

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

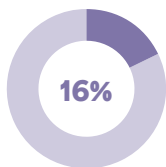
Median Income of Single-Parent Family¹⁴

47.2%

Portion of Income Spent by a Single-Parent Family on Center-Based Infant Care¹⁵

CHILD CARE & DEVELOPMENT BLOCK GRANT (CCDBG)

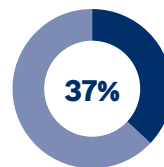
11,162 CHILDREN 5 & UNDER ELIGIBLE¹⁶
1,836 CHILDREN 5 & UNDER SERVED¹⁷



ELIGIBLE CHILDREN 5 & UNDER SERVED¹⁸

HEAD START

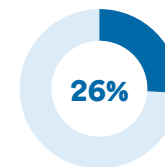
1,977 CHILDREN ELIGIBLE¹⁹
725 CHILDREN ENROLLED²⁰



ELIGIBLE CHILDREN SERVED²¹

EARLY HEAD START

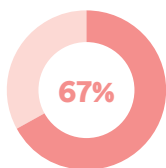
1,977 CHILDREN ELIGIBLE²²
508 CHILDREN ENROLLED²³



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

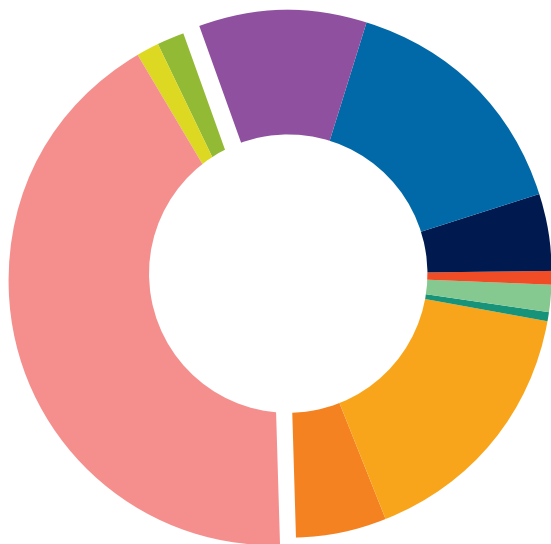
IDEA PART C

(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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