

# COVID-19 Response: Child Development Division

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JANUARY 21, 2021 TESTIMONY FOR HOUSE HUMAN SERVICES

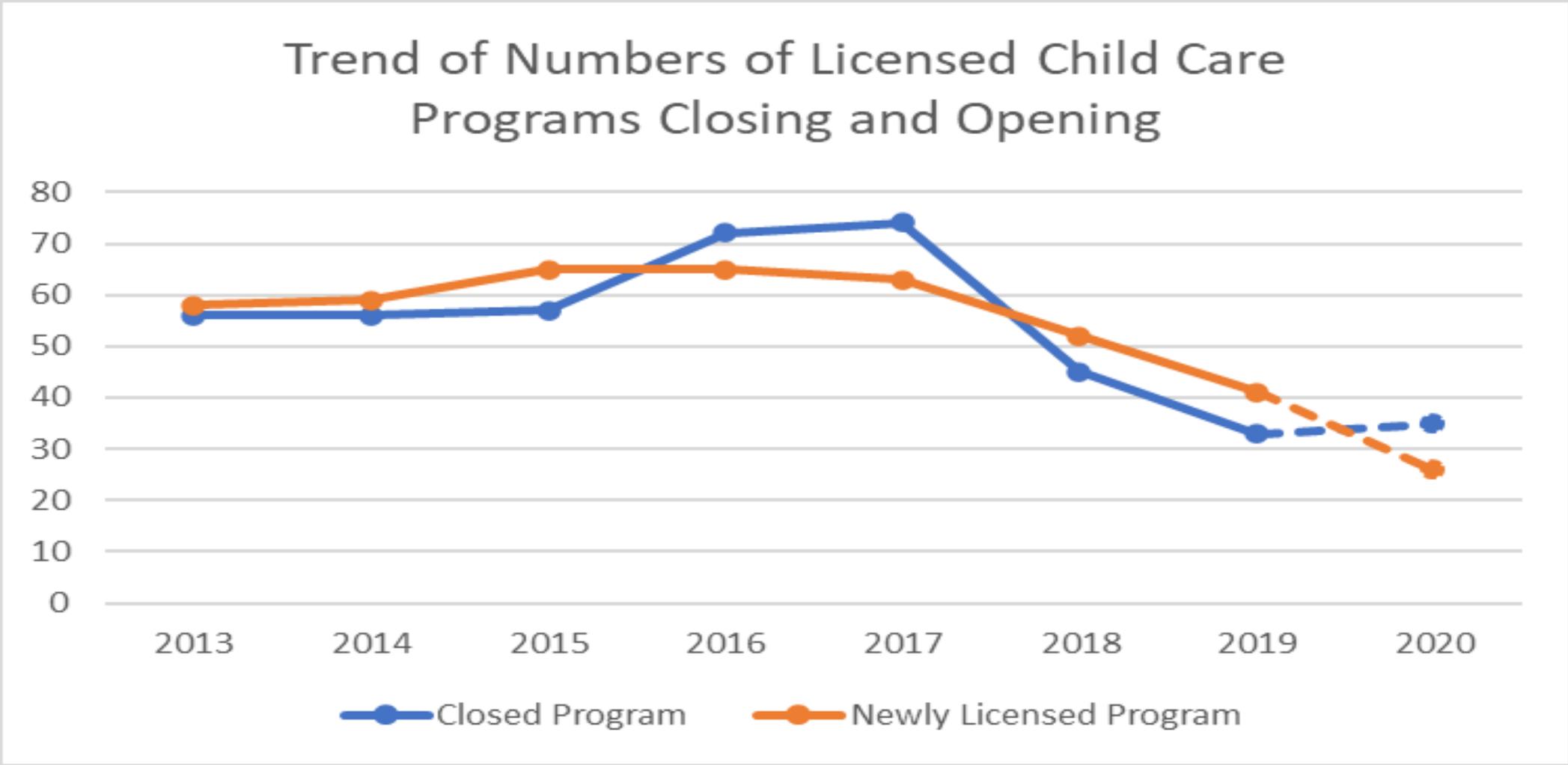
DCF COMMISSIONER SEAN BROWN



# Impact of the pandemic on the childcare system: How many child care spaces have been lost?

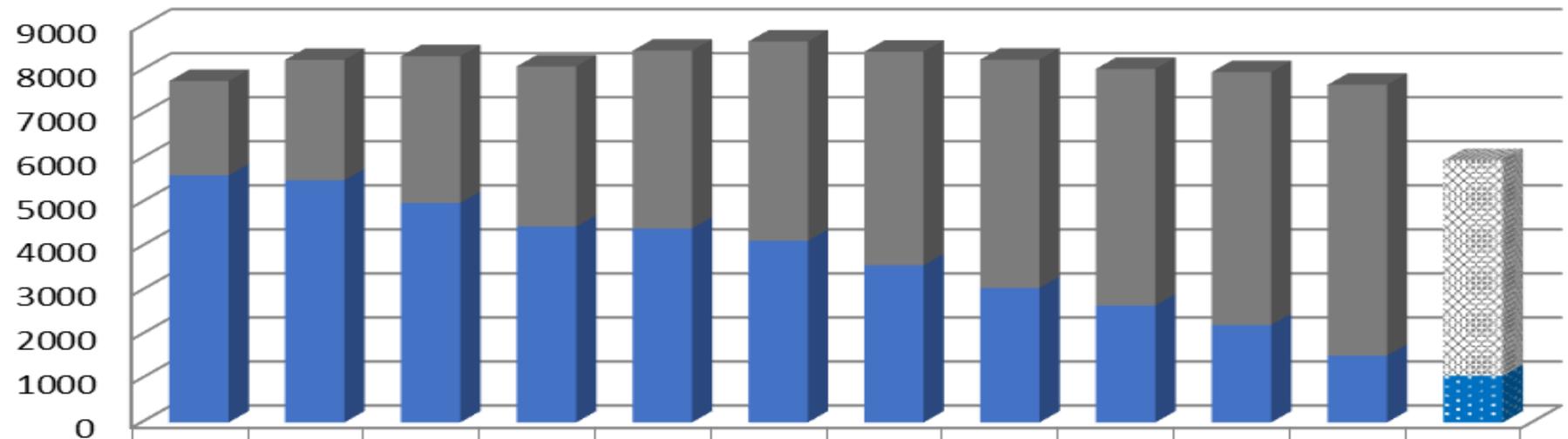
Change in Desired Capacity by AHS District in Calendar Year 2020									
AHS District	Dec-19			Dec-20			Difference		
	Licensed Provider	Registered Home	Grand Total	Licensed Provider	Registered Home	Grand Total	Licensed Provider	Registered Home	Grand Total
Bennington	1319	272	1591	1382	252	1634	63	-20	43
Burlington	9308	723	10031	9439	651	10090	131	-72	59
Montpelier	2610	617	3227	2537	565	3102	-73	-52	-125
Morrisville	1442	326	1768	1449	297	1746	7	-29	-22
Middlebury	1358	290	1648	1292	260	1552	-66	-30	-96
St. Albans	1428	742	2170	1463	688	2151	35	-54	-19
Newport	679	402	1081	516	395	911	-163	-7	-170
Springfield	1405	244	1649	1473	251	1724	68	7	75
Hartford	2259	172	2431	2431	154	2585	172	-18	154
St. Johnsbury	1373	308	1681	1295	332	1627	-78	24	-54
Rutland	2778	395	3173	2700	365	3065	-78	-30	-108
Brattleboro	1439	130	1569	1391	122	1513	-48	-8	-56
Grand Total	27398	4621	32019	27368	4332	31700	-30	-289	-319

# Impact of the pandemic on the childcare system: How many child care programs have closed?



# Impact of the pandemic on the childcare system: What is current (subsidy) utilization looking like?

## Child Care Financial Assistance, Average Number of Children



	SFY20 10	SFY20 11	SFY20 12	SFY20 13	SFY20 14	SFY20 15	SFY20 16	SFY20 17	SFY20 18	SFY20 19	SFY20 20	SFY20 21 (July- Decem- ber)
■ In high quality care (3-5 stars)	2142	2732	3334	3639	4039	4527	4849	5187	5375	5744	6150	4894
■ In all other care (0-2 stars)	5613	5504	4986	4449	4405	4126	3571	3054	2656	2214	1520	1062

# COVID allocations made to child care:

<b>Programs Run</b>	<b>Spent/Projected</b>	<b>Notes</b>
<b>Child Care Business Stabilization Funding</b>	<b>\$ 8,435,060.00</b>	<b><i>closure period mid-March-May 31st</i></b>
<b>Essential Person Child Care &amp; Incentive</b>	<b>\$ 5,698,039.00</b>	<b><i>closure period mid-March-May 31st</i></b>
<b>Restart Stipends</b>	<b>\$ 6,608,192.00</b>	<b><i>Reopening-summer 2020</i></b>
<b>Organizational Relief Grant Program</b>	<b>\$ \$11,235,520.00</b>	<b><i>Fall 2020 Does not include funding that went to CIS providers and Parent Child Centers</i></b>
<b>Hubs and CCFAP Tuition</b>	<b>\$ 3,757,553.00 (projected)</b>	<b><i>Fall 2020</i></b>
<b>Department for Financial Regulation's Hazard Pay program</b>	<b>\$ 754,000.00</b>	<b><i>Covered the closure period March-June 1</i></b>
<b>Child Care Workforce Stabilization</b>	<b>\$ 3,983,174.00</b>	<b><i>Covered those working through Fall 2020</i></b>
<b>Total</b>	<b>\$ 40,471,538.00</b>	

# HUB grant program

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43 HUBS and under those HUBS there were 93 sites that operated

82 sites continue to operate under their licenses or as an approved unregulated exempt Hub site.

- 66 of these sites are regulated programs
- 16 are unregulated/exempt programs which were approved to continue to operate beyond December able to serve up to approximately 300 children.

11 of the initial 93 sites have closed.

- 8 of these were exempt sites who requested to close as there was no longer a need to operate.
- 3 of these were regulated sites:
  - 2 were operating temporarily at an alternative location who no longer had a need to operate at the alternative location.
  - 1 was a regulated site that allowed their license to expire.

# National Recognition on Vermont's efforts \$40+ million infused into the child care system

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Experts say COVID-era investment in child care is a start, not a solution [By Meg McIntyre](#)  
[Contributing Writer](#) Dec 12, 2020 Updated Jan 18, 2021

[https://www.sentinelsource.com/news/local/experts-say-covid-era-investment-in-child-care-is-a-start-not-a-solution/article\\_766e07a5-0e8c-5a4d-83de-20dd63651c30.html](https://www.sentinelsource.com/news/local/experts-say-covid-era-investment-in-child-care-is-a-start-not-a-solution/article_766e07a5-0e8c-5a4d-83de-20dd63651c30.html)

Want to Support Your Community's Equitable Recovery from COVID-19? Invest in Child Care  
[Katherine \(Kat\) Kaufmann](#), Shannon Rudisill, [Elise Tosun](#) 04/22/2020

<https://www.bridgespan.org/insights/library/philanthropy/want-equitable-recovery-invest-in-child-care>

Child Trend: States are using the CARES Act to Improve Child Care Access during COVID-19

<https://www.childtrends.org/publications/states-are-using-the-cares-act-to-improve-child-care-access-during-covid-19>

# Lessons Learned: Program Design

Lesson Learned: Program design needs to consider state capacity to issue funds effectively, efficiently and in accordance with federal requirements.

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Opportunity: ~\$12 - \$12.7 mill in CRF through CCDF for child care.

## Recommendation:

1. Distribute funds using a formulaic grant program awarded in a lump sum.
2. Purpose of the funding informed by the current need of the system:
  - Fixed costs and increased operating expenses, due to COVID-19 in order to serve families in an environment that supports the health and safety of children and staff.
  - Loss of revenue needed to sustain the business due to decreased enrollment related to COVID-19
  - Temporary closures (classrooms, full business) related to COVID-19 infection or exposure.
  - Recruiting, retaining, and supporting staff

# Highlights

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- The regulated market has responded to and served the changing needs of families throughout this pandemic.
- Child care licensing processes and relationships with state permitting bodies has enabled regulated programs to adapt to meet these needs.
- FEMA VT Child Care Solutions Based TEAM: charged with identifying recovery support strategies that embed resilience in the system so that sector is better prepared in the event of a future emergency.
- CCDF federal base new \$85 million

# Questions

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When the financial supports of the CRF programs end, will the market constrict to below pre-pandemic levels?

The market demand has constricted, will that continue?  
What will demand be for child care post-COVID?

# Status of BFIS updates

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Development of the first module of the new CDD Information System is in process.

Includes the Child Care Financial Assistance Program Eligibility and payment functions.

Request for Proposal was posted in the fall; 5 responses were submitted.

ADS/CDD are in the final stages of bidder selection and anticipate selecting a bidder in January 2021.

Completion of this work by October 1, 2021 will allow CDD to come into compliance with CCDF requirements for eligibility determination and will allow us to continue to support and implement the Governor's 5 year plan towards child care.