

#### Vermont Child Poverty Council Annual Progress Report December 2017

Representative Diane Lanpher, Chair Senator Debbie Ingram, Vice Chair Senator Philip Baruth Senator Dick McCormack Representative David Sharpe Representative Theresa Wood Mat Barewicz, Department of Labor Paul Dragon, Agency of Human Services Carlen Finn, Voices for Vermont's Children Deputy Secretary Amy Fowler, Agency of Education Jeff Francis, Vermont Superintendents' Association Dr. Breena Holmes, Department of Health Karen Lafayette, Vermont Low Income Advocacy Council Sandy Paritz, Vermont Legal Aid

Prepared by:

Catherine M. McLinn, Esq. Office of Legislative Council 115 State Street - State House Montpelier, VT 05633-5301 802-828-2231 <u>kmclinn@leg.state.vt.us</u>

### **Table of Contents**

I.	Statutory Authority and Responsibilities of the Vermont Child Poverty Council	1	
II.	Summary of Council Activities	1	
III.	Assessment of Council Progress	2	
IV.	IV. Council Findings and Recommendations		
V.	Future of the Council	. 10	
VI.	I. Appendices		
I	Appendix 1. 2007 Acts and Resolves No. 68	. 12	
I	Appendix 2. 2014 Acts and Resolves No. 104	. 14	
I	Appendix 3. 2017 Witness List	. 16	
I	Appendix 4. Proposed Legislation for the Child Poverty Advisory Council	. 17	

#### I. <u>Statutory Authority and Responsibilities of the Vermont Child Poverty</u> <u>Council</u>

The Vermont Child Poverty Council (Council) was established in 2007 "to examine child poverty in Vermont and to make recommendations to the Governor and General Assembly on methods of improving the financial stability and well-being of children." (See Appendix 1: 2007 Acts and Resolves No. 68.) The General Assembly amended the charge of the Council most recently during the 2014 legislative session, expanding the Council's membership to include the Secretary of Human Services and extending the Council's ability to meet during the legislative session. (See Appendix 2: 2014 Acts and Resolves No. 104.)

The General Assembly originally created the Council to address Vermont's growing problem with regard to the number of children living in poverty. The Council's task is, in part, to take a comprehensive look at the State's systems and structures to determine what Vermont can do to alleviate financial pressures on families and how to create an environment in which families can thrive. Its unique membership enables the Council to consider the hardships that exist for children living in poverty and the challenge of lifting families out of poverty through a multidisciplinary lens.

The Council is composed of legislators, advocates, and other stakeholders. The enabling legislation as amended requires that the Council include "the following members or their designees: (A) the President Pro Tempore of the Senate; (B) the Speaker of the House of Representatives; (C) the Chair of the Senate Committee on Health and Welfare; (D) the Chair of the House Committee on Human Services; (E) the Chair of the Senate Committee on Education; (F) the Chair of the House Committee on Education; (G) the Commissioners for Children and Families; of Health; and of Labor; and the Secretaries of Human Services and of Education; and (H) one representative each from Voices for Vermont's Children, the Vermont Low Income Advocacy Council, Vermont Legal Aid, and the Vermont Superintendents' Association."<sup>1</sup>

The Council must report annually "on yearly progress toward benchmarks, updates [to its tenyear plan to reduce the number of Vermont's children living in poverty by 50 percent], and recommendations for budgetary and policy changes in order to accomplish the goals [of Act 68]."<sup>2</sup> The Council will cease to exist on June 30, 2018. This is the Council's final report.

#### II. Summary of Council Activities

After the conclusion of the legislative session in May, the Council reconvened on July 20, 2017. The Council met a total of six times during the General Assembly's adjournment.

In its final meetings before its sunset, the Council engaged in activities aimed at reflecting upon its effectiveness over the past ten years. To that end, the Council reviewed its first report from

<sup>&</sup>lt;sup>1</sup> 2007 Acts and Resolves No. 68, Sec. 1, as amended.

 $<sup>^{2}</sup>$  Id.

2009 entitled, "Improving the Odds for Kids."<sup>3</sup> (See Part III of this report for additional information on the Council's review.) The Council also reviewed its 2016 Annual Progress Report (2016 report), which contained recommendations concerning the Council's legislative priorities for assisting children living in poverty.<sup>4</sup> The Council considered each recommendation in the 2016 report to identify whether legislative action was taken or whether any progress was otherwise achieved.<sup>5</sup>

In addition, the Council heard testimony from a diverse array of stakeholders on a number of issues within its jurisdiction, including on child care, housing, adverse childhood experiences, financial resilience, and substance use and mental health disorders. (See Appendix 3: 2017 Witness List.) It also discussed outstanding recommendations from previous years for the purpose of reaffirming its commitment to certain unmet goals and resubmitting those recommendations to the Governor and General Assembly for further consideration and action.

#### III. Assessment of Council Progress

The Council's enacting legislation established a goal to "reduce the number of children living in poverty in the state by at least 50 [percent],"<sup>6</sup> as measured by the Federal Poverty Level (FPL). Although the Council did not meet this very ambitious goal, its members over the past ten years collectively contributed hundreds of hours to the reducing childhood poverty in Vermont. Events that had not been anticipated ten years ago when the Council's goal was originally enacted have had a profound effect on the number of children living in poverty. These events include the long-lasting economic downturn experienced worldwide between the years of 2007–2012 and the national opioid crisis, which has had especially acute impacts in Vermont.

The Council believes that when families' incomes are increased Vermonters will have the ability to move themselves and their children out of poverty. Over the past decade, the State of Vermont has enhanced child care subsidies and enhanced other benefit programs to improve the quality of life for families with low-income. While these initiatives are important and admirable, families must also achieve increased wages in order move children and families out of poverty. Vermont should continue to focus on reducing the impacts of poverty, while simultaneously seeking gains that may be achieved through better jobs and higher incomes.

<sup>&</sup>lt;sup>3</sup> The Council's 2009 report entitled, "Improving the Odds for Kids" is *available at*:

http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council /VCPC%207.20.17/W~Katie%20McLinn~Improving%20the%20Odds%20for%20Kids%20January%2029%20 2009~7-20-2017.pdf.

<sup>&</sup>lt;sup>4</sup> The 2016 report is available at <u>http://legislature.vermont.gov/assets/Legislative-Reports/GENERAL-318903-</u> v1-Vermont-Child-Poverty-Council-2016-Annual-Report.pdf.

<sup>&</sup>lt;sup>5</sup> A summary of legislative responses to the recommendations in the Council's 2016 report is *available at*: <u>http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council/VCPC%207.20.17/W~Katie%20McLinn~2016%20Legislative%20Action%20on%20VCPC%20Recommendations~7-20-2017.pdf.</u>

<sup>&</sup>lt;sup>6</sup> See supra note 1.

This year, the Council spent significant energy evaluating its effectiveness since its inception in 2007. Using results-based accountability, it identified appropriate indicators by which to measure its success. The indicators used were originally suggested in the Council's 2009 report:

- 1. Number of children living in families at 50%, 100%, and 200% of the FPL or an alternative NAS-type measure when one is available.
- 2. Number of children living in families paying more than 30% of their cash income for housing and related expenses.
- 3. Levels of child care subsidies relative to market rates for providers.
- 4. Number of children "ready to learn" when they enter kindergarten.
- 5. Disparities in standardized test scores between children eligible for free and reduced lunches and their peers who are not.<sup>7</sup>

For each indicator, the Council looked at historic trend lines and also heard from representatives of the administration and from community partners who facilitated the Council's root cause analysis of each trend line. Each indicator is discussed in turn below:

1. Number of children living in families at 50%, 100%, and 200% of the FPL or an alternative NAS-type measure when one is available.

The Agency of Human Services presented a brief historical overview of poverty policies in the United States, including a discussion of the Supplemental Poverty Measure (SPM), an alternative measure to the FPL.<sup>8</sup> Unlike FPL, which relies on the federal food plan, SPM poverty thresholds are based on food, clothing, shelter, and utility expenditures as well as a small additional allowance for additional expenditures. While some Council members pondered the use of a more holistic poverty measurement tool in Vermont such as SPM, others were concerned about the complexity that such a change would entail while the federal government continued to use the FPL.

Using the Agency's Results Scorecard,<sup>9</sup> the Council learned that the percent of children living at or below the FPL in 2016 has decreased since 2011 by between 2-3 percentage points. Similarly, the percentage of children living at or below 200 percent of FPL steadily declined since 2012, and as of 2016 constituted 36 percent of Vermont's children. One Council member expressed concern that these percentages did not necessarily indicate that there were fewer individual children living in poverty than in previous years due to the fact that a change in the total number of children living in Vermont over the past decade could skew the reported percentages.

<sup>8</sup> AHS presentation slides *available at*:

http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council /VCPC%208.22.17/W~Paul%20Dragon~Child%20Poverty%20Update~8-22-2017.pdf.

<sup>&</sup>lt;sup>7</sup> See supra note 3 at 7.

<sup>&</sup>lt;sup>9</sup> AHS Results Scorecard available at <u>http://humanservices.vermont.gov/copy\_of\_ahs-results-scorecard</u>.

2. Number of children living in families paying more than 30% of their cash income for housing and related expenses.

Advocates explained to the Council that spending 30 percent or less of a family's income on housing and housing related expenses is ideal because the remaining income is necessary to meet the family's other needs.<sup>10</sup> A family paying more than 30 percent of its income on housing is at a heightened risk of homelessness. In addition, homelessness during childhood is considered an adverse childhood experience (ACE) according to some ACE surveys, which puts an individual at heightened risk of negative health outcomes later in life.<sup>11</sup>

According to Vermont-specific information from the Kids Count Data Center, 30 percent of children lived in households with a high housing cost burden in 2015, which is down from 36 percent in 2011.<sup>12</sup> This data reflects a decrease of 10,000 unique individuals living in households with a high housing cost burden.<sup>13</sup>

3. Levels of child care subsidies relative to market rates for providers.

Vermont's Child Care Financial Assistance Program (CCFAP) subsidizes the cost of child care for eligible families in a manner that encourages employment. Subsidy payments are made directly from the State to a family's child care provider. The subsidy is administered on a sliding fee scale basis, the formula for which is determined by the Commissioner for Children and Families by rule and accounts for both family size and income level. According to statute, "[t]he lower limit of the fee scale shall include families whose gross income is up to and including 100 percent of the federal poverty guidelines...[t]he upper income limit of the fee scale shall be neither less than 200 percent of the federal poverty guidelines nor more than 100 percent of the State median income, adjusted for the size of the family."<sup>14</sup> However, reimbursement to child care providers through CCFAP has not increased over time and remains at 2010 market rates. As reimbursement to child care providers has remained low, many families experience a high copayment. This has made child care unaffordable to many working families.<sup>15</sup>

https://www.cdc.gov/violenceprevention/acestudy/about\_ace.html.

 <sup>12</sup> Kids Count Data Center, Annie E. Casey Foundation *available at*: http://datacenter.kidscount.org/data/tables/7244-children-living-in-households-with-a-high-housing-costburden?loc=47&loct=2#detailed/2/47/false/573,869,36,868,867/any/14287,14288.
<sup>13</sup> Id.

 <sup>&</sup>lt;sup>10</sup> See 2017 Vermont State Housing Profile, National Low Income Housing Coalition available at: http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council
/VCPC%2010.19.17/W~Erhard%20Mahnke~Vermont%20State%20Housing%20Profile~10-19-2017.pdf.
<sup>11</sup> See About Adverse Childhood Experiences, Centers for Disease Control and Prevention available at:

<sup>&</sup>lt;sup>14</sup> 33 V.S.A. chapter 35, subchapter 2.

<sup>&</sup>lt;sup>15</sup> Child Care Financial Assistance Program (CCFAP) Budget, Department for Children and Families *available at:* 

http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council/VCPC%2011.16.17/W~Reeva%20Murphy~CCFAP%20Budget%20Facts~11-16-2017.pdf.

4. Number of children "ready to learn" when they enter kindergarten.

The Department for Children and Families' Division of Child Development presented testimony to the Council on the five domains of school readiness. The five domains are social and emotional development; approaches to learning; communication; cognitive development; and physical health and development.<sup>16</sup> According to the Agency of Human Services' scorecard, which contains data analyzed by the Agency of Education, 82 percent of kindergarteners were ready for school in all five domains of healthy development in 2016.<sup>17</sup> While the scorecard indicates that the percent of kindergarteners ready for school has increased dramatically in recent years, the data is a bit misleading as the methodology used prior to 2014 does not result in comparable data.

5. Disparities in standardized test scores between children eligible for free and reduced lunches and their peers who are not.

In Vermont, the number of students eligible for Free and Reduced price Lunch (FRL) has increased from 25 percent in 2005 to 40 percent in 2015.<sup>18</sup> Council members discussed that this potentially indicates an uptick in the number of students living in poverty. However, any historical differences in the percentage of eligible students participating in the program may call into question the reliability of this conclusion.

The Agency of Education provided aggregated National Assessment of Educational Program (NAEP) scores from 8th grade students to the Council. Students' math scores on the NAEP examinations indicated that those students who are not eligible for FRL outperform those students who are eligible. However, the scores of Vermont students in both categories—eligible and ineligible students—were higher than the national average.

#### IV. Council Findings and Recommendations

Previous annual reports contained a robust number of recommendations. For example, the 2016 report made 32 total recommendations in six different categories. This year the Council determined that fewer recommendations were preferable to ensure that the Council's energy was better focused on advancing the agenda of the Council during the upcoming legislative session.

The Chair asked Council members to participate in a survey, which required review of each of the six categories listed in the 2016 report and to rank the categories in order of highest to lowest priority. Members were further asked to review each of the previous year's 32 recommendations and rank them in order of highest to lowest priority within their given category.

<sup>&</sup>lt;sup>16</sup> Agency for Human Services Scorecard *available at:* 

https://app.resultsscorecard.com/Indicator/Embed?id=1472&navigationCount=1.

 $<sup>^{17}</sup>$  *Id*.

<sup>&</sup>lt;sup>18</sup> See 2016-2017 Ready for Kindergarten Survey (R4K!S) Report, Agency of Education *available at:* <u>http://education.vermont.gov/sites/aoe/files/documents/edu-early-education-ready-for-kindergarten-report-2016-2017\_0.pdf</u>.

Each member's responses were scored by the Chair using a point system to prioritize recommendations within a category. The highest priority received the highest value (a numeric value equal to the number of items within the ranking). For example, if there were six recommendations to rank within a category, the first priority received the value of six and the next highest a score of five, etc. If a member did not rank a particular recommendation it received a value of zero. All of the Council members' scores were then combined to create a total value for each recommendation within a category.

The same scoring process was used to determine the total priority value for each category itself. This resulted in providing a picture of the whole Council's combined overall priority ratings for categories as well as the overall priority value of the recommendations within a category.

This process provided the starting point to begin discussion on the Council's 2017 recommendations and was never designed to provide the Council's final priorities. The recommendations that follow reflect the priorities of the Council as indicated by members' survey responses, conversations with witnesses, and Council discussions.

#### Child Care *A*.

On November 16, 2017, the Council heard testimony from the Department for Children and Families and Building Bright Futures regarding the importance of early childhood education and challenges related to accessibility, due in part to financial constraints and the limited number of available child care openings in the State. The Council was informed that the rate of reimbursement to child care providers has remained very low, causing many families to experience high co-payments or out-of-pocket costs after subsidies are applied. As a result, child care is unaffordable to many working families.<sup>19</sup>

Intertwined with the issue of affordability is the challenge of recruiting and retaining a welltrained workforce. The average annual salary for a child care worker in Vermont is \$26,000.00. Currently, 46 percent of child care providers in the United States receive public assistance.<sup>20</sup> Economic hardship is the most common ACE reported nationally and in almost all fifty states. The Council heard testimony indicating that when life is particularly demanding or social supports are weak, parents are more prone to stress and depression, which can interfere with nurturing their children. Access to high quality child care is critical to mitigating the effects of childhood trauma and toxic stress, building resilience in children, and achieving outcomes that are essential to the social and economic vitality of our State.<sup>21</sup>

<sup>20</sup> Sarah Squirrell, Executive Director, Building Bright Futures, *available at*: http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council /VCPC%2011.16.17/W~Sarah%20Squirrell~Testimony~11-16-2017.pdf. <sup>21</sup> See id.

<sup>&</sup>lt;sup>19</sup> See Reeva Murphy, Deputy Commissioner, Department for Children and Families, available at: http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council /VCPC%2011.16.17/W~Reeva%20Murphy~CCFAP%20Budget%20Facts~11-16-2017.pdf.

Although the Council has heard similar testimony in past years on this topic, only limited action has occurred to increase access to the system or improve the affordability of high quality child care. The system as it currently stands may impact families' ability to utilize child care subsidies, such as CCFAP. Consequently, advancing the following recommendations continue to be the Council's top priorities:

1. Committees of jurisdiction are encouraged to take testimony and craft legislative solutions to address the lack of accessibility and affordability in Vermont's child care system, including the appropriate allocation of child care subsidy funds.

2. The Department for Children and Families is encouraged to work collaboratively with other State agencies and public and private partners to foster opportunities in which the child care workforce can both grow and enhance its quality of care and the number of high quality (i.e. four and 5 STAR) programs can also grow.

#### B. Education

At its November 16, 2017 meeting, the Council heard testimony from Vermont After School, Inc. that cemented its commitment to enhancing educational opportunities for students outside of the classroom. In October of 2017, Vermont Afterschool, Inc. hosted a youth summit to better understand how Vermont's children and youth perceived their rights. In response, the participating youths, ages 9 to 26, created a declaration of rights.<sup>22</sup> The document addressed the question: What do you, as a young person in Vermont, need in order to be the best version of yourself? Research over the past decade has shown learning opportunities outside of the home and classroom are critical to the development of our children and youth. Access to these opportunities is increasingly tied to family income. Out-of-classroom learning opportunities play an important and multifaceted role in the lives of young people and aligns with a twogenerational approach to reducing poverty by supporting growth of capable, healthy, and fully fledged adults.

As a result of the testimony it heard both this year and in previous years, the Council makes the following recommendations:

3. Studies have shown that students who do not participate in enrichment activities outside core school hours are more likely to fall behind their peers in terms of academic achievement; are more likely to engage in risky or dangerous behaviors; and are less likely to continue on to college.<sup>23</sup> The Council requests that the General Assembly provide funding to the Expanded

<sup>&</sup>lt;sup>22</sup> Vermont Youth declaration of Rights, *available at*:

http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council /VCPC%2011.16.17/W~Holly%20Morehouse~Vt%20Youth%20Declaration%20of%20Rights~11-16-2017.pdf.

<sup>&</sup>lt;sup>23</sup> 2016 testimony from Holly Morehouse, Executive Director, Vermont Afterschool, Inc. and corresponding handouts, "Investing in Vermont's Kids," *available at*:

http://legislature.vermont.gov/assets/Documents/2016/WorkGroups/Vermont%20Child%20Poverty%20Council /Afterschool%20Programs/W~Holly%20Morehouse~Investing%20in%20Vermont's%20Kids~8-18-2016.pdf, and "Afterschool and Learning In Vermont," *available at*:

Learning Opportunities Special Fund to expand access to afterschool and summer learning programs, particularly in underserved areas of the State and in communities with a high percentage of students from families with low income. In support of this request, the committees of jurisdiction are encouraged to take testimony on the importance of afterschool and summer programming, specifically in terms of mitigating the achievement gap and in supporting positive youth development, workforce skills, and prevention behaviors.

4. Committees of jurisdiction should monitor and evaluate the implementation of Act 166, an act relating to providing access to publicly funded prekindergarten education, with a specific focus on:

(a) a review of the Agencies of Education and of Human Services' report regarding reforming Act 166;<sup>24</sup>

(b) the coordination and integration of prekindergarten programs serving publicly funded prekindergarten students, including Head Start programs to ensure the socioeconomic integration and blending of federal and State education funding resources for families with low income;

(c) access to and utilization of early education programming, including for children who stand to benefit most from prekindergarten opportunities; and

(d) possible implications of the ten-hour service model for families that cannot afford additional early childhood services.

#### C. Housing

The Council reviewed the Agency of Human Services' Roadmap to End Homelessness Report on October 19, 2017.<sup>25</sup> The report assesses the support system for people who are homeless in Vermont, estimates savings realized by reducing homelessness, and recommends system changes necessary to reduce homelessness in the next five years. Despite Vermont's many strengths, the report highlighted an acute shortage of public resources coupled with a well-documented lack of affordable housing throughout the State. The report indicated that Vermont's other weaknesses include nascent coordinated entry, reliance on motels, and lack of access to transportation.<sup>26</sup>

With regard to housing, the Council makes the following recommendations:

<sup>25</sup> Angus Cheney, Housing Director, Agency of Human Services, *available at:* 

http://legislature.vermont.gov/assets/Documents/2018/WorkGroups/Vermont%20Child%20Poverty%20Council /VCPC%2010.19.17/W~Angus%20Chaney~Roadmap%20to%20End%20Homelessness~10-19-2017.pdf. <sup>26</sup> Id.

http://legislature.vermont.gov/assets/Documents/2016/WorkGroups/Vermont%20Child%20Poverty%20Council/Afterschool%20Programs/W~Holly%20Morehouse~Investing%20in%20Vermont's%20Kids~8-18-2016.pdf.

<sup>&</sup>lt;sup>24</sup> Recommended Reform of Act 166 Report, Agencies and Education and Human Services, *available at:* <u>https://legislature.vermont.gov/assets/Legislative-Reports/edu-legislative-report-act166-recommended-reform-from-aoe-ahs.pdf.</u>

5. The committees of jurisdiction should consider capital expenditures to reduce the shortage of affordable housing units in the State and should also examine how the \$35 million housing bond is being distributed and whether it is effectively addressing homelessness.

6. Pursuant to the recommendations in the Roadmap to End Homelessness Report,<sup>27</sup> the committees of jurisdiction should consider enhancing supportive services, rental subsides, and rapid re-housing initiatives, such as increasing funds available to help pay overdue rent owed by individuals at risk of becoming homeless through eviction.

#### D. Economic Supports

On October 19, 2017, the Council heard testimony on Reach Up and the Post-Secondary Education Program, including challenges imposed by lack of transportation. The Council chose to re-endorse the following recommendation from its 2016 report:

7. The Council supports the recommendation of the former Governor's Council on Pathways from Poverty to repeal the Reach Up benefit reduction for families with a member receiving disability benefits.<sup>28</sup> The committees of jurisdiction are encouraged to take testimony on the impacts this benefit reduction is having on affected families. The Council further recommends that the committees of jurisdiction consider increasing the Reach Up ratable reduction to better align with the basic needs budget.

#### E. Substance Abuse and Mental Health

At the Council's September 21, 2017 meeting, it heard testimony from the Agencies of Education and of Human Services regarding reports that the Agencies submitted pertaining to ACEs and resiliency building. The Council recognizes that while the Agencies have accomplished a great deal to mitigate the effects of childhood trauma and toxic stress, there remain opportunities for better coordination within State government. It also heard testimony regarding the impacts of substance abuse and mental health disorders on children and families with low income at its December 21 meeting. A multi-generational approach to tackling these health concerns was recognized as providing the best results for both children and families. However, the Council heard testimony to the effect that persons in need to substance use and mental health services do not necessarily avail themselves of those services.

The Council makes the following recommendations:

<sup>&</sup>lt;sup>27</sup> Roadmap to End Homelessness Report, *available at*:

https://legislature.vermont.gov/assets/Documents/2018/WorkGroups/House%20General/Housing/Homelessness/Roadmap%20to%20End%20Homelessness/W~Larry%20Oaks~Roadmap%20to%20End%20Homelessness%2 0-%20Final%20Report~1-10-2017.pdf.

<sup>&</sup>lt;sup>28</sup> The November 2015 report of the Council on Pathways from Poverty is *available at*: <u>http://governor.vermont.gov/sites/shumlin/files/documents/2016%20Poverty%20Council%20report%20FINAL.pdf</u>.

8. The Council recommends that the Agencies of Human Services and of Education, in consultation with private and public partners, increase coordination of efforts to employ a two-generational model to address family trauma and to mitigate the impact of ACEs.

9. The Council encourages the committees of jurisdiction to consider what more can be done to encourage families with low income to take advantage of substance use and mental health services offered in schools or the community. It further encourages the committees of jurisdiction to consider the feasibility of co-locating mental health and substance use disorder services within primary care practices for the purpose of increasing access to services.

#### F. Economic Empowerment and Financial Capability

On December 21, 2017, the Council heard testimony regarding the use of microbusinesses to lift families out of poverty. In response, the Council re-endorses the following recommendations:

10. The committees of jurisdiction should maintain the increase in funding for the Micro Business Development Program in fiscal year 2019, support investments in asset building and financial literacy, and craft policies to move families with low income away from benefit cliffs and toward a consistent path for success.

#### V. Future of the Council

During this final year of the Council's tenure, its members spent significant time discussing whether the work of the Council should end when the Council's enacting legislation sunsets at the end of June 2018. Members also discussed the possibility of reestablishing the Council in the future and how it should be structured if reenactment were ultimately recommended. Suggestions ranged from reenacting the Vermont Child Poverty Council exactly as it is currently organized to enacting an entirely new body to examine opportunities to mitigate or eliminate child poverty in Vermont.

Once the majority of the Council's members decided that some entity should continue to dedicate itself to this topic, the question became how that entity should be organized. Members provided opinions as to the new entity's mission, membership, work products, term, and measurements for success. The result of these discussions is a pair of House and Senate companion bills offered for introduction by the Chair and Vice Chair of the Council. (See Appendix 4: Proposed Legislation for the Child Poverty Advisory Council.)

The proposed legislation recommends enactment of the Child Poverty Advisory Council (Advisory Council) for a ten-year period. The Advisory Council, unlike the current Council, would provide advice and recommendations to the General Assembly only, and not the Governor. Its membership also diverges from the existing Council. The administrative members serving on the Advisory Council would be nonvoting members. The Vermont Superintendents' Association would not be directly represented on the Advisory Council, but appointees of the Vermont Coalition for Disability Rights; the Vermont Affordable Housing Coalition; the Child and Family Trauma Work Group; and the Executive Directors of the Vermont Superintendents Association, the Vermont Principals' Association, and the Vermont Council of Special Education Coordinators would serve on the Council. The proposed legislation includes a midterm examination of the Advisory Council's effectiveness using results-based accountability to assess whether its work is having the desired effect on the population it is proposed to serve.

The Council believes that lifting children and families out of poverty is crucial to strengthening both the well-being of individual Vermonters and the economy of the State. To that end, it encourages any future members the Advisory Council to review the work of the Council and build on its many achievements to date.

#### 2017 Report of the Vermont Child Poverty Council

Representative Diane Lanpher, Chair

Senator Debbie Ingram, Vice Chair

#### VI. Appendices

#### Appendix 1. 2007 Acts and Resolves No. 68

NO. 68. AN ACT RELATING TO CHILD POVERTY IN VERMONT.

It is hereby enacted by the General Assembly of the State of Vermont:

#### Sec. 1. VERMONT CHILD POVERTY COUNCIL

(a) The Vermont child poverty council is created to examine child poverty in Vermont and to make recommendations to the governor and general assembly on methods of improving the financial stability and well-being of children. The council shall develop a ten-year plan to reduce the number of children living in poverty in the state by at least 50%.

(b)(1) The council shall consist of the following members or their designees:

(A) the president pro tempore of the senate;

(B) the speaker of the house of representatives;

(C) the chair of the senate committee on health and welfare;

(D) the chair of the house committee on human services;

(E) the chair of the senate committee on education;

(F) the chair of the house committee on education;

(G) the commissioners of the departments for children and families; of health; of education; and of labor; and

(H) one representative each from Voices for Vermont's Children, the Vermont low income advocacy council, Vermont Legal Aid, and the Vermont superintendents' association.

(2) The council, at its first meeting, shall elect one of the legislative members as chair or two legislative members as cochairs. The legislative council and the joint fiscal office shall provide staff support to the council.

(3) The council shall meet up to six times while the general assembly is not in session to perform its functions under this section. In addition, during the 2007 legislative interim, the council shall hold 14 public hearings as required under subsection (d) of this section.

(c) The plan shall contain:

(1) an identification and analysis of the occurrence of poverty in the state;

(2) an analysis of the long-term effects of child poverty on children, their families, and their communities;

(3) an analysis of costs of child poverty to municipalities and the state;

(4) an inventory of state-wide public and private programs that address child poverty;

(5) the percentage of the target population served by such programs and the current state funding levels, if any, for such programs;

(6) an identification and analysis of any deficiencies or inefficiencies of such programs; and

(7) procedures and priorities for implementing strategies and biannual benchmarks to achieve at least a 50% reduction in child poverty in the state by June 30, 2017. Such procedures, priorities, and benchmarks shall include improving or adequately funding:

(A) workforce training and placement to promote career progression, for parents of children living in poverty;

(B) educational opportunities, including higher education opportunities, and advancement for such parents and children, including, but not limited to, pre-literacy, literacy, and family literacy programs;

(C) affordable housing for such parents and children;

(D) early care and education programs for such children and their families;

(E) after-school programs and mentoring programs for such children and their families;

(F) affordable health care access for such parents and children, including access to mental health services and family planning;

(G) treatment programs and services, including substance abuse programs and services, for such parents and children;

(H) accessible childhood nutrition programs; and

(I) the Reach-Up program and other public benefit programs through the agency of human services serving low income families.

(d) In developing the working plan, the council shall first consult with experts, with parents of children living in poverty, and with providers of services to children and families living in poverty. The council shall hold one public hearing in each of the 14 counties.

(e) Funds from private and public sources may be accepted and utilized by the council to develop and implement the plan and provisions of this section. Legislative members of the committee shall be entitled to compensation and reimbursement for expenses under section 406 of Title 2. All other members not receiving compensation for service on the committee from another source are entitled to compensation under section 1010 of Title 32.

(f) Not later than January 1, 2008, the council shall submit the working plan to the house committees on appropriations and human services and the senate committees on appropriations and health and welfare. On January 1, 2009, and annually thereafter, until January 1, 2018, the council shall report to these committees on yearly progress toward benchmarks, updates to the plan, and recommendations for budgetary and policy changes in order to accomplish the goals of this act

(g) The council shall cease to exist on June 30, 2018.

Approved: June 5, 2007

#### Appendix 2. 2014 Acts and Resolves No. 104

# No. 104. AN ACT RELATING TO THE CHARGE OF THE VERMONT CHILD POVERTY COUNCIL.

#### (H.583)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 2007 Acts and Resolves No. 68, Sec. 1 is amended to read:

Sec. 1. VERMONT CHILD POVERTY COUNCIL

(b)(1) The <u>council Council</u> shall consist of the following members or their designees: (A) the president are tampere of the senate President Pre-Tempere of the

(A) the president pro tempore of the senate President Pro Tempore of the Senate;

\* \* \*

(B) the speaker of the house of representatives Speaker of the House of Representatives;

(C) the chair of the senate committee on health and welfare Chair of the Senate Committee on Health and Welfare;

(D) the chair of the house committee on human services Chair of the House Committee on Human Services;

(E) the chair of the senate committee on education Chair of the Senate Committee on Education;

(F) the chair of the house committee on education Chair of the House Committee on Education;

(G) the <del>commissioners of the departments for children and families; of health;</del> of education; and of labor <u>Commissioners for Children and Families; of Health; and of</u> Labor; and the Secretaries of Human Services and of Education; and

(H) one representative each from Voices for Vermont's Children, the Vermont low income advocacy council Low Income Advocacy Council, Vermont Legal Aid, and the Vermont superintendents' association Superintendents' Association.

\* \* \*

(3) The council <u>Council</u> shall meet up to six times while the <u>general assembly</u> <u>General Assembly</u> is not in session to perform its functions under this section. In addition, during the 2007 legislative interim, the council shall hold 14 public hearings as required under subsection (d) of this section. The Council may meet an unlimited number of times during the legislative session, but legislative Council members shall not receive compensation and reimbursement for expenses pursuant to subsection (e) of this section for participation in meetings during the legislative session.

(e) Funds from private and public sources may be accepted and utilized by the council <u>Council</u> to develop and implement the plan and provisions of this section. Legislative For participation in meetings during the legislative interim, legislative members of the committee <u>Council</u> shall be entitled to compensation and reimbursement for expenses

under section 406 of Title 2 <u>2 V.S.A. § 406</u>. All other members not receiving compensation for service on the committee from another source are entitled to compensation under section 1010 of Title 32. <u>Nonlegislative members who are not</u> otherwise compensated and reimbursed for their participation on the Council shall be entitled to receive compensation and reimbursement of expenses under 32 V.S.A. § 1010.

\* \* \*

Sec. 2. EFFECTIVE DATE This act shall take effect on passage.

Date Governor signed bill: April 14, 2014

## Appendix 3. 2017 Witness List

Donna Bailey	Co-Director, Addison County Parent Child Center
Charlie Biss	Director, Children and Family Services, Department of Mental Health
Jan Demers	Executive Director, Champlain Valley Office of Economic Opportunity
Paul Dragon	Director of Policy & Program Integration, Agency of Human Services
Rochelle Finzel	Group Director, National Conference of State Legislatures
Amy Fowler	Deputy Secretary, Agency of Education
Jennifer Gresham Kathy Hentcy	Director, Agency of Education Federal and Education Support Programs Mental Health & Health Care Integration Director, Department of Mental Health
Nolan Langweil	Senior Fiscal Analyst: Health Care Finance, Joint Fiscal Office
Kate Larose	Director of Financial Futures, Champlain Valley Office of Economic
	Opportunity
Katie McLinn	Legislative Counsel, Office of Legislative Council
Holly Morehouse	Executive Director, Vermont Afterschool, Inc.
Reeva Murphy	Deputy Commissioner, Department for Children and Families
Erin Oalican	Reach-Up/TANF Program Director, Department for Children and Families
Laurel Omland	Operations Chief, Child, Adolescent and Family Unit
John Pelletier	Director, Center for Financial Literacy, Champlain College
Sarah Phillips	Chief Administrator, Office of Economic Opportunity, Department for
	Children and Families
Dru Roessle	Performance Improvement Director, Agency of Human Services
Sen. Michael Sirotkin	Chair, Senate Committee on Finance
Sarah Squirrell	Executive Director, Building Bright Futures

#### Appendix 4. Proposed Legislation for the Child Poverty Advisory Council

#### An act relating to the Child Poverty Advisory Council

It is hereby enacted by the General Assembly of the State of Vermont: Sec. 1. CHILD POVERTY ADVISORY COUNCIL

(a) Creation. There is created the Child Poverty Advisory Council to examine structural issues in Vermont that create conditions that prevent families from moving out of poverty. The Advisory Council shall provide guidance and recommend legislation to the General Assembly that either reduces or mitigates the effects of childhood poverty.

(b)(1) Voting membership. The Advisory Council shall be composed of the following 13 voting members:

(A) the President Pro Tempore of the Senate or designee;

(B) the Speaker of the House or designee;

(C) the Chair of the Senate Committee on Education or designee;

(D) the Chair of the Senate Committee on Health and Welfare or designee;

(E) the Chair of the House Committee on Education or designee;

(F) the Chair of the House Committee on Human Services or designee;

(G) a member appointed by Voices for Vermont's Children;

(H) a member appointed by the Vermont Low Income Advocacy Council;

(I) a member appointed by Vermont Legal Aid;

(J) a member appointed by the Vermont Coalition for Disability Rights;

(K) a member appointed by the Vermont Affordable Housing Coalition;

(L) a nongovernmental designee of the Child and Family Trauma Work Group who does not otherwise represent an organization with membership on this Council; and

(N) an employee of the prekindergarten through grade 12 public education delivery system in Vermont appointed jointly by the Executive Directors of the Vermont Superintendents Association, the Vermont Principals' Association, and the Vermont Council of Special Education Coordinators;

(2) Nonvoting membership. The Advisory Council shall be composed of the following five nonvoting members or designees:

(A) the Secretary of Education;

(B) the Secretary of Human Services;

(C) the Commissioner for Children and Families;

(D) the Commissioner of Health; and

(E) the Commissioner of Labor.

(c) Powers and duties. The Advisory Council shall examine structural issues in Vermont that create conditions that prevent families from moving out of poverty and shall provide related guidance and recommendations to the General Assembly. It shall serve as an educational forum for both its members and the public. The Council shall use data to better understand existing and emerging challenges to children and families living in poverty. (d) Assistance. The Advisory Council shall have the administrative, technical, and legal assistance of the Office of Legislative Council.

(e) Work products.

(1) Recommendations. On or before January 1 of each year, the Advisory Council may submit a list of recommendations and legislative priorities from the previous calendar year to the General Assembly that are aimed at reducing or mitigating the effects of childhood poverty.

(2) Legislation. On or before November 15 of each year, the Advisory Council may prepare legislation for introduction by one or more of its legislative members that contains any of the Advisory Council's recommendations for reducing or mitigating the effects of childhood poverty.

(3) Compilation of minutes. On or before January 1 of each year, the Advisory Council shall submit to the General Assembly a compilation of its meeting minutes from the previous calendar year, which summarizes the Advisory Council's activities and decisions.

(f) Meetings.

(1) The Speaker of the House or designee shall call the first meeting of the Advisory Council to occur on or before July 1 of each year.

(2) Each year the Council shall select a chair from among its legislative members at the first meeting. The Council may select a vice chair from among its legislative members.

(3) A majority of the membership shall constitute a quorum.

(4)(A) The Advisory Council shall cease to exist on July 1, 2028.

(B) Five years prior, in 2023, the Advisory Council shall conduct a midterm review of its achievements and effectiveness using results-based accountability. Among any other benchmarks that the Advisory Council chooses to measure pursuant to subdivision (C) of this subdivision (4), it shall review, as compared to 2016:

(i) the number and percentage of children living in families at 50 percent, 100 percent, and 200 percent of the federal poverty level; and

(ii) the number and percentage of children living in families paying more than 30 percent of their cash income for housing and related expenses.

(C) On or before January 1, 2019, the Advisory Council shall identify any additional benchmarks it plans to measure during its 2023 midterm review.

(g) Compensation and reimbursement.

(1) For attendance at meetings during adjournment of the General Assembly, a legislative member of the Advisory Council serving in his or her capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 406 for not more than six meetings.

(2) Other members of the Advisory Council who are not employees of the State of Vermont and who are not otherwise compensated or reimbursed for their attendance shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than six meetings.

(3) Payments to members of the Advisory Council authorized under this subsection shall be made from monies appropriated to the General Assembly.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2018.