



**Vermont Center for
Independent Living**

People with disabilities working together for dignity, independence, and civil rights

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Disability Rights Groups Call for Repeal of 'Tax' on Low-Income Families with Children

Nearly a thousand Vermont families with a parent receiving Supplemental Security Income (SSI) and temporary cash assistance are being driven deeper into poverty according to advocates for disabled Vermonters and their children – as much as 10 percent farther below the federal poverty level in some cases. Advocates will express their concerns about this issue during a press conference in the State House's Cedar Creek Room Jan. 20 at 10:30 a.m.

A new law counts \$125 of adult Supplemental Security Income (SSI) income against a household's temporary cash assistance (or "Reach Up") benefits every single month. At least 860 Vermont families are affected by the reduction, resulting in an estimated \$1.6 million annual cut to very low-income parents with children. Advocates are asking lawmakers to reconsider the reduction in light of more than \$4 million in savings from within the Reach Up program

"This reduction targets Vermont parents who, by definition, are unable to work as a result of their unique disabilities," said Sarah Launderville, executive director of the Vermont Center for Independent Living. "These parents need their SSI income to meet their needs related to disability, yet they are being 'taxed' in order to reduce the Reach Up benefit designed to support other members of their household." Launderville noted that Vermonters who receive SSI are not included in Reach Up grants at all, so for example, a single parent with SSI and two children only receives a Reach Up benefit for the two children.

Ed Paquin, executive director of Disability Rights Vermont, agreed: "It's ironic that a program designed to assist the very lowest-income Vermonters, in which the parent is NOT supported by the program, is instead pushing them deeper into poverty. Reach Up only provides half of the estimated needs of a beneficiary whereas Social Security tries to come a little closer to providing a livable level of income. We should not be imposing a 'disability tax' on Vermont households already living in poverty."

Advocates are pressing lawmakers to revisit the reduction in Reach Up benefits since new information has come to light showing Reach Up program savings of more than \$4 million based on estimates furnished by the Department for Children and Families.

"There is a documented link between low incomes and families living with disabilities, both as a cause and a consequence.¹ This reduction should have never been taken," said Karen Lafayette who represents the Vermont Low Income Advocacy Council. "We need to try and stabilize these families, not target them to close a budget gap. The Reach Up program is an essential anti-poverty program, and any caseload savings should first go to reversing this burdensome policy for the most vulnerable Vermont families."

The purpose of the Supplemental Security Income program is to assure a minimum level of income for people who are age 65 or over, or who are blind or disabled and who do not have sufficient income and resources to maintain a standard of living at the established federal minimum income level. Reach Up is Vermont's program providing Temporary Assistance to Needy Families (TANF) for families with children. SSI recipients are not counted as part of a Reach Up household.

The reduction was passed last year during budget negotiations, but was not implemented until December of 2015. A lawsuit filed by Vermont Legal Aid resulted in continuing benefits until the case was resolved. In November, U.S. District Court Judge William Sessions upheld the constitutionality of the law, but wrote in his decision: "The law at issue in this case targets one of the most vulnerable populations in Vermont: disabled adults raising children in poverty. In an effort to achieve budgetary savings the Legislature has voted to decrease public aid to those families, resulting in what can only be further hardship for parents as they struggle to provide food and shelter for their children."

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¹ See, e.g., <http://www.cepr.net/documents/publications/poverty-disability-2009-09.pdf>
And, see: <http://nlihc.org/article/cepr-report-role-disabilities-ignoredwhen-discussing-poverty>