1	TO THE HONORABLE SENATE:
2	The Committee on Health and Welfare to which was referred House Bill
3	No. 531 entitled "An act relating to Vermont's child care and early learning
4	system" respectfully reports that it has considered the same and recommends
5	that the Senate propose to the House that the bill be amended by striking out all
6	after the enacting clause and inserting in lieu thereof the following:
7	* * * Legislative Intent * * *
8	Sec. 1. LEGISLATIVE INTENT
9	It is the intent of the General Assembly that:
10	(1) Vermont strives to enhance the capacity and affordability of the
11	child care and early learning system and support the retention, growth, and
12	professional development of its workforce;
13	(2) investments and initiatives set forth in this act are meant to
14	compliment the anticipated redesign of the Child Care Financial Assistance
15	Program, which shall be monitored by the General Assembly; and
16	(3) investments set forth in this act are meant to be the first of many
17	aimed at strengthening families and the economy.
18	* * * Child Care Financial Assistance Program * * *
19	Sec. 2. 33 V.S.A. § 3512 is amended to read:
20	§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;
21	ELIGIBILITY

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

(2) The subsidy authorized by this subsection shall be on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the <u>current</u> federal poverty guidelines. The upper income limit of the fee scale shall be neither less than 200 percent of the <u>current</u> federal poverty guidelines nor more than 100 percent of the State median income, adjusted for the size of the family. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

20 ***

1	(4) After September 30, 2021, a regulated center-based child care
2	program or family child care home as defined by the Department in rule shall
3	not receive funds pursuant to this subsection that are in excess of the usual and
4	customary rate for services at the center-based child care program or family
5	child care home.
6	* * *
7	Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM
8	In fiscal year 2020, \$1,250,000.00 is appropriated from the General Fund to
9	the Department for Children and Families' Child Development Division to
10	restore the base for the Child Care Financial Assistance Program (CCFAP) and
11	\$4,900,000.00 is appropriated from the General Fund to the Division for the
12	purpose of adjusting the sliding fee scale and reimbursement rates in CCFAP
13	as follows:
14	(1) adjust the sliding fee scale of CCFAP to ensure that families whose
15	gross income is up to 100 percent of the current federal poverty guidelines
16	receive 100 percent of the available benefit and that families whose gross
17	income is between 100 and 300 percent of the current federal poverty
18	guidelines receive between 99 and 10 percent of the available financial
19	assistance benefit, scaling between set eligibility levels as follows:
20	(A) 95 percent of the available financial assistance benefit for
21	families at 125 percent of the current federal poverty guidelines;

1	(B) 75 percent of the available financial assistance benefit for
2	families at 150 percent of the current federal poverty guidelines;
3	(C) 50 percent of the available financial assistance benefit for
4	families at 200 percent of the current federal poverty guidelines; and
5	(D) 10 percent of the available financial assistance benefit for
6	families at 300 percent of the current federal poverty guidelines; and
7	(2) align rates of reimbursement for preschool age children
8	participating in CCFAP in fiscal year 2020 with the market rates reported
9	on the 2012 Vermont Market Rate Survey, align rates of reimbursement
10	for school age children participating in CCFAP in fiscal year 2020 with
11	the market rates reported on the 2010 Vermont Market Rate Survey,
12	and maintain rates of reimbursement for infants and toddlers participating in
13	CCFAP in fiscal year 2020 with the market rates reported on the 2017
14	Vermont Market Rate Survey.
15	* * * Early Child Care and Development Program Grant Funds * * *
16	Sec. 4. REALLOCATION OF EARLY CHILD CARE AND
17	DEVELOPMENT PROGRAM FUNDS AND PROGRAM
18	CESSATION
19	In fiscal year 2020, any funds proposed to be appropriated to the
20	Department for Children and Families' Child Development Division for the
21	Early Care and Child Development Grant Program established pursuant to

1	2017 Acts and Resolves No. 85, §§ E.318 and E.318.1 and 2018 (Sp. Sess.)
2	Acts and Resolves No. 11, § E.318 shall be available to fund the Child Care
3	Financial Assistance Program in fiscal year 2020 and thereafter. The Early
4	Care and Child Development Grant Program shall cease operation on June 30,
5	<u>2019.</u>
6	Sec. 4a. 33 V.S.A. § 3515 is added to read:
7	§ 3515. INFANT AND TODDLER CHILD CARE PROVIDER GRANTS
8	(a) There is established an infant and toddler child care provider grant
9	program administered by the Division for the purpose of expanding infant
10	and toddler child care capacity. The Division shall award grants to new
11	or existing center-based child care programs and family child care homes
12	in accordance with subsections (b) and (c) of this section.
13	(b) An eligible applicant shall:
14	(1) be a regulated, privately-operated center-based child care
15	program or family child care home in good standing;
16	(2) participate in the Child Care Financial Assistance Program
17	(CCFAP) and maintain the enrollment of CCFAP supported children at
18	30 percent;
19	(3) provide year-round, full-day child care and early learning
20	services for infants and toddlers; and
21	(4) participate in the STep Ahead Recognition System (STARS).

1	(c) In determining how to distribute grants pursuant to this section, the
2	Division shall give priority to center-based child care programs and family
3	child care homes operating or opening in underserved regions of the State.
4	(d) The Division shall provide grants pursuant to this section as funds
5	allow. Center-based child care programs or family child care homes
6	receiving a grant shall remain in compliance with the Division's rules,
7	continue participation in STARS, and maintain high enrollment of
8	children receiving a CCFAP subsidy.
9	Sec. 4b. APPROPRIATION; INFANT AND TODDLER CHILD CARE
10	PROVIDER GRANT
11	In fiscal year 2020, \$1,250,000.00 is appropriated from the General
12	Fund to the Department for Children and Families' Child Development
13	Division for the purpose of funding the infant and toddler child care
14	provider grants set forth in Sec. 4a of this act.
15	* * * Bright Futures Information System * * *
16	Sec. 5. BRIGHT FUTURES INFORMATION SYSTEM;
17	MODERNIZATION PLAN
18	In fiscal year 2020, up to \$100,000.00 appropriated for the Child Care
19	Financial Assistance Program pursuant to Sec. 3 of this act may be used by the
20	Department for Children and Families' Child Development Division for the
21	purpose of developing a modernization plan for the Bright Futures Information

1	System. On or before Dec. 1, 2019, the Commissioner shall submit a report to
2	the House Committees on Appropriations and on Human Services and to the
3	Senate Committees on Appropriations and on Health and Welfare providing:
4	(1) an initial project plan and timeline;
5	(2) a fiscal analysis of the plan; and
6	(3) the project team tasked with overseeing the project's
7	implementation.
8	Sec. 5a. BRIGHT FUTURES INFORMATION SYSTEM;
9	MODERNIZATION PLAN DEVELOPMENT AND
10	IMPLEMENTATION
11	(a) In fiscal year 2020, \$500,000.00 is appropriated from the General Fund
12	to the Department for Children and Families' Child Development Division to
13	begin development of the project plan established pursuant to Sec. 5 of this
14	act.
15	(b) In fiscal year 2020, \$1,000,000.00 is appropriated one time from the
16	General Fund to the Department for Children and Families' Child
17	Development Division to begin implementation of the plan established
18	pursuant to Sec. 5 of this act.
19	(c) Any unused funds appropriated pursuant to Sec. 3 of this act or
20	pursuant to subsection (a) of this section shall be reserved to begin
21	implementation of the plan developed pursuant to Sec. 5 of this act.

1	* * * Child Care Provider Incentives and Professional
2	Development Opportunities * * *
3	Sec. 6. [Deleted.]
4	Sec. 7. [Deleted.]
5	Sec. 7a. GRANT INCENTIVIZING CHILD CARE PROFESSION
6	(a) In fiscal year 2020, \$600,000.00 is appropriated from the General
7	Fund to the Department for Children and Families' Child Development
8	Division for the purpose establishing an incentive program that fosters an
9	interest in the child care profession among students, including students
10	participating in adult education. The incentive program shall provide
11	grants to fund a combination of opportunities for students employed in
12	regulated, privately operated center-based child care programs and
13	family child care homes, including:
14	(1) scholarships;
15	(2) paid internships; and
16	(3) hiring or retention bonuses, or both.
17	(b) The Division shall administer the incentive program set forth in
18	this section or contract for its administration and adopt policies,
19	procedures, and guidelines necessary to implement the provisions of this
20	section. Grants shall be available pursuant to this section on a first-come,
21	first-served basis until appropriated funds are depleted.

1	(c) An individual shall not simultaneously receive funds from the
2	Vermont Department of Labor to complete a paid internship in regulated,
3	privately operated center-based child care programs and family child care
4	homes while receiving funds pursuant to this section.
5	Sec. 7b. TECHNICAL CENTERS; CHILD DEVELOPMENT
6	ASSOCIATE CREDENTIAL
7	(a) In fiscal year 2020, \$50,000.00 is appropriated from the General
8	Fund to the Department for Children and Families' Child Development
9	Division to facilitate the implementation of the Council for Professional
10	Regulation's Child Development Associate Credential curriculum in
11	technical centers throughout the State.
12	(b) Any unused funds appropriated pursuant to this section shall be
13	reserved to fund grants set forth in Sec. 7a of this act for students who
14	completed the Child Development Associate Credential at a Vermont
15	technical center.
16	* * * Evaluation of Expenditures and Programs * * *
17	Sec. 8. REPORT; EVALUATION OF EXPENDITURES AND PROGRAMS
18	On or before January 1, 2024, the Commissioner for Children and Families,
19	in consultation with stakeholders, shall submit a report to the House
20	Committee on Human Services and to the Senate Committee on Health and
21	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 grant
3	incentivizing the child care profession set forth in Sec. 7a of this act, and
4	the expenditure for technical centers' curriculum development set forth in
5	Sec. 7b of this act;
6	(2) making recommendations as to whether the expenditures and
7	programs in Secs. 3, 7a, and 7b of this act should be continued and, if so, the
8	appropriate funding amount and source; and
9	(3) evaluating how the expenditures and programs in Secs. 3, 7a, and 7b
10	of this act contribute to Vermont's children and young people reaching their
11	potential pursuant to 3 V.S.A. § 2311.
12	* * * Variance for Educational and Experiential Requirements * * *
13	Sec. 9. EDUCATIONAL AND EXPERIENTIAL VARIANCE
14	(a) For individuals operating or employed in a registered family child care
15	home or as a director or teacher associate in a center-based program for 10 or
16	more years prior to September 1, 2016, the Commissioner for Children and
17	Families or designee may issue a variance to the Child Development
18	Division's rule regarding educational and experiential requirements to allow an
19	individual to maintain employment in that same role regardless of whether the
20	family child care provider, family child care assistant, director, or teacher
21	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	<u>September 1, 2016.</u>
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.
4	
5	
6	
7	(Committee vote:)
8	
9	Senator
10	FOR THE COMMITTEE