

Act 76 update

January 3, 2024

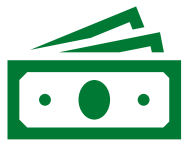
Janet McLaughlin

**Deputy Commissioner,
Department for Children and
Families - Child Development
Division**



Components of the Law

Changes required by Act 76 fall into these categories:



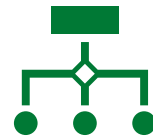
CCFAP

Changes impacting the Child Care Financial Assistance Program



Child Care Licensing

Changes and additions to licensing regulations



Accountability and Administration

Requirements and resources for Act 76 implementation



PreK-Related

Reports and planning related to PreK



Reports and Presentations

Required reporting from state entities

Direct Payments to Programs

- **One-time Act 76 Readiness Payment Program** ✓
 - \$17.3M (of \$20M) awarded so far and being distributed to over 750 providers/programs willing to accept CCFAP
 - Simple, quick application open through February 9th
- **In 2024 and beyond**, \$10M Quality and Capacity Incentive payments to programs accepting CCFAP
 - To be designed with stakeholder input in first half of 2024
 - Will include expanded financial incentive for STARS

CCFAP Rates

State Reimbursements to Child Care Programs

In 2023:

- CCFAP capped rates now have higher base rates: 7/2/23 ✓
- CCFAP rates no longer tied to programs' STARS ratings: 7/2/23 ✓
- Pay all programs at CCFAP state rates: 12/17/23 ✓
- Increase CCFAP state rates by 35%: 12/17/23 ✓

Updated CCFAP Certificates and Statements of Eligibility were issued and effective on Sunday December 17, 2023

In 2024:

- For Family Child Care Homes: Increase CCFAP state rates by 50% of difference between family child care and center-based program state rates: 7/1/24

CCFAP State Rates

Child Care Financial Assistance State Rates

Effective December 17, 2023

The State rates are the maximum amount the State will pay to a child care provider on behalf of a family receiving child care financial assistance. The State will pay the State Rate regardless of the provider rate agreement. For more detailed information about payments, which includes examples, please see our fact sheet.

Licensed Center		State Rate	Registered Home		State Rate
Infant	Full Time	\$471	Infant	Full Time	\$304
	Part Time	\$258		Part Time	\$166
	Extended Care	\$640		Extended Care	\$413
Toddler	Full Time	\$443	Toddler	Full Time	\$285
	Part Time	\$243		Part Time	\$157
	Extended Care	\$602		Extended Care	\$386
Preschool	Full Time	\$439	Preschool	Full Time	\$284
	Part Time	\$240		Part Time	\$155
	Extended Care	\$597		Extended Care	\$385
School age	Full Time	\$371	School age	Full Time	\$270
	Part Time	\$204		Part Time	\$149
	Extended Care	\$505		Extended Care	\$367

Important Definitions

Authorized Hours of Care:
 Full Time Weekly—26 to 50 hours a week
 Part Time Weekly—1 to 25 hours a week
 Extended Care—more than 50 hours a week

Child's Age

Infant—birth up to 24 months old
 Toddler—2 up to 3 years old
 Preschool—3 up to 5 years old
 School age—5 up to 13 years old (19 if child has special needs)



CCFAP Rates

- Example FT toddler in a center

BEFORE

CCFAP capped rate: \$328/week
Example tuition: \$400/week

CCFAP payment: \$278/week
Weekly family share: \$50/week
Additional Co-pay: \$72/week

Family paying significantly more than is affordable.

Program's CCFAP reimbursement limited to its regular tuition rate.

NOW

CCFAP state rate: \$443/week
Example tuition: \$400/week

CCFAP rate: \$393/week
Weekly family share: \$50/week
Additional Co-pay: \$0

Family pays \$72/week less for care.

Program receives \$43/week more for this family to support quality and stability.

CCFAP Eligibility

Expansion of Income Eligibility for Families

Begins in 2024

- Income eligibility increases to 400% FPL: 4/1/24
- \$0 weekly family share extends to 175% FPL: 4/1/24
- Income eligibility increases to 575% FPL: 10/1/24

An additional \$2M has been allocated for CCFAP eligibility specialists to Community Child Care Support Agencies. ✓

CCFAP Eligibility (continued)


Current

Child Care Financial Assistance Income Guidelines

Effective February 26, 2023

Family Size of 3 or Less			Family Size of 5		
Gross Monthly Income	Federal Poverty Level (FPL)	Weekly Family Share	Gross Monthly Income	Federal Poverty Level (FPL)	Weekly Family Share
\$3,108	150%	\$0	\$4,393	150%	\$0
\$3,625	175%	\$25	\$5,125	175%	\$25
\$4,143	200%	\$50	\$5,857	200%	\$50
\$4,661	225%	\$75	\$6,589	225%	\$75
\$5,179	250%	\$100	\$7,321	250%	\$100
\$5,697	275%	\$125	\$8,053	275%	\$125
\$6,215	300%	\$150	\$8,785	300%	\$150
\$6,733	325%	\$175	\$9,517	325%	\$175
\$7,251	350%	\$200	\$10,249	350%	\$200

Family Size of 4			Family Size of 6 or More		
Gross Monthly Income	Federal Poverty Level (FPL)	Weekly Family Share	Gross Monthly Income	Federal Poverty Level (FPL)	Weekly Family Share
\$3,750	150%	\$0	\$5,035	150%	\$0
\$4,375	175%	\$25	\$5,874	175%	\$25
\$5,000	200%	\$50	\$6,713	200%	\$50
\$5,625	225%	\$75	\$7,553	225%	\$75
\$6,250	250%	\$100	\$8,392	250%	\$100
\$6,875	275%	\$125	\$9,231	275%	\$125
\$7,500	300%	\$150	\$10,070	300%	\$150
\$8,125	325%	\$175	\$10,909	325%	\$175
\$8,750	350%	\$200	\$11,748	350%	\$200



VERMONT
DEPARTMENT FOR CHILDREN AND FAMILIES
CHILD DEVELOPMENT DIVISION

Family Size of 4		
Gross Monthly Income	Federal Poverty Level (FPL)	Weekly Family Share
\$3,750	150%	\$0
\$4,375	175%	\$25
\$5,000	200%	\$50
\$5,625	225%	\$75
\$6,250	250%	\$100
\$6,875	275%	\$125
\$7,500	300%	\$150
\$8,125	325%	\$175
\$8,750	350%	\$200

In February 2024, CDD will release updated income guidelines that reflect the 2024 Federal Poverty Guidelines.

This table will extend to 400% before **April 1, 2024**, and to 575% before **October 1, 2024**.

PreK- related

Act 76 established a new Prekindergarten Education Implementation Plan Committee

- Co-chaired by interim AOE Secretary Bouchey and DCF CDD Deputy Commissioner McLaughlin.
- Committee established on July 14, 2024. Meetings are open to the public and public comment is welcome.
- Facilitator/Project Manager engaged in December 2023.
- Initial report on PreK Pupil Weighting submitted in December 2023.
- Main report due to Legislature: December 1, 2024.

Tuition Rate Cap

For the year beginning July 1, 2023, and ending June 30, 2024, regulated child care programs may not increase their annual tuition more than 7.2%.

- This amount is 1.5 times the percent change of the Bureau of Labor Statistics' Employment Cost Index for NAICS code 611, Educational Services, for March 2023.
- *Example:* If your current tuition is \$1500/month then the maximum you can increase tuition is $\$1500 \times .072 = \108.00 .
- CDD is currently providing education to child care providers and families on this new requirement.

Fees

As of 7/1/23, programs can no longer accept **application and waitlist fees** for children who are eligible for CCFAP and must reimburse on those fees for children who are later found to be eligible at the time. (33 V.S.A. § 3516)

- This requirement is now incorporated into CCFAP Provider Agreements.
- Per memo issued by CDD in September, “This law only governs application and waitlist fees; these are fees that some programs collect before a child is offered a place in a program. This law does not apply to fees that are associated with offering services to an enrolled family, such as an enrollment fee to cover supplies or an enrollment deposit that would then be applied against tuition payments.”

More Info

[Act 76 \(H.217\) | Department for Children and Families
\(vermont.gov\)](#)

- Summary and Status chart
- Related memos
- Related links
- FAQs