



Thursday, April 6, 2017

To: Senate Committee on Appropriations
From: Robyn Freedner-Maguire, Campaign Director, Let's Grow Kids

Testimony on Vermont's Child Care Financial Assistance Program

Thank you very much for allowing me to speak with you today. My name is Robyn Freedner-Maguire and I am the campaign director for Let's Grow Kids. I would like to talk to you about Vermont's Child Care Financial Assistance Program, also known as CCFAP. Let's Grow Kids is committed to ensuring that all Vermont children, birth to five, have access to high-quality, affordable early care and learning programs, and we believe that CCFAP is an important resource for many Vermont families to access these opportunities.

As you may know, CCFAP provides child care tuition assistance to families that meet certain work, education, income and/or health criteria and children in foster care. Recently, Vermont's Blue Ribbon Commission on Financing High Quality, Affordable Child Care recommended that the state begin to make immediate, incremental investments in CCFAP to address the gap between tuition assistance rates and current rates charged by providers, expand eligibility, and increase the tuition assistance benefit for many families. We greatly appreciate this committee's support of a \$1 million funding increase for the program last year but, unfortunately, the program still faces a \$9.5 million funding gap.

One of the most important components of the Blue Ribbon Commission's recommendations addresses the current gap between how much the Child Care Financial Assistance Program pays early care and learning providers and how much providers currently charge for their programming. Due to chronic underfunding, the state's tuition assistance rates are currently based on how much early care and learning providers were charging for their programs in 2008 and 2009—meaning the Child Care Financial Assistance Program rates are more than 8 years out of date.

Many early care and learning providers cannot afford to lose the difference between what they are paid by CCFAP and what they actually charge for their programs. This means that they are forced to make a difficult decision—do they ask families who are already financially struggling to cover the gap or do they take a financial loss for children receiving tuition assistance from CCFAP?

In addition to needing to address the tuition assistance gap, the program's income eligibility needs to be adjusted from the 2016 federal poverty guidelines to current, 2017, federal poverty guidelines.

Let's Grow Kids, in coalition with the Vermont Association of Child Care Resource and Referral Agencies, the Vermont Association for the Education of Young Children, the Vermont Child Care Providers Association and members of the Vermont Early Childhood Alliance, is asking the Legislature to address the program's funding gap and increase the appropriation for the program by \$9.5 million based on the most critical components of the Blue Ribbon Commission's recommendations. We understand that this is a significant investment, but we are concerned that the funding gap will only continue to grow if we do not continue to make annual investments in the program.

Thank you very much for your time and consideration of this critical issue.