

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Human Services to which was referred House Bill No.
3 171 entitled “An act relating to the governance and financing of Vermont’s
4 child care system” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 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:**

10 **(1) that immediate investments are necessary to support Vermont’s**
11 **economy, ensure that all families with young children have affordable access**
12 **to high-quality early childhood education, and that Vermont’s early childhood**
13 **educators, the backbone of our economy, are fairly compensated and well**
14 **supported; and**

15 **(2) to continue and build upon the five-year redesign of the Child Care**
16 **Financial Assistance Program that began in fiscal year 2020.**

17 * * * Child Care Financial Assistance Program * * *

18 Sec. 2. 33 V.S.A. § 3512 is amended to read:

19 § 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;

20 ELIGIBILITY

Commented [SK1]: The 5-year plan is a great starting place. If the legislature decides to shift to enrollment-based payments or other expansions in the next two years, adding “and build upon” could allow for expansion in years four and five.

1 (a)(1) The Child Care Financial Assistance Program is established to
2 subsidize, to the extent that funds permit, the costs of child care for families
3 that need child care services in order to obtain employment, to retain
4 employment, ~~or~~ to obtain training leading to employment. Families seeking
5 employment shall be entitled to participate in the Program for up to three
6 months and the Commissioner may further extend that period.

7 (2) The subsidy authorized by this subsection shall be ~~on a sliding scale~~
8 ~~basis. The scale shall be~~ established by the Commissioner, by rule, and shall
9 bear a reasonable relationship to income and family size. Families shall be
10 found eligible using an income eligibility scale based on the current federal
11 poverty level, with considerations to the Livable Wage and the Basic Needs
12 Budget, and adjusted for the size of the family and accordingly assigned a flat
13 family co-payment. ~~The flat~~ family co-payment amount shall be assigned to
14 the whole family and shall not increase if more than one eligible child is
15 enrolled in childcare. ~~The lower limit of the fee income eligibility scale shall~~
16 include families whose gross income is up to and including 100 ~~150~~ percent of
17 ~~the current federal poverty guidelines~~ Families with a gross income up to and
18 including 350 percent of the current poverty guidelines, adjusted for family size,
19 shall be eligible for the program. Families with a gross income of less
20 than or equal to 150 percent of the current federal poverty guidelines shall not
have a family co-payment. ~~The upper income limit of the fee income~~
eligibility scale shall ~~less than 200 350~~ percent of the current

Commented [JH2]: Removing the term flat still provides clarity on the intention for family copayments and allows CDD greater flexibility to make adjustments, as necessary, to best support children and families.

Commented [JH3]: Since this has changed to an eligibility scale, it may be helpful to restructure this and the income cap phrase as follows:
Families with a gross income of up to and including 350 percent of the current poverty guidelines, adjusted for the size of the family, shall be eligible for the program.

21 ~~federal poverty guidelines nor more than 100 percent of the State median~~

1 ~~income, adjusted for the size of the family; The flat family co-payment amount~~
2 ~~at the upper limit of the fee scale shall not exceed ten percent of a family's~~
3 ~~gross family income.~~ The scale shall be structured so that it encourages
4 supports employment. If the federal poverty guidelines decrease in a given
5 year, the Division shall maintain the previous year's federal poverty guidelines
6 for the purpose of determining eligibility and benefit amount under this
7 subsection.

8 * * *

9 ~~(5) Families eligible to participate in the Child Care Financial~~
10 ~~Assistance Program shall include those in which a parent or guardian:~~

- 11 ~~(A) works at least part-time;~~
- 12 ~~(B) works a nontraditional schedule;~~
- 13 ~~(C) is enrolled only part-time in a higher education or job training~~
14 ~~program, including graduate and professional programs or a second bachelor's~~
15 ~~degree program; or~~
- 16 ~~(D) is participating in inpatient or intensive outpatient substance~~
17 ~~misuse treatment or mental health treatment, or both.~~

18 * * *

19 Sec. 3. 33 V.S.A. § 3514 is amended to read:
20 § 3514. PAYMENT TO PROVIDERS

Commented [JH4]: See previous comment.
Commented [JH5]: Again, the intent can be preserved without using the word flat. Allows CDD greater flexibility in administering the program to best meet the needs of children and families.

Commented [SK6]: Recommend striking this as statutory language, as recommended by DCF, and instead referencing department rules by adding the following language:
The Child Development Division shall amend CCFAP eligibility rules to ensure that families enrolled full-time or part-time in any higher education or job training program are eligible to participate in the program.

1 (a) The Commissioner shall establish a payment schedule for purposes of
2 reimbursing providers for full or part-time child care services rendered to
3 families who participate in the programs established under section 3512 or
4 3513 of this title. Payments established under this section shall reflect the
5 following considerations: whether the provider operates a licensed child care
6 facility or a registered family child care home regulated child care program, the
7 type of service provided, and the cost of providing the service and the
8 prevailing market rate for comparable service, including early childhood
9 educator compensation that is commensurate with peers in other fields.
10 Payments shall be based on enrollment status or any other basis agreed to by
11 the provider and the Division.

12 * * *

13 (c)(1) The payment schedule established by the Commissioner shall
14 reimburse providers in accordance with the results of the most recent Vermont
15 Child Care Market Rate Survey and be adjusted on alternating fiscal years
16 following the release of each new Vermont Child Care Market Rate Survey.

17 (2) The payment schedule shall include reimbursement rate caps tiered
18 in relation to provider ratings in the Vermont STARS program and the results
19 of the most recent Vermont Child Care Market Rate Survey. The lower limit of
20 the reimbursement rate caps shall be no less than the 50th percentile of all
21 reported rates for the same provider setting in each rate category. The upper

limit of the reimbursement rate caps shall be no more than the 90th percentile

2 of all reported rates for the same provider setting in each rate category.

Commented [JH7]: Language isn't necessary to include in statute, and capping payments below full market valuation of care could disincentivize child care programs from participating in CCFAP. It communicates that it is the State's intention to continue to provide reimbursement rates that may be less than the program's stated tuition rates.

32 Sec. 4. APPROPRIATION AND LEGISLATIVE INTENT; CHILD CARE

43 FINANCIAL ASSISTANCE PROGRAM

54 (a) In fiscal year 2022, \$5,529,000.00 is appropriated from the General

65 Fund to the Department for Children and Families' Child Development

76 Division above the fiscal year 2021 base appropriation for the purpose of

87 implementing Secs. 2 of this act.

98 (b) It is the intent of the General Assembly that:

109 (1) an appropriation that meets or exceeds the amount distributed in

110 fiscal year 2022 be made in fiscal years 2023 through 2026 to progressively

121 adjust the upper income limit of the Child Care Financial Assistance Program

132 fee scale each year; and

143 (2) by fiscal year 2026, a family shall spend not more than ten percent of

154 their gross annual income on child care.

165 * * * Bright Futures Information System * * *

176 Sec. 5. BRIGHT FUTURES INFORMATION SYSTEM;

187 MODERNIZATION PLAN

198 (a) In fiscal year 2022, \$4,500,000.00 is appropriated from the General

209 Fund to the Department for Children and Families' Child Development

1 Division for the purpose of completing implementation of the Bright Futures
2 Information System modernization plan.

3 (b)(1) On or before October 1, 2021, the Department for Children and
4 Families' Child Development Division shall ensure full functionality of all
5 components of the Bright Futures Information System.

6 (2) On or before August 1, 2021, the Department for Children and
7 Families' Child Development Division shall convene and consult with a Bright
8 Futures Information System end-user group, comprised of child care providers,
9 eligibility specialists from community child care support agencies, and
10 parents/families

11 participating in the Child Care Financial Assistance Program. The Division
12 shall provide monthly updates to the end-user group regarding the Division's
13 progress in completing the modernization project and any successes or
14 challenges identified once the Bright Futures Information System is
15 operational. The Division shall actively seek advice and feedback from the
16 end-user group regarding the Bright Futures Information System. The end-user
17 group shall be dissolved on August 1, 2022.

17 * * * Workforce Supports * * *

18 Sec. 6. 33 V.S.A. chapter 35, subchapter 5 is added to read:

19 Subchapter 5. Workforce

20 § 3541. SCHOLARSHIPS FOR CURRENT EARLY CHILDHOOD

Commented [JH8]: Using the term families better reflects that it's a combination of parents, foster parents, kinship care providers, guardians, etc. who interact with CCFAP on behalf of a child or children.

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PROVIDERS

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1 (a) There is established a need-based scholarship program for individuals
2 employed by a regulated, privately operated center-based child care program or
3 family child care home while acquiring credits in early childhood development
4 or that are related directly to working with children from birth through eight
5 years of age.

6 (b)(1) The Division shall contract for the administration of the program set
7 forth in subsection (a) of this section and adopt policies, procedures, and
8 guidelines necessary for its implementation.

9 (2) The Department may contract for the administration of the program.
10 Administration costs shall not be more than ten percent of the total
11 appropriation received to implement this section.

12 (c) Scholarships distributed pursuant to this section shall be available on a
13 first-come, first-served basis until any appropriated funds are depleted.

14 (e)(d) An individual shall not simultaneously participate in the scholarship
15 program set forth in this section and the student loan repayment assistance
16 program set forth in section 3543 of this title.

17 § 3542. SCHOLARSHIPS FOR PROSPECTIVE EARLY CHILDHOOD

18 PROVIDERS

19 (a)(1) There is established a need-based scholarship program for
20 individuals pursuing a college or graduate degree in early childhood education

1 or early childhood special education. The scholarship program shall provide
2 financial assistance up to the full cost of tuition for an eligible individual.

3 (2) An eligible individual shall:

4 (A) attend a Vermont college or university at least part-time;

5 (B) be pursuing an associates, bachelor's or master's degree in early
6 childhood education or early childhood special education; and

7 (C) commit to working in early childhood education in Vermont for
8 at least three years after completion of their degree program for only those
9 years in which scholarship monies are sought under this section.

10 (b)(1) The Department shall adopt policies, procedures, and guidelines
11 necessary for implementation of the program described in subsection (a) of this
12 section.

13 (2) The Department may contract for the administration of the program.
14 Administration costs shall not be more than ten percent of the total
15 appropriation received to implement this section.

16 (c)(1) Scholarships distributed pursuant to this section shall be available on
17 a first-come, first-served basis until any appropriated funds are depleted.

18 (2) An eligible individual who does not work the required number of
19 years in early childhood education in Vermont after completion of their degree
20 program shall repay scholarship monies received under this section
21 commensurate with the balance of the eligible individual's time commitment.

1 ~~(e)~~(d) An individual shall not simultaneously participate in the scholarship
2 program set forth in this section and the student loan repayment assistance
3 program set forth in section 3543 of this title.

4 § 3543. STUDENT LOAN REPAYMENT ASSISTANCE

5 (a)(1) There is established a need-based student loan repayment assistance
6 program for the purpose of providing student loan repayment assistance to any
7 individual employed by a regulated, privately operated center-based child care
8 program or family child care home.

9 (2) An eligible individual shall:

10 (A) work in a privately operated center-based child care program as a
11 lead or associate teacher or in a family child care home that is regulated by the
12 Division for at least an average of 30 hours per week for 48 weeks of the year;

13 (B) receive an annual salary of not more than ~~\$60,000.00~~ \$50,000.00;
14 and

15 (C) have earned a ~~an~~ associate's or bachelor's or master's degree in
16 early childhood education or early childhood special education within the
17 preceding five years.

18 (3) To participate in the program set forth in this section, an eligible
19 individual shall submit to the Department for Children and Families
20 documentation expressing the individual's intent to work in a regulated,
21 privately operated center-based child care program or family child care home

Commented [SK9]: Committee discussed adding "or related fields" as defined by the Department, which makes sense

1 for at least the following 12 months following the annual loan repayment
2 award notification. A participant may receive up to \$4,500.00 annually
3 \$4,000.00 annually in student loan repayment assistance, which shall be distributed
by
4 the Department in four allotments. The Department shall distribute at least
5 one-quarter of the individual's total annual benefit after the individual has
6 completed three months of employment in accordance with the program. The
7 remainder of an individual's total annual benefit shall be distributed by the
8 Department every three months after the initial payment.

9 (b)(1) The Department shall adopt policies, procedures, and guidelines
10 necessary to implement the provisions of this section.

11 (2) Funds appropriated for this program shall be expended for
12 repayment of student loans. Student loan repayments shall be available
13 pursuant to this section on a first-come, first-served basis until appropriated
14 funds are depleted.

15 (3) The Department may contract for the administration of the program.
16 Administration costs shall not be more than ten percent of the total
17 appropriation received to implement this section.

18 (c) An individual shall not simultaneously participate in the student loan
19 repayment assistance program set forth in this section and either of the
20 scholarship programs set forth in section 3541 or 3542 of this title.

Commented [SK10]: Need to clarify that this is an annual payment.

1 Sec. 7. APPROPRIATION, ~~AND~~ LEGISLATIVE INTENT, ~~AND~~

2 ~~EVALUATION~~; EARLY CHILDHOOD WORKFORCE

3 PROGRAMS

4 (a)(1) In fiscal year 2022, \$300,000.00 is appropriated from ~~the General~~
5 ~~Fund~~ to the Department for Children and Families' Child Development
6 Division for the Current Early Childhood Provider Scholarship Program
7 established pursuant to 33 V.S.A. § 3541.

8 (2) In fiscal year 2022, ~~\$200,000.00~~ \$400,000.00 is appropriated ~~from~~
9 ~~the General Fund~~ to the Department for Children and Families for the
10 Prospective Early Childhood Provider Scholarship Program established
11 pursuant to 33 V.S.A. § 3542.

12 (3) In fiscal year 2022, ~~\$2,000,000.00~~ \$1,800,000.00 is appropriated
13 ~~from the General Fund~~ to the Department for Children and Families for the
14 student loan repayment assistance program established pursuant to 33 V.S.A.
15 § 3543.

16 (b) It is the intent of the General Assembly that appropriations that meet or
17 exceed each of the amounts appropriated in fiscal year 2022 pursuant to
18 subdivisions (a)(1) through (3) of this section be made in fiscal years 2023
19 through 2026.

20 (c) On or before October 1, 2025, the Department for Children and
21 Families' Child Development Division, in consultation with stakeholders, shall

1 submit a written report to the House Committee on Human Services and to the
2 Senate Committee on Health and Welfare:

3 (1) evaluating the effectiveness of the scholarship and student loan
4 repayment programs established in 33 V.S.A. chapter 35, subchapter 5 at
5 recruiting and retaining providers in Vermont’s child care and early learning
6 system; and

7 (2) recommending whether the scholarship and student loan repayment
8 programs established in 33 V.S.A. chapter 35, subchapter 5 shall be repealed in
9 accordance with Sec. 8, retained and funded in their current state, or retained
10 with amendment.

11 Sec. 8. REPEALS

12 (a) 33 V.S.A. § 3541~~(e)~~(d) (reference to student loan repayment assistance
13 program) is repealed on July 1, 2026.

14 (b) 33 V.S.A. § 3542 (scholarships for prospective early childhood
15 providers) is repealed on July 1, 2026.

16 (c) 33 V.S.A. § 3543 (student loan repayment assistance program) is
17 repealed on July 1, 2026.

* * * Early Care and Education **Governance Systems** and Administration

Advisory Commission * * *

Sec. 9. **RECOMMENDATIONS**; EARLY CARE AND EDUCATION

GOVERNANCE SYSTEMS AND ADMINISTRATION

ADVISORY COMMITTEE

(a) Creation. Purpose. There is created the Early Care and Education Governance and Administration Advisory Committee to Building Bright Futures' Early Learning and Development Committee shall advise the Agency of Human Services, Department for Children and Families, and Child Development Division on all services pertaining to child care and early education regulation, including:

(1) child care licensing rules, policies, and procedures;

(2) administration of the early childhood education system;

(3) Child Care Financial Assistance Program rules, policies, procedures, and plans;

(4) child care provider credentialing and compensation standards;

(5) the Vermont STARS quality rating and improvement system;

(6) early childhood care and education curricula standards, including antiracist early childhood education practices and standards; and

(6)(7) the early care and education **governance systems analysis** and administration study pursuant to Sec. 12 of this act.

1 (b) Membership. The membership of the Committee members shall be
2 appointed by Building Bright Futures and shall be composed of adjusted for
3 the purposes of providing the recommendations required by this section to
4 reflect the growing diversity of Vermont’s children and families, including
5 individuals who are Black, Indigenous, ~~and or other~~ Persons of Color, and to include
6 the following members:

7 (1) a parent or caregiver from a large town or city;

8 (2) a parent or caregiver from a rural community;

9 (3) a family child care home provider;

10 (4) a center-based child care and preschool program provider;

11 (5) a Head Start family policy advisory council member;

12 (6) a Head Start early childhood provider or program director;

13 (7) a representative of the Vermont Association for the Education of

14 Young Children;

15 (8) a representative of the Vermont Early Childhood Education Higher

16 Education Consortium;

17 (9) a representative of Vermont’s Parent Child Center Network;

18 (10) a representative of a community child care resource agency;

19 (11) a provider of Children’s Integrated Services;

20 (12) a provider of early childhood special education services;

21 (13) a regional Universal Pre-K Coordinator;

1 (14) a pediatrician; and

2 (15) a community member;

3 (16) a representative of the National Federation of Independent

4 Businesses;

5 (17) a representative of Vermont Businesses for Social Responsibility;

6 (18) a representative of the Vermont Business Roundtable; and

7 (19) the Executive Director of the Office of Racial Equity, or designee;

8 (20) any other member that Building Bright Futures deems necessary to

9 complete the work required by this section.

10 (c) Assistance. The Committee shall have the administrative assistance of
11 Building Bright Futures and the technical and legal assistance of the
12 Department for Children and Families' Child Development Division.

13 (d)(1) Interim report. On or before January 15, 2022, the Committee
14 shall submit an interim written report to the House Committee on Human
15 Services and to the Senate Committee on Health and Welfare a summary of the
16 Committee's efforts to organize and provide advice to the Department to date.

17 (2) Annual Reports. Annually, on- On or before September 1, 2022 and
18 2023, the Committee shall submit a written report to the House Committee on
19 Human Services and to the Senate Committee on Health and Welfare with a
20 summary of its annual activities, findings, and any recommendations for
21 legislative action.

Commented [SK11]: Given that there are three business representatives, we would recommend adding another parent or guardian representative so there are an equivalent number of voices representing families. Could specify a guardian of a child in kinship care/foster care.

1 (e) Meetings.

2 (1) The Committee shall begin the work required by this section on or
3 before September 1, 2021.

4 (2) The Committee shall select a chair from among its members at the
5 first meeting.

6 (3) A majority of the membership shall constitute a quorum.

7 (4) The Committee shall cease to exist work required by this section
8 shall be completed on January 15, 2024.

9 (f) Compensation and reimbursement. Members of the Committee
10 shall be entitled to per diem compensation and reimbursement of expenses as
11 permitted under 32 V.S.A. § 1010 for not more than six meetings annually.
12 These payments shall be made from monies appropriated to Building Bright
13 Futures.

14 (g)(1) Appropriation. In fiscal year 2022, \$25,000.00 is appropriated from
15 the General Fund to Building Bright Futures.

16 (2) It is the intent of the General Assembly that \$25,000.00 is
17 appropriated to Building Bright Futures in fiscal year 2023 for the purpose of
18 providing the recommendations required by this section.

19 (h)(g) Definition. As used in this section, “early care and education”
20 means programming provided at a center-based child care program or family
21 child care home regulated by the Department for Children and Families’ Child

1 Development Division that serves children from birth through five years of
2 age.

3 * * * Studies and Reports * * *

4 Sec. 10. EARLY CARE AND EDUCATION GOVERNANCE SYSTEMS

5 ANALYSIS STUDY

6 (a) In order to ensure that Vermont's governance systems for early
7 childhood education effectively meets the needs of children, families, and
8 providers, including early care and education programs' ability to refer and
9 connect families to needed services, Building Bright Futures shall undertake an
10 analysis that evaluates and makes recommendations on the following:

11 (1) existing early childhood education governance systems and
12 administrative stakeholders and structures;

13 (2) early childhood education governance systems and administrative
14 functions that are currently not staffed or understaffed;

15 (3) emerging system needs;

16 (4) stakeholder engagement in decision-making processes and State plan
17 development;

18 (5) mechanisms to strengthen system oversight and leverage current
19 system strengths;

20 (6) identification of existing needs and challenges; and

1 (7) ensuring that an antiracist approach is utilized in modifying existing
2 policies and procedures and creating new policies and procedures.

3 (b) On or before September 1, 2022, Building Bright Futures shall submit
4 the analysis and recommendations required pursuant to this section to the
5 General Assembly.

6 (c) Building Bright Futures shall consult with the Early Care and Education
7 Advisory Committee, established in Sec. 14 of this act, in In preparing the
8 analysis and recommendations required pursuant to this section, Building
9 Bright Futures shall rely on the work and advice provided pursuant to Sec. 9 of
10 this act.

11 (d)(1) In fiscal year 2022, \$200,000.00 is appropriated from the General
12 Fund to Building Bright Futures for the purpose of implementing this section.

13 (2) Building Bright Futures may use appropriated funds to cover
14 administrative needs associated with the study and to contract a consultant with
15 experience in organizational or administrative governance systems,
16 administration, or system management experience.

17 (e) As used in this section, “early care and education” means programming
18 provided at a center-based child care program or family child care home
19 regulated by the Department for Children and Families’ Child Development
20 Division that serves children from birth through five years of age.

21 **Sec. 11. REPORT; CHILD CARE FINANCIAL ASSISTANCE PROGRAM**

1 On or before January 15, 2022, the Department for Children and Families
2 Child Development Division shall submit to the House Committees on
3 Appropriations and on Human Services and to the Senate Committees on
4 Appropriations and on Health and Welfare analyses addressing:
5 (1) the costs and policy implications associated with moving from an
6 attendance-based model to an enrollment-based payment model in the Child Care
7 Financial Assistance Program; and
8 (2) the costs of utilizing a federally-approved cost of care model versus a
9 market rate model to determine payment rates
10 in the Child Care Financial Assistance Program and associated policy
11 implications.

11 Sec. 12. EARLY CHILDHOOD FINANCING STUDY

12 (a) On or before January 15, 2022, the State Treasurer, Auditor, Joint Fiscal
13 Office, Commissioner of Finance, and Commissioner of Taxes shall deliver to
14 the General Assembly a comprehensive report identifying and determining the
15 feasibility of implementing a stable, long-term funding source to finance an
16 affordable, high-quality early child care system given child care's role in
17 postpandemic stimulus and long-term economic development. The State
18 Treasurer, Auditor, Joint Fiscal Office, Commissioner of Finance, and
19 Commissioner of Taxes shall consider stable, ongoing funding necessary to
20 achieve an early care and education system in which: On or before September

Commented [SK12]: Adding a few words for clarification. Also note the cost of care model analysis should have a later deadline – we recommend July 1, 2022.

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1, 2021, the Joint Fiscal Office shall contract with an economist or independent

1 consulting entity with expertise in the field of early care and education to
2 examine the economic impacts of and potential funding mechanisms to adjust
3 Vermont's existing child care system with the following goals:

4 (1) that a family does not spend more than 10 percent of its gross annual
5 income on child care; and

6 (2) that child care programs are paid rates that reflect their actual costs
associated with providing care, inclusive of providers receive receiving
compensation that is commensurate

7 with their peers in other fields;

8 (3) all Vermont children below five years of age have access to a child
9 care space that meets their needs; and

10 (4) early care and education programs are able to support families'
11 access to coordinated services.

12 (b)(1) The report required pursuant to this section shall determine:-

13 (1) a stable, long-term funding source to fund the system;

14 (2) the optimum design of a stable, long-term funding source;

15 (3) the feasibility of such a stable, long-term funding source, in terms of
16 sustainability, equity, and appropriateness; and

17 (4) the feasibility of dedicating revenue from a stable, long-term funding
18 source to a dedicated Early Care and Education Fund and the most efficient

19 methods of administering distribution of the Fund In conducting this

20 evaluation, the consultant shall consult with Building Bright Futures, the State

Commented [SK13]: One option for building the full cost of care, including increased compensation, into the study design.

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Treasurer, the Commissioners of Finance, Taxes, and for Children and

1 ~~Families, the Secretary of Education, and any other State entity the consultant~~
2 ~~deems necessary.~~

3 ~~(2) The consultant shall consult with the Auditor for the purpose of~~
4 ~~ensuring that the consultant's evaluation includes appropriate requirements for~~
5 ~~ongoing performance review, accountability, and outcomes tracking.~~

6 ~~(c) The Treasurer, Auditor, Joint Fiscal Office, and Tax Commissioner~~
7 ~~shall include input from State or contracted economists and analysts, or both,~~
8 ~~including an economist or analyst with expertise specifically related to early~~
9 ~~care and education issues.~~

10 ~~(d)(1) As part of the report, the Treasurer, Auditor, Joint Fiscal Office,~~
11 ~~Commissioner of Finance, Commissioner of Taxes, and contracted advisors~~
12 ~~shall produce a consensus evaluation of the economic impact of investment in~~
13 ~~high-quality, affordable child care for children from birth through five years of~~
14 ~~age through a stable, long-term funding source. The consensus evaluation~~
15 ~~shall include both microeconomic and macroeconomic simulations, looking at~~
16 ~~individual and economywide impacts and responses, and the allocation of such~~
17 ~~impacts across economic sectors, including direct, indirect, and induced~~
18 ~~results.~~

19 ~~(2) Data and tools used to produce the consensus evaluation shall be~~
20 ~~employed, including Moody's Analytics and customized Moody's online~~
21 ~~Vermont models, as well as dynamic and other input and output-based~~

1 ~~models, including those from Regional Economic Models, Inc. (REMI),~~
2 ~~Regional Dynamics, Inc. (REDYN), IMPLAN, and other models as advised.~~
3 ~~(3) The consensus consultant's evaluation shall consider:~~
4 ~~(A)(1) demographic impacts take into consideration demographic and~~
5 ~~workforce impacts; and~~
6 ~~(B)(2) workforce impacts review potential indirect impacts and~~
7 ~~multiplier effects on parents and guardians, child care providers, and entities~~
8 ~~providing care, supplies, and services; children participating in child care~~
9 ~~programs; and other impacts to Vermont's economy and communities.~~
10 ~~(C)(3) warnings, savings, and multiplier effects for:~~
11 ~~(i)(A) parents or guardians;~~
12 ~~(ii)(B) child care providers;~~
13 ~~(iii)(C) early care and education programs;~~
14 ~~(iv)(D) entities providing supplies and services for early care and~~
15 ~~education programs; and~~
16 ~~(v)(E) children receiving child care as future members of the~~
17 ~~workforce;~~
18 ~~(D)(4) general business earnings and multipliers stemming from~~
19 ~~increased workforce participation;~~
20 ~~(E)(5) community development;~~
21 ~~(F)(6) increased tax revenue; and~~

Commented [SK14]: Alternative for embedding the cost of care: could add a new (1) to say:
Take into consideration the actual cost of care of operating high-quality early care and education programs, building on the analysis of the Blue Ribbon Commission and consulting with national advisors; and

1 ~~(G)(7) social service savings, including:~~

2 ~~(i)(A) health care;~~

3 ~~(ii)(B) education; and~~

4 ~~(iii)(C) corrections.~~

5 ~~(4) The consensus evaluation shall present findings on:~~

6 ~~(d)(1) On or before November 15, 2022, the consultant shall submit~~
7 ~~preliminary results to the Joint Fiscal Office and to the chairs of the House~~
8 ~~Committees on Appropriations, on Human Services, and on Ways and Means~~
9 ~~and to the Senate Committees on Appropriations, Finance, and Health and~~
10 ~~Welfare.~~

11 ~~(2) On or before January 15, 2023, the consultant shall submit to the~~
12 ~~House Committees on Appropriations, on Human Services, and on Ways and~~
13 ~~Means and to the Senate Committees on Appropriations, Finance, and Health~~
14 ~~and Welfare results that:~~

15 ~~(1) projects the costs of expanding the State's child care benefit to more~~
16 ~~families in accordance with this section and requiring commensurate pay for~~
17 ~~providers and the feasibility of implementing each policy in Vermont, both~~
18 ~~separately and jointly;~~

19 ~~(2) identify and determine the feasibility of implementing a stable, long-~~
20 ~~term funding source to finance an affordable, high- quality early child care~~

1 system given child care’s role in postpandemic stimulus and long-term
2 economic development.

3 (A) the efficacy of the infrastructure investment in high-quality,
4 affordable early care and education as a short-term stimulus to enhance
5 Vermont’s economic well-being in the immediate aftermath of the COVID-19
6 pandemic; and

7 (B) the efficacy of the infrastructure investment in high-quality,
8 affordable early care and education as a long-term economic development tool
9 and, to the extent possible, to quantify long-term return on investments.

10 (e) The Secretary of Administration shall be allowed to accept
11 philanthropic contributions to underwrite the cost of hiring economists and
12 analysts to provide expertise specific to early care and education in accordance
13 with this section.

14 (f) In fiscal year 2022, \$500,000.00 shall be appropriated from the General
15 Fund to the Joint Fiscal Office for the purpose of hiring a consultant pursuant
16 to this section.

17 (g) As used in this section, “early care and education” means programming
18 provided at a center-based child care program or family child care home
19 regulated by the Department for Children and Families’ Child Development
20 Division that serves children from birth through five years of age.

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* * * Effective Dates * * *

Sec. 13. EFFECTIVE DATES

This act shall take effect on July 1, 2021, except that Sec. 2 (Child Care
Financial Assistance Program; eligibility) shall take effect on October 1, 2022.

(Committee vote: _____)

Representative _____
FOR THE COMMITTEE