High-quality early care and education (ECE) is proven to dramatically improve a child’s opportunities for a better future while offering parents greater job stability and overall economic security.

**The Economic Impact**
Access to affordable, high-quality child care can increase parental labor force participation and family economic stability. However, widespread problems finding and paying for child care adversely affect both state and national economies. As a direct result of child care issues, the national economy loses $122 billion annually in the form of lost earnings, productivity, and revenue.7 In Vermont: The estimated annual economic impact of the infant-toddler child care crisis: $195M.8

There are several early learning programs that provide working families with access to high-quality, affordable ECE opportunities, but currently the demand for care far outweighs the supply, and funding constraints leave many eligible children unserved. Each of these programs has its own eligibility requirements, purpose, and service delivery model. Together they form a mixed-delivery system that supports parental choice and aims to meet children’s individual needs.

**Child Care & Development Block Grant (CCDBG)**
1,474 Children Birth Through Age Five Served9

Learn more about CCDBG in Vermont [here](#).

**Early Head Start**
536 Children Enrolled10

**Head Start**
787 Children Enrolled13

**Maternal, Infant, and Early Childhood Home Visiting (MIECHV)**
464 Families Served15

Learn more about MIECHV in Vermont [here](#).

**State-Funded Pre-K**
5,950 Children Enrolled16

**IDEA Part C**
1,025 Children Served18

**IDEA Part B, Sec. 619**
1,235 Children Served19

**Child and Dependent Care Tax Credit (CDCTC)**
Through the tax code, the CDCTC helps parents with the cost of work-related child care expenses. Learn more about CDCTC [here](#).
Early Care and Education (ECE) in Vermont

Federal and State ECE Funding in Vermont

Spotlight: ECE Successes in Vermont

COVID-19 Relief:
Throughout the pandemic, there was strong bipartisan support for federal relief funding to keep the child care sector afloat.
- As a result, 965 child care programs in Vermont received support, impacting up to 29,700 children.41
- These funds also allowed states to demonstrate what would be possible when equipped with additional resources. Funds have been used to stabilize and support the early childhood sector, including: increasing payroll/salaries; strengthening employee benefits; assisting with rent, utilities, facility maintenance or improvements; and providing mental health support for children/families and employees.28

Preschool Development Grant Birth Through Five (PDG B-5):
PDG B-5 is a competitive federal grant designed to improve states’ early childhood systems. In their 2023 renewal grant application, among other uses, Vermont noted that they would use funding to:
- Redesign the state’s ECE apprenticeship program to improve accessibility for potential early educators.26
- Streamline administrative requirements, such as fingerprints and background checks, across programs to reduce barriers to workforce recruitment.27

For full sourcing information, visit here.26