

**REPORT TO
GOVERNOR SHUMLIN
FROM THE COUNCIL ON
PATHWAYS FROM POVERTY**

November 2016

Submitted for the Council by:

**Linda Ryan &
Christopher J. Curtis
Council Co-Chairs**

Pursuant to:

Executive Order No. 09-13

Pathways from Poverty Council

October, 2016

Hon. Peter Shumlin
Governor
State of Vermont
109 State Street, Pavilion
Montpelier, VT 05609

Dear Governor Shumlin,

The Council on Pathways from Poverty thanks you for the opportunity to serve the citizens of the state of Vermont. You took a risk establishing an independent body to look at the causes and symptoms of poverty and to make recommendations to alleviate those conditions. But, you took the initiative anyway because Vermonters couldn't afford to wait. This Council represents an important aspect of your legacy.

We commend your efforts to improve the economic condition of low-income Vermonters by promoting ideas to expand economic opportunity for all. Together, you and your partners in the legislature gave Vermonters with prior convictions a fair shake and a second chance at getting a job by "banning the box" on employment applications. You embarked on a bold "driver restoration" initiative to fix a broken system that snared poor Vermonters in the poverty trap of multiple tickets caused by inability to pay a single ticket. You enacted new consumer protections in rent-to-own transactions. And, you committed the State of Vermont to ending child and family homelessness by 2020, establishing new rental subsidies and supportive service programs to help meet that goal – among many other initiatives. Further, you preserved funding for housing and essential programs and services that aid low-income Vermonters. These reforms will improve the economic condition of thousands of our citizens. Thank you!

Please accept these recommendations in the spirit of continued progress and forward them to your successor. We hope you will enthusiastically recommend to the next Administration two primary recommendations: First, that this body be reauthorized for another 3-year term, or be considered for permanent Council status. And, second, that an occupancy fee on overnight guests of hotels and motels be enacted to help end homelessness for all in the state of Vermont.

As we reflect on three years of partnership with you and your staff, we're grateful for the increased communication and collaboration that have helped to alleviate some of the symptoms, if not the root causes, of poverty. We're pleased to note new census data suggesting poverty is in decline in Vermont as well as data that shows we are making solid headway on breaking the cycle of homelessness. Despite progress, however, much remains to be done to ensure poverty is both rare and fleeting. We wish you all the best as you complete your final term in office.

Sincerely,



Christopher J. Curtis
Co-Chair
Pathways from Poverty Council



Linda Ryan
Co-Chair
Pathways from Poverty Council

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Dedication

This report is dedicated to Edna Fairbanks-Williams.

Edna was a native Vermonter who dedicated her life to helping the poor and disenfranchised through advocacy at the local, state and federal levels. Her understanding and dedication to vulnerable Vermonters grew out of her own personal experience. She served as the president of the Vermont Low Income Advocacy Council for close to 40 years, giving a voice to the poor, the elderly, those living with disabilities, and low-income working families in the policy making arena of state government. In 1995 she was tapped by then-President Bill Clinton to serve on the national Board of Directors for the Legal Services Corporation because of her long standing service to the Boards of Directors of Vermont Legal Aid and Legal Services Lawline. She also served on the Board of the Vermont Dental Care Programs for children of low-income households.



The poorest and most needy Vermonters had a compassionate and tireless friend in Edna Fairbanks-Williams who put difficult personal health and economic limitations aside to help them with their battles for daily sustenance, shelter, and human dignity.

Edna's life and legacy are not forgotten. This Council carries on her tradition of feisty, compassionate advocacy. It is in this spirit we offer our 2016 report in her memory!

Executive Summary

Since its creation, The Governor’s Pathways from Poverty Council has identified barriers to wellbeing for disadvantaged Vermonters and proposed comprehensive policy solutions. These solutions are rooted in the belief that Vermonters have a fundamental human right to dignity and wellbeing, and the knowledge that when we ensure that everyone can reach their full potential, our communities thrive. They are rooted in the belief that housing and nutrition are basic human rights and that we can only achieve wellbeing for all Vermonters when their needs for safe housing, good nutrition, and other basic human needs are met. Wellbeing requires community resources, social relationships, and opportunities to thrive. The Council’s four committees – Administrative Systems; Education; Economic Security, Empowerment and Wellbeing; Housing and Homelessness – focus in on key components of wellbeing that are part of an integrated whole:

- Our education policy recommendations serve as the foundation. Wellbeing needs a sturdy base to prevent later problems and create resiliency against life’s ups and downs.
- For Vermonters struggling to thrive, securing safe, stable and affordable housing is a critical first step. Trying to address Vermonter’s health, education, and employment needs while they are homeless or housing insecure only makes these efforts more challenging and costly.
- Over the course of their lifespan, many Vermonters will need the support of our social safety net and the tools to build a successful future. Vermont’s network of state and community human service programs work to make sure that when Vermonters face hardship due to illness, disability, or economic insecurity they are able to stabilize their families, so they can take advantage of economic opportunities, on their way to wellbeing and full participation in society.
- Administrative systems are networks that enable efficient, consistent functioning. They connect essential services and supports in an effective, comprehensive system. A key factor in supporting dignity and creating wellbeing is ensuring that needed supports are provided without undue burden or delay.

This year, the Council again makes recommendations that will move people out of poverty. Our highest priorities follow. Comprehensive, longer-term recommendations are attached in the committee reports.

Our top two priorities:

1. We recommend **reauthorization of this Council** for another three-year term, or for permanent Council status. Our recommendations have played at least a small part in recent, modest reductions in poverty and homelessness in Vermont. We would like the opportunity to continue to help the State make progress.
2. We recommend enactment of an **occupancy fee on guests at motels and hotels** to create more affordable housing and help end homelessness in Vermont. We have failed to fully appreciate how deeply housing is implicated in the creation of poverty. We need new revenues so we can redouble efforts to make sure every Vermonter has a place to call home.

Additional high priorities:

1. **The State must maintain the "safety-net" for the most vulnerable Vermonters and help stabilize families.** The health and wellbeing of Vermonters is dependent on meeting a higher standard of basic needs.
 - **Repeal the Reach Up benefit reduction for families with a member receiving disability benefits,** increase or eliminate the asset limit and, over time, increase Reach Up grants to cover a higher standard of living.
 - **Maintain State dollars for LIHEAP and Crisis Fuel above 150% of Federal Poverty,** allow two grants for Crisis Fuel recipients, and keep expanding Low-Income Weatherization capacity to reduce energy burdens.
 - **Support the coordination of school-based Pre-K and Head Start Programs** to ensure equal access, maintain socio-economic integration, and continue to blend federal and State education funding resources for low-income families.

2. **A quality education system for Vermont's children is vital to the future of our state.** Poverty limits opportunity and aspiration, and it is up to the state to help minimize the challenges many Vermont families face. Using the public schools to provide other services to these children and their families will encourage those in poverty to make use of these services.
 - **Fully fund school-based family mental health services in all public schools.** Many of our young students are not ready to learn when they enter school. Teachers cannot teach students who are not ready to learn.
 - **Study the full-service school model for possible pilot programs in rural areas.** A feasibility study and pilot programs would give the legislature enough information to make an educated decision in the near future, perhaps starting with co-location of services.

3. Use the estimated \$11-12 million in new resources from the occupancy fee to fund the **three-legged stool of investments in housing and homelessness:**
 - **Increase capital investments** for building and renovating affordable housing by fully funding the Vermont Housing and Conservation Board.
 - **Expand rental assistance** to house the very lowest income Vermonters by increasing the Vermont Rental Subsidy Program and restoring cuts to Mental Health Vouchers.
 - **Fully fund supportive services** for those with the greatest challenges by increasing funding for a variety of AHS housing/homelessness related programs.

4. **Make investments in programs and policies that help folks achieve economic success.** Many of the anti-poverty programs and policies that we know work and have proven results have been reduced, are underfunded or need to be further developed.
 - **Increase funding for the Micro Business Development Program and Individual Development Accounts;** develop a Vermont Matched Savings Account Program; and adequately fund those providers delivering financial education, credit building and repair.

- **Develop statewide public retirement options** which could include: state-sponsored retirement savings programs for workers not covered by employers, expanded access to employer-sponsored retirement plans, and work and save incentive programs to provide financial support and reduce poverty among retirees.
5. When people are at their most vulnerable and in need of food, housing, crisis services, or transitioning out of the corrections system, they need not to be burdened with complicated or cumbersome systems that are difficult to understand and navigate.
- **Support additional capital investments in Vermont's Agency of Human Services IT infrastructure** to create an integrated eligibility model that links programs and departments together for more seamless access to resources for Vermont citizens relying on the economic safety net.
 - **Federal guidelines offer an option called the Transitional Benefits Alternative**, or TBA, which allows the state to provide a federally funded 3SquaresVT benefit to households leaving Reach Up. We strongly recommend the state immediately implement this federal option.
6. **Continue to support policies that "make work pay" and a variety of employment supports** to help low-income working Vermonters attain self-sufficiency:
- Support a \$15 an hour minimum wage, increased investment in Vermont's Child Care Financial Assistance Program, and an expanded Earned Income Tax Credit.
 - **Create and fund a comprehensive study on transportation issues** for low-income Vermonters and improve workforce training efforts geared towards low-income people and elders.
 - **Support a state-administered family and medical leave insurance policy.**
7. **Interagency Coordination and the State Budget**
- **Improve Communications and create partnerships between State agencies** and departments, linking programs, opportunities, and funding resources for anti-poverty initiatives and programs.
 - **Ensure implementation of the Current Services Budget** and enhance public input in the budget process.

We appreciate the opportunity to make these highest priority recommendations. The attached committee reports provide further detail.

Education

A quality education system for Vermont's children is vital to the future of our state. The challenges our most vulnerable Vermonters face seem insurmountable to many. Poverty limits opportunity and aspiration, and it is up to the state to help minimize the challenges many Vermont families face. Young Vermonters and their families need support and our schools are poised to incorporate a variety of social services and programs in a more efficient and effective manner. The following recommendations address some of the most immediate needs in the education realm.

- **Fully fund school-based family mental health services in all public schools.**
 - This is a need across the state. Students and their families are not receiving consistent mental health treatment as they cope with Adverse Childhood Experiences (ACEs), including opiate addiction, alcoholism, poverty, homelessness, etc.
 - Many of our young students are not ready to learn when they enter school. Teachers cannot teach students who are not ready to learn.

- **Universal School Meals**
 - Offer free meals to all public school students. This is an expansion of the free lunch proposal. Free and Reduced lunch students already receive this service. The new proposal helps to mitigate the stigma of receiving free lunch.
 - Accurate direct certification lists allow schools to qualify for the federal Community Eligibility Provision (CEP). Schools with more than 40% of the student population participating in another qualifying assistance program (i.e. 3SquaresVT, Reach Up, foster care) can use the CEP program allowing the schools to serve free school breakfast and lunch to all students regardless of their parents' income. Eligibility for this program is based on the direct certification list generated by the Department for Children and Families and sent to the Agency of Education. The lists generated by the current IT system are error-prone and require extensive manual edits, increasing administrative burden on both state and school employees. A new IT system can improve list accuracy, reduce paperwork for parents and schools, and ensure all schools eligible have the opportunity to run the program.

- **Provide higher education experiences and job training for incarcerated Vermonters and those recently released from prison.**
 - As a matter of policy, tech centers should be encouraged to accept more adult learners and encourage people to go into the trades. These are good paying jobs that people with a record can get. The trades are also jobs that will not be outsourced. There is a high demand for people to go into these jobs. The average age of construction workers in Vermont is over 55 as fewer people are drawn to work in the building trades.

- **Provide ongoing support in schools to prevent violent students from injuring classmates and school personnel.**
 - Too many of our public school staff members are suffering from injuries. Some have been hospitalized, others are living with permanent damage, some are unable to work in the same setting due to chronic health issues.
- **Provide substantially increased funding for privately provided child care for children from birth to age 5.**
- **Devote the resources necessary to ensure the availability of high quality prekindergarten education to all Vermont 3 and 4 year olds.**
 - High quality child care and prekindergarten education programs, especially for children in lower socioeconomic circumstances, are crucial building blocks for child development generally and school readiness to learn in particular.
 - Private childcare providers should not have to rely on tax revenue meant for schoolchildren to meet the needs of our very youngest children.
 - The quality of our prekindergarten education programs is dependent, in large measure, on the capacity of providers, schools and private providers, to attract and retain qualified teachers, properly licensed to provide early education.
- **Require that all state's attorneys use restorative justice practices for students** and encourage schools to include quality restorative justice practices as one component of school discipline policy.
 - Concerns about the school-to-prison pipeline are addressed with quality programs such as these within the schools.
 - Youth who end up in the criminal justice system have multiple challenges completing their education, finding work, and functioning in society.
- **Study the full-service school model for possible pilot programs in rural areas.**
 - A feasibility study and pilot programs would give the legislature enough information to make an educated decision in the near future, perhaps starting with co-location of services (mentioned below).
- **Increase the number of Federally Qualified Health Centers (FQHCs) and explore opportunities to use public school facilities.**
 - The health centers that are in operation now are successful. Perhaps the FQHCs could be housed in some of our public schools, helping with operational costs.
 - Dental and primary care, along with mental health services, are three areas that that are already incorporated into some public school facilities. They should be expanded to other districts.
- **Explore additional funding options for Children's Saving Account implementation.**

Housing and Homelessness

Vermont's prosperity and the well-being of our citizens depend in great measure on an adequate supply of safe, stable and affordable housing. No one can succeed in life without a place to call home. It is the foundation upon which successful lives are built. Yet our state suffers from an almost chronic shortage of quality, affordable housing. Employers have complained for years that they have difficulty recruiting and retaining qualified employees because of our high housing costs. Young people leave our state because they can't find a decent place to live on the wages Vermont businesses pay. People buy or rent far from their jobs and end up having to commute long distances.

Almost half of Vermont renters pay too much for their housing costs, leaving them with too little to cover other basic needs and one step away from not being able to pay the rent or mortgage. Many have no choice but to live in substandard housing, leaving them vulnerable to health issues and higher energy costs. Seniors and other Vermonters living on fixed income cannot afford a decent home anywhere in the state without a subsidy. The need for more affordable senior housing and supportive services becomes increasingly acute as Vermont's population ages: The greatest household growth in the next five years is projected to occur among seniors age 65 - 74. And while we have made progress on combating homelessness, especially among some of our most vulnerable Vermonters, much work remains to be done.

Vermont must adequately fund all three legs of the three-legged stool approach to affordable housing and ending both family and chronic homelessness. To make the goal of dedicating 15% of publicly funded affordable housing to homeless families and individuals a reality, we need:

1. **Substantial new capital investments** to create permanently affordable housing,
2. **Increased rental assistance** to house the very lowest income Vermonters, and
3. **Full funding for supportive services** for those with the greatest challenges.

Priority #1: Generate new revenues for affordable housing and ending homelessness.

Because of the State's chronic inability to fully fund its housing and supportive service needs, our highest priority is to create a new revenue source dedicated to those needs. We recommend that the State institute a **\$2 occupancy fee on guests at motels and hotels** and dedicate the projected \$11 - 12 million in revenues to affordable housing and ending homelessness.

Priority #2: Use these new resources to fund all three legs of the three-legged stool:

1. Increase capital investments for building and renovating affordable housing, including for seniors and the homeless, by fully funding the **Vermont Housing and Conservation Board**. Some of the new revenues from the \$2 occupancy fee could be used to support a revenue bond that makes major new investments in affordable housing.
2. Expand rental assistance to the lowest income Vermonters by increasing the **Vermont Rental Subsidy Program** and restoring **Mental Health Rental Assistance Vouchers** cut two years ago.

3. Improve access to supportive services, including service coordination and case management, by increasing funding for the **Housing and Opportunity Grant Program, Family Supportive Housing, and Assistive Community Care Services (ACCS)**.

Additional Funding Priorities

- Implement the recommendations from the “Roadmap to End Homelessness” initiative.
- Ensure that all families and individuals have access to emergency housing and services while continuing to reduce reliance on motels by investing in alternative approaches.
- Increase “Back Rent” funding available to local providers to help prevent homelessness.
- Fully restore AHS Central Office Direct Service and Service Coordination Grants.
- Increase resources for home access modifications to enable Vermonters living with physical disabilities to live more independently.
- Advocate for renewal of federal funding for Support and Services at Home (SASH) and continued state match.
- Bring substandard and vacant rental housing up to code and back online by implementing a pilot Rental Rehabilitation Loan Program in selected Vermont towns. Provide low-interest loans and technical assistance to help homeowners create accessory dwelling units.
- Provide ongoing funding for both landlord and tenant resources.
- Fund a feasibility study to expand Vermont’s home-sharing programs statewide.
- Increase allocations for tax credits that help incentivize affordable housing, including rental housing, homeownership, mobile home ownership and energy efficiency.
- Maintain at least level funding for all other proven programs and tax credits that support affordable housing and alleviate homelessness.

Additional New Resources

- Create a check-off on Vermont’s income tax form for voluntary taxpayer contributions to a fund to help end homelessness. The four current funds receive \$50,000 - \$90,000 a year.
- Cap Vermont’s pass-through of the federal mortgage interest deduction and dedicate the savings to affordable housing and homelessness. A \$15,000 cap could raise \$4.4M a year.
- Invest Medicaid resources in housing and services for frequent users of health services.

Legislation

- Support passage of a Homeless Bill of Rights, as proposed in H.211, to provide equal protections for the most vulnerable Vermonters and eliminate barriers to providing shelter.
- Support a Workforce Housing Demonstration Program, as proposed in H.865, to provide funding for municipal infrastructure that supports development of mixed use housing affordable to a range of incomes, from low- and moderate-income to market rate.

Administrative Policy

- Expand eligibility for the Vermont Rental Subsidy Program to include seniors 62 and over.
- Promote housing with supportive services as a best practice that provides positive outcomes and is cost effective for individuals and families and enables seniors to age in place.
- Expand eligibility for the Housing Opportunity Program from 30% to 50% of median income.
- Streamline the Public Housing and Section 8 application process to save public resources by reducing the time case managers spend helping clients fill out multiple applications.

Economic Security, Empowerment & Wellbeing

Balance Short and Long Term Economic Strategies

The State must maintain the "safety-net" for the most vulnerable Vermonters, but also make those investments in programs and policies that help folks achieve economic success.

The health and wellbeing of Vermonters is dependent on meeting a higher standard of basic needs to stabilize poor families, maintaining food security, reducing energy burdens, eliminating benefit cliffs, and ensuring access to affordable health and dental care and medical and family leave.

Many of the anti-poverty programs and policies that we know work and have proven results have been reduced, are underfunded or need to be further developed. These are programs that create jobs, help build assets, provide financial education, and assist Vermonters, especially elders, to save for the future and a dignified retirement.

In addition to increasing the minimum wage, employment supports must include childcare financial assistance, wrap around services for low income working families and their children, equitable tax policies, and public transportation options to support working Vermonters.

The purpose of the state budget is to ensure the well-being of all Vermonters by meeting their fundamental needs. We must provide adequate funding and supports to assist those in need and to stabilize families in the short term. For the long term, we must put forth and invest in those programs and policies that work to alleviate and end poverty for the long term.

Reach-Up

- **Repeal the reduction of \$115 a month in Reach Up benefit** for families who have a member receiving a disability benefit to help stabilize these families in need and not penalize them for funding they receive to support their disability needs.
- **Increase the Asset Limits to \$5,000 -10,000 or eliminate.**
- **Increase Reach Up grants** to meet a higher percentage of the Standard of Need by adjusting the "ratable reduction" to at least 55% of basic needs and gradually increase.
- **Fair and consistent application of the 180 day extension** of Reach-Up when a family loses custody of a child.

LIHEAP & Crisis Fuel

- **Maintain State dollars for funding LIHEAP** recipients and Crisis Fuel above 150% of the Federal Poverty Level and maximize use of federal dollars.
- **Remove the one grant restriction** instituted in FY14 and allow two grants in covering emergency needs with Crisis Fuel.
- **Adequately fund agencies** that are delivering emergency services and benefits on behalf of the State.

- **Continue to fund and expand Low-Income Weatherization capacity** to reduce energy burdens and carbon emissions.

Head Start and Pre K – Act 166 Implementation

- **Monitor the implementation of Act 166 and evaluate the program.**
- **Support the coordination of school-based Pre-K and Head Start Programs** to ensure the socio-economic integration and blending of federal and State education funding resources for low-income families.
- **Support equal access to Pre-K programming** so that the children who stand to benefit most from Pre-K have access; mitigate any barriers for low income families to participate.
- **Support adequate pay** and training for community-based Pre-K providers.

Health and Well-being of Vermonters

- **Support Family and Medical Leave Insurance.** Create a State-administered insurance program that allows employees to take longer term paid leave to bond with/care for a new child, or recover from a serious long term illness or injury.
- **Maintain adequate revenue to meet the State’s obligations to Medicaid-eligible Vermonters** without shifting funds away from human service programs; ensure that health care investments are effective and sustained.
- **Work toward universal access to health care**, including physical health, oral health, vision, mental health, and substance addiction treatment.
- **Monitor the implementation of the Licensed Dental Therapist Legislation** to ensure that the intended expansion of access for low-income, Medicaid, and uninsured patients is realized.
- **Eliminate the cap on adult dental care in Medicaid**, or at a minimum increase it.

Support Vermont Seniors’ Plans for Retirement

- **Develop a Work and Save Program.** The state should encourage a discussion on developing a statewide work and save incentive program as a proactive way to provide financial support to workers in their retirement.
- Investigate the possibility of a State Social Security Supplement to reduce poverty among retirees
- **Explore Public Retirement Options.** Join 25 other states in introducing legislation that could include: expanded access to employer-sponsored retirement plans and state-sponsored retirement savings programs for workers at private sector or nonprofit employers that do not offer plans

Restore and Enhance Economic Opportunities for Low-Income Families

- **Increase funding for the Micro Business Development Program (MBDP).** Enhance business and technical assistance (training and counseling) for low-income Vermonters starting small businesses.

- **Increase funding for Individual Development Accounts (IDAs)**, a matched savings and financial education program that helps low- to moderate-income Vermonters get ahead and improve their futures by creating financial assets.
- **Develop a Vermont Matched Savings Account (Expanded IDA)**, a matched savings program backed by State dollars for low-income Vermonters to overcome barriers preventing them from escaping poverty, coupled with financial coaching and classes.
- **Fund programs that build and repair credit.** Provide credit repair coaching for low-income Vermonters to repair/build credit, and repair/strengthen their connections to financial institutions.
- **Provide resources to agencies delivering financial education to low-income adults.**

Support Employment

- **Support a \$15 an hour minimum wage.**
- **Increase investment in Vermont's Child Care Financial Assistance Program (CCFAP).** Raise the base rate to 50% of the current market rate with the long term goal of raising the base to 75% of the current year market rate; mandate that rates and guidelines be adjusted annually and kept current.
- **Support incremental increases to meet CCFAP goals over time**, or other feasible steps to increase the affordability of childcare for low-income families.
- **Support successful employment policies that "make work pay" and help families seek and maintain employment.** Expand the Earned Income Tax Credit, reduce or eliminate benefit cliffs, and increase income disregards and asset limits.
- **Improve workforce training efforts that are geared towards the low-income community and elders who continue to work.** Increase the existing workforce training and education resources to specifically target the low-income population and elders in Vermont.
- **Create and fund a comprehensive study on transportation issues** for elders, people with disabilities, and the low-income population to improve transportation resources for all Vermonters.
- **Improve/tighten lending practices on car purchases/loans.**

Interagency Coordination and Efficiencies

- **Improve Communications and create partnerships between State agencies** and departments, linking programs, opportunities, and funding resources for anti-poverty initiatives and programs.

State Budget – Implementation of People's Budget Statute

- **Ensure implementation of the Current Services Budget and enhance the public input in the budget process.** The purpose of the state budget is to ensure the well-being of all Vermonters by meeting their fundamental needs.

Administrative Systems

The Administrative Systems Committee is charged with looking holistically at Agency of Human Services Systems and identifying opportunities to strengthen service delivery to Vermonters in need. When people are at their most vulnerable and in need of food, housing, crisis services, or transitioning out of the corrections system, they need not to be burdened with complicated or cumbersome systems that are difficult to understand and navigate. Citizens deserve an easily accessible safety-net and compassionate support to ensure their safety and long-term stability. Throughout 2016, the Administrative Systems Committee explored several systems within the Agency of Human Services and propose the following, priority recommendations to improve systems and service delivery in Vermont.

- **Support additional capital investments in Vermont’s Agency of Human Services IT infrastructure** to create an integrated eligibility model that links programs and departments together for more seamless access to resources for Vermont citizens relying on the economic safety-net. We recommend the legislature and administration support investments that will replace the current ACCESS system, which due to its outdated technology, prevents Vermont from advancing and utilizing new federal programs that benefit Vermonters and bring additional federal money to the state.
- **Transitional Benefits Alternative:** Federal guidelines offer an option called the Transitional Benefits Alternative, or TBA, which allows the state to provide a federally funded 3SquaresVT benefit to households leaving Reach Up. TBA provides a food benefit for five months at an amount equal to the amount the household was receiving before leaving Reach Up, with adjustments for the loss of Reach Up income. Most households leaving Reach Up, including those transitioning into Reach Ahead, would be eligible for TBA. An average of 475 households participate in Reach Ahead each month. Assuming that, on average, each family is a household of 3, **implementing TBA would bring \$242,725 extra federal dollars to these families and our state economy each month, or \$2.9 million annually.** Ultimately, TBA can help Vermont families avoid the benefits cliff and move further down the road to self-sufficiency and financial independence.
- **Create a trauma coordinator position within the Agency of Human Services** to ensure there is a “violence informed culture” throughout the entire agency. This position would ensure a deep understanding of the issue of trauma among all AHS staff in an effort to build a culture of kind and compassionate service delivery with all clients interfacing with the agency.
- **Create a working group to explore alternative models to incarceration and Department of Corrections reform.** The committee met with criminal justice reform advocates through the course of our meetings. It has come to light that there are many opportunities for reform within the Department of Corrections which would: prevent people from entering the criminal justice system, better support and reform individuals currently incarcerated, and reduce recidivism. The committee recommends a working group to look at these issues and make recommendations for systems reform to the Secretary of Human Services.

Poverty Council Accomplishments

Council Endorsed Recommendations Approved (2014-2016):

- Preserved funding for Vermont Housing and Conservation Board (VHCB)
- Doubling (and preserving) appropriation for Vermont Rental Subsidy program; creation of rental assistance program for people with mental health disabilities
- Increase in funding for Emergency Solutions Grants, Family Supportive Housing, and Housing Opportunity Program
- Preserve and protect General Assistance Emergency Housing program
- Making work pay for Vermont families on public assistance:
 - Increase in Earned Income Disregard for Reach Up participants
 - Expansion of Reach Ahead
 - Expansion of Eligibility for 100% Child Care Subsidy for families attached to Reach Up program (24 months for “leavers”)
- Supplemental Nutrition Assistance Program (SNAP):
 - Administrative reduction for households that received SNAP overpayments due to administrative or inadvertent household error
 - Reduced SNAP error rates
- Increased funding for Low-Income Weatherization Assistance
- Preserved Fuel Assistance funds and maintained State dollars in LIHEAP
- Dental therapist legislation enacted
- Paid Sick Days legislation enacted
- New consumer protection measures enacted, including limitations and safeguards for “rent-to-own” transactions
- “Ban the Box” legislation enacted prohibiting all employers from requesting information about prior convictions on initial application for employment
- Driver Restoration legislation enacted
- Additional staff hired for AHS/DCF to enhance delivery of services and protect vulnerable children
- ABLE (“Achieving a Better Life Experience”) savings accounts for Vermonters with disabilities created
- Enhancing eligibility and work incentives for Medicaid participants by directing the state to seek CMS approval for increased income and asset disregards for Medicaid participants

History and Procedural Milestones

12/30/2013 – Council established by Governor Shumlin

3/27/2014 – Council Membership Completed (30); committees established

6/17/2014 – Council retreat

7/17/2014 – Poverty Council online information page goes live; request to Governor Shumlin to engage in public participation process regarding possible Agency of Human Services, Department for Children and Families (AHS/DCF) recommendations in the aftermath of tragic toddler deaths; Governor approves public engagement

8/11/2014 – Online survey for AHS/DCF recommendations goes live, approximately 200 responses from the general public received

8/28/2014 – Co-sponsored public hearing on AHS/DCF recommendations

9/5/2014 – Co-sponsored public hearing on AHS/DCF recommendations

9/29/2014 – Formal recommendations on child protection to Governor, AHS Secretary and DCF Commissioner presented with summary of online public survey

10/2014 – Recommendations for poverty reduction strategies presented to Governor

11/2015 – Recommendations for poverty reduction strategies presented to Governor

10/2016 – Recommendations for poverty reduction strategies presented to Governor, including history and analysis of the roots of poverty in Vermont

Poverty Council in the News

Governor Wants to Spend Millions to Combat Poverty,

WPTZ, December 30, 2013.

<http://www.mynbc5.com/article/governor-wants-to-spend-millions-to-combat-poverty/3313622>

Considering a Holistic Approach to Homelessness in Vermont,

Vermont Public Radio, January 8, 2014.

<http://digital.vpr.net/post/considering-holistic-approach-homelessness-vermont>

Vermont is Home to Plenty Just Barely Scraping By,

Burlington Free Press, April 14, 2014.

<http://www.burlingtonfreepress.com/story/news/local/vermont/2014/04/14/vermont-is-home-to-plenty-just-barely-scraping-by/7618451/>

Lawmakers OK New Welfare to Work Program,

Bennington Banner (Associated Press), May 14, 2014.

http://www.benningtonbanner.com/region/ci_25756059/lawmakers-ok-new-vt-welfare-work-program

Reach Up Recipients Can Keep A Little More Pay Under New Law,

VT Digger, May 20, 2014.

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Executive Order No. 09-13

Governor's Council on Pathways From Poverty

WHEREAS, poverty has been a persistent and growing problem in Vermont; and

WHEREAS, poverty affects all communities, including women, children, seniors, disabled Vermonters, working families, immigrants, and the homeless; and

WHEREAS, reducing poverty will greatly benefit the social and economic infrastructure of Vermont; and

WHEREAS, the State of Vermont has a commitment to the quality of life for all of its citizens.

NOW THEREFORE BE IT RESOLVED THAT I, Peter Shumlin, by virtue of the power vested in me as Governor, do hereby establish the Governor's Council on Pathways From Poverty.

I. Composition and Appointments

Members of the Council shall be appointed by the Governor for three-year terms until their successors are appointed. The Governor shall appoint a Chair.

The Council shall include no less than ten and no more than thirty members, including:

- (A) Representatives involved with private agencies and programs that provide services to low-income Vermonters and/or who work to prevent and address poverty in Vermont; and
- (B) A variety of public members with a commitment to fighting poverty, including whenever possible an individual who has qualified for and received state benefits, such as 3SquaresVT, Reach Up, LIHEAP, housing subsidies, or similar support.

II. Council Charge

The Council shall be advisory to the Governor and its responsibilities shall include, but not be limited to:

- A. Determining the nature and primary causes of poverty in Vermont;
- B. Reviewing the extent to which public and private agencies are addressing poverty in Vermont; and
- C. Making recommendations on action that should be taken to respond to poverty in Vermont, including actions taken by:
 - 1. Federal Government,
 - 2. State Government,
 - 3. Local Government,
 - 4. Private non-profit agencies and programs,
 - 5. Charities, and
 - 6. Business and industry.

III. Council Process

The Council shall meet with the Governor three times per year and members may meet more frequently at the call of the Chair. The Council may establish sub-committees and shall meet with and coordinate efforts with other groups, such as the Vermont Council on Homelessness, as necessary.

The Council shall be attached to the Agency of Human Services for administrative support. To the extent funds permit, members shall receive reimbursement of expenses and a per diem pursuant to 12 V.S.A. § 1010(e).

IV. Effective Date

This Order shall take effect upon signing and expire on January 15th, 2017.

Dated December 30th, 2013,

Peter Shumlin
Governor

Members of the Governor's Council on Pathways from Poverty

Auburn Watersong	Vermont Network Against Domestic and Sexual Violence	
Brenda Brown	Low-Income Advocate	
Cary Brown	Vermont Commission on Women	
Christopher Curtis	Vermont Legal Aid	Council Co-Chair
Eileen Nooney	Capstone Community Action	
Elizabeth Ready	John Graham Shelter	
Erhard Mahnke	Vermont Affordable Housing Coalition	Housing & Homelessness Committee Chair
Harold Nadeau	Disability Rights Advocate	
Jan Demers	Champlain Valley Office of Economic Opportunity	
Joe Patrissi	Northeast Kingdom Community Action	
John Sayles	Vermont Food Bank	
Joshua Davis	Morningside Shelter	
Karen Lafayette	Vermont Low Income Advocacy Council	Economic Security, Empowerment & Wellbeing Committee Co-Chair
Lachlan Francis	Student	
Linda Deliduka	Chittenden County K.I.N. & Community of Vermont Elders	
Linda Ryan	Samaritan House	Council Co-Chair
Marissa Parisi	Hunger Free Vermont	Administrative Systems Committee Chair
Mark Redmond	Spectrum Youth Services	
Marla Simpson	Vermont Support Line	
Martha Allen	Vermont-NEA	Education Committee Chair
Melinda Moulton	Main Street Landing	
Melissa Battah	Vermont Interfaith Action	
Michael Monte	Champlain Housing Trust	
Michelle Fay	Voices for Vermont's Children	Economic Security, Empowerment & Wellbeing Committee Co-Chair
Patrick Flood	Northern Counties Health Care	
Richard Williams	Vermont State Housing Authority	
Rita Markley	Committee on Temporary Shelter	
Sara Kobylenski	Upper Valley Haven	
Trine Bech	Vermont Parent Representation Center	
Whitney Nichols	Consumer Advocate	

Appendix: On Poverty in Vermont

Governor Shumlin created the Council on Pathways from Poverty pursuant to Executive Order 9-13 in December of 2013. The charge of the council includes: “determining the nature and primary causes of poverty in Vermont; reviewing the extent to which public and private agencies are addressing poverty in Vermont; and making recommendations on action that should be taken to respond to poverty in Vermont, including actions taken by: federal government, state government, local government, private non-profit agencies and programs, charities, and business and industry.”

Talking about poverty is a radical act. It is radical because it forces us to consider our history and to contextualize the systems and institutions central to a democratic capitalist society. The systems and institutions surrounding us today in America are the product of a foundation laid 240 years ago that relied on highly stratified divisions within society based primarily on race, sex, and class. Today, we struggle to move the needle of poverty rates hovering between 10-12 percent of our general population – while close to 13-16% of children live in poverty over the last few years.¹ Despite countless task force and work group recommendations and other best efforts the number of Vermonters living in poverty persists and progress has been limited or intermittent at best. Even when we receive good news, like a modest reduction in poverty rates in the last year, nearly half of all single mothers and 15,000 children are still without enough to meet their basic needs.²

Without a commitment to look anew at the very soul of our democracy – right down to who we wish to be as a people – including, and especially the residual effects of racism, sexism and classism (exacerbated by income inequality) we will continue to operate, for the most part, in our assigned historical and cultural divisions and comfort zones and within the existing framework handed down to us for two and a half centuries. And, it will make eradicating poverty much more difficult. It also means that if we truly reassess systems and institutions as part of our effort we must resolve to engage all our citizens so that economic opportunity is equally available to all.

Alleviating the causes and symptoms of poverty is an act of conscience. And, in fashioning our response to it we should recall the words of Sargent Shriver when he was tasked by President Lyndon Johnson with reducing poverty nationally. He said: “... we must look not just to the poor – but to the whole cloth too – and even to the loom. The whole fabric of our society must be rewoven, and the patterns we must weave are patterns of justice, opportunity, dignity, and mutual respect.” This is our challenge.

I. Past is prologue: Efforts to Alleviate the Symptoms and Causes of Poverty are as Old as the Republic.

Vermont is a special place. But, even special places must confront the socio-economic challenges presented by a dynamic, ever-changing economy, by changing demographic trends, or strains caused by natural disaster. Vermont is not immune from the booms and busts of history and despite our special character we cannot shake loose from the mooring of our country. With respect to alleviating the causes and symptoms of poverty the question is not whether we are prepared as a community to confront them and how much relief we are prepared to provide. Rather, the question is whether we are ready to fundamentally change how we think about poverty – not solely as an

¹ <http://www.census.gov/quickfacts/table/PST045215/50>; <http://www.voicesforvorkids.org/category/press-releases/>;

² <http://www.timesargus.com/article/20160918/OPINION06/160919647>

“economic condition” (the state of being poor at a given point in time) – but as a socio-economic indicator that in many cases is a manifestation of a system built by and for our forebears. One that often feels beyond our control. And, one that fails to fully comprehend the needs and desires of many Americans and Vermonters who at one time simply were not considered integral to the fabric of our political and economic experiment. And, we need to look at how the systems and institutions bequeathed to us exacerbate generational poverty if what we have created manifests in chronic conditions that trap children and parents because of limited opportunities for educational and economic advancement.

At its inception this brave little state of Vermont declared its inhabitants “equally free and independent” and having certain unalienable rights to life, liberty, property and the pursuit of happiness (Vt. Const., Art. I). Our founding document also provides that the government is for the “common benefit, protection, and security” of all its people – not for the “particular emolument or advantage” of a few (Id. at Art. VII). And, finally – and notably – the Constitution provides broad powers to ensure that while every member of society has a right to security in their pursuit and enjoyment of life, liberty and property they have an equal obligation to contribute in proportion to the expenses of that security – so long as the taxes raised for services are “of more service to the community than the money would be if not collected.” (Id., at Art. IX)

The framers took pains to balance individual liberty with the public good, represented by our state motto: “Freedom and Unity.”³ Contrary to popular myths about the poor, or desires to segregate society into “makers” versus “takers,” there has always been a healthy coexistence in Vermont among those who have the resources and opportunities to contribute to the common weal and those who, for whatever reason, have fallen on hard times and require some form of temporary assistance – but who also participate in, and contribute to, our communities.

Originally, temporary assistance took the form of neighbors helping neighbors or ultimately towns and municipalities deciding how best to negotiate the welfare of the less fortunate. The most famous manifestation of a “band-aid” approach to addressing poverty was the institution of “poor farms” across the state throughout the nineteenth century.⁴ But, poor farms were more a warehousing of Vermonters down on their luck – not an actual solution designed to alleviate the causes or symptoms of poverty. Many Vermonters can recall their parents or grandparents telling them to behave or they’d be sent down to the poor farm. “I’ll starve or freeze to death there [in the woods] before I will go to that accursed poorhouse,” declared Seth Chase of Stowe in an unpublished manuscript of the times.⁵ The poor farms were often places of last resort for people with disabilities, transients, and rife with poor conditions and disease.⁶

One problem of a highly localized approach, however, was the inability to devise common solutions that applied to all equally. Instead, towns or individuals (“overseers of the poor”) were in positions of authority and could, and did, assign judgment to low income persons and make aid contingent on conditions and compliance or face sometimes severe punishment.⁷ Poor Vermonters were put to

³ Sherman, Michael, Gene Sessions, and P. Jeffrey Potash, *Freedom and Unity: A History of Vermont*, Vermont Historical Society, p. 104 (2004).

⁴ For a more thorough exploration of poor farms, see Hoffbrick, Steven, R., “Remember the Poor’ (Galations 2:10): Poor Farms in Vermont,” *Journal of the Vermont Historical Society*, Vol. 57, No. 4 (Fall, 1989).

⁵ *Id.*, at 226 (citing “Threescore and Ten Club,” *Biographies of Early Settlers of Stowe, Vermont*, unpublished manuscript, Stowe Library, quoted in Lorenzo D’Agostino, *The History of Public Welfare in Vermont* (Winooski Park, Vt.; St. Michael’s College Press, 1948), 103).

⁶ *Id.*, at 229-231.

⁷ *Id.*, at 232.

work by the overseers and not allowed to leave, and in fact were referred to as “inmates” or sometimes “hired out” at auction for a period of years to a family that would lodge, clothe, and feed them – a form of indentured servitude.⁸

The resulting prejudice, stigma and assignment of individuals to “poor farms” and distinguishing among the “deserving” poor and others is still manifest in some quarters today. For example, calls for “residency requirements” in order to access aid are nothing new.⁹ Likewise making aid dependent on sobriety or work requirements were common many years ago and remain with us today in the calls for drug testing or work in exchange for public benefits.¹⁰

Today Reach Up benefits have strict income and asset eligibility limits, work requirements and are time limited.¹¹ General Assistance and 3SquaresVT (formerly “food stamps”) are all means tested and have work requirements as well.¹² The so-called “motel” program temporarily housing homeless families in sometimes substandard conditions requires participants to navigate a complex system of rules and to demonstrate they exhausted all other available income, resources, and shelter options and that they didn’t cause their own homelessness. No doubt the state is grappling with the twin imperatives of sheltering the homeless while protecting the public purse. But, the existing system creates an arbitrary distinction between those deserving of temporary housing and those who don’t – without respect to the fact that all eligible applicants are, in fact, “homeless” irrespective of how that condition came to be.¹³ The balancing act the state attempts in providing a benefit conditioned on reciprocity hearkens back to the old days without addressing fundamental issues of economic inequality. It is a way to triage economic distress and treats the symptom rather than the cause.

The pursuit of economic security is, perhaps contrary to conventional wisdom, not a race pitting the self against others. Ideally, it is a pursuit that each fashions for themselves – to work according to one’s ability and provide for oneself and one’s family accordingly in concert with our fellow citizens. Unfortunately, the starting line for our constitutional pursuit of life, liberty, and happiness was reserved almost expressly for a privileged few for almost 200 years. Many Americans have been disadvantaged economically, educationally, and materially because they were limited or prevented from participating in the pursuit of economic opportunity. The residual effect is a persistent, quantifiable level of chronic poverty – which too often has results in “generational poverty” trapping children in low-income families with a birthright to deprivation and in many cases, opportunity in name only. Is it any wonder then that we still grapple with the problem of equal pay

⁸ *Id.*, at 227.

⁹ *Id.*, at 228; and see: <http://scholarship.law.stjohns.edu/cgi/viewcontent.cgi?article=1520&context=lawreview>

¹⁰ Work requirements are a primary component of the Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA) of 1996 that fundamentally altered our nation’s welfare system. Arguably, work requirements, lifetime limits on benefits and other restrictive policies levied disproportionately on single mothers represents a step away from economic emancipation and back towards a discriminatory system that leaves families poorer, longer. And, see: <http://www.wptz.com/news/drug-test-for-public-assistance-on-table-in-vermont/31765276>

¹¹ Reach Up Rules 2238, 2253. Available at: <http://humanservices.vermont.gov/on-line-rules/esd/reach-up-2200/view>; Reach Up Services Rule 2340. Available at: <http://humanservices.vermont.gov/on-line-rules/esd/Group%202300%20Rules.pdf/view>

¹² Food Stamp Rules 273.7, 273.10. Available at: <http://humanservices.vermont.gov/on-line-rules/esd/group-food-stamp-rules/view>; General Assistance Rules 2610, 2631. Available at: <http://humanservices.vermont.gov/on-line-rules/esd/Group%202600%20Rules.pdf/view>.

¹³ See General Assistance Rules 2610, 2620. Available at: <http://humanservices.vermont.gov/on-line-rules/esd/Group%202600%20Rules.pdf/view>

for women?¹⁴ Or, that women and minorities are disproportionately represented in poverty statistics?¹⁵ Or, that African-Americans constitute a disproportionate share of our incarcerated citizens, police stops in our largest city, and are subject to racial profiling?¹⁶

Vermonters are smart and resourceful. But living in poverty can drain even the most resourceful person over time. Science tells us that people living in poverty and dealing with toxic stress have limited “bandwidth” with which to make decisions – debunking the old myth of poor people simply being lazy or irresponsible. Some studies have shown living with toxic stress in conditions of poverty and facing myriad impossible financial decisions daily is akin to losing 13 IQ points.¹⁷ Exposure to toxic stress may impair children’s ability to self-regulate.¹⁸ And, we know that toxic stress associated with poverty correlates with “diminished educational and occupational attainment.”¹⁹ This is the problem of class and income inequality.

Vermonters who find the deck already stacked against them because they start out impoverished can expect their children and grandchildren to find it increasingly difficult to manage when they are exposed to the daily stresses of living in poverty. The old “bootstrap” myth assumes that everyone operates on a level playing field with the same opportunities available to them if they simply work hard and play by the rules. With the benefit of new research we now know that poor families not only have greater challenges just to meet their daily needs (rent, utilities, food, clothing), but the stress they endure compounds their poverty by impairing their ability to make what society would judge to be rational decisions (although, put in context they might be entirely rational to the person making them – essentially choosing “the lesser of evils,” or “living for the day,” for example).²⁰ And, the stress and anxiety of poverty negatively affects their children. This is generational poverty. And, we must do something about it.

One of the greatest stressors for Vermonters today is the cost of housing. We are living through a severe housing crisis with 1-2% vacancy rates and unaffordable market rents.²¹ Affordable housing

¹⁴ <http://www.nationalpartnership.org/research-library/workplace-fairness/fair-pay/4-2016-vt-wage-gap.pdf>

¹⁵ http://changethestoryvt.org/wp-content/uploads/2016/01/CTS_Women-Work-and-Wages-in-Vermont_2016.pdf; and see: <http://healthvermont.gov/pubs/healthdisparities/race.pdf>

¹⁶ <http://www.sentencingproject.org/wp-content/uploads/2016/06/The-Color-of-Justice-Racial-and-Ethnic-Disparity-in-State-Prisons.pdf>; <https://www.documentcloud.org/documents/2800064-BPD-Presentation-City-Council-2.html>; <http://www.usccr.gov/pubs/VTRacialProfiling.pdf>;

¹⁷ Badger, Emily, “*How Poverty Taxes the Brain*,” City Lab, The Atlantic, (Aug. 29, 2013) (referring to Mani, Anandi, Sendhil Mullainathan, Eldar Shafir, Jiaying Zhao, “*Poverty Impedes Cognitive Brain Function*,” *Science*, Vol.341, Issue 6149, pp. 976-980 (Aug. 30, 2013), available at: <http://science.sciencemag.org/content/341/6149/976.full>). Available at: <http://www.citylab.com/work/2013/08/how-poverty-taxes-brain/6716/>.

¹⁸ Hamoudi, Amar, Desiree W. Murray, Lucy Sorenson, Anika Fontaine, “*Self-Regulation and Toxic Stress: A Review of Ecological, Biological, and Developmental Studies of Self-Regulation and Stress*,” Center for Child and Family Policy, Duke University (Feb., 2015). Available at: https://www.acf.hhs.gov/sites/default/files/opre/acf_report_2_rev_022415_final_508.pdf.

¹⁹ Child and Adolescent Health, “*Unequal Stress: How Poverty is Toxic to Children’s Brains*,” Mailman School of Public Health, Columbia University (May 10, 2016). Available at: <https://www.mailman.columbia.edu/public-health-now/news/unequal-stress-how-poverty-toxic-children%E2%80%99s-brains>. And see: Evans, Gary M., Jeanne Brooks-Gunn and Pamela Kato Klebanov, “*Stressing Out the Poor: Chronic Physiological Stress and the Income Achievement Gap*,” The Center on Poverty and Inequality, Stanford University (Winter, 2011). Available at: http://inequality.stanford.edu/media/pdf/pathways/winter_2011/PathwaysWinter11_Evans.pdf

²⁰ Desmond, Matthew, “*Evicted: Poverty and Profit in the American City*,” at 115, Crown Publishers, New York (2016) (Desmond points to “research showing that under conditions of scarcity people prioritize the now and lose sight of the future, often at great cost.”).

²¹ <http://www.vhfa.org/documents/housing-wages-2011.pdf>

is a critical part of addressing poverty. Without housing, community connections break down: safety and survival becomes paramount; jobs are harder to come by and maintain; and kids are turned into transients moving from district to district and losing out on educational opportunity. Matthew Desmond presents a bleak portrait of the impact of the cycle of eviction and lack of affordable housing on the poor:

“Eviction’s fallout is severe. Losing a home sends families to shelters, abandoned houses, and the street. It invites depression and illness, compels families to move into degrading housing in dangerous neighborhoods, uproots communities, and harms children. Eviction reveals people’s vulnerability and desperation, as well as their ingenuity and guts.

Fewer and fewer families can afford a roof over their head. This is among the most urgent and pressing issues facing America today, and acknowledging the breadth and depth of the problem changes the way we look at poverty. For decades, we’ve focused mainly on jobs, public assistance, parenting, and mass incarceration. No one can deny the importance of these issues, but something fundamental is missing. We have failed to fully appreciate how deeply housing is implicated in the creation of poverty. Not everyone living in a distressed neighborhood is associated with gang members, parole officers, employers, social workers, or pastors. But nearly all of them have a landlord.”²²

Desmond’s book is a powerful example of the fallout of creating an almost permanent underclass of housing unstable Americans – much of it traced back to racial discrimination. He flatly states that the data he collected demonstrates that in many low-income African American neighborhoods the system boils down to “poor black men were locked up. Poor black women were locked out.”²³ Vermont faces many of the same challenges based on the lack of affordability and the lack of vouchers to make housing affordable.²⁴ The consequence is that poor families are at risk of becoming our own permanent underclass of homeless or housing unstable Vermonters who may end up “locked out.”

While our historic ideals and aspirations are lofty – even poetic – promising equality for all, the reality has for too long left us searching for answers to problems of race, sex, and class. And, therefore we have been left ill-equipped to fundamentally advance challenges to poverty and violence. We are a great nation and a great state – too great to leave anyone behind as we seek “freedom and unity” for our people. This body cannot pretend to have the answers to society’s problems, but we can help by asking questions, raising awareness, and proposing solutions in the future.

II. Nothing to Fear: Depressions, Recessions, Natural Disasters and Changing Times; Vermonters Have Always Been Resilient

Vermonters are a resilient and independent people. We’re reminded of that on the 5th anniversary of Tropical Storm Irene. And, emerging from the worst recession in recent memory it is worth remembering that our citizens have historically faced economic or natural disaster with

²² Desmond, *supra* at 5.

²³ *Id.*, at 98.

²⁴ Vermont Housing Finance Agency reports that only about 30% of eligible Vermont households receive any form of subsidy – the rest are paying market rents. Available at: http://www.vhfa.org/sites/default/files/documents/Vermont_Housing_Profile_0.pdf

characteristic grit and determination to rebuild and restore our communities to make the lives of our citizens stronger and more vibrant than they were before.

Throughout our history, Vermont has had booms and busts²⁵ – for example, the “panics” of 1817 and 1837 led to increased reliance and growth of the poor farm system.²⁶ We’ve also faced natural disaster – the great flood of 1927, and more recently Tropical Storm Irene to name just two. And, when adversity hits we respond together in ways large and small that demonstrate our resilience as a people and our willingness to embrace new solutions. For example, as a result of the recovery expense of the great flood, Vermont abandoned its reliance on the property tax and instituted an income tax – a rarity in that day and age – in order to establish a more equitable means to fund essential government programs and services.²⁷

The old joke is that when the Depression hit “Vermonters were so used to poverty that they barely noticed.”²⁸ But, despite that aphorism the reality is that Vermont was severely hobbled by the Depression. Economic output in the form of gross domestic product and wages was cut roughly in half in a matter of a few short years.²⁹ And, towns were beset with requests for relief. And, much like today the call from the public was both to provide immediate relief and curb spending simultaneously.³⁰

Things got so bad – and the distribution of relief so confusing – that by 1937 it was clear the old system of “overseers” running fiefdoms of the impoverished had to be more closely regulated. The towns couldn’t coordinate relief efficiently or consistently and low-income people were, in several instances simply residing permanently at poor farms well into their senior years. Governor Aiken devoted the first remarks of his 1937 inaugural address to the topic of poverty and proposed state funded “old age assistance” – just after the Social Security Act of 1935. He convened a special commission to reorganize and update what were then known as Vermont’s “pauper laws.”³¹

Vermont leaders were quick to seize on opportunities to alleviate hardship and get Vermonters back to work. Aiken claimed that federal relief efforts like establishment of the Civilian Conservation Corps in the state brought more new Vermonters into the state in six years than had in-migrated in the preceding sixty.³² Ultimately, Vermonters realized – and seized – the potential of public works and the federal jobs program, and when rural electrification brought light into every corner of the state and the federal highway system connected all the corridors of the Green Mountains in the 1950’s and ‘60’s, the partnership between citizens, towns, state, and federal government became an essential, permanent, collaboration. Later, the modern state was ushered in by the Hoff Administration and poor farms and their “overseers” were finally abolished by statute in 1967.³³ With a modern bureaucracy came a more centralized system of government, but one that was more efficient and consistent than the local municipal approach of bygone days.

²⁵ E.g., the rise and fall of the wool industry in the mid 1800’s and the machine tool industry subjected to wartime booms and post-war busts in both World Wars I and II. See, Sherman, *et al.*, at 199-201 (on sheep farming and wool industry, and 415, 481-482 (machine tool industry).

²⁶ Hoffbeck, at 229; and see Sherman, *et al.*, at 193.

²⁷ Sherman, *et al.*, at 427.

²⁸ *Id.*, at 432.

²⁹ *Id.* (And, for a broader discussion of Vermont and the Great Depression see pp. 432-447, generally).

³⁰ *Id.*

³¹ <https://www.sec.state.vt.us/media/48485/Aiken1937.pdf>; and see: “Vermont’s Pauper Laws,” Report of Special Commission (Designated by No. 343 of the Acts of 1939 (Dec. 1940).

³² <https://www.sec.state.vt.us/media/48485/Aiken1937.pdf>

³³ Hoffbrick, at 236-237.

During the late 1960's the federal government became increasingly active in combatting racism and poverty in American. The passage of the Civil Rights Act, the Equal Opportunity Act, and the Food Stamp Act of 1964, along with the Social Security Act the following year (which created Medicare, Medicaid and expanded Social Security benefits), were all essential pieces of President Johnson's "War on Poverty" and civil rights legacy. They ushered in an era of unprecedented attention to poverty reduction strategies resulting in a significant decline in the federal poverty rate (from approximately 26% to 16% nationally, according to some estimates).³⁴

Despite clear progress through those investments, old prejudices against the poor have sparked a backlash in recent years resulting in new restrictions to government programs – and welfare programs in particular – culminating in the overhaul of the nation's welfare system (imposing work requirements, time limits, etc.). It is arguable those changes have done anything to lift people out of poverty or improve their job prospects. In fact, studies show that while the welfare reform of 1996 has reduced government expenditures and reduced the total number of participants in the program, the job prospects and earnings of families exiting are worse today than they were before reform. Mortality rates for poor heads of household are up, too.³⁵ The results beg the question whether these reforms work to empower or to impoverish?

The same is true in Vermont where, for example, in recent years the state has imposed time limits and reduced Reach Up benefits for poor families with disabled parents. And, we must ask the question: who decides? Did anyone ask the families affected? If not, why not? If so, why were changes reducing assistance made over their objections? Perhaps part of making real progress on poverty will mean doing a better job of listening to all our citizens, especially those whose cause we hope to advance – in many cases, people who are disenfranchised, disillusioned, or discounted.

Today, we are still feeling the effects of the "Great Recession" of 2007-2009. Many families had savings or retirement wiped out by the longest recession since the Great Depression. Others had to find new homes. And, just when our fragile economy was beginning to recover, Tropical Storm Irene hit wiping away still other homes and savings and placing incredible strain on local governments and agencies. Many families are still recovering, though, as lost months or even years of stable employment and housing can create personal debts from which it is hard to recover. Truth be told, though, it is remarkable testament to the resiliency of Vermonters that our state has recovered to the extent it has with exceptionally low unemployment rates and rebuilt downtowns. Perhaps that rebirth is a harbinger of things yet to come. Together, if we want it, we can create new opportunities to invest in people and forge a new consensus on poverty.

III. Opportunity for All, Destitution for None

We have a long, proud tradition in Vermont of providing opportunity and equality for all. But, we also cannot ignore the fact that we also have struggled with racism, immigration, sexism, and class conflict resulting from economic inequality that make assimilation and economic advancement difficult. And, it's a credit to our people that we have often led the nation in establishing the natural

³⁴ <https://www.washingtonpost.com/news/wonk/wp/2014/01/08/everything-you-need-to-know-about-the-war-on-poverty/> (referring to a Columbia University study available at: <https://courseworks.columbia.edu/access/content/group/c5a1ef92-c03c-4d88-0018-ea43dd3cc5db/Working%20Papers%20for%20website/Anchored%20SPM.December7.pdf>).

³⁵ Feldman, Justin, "Effects of Welfare Reform in Terms of Costs and Mortality: Data Analysis, (Jan. 26, 2015); <http://journalistsresource.org/studies/economics/inequality/welfare-reform-impact-mortality-analysis>; <http://www.ncbi.nlm.nih.gov/pubmed/16152746>; <http://www.ncbi.nlm.nih.gov/pubmed/25521891>;

rights of our citizens with respect to race, equal rights for women, marriage equality, and a strong safety net to soften the hard edges of income inequality. But, taking action to ameliorate problems of long ago does not mean they never happened, that they disappear, or that vestiges of those problems don't continue to exist. It does mean that today's citizens have inherited systems that created certain hierarchies in our society.

"Real" Vermonters

Our early history was not kind to the original inhabitants of the state. We should not forget that while all Vermonters enjoy the rolling hills, rippled ponds and working landscapes of tourist postcards today our current white majority are all guests. "Real" Vermonters were here long before us and were composed of the large Native American population of Abenaki in our region. The white settlers' early history with these early Vermonters was often not kind. The Abenaki were at various times forced into slavery themselves, forced to pick sides in early colonial battles, and later subjected to the dark chapter of eugenics.³⁶

The eugenics movement in Vermont is particularly horrifying because it was tied directly to race – particularly the Abenaki – and poverty. As part of a misguided attempt to "protect" Vermonters the state embarked on a targeted campaign to root out those deemed to be susceptible to "defectiveness, crime, and pauperism." In doing so, Vermont passed a sterilization law in 1931 – which shockingly was in effect until 1981 – to eliminate poverty and genetic disease. This atrocity, which was inflicted on approximately 200 Vermonters (at least 20 of whom were Abenaki sterilized at the Brandon Training School³⁷) was implemented with the support of the Governor, the legislature, and advocacy groups.³⁸ It is surely one of the most horrific chapters of our history and shows the deliberate targeting of ethnic minorities, people with disabilities, and the poor for not only discrimination and ostracism, but extermination.

Other minorities have been targeted for exclusion in our past as well.

Black in the Green Mountains

Consider the example of slavery. Vermonters are rightly proud of our Constitutional prohibition of slavery. But we must acknowledge that slavery did exist in Vermont.³⁹ And, our Constitution is careful to parse its emancipation – and, in fact, only allowed emancipation to men of 21 years and women of 18 years.⁴⁰

In the 19th century a strong abolitionist movement arose in the state with some Vermonters offering safe haven with stops on the "underground railroad."⁴¹ But that does not mean that Vermonters of African descent were accepted as equals. For many years, slaves or former slaves fleeing oppression had reason to fear being labeled fugitives and being returned to slaveholding

³⁶ Bittinger, Cynthia D., *Vermont Women, Native Americans & African Americans: Out of the Shadows of History*, at 39, 42-43, The History Press (2012).

³⁷ Some reform schools made sterilization a requirement for release. Bittinger, at 42-43.

³⁸ *Id.*, at 40-43; and see Sherman *et al.*, at 430-431.

³⁹ For a study of primary sources and essay, see Whitfield, Harvey Amani, *The Problem of Slavery in Early Vermont, 1777-1810*, Vermont Historical Society (2014).

⁴⁰ Vt. Const. Ch. 1, Art. 1 (1777).

⁴¹ Sherman, *et al.*, *supra* at 190-191.

states, or kidnapped and sold back into slavery – even in Vermont.⁴² Additionally, despite those protected from slavery by law there is the question of whether, how, when, or under what conditions African-Americans were permitted to participate in community or economic life – and the fact that slavery continued to exist *de facto* in some cases.⁴³ Historically, African Americans and other persons of color have never enjoyed the same access to economic or political emancipation – even after having achieved legal status as “free persons” under the Constitution. We need look no further than the history and failure of “reconstruction” that issued in a ruthless era of Jim Crow exclusion expressly targeting the African American community in this country – we are still recovering as a nation from the original sin of slavery and just as important the era of Jim Crow that systematically excluded African Americans and other minorities from truly equal political, social, and economic participation. Today, the Supreme Court aids and abets Congress in gutting the Voting Rights Act which was established to prevent the disenfranchisement of African Americans primarily in southern states. Even in Vermont, our history shows that while persons might be considered “free” in theory obstacles to full citizenship designed to disenfranchise minorities’ limited political and economic opportunity and were often placed squarely in the path of Afro-Vermonters.⁴⁴ While many resisted that kind of naked oppression locally and nationally we must consider what lasting impacts they have on our society and what it means for us today.

Across virtually all social and economic measures, reports show wide racial disparities. For example, African Americans are “less likely to own their own homes, twice as likely to be unemployed, nearly three times as likely to live in poverty, and five times more likely to go to prison.”⁴⁵ Vermont’s percentage of black residents is 0.9% (3rd lowest). Its black homeownership rate is 24.6% (9th lowest), but its black incarceration rate is 2,214 per 100,000 (19th lowest).⁴⁶ “Vermont is the only state in which a larger share of African-American adults have graduated from college than white adults. Across the state, 37% of African American adults have at least a bachelor’s degree — the highest share of any state — and higher than the 35.1% of white residents with similar educational attainment.”⁴⁷ While African-Americans fare much better in Vermont than nationally in these areas, rates of police stops and incarceration remain troubling.

Finally, we must acknowledge the wealth gap attributable to race in this country. Studies show that for every dollar in increased income a white household increases their overall “wealth” by \$5.19, compared to just sixty-nine cents for African American households.⁴⁸ Thomas Picketty put it succinctly: “... on the one hand this [the United States] is a country of egalitarian promise, a land of opportunity for millions of immigrants of modest background; on the other hand it is a land of extremely brutal inequality, especially in relation to race.”⁴⁹ And, it makes sense if one takes a moment to consider that accumulated wealth is passed down. Those that have it perpetuate it by saving, investing, or accumulating. Those that do not start out with wealth use income to pay

⁴² Sherburne, Michelle Arnosky, “*Abolition & The Underground Railroad in Vermont*,” Ch. 3 (“Fear and Risk for Fugitive Slaves and Free Blacks”); The History Press (2013); Whitfield, at 35 (The Significance of a Failed Law: The 1791 Negro and Molatto Act”).

⁴³ Whitfield, *supra* at 23-26.

⁴⁴ Whitfield, at 5-6.

⁴⁵ Frohlich, Thomas C., Evan Comen, and Michael B. Sauter, “*Black and White Inequality in all 50 States*,” 24/7 Wall Street (August 18, 2016). Available at: <http://247wallst.com/special-report/2016/08/18/black-and-white-inequality-in-all-50-states/>

⁴⁶ *Id.*

⁴⁷ <http://www.vermontbiz.com/news/august/black-americans-better-vermont-most-states>

⁴⁸ Surowiecki, James, “*The Hidden Cost of Race*,” The New Yorker (Oct. 10, 2016). Available at: <http://www.newyorker.com/magazine/2016/10/10/the-widening-racial-wealth-divide>.

⁴⁹ Picketty, Thomas, “*Capital in the Twenty-First Century*,” at 161, Belknap Press (2014).

existing bills or debt.⁵⁰ This is true *irrespective* of race, but the conditions of income inequality are exacerbated by race in America for the reasons cited above.

Immigrants and New Americans

Vermont has a long history of absorbing new immigrants to our state.⁵¹ And, given our stable population some population growth could be a boon for our economy. But, Vermonters have often had mixed feelings about newcomers. Race, ethnicity and religion can all be complicating factors. For example, as a state made up primarily of historically white or Caucasian people in post-colonial America how do we welcome new members of our communities who are not of western European descent, including and especially New Americans, refugees, migrant workers and others seeking safe haven and economic opportunity? It is easy to ignore the problem of race when the dominant paradigm is white. But, we do so at our peril because forfeiting the contributions of new Vermonters undermines the very fabric of our communities and our economy. Can we not do more to include and build on the strengths and opportunities of the diverse chorus of new voices seeking a new life in Vermont? We think so. But, it will require a conscious effort to do so.

Leaving Women Out: A Half-Baked Economy

Women have long been community leaders in Vermont – including in the abolitionist, suffragist, and temperance movements.⁵² Vermont was an early leader in providing suffrage in 1880 to women in town and school elections and for municipal offices like town clerk and others.⁵³ But, the truth is women were not allowed to participate as full voting members of civic life in America and Vermont until 1920. Our first woman lawmaker, Edna Beard – a true Green Mountain hero – immediately went to work to pass laws to provide for indigent, widowed women and children. And, to allow Sheriffs to hire women deputies.⁵⁴ She and many women who followed brought eyes to a legislature that was previously blind to the needs of more than half our population. Add to that the social mores of the 19th and 20th century that dictated women should be home with children – and failed to acknowledge the economic contribution of that work – and we can see that women historically were not treated as the political or economic equal of men.

As a result, it should come as little surprise that we maintain a welfare system that continues to devalue the contributions of (primarily) single mothers caring for children which fails to meet even half their basic needs. We have a minimum wage the majority of whose earners are women that fails to provide a living wage. We have attempted fair pay reforms and an Equal Pay Act among others, yet women still earn only 84 cents compared to their male counterparts for the same work.⁵⁵ The result is a half-baked economy that has failed to fully integrate women and fair wages

⁵⁰ Surowiecki, *supra* (suggesting “it would take black Americans two hundred and twenty-eight years to have as much wealth as white Americans have today.”).

⁵¹ Bushnell, Mark, “*Then Again: Immigrants Helped Vermont Boom*,” Commentary, VT Digger (published Sept. 11, 2016). Available at: <http://vtdigger.org/2016/09/11/immigrants-helped-vermont-boom/>

⁵² Bittenger, Cynthia D., “*Vermont Women, Native Americans & African Americans: Out of the Shadows of History*,” at 137-138; The History Press (2013).

⁵³ <http://vermonthistory.org/research/research-resources-online/green-mountain-chronicles/women-get-the-vote-1920>

⁵⁴ <http://vermonthistory.org/research/vermont-women-s-history/database/beard-edna#other-images>

⁵⁵ https://www.eeoc.gov/eeoc/publications/brochure-equal_pay_and_ledbetter_act.cfm; Change the Story: Women, Work, and Wages in Vermont, 2016 Status Report, at 6. Available at: http://changethestoryvt.org/wp-content/uploads/2016/01/CTS_Women-Work-and-Wages-in-Vermont_2016.pdf

into our workplaces and ignores the domestic contributions to the economy of raising children and maintaining homes that were historically prescribed for women.

U.S. Supreme Court Justice Ruth Bader Ginsburg eloquently and succinctly elucidated the challenge in a recent commentary:

“Earlier, I spoke of great changes I have seen in women’s occupations. Yet one must acknowledge the still bleak part of the picture. Most people in poverty in the United States and the world over are women and children, women’s earnings here and abroad trail the earnings of men with comparable education and experience, our workplaces do not adequately accommodate the demands of childbearing and child rearing, and we have yet to devise effective ways to ward off sexual harassment at work and domestic violence in our homes. I am optimistic, however, that movement toward enlistment of the talent of all who compose ‘We, the people,’ will continue.”⁵⁶

Initiatives that would truly benefit all of society should include such economic empowerment opportunities as paid sick leave, paid family and medical leave, and even increasing the minimum wage – all of which have the potential to benefit all working Vermonters. A re-ordering of economic priorities society that truly includes everyone would not so quickly question the equity or efficacy of restructuring civic life to include basic measures that recognize the needs of all parents to care for their children and do so in a way that is neither sexist nor discriminatory but meets the social, developmental, and economic needs of men, women, and children equally.

Green Mountain Silver Linings

Vermont has a graying population. Estimates project our over 65 population to increase almost 15% by 2030 (a more than doubling of that population since 2000) – and our fastest growing age demographic – 85 and older – is projected to increase by 149% over 2000 figures.⁵⁷ A common refrain is that we must do something, *anything*, to attract younger workers and boost our population.⁵⁸ But, historically hand-wringing over flat population growth and fear that we’re “losing Vermonters” to other places is nothing new⁵⁹ – and yet our resilience has continued to allow us to map the road of progress building on the strengths we have.

⁵⁶ Ginsburg, Ruth Bader, “*Ruth Bader Ginsburg’s Advice for Living*,” Opinion, New York Times (published Oct. 2, 2016). Available at: <http://www.nytimes.com/2016/10/02/opinion/sunday/ruth-bader-ginsburgs-advice-for-living.html?action=click&pgtype=Homepage&version=Moth-Visible&moduleDetail=inside-nyt-region-1&module=inside-nyt-region®ion=inside-nyt-region&WT.nav=inside-nyt-region&r=0>

⁵⁷ Source: Joint Fiscal Office. Available at: <http://www.leg.state.vt.us/jfo/VT%20Population%20by%20Age%20Groups.html>; and See: <http://www.aarp.org/content/dam/aarp/livable-communities/plan/planning/vermont-state-plan-on-aging-2011-2014-aarp.pdf>

⁵⁸ Certainly, one way to do ensure age diversity is to encourage, as some have suggested, New Americans and others to locate here, create incentives for college graduates to remain in Vermont, or provide more affordable housing opportunities. But, whatever strategies may be employed to encourage economic activity and growth in the workforce population, we cannot ignore our aging demographics.

⁵⁹ Sherman, *et al.*, at 210-211 (in fact, the passage closing Chapter 4 of Freedom and Unity describes circumstances in the mid-19th century startlingly parallel to many of the anxieties we routinely hear expressed today: “... many reasons to be anxious remained: the nagging fact of the state’s falling population growth rate, its basically flat economy, the dissipation of revivalist passions, a rising uneasiness concerning ‘foreign immigrants,’ and an enlarging sense that an era of social and political ferment had passed.”

Our age diversity can be a strength – a silver lining – if we tap the knowledge and expertise of our seniors, or it can be a handicap if we don't anticipate and plan for an older population with employment opportunities, affordable housing, long-term care, and transportation options. One of the consequences of the historical fact of economic exclusion based on race or sex is that as people age income inequality during the working life is magnified in retirement.

A 2014 report of the Vermont Financial Literacy Task Force shows that less than 50% of Vermonters do not participate in an employer-sponsored retirement plan. Only 36% have a "rainy day" savings that would allow them to cover basic necessities for a short time. Finally, 60% of adults report they have difficulty covering monthly expenses and bills.⁶⁰

AARP confirms that 1-in-5 older Vermonters rely exclusively on Social Security income as their sole source of income in retirement.⁶¹ And, for more than half of seniors, Social Security makes up at least half their total income. In fact, more than half of our seniors would be living in poverty without Social Security.⁶²

Vermont has a history and tradition of doing more for our seniors. In 1933, the state created a program to distribute what was then called "old age assistance." By 1937, Gov. George Aiken saw fit to triple the amount of aid from 2,000 eligible households to 6,000.⁶³ Today, we have a federal system of Social Security, yet many of our seniors are barely getting by. If Vermont adopted a public pension plan, or a state supplement to Social Security (along with other strategies mentioned above for employment, housing, and transportation opportunities) it would benefit all, and be a great boon to a great many who would otherwise live in poverty.

Our seniors offer a wealth of opportunity for our communities: knowledge, experience, family and community engagement and leadership. But aging Vermonters living in poverty are more likely to encounter poor quality of life, health, and relative isolation.⁶⁴ Therefore, we must adopt strategies to unlock the full potential of Vermonters later in life.

In Summary

Poor families barely getting by face daunting odds. Housing costs are unaffordable.⁶⁵ Wages are stagnant and the minimum wage is not a living wage and fails to meet basic needs.⁶⁶ Benefit programs are under threat of reduction. While addiction is an equal opportunity destroyer families without resources are confronted with an opioid epidemic and may not have access to supports they need overcome dependency. Many Vermonters are feeling the stress and anxiety of economic instability daily. And, as noted above the more economic stress ratchets up the more families are exposed to stresses that diminish their ability to respond effectively to circumstances and that may have devastating impacts on their – and their children's – future prospects.

⁶⁰ Available at:

http://static1.squarespace.com/static/5441200ce4b08cdfdca68d06/t/549044bbe4b02102b7c895a5/1418740923135/VT_FinancialLit_ActionPlan_2014.pdf

⁶¹ Available at: http://assets.aarp.org/rgcenter/econ/ss_facts_08_vt.pdf

⁶² *Id.*

⁶³ Inaugural Address of Gov. George D. Aiken (Jan. 7, 1937). Available at:

<https://www.sec.state.vt.us/media/48485/Aiken1937.pdf>

⁶⁴ <http://www.apa.org/pi/ses/resources/publications/age.aspx>

⁶⁵ <http://vtdigger.org/2015/05/28/vermonters-need-21-per-hour-to-afford-rent-study-says/>.

⁶⁶ <http://www.leg.state.vt.us/jfo/reports/2015%20Basic%20Needs%20Budget%20report%2001-15-2015.pdf>

When some participants in the race of life are set, by design, so far behind the starting line they can never catch up what does it mean to say we are all “equal” or that we all have the same “economic opportunities”? And, how will those conditions manifest later in life? Context matters. Where we came from, as a nation and as a state, matters. To truly grapple with the overarching issue of poverty we must confront our shared history with truth, smarts, and compassion. And, with an acknowledgment that we all can play a constructive role in devising better systems and institutions that help unfetter our most happy and productive selves.

We must ask ourselves what it means to share in the Constitutional guarantee of life, liberty, and happiness if our social and economic systems rest on the uneven sands of the past. Today we have an opportunity to consider how to build a future together on the bedrock of full equality for all our citizens. Vermont has a history and tradition of making the attempt – with respect to slavery, women’s rights, GLBT rights, equal access to educational opportunity, and many social and economic justice priorities. It will take continued trailblazing and recognition of our shared history to help end poverty as we know it in Vermont.

IV. Systems and Institutions

The primary institutions established to alleviate the causes and symptoms of poverty are state agencies delegated authority by the federal and state government and based on federal and state laws and our Constitution. In addition, community partners from all over the state help provide housing, food and nutrition, employment training and opportunities and other basic necessities to Vermonters in need. Vermont fares better than most with respect to poverty rates because of a robust, active network of non-governmental organizations, community leaders acting in partnership with state agencies to effectuate relief for the indigent. It would be inefficient and perhaps impossible to catalog every community actor working with our Agency of Human Services to provide temporary relief to Vermonters in need. But the commitment is real and it has a significant, demonstrable effect on our poverty rate (14th lowest in the nation) and meeting the needs of low-income Vermonters.⁶⁷

That said, our state Agency of Human Services is challenged. New rules and regulations and a stream of constant reforms aimed at reducing costs too often result in limiting access to benefits or distinguishing between similarly situated households. Parsing the poor in this way makes delivery of services complex, time-consuming and inefficient and creates burdens for service delivery personnel and administrators. Communication and integration of services are hobbled by antiquated computer systems that frustrate state workers and the consumers of state services and benefits – the agency’s “customers.” Despite efforts to fully integrate systems relating to economic and family services the agency remains “siloes” in many respects. Caseloads are large, especially at times of greatest needs making communication among staff and divisions within the agency challenging and frustrating Vermonters who try to reach their case managers or staff at call centers.

The state’s efforts to improve technology have been frustrated by expense and problems with technology capacity in other areas of state government – particularly with respect to our health care reform efforts. But, we also know the state is committed to continuing improvement in this area and some progress has been made. For example, just a few short years ago Vermont had difficulty processing applications for essential programs like 3SquaresVT, Reach Up, and others. After consulting with stakeholders, implementing reform, and investing in new staff and training the state is now being recognized for its vast improvement in the processing of benefit

⁶⁷ <https://talkpoverty.org/state-year-report/vermont-2015-report/>

applications.⁶⁸ With continued focus on workforce development and training and better, more efficient technology in the future the state should continue to improve its service delivery to Vermont customers.

State systems and institutions should do more to maximize access to federal benefits and upgrade its technology systems. Vermont should simplify rules and regulations to open access to its customers, increase standards to meet basic needs, and help Vermonters achieve economic independence by eliminating barriers to employment by addressing benefit cliffs, improving financial literacy and encouraging saving, and finding new transportation solutions.

Private industry has a role to play as well. Many Vermont businesses and entrepreneurs know the value of providing healthy wage and benefit plans, and are active community partners. The private sector can be a critical partner that helps ensure the future well-being of a stable, educated workforce. Reducing poverty rates enhances the economic well-being of Vermont consumers and is good for business. Stable housing and educational achievement is central to the success of workers and employers. Employers should encourage and support livable wages, generous family and sick leave policies, and increased access to savings and retirement plans. Fewer families will need public assistance when wages and benefits are adequate to support families.

In closing, the Council wishes to acknowledge the progress made by state government and its partners in recent years to address poverty: increasing the minimum wage, implementing paid sick leave, creating more affordable housing opportunities and a state housing “voucher” system, reducing benefit cliffs, restoring driving privileges for Vermont drivers, and many other anti-poverty initiatives. These are significant accomplishments that daily improve the economic condition of low-income Vermonters.

V. Conclusion

For the most part, this Council has attempted the radical act of talking, thinking, and acting to ameliorate the conditions associated with poverty – but only within existing systems and institutions. We cannot continue attempting to address poverty at the margins with new resources and helping hands here and there from time to time. That approach merely ebbs and flows with politically available resources but fails to deliver the results that our citizens deserve and that our collective conscience demands.

We recognize the limitations of this volunteer body and acknowledge our blind spots: we can and should be more inclusive and creative. The next Governor should appoint African-American, Native American, and New American members, as well as Vermonters with disabilities and other under-represented Vermonters. Future councils may also wish to do more work looking at indicators and outcomes associated with poverty and reform measures. For example, looking at links between poverty and health outcomes to determine where prudent investments could improve the health of low-income families while generating savings in existing systems.

Matthew Desmond closes his story on the fate of poor families caught in the eviction mill with a profound statement that applies as much to poverty in general as it does to the housing crisis he describes:

⁶⁸http://archive.boston.com/news/local/vermont/articles/2010/12/30/vt_childrens_agency_agrees_to_faster_benefits/; and see: <http://vtdigger.org/2015/07/09/3squares-receives-bonus-for-error-rate-improvement/>

“Whatever our way out of this mess, one thing is certain. This degree of inequality, this withdrawal of opportunity, this cold denial of basic needs, this endorsement of pointless suffering – by no American value is this situation justified. No moral code or ethical principle, no piece of scripture or holy teaching, can be summoned to defend what we have allowed our country to become.”⁶⁹

A more profound task and one that remains ahead of us as a body, as a state, and as a nation is to return to the loom and weave a new pattern that fundamentally recognizes a history of past oppression bequeathed to us that has helped institutionalize poverty as a chronic condition of modern life. In doing so, we can then create the kind of fundamental change that forges a new Vermont community where impoverishment is rare and fleeting if not extinguished altogether.

⁶⁹ Desmond, at 313.