



Vermont Low Income Advocacy Council

“Celebrating our 44th year representing the interests of low income Vermonters”

Senate Appropriations

We ask the Legislature and the Administration to revisit and reverse this policy of taxing the poorest families by reducing their Reach-Up grant because a parent receives a SSI disability grant.

This reduction should have never been taken; it simply doesn't make sense.

The family member with a disability receiving an SSI benefit has already excluded from the calculation that determines the Reach Up benefit amount. These families have additional expenses related to the disability.

The current Reach Up grant meets only approximately 49.6% of the basic needs standard. Most recipients of Reach Up are children, whose families need enough cash income to buy non-food essentials of living.

There is no place in Vermont where someone living on Reach Up or SSI or any combination of the two can afford a place to live. Taking away ANY amount of income from people who are this poor, just puts them another step closer to the downward spiral and tragedy of homelessness.

We need to try and stabilize these families, not target them to close a budget gap. Any caseload savings should first go to reversing this burdensome policy for the most vulnerable Vermont families.”

The Center for Policy Research Report suggests that there is a documented link between low incomes and families living with disabilities. “The income poverty rate for those with disabilities is between two to three times the rate for those without disabilities. Almost half of working-age adults whose incomes fall below 200% of the federal poverty line have a work disability.”

We have to take disabilities into consideration when trying to alleviate poverty. The fact remains that families in this situation where a parent is receiving an SSI benefit have few options to work or increase their incomes. Reducing their income but \$1,500 dollars a year puts them further below the poverty line with few options, if any, for being able to exit the program.

The State maintains that it's only fair to reduce the Reach up grant, because other benefit programs like LIHEAP and 3SquaresVT count disability income. But those programs offer limited assistance for specific items of food and heat. The Reach-Up grant is income to support a family's basic living needs.

The Reach Up program is an essential anti-poverty program to stabilize families in precarious situations. The program has nearly reached its goal of moving families off of the system as quickly as possible, and we are seeing the savings.

What it has not done is keep pace with the needs of those Vermonters eligible and receiving benefits.

If anything we should be trying to increase the Reach-Up grant to cover a higher percentage of need, and not trying to “equalize poverty” by reducing the income of a Reach-up family that might have a bit more because of a disability.

Both the Legislative VT Child Poverty Council, the Governor’s Pathways from Poverty Council, and the Legislative Workers Caucus have recommended the reversal of the \$125 dollar a month reduction just implemented.

Although the reductions were upheld as constitutional, I think that Judge Sessions comments in his written decision sums it up pretty well, and I quote:

“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.”

This is an extremely harmful cut. We hope the Senate will reconsider it, especially given that there are caseload savings within the Reach-Up program.

Other Budget Priorities:

- Restore proposed VT Legal Aid Cut
- Restore proposed reduction the Health Care Advocates Office
- Increase the Child Care Financial Assistance Program
- Increase funding for OEO Economic Development programs (IDA MBDP)
- Increase funding for the VT Low Income Weatherization Program
- Maintain State Dollars in LIHEAP to cover Seasonal Benefits and Crisis Fuel Assists for folks above 150% to 200% of the Federal Poverty Level