

1 Introduced by Committee on Human Services

2 Date:

3 Subject: Human services; child care; child care financial assistance program;
4 student loan repayment assistance; scholarships

5 Statement of purpose of bill as introduced: This bill proposes to increase the
6 market rates used to make benefit determinations within the Child Care
7 Financial Assistance Program. It proposes to enable expenditures for the
8 modernization of the Bright Futures Information System. This bill also
9 proposes to appropriate funds for scholarships and student loan repayment
10 assistance for individuals employed by a regulated, privately operated center-
11 based child care program or family child care home. This bill proposes to
12 allow certain family child care providers to use their experience to meet the
13 Department for Children and Families' educational requirements.

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

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

16 * * * Findings * * *

17 Sec. 1. FINDINGS

18 The General Assembly finds that:

19

1 * * * Child Care Financial Assistance Program * * *

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

3 § 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;

4 ELIGIBILITY

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

12 (2) The subsidy authorized by this subsection shall be on a sliding scale
13 basis. The scale shall be established by the Commissioner, by rule, and shall
14 bear a reasonable relationship to income and family size. The lower limit of
15 the fee scale shall include families whose gross income is up to and including
16 100 percent of the federal poverty guidelines. The upper income limit of the
17 fee scale shall be neither less than 200 percent of the federal poverty guidelines
18 nor more than 100 percent of the State median income, adjusted for the size of
19 the family. The scale shall be structured so that it encourages employment.

20 * * *

1 (4) **By September 30, 2021**, a regulated center-based child care program
2 or family child care home as defined by the Department in rule shall not
3 receive funds pursuant to this subsection that are in excess of what the center-
4 based child care program or family child care home charges for tuition.

5 * * *

6 Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM

7 In fiscal year 2020, \$ X is appropriated from the General Fund to the
8 Department for Children and Families' Child Development Division for the
9 purpose of adjusting the eligibility and rate for the Child Care Financial
10 Assistance Program as follows:

11
12 * * * Bright Futures Information System * * *

13 Sec. 4. BRIGHT FUTURES INFORMATION SYSTEM;
14 MODERNIZATION PLAN

15 Up to \$100,000.00 appropriated for the Child Care Financial Assistance
16 Program pursuant to Sec. 3 of this act may be used by the Department for
17 Children and Families' Child Development Division for the purpose of
18 developing a modernization plan for the Bright Futures Information System.
19 On or before Dec. 1, 2019, the Commissioner shall submit a report to the
20 House Committees on Appropriations and on Human Services and to the
21 Senate Committees on Appropriations and on Health and Welfare providing:

- 1 (1) a project plan and timeline;
- 2 (2) a fiscal analysis of the plan; and
- 3 (3) the project team tasked with overseeing the project’s
4 implementation.

5 *** Student Loan Repayment Assistance and T.E.A.C.H. Scholarships ***

6 Sec. 5. STUDENT LOAN REPAYMENT ASSISTANCE

7 (a)(1) In fiscal year 2020, \$X is appropriated from the General Fund to the
8 Vermont Student Assistance Corporation, which shall use the funds to provide
9 student loan repayments to any individual employed by a privately operated
10 center-based child care program or family child care home that is regulated by
11 the Department for Children and Families’ Child Development Division who
12 has earned a bachelor’s or master’s degree in early childhood education or
13 early childhood special education within the preceding five years. The
14 Vermont Student Assistance Corporation’s duties under this section are subject
15 to the appropriation of funds by the General Assembly specifically for this
16 purpose.

17 (2) An eligible individual shall:

18 (A) work in a privately operated center-based child care program or
19 family child care home that is regulated by the Department for Children and
20 Families’ Child Development Division for at least an average of 30 hours per
21 week for 45 weeks of the year; and

1 (B) receive an annual salary of not more than \$40,000.00.

2 (3) Upon submission of an application to the Vermont Student
3 Assistance Corporation, an individual may receive up to \$2,000.00 annually in
4 student loan repayment assistance for work in a private preschool classroom
5 and up to \$3,000.00 annually in student loan repayments for work in an infant
6 or toddler classroom.

7 (b) It is the intent of the General Assembly that an appropriation be made
8 in fiscal years 2021 through 2024 to accomplish the purpose set forth in
9 subsection (a) of this section.

10 (c)(1) The Vermont Student Assistance Corporation shall adopt policies,
11 procedures, and guidelines necessary to implement the provisions of this
12 section.

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

16 (3) Up to six percent of the total funds appropriated over the course of
17 fiscal years 2020 through 2024 may be used for the Vermont Student
18 Assistance Corporation’s staff salaries, fringe benefits, or other expenses
19 associated with the direct administration of this appropriation. Funds shall not
20 be used to cover indirect costs.

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

4 Sec. 6. T.E.A.C.H. EARLY CHILDHOOD VERMONT SCHOLARSHIP
5 PROJECT

6 (a) In fiscal year 2020, \$X is appropriated from the General Fund to the
7 Vermont Association for the Education of Young Children (VTAEYC) for the
8 purpose of expanding eligible recipients to include any individual employed by
9 a privately operated center-based child care program or family child care home
10 that is regulated by the Department for Children and Families' Child
11 Development Division.

12 (b) VTAEYC shall adopt policies, procedures, and guidelines necessary to
13 implement the provisions of this section. Scholarships distributed pursuant to
14 this section shall be available on a first-come, first-served basis until any
15 designated funds are depleted.

16 (c) It is the intent of the General Assembly that appropriations be made in
17 fiscal years 2021 through 2024 to accomplish the purpose set forth in
18 subsection (a) of this section.

1 **Sec. 7. REPORT; T.E.A.C.H. AND STUDENT LOAN REPAYMENT**

2 **ASSISTANCE EVALUATION**

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

6 (1) evaluating the effectiveness of the student loan repayment program
7 set forth in Sec. 5 of this act and the T.E.A.C.H. Early Childhood Vermont
8 Scholarship Project set forth in Sec. 6 of this act; and

9 (2) making recommendations as to whether the programs should be
10 continued and if so, the appropriate funding amount and source.

11 * * * Effective Date * * *

12 **Sec. 8. EFFECTIVE DATE**

13 This act shall take effect on July 1, 2019.