

MEMORANDUM

To: Members of Senate Health & Welfare Committee
From: Ken Schatz
Re: Eligible Work Activities and Reach Up
Date: April 14, 2016

Thank you for considering the proposed Reach Up/Eligible Work Activities language for the budget bill from a policy perspective. This memo provides an overview and explanation of the change included in our proposal. If you have any questions, please be in touch with Karen Vastine, Karen.vastine@vermont.gov.

Background: One of the primary goals of the Reach Up program is to provide the necessary economic and skills support so parents can achieve self-sufficiency within 60 months. A small percentage of the Reach Up caseload qualifies to remain on Reach Up past the 60 month time limit. For example, an individual can remain a Reach Up recipient past the 60 month time limit if they are deferred from the work requirement. The deferral could be for reasons including, but not limited to, lack of childcare or transportation, medical reasons, substance abuse or mental health issues. Currently, Reach Up participants who have reached 60 countable months are only allowed to continue receiving benefits if they continue to meet their work requirement through:

1. Employment; and/or
2. Community Service Placement (CSP).

For some, the restriction to CSP/employment activities prohibits opportunities to gain the skills or education needed to successfully move off Reach Up. Under current statute, activities such as job search, vocational education and progressive employment are not allowable activities for the 60 month participants. We propose an expansion of eligible work activities in order to create opportunities for families to develop pathways towards employment thus helping these families move towards economic self-sufficiency.

It is worth noting that families attain different goals at different times. The vast majority of 60 month participants have had significant trauma, mental health, substance abuse and other issues in their lives. Many of these participants first need to overcome barriers and *then* have the opportunity to participate in basic employment preparation to gain skills for job training. We believe that expanding eligible work activities for individuals who have been Reach Up clients longer than 60 months will provide a conduit for more participants to achieve self-sufficiency and thus move off of the program successfully.

Our proposal follows on the next page.



Proposed change:

33 V.S.A. § 1108(d)(1) is amended to read:

(d) Notwithstanding subsection (a) of this section, a participating family that does not have a qualifying deferment under section 1114 of this title and that has exceeded the cumulative 60-month lifetime eligibility period set forth in subsection (a) of this section shall qualify for a hardship exemption that allows the adult member of the participating family to receive:

- (1) a wage equivalent to that of the participating family's cash benefit under the Reach Up program for participation in ~~community service employment~~ any of the work activities listed in subsection (28) of section 1101 of this title, with the exception of subsection (28)(L);

33 V.S.A. 1101(28) lists the countable work activities:

(A) unsubsidized employment;

(B) subsidized private sector employment;

(C) subsidized public sector employment;

(D) work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;

(E) on-the-job training;

(F) job search and job readiness assistance;

(G) community service programs;

(H) vocational educational training (not to exceed 12 months with respect to any individual);

(I) job skills training directly related to employment;

(J) education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;

(K) satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalence, in the case of a recipient who has not completed secondary school or received such a certificate;

(L) the provision, consistent with the Department's rules applicable to self-employment, of child care services to an individual who is participating in a community service program;

(M) attendance at a financial literacy class; and

(N) any other work activity recognized in accordance with Part A of Title IV of the Social Security Act as amended.

Note: There are currently no other recognized work activities in Title IV-A.

