

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Human Services to which was referred House Bill No.
3 326 entitled “An act relating to eligibility and calculation of grant or subsidy
4 amount for Reach Up, Reach Ahead, and the Child Care Services Program”
5 respectfully reports that it has considered the same and recommends that the
6 bill be amended by striking out all after the enacting clause and inserting in
7 lieu thereof the following:

8 * * * Findings * * *

9 Sec. 1. FINDINGS

10 The General Assembly finds that:

11 (1) benefit cliffs, which occur when a family’s loss of economic benefits
12 outpaces the rate at which its earnings increase, have a detrimental impact on
13 Vermont families;

14 (2) according to the 2016 article “Do Limits on Family Assets Affect
15 Participation in, Costs of TANF?” by the Pew Charitable Trusts, raising or
16 eliminating asset limits within the Temporary Assistance for Needy Families
17 program (TANF) does not affect the number of monthly applicants to the
18 program; and

19 (3) according to the 2016 article “Low TANF Asset Limits Show No
20 Cost or Caseload Benefits for State Programs” by the Pew Charitable Trusts,

1 states experience a decrease in administrative costs when they raise or
2 eliminate TANF asset tests.

3 * * * Reach Up * * *

4 Sec. 2. 33 V.S.A. § 1103 is amended to read:

5 § 1103. ELIGIBILITY AND BENEFIT LEVELS

6 * * *

7 (c) The Commissioner shall adopt rules for the determination of eligibility
8 for the Reach Up program and benefit levels for all participating families that
9 include the following provisions:

10 (1) ~~Not~~ Not less than the first \$250.00 per month of earnings from an
11 unsubsidized job and 25 percent of the remaining unsubsidized earnings shall
12 be disregarded in determining the amount of the family's financial assistance
13 grant. The family shall receive the difference between countable income and
14 the Reach Up payment standard in a partial financial assistance grant.

15 Unsubsidized earnings deposited in a qualified child education savings
16 account, such as the Vermont Higher Education Investment Plan, established
17 in 16 V.S.A. § 2877, or any similar plan qualified under 26 U.S.C. § 529, shall
18 be disregarded in determining the amount of a family's financial assistance
19 grant.

20 (2) ~~Not~~ Not less than the first \$90.00 per month of earnings from a
21 subsidized job shall be disregarded in determining the amount of the family's

1 financial assistance grant. The family shall receive the difference between
2 countable income and the Reach Up payment standard in a partial financial
3 assistance grant. Earnings from subsidized jobs shall qualify for federal and
4 State earned income credit if the family is otherwise eligible for such credit.

5 (3) Each family development plan shall provide for an incentive
6 payment to be paid to the participating family for completing a required
7 activity or task.

8 (4) Education stipends, employment stipends, job training stipends, and
9 incentive payments, as determined by the Commissioner, shall be excluded in
10 calculating the financial assistance grant.

11 (5) ~~The value of assets accumulated from the earnings of adults and~~
12 ~~children in participating families and from any federal or Vermont earned~~
13 ~~income tax credit shall be excluded for purposes of determining continuing by~~
14 ~~a participating family shall be excluded in determining the participating~~
15 ~~family's eligibility for the Reach Up program. The asset limitation shall be~~
16 ~~\$2,000.00 for participating families for the purposes of determining continuing~~
17 ~~eligibility for the Reach Up program.~~

18 (6) Transitional medical assistance of up to 36 months shall be provided
19 to families with a working adult who becomes ineligible for financial
20 assistance due to increased earnings, unless family income exceeds 185 percent

1 of the federal poverty level, and provided that federal financial participation is
2 available for such transitional medical assistance.

3 (7) The equity value of one operable motor vehicle in a family with a
4 single parent or caretaker and of two operable motor vehicles in a two-parent
5 family shall be excluded for purposes of determining eligibility for the Reach
6 Up program. The Commissioner shall take all steps necessary to retain current
7 resource protections under the ~~Food Stamps program~~ Supplemental Nutrition
8 Assistance Program (SNAP) so that the rules under the ~~Food Stamps program~~
9 SNAP and the Reach Up program are compatible.

10 (8) An individual domiciled in Vermont shall be exempt from the
11 disqualification provided for in 21 U.S.C. § 862a.

12 (9) The amount of \$115.00 of the Supplemental Security Income
13 payment received by a parent, excluding payments received on behalf of a
14 child, shall count toward the determination of the amount of the family's
15 financial assistance grant.

16 * * *

17 * * * Child Care Services Program * * *

18 Sec. 3. 33 V.S.A. § 3512 is amended to read:

19 § 3512. CHILD CARE SERVICES PROGRAMS; ELIGIBILITY

20 (a)(1) A Child Care Services Program is established to subsidize, to the
21 extent that funds permit, the costs of child care for families that need child care

1 services in order to obtain employment, to retain employment, or to obtain
2 training leading to employment. Families seeking employment shall not be
3 entitled to participate in the Program for a period in excess of one month,
4 unless that period is extended by the Commissioner.

5 (2) The subsidy authorized by this subsection shall be on a sliding scale
6 basis. The scale shall be established by the Commissioner, by rule, and shall
7 bear a reasonable relationship to income and family size. The lower limit of
8 the fee scale shall include families whose gross income is up to and including
9 100 percent of the federal poverty guidelines. The upper income limit of the
10 fee scale shall be neither less than 200 percent of the federal poverty guidelines
11 nor more than 100 percent of the State median income, adjusted for the size of
12 the family. The scale shall be structured so that it encourages employment.

13 (3) New earnings deposited in a qualified child education savings
14 account, such as the Vermont Higher Education Investment Plan, established
15 in 16 V.S.A. § 2877, or any similar plan qualified under 26 U.S.C. § 529, shall
16 be disregarded in determining the amount of a family's income for the purpose
17 of determining continuing eligibility.

18 * * *

19 * * * Effective Date * * *

20 Sec. 4. EFFECTIVE DATE

21 This act shall take effect on July 1, 2017.

1 and that after passage the title of the bill be amended to read: “An act relating
2 to eligibility for Reach Up and the Child Care Services Program”

3

4

5 (Committee vote: _____)

6

7

Representative _____

8

FOR THE COMMITTEE