

H. 531.

An act relating to Vermont's child care and early learning system.

Reported favorably with recommendation of proposal of amendment by Senator Lyons for the Committee on Health and Welfare.

The Committee recommends that the Senate propose to the House to amend the bill by striking out all after the enacting clause and inserting in lieu thereof the following:

* * * Legislative Intent * * *

Sec. 1. LEGISLATIVE INTENT

It is the intent of the General Assembly that:

(1) Vermont strives to enhance the capacity and affordability of the child care and early learning system and support the retention, growth, and professional development of its workforce;

(2) investments and initiatives set forth in this act are meant to compliment the anticipated redesign of the Child Care Financial Assistance Program, which shall be monitored by the General Assembly; and

(3) investments set forth in this act are meant to be the first of many aimed at strengthening families and the economy.

* * * Child Care Financial Assistance Program * * *

Sec. 2. 33 V.S.A. § 3512 is amended to read:

§ 3512. CHILD CARE FINANCIAL ASSISTANCE PROGRAM;
ELIGIBILITY

(a)(1) The Child Care Financial Assistance Program is established to subsidize, to the extent that funds permit, the costs of child care for families that need child care services in order to obtain employment, to retain employment, or to obtain training leading to employment. Families seeking employment shall ~~not~~ be entitled to participate in the Program for ~~a period in excess of one month, unless that period is extended by up to three months and~~ the Commissioner may further extend that period.

(2) The subsidy authorized by this subsection shall be on a sliding scale basis. The scale shall be established by the Commissioner, by rule, and shall bear a reasonable relationship to income and family size. The lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the current federal poverty guidelines. The upper income limit of the fee scale shall be neither less than 200 percent of the current federal

poverty guidelines nor more than 100 percent of the State median income, adjusted for the size of the family. The scale shall be structured so that it encourages employment. If the federal poverty guidelines decrease in a given year, the Division shall maintain the previous year's federal poverty guidelines for the purpose of determining eligibility and benefit amount under this subsection.

* * *

(4) After September 30, 2021, a regulated center-based child care program or family child care home as defined by the Department in rule shall not receive funds pursuant to this subsection that are in excess of the usual and customary rate for services at the center-based child care program or family child care home.

* * *

Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM

In fiscal year 2020, \$1,250,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division to restore the base for the Child Care Financial Assistance Program (CCFAP) and \$4,900,000.00 is appropriated from the General Fund to the Division for the purpose of adjusting the sliding fee scale and reimbursement rates in CCFAP as follows:

(1) adjust the sliding fee scale of CCFAP to ensure that families whose gross income is up to 100 percent of the current federal poverty guidelines receive 100 percent of the available benefit and that families whose gross income is between 100 and 300 percent of the current federal poverty guidelines receive between 99 and 10 percent of the available financial assistance benefit, scaling between set eligibility levels as follows:

(A) 95 percent of the available financial assistance benefit for families at 125 percent of the current federal poverty guidelines;

(B) 75 percent of the available financial assistance benefit for families at 150 percent of the current federal poverty guidelines;

(C) 50 percent of the available financial assistance benefit for families at 200 percent of the current federal poverty guidelines; and

(D) 10 percent of the available financial assistance benefit for families at 300 percent of the current federal poverty guidelines; and

(2) align rates of reimbursement for preschool age children participating in CCFAP in fiscal year 2020 with the market rates reported on the 2012 Vermont Market Rate Survey, align rates of reimbursement for school age

children participating in CCFAP in fiscal year 2020 with the market rates reported on the 2010 Vermont Market Rate Survey, and maintain rates of reimbursement for infants and toddlers participating in CCFAP in fiscal year 2020 with the market rates reported on the 2017 Vermont Market Rate Survey.

* * * Early Child Care and Development Program Grant Funds * * *

Sec. 4. REALLOCATION OF EARLY CHILD CARE AND
DEVELOPMENT PROGRAM FUNDS AND PROGRAM
CESSATION

In fiscal year 2020, any funds proposed to be appropriated to the Department for Children and Families' Child Development Division for the Early Care and Child Development Grant Program established pursuant to 2017 Acts and Resolves No. 85, §§ E.318 and E.318.1 and 2018 (Sp. Sess.) Acts and Resolves No. 11, § E.318 shall be available to fund the Child Care Financial Assistance Program in fiscal year 2020 and thereafter. The Early Care and Child Development Grant Program shall cease operation on June 30, 2019.

Sec. 4a. 33 V.S.A. § 3515 is added to read:

§ 3515. INFANT AND TODDLER CHILD CARE PROVIDER GRANTS

(a) There is established an infant and toddler child care provider grant program administered by the Division for the purpose of expanding infant and toddler child care capacity. The Division shall award grants to new or existing center-based child care programs and family child care homes in accordance with subsections (b) and (c) of this section.

(b) An eligible applicant shall:

(1) be a regulated, privately-operated center-based child care program or family child care home in good standing;

(2) participate in the Child Care Financial Assistance Program (CCFAP) and maintain the enrollment of CCFAP supported children at a level of at least 30 percent;

(3) provide year-round, full-day child care and early learning services for infants and toddlers; and

(4) participate in the STep Ahead Recognition System (STARS).

(c) In determining how to distribute grants pursuant to this section, the Division shall give priority to center-based child care programs and family child care homes operating or opening in underserved regions of the State.

(d) The Division shall provide grants pursuant to this section as funds allow. Center-based child care programs or family child care homes receiving a grant shall remain in compliance with the Division's rules, continue participation in STARS, and maintain high enrollment of children receiving a CCFAP subsidy.

Sec. 4b. APPROPRIATION; INFANT AND TODDLER CHILD CARE PROVIDER GRANT

In fiscal year 2020, \$1,250,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division for the purpose of funding the infant and toddler child care provider grants set forth in Sec. 4a of this act.

* * * Bright Futures Information System * * *

Sec. 5. BRIGHT FUTURES INFORMATION SYSTEM;
MODERNIZATION PLAN

In fiscal year 2020, up to \$100,000.00 appropriated for the Child Care Financial Assistance Program pursuant to Sec. 3 of this act may be used by the Department for Children and Families' Child Development Division for the purpose of developing a modernization plan for the Bright Futures Information System. On or before Dec. 1, 2019, the Commissioner shall submit a report to the House Committees on Appropriations and on Human Services and to the Senate Committees on Appropriations and on Health and Welfare providing:

- (1) an initial project plan and timeline;
- (2) a fiscal analysis of the plan; and
- (3) the project team tasked with overseeing the project's implementation.

Sec. 5a. BRIGHT FUTURES INFORMATION SYSTEM;
MODERNIZATION PLAN DEVELOPMENT AND
IMPLEMENTATION

(a) In fiscal year 2020, \$200,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division to begin development of the project plan established pursuant to Sec. 5 of this act.

(b) In fiscal year 2020, \$1,000,000.00 is appropriated one time from the General Fund to the Department for Children and Families' Child Development Division to begin implementation of the plan established pursuant to Sec. 5 of this act.

(c) Any unused funds appropriated pursuant to Sec. 3 of this act or pursuant to subsection (a) of this section shall be reserved to begin implementation of the plan developed pursuant to Sec. 5 of this act.

* * * Child Care Provider Incentives and Professional
Development Opportunities * * *

Sec. 6. [Deleted.]

Sec. 7. [Deleted.]

Sec. 7a. 33 V.S.A. § 3516 is added to read:

§ 3516. GRANT INCENTIVIZING CHILD CARE PROFESSION

(a) There is established an incentive program that fosters an interest in the child care profession among students, including students participating in adult education. The incentive program shall provide grants to fund a combination of opportunities for students employed in regulated, privately operated center-based child care programs and family child care homes, including:

- (1) scholarships;
- (2) paid internships; and
- (3) hiring or retention bonuses, or both.

(b) The Division shall administer the incentive program set forth in this section or contract for its administration and adopt policies, procedures, and guidelines necessary to implement the provisions of this section. Grants shall be available pursuant to this section on a first-come, first-served basis until appropriated funds are depleted.

(c) An individual shall not simultaneously receive funds from the Vermont Department of Labor to complete a paid internship in regulated, privately operated center-based child care programs and family child care homes while receiving funds pursuant to this section.

Sec. 7b. APPROPRIATION; GRANT INCENTIVIZING CHILD CARE
PROFESSION

In fiscal year 2020, \$600,000.00 is appropriated from the General Fund to the Department for Children and Families' Child Development Division for the purpose funding the incentive program set forth in 33 V.S.A. § 3516.

Sec. 7c. TECHNICAL CENTERS; CHILD DEVELOPMENT
ASSOCIATE CREDENTIAL

(a) In fiscal year 2020, \$50,000.00 is appropriated one time from the General Fund to the Department for Children and Families' Child

Development Division to facilitate the implementation of the Council for Professional Regulation's Child Development Associate Credential curriculum in technical centers throughout the State.

(b) Any unused funds appropriated pursuant to this section shall be reserved to fund grants set forth in 33 V.S.A. § 3516 for students who completed the Child Development Associate Credential at a Vermont technical center.

* * * Evaluation of Expenditures and Programs * * *

Sec. 8. REPORT; EVALUATION OF EXPENDITURES AND PROGRAMS

On or before January 1, 2024, the Commissioner for Children and Families, in consultation with stakeholders, shall submit a report to the House Committee on Human Services and to the Senate Committee on Health and Welfare:

(1) evaluating the effectiveness of the expenditure in the Child Care Financial Assistance Program set forth in Sec. 3 of this act, the infant and toddler child care provider grants set forth in 33 V.S.A. § 3515, the grant incentivizing the child care profession set forth in 33 V.S.A. § 3516, and the expenditure for technical centers' curriculum development set forth in Sec. 7b of this act;

(2) making recommendations as to whether the expenditures and programs in Secs. 3 and 7b of this act and in 33 V.S.A. §§ 3515–3516 should be continued and, if so, the appropriate funding amount and source; and

(3) evaluating how the expenditures and programs in Secs. 3 and 7b of this act and in 33 V.S.A. §§ 3515–3516 contribute to Vermont's children and young people reaching their potential pursuant to 3 V.S.A. § 2311.

* * * Variance for Educational and Experiential Requirements * * *

Sec. 9. EDUCATIONAL AND EXPERIENTIAL VARIANCE

(a) For individuals operating or employed in a registered family child care home or as a director or teacher associate in a center-based program for 10 or more years prior to September 1, 2016, the Commissioner for Children and Families or designee may issue a variance to the Child Development Division's rule regarding educational and experiential requirements to allow an individual to maintain employment in that same role regardless of whether the family child care provider, family child care assistant, director, or teacher associate intends to attain the otherwise necessary educational requirements. To be eligible for a variance, the family child care provider, family child care assistant, director, or teacher associate shall:

(1) work continuously in a regulated program with a full license in good standing; and

(2) meet the Divisions' educational and experiential requirements in place prior to the adoption of the new rule, which was effective beginning September 1, 2016.

(b) The Commissioner or designee shall review any violation occurring in a regulated program where a family child care provider, family child care assistant, director, or teacher associate is under variance and may revoke the variance granted by this section depending upon the seriousness and circumstances of the violation.

(c) Any variance granted under this section shall be terminated on July 1, 2024, and extensions shall not be granted beyond that date.

* * * Children's Integrated Services * * *

Sec. 10. REIMBURSEMENT RATES; PROVIDERS OF CHILDREN'S INTEGRATED SERVICES

In fiscal year 2020, \$309,714.00 is appropriated from the General Fund to the Department for Children and Families' Children's Integrated Services for the purpose of increasing reimbursement rates to providers.

* * * Effective Date * * *

Sec. 11. EFFECTIVE DATE

This act shall take effect on July 1, 2019.

(Committee vote: 5-0-0)

(For House amendments, see House Journal for March 26, 2019, pages 676-679)

House Proposal of Amendment

S. 149

An act relating to miscellaneous changes to laws related to vehicles and the Department of Motor Vehicles.

The House proposes to the Senate to amend the bill as follows:

First: By striking out Sec. 1, 23 V.S.A. § 104(a), in its entirety and inserting in lieu thereof a new Sec. 1 to read as follows:

Sec. 1. 23 V.S.A. § 104(a) is amended to read:

(a) ~~The records of the registration of motor vehicles, snowmobiles, and motorboats, licensing of operators and registration of dealers, all original~~