

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General, Housing, and Military Affairs to which was
3 referred Senate Bill No. 23 entitled “An act relating to increasing minimum
4 wage” respectfully reports that it has considered the same and recommends
5 that the House propose to the Senate that the bill be amended by striking out
6 Sec. 3, Child Care Financial Assistance Program; sliding scale, in its entirety,
7 and inserting in lieu thereof a new Sec. 3 and Sec. 3a as follows:

8 Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM

9 (a) It is the intent of the General Assembly that investments and initiatives
10 set forth in this act are meant to compliment the anticipated redesign of the
11 Child Care Financial Assistance Program, which shall be monitored by the
12 General Assembly.

13 (b) In fiscal year 2020, \$1,250,000.00 is appropriated from the General
14 Fund to the Department for Children and Families’ Child Development
15 Division to restore the base for the Child Care Financial Assistance Program
16 (CCFAP) and \$6,900,000.00 is appropriated from the General Fund to the
17 Division for the purpose of adjusting the sliding fee scale and reimbursement
18 rates in CCFAP as follows:

19 (1) adjust the sliding fee scale of CCFAP to ensure that families whose
20 gross income is up to 100 percent of the current federal poverty guidelines
21 receive 100 percent of the available benefit and that families whose gross

1 income is between 100 and 300 percent of the current federal poverty
2 guidelines receive between 99 and 10 percent of the available financial
3 assistance benefit, scaling between set eligibility levels as follows:

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

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

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

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

12 (2) align rates of reimbursement for preschool and school age children
13 participating in CCFAP in fiscal year 2020 with the market rates reported on
14 the 2015 Vermont Market Rate Survey and maintain rates of reimbursement
15 for infants and toddlers participating in CCFAP in fiscal year 2020 with the
16 market rates reported on the 2017 Vermont Market Rate Survey.

17 Sec. 3a. 33 V.S.A. § 3512(a)(4) is added to read:

18 (4) Beginning on January 1, 2025 and each subsequent year the
19 minimum wage is increased thereafter, the Commissioner for Children and
20 Families shall amend the Department for Children and Families' Child Care
21 Financial Assistance Program to:

1 (A) adjust the sliding scale to correspond with each minimum wage
2 increase required pursuant to 21 V.S.A. § 384(a)(1) in order to ensure that the
3 benefit percentage at each new minimum wage level is not lower than the
4 percentage applied under the former minimum wage; and

5 (B) adjust the rate of reimbursement paid to providers on behalf of
6 families participating in the Child Care Financial Assistance Program in a
7 manner that offsets the estimated increased cost of child care in Vermont
8 resulting from an increase in the minimum wage required pursuant to
9 21 V.S.A. § 384(a)(1).

10
11
12
13
14
15
16
17
18

(Committee vote: _____)

Representative _____

FOR THE COMMITTEE