

Sec. X. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM; ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall not be entitled to participate in the Program for a period in excess of one month, unless that period is extended by the Commissioner.

(2) The subsidy authorized by this subsection shall be on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the federal poverty guidelines. The upper income limit of the fee scale shall be neither less than 200 percent of the federal poverty guidelines nor more than 100 percent of the State median income, adjusted for the size of the family. The scale shall be structured so that it encourages employment.

(3) Earnings deposited in a qualified child education savings account, such as the Vermont Higher Education Investment Plan, established in 16 V.S.A. § 2877, or any similar plan qualified under 26 U.S.C. § 529, shall be disregarded in determining the amount of a family's income for the purpose of determining continuing eligibility.

~~(b)(1) An Enhanced Child Care Services Subsidy Program is established for families participating in the Reach Ahead program.~~

~~(2) The Enhanced Child Care Services Subsidy Program established by this subsection shall be administered by the Department's Child Development Division. The Commissioner~~

~~shall adopt rules necessary for the administration of the Program pursuant to 3 V.S.A. chapter 25.~~

~~(3) The subsidy authorized by this subsection shall be no greater than 100 percent of the subsidy provided in subsection (a) of this section.~~

~~(4) A participating family shall remain eligible for the Enhanced Child Care Services Subsidy Program between 12 and 24 months as long as one or more dependent children of a working parent or parents are receiving child care services. The Commissioner for Children and Families may extend the subsidy beyond 24 months if the Commissioners for Children and Families and of Finance and Management determine jointly that an extension can be accommodated within appropriated resources.~~

~~(5) The Enhanced Child Care Services Subsidy Program shall be funded through savings resulting from caseload reductions in the Reach Up program. If there are insufficient savings from caseload reductions to fund the Program, the Program shall be suspended or modified. The Commissioner for Children and Families shall amend its federal Child Care and Development Fund State Plan to adjust the sliding scale of its Child Care Financial Assistance Program benefit with each minimum wage increase enacted by the State to ensure that the benefit percentage at the new minimum wage level remains the same as the percentage applied under the former minimum wage.~~

Sec. Y. 33 V.S.A. § 3512a is added to read:

§ 3512a. ENHANCED CHILD CARE SERVICES SUBSIDY PROGRAM

(a) The Enhanced Child Care Services Subsidy Program is established for families participating in the Reach Ahead program.

(b) The Enhanced Child Care Services Subsidy Program established by this section shall be administered by the Department's Child Development Division. The Commissioner shall adopt rules necessary for the administration of the Program pursuant to 3 V.S.A. chapter 25.

(c) The subsidy authorized by this subsection shall be no greater than 100 percent of the subsidy provided in subsection 3512(a) of this title.

(d) A participating family shall remain eligible for the Enhanced Child Care Services Subsidy Program between 12 and 24 months as long as one or more dependent children of a working parent or parents are receiving child care services. The Commissioner for Children and Families may extend the subsidy beyond 24 months if the Commissioners for Children and Families and of Finance and Management determine jointly that an extension can be accommodated within appropriated resources.

(e) The Enhanced Child Care Services Subsidy Program shall be funded through savings resulting from caseload reductions in the Reach Up program. If there are insufficient savings from caseload reductions to fund the Program, the Program shall be suspended or modified.