

1 H.10

2 Introduced by Representative Yacovone of Morristown

3 Referred to Committee on

4 Date:

5 Subject: Human services; child care; subsidy; annual market rate inflation

6 Statement of purpose of bill as introduced: This bill proposes to implement
7 some of the recommendations of the Blue Ribbon Commission on Financing
8 High Quality, Affordable Child Care by increasing the population served by
9 the Child Care Services Program and regularly increasing the rates used in the
10 Child Care Financial Assistance Program.

11 An act relating to increasing the population served by the Child Care
12 Services Program and the rates of the Child Care Financial Assistance
13 Program

14 It is hereby enacted by the General Assembly of the State of Vermont:

15 Sec. 1. LEGISLATIVE INTENT

16 It is the intent of the General Assembly to invest in Vermont's child care
17 system as a means of strengthening families and fostering the development and
18 critical learning skills of young children. In its final report, the Blue Ribbon
19 Commission on Financing High Quality, Affordable Child Care finds that:

1 (1) in the first few years of life, 700–1,000 new neural connections are
2 formed every second which are the foundation upon which all learning,
3 behavior, and health depend;

4 (2) at 18 months of age, disparities in vocabulary begin to appear for
5 children not exposed to high quality care; and

6 (3) returns between \$4.00 and \$9.00 can be expected for every dollar
7 invested in early learning programs for children from families of low income.

8 Sec. 2. 33 V.S.A. § 3512(a) is amended to read:

9 (a)(1) A Child Care Services Program is established to subsidize, ~~to the~~
10 ~~extent that funds permit,~~ the costs of child care for families that need child care
11 services in order to obtain employment, to retain employment, or to obtain
12 training leading to employment. Families seeking employment shall not be
13 entitled to participate in the Program for a period in excess of ~~one month~~ three
14 months, unless that period is extended by the Commissioner.

15 (2) ~~The subsidy~~ As authorized by this subsection, a 100 percent benefit
16 ~~shall be on a sliding scale basis. The scale shall be established by the~~
17 ~~Commissioner, by rule, and shall bear a reasonable relationship to income and~~
18 ~~family size. The lower limit of the fee scale shall include families whose gross~~
19 ~~income is up to and including 100 percent of the federal poverty guidelines.~~
20 ~~The upper income limit of the fee scale shall be neither less than 200 percent of~~
21 ~~the federal poverty guidelines nor more than 100 percent of the State median~~

1 ~~income, adjusted for the size of the family. The scale shall be structured so~~
2 ~~that it encourages employment~~ available to all families whose gross income is
3 up to and including 200 percent of the federal poverty level.

4 (3) To the extent that funds permit, subsidies for families with income
5 exceeding 200 percent of the current federal poverty level shall be established
6 by the Commissioner on a sliding fee scale basis. The scale shall be based on
7 family size and income and shall include families whose gross income is up to
8 and including 300 percent of the current federal poverty level, adjusted for the
9 size of the family.

10 Sec. 3. CHILD CARE FINANCIAL ASSISTANCE PROGRAM

11 The Commissioner for Children and Families shall adjust the rates in the
12 Child Development Division's Child Care Financial Assistance Program every
13 three years in accordance with the Department's most recent market rate
14 survey. In years in which new market rate data are not available, the
15 Commissioner shall adjust rates to account for inflation. The methodology
16 used to establish rates in the Child Care Financial Assistance Program shall
17 inform the State rate for a 4-STAR program in the Step Ahead Recognition
18 (STAR) system at the 75th percentile of the market rate reported in the
19 Department's most recent market rate survey.

20 Sec. 4. EFFECTIVE DATE

21 This act shall take effect on July 1, 2018.