

**Testimony to House Committee on General, Housing and Military Affairs**  
**April 5, 2018**  
**Kate Larose**  
**Director, Financial Futures Program**  
**Champlain Valley Office of Economic Opportunity**

Good evening. My name is Kate Larose, and I serve as the Director of the Financial Futures Program at Champlain Valley Office of Economic Opportunity, one of Vermont's five Community Action Agencies.

We provide free services to Vermonters with low and moderate incomes. Last year we served over 22,000 people agency wide, and over 1,000 people through Financial Futures. In the Financial Future program we support Vermonters on their path to economic prosperity through three programs:

- Matched savings Individual Development Accounts
- Financial capability coaching and classes
- Microbusiness Development services

In short, we help people to learn, earn, save, and own. People walk through our doors because they have concerns and are stressed out about money. I'd like to share some of our client demographics with you from folks we served last year:

- 61% are employed, many of them in more than one full time job
- 58% were women
- The average client age is 40
- 51% of clients have debt that is overdue
- The average credit card debt is \$2,858 (a huge sum for someone with a low or moderate income, and indicative of how people many when they don't earn enough to make ends meet)

Every three years CVOEO conducts community surveys to learn more about needs. Last year our community partners shared that the largest concerns were housing, childcare, and transportation. Our clients said that their top concerns—simply put—is money. Needing more money to be able to pay bills.

At CVOEO we support the increase in the minimum wage to \$15 an hour, and believe it will have a positive impact on the families of those we serve. We believe that a faster approach to \$15 will best help our clients. But if a slow incremental approach over the next several years is the only way to reach this increase, then we are supportive of that.

Lastly I would like to share that I appreciated the opportunity to participate in the Vermont Minimum Wage Challenge a few weeks ago. As a two minimum wage earner, 80 hour a week

working household with a preschool age child at home, I learned that my family would not be eligible for many of the services offered through our community action offices or Head Start. I also learned that we would only qualify for 10% of the current Vermont child care subsidy. When I visited the CVOEO food shelf around the corner from my house, I also learned that 50% of the families who rely on the food shelf are working full time and earning minimum wage. At that wage, they have to count on the help of the food shelf to make ends meet to put food on the table for their families.

Through the process of these visits, I heard from my colleagues that shame keeps many families from accessing the very services that are here to help them.

Vermont families working the hardest to get by shouldn't have to feel ashamed.

Instead, we should feel ashamed if we let this moment pass us by.

Thank you.