

Voices
for Vermont's Children



To: Chair Mitzi Johnson and members of the House Committee on Appropriations
From: Michelle Fay, Associate Director
Date: February 17, 16
Re: Testimony for FY17 Budget

As members of the Governor's Pathways from Poverty Council and the Child Poverty Council, Voices for Vermont's Children supports the recommendations of those entities. We stand with the many organizations serving and giving voice to Vermonters who are being left behind by an uneven economic recovery. We ask you to consider ways to level the playing field by increasing investments in children and families.

Let me describe what we are seeing in Vermont right now, and what this means in a national and global context.

While the state is ostensibly in recovery from the Great Recession, our most vulnerable families are not recovering. Almost 16% of Vermont children (more than 18,000) are living below the poverty line, a higher rate than what was seen during the recession. And this statewide average masks large regional fluctuations, peaking with nearly 25% of children in Bennington County living in poverty.

Of the children living in poverty, almost half are living in what's defined as "extreme poverty:" less than 50% of the FPL. For reference, this would be a parent with two children living on less than \$10,000 a year. We are talking about 9,000 children struggling for survival in a state that prides itself on being a leader in child wellbeing and health. Families need economic security in order to create safe, healthy environments for children.

The growing body of research around social determinants of health carries important implications for state budgets. Research on health care spending and health outcomes around the globe found that more robust investments in social services correlated to better health outcomes. Building on this research, Blue Cross Blue Shield Foundation in Massachusetts published a study showing strong evidence that investments in housing, nutrition, and case management had significant positive impacts on health outcomes. With that background, consider that Vermont has one of the highest rates of homelessness in New England, second only to Massachusetts. Vermont's rate of homelessness is 20 percent higher than the national average, and contrary to national trends, Vermont saw a 25% percent increase in overall reported homelessness and a 48% percent increase in family

homelessness between 2012 and 2013. (For more information on housing and homelessness in Vermont, see our 2015 report: <http://www.voicesforvtkids.org/wp-content/uploads/DIFFICULT-CHOICES-Housing-for-Vermont-Families.pdf>)

Voices for Vermont's Children urges legislators to look at every budget request through the lens of how it will improve child and family economic security and health and prioritize those that have been shown to have positive impacts.

- Start by increasing Reach-Up grants to cover more of the family needs budget by adjusting the “ratable reduction” to at least 55% of basic needs and gradually increase over time.
- Restore the FY 16 budget reduction of \$125 a month in Reach Up benefits for families who have a member receiving disability benefits.
- Increase investments in the Child Care Financial Assistance Program. While we recognize that a comprehensive financing solution is being explored by the Blue Ribbon Commission for Financing High Quality, Affordable Child Care, we support continued incremental increases to increase the affordability of childcare for Vermonters.
- Appropriate funds for the Expanded Learning Opportunities special fund to increase access to quality afterschool and summer learning programs, particularly for low income children and families.
- Fully fund the Vermont Housing and Conservation Board and increase support for supportive housing programs.
- Finally, Voices supports the proposed increase in staffing for the child protection system, and urges the legislature to consider the budgetary needs of community support providers who serve as critically important partners in the child protection system.

If the goal is for children to be raised in safe, stable families, it’s incumbent on us as a state to ensure that conditions exist to support that vision.