

V E R M O N T

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# EARLY CHILDHOOD ADVOCACY ALLIANCE

## 2021 Legislative Agenda Results Summary

Pandemic response dominated the 2021 legislative session, as expected. Virtual advocacy and virtual legislating posed many challenges, but the Legislature continued to respond to our community and showed strong support for our community's priorities. The Legislature's FY22 Budget included substantial investments in many early childhood programs and initiatives on the Alliance's [2021 Legislative Agenda](#).

We will continue to monitor legislative activity over the summer and fall, as more decisions are made on the allocation of federal pandemic relief funding. Look for updates in our weekly newsletters in the coming weeks.

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### TRANSFORMING EARLY CHILDHOOD EDUCATION Child Care Financial Assistance Program (CCFAP) and Early Childhood Education Workforce: [H.171](#), *FY22 State Budget* ([H.439](#))

#### **Result: Bill passage, Significant investments**

H.171 passed this year with strong tri-partisan support, setting the stage for true child care reform. It lays the foundation for an accessible, affordable, high-quality, equitable system. In addition to incredible support from advocates and community members across Vermont (and 95 original House cosponsors), this bill was championed and shepherded by the House Human Services, House Commerce and Economic Development, and Senate Health and Welfare Committees, as well as Appropriations Committees in both chambers.

The bill charts a course for Vermont's future child care system by:

- Describing goals for the state that a family will spend no more than 10% of their annual income on child care and that Vermont's early childhood educators will be fairly compensated and well supported;
- Prioritizing stakeholder input to ensure that voices of those most impacted are informing the state's work to administer the child care system and allocate federal COVID response funds for child care; and
- Engaging experts to analyze Vermont's current system, and identifying a stable, long-term funding source for a transformed child care system.

Combined with language in the FY22 Budget, the bill also invests \$12.7m in:

- Family Affordability: \$5.5m in CCFAP to expand eligibility, reduce co-pays, and increase reimbursements paid to child care programs.
- Workforce Stabilization: \$2.5m for scholarships and a student loan repayment support program.

- Infrastructure Improvement: \$4.5m to upgrade the Child Development Division’s failing IT system used to administer Vermont’s early childhood education system.
- Systems Analysis: \$200,000 to study the way Vermont’s child care system works, and to develop recommendations on how to strengthen and streamline the way we administer and structure the system in the future.

LEAD ORGANIZATIONS: Let's Grow Kids and Vermont Association for the Education of Young Children

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**REACH UP FUNDING: *Pandemic Relief Bill (H.315), FY22 State Budget (H.439)***

**Result: Funding increases secured, one-time payments made, SSI “disregard” eliminated**  
 Advocacy on this issue pivoted early in the session from a focus on increasing the rental subsidy to an effort to secure a more general increase in Reach Up benefit levels. This switch was prompted in part by (positive) changes to the housing benefits that were part of the pandemic response, and by support from legislators to press for increased benefits.

The Governor’s Recommended FY22 Budget proposed to “sweep” over \$5m in “savings” from a projected lower Reach Up caseload in FY22 to help balance the state budget. While the House Human Services Committee recommended using at least some of those funds to increase benefits that have fallen far below actual cost of living figures, the House Appropriations Committee declined to do so.

Meanwhile, the Legislature was working on allocating some of the funds in the second pandemic response package, the American Rescue Plan Act (ARPA). H.315, which passed in April, allocated \$1.2m in ARPA funds for one-time payments to Reach Up families.

As work on the budget moved to the Senate, Reach Up had strong champions in the Senate Health and Welfare Committee. Led by Chair Lyons and Sen. Hardy, they recommended appropriating \$2.77m from the General Fund for additional Reach Up base funding, to increase the basic needs standard from the 2008 to the 2021 level, while maintaining the current ratable reduction at 49.6 percent. They also recommended that language be added to recapture any “savings” from caseload reductions in FY22, and to direct any funds remaining at the end of FY22 be used to provide a one-time payment to Reach Up recipients in FY23.

The Senate Appropriations Committee initially accepted both recommendations, but then proposed reducing the increase in base funding by \$470,000 in order to do away with the “SSI disregard”, a change put in place in 2015 that counted \$125 of adult Supplemental Security Income (SSI) income against a household’s Reach Up benefits. The “disregard” had been reduced to \$77 several years ago. This change, which would mean that the Reach Up standard of need would be updated to the 2019 or 2020 level, was ultimately accepted by the Legislature along with the other language added by the Senate, as part of the FY22 Budget.

LEAD ORGANIZATION: Voices for Vermont’s Children

## **FAMILY & MEDICAL LEAVE INSURANCE: [H.134](#)**

### **Result: No Action**

H.134, a bill to establish a strong Family and Medical Leave Insurance (FaMLI) program, was introduced in the House in January. The bill did not get any committee hearings, as legislative leaders decided to wait to see what leave provisions may be considered on a national level by Congress and the Biden Administration before taking action on the state level.

The Vermont FaMLI Coalition is extremely grateful to the full Vermont Congressional delegation for all that they did to support passage of the American Rescue Plan Act, which extended the Families First Coronavirus Relief Act, as well as for signing on to support the federal FAMILY Act, which would provide a permanent, national leave program. In recent weeks, President Biden has also released a proposal for a national, federal leave policy in his American Families Plan. These proposals will be debated in the coming months.

In the meantime, the Vermont FaMLI Coalition continues to collect testimonials from those who have been impacted by the absence of a comprehensive leave policy in our state. Those wishing to share their stories to support the campaign are encouraged to use the Coalition's online story collection [form](#).

LEAD ORGANIZATIONS: Main Street Alliance-VT and Voices for Vermont's Children (for the VT FaMLI Coalition)

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## **PARENT CHILD CENTER NETWORK INTEGRATED GRANT: [S. 91](#), *FY22 State Budget (H.439)***

### **Result: Bill considered, One-time funding secured**

The Governor's Recommended FY22 Budget provided level funding for the annual Parent Child Center (PCC) Integrated Grant (formerly known as the Master Grant). The House agreed with this funding recommendation.

While the House was working on their budget, the Parent Child Center bill, S. 91, was taken up by the Senate Health and Welfare Committee. The bill would update statutes that govern PCCs to bring a new level of formality into statute and establish clear accountability for PCCs as they deliver essential state services. In addition, the bill establishes a base funding amount for PCCs that gets closer to covering the actual cost of providing services, plus an annual increase to this base amount.

The Committee did not take any final action on the bill. However, PCC supporters in the Senate, including Sen. Westman, supported a one-time allocation of \$3.7m to support capital and program improvements at PCCs. This allocation was approved by the Legislature as part of the FY22 Budget.

LEAD ORGANIZATION: Vermont Parent Child Center Network

## **CHILDREN'S INTEGRATED SERVICES (CIS): *FY22 State Budget (H.439)***

### **Result: Funding increase secured**

The Governor's Recommended FY22 Budget proposed to level fund CIS. With strong encouragement from the House Human Services Committee, the House approved a budget that increases funding to the program by \$1.5m for FY22. This would be the first major funding increase to CIS in years, and is approximately half of the funding needed to bring case rates up to a level that would meet current program costs, as estimated by the state's own analysis.

This increase was agreed to by the Senate and approved by the Legislature as part of the FY22 Budget.

LEAD ORGANIZATIONS: Vermont Parent Child Center Network, Vermont Family Network, and Winston Prouty Center for Child and Family Development

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## **HOUSING & HOMELESSNESS: *Pandemic Relief Bill (H.315), FY22 State Budget (H.439), S. 79***

### **Result: Significant One-time Investments; S. 79 considered; GA Emergency Housing Plan**

The Governor's Recommended FY22 Budget proposed significant investments be directed to the Vermont Housing and Conservation Board (VHCB), including \$20m in one-time funding, primarily for affordable housing initiatives. In April, following the passage of the American Rescue Plan Act (ARPA) and nearly \$1 billion being directed to the state, Governor Scott released a plan that would dedicate \$249m of these funds to build 5,000 units of new housing over the next three years.

After significant debate in the final weeks of the session, the FY22 Budget passed by the Legislature includes \$134m in one-time investments to VHCB to support new housing. \$94m of these funds come from ARPA, and \$40m come from the state's General Fund. \$12m of these funds will be used to rapidly increase shelter capacity for Vermonters currently experiencing homelessness.

In addition to these new investments, in April the Legislature also passed H.315, which provided \$10m in federal pandemic relief to VHCB to accelerate the creation of more affordable housing. This level of investment in housing is unprecedented and represents a major achievement for the Vermont affordable housing community.

Earlier this session, the Scott administration proposed a major shift in how General Assistance (GA) Emergency Housing aid is calculated and delivered, starting this July. After meeting stiff resistance in the Legislature, the Administration agreed to undertake planning discussions involving community partners and stakeholders about changes that would not be initiated until July '22 at the earliest.

In the meantime, the Department of Children and Families and the Agency of Human Services, in coordination with a working group of service providers, has released [their new plan](#) for shifting how aid is currently calculated and delivered under the GA Emergency Housing Program. The new proposal keeps current eligibility rules intact until July 1 for the nearly 2,000 Vermonters currently staying in hotels, and until June 1 for new applicants to the program. The

new eligibility rules are intended to allow households with the greatest risk to remain in the motel program and, when implemented, will be much broader than the GA rules in effect prior to the pandemic.

In the last week of the session, the Legislature fell one step short of passing [S. 79](#), a bill that would improve rental housing and safety by: establishing a rental housing registry; creating a statewide enforcement mechanism for the State Rental Housing Health Code; and making permanent the Vermont Housing Investment Program. A version of the bill passed both chambers but failed to clear a procedural hurdle on the last day of the session, and so did not secure final passage. The housing community is hopeful that the bill will be passed quickly when legislators return next year.

LEAD ORGANIZATION: Vermont Affordable Housing Coalition

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### **VERMONTERS FEEDING VERMONTERS: *Pandemic Relief Bill* ([H.315](#)), *FY22 State Budget* ([H.439](#))**

#### **Result: Not considered**

The Governor's Recommended FY22 Budget did not include any base funding for the Vermonters Feeding Vermonters program. The Vermont Foodbank initially requested \$500,000 in base funding for FY22, and many Vermont farmers, advocates, and people experiencing hunger spoke in support of this request at the joint House and Senate Appropriations Committee public hearing at the beginning of the session. However, neither the House nor the Senate included funding for the program in their FY22 Budget proposals.

The Legislature did allocate funding from the federal pandemic relief funds to support the Foodbank's ongoing pandemic response. H.315 included \$1.376m for the Foodbank to pay for their costs of running the Vermont Farmers to Families Food Box Program for the months of January and February 2021. The FY22 Budget also includes \$1m in ARPA funding to support Foodbank operations.

LEAD ORGANIZATION: Vermont Foodbank

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### **UNIVERSAL SCHOOL MEALS: [S.100](#), [H.106](#)**

#### **Result: Program implementation to be studied, possible action in '22**

At the end of February, the Senate Agriculture Committee unanimously passed S. 100, the "Farm Fresh School Meals for All" bill. This bill proposed to provide universal school meals to all students at no cost within the next five years, as well as universal school breakfast for all students for the 2022-23 school year, and a staffed incentive program to promote local purchasing by schools.

However, in April the U.S. Department of Agriculture announced that federally funded breakfast and lunch would continue for all students through the 2021-22 school year. In response to this major policy change, the components of S. 100 were broken up and moved into other bills.

The task force to study implementing universal school lunch by 2026-27 and the incentive program to promote local purchasing were moved into [H.106](#), a bill related to community schools. These additions to H.106 came together quickly and were passed by the House and Senate in the last week of the session.

The final portion of the original “Farm Fresh School Meals for All” package – implementation of universal school breakfast by the 2022-23 school year – remained in S. 100. S. 100 was passed by the Senate on the last day of April and was then considered by the House Education Committee, but the Committee did not vote on it this before the end of the session.

LEAD ORGANIZATION: Hunger Free Vermont

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### **FARM TO SCHOOL & EARLY CHILDHOOD: FY22 State Budget (H.439)**

#### **Result: Level Funding**

The FY22 Budget as passed by the House does not include an increase in funding for the Farm to School Grants Program. S.100, the “Farm Fresh School Meals for All” bill, did initially include increased funding for Farm to School Grants. However, the Senate Appropriations Committee pulled these elements out of the bill and they were not included in the FY22 Budget.

LEAD ORGANIZATIONS: Vermont Farm to School Network, Vermont FEED, and Hunger Free Vermont

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### **BUILDING BRIGHT FUTURES (BBF) FUNDING: FY22 State Budget (H.439)**

#### **Result: Funding Increased**

The Governor’s Recommended FY22 Budget proposed level funding to BBF, Vermont’s early childhood State Advisory Council. The House Human Services Committee recognized and valued the importance of BBF’s work on multiple levels, and supported BBF’s request for an additional \$261,000 in annual base funding starting in FY22.

The House Appropriations Committee unanimously voted to include the \$261,000 funding increase in their FY22 Budget, which was then passed by the House. The funding increase was agreed to by the Senate and approved by the Legislature as part of the FY22 Budget.

LEAD ORGANIZATION: Building Bright Futures

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### **SPECIAL ACCOMMODATION GRANT (SAG) FUNDING: FY22 State Budget (H.439)**

#### **Result: Level Funding**

The Governor’s Recommended FY22 Budget proposed level funding of \$300,000 for SAGs. However, the funding was not specifically identified in the overall Child Development Division budget.

Advocates for SAGs proposed \$200,000 of increased funding, as well as a specific line in the budget for SAGs, to ensure funding is directed as intended and to increase transparency and accountability. Unfortunately, neither of these changes were supported by the Legislature. However, the level of funding provided does assure that the program will continue for another fiscal year.

LEAD ORGANIZATIONS: Child Care Resource, Vermont Family Network, and Winston Prouty Center for Child & Family Development

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## **CORONAVIRUS RELIEF FUND (CRF) AND AMERICAN RESCUE PLAN ACT (ARPA) EXPENDITURES**

### **Diaper Bank Funding: *Pandemic Relief Bill* ([H.315](#))**

#### **Result: Funding secured**

The Alliance has been supporting the leadership of Junior League of Champlain Valley as they develop what had been a relatively small-scale, regional effort into a major statewide resource. As the pandemic drove up needs for diaper access, the Diaper Bank initially secured state funding in 2020 through the Coronavirus Relief Fund to expand their efforts, which now cover most of the state. While still volunteer-run, they now partner with PCCs, food shelves, and other local agencies and coordinate donations of hundreds of thousands of diapers.

The need for their services has continued into 2021. To support the work, the Legislature included \$82,000 in additional pandemic response funding to support the Bank's ongoing operations in H.315, which passed in April.

### **Other Pandemic Response Funding: *Pandemic Relief Bill* ([H.315](#))**

#### **Result: Funding secured**

H.315 was passed in April, and was a catch-all bill to allow the Legislature to allocate funds more quickly than the usual budget-writing process would allow for, and utilized both ARPA and General Fund dollars. It included a wide variety of allocations to support programs of interest to the early childhood community, including:

- \$10m for housing and facilities necessary to provide safe shelter to lower-income and at-risk populations
- \$5m to stabilize low- and moderate-income homeowners and prevent home foreclosures for Vermont families
- \$5m to support existing housing and community-based service facilities providing mental health services
- \$1.3m for one-time payments to families participating in the Reach Up program
- \$1.376m the Vermont Food Bank to pay the costs of the Vermont Farmers to Families Food Box Program for the months of January and February 2021
- \$82,000 for statewide provision of diapers to families in need
- \$5.5m to ensure that children and families have access to nutritious foods throughout the summer

## **Specialized Child Care Transportation: *FY22 State Budget (H.439)***

### **Result: Funding decrease, report required on changes**

DCF is once again trying to move transportation services offered to a variety of different populations – specialized child care, family services, etc. – from the current regional system into a single, statewide contract. While the current system is not functioning well, the idea of moving to this new structure is even more problematic. It is hard to understand how services can be successfully, safely, or effectively delivered in this fashion.

DCF plans to make this conversion this summer or fall. As a result, the Governor's Recommended FY22 Budget presumed about \$700,000 in savings from making this change, and moves funding from the various divisions into the Department's budget. The House Human Services Committee advocated for reversing the budget changes, but the House Appropriations Committee instead chose to include in the budget language that indicated that if DCF is not successful in awarding a new contract, funding levels have to be reverted to current levels. They also included language indicating that service levels should not decrease.

The Senate Health and Welfare Committee took a position similar to the House Human Services Committee, requesting that the changes be removed from the budget. While the Senate Appropriations Committee voiced concerns about the Administration's choice to take the savings before they had actually been realized, they initially decided to support the House budget language. During floor debate on the budget Sen. Hardy, the most vocal member of the Health and Welfare Committee on this issue, requested the language be strengthened, and before final passage language was added that requires DCF to submit a report this November to legislative committees on the results of the RFP and the level of services being provided over the summer.

This expanded language was approved by the Legislature as part of the FY22 Budget.

## **Public Engagement on Federal Funding Allocations: *FY22 State Budget (H.439)***

### **Result: Deeper engagement processes included**

During the winter and spring, the Alliance has worked with a number of organizations from a variety of policy areas in efforts to encourage the Legislature to increase their public engagement efforts as they consider how to allocate hundreds of millions of dollars in federal funding received by the state. This effort included off-the-record discussions with House and Senate leadership, offering suggestions and encouraging specific action on this issue.

In the closing days of the budget negotiations, we became aware that legislative leaders were planning to add into the budget a legislative "listening tour" to get Vermonters' feedback on use of federal funds. This proposal had not been discussed in open committee meetings during budget development. Alliance staff worked with our allies to propose specific language to strengthen the draft proposal, and make it more inclusive. Key aspects of our suggestions were accepted and added to the final language, including naming the use of "non-traditional public input processes" and the publication of a record of public comments gathered. These additions should lead to deeper engagement, with more and different Vermonters, as allocation decisions about ARPA and other sources are made in the coming months.