# Center for American Progress

## Early Learning in Vermont

By Jessica Troe July 2016

Vermont families need access to affordable child care and preschool to support working parents and to ensure that children start kindergarten ready to learn. During the first five years of life, children learn critical skills such as language and socio-emotional regulation, which provide a foundation for lifelong learning.<sup>1</sup> High-quality preschool and child care can support healthy development and enable parents to work. Unfortunately, too many children are left behind by the status quo. In fact, differences in children's cognitive abilities by income are evident at only 9 months old and significantly widen by the time children are age 2.<sup>2</sup> Early learning has positive impacts for children, families, and the economy.<sup>3</sup> It's time to work to put these programs within reach.

#### Vermont families need access to high-quality child care and preschool

Vermont has 37,852 children under age 6,<sup>4</sup> 70 percent of whom have all available parents in the workforce.<sup>5</sup>

High-quality child care and preschool programs help narrow school readiness gaps, which is particularly important for children of color and those living in low-income families.<sup>6</sup>

### The cost of child care is out of reach for families

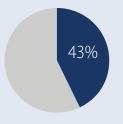
Annual costs at a child care center in Vermont average \$21,240 for an infant and a 4-year-old,<sup>9</sup> which is 32 percent of the median income for families with children.<sup>10</sup>

For low-income families and people of color, the average cost of child care would constitute the majority of income in most cases.<sup>11</sup>

#### The current child care system is failing Vermont families

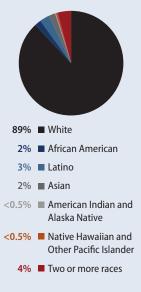
On average, the Child Care and Development Block Grant, or CCDBG, serves only 18 percent of federally eligible children in Vermont.<sup>12</sup> This results in only 4,200 Vermont children served through CCDBG funds.<sup>13</sup> Of those served, 63 percent attend licensed or regulated center-based care.<sup>14</sup>

### Children living in low-income families<sup>7</sup>



 Share of children younger than age 6 living in low-income households

#### Race and ethnicity of children younger than age 5<sup>8\*</sup>



### 12 percent

of Vermont's children under age 5 are children of color.

#### Vermont families need greater access to high-quality preschool programs

The Vermont Early Education Initiative serves as a grant program to provide preschool for at-risk children from 3 to 5 years old. Act 62 allows communities to provide preschool programs through the state's education fund.<sup>15</sup> This preschool program meets 4 quality benchmarks set by the National Institute for Early Education Research and spends \$6,589 annually per student.

In Vermont, 34 percent of 3-year-olds and 94 percent of 4-year-olds are enrolled in a public preschool program.<sup>16</sup>

#### Investing in high-quality early learning programs affects economies

Making child care more affordable for families can increase mothers' workforce participation, resulting in a boost to the state's economy.<sup>17</sup>

In Vermont, if child care costs did not exceed more than 10 percent of a family's income, the state's economy would increase nearly \$3.75 million.<sup>18</sup>

#### We can do better for Vermont families

The Center for American Progress proposes two solutions to put high-quality child care and preschool within reach for Vermont families and create an early childhood learning continuum for children:

- A new High-Quality Child Care Tax Credit would help families afford high-quality care for their children. This tax credit would benefit an estimated 8,300 children in Vermont<sup>19</sup> and save families an average of \$6,903 per year on child care costs.<sup>20</sup>
- Voluntary universal preschool for all 3- and 4-year-olds.<sup>21</sup> This would increase access for 6,500 children in Vermont.<sup>22</sup>

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\**Correction, July 19, 2017:* This fact sheet has been updated to clarify that the second pie chart refers to state-specific data.

#### Cost of child care as a share of income for low-income families<sup>11</sup>

100 percent of the federal poverty level	88%
150 percent of the federal poverty level	58%
200 percent of the federal poverty level	44%

#### Endnotes

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