

In Vermont, federal and state early learning opportunities serve more than 13,666 children and families,¹ or 40% of children ages 5 and under.²

High quality child care and early learning programs support child development and offer parents peace of mind while they work or attend school.

Unfortunately, the demand for quality care far outweighs the supply, so many families struggle to access and afford the care options they want or need. While there are several federally funded programs that provide working families with access to quality child care opportunities, limited funding leaves many eligible children unserved. The impacts of these challenges extend beyond families and carry over to the workplace. As a direct result, the national economy loses **\$122 billion annually** in the form of lost earnings, productivity, and revenue.³

Below is a list of existing child care and early learning programs which together form a mix delivery system that supports parental choice and aims to meet children's individual needs. These programs have unique eligibility requirements and service delivery models. However, at current funding levels, each only reaches a fraction of eligible families.

STATE OF CHILD CARE IN VERMONT
34,193

 Children 5 & Under⁴
74%

 Children 5 & Under
with All Available Parents
in the Workforce⁵
506

 Licensed Child Care
Centers in 2023
(+1 compared to 2022)⁶
389

 Licensed Family Child
Care Homes in 2023
(-27 compared to 2022)⁷
23%

 Gap in the Supply of Child
Care vs. the Potential Need⁸
\$195M

 Estimated Economic Impact
of Infant-Toddler Child Care
Challenges Each Year⁹
\$17,973

 Annual Price of Center-
Based Infant Care
(\$1,498 per month)¹⁰
\$12,395

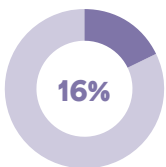
 Annual Price of Home-
Based Infant Care
(\$1,033 per month)¹¹
\$124,576

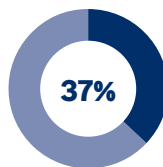
 Median Income of
Married-Couple Family¹²
14.4%

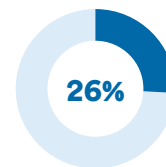
 Portion of Income Spent by
a Married-Couple Family on
Center-Based Infant Care¹³
\$38,048

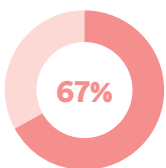
 Median Income of
Single-Parent Family¹⁴
47.2%

 Portion of Income Spent by
a Single-Parent Family on
Center-Based Infant Care¹⁵
**CHILD CARE & DEVELOPMENT
BLOCK GRANT (CCDBG)**

 11,162 CHILDREN 5 & UNDER ELIGIBLE¹⁶
1,836 CHILDREN 5 & UNDER SERVED¹⁷

 ELIGIBLE CHILDREN
5 & UNDER SERVED¹⁸
HEAD START

 1,977 CHILDREN ELIGIBLE¹⁹
725 CHILDREN ENROLLED²⁰

 ELIGIBLE
CHILDREN
SERVED²¹
EARLY HEAD START

 1,977 CHILDREN ELIGIBLE²²
508 CHILDREN ENROLLED²³

 ELIGIBLE
CHILDREN
SERVED²⁴
STATE-FUNDED PRE-K

 7,718 CHILDREN ENROLLED²⁵

 3-AND 4-YEAR-
OLDS SERVED²⁶
MIGRANT AND SEASONAL HEAD START

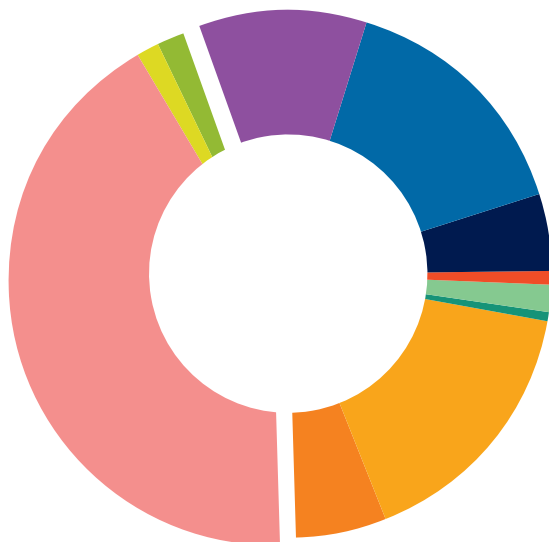
 0 CHILDREN ENROLLED²⁷
**MATERNAL, INFANT, AND EARLY
CHILDHOOD HOME VISITING (MIECHV)**

 421 FAMILIES SERVED²⁸
IDEA PART C

 (EARLY INTERVENTION)
1,093 CHILDREN SERVED²⁹
IDEA PART B, SEC. 619

 (PRESCHOOL SPECIAL
EDUCATION)
1,365 CHILDREN SERVED³⁰

VERMONT: FEDERAL AND STATE CHILD CARE AND EARLY LEARNING FUNDING



\$17.1M	CCDBG and Mandatory Funds ³¹
\$25M	Head Start and Early Head Start ³² (includes AIAN HS/EHS when applicable)
\$7.7M	PDG B-5 ³³
\$1.6M	MIECHV ³⁴
\$2.6M	IDEA Part C ³⁵
\$960,590	IDEA Part B, Sec. 619 ³⁶
\$26.1M	TANF Early Care and Education ³⁷
\$9.2M	TANF Transferred to CCDBG ³⁸

STATE INVESTMENT

\$68.7M	State-Funded Pre-K ³⁹
\$2.5M	CCDBG State Match ⁴⁰
\$2.3M	PDG B-5 State Match ⁴¹

ELEMENTS OF PROGRAM QUALITY

Program quality varies substantially within and across states.

Quality child care and early learning programs rely on a strong workforce, but low pay makes it difficult to recruit and retain educators. **In Vermont, child care workers earn \$17.31 per hour (\$35,990 annually).**⁴²

Teacher-child ratios are crucial for ensuring safety, quality, and individual attention. Licensed center-based care providers participating in CCDBG are required to have the following ratios:⁴³

- **Infant** 1:4
- **Toddler** 1:4 for 13-30 months, 1:5 for 24-35 months
- **Preschool** 1:10

The state's pre-K program met **7/10 of NIEER's Quality Standards Benchmarks**, which represent minimum standards to support quality preschool programs.⁴⁴

Preschool Development Grant Birth Through Five (PDG B-5) is a competitive federal grant designed to improve states' early childhood systems. **Vermont's PDG B-5 plans include:**⁴⁵

- Evaluate and redesign the state's apprenticeship program, expand access to practice-based coaching across the workforce, and update professional development offerings.
- Improve the state-level coordination of Universal Prekindergarten program's interagency monitoring and increase the state's capacity to monitor and support those programs.

CHILD AND DEPENDENT CARE TAX CREDIT (CDCTC)

The Child and Dependent Care Tax Credit (CDCTC) directly helps working parents offset the cost of child care.

In its current form, the credit only reaches a small percentage of families and has been swiftly outpaced by the escalating cost of child care as it lacks any adjustment for inflation.

Last permanently updated in 2001, the current credit averages \$500-\$600 a year.⁴⁶

CDCTC IN VERMONT BY TAX YEAR

2020	<ul style="list-style-type: none"> • 10,880: Number of taxpayers claiming the CDCTC⁴⁷ • \$519: Average credit
2021	<p><i>The CDCTC was temporarily expanded and made refundable for one year in response to the pandemic.</i></p> <ul style="list-style-type: none"> • 12,090: Number of taxpayers claiming the CDCTC⁴⁸ (an additional 1,210 from 2020) • \$2,012: Average Credit (an additional \$1,493 from 2020, on average)
TODAY	<p><i>The temporary expansion expired; the CDCTC reverted back to 2001 levels.</i></p> <ul style="list-style-type: none"> • \$500-600: Average credit

NOTE: Major provisions of the Tax Cuts and Jobs Act of 2017 (TCJA) expire at the end of 2025⁴⁹, giving Congress the opportunity to modernize the CDCTC and other tax provisions to better help working families offset the cost of quality child care.⁵⁰



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