



Memorandum

To: Rep. Kitty Toll, Chair; House Committee on Appropriations

From: Michelle Fay, Executive Director

Date: February 15, 2018

Re: FY18 Budget

Thank you for the opportunity to testify about the proposed budget's likely impact on children and youth. As members of the Child Poverty Council, we endorse the recommendations outlined in the council's report. We have several areas of particular concern where the proposed appropriation does not adequately meet the needs of Vermont children.

Reach Up

As I testified during the budget adjustment hearing, current Reach Up grants are falling far short of covering even a subsistence income for the children and families participating in the program. Reach up grants today have 31% less buying power than they did in 1996, and even combined with Three Squares nutrition benefits leave participants far below the poverty level.ⁱ Meanwhile, reports to DCF/Family Services based on "financial stress" grew by 272% between 2010 and 2016. It's worth noting that our neighbors in New York and New Hampshire are doing better. In fact, TANF grants in New Hampshire are 60% higher than in Vermont, as of last July when the NH legislature tied grants to 60% of the federal poverty level, indexed to inflation. If we are truly committed to protecting the most vulnerable, we need to increase Reach Up grants to Vermont's families living in extreme poverty. Voices asks that any Reach Up program savings, including caseload reductions and administrative efficiencies, be reinvested into the program.

Expanded Learning Opportunities Fund

We support an investment in the Expanded Learning Opportunities (ELO) Special Fund so that Vermont can expand access to afterschool and summer learning programs particularly in underserved areas of the State and in communities with a high percentage of low-income students. Currently, nearly 22,000 children and youth in Vermont need access to afterschool and summer learning programs. Quality programs help address critical challenges facing low-income students such as the academic achievement gap; hunger, by providing access to meals, and coverage for the 15-25 hours per week when parents are working and children are out of school.

Family and Medical Leave Insurance Program

The Vermont House took a stand for working families when you passed H.196 last year. An initial special fund appropriation of \$2.5 million is needed to ensure that the program's infrastructure is in place prior to the collection of premiums. Including the appropriation in the budget would send a powerful message that the House remains committed to supporting working families in balancing their caregiving responsibilities and their need for financial security.

ⁱ Iffe Floyd, "TANF Cash Benefits Have Fallen by More Than 20 Percent in Most States and Continue to Erode," Center on Budget and Policy Priorities, October 2017. <https://www.cbpp.org/sites/default/files/atoms/files/10-30-14tanf.pdf>