

Legislator Brief:

We Are Making Progress on Child Care

Introduction

As this biennium comes to a close, we want to highlight the important work that the Legislature did to deliver results for Vermont families and children struggling to access and afford child care. This biennium the Legislature made history by passing Vermont's transformative new child care law, and ensuring full funding for this first-of-its-kind investment. Act 76 is already creating waves of progress across the state. We are seeing child care programs stabilize and expand, early childhood educator compensation increase, and families gain access to more affordable child care. These early signs of success show that solving Vermont's child care crisis is within our reach.

The talking points, messaging, and information below will help guide you in conversations with constituents so they better understand what Act 76 is, the positive impacts it is already having, and the work that still needs to be done to build an accessible, affordable, and quality child care system in our state.

Talking Points

General messaging on child care and Act 76 implementation:

- We're making significant progress on solving Vermont's child care crisis! This biennium, with your help, we passed Act 76. It's a first-of-its-kind, long-term investment that is stabilizing our child care sector; providing access to affordable, quality child care for thousands of Vermonters who need it; and helping make Vermont a more affordable place for families. This new law is a model for other states.
- The impacts of Act 76 are already making a difference – more child care spaces are being created, early childhood educators are seeing increased wages, and child care is starting to become more affordable for more families.
- In April, Act 76 expanded income eligibility for child care tuition assistance, helping more Vermont families pay for child care. A second, even bigger expansion is coming in October. By the end of 2024, over 7,000 additional Vermont children and their families may be eligible for tuition assistance.
- Although Act 76 is not the full solution to the child care crisis, we are seeing a significant amount of progress in a short period of time, and that is something to be proud of. See *examples of early success below*.

Messaging for responding to concerns about the payroll tax:

- Long-term public investment in our child care system through Act 76 is one of the smartest decisions we can make to strengthen our economy and help families live and grow here in Vermont.
- We know this investment earns us a three-to-one return – for every dollar invested in quality child care we expect to see a return of over three dollars. This is smart fiscal policy.
- We understand that Vermont is unaffordable for too many families right now. By increasing public investment in child care, we can address issues of affordability and workforce shortages at the same time.
- When early childhood educators are making more and parents are saving money on child care, more people can work, and more Vermont businesses can hire and depend

on their employees. Bottom line: when we invest in child care, we support a thriving Vermont.

- Over the course of this year and in the years to come, we'll start to see even more benefits and begin to feel the true power of a child care system that works for everyone.
- This is a great example of policy that can help families and businesses at the same time, and we're proud that it has the support of Independents, Progressives, Republicans, and Democrats.

Key Data Points

- **Access:** Public investment in child care over the last year has led to the creation of over 995 new child care spaces across the state.
- **Affordability:** Now, a family of four earning \$124,800 per year with two young children in care may qualify for tuition assistance, saving them as much \$260 per week.
- **Economic Impact:** This investment earns us a three to one return – for every dollar invested in quality child care we expect to see a return of over three dollars.

Child Care Progress

Note: This represents only a glimpse of what we're hearing from programs and parents around the state. Visit the [LGK website](#) for more examples of progress.

Programs

- **Cabot Children's Center** opened last winter as a result of Act 76, creating 15 new child care spaces and four jobs for the Cabot community. This is Cabot's first licensed child care center.
- With support from Act 76, **Spark Academy in Swanton** will triple local capacity by providing 37 new child care spaces. This is Swanton's first child care center.
- The expansion at **ABC & LOL Preschool & Child Care Center in St. Johnsbury** created 55 new child care slots, in addition to expanding its afterschool program.
- Act 76 funds supported compensation increases, annual bonuses for staff, and updated curricular materials at **Beaver Brook Children's School in Wilmington**.
- In **Middlebury**, the newly opened **Red Clover Children's Center** created 24 child care spaces; while the expansion of **Otter Creek Child Care Center**, with funding from Act 76, will create 77 new child care spaces and 28 jobs.

Parents

- "We've been extremely grateful for Apple Tree's expansion [in Stowe]. If they hadn't done the expansion, I don't know that we would have ever gotten a slot. It's very reliable, the hours are great, it's close to home. Our son is super happy and is always coming home with stories of everything he did today. It feels like a good landing spot after a long, long, difficult journey." – **Aba and James Grace, Waterbury**
- "For my husband and I, Act 76 has made our transition to a four-person family more manageable, especially as we return to work. That's because Act 76 expanded the income eligibility guidelines for child care tuition assistance, reducing the cost of child care for our family. Without the recent eligibility expansion, it would've made financial sense for one of us to leave the workforce and stay home with the children. But because of Act 76, we're now paying a third of the cost for child care." – **Erica Harris, Vergennes**