V E R M O N T EARLY CHILDHOOD ADVOCACY ALLIANCE

2019 Legislative Agenda Results Summary

During the 2019 legislative session, children were a clear priority in the State House. While not every program tracked by the Alliance and our lead organizations saw increased funding, the FY20 budget passed by the Legislature includes the largest investment in child care in years, additional funding for Reach Up (also the first in many years), and other key investments. The Legislature also passed legislation protecting children from lead exposure. Below are summaries of the outcomes on the issues included in the Alliance's 2019 Legislative Agenda and two other issues of interest.

HOUSING & HOMELESSNESS: FY20 State Budget (<u>H.542</u>), <u>H.541</u>, <u>H.132</u> LEAD ORGANIZATION: Vermont Affordable Housing Coalition Result: Progress

Housing issues once again saw a great deal of attention this legislative session, with major progress in some areas, disappointment in others. The Governor's FY20 Recommended Capital Budget included a \$1.05 million funding cut for the Vermont Housing and Conservation Board (VHCB). However, the Legislature's FY20 budget restores \$1 million of that proposed reduction. Although there were no funding increases for State programs targeting homelessness, the FY20 budget also includes language instructing the Agency of Human Services (AHS) to recommend strategies that will allow the state to access specialized federal housing vouchers currently not being used because the state is not providing the required supportive services.

The FY20 Revenue Bill (H.541) includes a \$250,000 increase to the State's Affordable Housing Tax Credit, providing three paths to home ownership: down-payment assistance for first-time home buyers; purchase/replacement of mobile homes; and shared equity home ownership with a rehab component. The Legislature also passed H.132, a bill that included three major housing components: increased housing protections for victims of domestic violence; measures to improve the health and safety of the state's rental housing; and a report by the Treasurer with options for funding the creation of 1,000 new homes over the next five years. While the Legislature did consider implementing a second housing bond to support construction of more badly needed affordable housing, concerns raised by the State Treasurer delayed any action. Instead, the Treasurer will report to the Legislature as directed in H.132.

REACH UP INVESTMENTS: FY20 State Budget (H.542)

LEAD ORGANIZATION: Voices for Vermont's Children

Result: Partial Success

Strong support in the Senate resulted in the first significant increase in the Reach Up program in recent years. The FY20 budget approved by the Legislature increases program spending by about \$1.9 million, allowing the benefit level to be updated from 2004 rates to 2008 rates. While still far from adequate to cover basic needs, this increase will mean benefits for a family of three will increase by about \$60/month.

The budget also added funds to allow for the elimination of about one third of the Supplemental Security Income (SSI) "countable income" penalty, first instituted five years ago. The penalty will be reduced from \$115 to \$77, which is still inequitable but an improvement over the current situation.

CHILD CARE FINANCIAL ASSISTANCE PROGRAM (CCFAP): FY20 State Budget (H.542)

LEAD ORGANIZATIONS: LGK (Let's Grow Kids), VtAEYC (Vermont Association for the Education of Young Children), Vermont Child Care Providers Association, and Voices for Vermont's Children

Result: Success

One of the few issues with tri-partisan agreement and commitment this year in the State House was early care and learning, and legislators and the Governor made a financial commitment to child care that represents one of the biggest increases in investment in the FY20 budget. A number of bills related to child care were introduced early in the session, including H.549, which contained investments outlined in the Governor's Recommended FY20 budget. The House Human Services Committee considered all the child care-related bills and passed a committee bill (H.531) that made a number of these investments. The bill was further expanded by the House Appropriations Committee and then passed the House unanimously. The Senate Health and Welfare Committee made further changes and passed H.531. That language was then referred to the Senate Appropriations Committee, which folded it into the state FY20 budget.

The FY20 budget ultimately approved by the Legislature includes a package of \$7.4 million in child care investments intended to make child care more affordable for Vermont families, increase reimbursement rates for child care and early learning programs, recruit and retain early educators, and lay the foundation for future expansion of the CCFAP program. The budget includes \$5.7 million in new base funding for CCFAP and \$1 million in one-time funds for critical computer infrastructure updates needed to administer the program in future years.

This year's investments in CCFAP will:

- Align income eligibility criteria with current federal poverty guidelines and make these annual adjustments automatic moving forward;
- Adjust the program's benefit scale to provide more meaningful support to families, particularly those with incomes between 100% and 280% of the federal poverty level;
- Maintain infant and toddler reimbursement rates currently aligned with Vermont's 2017 Market Rate Survey findings, and substantially increase preschool age and afterschool

- reimbursement rates by aligning them with Vermont's 2014 Market Rate Survey findings; and,
- Provide funding for the Child Development Division (CDD) to evaluate, design, and begin to implement critical computer upgrades that will allow CDD to continue to expand CCFAP in future years.

The FY20 budget also revises the existing grant program targeting infant/toddler providers with a high percentage of CCFAP recipients, providing \$1 million to help those providers who serve more than 50% of children who receive CCFAP.

WORKFORCE DEVELOPMENT PROGRAMS: FY20 State Budget (H.542) LEAD ORGANIZATIONS: VT Assoc. for the Education of Young Children (VtAEYC), Vermont Child Care Industries Career Council (VCCICC), and Let's Grow Kids (LGK) Result: Progress

The child care and early learning investments contained in the FY20 budget (H.542) included two one-time appropriations to support Vermont's early educators:

- \$300,000 to continue support of scholarships for those currently working in the early care and learning field; and,
- \$300,000 for a new grant program to help technical centers align their early education curriculum and implement Child Development Associate (CDA) credential programs, and provide scholarships to those who complete these programs, bringing new early educators into the field.

Alliance advocates will be carefully monitoring the development of these programs.

FAMILY & MEDICAL LEAVE INSURANCE: H.107

LEAD ORGANIZATIONS: Main Street Alliance of Vermont and Voices for Vermont's Children

Result: To Be Determined

State House politics created a complex environment for the family and medical leave insurance issue this legislative session. A compromise plan passed the House in March, and the Senate gave initial approval to a different version shortly before the end of the legislative session. While negotiations continued until literally the last minute, the House and Senate were unable to come to an agreement on a final version to send to the Governor. The Legislature is expected to take up the issue again in January.

FARM TO SCHOOL & EARLY CHILDHOOD: State Budget (H.542); <u>H.79</u> LEAD ORGANIZATIONS: Vermont Farm to School Network, Vermont FEED, and Hunger Free Vermont

Result: Partial Success

While the Governor's Recommended FY20 budget proposed cutting \$50,000 from the FY19 base spending level for the Farm to School and Early Childhood program, the FY20 budget

approved by the Legislature used one-time money to return the funding level to \$231,000. The FY20 budget approved by the Legislature also included a new \$75,000 appropriation to support school nutrition programs.

Advocates worked throughout the session to support these appropriations, as well as strong language in H.79, a bill passed by the Legislature that clarifies eligibility for Farm to School grant assistance.

PARENT CHILD CENTER (PCC) NETWORK MASTER GRANT: FY20

State Budget (H.542)

LEAD ORGANIZATION: Vermont Parent Child Center Network

Result: Services removed, funding increased

As the legislative session began, the PCC Network was working to build support for additional funding for one-time infrastructure needs and an increase in the Network's Master Grant allocation from the state. Unfortunately, the Governor's Recommended FY20 budget proposed taking a significant area of work – providing case management services to young parents on Reach Up – away from the PCCs. After months of discussion of alternatives and advocacy on the part of the PCC Network, the FY20 budget approved by the Legislature takes the entire \$1.4 million case management contract away from the PCCs. However, language was added to the budget to reiterate that the Department for Children and Families (DCF) should work with community providers including the PCCs as they take over performance of these case management services, as is required by the 1994 Reach Up law. The Legislature's FY20 budget does include a \$1.3 million base increase to the PCCs Master Grant.

The Legislature's budget also includes \$1 million in one-time funding to support infrastructure improvement projects throughout the PCC Network, for needs such as roof repairs and equipment replacement.

CHILDREN'S INTEGRATED SERVICES (CIS): FY20 State Budget (H.542) LEAD ORGANIZATIONS: Vermont Parent Child Center Network, Vermont Family Network, and Winston Prouty Center

Result: Cuts Averted

Similar to 2018, Alliance advocates spent most of the legislative session working to oppose a cut to CIS proposed by the Administration. The Governor's Recommended FY20 budget included a \$309,714 reduction to CIS, based on program under-utilization. Alliance advocacy persuaded key members on the House Human Services and Appropriations Committees that any under-utilization was a direct result of under-funding and low reimbursement rates, and as a result the House re-instated the funding in their FY20 budget.

The Senate followed the House's lead, with strong support from members of the Senate Health and Welfare and Appropriations Committees. Full level funding was included in the Legislature's final FY20 budget.

FY20 STATE BUDGET: FY20 State Budget (H.542)

LEAD ORGANIZATION: Vermont Early Childhood Advocacy Alliance

Result: Partial Success

Compared to FY19, the Governor's Recommended FY20 Budget included a relatively small number of early childhood program cuts or reductions and new program proposals. Most of these were directly connected to issues in the Alliance's 2019 Legislative Agenda.

The Legislature did agree to a proposal to increase staffing levels at the Family Services Division of the Department of Children and Families (DCF), adding social workers, supervisors, and attorneys to respond to the increasing child protection caseload.

In general, the budgeting process allowed Alliance advocates to make stronger connections to legislators, present information to key committees, and continue to press for budgets based on needs not revenue limitations. The early childhood community's voices were clearly heard in the State House this legislative session.

Other Issues of Interest

Minimum Wage, Benefits Cliff, and Wage Pressures: <u>S. 23</u> LEAD ORGANIZATION: Vermont Early Childhood Advocacy Alliance Result: To Be Determined

The Alliance monitored discussions regarding a potential increase in the minimum wage because of negative impacts an increase could have on CCFAP recipients and child care providers, among others. While the increases to the CCFAP program in the FY20 budget addressed some of these potential pressures, the different versions of minimum wage legislation passed by the House and the Senate would have made any necessary adjustments to CCFAP eligibility to ensure that recipients would not lose more in lost benefits than any increase they got in salary. Similarly, the CCFAP market rate would have been adjusted to reflect the upward wage pressures created by the increase in the minimum wage.

However, the session adjourned without a final agreement between the House and Senate on the minimum wage issue, and so no bill was sent to the Governor. As a result, the issue will be carried over into the 2020 legislative session.

Lead Testing/Remediation in Schools and Child Care Programs: <u>S. 40</u> MONITORING ORGANIZATIONS: Vermont Early Childhood Advocacy Alliance, Let's Grow Kids

Result: New Program with Funding Provided

In 2018, preliminary testing undertaken by the state indicated that unacceptably high levels of lead – a potent neurotoxin with dangerous and lasting impacts on children – were present in water in some schools in Vermont. As a result, the Governor recommended to the Legislature that the state undertake a program to test all schools for lead levels in water, and begin remediation where needed as soon as possible.

This recommendation led to S. 40, a bill that was the subject of considerable testimony, debate, and negotiation before being passed by the Legislature in the final week of the session. The bill requires testing of drinking water outlets in both schools and child care facilities, all of it paid for by the state. The testing will start this summer and conclude by the end of 2020. While child care providers are already required to do some water testing, this program would require testing all taps used for drinking and cooking, and require new, more reliable sampling measures.

In outlets where lead levels are found to be at or above 4 parts per billion, remediation will be required. Funding is provided to pay for what is hoped to be a significant part (if not all) of the costs of remediation, based on actual costs. More funding is provided for more complex outlets, like water bottle fillers and commercial kitchen taps.

Several state agencies, including the Agency of Education, the Department of Health, and the Department for Children and Families will be working on rulemaking, publicity, and outreach about the testing. Look for extensive communications from all these agencies in the coming weeks.
