



Date: Thursday, August 27, 2020
To: House and Senate Committees on Appropriations
From: Sarah Kenney, Senior Director of Policy, Let's Grow Kids
Re: FY21 Restatement Budget

Thank you all for the hard work you've done in recent years and during the pandemic to support Vermont's early care and education system. The Child Care Stabilization Program and Restart Grants set a standard for the nation in how to sustain this crucial industry, and we are hopeful that the additional \$12 million you appropriated this spring will also help these programs struggling to survive in a vastly different landscape.

Our state's recent efforts to address the current COVID-19 crisis have been complicated by the child care crisis that predates the pandemic. We must come together to address immediate needs and continue to build a high-quality, accessible, and affordable child care system founded on the principles of **sustainability and equity**.

- We support the Governor's proposal to continue to increase CCFAP reimbursement rates as part of the 5-year redesign plan, but these rates will still be out of step. We recommend asking CDD to update the market rate survey to reflect the increased cost of care in this pandemic.
- The Governor is proposing to move CCFAP eligibility determinations out of community agencies and into ESD: we do not think that a change of this scale makes any sense in the midst of this crisis.

We're concerned that the Governor's budget does not include funding for 2 major themes we're hearing from the field that we believe are allowable uses of CRF dollars:

1. **Workforce supports, especially incentives for service during COVID-19, access to health care, and professional preparation through scholarships.** We urge you to prioritize supports for this essential workforce that has stepped up since June (and in many cases since the beginning of the pandemic) to care for children and allow Vermont's economy to begin to reopen. We hear daily from programs that are desperate to hire and retain staff. We are on the verge of losing 500 slots in the last month in Chittenden County alone.
2. **One-time investment in fully updating the IT infrastructure at CDD,** which has been a major barrier in responding to child care needs during the pandemic. IT is critically important to Vermont's child care COVID-19 response, and is a wise use of one-time funds, either now or in the next round of federal funds.

We urge the Legislature to consider investments in these areas, either in the FY21 budget or through federal coronavirus relief funds.

Thank you for your leadership and the opportunity to speak. As always, we look forward to continuing to work together to create the child care system our families, early educators, and communities deserve.