



2027 Policy Recommendations of Vermont's Early Childhood State Advisory Council Network

Each year, the Building Bright Futures Network brings together partners from across Vermont, including the Early Childhood Strategic Plan Committees, attendees at the annual Strategic Plan Summit, Regional Councils, families, program leaders, and state agencies, to identify the most urgent needs facing children and families. Grounded in Vermont's Early Childhood Strategic Plan 2030 and informed by the best available data, the 2027 Policy Recommendations highlight gaps, emerging challenges, and opportunities for coordinated action.

These recommendations come during a period of change. Families are paying more for heat, food, and housing at the same time that federal changes to 3SquaresVT, Medicaid, and health insurance subsidies take effect, and Vermont is implementing Act 73 and Act 143. The choices made this year will shape children's earliest experiences for years to come.

A Lens for All Recommendations: Listening to Families

Families know best how Vermont's systems work in practice. Vermont's Early Childhood State Advisory Council Network asks that every recommendation in this document be pursued in direct conversation with the families most affected, with qualitative data from surveys, forums, and community partners considered alongside quantitative data in policy and budget decisions. Lasting mechanisms, such as routine legislative hearings and advisory input, can help ensure family voice consistently reaches decision-makers (Strategic Plan Objectives 5.A and 5.C).

Goal 1: All Children and Families Have Their Basic Needs Met

Ensure Families Have Access to Federal Assistance

Vermont families with young children are facing mounting economic pressure. Rising gas and home heating prices, along with the increasing cost of groceries and everyday goods, are stretching household budgets. At the same time, families with low incomes are navigating significant changes to federal assistance programs, including SNAP (3SquaresVT in Vermont), Medicaid, and the sunset of the enhanced premium tax credit (ePTC) for health insurance purchased through the marketplace. Extend the Medicaid and SNAP Benefit Assistance Grants to ensure families have the help they need to access the supports they are eligible to receive.

Ensure Children and Families Stay Warm This Winter

As the cost of home heating oil [is expected to increase by about 50% this winter](#), and the level of federal funding for the Low Income Household Energy Assistance Program (LIHEAP) has stayed essentially flat, funding will not be sufficient to meet household needs. Ensure that families are able to keep warm this winter by supplementing LIHEAP and expanding eligibility so that fuel assistance reaches more families.

Ensure Child and Family Food Security Needs Are Met

More than 1,800 Vermont children lost access to 3SquaresVT food benefits between July 2025 and July 2026 ([Public Assets Institute](#)). As more federal funding cuts take effect, protect children and families, regardless of citizenship or immigration status, by sustainably funding Vermont's current supplemental food access and food security programs and systems. Maintain current eligibility and benefit levels for 3SquaresVT and WIC, and continue to strengthen access to the Child and Adult Care Food Program (CACFP). Continue successful programs that ensure that children have access to nutritious food each day, including Universal School Meals, the Summer Meal and Summer EBT Programs, and the Vermont Farm to School and Farm to Early Childhood Program.

Ensure No Child Experiences Unsheltered Homelessness

No child in Vermont should spend a night without shelter. Experiencing homelessness, especially unsheltered homelessness, exposes young children to the kind of prolonged stress that research shows is detrimental to healthy development, and it disconnects families from the schools, child care, and supports they rely on. As Act 143 and its emergency housing rules are implemented, agency leaders and legislators must work together, with input from service providers and the families most impacted by the housing crisis, to ensure households with children and pregnant people are protected from losing shelter and can access emergency housing when they need it, including after business hours.

Goal 2: All Children Are Raised in Safe, Healthy, and Healing Environments

Sustain Labor and Delivery Services in Vermont Communities

Families across Vermont need safe, local options for labor and delivery. Rising costs, workforce shortages, and low birth volumes have put labor and delivery units at risk, particularly in rural hospitals. When a unit closes, families must travel farther during pregnancy and labor. Longer travel times are linked to more births outside a hospital, more serious complications, and a higher risk of death for parents and infants. To keep families within reach of safe care, the Administration and Legislature should set a statewide goal for timely access to labor and delivery services, track how many Vermont families live more than a 30-minute drive from a birthing hospital, and invest in sustainable funding models for labor and delivery units, including Medicaid reimbursement that reflects the cost of care.

Goal 3: All Children and Families Have Access to High-Quality Opportunities That Promote Child Development and Well-Being

Strengthen Child Care Program Sustainability Under Act 76

Act 76 has expanded access and affordability for Vermont families, and its success depends on child care programs remaining financially stable as the system matures, including those programs serving children with the highest needs. As the monitoring of Act 76 utilizes a continuous quality improvement approach to adjust policies where data and partner experience show they are not working as intended, three changes have arisen as to how programs are reimbursed to strengthen sustainability.

First, increase Child Care Financial Assistance Program (CCFAP) rates for infants and toddlers in center-based programs, where the gap between reimbursement and the cost of care is greatest. Second, revise the current rate cap so it adjusts for rising wages, inflation, and operating costs, while keeping and enforcing protections against financial practices that put profit ahead of quality, including some private equity ownership models. Third, set sustainable rates for specialized child care programs, which have a separate reimbursement structure and report that current rates are not enough to stay open. Building on work underway by the Child Development Division and partners, base these rates on data about the cost and scope of specialized child care services, including workforce credentials and strategies to address burnout.

Ensure Timely Background Checks at Every Step of the Process

Delays in fingerprinting-supported background checks continue to prevent timely hiring in early childhood programs, with the greatest impact on Head Start programs that operate under stricter federal requirements. Vermont's Preschool Development Grant is funding a move to a fully digital system, which should address one part of the problem but continues to face delays of its own due to state contract processes that put \$1 million in federal funding at risk. Require each agency involved to track and publicly report processing times at every step, identify the causes of delays, and meet a shared target for end-to-end processing time, with clear interagency accountability for reaching it.

Establish a Funding Model and Clear Responsibility for Universal Prekindergarten

As Vermont implements Act 73, maintain universal prekindergarten for 3- and 4-year-olds, and 5-year-olds not yet eligible for kindergarten, within a mixed-delivery system of public schools, private prequalified programs, and Head Start. Determine how prekindergarten will be funded within the evolving education finance system, whether through the education funding formula, a categorical approach, or another alternative, and use the Joint Fiscal

Office's updated cost-of-care analysis to set funding that covers staffing, special education services, transportation, and family engagement equitably across all prequalified providers. Designate a clear locus of responsibility for ensuring every family can find and enroll in a prekindergarten program within the mixed-delivery system that meets their needs.

Goal 4: All Children Are 1 by a Well-Prepared, Well-Supported Early Childhood Workforce

Strengthen Vermont's Early Childhood Education Workforce Through a Phased, Data-Informed Approach

Advance a clear system of professional expectations, career pathways, and accountability for Vermont's early childhood educators, including licensure, consistent with recommendations from the National Institute for Early Education Research (NIEER). Build on work already underway by early childhood partners, and begin with a defined data collection phase to establish a baseline on workforce credentials, costs to educators and programs, and training capacity before any new requirements take effect. Plan the transition as a multi-year effort that is gradual and aligned across agencies, with coaching, mentoring, and financial support so the current workforce can meet new expectations. Monitor workforce data throughout implementation to identify and address unintended consequences, including educators leaving the field due to new educational requirements, and to protect the pipeline of new early educators, the workforce gains made under Act 76, and program capacity statewide. Engage early childhood educators from all settings in shaping each phase.

Strengthen the Early Intervention Workforce

Early intervention programs across Vermont report ongoing difficulty hiring and retaining speech-language pathologists (SLPs), occupational therapists (OTs), and physical therapists (PTs). Early intervention is a federal entitlement for infants and toddlers under Part C of the Individuals with Disabilities Education Act (IDEA), and staffing gaps limit the state's ability to deliver timely services during the first three years of development. Establish an early intervention billing modifier so therapy services delivered through early intervention are reimbursed at a rate that reflects the cost of serving young children and families in home and community settings. Create a tiered travel reimbursement structure that compensates providers for travel time and distance, with attention to rural regions.

Goal 5: Our System Centers Children and Families and Is Coordinated, Well-Resourced, and Data-Driven

Establish a Permanent Legislative Committee Dedicated to AI, Technology, and Data

Artificial intelligence (AI) and other emerging technologies are developing rapidly and are already shaping how services for children and families are designed, delivered, and evaluated. Decisions about these tools should strengthen, not replace, the human relationships at the heart of early childhood. Young children learn and grow through responsive, nurturing relationships with the adults who care for them, and families rely on trusted connections with the professionals who serve them. Establish a permanent AI, Technology, and Data Committee to guide the state's use of AI and emerging technology, including in programs serving children and families, and establish data governance policies for state agencies that manage sensitive data about children and their families. Ensure the committee includes members with lived experience of the programs and services these technologies affect, and that its decisions are grounded in strengthening the workforce, protecting privacy, and centering human relationships for Vermonters of all ages.

Issues We Are Monitoring

This year, the Policy Recommendations include a new section. It names issues the Network is watching closely but for which a specific recommendation to the Legislature or Administration is not yet the right next step. For some issues, the outcome depends on federal decisions that have not been made. For others, the need is clear, but the data or partner input needed to define a specific, measurable action is still developing. Naming these issues keeps them visible to decision-makers and partners, shows where BBF and the State Advisory Council expect to engage, and lets the Network respond quickly as conditions change. Throughout the year, BBF will track data and partner reports on these issues and share information with the Legislature and Administration. If an issue becomes urgent, BBF will work with the State Advisory Council to consider a timely recommendation outside the usual schedule.

Head Start and Early Head Start

Vermont's Head Start and Early Head Start programs serve families with some of the greatest needs. They cover largely rural service areas and serve high numbers of children with disabilities and, since the pandemic, more children with behavioral needs. Federal funding has not kept pace with the cost of meeting these needs, and future federal support is uncertain. BBF will monitor:

- Federal appropriations and policy changes affecting Head Start
- Program enrollment, staffing, and service levels across Vermont
- Opportunities to coordinate state and federal funding so all eligible families can access these programs

If federal changes reduce access for Vermont families, BBF will be prepared to advise on state action, including state investment to supplement federal funding.

Services for Children with Disabilities and Special Health Care Needs

Families of children with developmental delays, disabilities, and special health care needs often move through a fragmented system to get services. They retell their story at each step and can lose time during critical developmental windows. A redesign is underway with state and community partners to improve how children are identified, referred, and connected to services. As leaders define the scope and direction of that change, BBF will monitor:

- Recommendations from the Coordinated Intake and Referral System (CIRS) study and taskforce and decisions about the scope of system change
- How families experiences', including with intake, referral, and eligibility, is reflected in system design
- Coordination across agencies and community partners, including Children's Integrated Services (CIS), Parent Child Centers, and 211/Help Me Grow

As recommendations emerge, BBF will be prepared to advise on next steps and to bring families, agencies, and providers together to inform system design.

Medicaid Waiver Renewal

Vermont's Global Commitment to Health 1115 waiver allows the state to use Medicaid to fund services that many other states do not, including Children's Integrated Services and mental health services in schools. The current waiver runs through December 31, 2027, and the timeline and federal approach to renewal remain uncertain. Changes to the waiver could affect which services Vermont can offer and to whom. BBF will monitor:

- The renewal timeline and opportunities for public input
- How early childhood services are reflected in Vermont's renewal request
- Effects on eligibility, coverage, and service levels for young children and families

If renewal reduces coverage or resources for services young children rely on, BBF will be prepared to advise on state action to maintain access.