To: Chair, Ann Pugh and House Committee on Human Services Members From: Carlen Finn, Senior Policy Associate, Voices for Vermont's Children RE: S.280: Draft No.2.1 Date: March 28, 2018

Thank you for the opportunity to testify on S. 280 Draft No. 2.1

Voices for Vermont's Children has been a member of the Vermont Child Poverty Council since it was established in 2007 and I have served as Voices' designee for those 10 years. The charge of the Council was "to examine child poverty in Vermont ... and to develop a ten-year plan to reduce the number of children living in poverty in the state by at least 50 percent." In 2007, the Council knew it had set an ambitious goal and Council members were optimistic that we could develop a plan that would make a dent in child poverty. What we didn't know is that a major recession was on the horizon, child poverty would rise (see attached VT Kids Count child poverty fact sheet) and even after our slow recovery from the recession, recent data indicate "economic growth is tepid but even the modest gains are not making it to most Vermonters' paychecks.... In other words, Vermonters are doing about as well, or as poorly, as they've done for more than a decade." (State of Working Vermont, pg.2 2017; Public Assets Institute).

Despite these challenges, the importance of the Council's work cannot be overstated. The Council's composition and work together helped us to make important headway in developing a plan and strategies to address poverty. It encouraged collaboration across state agencies and among legislators and advocates. In his March 15th testimony, Paul Dragon outlined many policy changes impacting low-income families and stated "these changes, among others were influenced if not rooted in the work of the Child Poverty Council".

I offer the above perspective as a member of the Council, as a long-time advocate for children and youth and as context for our two recommendations for the bill.

First, we recommend restoring the name of the Council to the Child Poverty Advisory Council. We believe the name of the council should reflect its focus. (As introduced the Council is created to: is to identify and examine structural issues in Vermont that: lead to families living in poverty; and create conditions that prevent families from moving out of poverty; and advance policies that support safety nets for families with low income; and

mitigate the generational effects of poverty).

Second, we support keeping attention on structural issues so that poverty reduction recommendations are focused on the conditions that create poverty.

Why child poverty?

- Because children remain the poorest age group in Vermont and in the U.S. Poverty affects nearly every aspect of a child's life and through all stages of their lives, if they remain in poverty. The earlier children experience poverty, the more severe the effects - on their health, development and overall wellbeing.
- We can measure it. Though there are concerns about how we measure poverty and even define poverty the official poverty rate is a long-standing and commonly used indicator of how many do not have the income they need. While the measure has shortfalls—in reality, unmet need extends to those with incomes far above the official poverty line as well - the poverty line can be used to begin to examine the problem. By measuring child poverty we can identify immediate, intermediate and long-term solutions. For more state data presented over time and by county see Voices' report <u>Seeing the Whole Child</u>.

Why focus on structural concerns as well as mitigation strategies?

We know that safety net programs can help mitigate the effects of poverty and we know how they do (for example, access to school meals can reduce hunger and improve learning).

 When we consider ways to reduce poverty it is important to examine the structural causes – <u>rising inequality</u>, <u>low-wage work</u>, <u>high housing cost burdens</u>, as examples. Considering structural causes allows us to move away from a frame focused on individuals to a frame focused on the conditions that create or perpetuate poverty and low-income. It allows us to consider policies aimed at keeping people out of poverty by addressing the underlying causes.