child care and early learning programs while parents work or attend school.

To provide some context for these challenges, Let's Grow Kids, in partnership with Child Care Resource, and members of the Early Childhood Alliance developed the attached handout, which illustrates how underfunding of CCFAP impacts real families around the state.

CCFAP was designed to provide financial support to some of Vermont's most vulnerable families, particularly those at or below the federal poverty level. However, chronic underfunding over the years has resulted in a misalignment between what CCFAP was designed to do and what CCFAP can do for families, the biggest challenging being a significant difference between what CCFAP tuition assistance pays and current tuition charged by regulated child care programs in Vermont.

(Please see CCFAP Funding Gap Family Scenarios Handout for more information)

So what does all of this mean for Vermont families? It means that a program that was designed to provide 100% child care tuition assistance to families at or below the federal poverty level and support for families earning up to 200% of the federal poverty level has fallen behind real tuition costs and current poverty levels thresholds because of underfunding. Vermont's children and families need your help. Without increased support, face a possible future of waitlists for services and ever increasing gaps between tuition assistance and real tuition rates. We strongly encourage you to maintain the \$1 million increase in the FY17 budget for CCFAP passed by the House. Level funding is effectively a budget cut for CCFAP.