



# TESTIMONY ON H.703/S.215

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*Presented to*  
Vermont House Human Services Committee  
and  
Vermont Senate Health and Welfare Committee

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Chair Wood, Chair Lyons, and members of both the House Human Services Committee and the Senate Health and Welfare Committee:

My name is Hayden Dublois, and I am a Visiting Fellow at the Opportunity Solutions Project (OSP), a non-profit organization dedicated to advancing public policy solutions. I am also a former Vermonter who appreciates the opportunity to weigh in on this important policy discussion. Thank you for the opportunity to submit written testimony on two companion pieces of legislation, H.703 and S.215.

OSP strongly opposes this legislation with two principal objections.

First, the legislation would require the state's participation in the food stamp program's "Restaurant Meals Program." Currently, Vermont is one of the overwhelming majority of states with the longstanding rule of not allowing food stamp enrollees to use the cash loaded on their Electronic Benefits Transfer (EBT) cards at private restaurants.<sup>1</sup> This is for good reason: Limiting EBT cards to stores that sell groceries and asking food stamp enrollees to prepare most of their meals was **designed to encourage more affordable and nutritious choices by program enrollees.**

In the overwhelming minority of states that use the Restaurant Meals Program, it is typically fast food restaurants that contract with the state to permit EBT card spending—such as McDonald's, Burger King, Wendy's, KFC, etc.<sup>2</sup> This runs directly contrary to the food stamp program's original goal of putting a balanced, nutritious diet within reach of low-income families by supplementing their purchasing power at grocery stores. **With an adult obesity rate of 26.8 percent, the last thing Vermont needs is to make fast food and sugary drinks even more attractive than healthier and more affordable, home-cooked meals.**<sup>3</sup>

Second, the legislation would require the Department for Children and Families (DCF) to submit a plan to transition all food stamp enrollees from the current Thrifty Food Plan to the U.S. Department of Agriculture (USDA) moderate-cost plan. **This would be a fiscal disaster for the State of Vermont.**

Currently, the reference family's monthly food costs for the food stamp program under the Thrifty Food Plan is approximately \$973 per month.<sup>4</sup> Under the moderate cost plan, this rises to \$1,307.50 per month—a **34 percent cost increase.**<sup>5</sup> Based on the most recent monthly food stamp costs in Vermont (\$13.2 million for November 2023), this equates to a \$4,526,817 monthly cost increase—or about **\$54.3 million per year.**<sup>6</sup> Importantly, since there is no federal pathway to finance this change, **the State of Vermont would be on the hook for this \$54.3 million annual increase in the cost of its food stamp program.**

Historically, the moderate-cost plan for food stamps has risen at a faster rate than the Thrifty Food Plan. As a result, future cost pressures on the state might be even greater.<sup>7</sup> In addition, the unknown

costs of reduced labor force participation due to substantially increased government benefits would represent additional costs to the Vermont economy.

Put simply, at a time when Vermont's budget is in a precarious state, this legislation would set the state on a course for an additional \$50+ million annual general fund liability, all while moving the food stamp program away from its original intent of affordable and nutritious assistance. For these reasons, legislators should reject H.703 and S.215.

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<sup>1</sup> Food and Nutrition Service, "Restaurant Meals Program," U.S. Department of Agriculture (2024), <https://www.fns.usda.gov/snap/retailer/restaurant-meals-program>.

<sup>2</sup> Nicole Spector, "11 Fast Food Restaurants That Accept EBT," AOL (2022), <https://www.aol.com/finance/11-fast-food-restaurants-accept-180046859.html>.

<sup>3</sup> Centers for Disease Control, "Adult Obesity Prevalence Maps," CDC (2023), <https://www.cdc.gov/obesity/data/prevalence-maps.html>.

<sup>4</sup> Food and Nutrition Service, "Official USDA Thrifty Food Plan: U.S. Average, June 2023," U.S. Department of Agriculture (2023), <https://fns-prod.azureedge.us/sites/default/files/media/file/CostofFoodJun2023Thrifty.pdf>.

<sup>5</sup> Food and Nutrition Service, "Official USDA Food Plans: Cost of Home at Three Levels, U.S. Average, June 2023," U.S. Department of Agriculture (2023), <https://fns-prod.azureedge.us/sites/default/files/media/file/CostofFoodJun2023LowModLib.pdf>.

<sup>6</sup> Vermont Department of Children and Families, "3Squares and Cash-Out Participation and Issuance," VT DCF (2023), <https://outside.vermont.gov/dept/DCF/Shared%20Documents/ESD/Reports/3SqVT-Participation-Report.pdf>.

<sup>7</sup> Author's calculations based on historical increases in the Thrifty Food Plan compared to the moderate cost food plan.