



Date: Thursday, January 23, 2025
To: Rep. Robin Scheu, Chair, House Committee on Appropriations
From: Aly Richards, CEO, Let's Grow Kids
Re: SFY 2025 BAA and Child Care

Good afternoon Chair Scheu, Vice Chair Harrison, and members of the House Appropriations Committee. My name is Aly Richards, I am the CEO of Let's Grow Kids. Our mission is to ensure affordable access to quality child care for all Vermont families who need it.

I want to first thank you for passing the transformative child care law, Act 76, last session. Today, I am here to talk about child care funding in the FY25 Budget Adjustment Act. Let's Grow Kids and our partners are deeply concerned about the proposal that the Governor has presented to you to repurpose millions of dollars that were intended to go to child care.

I ask that you reject any proposal – starting with this one – which diverts funding from a system that we are just starting to successfully transform. We urge you to continue to make progress towards the goals laid out in Act 76.

Your leadership to create new public investment through Act 76 is working to make our state more affordable for families. Over the past year, public investment in child care has led to:

- 1,000 new child care spaces;
- 90 new child care programs – 50 of which are family child care homes – have opened across our state in both rural and more urban communities. New programs have opened in Springfield, Cabot, Swanton, Bennington, and Milton, just to name a few; and
- Compared to this time last year, 1,600 more families are enrolled in child care tuition assistance.

We've heard from hundreds of Vermonters about how they've been positively impacted by new public investment in child care. Take Rebecca D. from Burlington, whose family is now saving \$30,000 a year on child care costs for her two kids thanks to recent eligibility expansions, allowing her and her husband to stay in the workforce.

While we're making progress, we also know there are families out there who are, in fact, eligible for CCFAP but either haven't heard about the recent eligibility expansions or haven't yet been able to access those savings. We also know that even when a new family is deemed eligible for CCFAP, they can still have trouble finding a child care space. We need to be proactive right now and moving forward to ensure the funding that is available and allocated specifically for child care, reaches as many families and child care programs as possible. It's vital to remember that for all of our progress – the child care crisis remains.

I've included a memo for the committee's review that includes specific recommendations the Legislature can use to spend the available funds to best meet our state's most critical child care and early learning needs. One of those recommendations is rather straightforward and would immediately provide relief for families: We're \$1 million shy of complying with federal rules making sure certain families only pay 7% of their income on child care.

I'll close with this: Act 76 has become a key driver of affordability in Vermont. We must continue forward momentum on child care to make our state more affordable for families and more viable for businesses – and all of this helps reverse our state's demographic challenges.