



**STATE OF VERMONT**

**MEMORANDUM**

To: Joint Fiscal Committee  
From: Senator Alison Clarkson  
Date: November 7, 2023  
Subject: Basic Needs Budget Technical Advisory Committee Report;  
Recommendations for Joint Fiscal Committee Action

Act 54 (2023) established the Basic Needs Budget Technical Advisory Committee to review the methodology used in constructing the basic needs budget, pursuant to 2 V.S.A. § 526. The Committee reviewed the methodology and assumptions used in the Basic Needs Budgets and Livable Wage Report and made recommendations that require either Joint Fiscal Committee approval or a statutory change from the General Assembly.

The following table provides an overview of changes the Technical Advisory Committee recommends for approval by the Joint Fiscal Committee.

<b>Assumption/Methodology Component</b>	<b>Summary of Recommendations for the Joint Fiscal Committee requiring approval</b>
1. Food	<ul style="list-style-type: none"><li>• Average food budgets of males and females for single adult households rather than assume they are female.</li><li>• Shift from the current 10-year average differential to a 5-year average regional differential.</li></ul>
2. Child care	<ul style="list-style-type: none"><li>• Consider the expanded childcare subsidies from Act 76 (2023) as a public good rather than public assistance and include them in the calculations.</li></ul>
3. Clothing and Household Expenses	<ul style="list-style-type: none"><li>• Include the cost of owning a computer and amortize that cost over a 3-year period.</li></ul>
4. Telecommunications	<ul style="list-style-type: none"><li>• Consider a cellular phone a basic need rather than the current approach of using a weighted average between cellular phone and landline use.</li></ul>
5. Personal Expenses	<ul style="list-style-type: none"><li>• Rename this spending category “miscellaneous expenses.”</li></ul>

	<ul style="list-style-type: none"> <li>Update the daily budget to \$5.00 per adult and \$2.50 per child and grow by inflation moving forward.</li> </ul>
6. Personal Care Products	<ul style="list-style-type: none"> <li>Add a new spending component to the report for personal care products like toothpaste, shampoo, and other hygienic products.</li> </ul>
7. Household Configurations	<ul style="list-style-type: none"> <li>Add a single adult in shared housing configuration to the report.</li> <li>Remove the two adult, two children, one wage earner family configuration.</li> </ul>

On behalf of the Committee, I submit these recommendations for Joint Fiscal Committee approval.

The Committee report also has two recommendations that will require statutory changes. These two recommendations are to change the basis of the official livable wage to a single adult in shared housing and to publish separate official livable wages for urban and rural areas. These recommended statutory changes will be presented to the General Assembly in January 2024.

For more information, please refer to the Basic Needs Technical Advisory Committee Report.<sup>1</sup>

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<sup>1</sup> <https://legislature.vermont.gov/assets/Legislative-Reports/Basic-Needs-Budget-Technical-Advisory-Committee-Report-FINAL.pdf>