



Date: January 23, 2025
 To: Chair Marcotte and members of the House Committee on Commerce and Economic Development
 CC: Representative Jessica Brumsted, Legislative representative on the State Advisory Council
 From: Dr. Morgan Crossman, Executive Director, Building Bright Futures and Anna Brouillette, Policy and Program Director, Building Bright Futures
 Re: Introduction to Building Bright Futures and Monitoring Act 76

Building Bright Future’s Role in Vermont’s Early Childhood System

Building Bright Futures (BBF) is Vermont’s early childhood public-private partnership charged under Title 33, Chapter 46 and the federal Head Start Act to serve as Vermont’s Early Childhood State Advisory Council. State statute charges BBF with maintaining and monitoring the vision and strategic plan for Vermont’s early childhood system and serving as the primary advisor to the Governor and legislature on the status of children in the prenatal period through age eight and their families.

BBF’s mission: To improve the well-being of children and families in Vermont by using evidence to inform policy and bringing voices together across sectors and within regions to discuss critical challenges and problem-solve.

Building Bright Futures State Advisory Council (SAC) does not directly lobby for or oppose any specific bill or action discussed within the legislature or legislatively appointed committee. Our role is to convene and elevate the voices of families and early childhood partners, monitor the system by identifying high-quality up-to-date data, and synthesize this information to advise decision-makers.

BBF Network Infrastructure: These roles are fulfilled through BBF’s infrastructure which includes a network of over 450 early childhood partners (figure below):

- A network of 12 Regional Councils convening early childhood experts throughout Vermont communities to move forward local and statewide early childhood priorities;
- 7 Vermont Early Childhood Action Plan (VECAP) committees upholding and monitoring the Early Childhood vision and strategic plan for Vermont;
- The State Advisory Council (SAC) brings together cross-sector early childhood leaders to issue recommendations, increase coordination to advance a connected and evolving early childhood system, and advise the Governor and Legislature.



Vermont's Early Childhood Data and Policy Center: The center is designed to be an independent source of data, research, and publications on the early childhood system, including:

- [Vermont’s Early Childhood Data Portal](#), where you can sort, visualize, and download data
- [The State of Vermont’s Children](#) keystone report
- A searchable database of BBF’s [publications and resources](#)
- BBF’s recent [legislative advisement](#) and [Act 76 monitoring](#)



2025 State Advisory Council Policy Recommendations

Annually, the Building Bright Futures team works with the State Advisory Council and Network to identify the current gaps and needs for young children, their families, and the early childhood system. More of this process can be [found here](#). This year's recommendations represent needs and emerging priorities from across the state's early childhood system including:

- Enacting best practices statewide for **elevating the voices of families and community members**
- Investing to **ensure families have access to safe and secure housing** in the immediate term and long-term
- **Supporting families, children, staff, and providers navigating the child welfare system by investing in system improvements that will improve service delivery**
- Investing to **ensure inclusion and meet social-emotional health needs in early education and afterschool programs**
- And many more: [Read the full recommendations here](#)

Act 76 Monitoring

Building Bright Futures, Vermont's early childhood State Advisory Council, is charged with monitoring Act 76 and is tracking both implementation and impacts related to the law's significant changes to and investments in Vermont's child care system. In order to do this well, BBF collaborates with a wide range of partners including state agencies, Vermont's federal delegation, community partners, early childhood educators, and families. The [2025 Act 76 Monitoring Report](#) was submitted to the legislature on January 15, 2025.

Implementation Progress: Since our previous annual report on Act 76 monitoring, many key elements of Act 76 were implemented. Some of these include:

- Expansion of the Child Care Financial Assistance Program (CCFAP), increasing income eligibility to 575% of the Federal Poverty Level (now the highest threshold for child care assistance in the country) and eliminating copayments for families up to 175% FPL
- Implementation of the primary funding mechanism of Act 76, a 0.44% payroll tax and 0.11% self-employment tax
- Launch of the Child Care Quality and Capacity Incentive Program

Notable Success and Challenges in 2024: Implementation of Act 76 brought a number of notable successes related to program development and administration in 2024. Details on each of the below successes and challenges can be found in the full [Act 76 monitoring report](#):

- CDD's intentional review and update of policies related to CCFAP
- Progress towards improving technical and data infrastructure
- CDD's strong commitment to community and partner feedback.

Notable challenges include:

- Ongoing workforce shortages
- Concerns over the transition to enrollment-based reimbursement
- Limited outreach among vulnerable populations



- Continued uncertainty regarding the rate cap, and
- The expansive charge of the Prekindergarten Education Implementation Committee.

Prekindergarten Education Implementation Committee: The Prekindergarten Education Implementation Committee (PEIC) was formed to support the potential expansion of the universal pre-K program by 2026. Over 16 months, the committee engaged partners, compiled data, and issued a final report with four recommendations, including:

- Maintaining benefits for 3-year-olds
- Expanding access for 4-year-olds
- Commissioning a report on pupil weighting, and
- Reviewing the methodology for updating the rate for non-school-based programs.

Strengths of the PEIC included strong facilitation, data-driven decision-making, and committed members. However, challenges such as an unrealistic timeline, insufficient data systems, leadership transitions, and evolving political priorities hindered progress. The PEIC's challenges highlight the need for strengthened data systems to inform pre-K policy and accountability.

Indicators to Watch: While it is early to expect significant changes in indicators related to child care access and affordability, there are notable indicators this year that illustrate promising progress. These include an increase of 170 infant slots in 2024, 550 families at 175% FPL who no longer have a copay, 1,500 CCFAP applications submitted online in two months, 1,256 families above 400% now enrolled in CCFAP, and 480 career ladder bonuses awarded October 2023 to September 2024.

Many other early childhood systems partners are monitoring data related to the impact of Act 76 and we highly encourage members of the House Committee on Commerce and Economic Development and other committees to hear from these organizations with critical expertise. These include our partners at the Child Development Division, First Children's Finance, VTAEYC, Child Trends, Let's Grow Kids, and the many families and early educators experiencing these changes to child care policy firsthand.

Closing Reflection: 2024 was a significant year for implementing the historic investments and policy changes of Act 76. Early data and sentiment from families and the early childhood field suggests that the law is beginning to have the types of impacts that were intended; more families in Vermont are receiving assistance paying for child care, programs are receiving higher rates to care for children, more child care programs are opening than at this time last year, and families are applying for child care via the new online application in droves. The Child Development Division administered a volume of program changes previously unimaginable and did so with very few reported challenges and delays. While monitoring the law's impacts and addressing a number of continued challenges remain critical, overall the success of Vermont's progress towards increasing access to and affordability of early education should be celebrated.