

# Overview of Act 76

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July 18, 2023



# CDD Flood Response

## CDD is currently:

- Supporting programs that need to relocate
- Tracking closures and impact
  - Let CDD know if/how you've been impacted through Licensor on Duty
- Sharing information
  - [www.governor.vermont.gov/floodrecovery](http://www.governor.vermont.gov/floodrecovery) - comprehensive list of government resources, including application for disaster assistance
  - [www.firstchildrensfinance.org/vermont](http://www.firstchildrensfinance.org/vermont) - business technical assistance
  - [Vermont Language Justice Project](#) – post-flood safety videos in multiple languages
- Identifying resource gaps

## Right now, programs and providers should:

- Document losses and flood-related impacts (i.e. photos, notes, business records)
- Connect with the CDD's Child Care Licensing team
- Seek support from insurance, state and federal disaster recovery resources

# Accessing today's presentation and resources

## The CDD Act 76 webpage

- Links to key documents
- This Presentation
- Summary and Status Chart
- Frequently Asked Questions (coming soon!)

# Presenting today

**Janet McLaughlin**, Deputy Commissioner

**Emily Hazard**, Child Care Benefits  
Administrator

**Dawn Rouse**, Director of Statewide  
Systems

**Donna Lopiccolo**, Licensing Supervisor

**Chris Case**, Director of Policy and Planning

# Agenda

## Overview of Act 76

- **Goals of the law**
- **Key components of the law**

## Q and A

# Intent of the Law

The General Assembly intended Act 76 to:

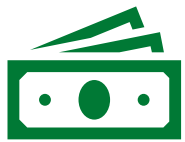
- Increase access to and quality of child care, afterschool, and summer programs statewide
- Provide financial stability to child care programs
- Stabilize and support the state's early childhood workforce
- Better support and resource family child care homes
- Increase equitable access to and quality of UPK offerings for four-year-olds
- plus more....

# **Act 76 aligns with CDD Priorities**

- Equity of access
- High-quality programs and services
- Workforce development and supports
- Data-informed decision-making

# Components of the Law

CDD has organized the changes required by Act 76 into these categories:



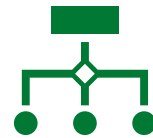
## CCFAP

Changes impacting the Child Care Financial Assistance Program



## Child Care Licensing

Changes and additions to licensing regulations



## Accountability and Administration

Requirements and resources for Act 76 implementation



## UPK-Related

Changes and transition-planning supporting UPK



## Reports and Presentations

Required reporting from state entities



# CCFAP

**Emily Hazard**

Child Care Benefits Administrator

**Dawn Rouse**

Director of Statewide Systems

# CCFAP

## State Reimbursements to Child Care Programs

In 2023:

- CCFAP capped rates now have higher base rates: 7/2/23
- CCFAP rates no longer tied to programs' STARS ratings: 7/2/23

In 2024:

- Pay all programs at CCFAP state rates: 1/1/24
- Increase CCFAP state rates by 35%: 1/1/24
- For Family Child Care Programs: Increase CCFAP state rates by 50% of difference between family child care and center-based program state rates: 7/1/24

<b>CCFAP Rates per Act 76</b>		July 2, 2023	January 1, 2024	July 1, 2024		July 2, 2023	January 1, 2024	July 1, 2024	
		Simplified rate structure	Increase 35%	No change		Simplified rate structure	Increase 35%	Increase by 50% of difference with centers	
<b>Licensed Center</b>		<b>Capped Rate*</b>	<b>State Rate**</b>	<b>State Rate</b>	<b>Registered Home</b>		<b>Capped Rate*</b>	<b>State Rate**</b>	<b>State Rate</b>
<b>Infant</b>	Full Time	\$349	\$471	\$471	<b>Infant</b>	Full Time	\$225	\$304	\$387
	Part Time	\$191	\$258	\$258		Part Time	\$123	\$166	\$212
	Extended Care	\$474	\$640	\$640		Extended Care	\$306	\$413	\$527
<b>Toddler</b>	Full Time	\$328	\$443	\$443	<b>Toddler</b>	Full Time	\$211	\$285	\$364
	Part Time	\$180	\$243	\$243		Part Time	\$116	\$157	\$200
	Extended Care	\$446	\$602	\$602		Extended Care	\$286	\$386	\$494
<b>Preschool</b>	Full Time	\$325	\$439	\$439	<b>Preschool</b>	Full Time	\$210	\$284	\$361
	Part Time	\$178	\$240	\$240		Part Time	\$115	\$155	\$198
	Extended Care	\$442	\$597	\$597		Extended Care	\$285	\$385	\$491
<b>School Age</b>	Full Time	\$275	\$371	\$371	<b>School Age</b>	Full Time	\$200	\$270	\$321
	Part Time	\$151	\$204	\$204		Part Time	\$110	\$149	\$176
	Extended Care	\$374	\$505	\$505		Extended Care	\$272	\$367	\$436

\*Until December 31, 2023, the state will pay up to the capped rate or the provider's regular rate, whichever is lower, after subtracting the weekly family share.

\*\* Beginning January 1, 2024 the state will pay the CCFAP state rate after subtracting the weekly family share.

# CCFAP

## Additional changes for programs

- Programs can no longer accept application and waitlist fees for children who are eligible for CCFAP and must reimburse on those fees for children who are later found to be eligible at the time: 7/1/23
  - This requirement will be incorporated into CCFAP Provider Agreements in the future
- CCFAP to be paid on enrollment: 1/1/24
  - CDD to define enrollment in consultation with Office of Racial Equity
  - Work to begin late Summer '23 and will include administrative rulemaking

# CCFAP

## Expansion of Eligibility for Families

Begins in 2024

- Income eligibility increases to 400% FPL: 4/1/24
- \$0 weekly family share extends to 175% FPL: 4/1/24
- Extension of CCFAP benefits to children who were previously excluded due to citizenship status: anticipated 7/1/24
- Income eligibility increases to 575% FPL: 10/1/24

An additional \$2M is allocated to support CCFAP eligibility specialists at Community Child Care Support Agencies.

# CCFAP

## Additional changes for families

- State CCFAP policies related to self-employment and other specialized service needs must be reviewed and revised consistent with best practice on a regular basis.
  - CDD will begin this work, aimed at ensuring the program is as inclusive as possible, in Fall 2023.
- CCFAP application to be provided in electronic + paper forms, in plain language, and comply with Office of Racial Equity (ORE) Language Access Report: 7/1/24
  - To be completed by July 1, 2024. CDD is already working on an electronic application as part of CDDIS system.
- CDD to consult with the Office of Racial Equity on public-facing materials and trainings for CCFAP.

# CCFAP

## Additional CCFAP-Related Financial Supports

- \$20M appropriated for Readiness Payments for programs accepting CCFAP to support their stabilization and expansion
  - Non-competitive
  - Currently planning formula
    - [Readiness Survey](#) closes July 28th
  - Late Summer 2023 rollout for applications
  - Fall 2023 start for payments
- \$10M Quality and Capacity Incentive payments to programs accepting CCFAP (to begin after July 1, 2024)
  - Design with stakeholder input to begin in early 2024
  - Financial incentive for STARS

# Child Care Licensing

**Donna Lopiccolo**  
Licensing Supervisor



# Child Care Licensing

These requirements will be incorporated into Child Care Licensing Regulations revisions already underway.

- Programs are prohibited from exceeding cap for their own annual tuition rate increases
  - Cap is set based on national index related to education expenses
  - 2023 cap of 7.2% is posted to the CDD website
    - $\$1000 \text{ planned increase} / \$20,000 \text{ current tuition} = .05 = 5\%$
  - Temporary grace period for compliance until regulations are finalized
- CDD will amend regulations to require CBCCCPP and ASP program directors to be on-site at least 40% of the time children are present (reduced from 60%)
  - This requirement was already planned for next revision of Child Care Regulations and will be included.
  - CDD is granting variance to CBCCCPPs and ASPs, will be regulating to 40% standard

# Child Care Licensing

These requirements will be incorporated into Child Care Licensing Regulations revisions already underway.

- Child care programs receiving CCFAP must provide ownership disclosure
  - Already incorporated into application and re-application process
  - No action needed from programs right now
- Regulated child care providers must make their tuition rates publicly available
  - Programs should make plans to comply as soon as possible
  - There is a grace period for compliance until the revision of the regulations is complete

**Accountability  
and  
Administration**

**Chris Case**

Director of Policy and Planning

## Accountability and Administration

CDD and Building Bright Futures are charged with monitoring the implementation of Act 76, including:

- Defining and measuring success
- Engaging partners and community members

Planning will begin in July 2023. Opportunities for public input and engagement from partners will be identified and shared in the future.

Act 76 creates 11 new positions within DCF to support implementation of the law (includes support for licensing, CCFAP administration, and grant and contracts)

- Postings will be shared through State of Vermont hiring platform and CDD listserv as they become available

New payroll tax (increase of .11% from employee, .33% from employer) to go into Child Care Contribution Special Fund

- Taxes will begin to be collected July 1, 2024
- Department of Taxes will implement, received new staff to support implementation

Act 76 allows the [Student Loan Repayment Assistance Program](#) to continue past July 1, 2026. Future funding would be needed.

In March 2023, Legislature approved significant expansion of eligibility for the Student Loan Repayment Assistance Program. It now includes;

- Degrees earned in any year
- All degrees that contribute to Level Certificates 3B or higher

**UPK-  
related**

**Janet McLaughlin**

Deputy Commissioner

# UPK- related

*No changes to Universal Prekindergarten were made in Act 76.*

## **Act 76 establishes a new Prekindergarten Education Implementation Plan Committee**

- Co-chaired by AOE and AHS designees
- Charged with determining how to implement prekindergarten as a full-school-day, full-school-year program for 4-year-olds, beginning with the 2026-27 school year, with mixed delivery
- First meeting: July 15, 2023
- Report due to Legislature: December 1, 2024



# UPK- related

## Work with the new Prekindergarten Education Committee

Additional reports and analyses:

- AOE to Joint Fiscal Office: report listing number of prekindergarten students statewide, estimated costs, and current UPK programs by school district (8/1/23)
- To Legislature: report describing cost of educating a prekindergarten student relative to a kindergarten student for purposes of determining “pupil weight” in school funding formula (12/1/23)

Develop a model contract for school districts to use for contracting with private providers for prekindergarten education services (by 12/1/24)

- Contract will include provisions related to antidiscrimination and special education

## 2024

- Improvements to the background check process: 1/15/24 (Vermont Crime Information Center with CDD and AOE)
- Recommendations for mechanisms to inform future CCFAP adjustments of both state rates and weekly family share: 1/15/24 (CDD, JFO)
- Feasibility of and progress towards establishing administrative service organizations for child care providers: 2/15/24 (CDD)
- Streamline and improve effectiveness of Special Accommodation Grants: 7/1/24 (CDD)

## **2025**

- Report on possible reorganization of DCF to increase responsiveness and elevate status of early childhood services within AHS, in alignment with a similar report from AOE: 11/1/25 (AHS with AOE)

## **2026**

- Submit information on current wage levels for early childhood educators: 1/1/26 (DOL with CDD)

# Where to go for information?

## Information and Resources

- Dedicated Act 76 [webpage](#)
- Act 76 Summary and Status Report
- Act 76 FAQ (will be posted and updated periodically to reflect your questions)
- First Children's Finance [Act 76 Videos](#)

## Asking questions or requesting support

- [AHS - DCF CDD Info@vermont.gov](mailto:AHS-DCF-CDD-Info@vermont.gov)
- Licensor On Duty (800-649-2642 Option 3, [ahs.dcfcdchildcarelicensing@vermont.gov](mailto:ahs.dcfcdchildcarelicensing@vermont.gov))
- [First Children's Finance Vermont](#)

# Questions?

Chat feature is now open