

To: Members of the House Human Services Committee

From: Lila Shapero, Voices for Vermont's Children

Re: H. 790

Date: February 13, 2014

Voices for Vermont Children appreciates the opportunity to comment on the proposed legislation addressing Reach Up eligibility. Our comments are brief and support the provisions found in H. 790.

Voices for Vermont Children has advocated improving the state of children in Vermont for thirty-five years. We are concerned about the negatives impacts children experience living in poverty. Childhood poverty impacts child development including a child's physical and social health.

Based on 2012 statistics, 15.5% of all Vermont children live in poverty and 21% of Vermont children under six years old live in poverty. *Kids Count in Vermont Health Report*, December 2013.

The National Center for Children and Poverty used 2011 data to develop *Vermont Early Childhood Profile*. There were a total of 21,419 children under six years old. They found 39% faced one to two risk factors and 12% faced three+ risk factors. Risk factors include poverty, single parent, teen mother, low parental education, and residential mobility.

Efforts that help parents escape poverty help children. We understand that the intent of the Legislature's changes to the Reach Up program are predicated on creating the supports necessary to move parents from the Reach Up program to ongoing, gainful employment. We see the proposed changes as ways to support parents currently receiving Reach Up successfully transition from Reach Up to the workforce.

Reach Up recipients receive approximately 49.6% of the standard of need. The current resource limit is \$2,000. As a result, families do not have the financial resources that can help with expenses that may arise as the parents enter the workforce such as reliable transportation, work clothing, afterschool care or weekend care for children, etc. Providing a more robust earned income disregard continues a buffer for the family to meet changing expenses as they become self-supporting. Disregarding a family's assets allows the family to build savings to help with the transition or to help if the family experiences a bump during their transition.