

1 H.531

2 Introduced by Committee on Human Services

3 Date:

4 Subject: Human services; child care and early learning; child care financial  
5 assistance program; student loan repayment assistance; scholarships

6 Statement of purpose of bill as introduced: This bill proposes to adjust the  
7 market rates and benefits within the Child Care Financial Assistance Program.  
8 It proposes to enable expenditures for the modernization of the Bright Futures  
9 Information System. This bill also proposes to enable expenditures for  
10 children's integrated services, scholarships, and student loan repayment  
11 assistance for individuals employed by a regulated, privately operated center-  
12 based child care program or family child care home. This bill proposes to  
13 allow certain providers to use their experience to obtain an exemption from the  
14 Department for Children and Families' educational requirements.

15 An act relating to Vermont's child care and early learning system

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 \* \* \* Legislative Intent \* \* \*

3 Sec. 1. LEGISLATIVE INTENT

4 It is the intent of the General Assembly that:

5 (1) Vermont strive to enhance the capacity and affordability of the child  
6 care and early learning system and support the retention, growth, and  
7 professional development of its workforce; and

8 (2) investments and initiatives set forth in this act are meant to  
9 compliment the anticipated redesign of the Child Care Financial Assistance  
10 Program, which shall be monitored by the General Assembly.

11 \* \* \* Child Care Financial Assistance Program \* \* \*

12 Sec. 2. 33 V.S.A. § 3512 is amended to read:

13 § 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;

14 ELIGIBILITY

15 (a)(1) The Child Care Financial Assistance Program is established to  
16 subsidize, to the extent that funds permit, the costs of child care for families  
17 that need child care services in order to obtain employment, to retain  
18 employment, or to obtain training leading to employment. Families seeking  
19 employment shall ~~not~~ be entitled to participate in the Program for ~~a period in~~  
20 ~~excess of one month up to three months, unless that period is extended by~~ and  
21 the Commissioner may further extend that period.

1           (2) The subsidy authorized by this subsection shall be on a sliding scale  
2 basis. The scale shall be established by the Commissioner, by rule, and shall  
3 bear a reasonable relationship to income and family size. The lower limit of  
4 the fee scale shall include families whose gross income is up to and including  
5 100 percent of the current federal poverty guidelines. The upper income limit  
6 of the fee scale shall be neither less than 200 percent of the current federal  
7 poverty guidelines nor more than 100 percent of the State median income,  
8 adjusted for the size of the family. The scale shall be structured so that it  
9 encourages employment. If the federal poverty guidelines decrease in a given  
10 year, the Division shall maintain the previous year's federal poverty guidelines  
11 for the purpose of determining eligibility and benefit amount under this  
12 subsection.

13                                   \* \* \*

14           (4) After September 30, 2021, a regulated center-based child care  
15 program or family child care home as defined by the Department in rule shall  
16 not receive funds pursuant to this subsection that are in excess of the usual and  
17 customary rate for services at the center-based child care program or family  
18 child care home.

19                                   \* \* \*

1       Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM

2           In fiscal year 2020, \$1,250,000.00 is appropriated from the General Fund to  
3 the Department for Children and Families' Child Development Division to  
4 restore the base for the Child Care Financial Assistance Program (CCFAP) and  
5 \$6,900,000.00 is appropriated from the General Fund to the Division for the  
6 purpose of adjusting the sliding fee scale and reimbursement rates in CCFAP  
7 as follows:

8           (1) adjust the sliding fee scale of CCFAP to ensure that families whose  
9 gross income is up to 100 percent of the current federal poverty guidelines  
10 receive 100 percent of the available benefit and that families whose gross  
11 income is between 100 and 300 percent of the current federal poverty  
12 guidelines receive between 99 and 10 percent of the available financial  
13 assistance benefit, scaling between set eligibility levels as follows:

14           (A) 95 percent of the available financial assistance benefit for  
15 families at 125 percent of the current federal poverty guidelines;

16           (B) 75 percent of the available financial assistance benefit for  
17 families at 150 percent of the current federal poverty guidelines;

18           (C) 50 percent of the available financial assistance benefit for  
19 families at 200 percent of the current federal poverty guidelines; and

20           (D) 10 percent of the available financial assistance benefit for  
21 families at 300 percent of the current federal poverty guidelines; and

1           (2) align rates of reimbursement for preschool and school age children  
2           participating in CCFAP in fiscal year 2020 with the market rates reported on  
3           the 2015 Vermont Market Rate Survey and maintain rates of reimbursement  
4           for infants and toddlers participating in CCFAP in fiscal year 2020 with the  
5           market rates reported on the 2017 Vermont Market Rate Survey.

6           \* \* \* Early Child Care and Development Program Grant Funds \* \* \*

7           Sec. 4. REALLOCATION OF EARLY CHILD CARE AND  
8                       DEVELOPMENT PROGRAM FUNDS AND PROGRAM  
9                       CESSATION

10           In fiscal year 2020, any funds proposed to be appropriated to the  
11           Department for Children and Families' Child Development Division for the  
12           Early Care and Child Development Grant Program established pursuant to  
13           2017 Acts and Resolves No. 85, §§ E.318 and E.318.1 and 2018 (Sp. Sess.)  
14           Acts and Resolves No. 11, § E.318 shall be available to fund the Child Care  
15           Financial Assistance Program in fiscal year 2020 and thereafter. The Early  
16           Care and Child Development Grant Program shall cease operation on June 30,  
17           2019.

1                   \* \* \* Bright Futures Information System \* \* \*

2           Sec. 5. BRIGHT FUTURES INFORMATION SYSTEM;

3                   MODERNIZATION PLAN

4           In fiscal year 2020, up to \$100,000.00 appropriated for the Child Care  
5           Financial Assistance Program pursuant to Sec. 3 of this act may be used by the  
6           Department for Children and Families' Child Development Division for the  
7           purpose of developing a modernization plan for the Bright Futures Information  
8           System. On or before Dec. 1, 2019, the Commissioner shall submit a report to  
9           the House Committees on Appropriations and on Human Services and to the  
10           Senate Committees on Appropriations and on Health and Welfare providing:

11                   (1) a project plan and timeline;

12                   (2) a fiscal analysis of the plan; and

13                   (3) the project team tasked with overseeing the project's  
14           implementation.

15                   \* \* \* Student Loan Repayment Assistance and Scholarship Program \* \* \*

16           Sec. 6. STUDENT LOAN REPAYMENT ASSISTANCE

17           (a)(1) In fiscal year 2020, at least \$500,000.00 appropriated for the Child  
18           Care Financial Assistance Program pursuant to Sec. 3 of this act shall be used  
19           by the Department for Children and Families' Child Development Division for  
20           the purpose of providing student loan repayment assistance to any individual

1 employed by a privately operated center-based child care program or family  
2 child care home that is regulated by the Division.

3 (2) An eligible individual shall:

4 (A) work in a privately operated center-based child care program or  
5 family child care home that is regulated by the Division for at least an average  
6 of 30 hours per week for 48 weeks of the year;

7 (B) receive an annual salary of not more than \$40,000.00; and

8 (C) have acquired credits in early childhood development or which  
9 are related directly to working with children birth through eight years of age.

10 (3) To participate in the program set forth in this section, an eligible  
11 individual shall submit to the Division documentation expressing the  
12 individual's intent to work in a regulated, privately operated center-based child  
13 care program or family child care home for at least the following 12 months.

14 A participant may receive up to \$2,000.00 annually in student loan repayment  
15 assistance, which shall be distributed by the Division in two allotments. The  
16 Division shall distribute at least half of the individual's total annual benefit  
17 after the individual has completed six months of employment in accordance  
18 with the program. The remainder of an individual's total annual benefit shall  
19 be distributed by the Division after the individual has completed the 12th  
20 month of employment in accordance with the program.

1       (b) It is the intent of the General Assembly that an appropriation that meets  
2       or exceeds the amount distributed in fiscal year 2020 be made in fiscal years  
3       2021 through 2024 to accomplish the purpose set forth in subsection (a) of this  
4       section.

5       (c)(1) The Division shall adopt policies, procedures, and guidelines  
6       necessary to implement the provisions of this section.

7       (2) Funds used from this appropriation shall be expended for repayment  
8       of student loans. Student loan repayments shall be available pursuant to this  
9       section on a first-come, first-served basis until the appropriation is depleted.

10       (d) Otherwise eligible individuals with access to alternative loan  
11       forgiveness or loan repayment programs shall not be considered eligible for  
12       repayment assistance under this section.

13       (e) An individual shall not simultaneously participate in the student loan  
14       repayment assistance program set forth in this section and the scholarship  
15       program set forth in Sec. 7 of this act.

16       Sec. 7. CHILD CARE AND EARLY LEARNING WORKFORCE

17               SCHOLARSHIP

18       (a) In fiscal year 2020, up to \$500,000.00 appropriated for the Child Care  
19       Financial Assistance Program pursuant to Sec. 3 of this act shall be used by the  
20       Department for Children and Families' Child Development Division for the  
21       purpose of contracting for the administration of a need-based scholarship



1 program for individuals employed by a regulated, privately operated center-  
2 based child care program or family child care home while acquiring credits in  
3 early childhood development or which are related directly to working with  
4 children birth through eight years of age.

5 (b) The Division shall adopt policies, procedures, and guidelines necessary  
6 to implement the provisions of this section. Scholarships distributed pursuant  
7 to this section shall be available on a first-come, first-served basis until any  
8 designated funds are depleted.

9 (c) It is the intent of the General Assembly that an appropriation that meets  
10 or exceeds the amount distributed in fiscal year 2020 be made in fiscal years  
11 2021 through 2024 to accomplish the purpose set forth in subsection (a) of this  
12 section.

13 (d) An individual shall not simultaneously participate in the scholarship  
14 program set forth in this section and the student loan repayment assistance  
15 program set forth in Sec. 6 of this act.

16 Sec. 8. REPORT; EVALUATION OF EXPENDITURES AND PROGRAMS

17 On or before January 1, 2024, the Commissioner for Children and Families,  
18 in consultation with stakeholders, shall submit a report to the House  
19 Committee on Human Services and to the Senate Committee on Health and  
20 Welfare:

1           (1) evaluating the effectiveness of the expenditure in the Child Care  
2           Financial Assistance Program set forth in Sec. 3 of this act, the student loan  
3           repayment program set forth in Sec. 6 of this act, and the scholarship program  
4           set forth in Sec. 7 of this act;

5           (2) making recommendations as to whether the expenditures and  
6           programs in Secs. 3, 6, and 7 of this act should be continued and if so, the  
7           appropriate funding amount and source; and

8           (3) evaluating how the expenditures and programs in Secs. 3, 6, and 7 of  
9           this act contribute to Vermont's children and young people reaching their  
10           potential pursuant to 3 V.S.A. § 2311.

11           \* \* \* Variance for Educational and Experiential Requirements\* \* \*

12           Sec. 9. EDUCATIONAL AND EXPERIENTIAL VARIANCE

13           (a) For individuals operating or employed in a registered family child care  
14           home or as a director or teacher associate in a center-based program for 10 or  
15           more years prior to September 1, 2016, the Commissioner for Children and  
16           Families or designee may issue a variance to the Child Development  
17           Division's rule regarding educational and experiential requirements to allow an  
18           individual to maintain employment in that same role regardless of whether the  
19           family child care provider, family child care assistant, director, or teacher  
20           associate intends to attain the otherwise necessary educational requirements.

1 To be eligible for a variance, the family child care provider, family child care  
2 assistant, director, or teacher associate shall:

3 (1) work continuously in a regulated program with a full license in good  
4 standing; and

5 (2) meet the Divisions' educational and experiential requirements in  
6 place prior to the adoption of the new rule, which was effective beginning  
7 September 1, 2016.

8 (b) The Commissioner or designee shall review any violation occurring in a  
9 regulated program where a family child care provider, family child care  
10 assistant, director, or teacher associate is under variance and may revoke the  
11 variance granted by this section depending upon the seriousness and  
12 circumstances of the violation.

13 (c) Any variance granted under this section shall be terminated on July 1,  
14 2024, and extensions shall not be granted beyond that date.

15 \* \* \* Children's Integrated Services \* \* \*

16 Sec. 10. REIMBURSEMENT RATES; PROVIDERS OF CHILDREN'S  
17 INTEGRATED SERVICES

18 In fiscal year 2020, \$309,714.00 is appropriated from the General Fund to  
19 the Department for Children and Families' Children's Integrated Services for  
20 the purpose of increasing reimbursement rates to providers.

1

\* \* \* Effective Date \* \* \*

2

Sec. 11. EFFECTIVE DATE

3

This act shall take effect on July 1, 2019.