



April 9, 2021

Re: Budget for SFY22

Dear Chair Kitchel, Chair Lyons and members of the Senate Appropriations and Senate Health & Welfare Committees:

On behalf of Vermont's Head Start programs and agencies, and the children and families we serve, we are writing to express our support of the House's budget position for child care and for the funding needed to support the child care bill, H.171. Head Start programs are two-generation, child and family development programs for children and families with low income. Head Start and Early Head Start provide high quality, comprehensive, early care and education services for children ages birth to five, and social services for their families. We have seen firsthand how high quality, research-based programs with rigorous accountability such as Head Start help to facilitate positive outcomes for children and families.

Early care and education providers are essential, and this has never been more evident than in the last year of the pandemic. Your investment has kept critically needed facilities and programs open and available for children, families, and employers. The latest draft of the budget supports the critical investment in IT modernization (\$4.5M one-time), and continued support of the 5-year CCFAP redesign plan and investment in building capacity of the system to meet the needs of families, work force, and employers.

Besides the IT dollars, here are the investments as outlined in the child care bill, H.171:

- **\$5.529M for CCFAP to increase access to child care.** The current proposal continues the CCFAP 5-year redesign plan. In includes instituting flat family co-pays based on the federal poverty level (FPL), expanding the lower limit for families who would have no co-pays from 100% FPL to 150% FPL, and expanding those who can receive subsidies to 350% FPL. It also includes reimbursement rate caps tiered in relation to provider ratings in the Vermont STARS program of which the lower limit would not be less than the 50th percentile of all reported rates for the same provider setting in each rate category. This was also in the Governor's FY22 Recommendation.
- **\$2.5M for workforce supports to increase child care providers.** It is estimated that VT needs 2,000 additional early childhood educators. The House supported funding needed this year for scholarships (\$700K) and a loan repayment program to recruit and retain a skilled workforce (\$1.8M).
- **\$225K for governance and financing studies to map the future of child care**. The House budget included funding for two studies to help map the future of the early care and education system: One study to evaluate the estimated cost and a sustainable funding source for the significant investment needed to solve this problem, as well as a governance and accountability analysis for the early care and education system.

Thank you for your time and for your support of Vermont's children and families.

Paul Behrman, Chair Vermont Head Start Association

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