
This act summary is provided for the convenience of the public and members of the General Assembly. It is intended to provide a general summary of the act and may not be exhaustive. It has been prepared by the staff of the Office of Legislative Counsel without input from members of the General Assembly. It is not intended to aid in the interpretation of legislation or to serve as a source of legislative intent.

Act No. 45 (H.171). Human services; child care

An act relating to child care systems and financing

This act amends the Child Care Financial Assistance Program (CCFAP) by assigning co-payments to an entire participating family versus by child, ensuring that families with an annual gross income of less than or equal to 150 percent of the current Federal Poverty Level (FPL) do not have a family co-payment, and increasing the upper limit of the income scale to 350 percent of current FPL. The act further amends CCFAP by specifying that the payment schedule established by the Commissioner of the Department for Children and Families (DCF) may reimburse providers in accordance with the results of the most recent Vermont Child Care Market Rate Survey and that reimbursement rate caps be tiered in relation to provider ratings under the STARS program. The lower limit of reimbursement rate caps cannot be less than the 50th percentile of all reported rates for the same provider setting in each rate category.

Sec. 5 of this act requires the DCF's Child Development Division (CDD) to make every reasonable effort to achieve full functionality of the first Bright Futures Information System (BFIS) module by October 1, 2021. By August 1, 2021, CDD is to convene a BFIS end-user group, which shall receive periodic updates on the CDD's progress in implementing the BFIS modernization project. The group shall be dissolved following full functionality of all components of the modernized BFIS.

This act develops three workforce development programs: scholarships for current early childhood providers, scholarships for prospective early childhood providers, and student loan repayment assistance; the latter two are set to expire on July 1, 2026. Prior to the repeal of the programs, CDD, in consultation with stakeholders, must submit a report to the General Assembly that:

- evaluates the effectiveness of the scholarship and student loan repayment programs at recruiting and retaining providers; and
- provides recommendations on whether the scholarship and student loan repayment programs should be repealed in accordance with the act, retained and funded in their current state, or retained and modified.

Sec. 10 of this act requires DCF to submit a plan on the proposed use of the Child Care Development Block Grant and the Child Care Stabilization Grants received by the State pursuant to the American Rescue Plan Act of 2021 (ARPA)

for review and acceptance by the Joint Fiscal Committee at its September 2021 meeting. The plan is to be concurrently provided to the Chairs of the House Committee on Human Services and of the Senate Committee on Health and Welfare for input prior to action by the Joint Fiscal Committee.

Sec. 12 of the act requires CDD, on or before July 1, 2022, to submit a report to the General Assembly addressing the costs and policy implications associated with moving from an attendance-based model to an enrollment-based model in CCFAP.

Sec. 13 of this act directs Building Bright Futures to issue a request for proposals to select an independent consulting entity with expertise in the field of child care and early childhood education to provide an analysis and recommendations on Vermont's child care and early education systems for children from birth through five years of age. On or before July 1, 2022, the selected independent consulting entity is required to submit the analysis and recommendations to the General Assembly.

Sec. 14 of this act requires the Joint Fiscal Office to contract with a consultant to evaluate economic impacts of and potential funding mechanisms to adjust Vermont's regulated child care system for children 0–5 years of age with consideration given to the intersection of and impacts on child care for children from six through twelve years of age. The consultant is required to submit a preliminary report to the General Assembly by December 1, 2022, and a final report by January 15, 2023.

Multiple effective dates, beginning on June 1, 2021