

1 Introduced by Committee on Human Services

2 Date:

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

5 Statement of purpose of bill as introduced: This bill proposes to adjust the
6 market rates and benefits within the Child Care Financial Assistance Program.

7 It proposes to enable expenditures for the modernization of the Bright Futures
8 Information System. This bill also proposes to enable expenditures for

9 children's integrated services, 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 providers to use their experience to obtain an exemption from the
13 Department for Children and Families' educational requirements.

14 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
3 to 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.