

V E R M O N T

EARLY CHILDHOOD
ADVOCACY ALLIANCE

2023 Legislative Agenda Results Summary
[UPDATED with results from June's Veto Session]

The 2023 legislative session saw a return to fully in-person work, and resulted in a range of outcomes for the state's early childhood community. Some issues on the Alliance's Agenda had tremendous (and even historic) successes, while others had disappointing results.

In the end, progress was made on many of the issues on the Alliance's [2023 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, now and for many years to come.

The Governor vetoed a number of bills passed this year, including the FY24 Budget and the child care bill. The Legislature overrode the vetoes on these and other bills in their June veto session. During that session the Legislature also passed compromise language to extend aspects of the state's emergency housing program, which were included as part of another bill that passed during the one day session. See below for more details.

Looking ahead, Alliance members will be hard at work over the summer and fall building support for ongoing campaigns, tracking implementation of programs that have passed, and preparing a full slate of issues for advocacy in '24.

TRANSFORMING EARLY CHILDHOOD EDUCATION (ECE): Equitable, Affordable, Sustainable ECE for Children Birth to Five: [FY24 Budget](#), [H. 217](#)
Results: Bill passed, vetoes overridden, funding secured

Pre-session goals: Progress over the course of four years on five priorities: 1) Affordability (CCFPA); 2) Early Childhood Educator wages, benefits, and overall support; 3) Creation of a single, empowered leadership position in Vermont state government overseeing the child care and early childhood education system; 4) Accessibility and increased capacity of programs to ensure all children have access to a program that best meets their needs; 5) Equity in affordability, capacity, support for early childhood educators, etc. through specific programs to support families of color and other historically marginalized populations in Vermont

By passing H.217, the Legislature makes Vermont's child care system one of the most expansive in the nation, stabilizing our child care sector, and making major progress on providing access to affordable, quality child care for all Vermont families who need it. The bill includes long-term,

sustainable public funding, and will invest \$125 million annually into Vermont’s child care system. Highlights include:

- **Accessibility:** Through direct financial support to child care programs of all types, the bill invests millions of dollars to recruit and retain staff, help programs expand to better meet demand, offer nontraditional hours of care, and expand access to culturally competent and multilingual programming.
- **Affordability:** An estimated 7,450 more children and their families will have access to child care financial assistance.
- **Quality:** Through increased funding, child care programs of all types will be able to increase early childhood educator compensation and invest in quality programming.

While the Governor vetoed the Legislature’s FY24 Budget and H. 217, these vetoes were overridden in the June Veto Session, and both bills will now become law.

For more information on what is included in H. 217, [click here](#).

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

HOUSING & HOMELESSNESS: Increase Access to Safe, Stable, and Affordable Housing for all Children: [FY24 Budget](#), [S. 100](#), [H.171](#)

Results: Significant investments, Emergency Housing compromise reached

Pre-session goals: 1) Full statutory funding for the Vermont Housing and Conservation Board; 2) Continued investments in human services programs that prevent and reduce homelessness; 3) Improve the health and safety of the state's rental stock; 4) Ensure the Emergency/General Assistance Program effectively serves and houses Vermont children and families in need; 5) Increase stability for renters.

The ’23 legislative session saw unprecedented and much welcomed legislative action and investments in housing development and services. While a wide-range of investments in affordable housing development and supportive services were included in the Budget Bill (H.494), the debate about ending the pandemic-era hotel/motel program and providing emergency housing services continued in the weeks leading up to the Veto Session, culminating in the passage of compromise language included in H.171 during the one-day session.

While it ends the pandemic-era hotel/motel emergency housing program, the language in H.171 extends the transition period until April 1, 2024 for people enrolled in the program as of July 1, 2023. The new language will not guarantee that all Vermonters have access to shelter, most notably households who are not eligible for the pandemic-era hotel/motel program or who become newly unhoused on or after July 1, 2023.

Housing Investments

As he did last year, the Governor’s Recommended FY24 Budget did not include full statutory funding for the Vermont Housing and Conservation Board (VHCB). His recommended base funding from the Property Transfer Tax of \$11.5 million was \$10 million below the FY23

appropriation, despite the critical need for affordable housing. The Legislature disagreed with the Governor's position, and their final FY24 Budget maintains the funding level from FY23.

In recognition of the important role that VHCB plays in facilitating and funding critically needed permanently affordable housing units, the Legislature added a total of \$40 million in one-time funding for this purpose to their FY24 Budget, which will go into effect as the Legislature overrode the Governor's veto. The details of the budget were then altered by language included in H.171.

H.171 directs VHCB to allocate \$10 million of this one-time funding to enhance capacity of manufactured homes in manufactured home parks with vacant and available lots, with another \$4 million to be allocated to the Manufactured Home Improvement Repair Program to prevent homelessness for those residing in a manufactured home that needs repair. It further requires VHCB to grant \$5 million for the Vermont Home Improvement Program, bringing the total FY24 investment in that program to \$15 million.

This leaves VHCB with \$21 million to invest more flexibly in affordable housing projects and \$10 million in one-time funding to support rapid rehousing projects such as manufactured homes, conversion of hotels/motels, and expansion and enhancement of emergency shelters.

Emergency Housing

The Governor's Recommended FY24 Budget proposed to end funding of the pandemic-era hotel/motel program. However, it included \$26.4 million to support the transition of the General Assistance (GA) Emergency Housing program back to its pre-pandemic rules, with expanded eligibility during cold weather months. The legislature included this funding in their FY24 Budget, as well as other funding and program language that was further amended a few weeks later by language passed in the Veto Session.

Compromise language included in H.171 extends housing for those in the hotel/motel program on June 30, 2023 until April 1, 2024, with the goal of finding housing alternatives for each household before then. Participants are required to contribute one-third of their income and participate in the coordinated entry and case management processes. H.171 also creates the expectation that the Administration will negotiate lower room rental rates with the hotel/motel owners, and sets extensive reporting requirements and legislative oversight of the transition from the pandemic-era hotel/motel program and the development of new temporary shelter and permanent housing options.

For those that are not part of this program – including those who did not qualify to remain in the hotel/motel program as of June 1, 2023 or who are newly homeless after June 30, 2023 – the traditional GA emergency housing program, with its more limited eligibility criteria and time limits for housing, will resume on July 1, 2023. Based on the [Governor's Executive Order on Housing Directives](#) Issued on May 26, 2023, the definition of families used by the GA eligibility criteria will include households with children up to 18 years of age (and 19 if still enrolled in school.)

Additional housing supports and services in the Legislature's FY24 Budget include:

- \$12 million to provide temporary, expanded shelter capacity

- \$10 million for additional Housing Opportunity (HOP) Grants to agencies and communities to help individuals who are experiencing homelessness in a variety of ways including costs of transitioning to alternate housing arrangements, camping equipment, camp site fees, car repairs, relocation assistance, etc.
- a \$2 million base increase and a \$5 million one-time increase for housing and shelter services through the HOP Grant Program
- \$450,000 in one-time funding for maintaining the SASH for All pilot at two existing sites initially funded by federal funds

Funding for several housing projects including \$10 million for the Missing Middle Rental Revolving Loan Fund and \$1 million for the First-Time Homebuyer Fund are on the Budget Contingency list, and will receive funding if additional revenues are available as the fiscal year progresses.

Several important housing bills considered this session aimed at making affordable housing easier to build. Many provisions in these bills were included as sections of S.100, the HOME Bill, which was passed by the Legislature after much debate. Several homelessness prevention measures such as the Rental Housing Stabilization Program, a Tenant Representation Pilot, and a Rental Arrears Assistance Fund were included in S.100, but were not funded in the budget. S.100 also includes language that prohibits municipalities from zoning out emergency housing shelters as of September 2023.

While the Senate rejected the House’s language that would have required the Administration to convene advocates and providers in a renewed Poverty Council and to update the Roadmap to End Homelessness, the Legislature’s FY24 Budget does recognize the newly created Governor’s Council on Housing and Homelessness, and directs the Administration to review and inventory affordable housing developed since January 2020 as well as investments in housing assistance programs.

LEAD ORGANIZATION: Vermont Affordable Housing Coalition

CHILDREN’S INTEGRATED SERVICES (CIS): Protect Family Access to Integrated Supports Through CIS: [FY24 Budget](#)

Results: Funding increase secured, Data System proposal not supported

Pre-session goals: 1) Secure a base funding increase of \$608,000 to support increased demand for CIS services, and 2) Secure one-time funding of \$1.8m to build a statewide CIS data reporting platform using the Family Center of Washington County’s successful Salesforce community-based data system.

The Legislature’s FY24 Budget includes an increase of \$950,830 to CIS base funding to support a projected CIS caseload increase in coming months. This funding increase is identical to the one in the Governor’s Recommended FY24 Budget. Providers are concerned that they will not be able to provide services to an expanded CIS caseload due to staffing constraints, but the funding increase is still good news.

While the House FY24 Budget also included \$768,180 in one-time funding to allow three more CIS regional fiscal agents to adopt the Salesforce-based data system that has been developed by the Family Center of Washington County, the Senate strongly objected to this proposal. Their position was based on misplaced concerns raised by the Scott Administration. Unfortunately, the funding was not included in the Legislature’s final budget. Thanks are due to the House Government Operations and Military Affairs Committee for their strong support of this proposal.

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

FAMILY & MEDICAL LEAVE INSURANCE: Improving the Health and Well-Being of Vermont Families: [H. 66](#)

Results: House passage of bill

Pre-session goal: Passage of a publicly overseen insurance program that creates universal paid medical and family leave for all workers and families in Vermont.

In March the House passed [H. 66](#), a strong bill which would establish a universal, equitable, state managed family and medical leave insurance program. The House vote on the bill indicated that there would be enough votes in the House to overturn a veto, should the bill be passed by the Senate and vetoed by the Governor.

Unfortunately, the Senate did not give the bill full consideration during the session. The Senate did include a limited parental leave proposal in their version of their child care bill, but advocates did not support that proposal given its limitations and serious programmatic shortcomings. That proposal was not included in the final version of the child care bill that passed the Legislature.

The Paid Leave Coalition is continuing to urge the Senate to give H.66 a full hearing and pass the bill next year.

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

PARENT CHILD CENTER NETWORK INTEGRATED GRANT: Fully Fund Parent Child Centers: [FY24 Budget](#)

Results: Significant funding increases

Pre-session goal: Secure a base funding increase of \$5.2m for the Integrated Grant to cover the actual cost of providing services and address decades of underfunding.

The Parent Child Center (PCC) Network continues to focus on increasing the base funding for the PCC Integrated Grant, which is the funding source for their partnership with the state. Their advocacy goal for FY24 was to have the Integrated Grant funded at \$10 million, as opposed to the current funding of \$4.8 million.

The Legislature’s FY24 Budget increases base funding for the Network’s Integrated Grant by \$2 million, to a total of \$6.8 million, making an important additional investment in the Network.

LEAD ORGANIZATION: Vermont Parent Child Center Network

UNIVERSAL SCHOOL MEALS: Confirming the Education Fund as the Permanent Funding Source: [H. 165](#)

Results: Bill passage, program and funding secured

Pre-session goal: Require all public schools to provide Universal School Meals, and that the costs of school meals not covered by federal funding be paid for off the top of the Education Fund rather than in individual school budgets.

With the passage earlier this month of [H.165](#), the Universal School Meals bill, the Legislature has made the state’s current universal school meals program permanent. In addition, they confirmed that funding for the program will come off the top of the state’s Education Fund.

This tremendous success is the result of a multi-year campaign that culminated in the bill receiving strong support in both the House and Senate from all political parties, with more than enough votes to overcome a potential veto by Gov. Scott. As a result, the Governor decided to allow the bill to become law without his signature.

LEAD ORGANIZATION: Hunger Free Vermont

REACH UP: Ending Child Poverty is Within Our Reach: [H. 94](#), [FY24 Budget](#)

Results: Bill passage, additional funding

Pre-session goals: 1) Elimination of the “ratable reduction” that reduces the Reach Up benefit by about 50%; 2) Use of current cost of living to create a reasonable base grant; and 3) Prioritization of permanently affordable housing.

With strong support from both chambers, earlier this month the Legislature passed [H. 94](#), a bill that requires the Administration to develop a plan (and funding model) to eliminate the ratable reduction over the next five years. A report from the Department for Children and Families is due back to the Legislature by March ‘24, but the House has indicated they will begin action on the issue earlier in the year, in order to consider beginning the process of eliminating the ratable reduction as part of their FY25 Budget discussions.

While the Legislature’s FY24 Budget followed the Governor’s recommendation and includes a base funding increase for Reach Up to take into account projected caseload increases, it did not make any increases to the size of Reach Up grants, which continue to be woefully inadequate.

The House Human Services Committee recommended to the House Appropriations Committee that the House Budget add \$3 million to pay for the cost of moving from a calculation of “basic needs” based on 2019 data to one using 2023 data. This change would have resulted in increased benefits for all Reach Up families. The Committee also recommended that language be added to

the statutes that would make updates to the annual rate automatically take place every year. Unfortunately, these changes were not included in the Legislature’s FY24 Budget.

LEAD ORGANIZATION: Voices for Vermont’s Children

VERMONT DIAPER BANK: A Sustainable Statewide Solution for Families Experiencing Diaper Need: [FY24 Budget](#)

Results: Insufficient additional funding secured

Pre-session goals: Secure ongoing annual state funding of approximately \$380,000 to support a more tenable, long-term Vermont Diaper Bank to secure and distribute diapers and alleviate diaper need in the state.

Neither the Governor’s Recommended nor the House FY24 Budget included funding for a statewide diaper bank. The Senate included \$375,000 in one-time funding in their budget. During negotiations over the final budget, that figure was reduced to \$100,000 and included in the Legislature’s final FY24 Budget. Unfortunately, that level of funding will only allow for operations to continue for several more months, rather than allowing for the transition to a permanent program as sought by advocates.

Advocates are working on alternative plans, but the statewide diaper bank is now scheduled to conclude operations by the end of 2023.

LEAD ORGANIZATION: Junior League of the Champlain Valley

OTHER STATE BUDGETS APPROPRIATIONS: [FY24 Budget](#)

Result: Additional Funding secured

Additional issues of concern to Alliance members that were the focus of advocacy efforts during the ’23 Legislative Session:

211 Funding

Late in the session legislators were alerted to the fact that the Governor’s Recommended FY24 Budget did not fully fund the state’s 211 human services phone help-line. Alliance staff worked with the service’s lead agency, United Ways of Vermont, to craft a proposal to the Legislature for additional funding to ensure operations could continue. This service has continued to be vitally important as the impacts of the pandemic and economic challenges persist for many Vermont families and children.

In response to the request, the Legislature’s FY24 Budget adds \$650,000 in one-time funds to existing base funding, to ensure full-time operations can continue for the coming fiscal year.