

V E R M O N T

EARLY CHILDHOOD
ADVOCACY ALLIANCE

2022 Legislative Agenda Results Summary

The 2022 legislative session saw a transition back to in-person work and a continuation of pandemic-related stresses on the system. Legislators demonstrated both support for early childhood programs and an increasing impatience with requests to continue pandemic-level assistance. Similarly, the Governor's Recommended FY23 Budget supported some key programs and suggested reductions in others.

In the end, progress was made on many of the issues on the Alliance's [2022 Legislative Agenda](#). While the impacts of the pandemic continue and many elements of the early childhood system are struggling, the added investments made this session will support many key programs. Most importantly, thousands of children and families will benefit as a result.

The final outcome of the session will not be certain for a few weeks, as the Governor has indicated he may veto several bills. The Alliance and lead organizations will continue to track developments in the coming days.

The conclusion of the session marks the end of the biennium and the beginning of an election season that will bring many changes to the Legislature through retirements, re-drawn legislative districts, and competitive elections. Alliance members will be hard at work over the summer and fall tracking these changes as they occur, and preparing a full slate of issues for advocacy in '23.

HOUSING & HOMELESSNESS: Increase Access to Safe, Stable, and Affordable Housing for all Children: [FY23 Budget](#), [S. 210](#), [S. 226](#)

Results: Bills passed, Significant investments

The '22 session saw unprecedented and much welcomed legislative action and investments in housing development and safety. Advocates are looking forward to building on these positive steps in the coming months and in the next legislative session to ensure the progress on addressing the state's housing crisis continues.

The Governor's Recommended FY23 Budget proposed \$11.5m in base funding for the Vermont Housing and Conservation Board (VHCB). The House General, Housing, and Military Affairs Committee proposed an increase to VHCB base funding, and the House Appropriations Committee agreed to add an additional \$10m to their budget for VHCB. The higher level of funding was supported by both chambers and included in the Legislature's FY23 Budget. While still short of full statutory funding, this increase to \$21.5m is an improvement to the years of underfunding that occurred before the pandemic.

The Legislature’s FY23 Budget directs \$50m in ARPA funds to VHCB to provide affordable mixed-income rental housing and homeownership units, improvements to manufactured homes and communities, recovery residences, and housing available to farm workers and refugees.

The Legislature also passed the Rental Housing and Safety bill, S. 210. The bill creates a uniform, statewide Rental Housing and Safety inspection program, which has been a long-time priority for housing advocates and will greatly improve housing conditions for children and families who rent in Vermont. S. 210 also includes a \$20m appropriation for the Vermont Rental Housing Improvement Program to assist with repairs to out-of-code units, and the development of new Accessory Dwelling Units (ADUs). The bill also had contained a rental registry program, but that was removed during final legislative negotiations in response to Gov. Scott’s opposition to the registry.

Rounding out the Legislature’s investments in housing this session was S. 226, an omnibus housing bill. This bill contains several provisions including tax credits for affordable housing development, grants for employer housing, a first generation home buyers grant program, and a \$15m “Missing Middle-Income Homeownership Development Pilot Program” to help middle-income Vermonters afford a home.

LEAD ORGANIZATION: Vermont Affordable Housing Coalition

FARM TO SCHOOL & EARLY CHILDHOOD: Nourishing Children’s Bodies and Minds: [FY23 Budget](#)

Result: Full funding secured

Thanks to strong support from legislative champions Reps. Carolyn Partridge and Tristan Toleno, the Legislature’s FY23 Budget fully funds the Farm to School and Early Childhood Grant Program at \$500,000, an increase in annual funding from the previous level of \$171,000. This higher level of funding will allow more early childhood education programs to access grant funding for gardens, farm visits, buying local food, and more. Advocates have been pressing for the increase for a number of years.

LEAD ORGANIZATIONS: Vermont FEED, Vermont Farm to School & Early Childhood Network, Vermont Farm to Early Childhood Coalition, and Hunger Free Vermont

CHILDREN’S INTEGRATED SERVICES (CIS): Vital Support for Vermont’s Families: [FY23 Budget](#)

Results: Funding increase secured, IT proposal not supported

The Legislature’s FY23 Budget adds about \$889,000 to the CIS base budget to increase the case rate from \$600/month to \$650/month – still short of the actual cost of care, but a badly needed increase. Advocates requested an increase to at least \$700/month for FY23, while the Governor’s Recommended FY23 Budget level-funded the program. Strong support for the increase came from both the House Human Services and the Senate Health and Welfare Committees.

Advocacy in support of the request for \$1.6m in one-time funds for the development of a system-wide CIS data system was not successful. The concept was supported by the House Human Services and Energy & Technology Committees. The Senate Health and Welfare Committee also supported the plan, and worked with advocates to develop a more limited proposal to fund work at four agencies that was proposed as a smaller alternative. While neither the larger nor smaller proposals were supported by the Appropriations Committees, advocacy helped secure more allies for the proposal and resulted in a more refined request. This work will provide a strong foundation for further advocacy for the FY24 budget cycle.

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

TRANSFORMING EARLY CHILDHOOD EDUCATION (ECE): Equitable, Affordable, Sustainable ECE for Children Birth to Five: [FY23 Budget](#), [H. 679](#), [H. 510](#)

Results: Significant investments

In ‘22, the Vermont Legislature continued on the path set out last year in H.171/Act 45 by making crucial investments in affordability for families and retention of early childhood educators, and bolstering work underway for true child care transformation in 2023.

Investments in child care passed during the session include:

- Supporting the child care workforce: \$7m in retention bonuses for people working in regulated child care programs to help retain these essential employees.
- Supporting child care programs: \$4.9m increase in the Child Care Financial Assistance Program to raise rates paid to child care programs on behalf of families, and to expand the number of days that families can be absent from care and programs can be closed without losing tuition support.
- Supporting families paying for child care: \$3.44m to expand Vermont’s Child and Dependent Care Credit, providing a refundable tax credit equivalent to 72% of the federal credit for all Vermont families paying out of pocket for care.
- Increasing child care capacity: \$800,000 to expand capacity for infants and toddlers.
- Recruiting new early childhood educators: \$100,000 to support high school students interested in careers in Early Childhood Education through the Pre-apprenticeship program.
- Moving toward the goals in H.171/Act 45: Language authorizing funding for the Child Care Financing Study.
- Language directing the Department for Children and Families to work with stakeholders and legislative committees on redesigning Vermont’s child care quality improvement system (STARS).

LEAD ORGANIZATIONS: Let’s Grow Kids (LGK) and Vermont Association for the Education of Young Children (VTAEYC)

**PARENT CHILD CENTER NETWORK INTEGRATED GRANT:
Strengthen and Support Parent Child Centers: FY23 Budget, S. 91**

Results: Bill passage, Significant funding increases

Parent Child Centers (PCCs) saw positive results on both the statutory and funding fronts. The Legislature passed S.91, which brings a new level of formality into the statutes regarding the establishment and operation of PCCs, and establishes clear accountability for PCCs as they deliver essential state services. The bill was championed by Sen. Ruth Hardy and the other members of the Senate Health and Welfare Committee.

The Legislature’s FY23 Budget also includes important investments in the PCC Network. While the Governor and the House proposed level funding, the Senate included a \$1.5m increase in the base (ongoing) funding for the PCC’s system-wide grant, as well as \$750,000 in one-time funding for upgrades to PCC’s facilities, systems, and equipment. These proposals were agreed to by the House and included in the Legislature’s FY23 Budget.

LEAD ORGANIZATION: Vermont Parent Child Center Network

**UNIVERSAL SCHOOL MEALS: Make Equitable Access to School Meals
Permanent: S. 100**

Results: Bill passage, Significant investments

Last year, the Senate passed a scaled-down version of S. 100 that would have provided permanent state support for a universal breakfast program and funded a study into providing universal school lunch. Advocates spent the summer and the early part of the ’22 legislative session preparing champions in the House Education Committee to push for amending S. 100 to include universal breakfast and lunch for all Vermont students. Advocates, school nutrition professionals, and students all stressed that after two and half years of federally funded Universal School Meals, students and schools could not bear having universal meals taken away.

Championed by Chair Kate Webb and other members of the House Education Committee, S. 100 as passed by the House appropriates \$29m for Universal School Meals through June 2023. The bill also directs the Agency of Education to produce a report that includes data on student participation in the meals program across different school and grade levels, as well as strategies for minimizing the use of State funds. The Senate agreed to this revised and expanded language, sending the bill to the Governor for his signature.

Advocates will closely monitor the implementation of Universal School Meals during the 2022-23 school year and come back to the Legislature with a plan to make Universal School Meals permanent in future years.

LEAD ORGANIZATION: Hunger Free Vermont

REACH UP: Ending Child Poverty is Within Our Reach: [H. 464](#), [FY23](#)

[Budget](#)

Results: Bill passage, Funding reductions

Advocates applauded the passage of H. 464, a bill containing a number of improvements to the Reach Up program, including several provisions imported from [H.672](#). H.464 was sponsored by Rep. Ann Pugh and championed by Rep. Taylor Small and other members of the House Human Services Committee. The bill makes a number of important policy changes to the program. Most notably, the bill shifts the program’s work requirement to a “universal engagement” model that aims to engage each participating family, to the best of their ability, in improving the family’s social, emotional, and economic well-being. The bill expands the activities that count as engagement, drawing from research on how to best achieve and sustain family economic security.

The bill also raises the age from 19 to 22 for dependent children who are full-time students who can be counted as family members for the purposes of benefit levels. The “job earned income disregard” was raised from \$250 to \$350/month. The amount of child support allowed without reducing benefits was raised from \$50 to \$100/month.

Unfortunately, the Legislature also accepted a \$4.6m funding decrease for Reach Up. The decrease is based on questionable caseload projections in the Governor’s Recommended FY23 Budget, which the House Human Services Committee examined in detail and found to be unrealistic. The House and Senate Appropriations Committees decided to count the savings in their budgets, and re-examine the issue during the annual Budget Adjustment process in January. Advocates expect that caseload numbers will go up rather than down, and that funding increases will be needed. The Legislature did not respond to calls to increase basic needs grants for families in spite of record high inflation and robust revenue projections, leaving families enrolled in the program well below the poverty guideline even when other benefits are factored in.

LEAD ORGANIZATION: Voices for Vermont’s Children

FAMILY & MEDICAL LEAVE INSURANCE: Improving the Health and Well-Being of Vermont Families: [S. 11](#)

Results: COVID Paid Leave benefit secured

The FaMLI Coalition continues to monitor discussions about the implementation of a comprehensive leave insurance program on the federal level. Unfortunately, no action has been taken so far this year.

In the meantime, the Coalition was successful in urging the Senate Economic Development Committee to support the creation of a state-level program that would provide short-term wage replacement for workers who have to miss work because of COVID-related issues. After a lengthy negotiation, the Legislature approved a program outlined in S.11 that would provide up to 40 hours of 100% wage replacement (up to \$21.25/hour) for workers who have documented loss of work for COVID-related issues. The program is authorized to run from July 1, 2022 through June 30, 2023, and \$15.2m was appropriated for payments.

While this program is reduced from the original proposal and will not make workers “whole”, the program will provide important support for workers as the impacts of the pandemic unfortunately continue.

LEAD ORGANIZATIONS: Main Street Alliance of VT and Voices for Vermont’s Children for the VT FaMLI Coalition

**STATE BUDGETS AND EXPENDITURES: Ensuring Funding for Critical Early Childhood Programs: [FY23 Budget](#), [H. 510](#)
Results: Additional Funding secured**

Statewide Diaper Bank

Advocacy by the Junior League of Champlain Valley for continued program funding was successful in securing the support of the Senate, which included \$180,000 in one-time funding in their FY23 Budget for the continued operation of the League’s statewide Diaper Bank. This funding was agreed to by the House, and included in the Legislature’s FY23 Budget.

The Senate also considered a bill that would have created a formal study committee to develop proposals for a permanent funding and staffing structure for a statewide diaper bank (the current version is 100% volunteer-run by the Junior League). The Senate Health and Welfare Committee heard testimony on the bill, and instead encouraged interested parties to work informally to develop a proposal. The Vermont Foodbank stepped up to offer modest staff and financial support, and state agency staff agreed to participate as well. This working group began meeting in recent weeks to investigate possible funding, governance, and delivery models.

Alliance staff supported the Junior League’s advocacy through the session, and look forward to the results of the working group.

Post-Partum coverage extension

Funding to support the extension of Medicaid benefits from 60 days post-partum to a full year was included in the Governor’s Recommended FY23 Budget, and in the Legislature’s Budget as well. Alliance staff worked with advocates to track the funding and support its inclusion in the final budget.

Specialized Child Care Transportation

The House FY23 Budget included language that reversed the failed reorganization of the delivery and funding structure for DCF’s transportation programs. The FY22 Budget included the proposed reorganization, which the Alliance opposed. The Senate accepted the House language for FY23, which moves funding for Specialized Child Care Transportation back into the CDD budget. The Alliance strongly supported the new language.

Tax Credits

The Governor's Recommended FY23 Budget included several tax credit proposals that would potentially benefit young children, families, and early childhood service providers. House leadership decided to focus instead on their own tax proposal, which included none of the Governor's recommendations and instead created a state Child Tax Credit, similar to the short-term federal tax credit that expired earlier this year, with a \$48m annual cost.

That proposal, spelled out in H. 510, passed the House but was significantly revised by the Senate. The Senate created a package of changes that was more or less a middle ground between the House and the Governor – a smaller Child Tax Credit, and smaller versions of the Governor's proposals, all for slightly less money and with a sunset after three years.

After a somewhat difficult negotiation, the Legislature agreed to a compromise package, a summary of which can be found [here](#). The largest initiative in the final bill is a \$1,000 Child Tax Credit for children aged 5 and under. The credit would start to phase out at family incomes of \$125,000, and be zero for those over \$175,000. The program cost is estimated to be \$31.8m a year, and would impact about 33,000 children.

Smaller tax-related initiatives focused on children in the final package include implementation of a partial state tax credit connected to the federal Child and Dependent Care Credit (\$3.44m) and an expansion of the state Earned Income Tax Credit from 36% to 38% of the Federal credit (\$1.5m).