

V E R M O N T

EARLY CHILDHOOD ALLIANCE

SUMMARY OF THE 2015 LEGISLATIVE SESSION

Blue Ribbon Commission on Sustainable Funding

[State Budget]

ALLIANCE LEGISLATIVE PRIORITY: Public and private investments into the early childhood system are necessary to ensure young children and their families succeed. The Alliance supports **Let's Grow Kids'** proposal to form a Blue Ribbon Commission to provide recommendations for sustainably funding high quality, affordable childcare.

Result: Success

Summary provided by Let's Grow Kids

High Quality, Affordable Childcare is an important issue for Vermont's future

In order to move toward the goal of providing all children the strongest possible foundation, the legislature this year created a Blue Ribbon Commission on Financing High Quality, Affordable Childcare. The Commission was included in the Fiscal Year (FY) 2016 budget; it will be chaired by the Secretary of Administration or his designee and is comprised of a broad spectrum of stakeholders. Members will include the Secretaries of Human Services and Education, representatives of the business community, higher education, parents, childcare providers, the financial services industry, and more.

The Commission is charged with inventorying and reviewing reports and recommendations issued over the past 10 years relating to high quality, affordable child care; determining the elements inherent in all quality child care programs; and making recommendations to the General Assembly and the Governor on the most effective use of existing public funding and additional opportunities. The Commission will begin meeting by July 15 of this year and will report its findings to the legislature and the administration by November 1, 2016.

The Commission's work will also be informed by the voices of Vermonters. It will be vitally important for parents, providers, businesses and others to share their stories of the struggle to find and provide affordable, high quality childcare in Vermont, and the positive impact that high quality care can have in the lives of children.

For more information on the Blue Ribbon Commission and how you can stay informed and involved, visit www.letsgrowkids.org/blue-ribbon-commission.

Improving Child Protection in Vermont

[S. 9]

ALLIANCE LEGISLATIVE PRIORITY: The Administration and legislature will be proposing policy changes to improve protections for vulnerable children. **Voices for Vermont's Children** and other Alliance members will be participating in the review of these proposals. The Alliance also supports Voices for Vermont's Children's proposal to establish public oversight of the state's child protection system by creating an Office of Child Advocate.

Result: *Partial Success*

Summary provided by Voices for Vermont's Children

Legislature Passes Child Protection Bill

A year ago the state of Vermont found itself confronting its worst nightmare – the murder of two very young children, allegedly by adults in the home who, after some involvement with the Department for Children and Families, had been allowed to reunite with the children. Though these two tragedies were the catalyst for a statewide soul-searching, problems had been brewing for some time. Last summer the Administration and the Legislature began a long series of public hearings and investigations into the child protection system, culminating in an omnibus bill, introduced by the Senate in January and touted as a series of solutions to problems discovered during the public hearing process.

The bill (S.9) as introduced was an expansive bill with no funding. It proposed a number of relatively small changes to existing law, coupled with a few additions to existing penalties or procedures. Though the legislature heard hours of testimony about problems with the system and its response to families in crisis, there was very little push for an infusion of additional resources to lower caseloads, improve services to families in crisis and speed up response time in call centers. The bill does state, in the purpose section, that the system should be 'properly funded' and a section was added requiring the Secretary of the Agency of Human Services to make recommendations in the FY2017 budget that reflect the utilization of these models. These additions reflect a common theme from the last few legislative sessions in Vermont – discuss and recognize the need for resources, then find a way to put off appropriating any money.

The most time consuming and dramatic proposal to change current law came from the Senate. The House was forced to spend a great deal of time considering a new crime proposed by the Senate, nicknamed 'failure to protect'. The proposal imposed a felony charge and prison time on a parent or caregiver who is charged with not protecting a child/children, even if that parent is not the abuser. There was a strong reaction from victim advocates and the civil liberties and defense communities on the grounds that the new language would put teachers, parents, coaches and others unreasonably at risk for prosecution in situations beyond their control or knowledge. The House deleted the new crime and the Senate conceded to its removal in conference committee.

The bill tightened up and improved mandated reporting laws and state response requirements. Mandated reporters are now required to report within 24 hours if they ‘reasonably suspect’ abuse or neglect, rather than agonize over whether what they are witnessing meets the criteria of the statute. Proponents of this section believe that this will increase the number of calls and better protect children when experts determine whether abuse or neglect is present. In addition, the state is required to respond to mandated reporters within a certain amount of time, in order to inform them of the results of their call.

Voices for Vermont’s Children, the Alliance, and several other advocacy groups strongly supported the creation of an Office of Child Protection Advocate (OCA) because we believe that an impartial advocate for the child outside the administration would provide critical oversight and inform and empower parents, guardians, and others. The OCA was originally part of the bill and was removed in the Senate, due to an inability to find a revenue source to cover the anticipated cost. It failed to gain traction in the House; however, the Government Operations Committee is strongly supportive and Voices will work with that committee to introduce a bill to create an OCA next session.

For more details, go to Voices’ full summary of S. 9 and other bills of interest at <http://www.voicesforvtrkids.org/2015-legislative-wrap-up/>

Earned Sick Days

[H. 187]

ALLIANCE LEGISLATIVE PRIORITY: To ensure that workplace standards in Vermont promote public health and safety and are responsive to the needs of Vermont's workforce and families, the Alliance supports the proposal by **Voices for Vermont’s Children** and the **Earned Sick Days Coalition** to establish a minimum standard of earned sick days for all Vermont workers.

Result: *Partial Success*

Summary provided by Voices for Vermont’s Children

Earned Sick Days bill passes House, on to Senate in ‘16

Catalyzed by the national discussion and the tenacity of the VT Earned Sick Days Coalition, leadership in the Vermont House elevated paid sick time as a priority during the first half of the 2015-2016 legislative session. Ten years after the first paid sick days bill was introduced in the Vermont legislature by Rep. Helen Head, she brought the issue to the House floor for passage.

The House passed H. 187, “An act relating to absence from work for health care and safety”, in late April. Success in the House resulted from a variety of strategies, including an effort to communicate the minimal cost and tangible benefits from the bill, as well demonstrating broad constituent and business support for the bill.

To counter strenuous opposition from some business lobby groups, significant energy and resources were devoted to neutralizing misunderstandings about the bill’s impacts and working

with supportive business owners to identify pragmatic compromises that wouldn't undermine the fundamental objectives of the Coalition. The resulting bill contained two key compromises: the addition of a waiting period during which employees can earn but not use paid sick time, and a reduction in the number of days that can be accrued.

Universality was a critical principle for our coalition. The bill that passed the House applies to all regular full- and part-time employees; there is no carve-out for small businesses. One difficult compromise was the exclusion of seasonal and temporary workers. But, on balance, H.187 meets the Coalition's goal to cover as many working Vermonters as possible within the current political climate.

Senate leadership has committed to giving the bill a full hearing when the legislature reconvenes in January 2016. In the meantime, work on the campaign will continue.

For more details, go to Voices' full summary of S. 9 and other bills of interest at <http://www.voicesforvtkids.org/2015-legislative-wrap-up/>

CCFAP Market Rate and Eligibility Increases [State Budget]

ALLIANCE LEGISLATIVE PRIORITY: Increased funding for the Child Care Financial Assistance Program (CCFAP) will provide working families with more of the financial support they need to obtain quality child care and rich early learning opportunities for their children. The Alliance supports the proposal by **VAEYC, Voices for Vermont's Children** and **Vermont Early Educators United** to raise the base tuition payment made on behalf of families to at least the 50th percentile of the current market rate, and annually adjust the guidelines used to determine payments and eligibility for CCFAP to keep them current.

Result: *Partial Success*

CCFAP level funded, possible wait list will get fall hearing

Conversations with Administration officials last fall indicated that a very small increase in funding for the CCFAP program would be possible in FY '16. However in January we learned that the Governor's Proposed Budget level-funded CCFAP, which was disappointing. DCF officials explained that they had developed a new formula that allowed them to meet increasing needs without increased funding, but did not provide details explaining how this formula works.

When the House indicated they would likely support the Governor's funding recommendation, the Alliance worked with VAEYC and others to shift our advocacy to concerns about the possible creation of a waiting list for CCFAP, should level funding prove insufficient to meet program growth. Waiting lists for childcare subsidies are logistically difficult and present additional, untimely barriers for families seeking to re-enter the workforce. Unfortunately, House members were not interested in exploring the issue of waiting lists.

An additional issue emerged during the House consideration of the budget, as the House Appropriations Committee added language to the budget that would have capped funding for the "enhanced" CCFAP program, a new program created by last year's "benefit cliff" bill that would assist Reach Ahead clients in a second year of eligibility.

As budget discussions moved to the Senate, we faced a more receptive audience, at least on the non-financial matters. The Senate Appropriations Committee did not discuss increased funding but did delete the "cap" language from their version of the budget. They also inserted language requiring the Administration report in November on the CCFAP program's finances and the possibility of creating a wait list. The report will be offered at a public meeting, and will provide an opportunity for accountability and oversight.

After negotiations between the two chambers, the Senate prevailed and the legislature approved a budget that requires the report on the status of CCFAP but did not include the cap language. We will continue to follow this issue in the summer and fall, as we learn more about the Administration's new formula.

VACCRRRA Funding

[State Budget]

ALLIANCE LEGISLATIVE PRIORITY: Vermont's 12 child care resource and referral agencies struggle to provide assistance to the thousands of families and providers they serve every year. Demand for services has increased and costs have continued to rise, but funding remains at the FY '12 level. The Alliance supports **VACCRRRA's** (VT Assoc. of Child Care Resource and Referral Agencies) request to return to pre-FY '12 funding levels, a restoration of \$223,000.

Result: *Partial Success*

VACCRRRA rallies, Legislature rejects large program/funding cut

As with other items on the Alliance's 2015 Agenda, budget realities caused us to change our plans once the legislative session began. The Governor's Proposed Budget released in January left no room for additional funding for VACCRRRA agencies – instead, it proposed to make further cuts by centralizing referral services with a resulting loss of \$476,000 in funding for the agencies. Alliance advocacy quickly shifted to support a response by the VACCRRRA agencies designed to protect community referral services and minimize funding reductions. This advocacy focused on the fact that centralization has not worked in the past, and severely undercut the value and effectiveness of service delivery.

As outreach to legislators began to gain strong support for VACCRRRA's position, the agencies came together to develop an alternative proposal that responded to some of the Administration's rationale for centralization by making a number of adjustments to service delivery and significantly reduce funding, but rejected centralization. After this alternative was shared with the Administration and legislators, the Administration dropped the proposed

centralization but pressed VACCRRRA to offer \$200,000 in savings, as opposed to the \$150,000 that the agencies were offering.

Continued advocacy by VACCRRRA directors and the Alliance rallied legislative support behind the VACCRRRA proposal. As a result, the House budget ultimately accepted the \$150,000 proposal with House Appropriations Committee members specifically applauding the VACCRRRA agencies for their willingness to negotiate. The VACCRRRA proposal was also accepted by the Senate budget writers, and was included in the final budget that passed the legislature.

Alliance top priorities also include:

Reach Up reforms, budget and revenue [State Budget]

ALLIANCE LEGISLATIVE PRIORITIES: Support for Reach Up reforms and funding increases, opposition to state budget cuts to essential services, and support for budgets based on need, not revenue limitations.

Result: *Minimized negative impacts*

Budget includes few large EC reductions

The Governor's Proposed Budget recommended numerous reductions to Reach Up and other programs. With the legislature looking for over \$50 million in cuts to help close a \$113 million gap between projected spending and revenue, many of his proposals were adopted, and only a few were rejected. One of the proposals which will have the worst impact – to count \$125 of SSI benefits [Supplemental Security Income, a program which pays benefits to disabled adults and children] against eligibility for Reach Up – was unfortunately adopted.

In general, however, the results for the early childhood community could have been much worse. Except for EEI, no program was targeted for significant cuts. The discussions regarding revenue limitations and possible reforms to the tax code were for the most part limited to changes that might be made in future years. We anticipate a difficult budget cycle in the coming year, as the legislature is expected to be asked to identify \$30-50 million in additional cuts to spending.

EEI Funding [Ed Fund Budget]

Result: *Partial Success*

Limited EEI funding secured for one more year

We were surprised that the Governor's Proposed Budget, unveiled in January, proposed completely eliminating the Early Education Initiative (EEI) grant program. These competitive grants were established by the Legislature in 1987 to support early education providers serving three- and four-year-olds who are at-risk. While the role of EEI funding had been the subject of

discussion for years, the early childhood community had no notice that the EEI program was being considered for elimination at this time. Once the Alliance spread the word about its possible demise, efforts began to at least partly save the program. A critical part of the discussion was consideration of the impact of the delayed implementation of Act 166. While providers in early adopter school districts might have access to additional resources, only 1/3 of districts were planning to implement Act 166 in the coming school year.

Supported by the House Education Committee, the Alliance advocated for at least partial funding of the EEI program for one transitional year to allow providers serving at-risk children to have access to state support while Act 166 implementation continues.

The Administration responded to this request, and are in the process of developing a program that would make \$200,000 available through a competitive grant process for providers that meet all of the following criteria:

- They must be current EEI recipients,
- They cannot be a public schools, and
- They must operate in communities where Act 166 is not being implemented in the coming school year.

This will be a one-time allocation/extension of the EEI program. The Alliance expects that the EEI grant program will be discontinued after the coming school year.

ADDITIONAL ISSUES NOT ON AGENDA

College Savings Account passes

Late in the session the House Education Committee began working on H. 448, which sought to establish the Vermont Universal Children's Savings Account Program. This program directs the Vermont Student Assistance Corporation (VSAC) to partner with one or more foundations or other philanthropies to establish and provide seed funding for the accounts, designed to expand higher educational opportunity and financial capability for Vermont children and their families.

The bill proposed that VSAC secure funding from participating private foundations and partners to establish small, seed-funded savings accounts for children born in Vermont. With initial balances expected to be about \$200, matching provisions and other incentives to increase savings also could be employed so the child's family could increase savings over time. The Program does not rely upon any state funding.

Vermont children would be able to withdraw funds once they turn 18 or enroll full-time in post-secondary education, including a college, university, vocational school, or any two or four-year degree program from an accredited educational institution. The money could be used only for qualifying post-secondary education expenses, including tuition, mandatory fees, books,

supplies, or other necessary costs of attending school, helping working families and young Vermonters obtain much-needed resources to afford education beyond high school.

The language in H. 448 was eventually inserted into a different education-related bill, S. 44, which passed both chambers and is expected to be signed by the Governor.

While the Alliance did not work on this issue, we did track the progress of the bill and report to interested parties as it made its way through the legislative process.

“Unfunded mandates” language in House education bill rejected by House

During consideration of education “reform” legislation, the House added language that would have required any additional educational programmatic requirement that needed funding to be approved by the legislature. The idea was to make it more difficult for state agencies or government to require local districts to do more without providing any funding to pay for it.

Alliance staff and leadership were concerned that this language, which was added during floor debate and was not subject to extensive committee scrutiny or testimony, might have endangered the state’s new universal pre-k program, since full implementation had been delayed by a year. We worked behind the scenes to support the position of the Senate, which was opposed to the proposal. The Senate removed that language from their version of the “reform” bill, and the Senate’s provision prevailed during conference committee negotiations over the final version of the bill.