



Date: Thursday, January 14, 2021

To: Senator Ginny Lyons, Chair
Senate Committee on Health and Welfare
Representative Ann Pugh, Chair
House Committee on Human Services
Representative Bill Lippert, Chair
House Committee on Health Care

From: Aly Richards, CEO, Let's Grow Kids

Re: 2020 COVID-19 Relief Funds for Child Care

On behalf of Let's Grow Kids, I want to **thank you** for your hard work and dedication to supporting Vermont's child care system during this unprecedented time. The remarkable investments made by the Legislature and Administration since COVID-19 hit Vermont in March have and continue to set a standard for the nation in how to sustain this essential industry. Because of your swift, thoughtful, and consistent action, Vermont's fragile but essential early childhood education system avoided utter disaster, and programs, families, and early educators received crucial supports.

And, as we know, the pandemic continues unabated, even as we see light on the horizon. Child care programs continue to struggle and the 2020 supports have largely run out. We know that CDD is working to understand the new COVID response funds that have come in for child care, including about \$12.5 million. That will certainly help, but it will not solve our bigger structural problems.

As we move forward and continue to chart our course to recovery, we want to reflect on what these 2020 investments made possible to inform the work we will do together to build a stronger early childhood education system for Vermont.

SUCCESS WITH CARES & CRF:

CARES Act investments in 2020 buoyed Vermont's child care programs, and as a result, Vermont has lost fewer programs than virtually any other state, while at the same time supporting families and early educators. Your actions have made a huge impact for:

- **Early Childhood Education Programs:**

- Funding from the **Stabilization Program** helped programs implement health and safety guidelines during the early days of the pandemic, and ensured that programs would be able to reopen their doors once the closure period was over,
- **Restart Stipends** allowed programs to prepare to welcome children and families back into their care responsibly and at their own pace, and to source PPE and cleaning supplies, and
- **Operational Relief Grants** helped programs account for lost income due to smaller class sizes, increased staffing needs for health and safety protocols, additional supplies, and other increased expenses.
- **Families:**
 - **Essential workers** were able to access emergency care when many programs were closed,
 - The **Child Care Financial Assistance Program (CCFAP)** continued payments to programs when children weren't attending, and families who weren't able to pay remaining tuition were able to access support from the state to help hold their child's spot, and
 - **Temporary Child Care Hubs** allowed families with school aged children to access care during remote learning days.
- **Early Childhood Educators:**
 - The **Frontline Workers Hazard Pay Program** and **Workforce Stabilization Program** provided important one-time financial support in recognition of the difficult work of early educators, who are the heart of this work, and many of whom have worked since the beginning of the pandemic to support the early education of Vermont's youngest children.

These investments have been a critical lifeline for Vermont's children and families, early childhood education programs, and early educators. However, we now risk returning to a system that was unsustainable and inequitable, with those shortcomings exacerbated by COVID-19.

THE WORK AHEAD – CONTINUED OPPORTUNITIES FOR RECOVERY:

Although the investments you made in 2020 had a huge impact on Vermont's early childhood education system, our work is far from over. CARES Act-funded supports for programs, families, and early educators expired at the end of 2021, but needs in the system did not. We know there is additional federal funding coming in the next round of COVID-19 relief, but much more is needed to ensure that these investments were not made in vain. We would like to offer some insights on where we believe additional action is needed to help programs through this next phase of the pandemic, and to strengthen the foundation of the system and continue to build resiliency:

- **Affordability:** We encourage continued investment in the Legislature's 5-year redesign plan for the Child Care Financial Assistance Program (CCFAP), and

further expansion of the program in the coming years to continue to support families' ability to afford the care they need for their children.

- **Access and Quality:** We know that the best indicator of quality in early childhood education programs is the expertise and professional preparation of early educators, but even before the pandemic, Vermont's child care system had a workforce shortage. To support those currently in the field and retain new early educators, and to protect access to care into the future, we recommend investing in supports for wages, student loan repayment, and scholarships and professional development for current and prospective early educators.
- **Infrastructure:** The pandemic has shone a light on the shortcomings of the current IT system that administers Vermont's early childhood education system. To ensure that the early childhood education system can continue to improve and weather a future crisis, we urge fully funding the necessary upgrades needed to stabilize the system.

Vermont's recovery from COVID depends on us getting child care right: that means creating a high-quality system that is accessible to all families, universally affordable, and that values early childhood educators. We know now, more than ever, that child care is essential to our children, families, economy, and recovery. Thank you for all that you have done and continue to do for our early childhood education system – we look forward to continuing our work together to strengthen Vermont's early childhood education system so that we can all thrive.