

V E R M O N T
EARLY CHILDHOOD
ADVOCACY ALLIANCE

January 6, 2022

Rep. Mary Hooper, Chair
House Appropriations Committee

Rep. Ann Pugh, Chair
House Human Services Committee
via email

Dear Chair Hooper and Chair Pugh,

I write to urge the Legislature to add significant one-time expenditures to the pending Budget Adjustment Act in support of the state's child care system, families, and providers.

There is broad agreement on the fragile status of our state's child care system – providers are underpaid, families are paying too much, and the system is struggling to deal with the ongoing impacts of the pandemic.

Previous state and federal investments have prevented a total collapse, but more is needed to ensure programs stay open and that the system functions in both the short and long-term. For the sake of children, families, providers, and the broader economy, the system must be supported.

The Alliance requests that these immediate investments of one-time funds be included in the Budget Adjustment Act currently being written:

H. 171 Child Care and Early Childhood Education Financing Study – appropriate funding as requested by the Joint Fiscal Office

This important study is outlined in the bill passed last year, and once funding is secured JFO can begin implementation. The study will help determine the cost of operating a sustainable, equitable, affordable, and high-quality early childhood education system and options for how to fund such a system.

Retention Bonuses for Providers – \$19.6m

Child care providers are working under extremely difficult circumstances doing work that they love, for low wages and in a job market where many better-paying options exist. These are dedicated professionals doing critical work that the entire community and economy rely on. We support the development of a retention program similar to the workforce stabilization program that the Legislature put in place last winter.

Health Care Premium Assistance for Providers – \$11.1m

While some version of health care insurance is available to most child care providers, high deductibles and premiums make actually accessing needed care difficult for too many. This issue

is especially critical at a time when these providers face COVID exposure and increasing mental health strains. A Premium Assistance program has been an effective tool in other states to address these needs, and one-time funds should be used to create a similar program in Vermont.

Student Loan Repayment – \$5.7m

Loan repayments create significant challenges for providers – both those new to the profession and those experienced providers with long-standing debt or new accreditations. Expanding existing repayment programs will provide a critical financial support for providers.

Other initiatives – No-cost child care and Health care navigators

We also ask you to consider other initiatives to support the child care system, some of which do not yet have specific cost estimates. These include allowing child care providers to be eligible for full CCFAP subsidy for their own children, and designating health insurance navigators at Vermont Health Connect to assist early childhood educators with enrollment.

The Budget Adjustment process gives the Legislature the chance to make the investments necessary to ensure our state's child care system survives the next round of pandemic stresses. Vermont's children, families, providers, and employers need your support more than ever.

Sincerely,

A handwritten signature in black ink, appearing to read 'MA L', with a stylized flourish at the end.

Matt Levin
Executive Director

CC: House Appropriations Committee
House Human Services Committee