

Child Care and Early Learning Bills with Broad Scope and Appropriations		
	H.349 Governor's proposal Y1	H.194 LGK
Sponsors	T. McFaun et al. 22, Bi-partisan	D.Yacovone et al. 72, Bi-partisan There is overlap in sponsorship between 249 & 194
CCFAP eligibility (Sliding Fee Scale for eligibility)	Adjusts benefit levels as follows: 100% FPL stays the same at 100% benefit 125% FPL benefit increases from 90% to 95% 150% FPL benefit increases from 65% to 75% 200% FPL increases from 15% to 50% 300% FPL benefit stays the same at 10% 300% FPL remains upper limit for income eligibility	Amends Sec 2 33 VSA 3512 Changes lower limit to 200% FPL (<i>this has no meaningful impact</i>) and 200% benefit increases from 15% to 100% <i>All families between 100% FPL and 200% FPL would increase to 100% benefit</i> Increases upper income limit to 350% FPL and removes "nor more than 100 percent of SMI" (<i>this expands program beyond federal income eligibility – would require IT changes and state only program</i>) Sets benefit level for any family at no less than 25% benefit 300% FPL benefit increases from 10% to 25%
CC FAP Rates of Reimbursement	Increases Preschool and School age rates to align with 2014 MRS in 2020 Silent on future increases	Increases Preschool and School age rates to align with 2017 MRS in 2020. Requires annual rate adjustments to account for inflation and remain current with MRS (<i>not sure how we would account for inflation</i>)
CC FAP Impacts	Lower copayments for families	Families eligible at higher income levels Lower co-payments for families More providers will be paid more by CC FAP than what they usually charge
CC FAP Funding	Appropriates \$5,764,000 from Early Care and Learning Fund in SFY2020	Appropriates \$26,200,000 in GF to DCF
Student Loan Repayment	Establishes College Loan Repayment Program For individuals with a Vermont teaching license with an endorsement in EC or ECSE (attained at any time) Working in a private prequalified UPK program at least 20 hours a week for 35 weeks a year	For Early Learning Professionals (ELP) with a bachelor's or master's degree in EC or ECSE attained within the past 5 years Working in public or private setting 32 hours per week, 48 weeks year with any age group (FT only) Earning less than \$40,000 annually Excludes AS Programs

	<p>Amount of assistance is based on a proportion of eligible recipient's annual loan repayment obligation</p> <p>Excludes individuals with access to alternative loan forgiveness programs</p>	<p>Definition of ELP from 33VSA 3511 and 16 VSA 11*</p> <p>Allows up to \$2000 annually for preschool teachers, \$3,000 for infant/toddler teachers</p>
Student Loan Repayment Funding	<p>Appropriates \$500,000 from Early Care and Learning Fund for College Loan Repayment Program in SFY2020</p> <p>DCF responsible for program</p> <p>First come, first served until funds depleted</p>	<p>Appropriates \$2,000,000 in GF to VSAC</p> <p>Establishes that appropriation be made for 2021-2024 to accomplish this purpose</p> <p>First come, first served until funds depleted</p> <p>Allows 6% admin for VSAC</p>
TEACH Scholarships	<p>ELP leading a group of children or serving as a program director in a privately-operated regulated CC and EL program</p> <p>Excludes SA Program staff</p> <p>Definition of ELP from DCF CC regulations relevant to qualifications required to lead a group of children</p>	<p>Individuals obtaining a BA in ECE or ECSE</p>
TEACH Scholarships Funding	<p>Appropriates \$636,000 from Early Care and Learning Fund in SFY2020</p>	<p>"As funds permit" expand recipients</p> <p>No specific appropriation</p>
Refundable Tax Credits	<p>N/A</p>	<p>For ELP employed in CBCCPP or FCCH (no AS Programs) with a Level 2 or higher certificate form NL@CCV</p> <p>No individual or family income limit</p> <p>No requirement for FT work</p> <p>Does not exclude public school ELP</p> <p>Indexed to Level certificates in NL@CCV from \$651 annually at Level 1 to \$5,541 annually at Level 5</p> <p>For Corporations and Businesses, both CC/EL businesses and others for: construction, renovation, or repair; equipment; maintenance or operation of a CC/EL Program; payments made to support employee CC; purchase of CC slots; in-kind donations to CC/EL Program, PCC, or CCCSA.</p>

		Establish various credits in accord with percent of expenses and quality level of recipient program Includes AS Programs
Refundable Tax Credits Funding	N/A	Does not estimate cost of proposed ELP credits (<i>likely to be over \$5,000,000 annually</i>) Limits Business Tax Credits to \$2,000,000 annually in a taxable year. Establishes annual increase in ELP credit in accord with CPI Sunsets tax credit Dec 31, 2024
Responsibility for birth until Kindergarten child care and PreK services	Silent	AHS
Total Cost	\$7,000,000	\$28,200,000 (before any TEACH funds) Approx. \$2,000,000 - \$5,000,000 in decreased tax revenue from Refundable Tax Credits Increased state staffing at DCF and Tax required to implement Refundable Tax Credits
Establishment of Early Care and Learning Fund	Established by amending Sec 4 33 VSA chapter 35, subchapter 4 [Human Services, Child Care, CC Facilities Financing] “to appropriate and consolidate monies designated for: access to affordable high quality child care and early learning; scholarships and loan repayment for the CC and EL workforce; and support for CC and EL program quality improvement.” Administered by DCF No specifics on who is paid for what Amends Sec 3 16 VSA 4025 [Education, Education Fund] to allocate a portion of sales and use tax revenue (32 VSA chapt 233) to an Early Care and Learning Fund “in proportion to what is needed to establish	Established pursuant to 32 VSA chapter 7 subchapter 5 [Taxation & Finance, Public Monies, Special Funds] “to <u>consolidate monies</u> designated for CC and EL, WF development, quality improvement and TA...shall ensure equitable funding for programs that support: CC birth -13; early ed birth – 5” Administered by DCF with consultation with AOE on UPK Make payments to public and private programs for UPK Make payment to public and private programs for CC/EL No specifics on how much money into the fund or source of those monies

	and sustain access to affordable, high quality child care and early learning” Allocates the first \$7,000,000 in sales and use tax to this fund in SFY2020	
Reports required	Jan 15, 2021 DCF Commissioner on College Loan Repayment Program	Jan 15, 2021 and 2023 DCF Commissioner and Commissioner of Taxes on ELP Tax Credits
Other notes	Appropriates \$100,000 in SFY 2020 from Early Care and Learning Fund to developing a modernization plan for BFIS in preparation for future system changes needed to comply with federal regulation The section on “Marketplace Facilitators” amends Sec 1 32 VSA 9701 (sales tax) specific to internet sales tax. This section is not comparable to H.194	Includes language “to the extent that funds permit” Takes effect July 1, 2019
Potential implementation issues	IT changes	Speed/magnitude of CC FAP change and implementation unrealistic ELP Tax Credits proposal is administratively burdensome for both DCF and Tax Dept. – would require additional staffing to manage Business Tax Credits is prescriptive and complex - administratively burdensome for Tax Dept and not entirely straightforward in terms of eligibility - would require time for rulemaking and additional staffing at Tax Dept Specific “monies” in the ECL Fund are not identified IT changes

Short Form and Limited Scope CC and Early Learning Bills in 2019				
	H.60	H.122	H. 70	H.373
Sponsors	Rosenquist et al., 8 Bi-partisan, mostly HHS Committee	M. Trieber, 1	Rosenquist et al., 10 Bi-partisan	J. Carroll, Brownell, Gannon
Purpose/Impact	Short form Assigns responsibility for oversight and regulation of CC and early learning (including mixed delivery UPK) to AHS	Short form Proposes to decrease upper limit of sliding fee scale for income eligibility for CC FAP. Currently at 300% FPL which approximates federal limit of 85% SMI	Postpones enforcement of qualifications in CC regulations until 9/2021 Requires DCF to establish a process whereby individuals who were employed at current employer on 8/31/17 with at least 5 years FT experience in EC to satisfy qualifications	Raise funds for CC subsidies by assessing a \$30 surcharge on every worker earning more than \$1,000 in wages when filing annual taxes. Assigns funds to CC FAP for expanding eligibility and increasing rates.
Funding	N/A	Proposes to reinvest any savings back into increased benefit for remaining families	N/A	Would raise potentially \$11.1 million annually based on number of tax payers in 2017
Comments			Both of these purposes are already supported in current practice in CDD.	