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Advisory Council on Child Poverty and Strengthening Families **2019 Recommendations**

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A. Statement of Purpose & Authority

The Advisory Council was created by 2018 Acts and Resolves No. 207 for the dual purposes of:

1. identifying and examining structural and other issues in Vermont that lead to families living in poverty and create conditions that prevent families from moving out of poverty; and
2. advancing policies that promote financial stability and asset building, support safety nets for families with low income, and mitigate the effects of childhood poverty, with the goal to reduce incidences of childhood poverty.

The Advisory Council recognizes that reducing childhood poverty requires a “whole family” approach. Health and the effects of poverty are inextricably connected, as well as childhood and adult trauma. No one entity, including government, has the sole responsibility for reducing poverty and its lasting impacts. Government should be the catalyst for bringing all stakeholders—providers, schools, communities, faith groups, private businesses, and governmental agencies—together to develop better support systems for children and families. The Advisory Council seeks opportunities to support children and families living in poverty while simultaneously exploring structural changes to address poverty’s root causes.

The Advisory Council met six times in 2019, including one off-site meeting in Rutland at the middle school. Testimony at each of the Advisory Council’s meetings was delivered by a diverse array of community stakeholders, advocates, government agencies, and members of the public.

B. Recommendations

1. *Child Care and Early Learning*

The Advisory Council recommends:

- a) **increasing child care provider reimbursement rates within the Child Care Financial Assistance Program (CCFAP) to the most current available market rates;**
- b) **supporting an expansion of workforce incentives, including educational supports for child care providers;**
- c) **expanding eligibility within the CCFAP; and**
- d) **increasing the overall capacity within the child care system, including the availability of care during nontraditional hours to support families with a parent who works the second or third shift.**

The General Assembly provided significant consideration for and resources to Vermont's child care system this year. 2019 Acts and Resolves No. 72 increased provider reimbursement rates within CCFAP, albeit not to the current available market rates.¹ Act 72 also provided a one-time investment to expand and train the child care workforce, as well as investments to expand eligibility within CCFAP.² Despite these efforts, the Advisory Council recognizes that there is still more work to be done. These initial investments were the first step of a five-year strategy to restructure CCFAP. Further legislative action is necessary to address affordability and capacity within the child care system.

2. *Afterschool and Summer Programs*

The Advisory Council recommends increasing investments in afterschool and summer programs to expand high quality programs and increase statewide access.

According to Vermont Afterschool Inc., afterschool and summer programs keep kids safe and engaged. They allow parents and family members to work. They give young people opportunities to connect, build strong peer relationships, explore interests, and gain knowledge. They allow children to engage in physical activities, have access to healthy snacks and meals, work with adult mentors, and build important lifelong skills, including self-efficacy, problem-solving, critical thinking, collaboration, and communication.

While the Vermont General Assembly allocated \$600,000.00 to expand access to afterschool programs over three years using tobacco settlement funding,³ applications for the use of these funds totaled \$5,451,587.00, demonstrating the huge need for funding in the field. A report from the Expanded Learning Opportunities (ELO) Working Group, a subcommittee of Vermont's PreK–16 Council, has shown that \$2.5 million per year is needed to ensure that every family and student in Vermont in need of afterschool and summer learning opportunities have access to these programs.⁴

¹ 2019 Acts and Resolves No. 72, § E.318.1.

² *Id.* at §§ E.318.1-E.318.8.

³ 2018 Acts and Resolves. No. 11 (Special Session), § C.106.2.

⁴ Report from the Expanded Learning Opportunities Working Group, *available at*: <https://bit.ly/2COxIFm>.

Young people are problem solvers who are eager to be engaged in making Vermont a stronger, healthier, and happier place to live. Vermont youths have collectively written a Youth Declaration of Rights that should be recognized by policymakers. The Advisory Council believes that Vermont should commit to requiring and collecting meaningful input from young people, especially as pertains to policies in which they are directly affected.

3. *Affordable Housing and Family Homelessness*

The Advisory Council recommends:

- a) **increasing capital investments to reduce the shortage of affordable housing in Vermont; for example, by providing full statutory funding for the Vermont Housing and Conservation Board;**
- b) **increasing rental assistance and other housing-related financial supports; for example, by increasing funding for the Vermont Rental Subsidy and Housing Opportunity Grant Program, including case management services;**
- c) **expanding investments in support services to increase housing retention for families; for example, by increasing funding for Family Supportive Housing;**
- d) **increasing flexibility in the way the Vermont Rental Subsidy is used to support housing stability of families receiving Reach Up; and**
- e) **ensuring that Vermont 2-1-1 is not only fully funded for the next fiscal year, but also that comprehensive, collaborative funding across various agencies be allocated to make it a 24/7 service in future years.**

The Advisory Council heard testimony that Vermont continues to have an ongoing housing shortage and affordability gap, especially for the lowest income and vulnerable Vermonters, including families with children. The 2019 “Out of Reach” report by the National Low Income Housing Coalition found that our “housing wage” is \$22.78 an hour statewide, or \$46,585 a year, meaning that someone working 40 hours a week, 52 weeks a year needs to earn that amount to afford a modest two-bedroom apartment without paying more than 30% of their income for their housing.⁵ That organization’s “2019 Vermont Housing Profile” documents that 23 percent, or 18,225, Vermont renter households are considered “extremely low-income,” below 30 percent of area median income and earning \$24,600 a year.⁶ They can afford only \$583 a month for their housing costs, while the two-bedroom Fair Market Rent is \$1,184 a month. Eighty-seven percent of these renters are cost-burdened, meaning they pay more than 30 percent of their income for housing; 68 percent are severely cost-burdened, meaning they pay more than 50 percent of income.⁷ There is a shortage of 11,876 affordable and available apartments for Vermont’s extremely low-income renters.⁸

⁵ *Out of Reach 2019*, National Low Income Housing Coalition, *available at*: <https://reports.nlihc.org/oor/vermont>.

⁶ *2019 Vermont Housing Profile*, National Low Income Housing Coalition, *available at*: https://nlihc.org/sites/default/files/SHP_VT.pdf.

⁷ *Id.*

⁸ *Id.*

The 2019 “Point-in-Time Count Report” found that 1,089 Vermonters experienced homelessness during last January’s one-night census, including 251 children (23 percent) and 133 fleeing domestic violence.⁹

Improving housing stability has long-term benefits for children and strengthening families. According to the MacArthur Foundation, any residential move during childhood is associated with nearly half a year loss in school.¹⁰ Further, substandard housing contributed to children’s developmental delays by age two and poor health at age six.¹¹ Moving three or more times during childhood lowered later earnings by nearly 52 percent.¹²

Families and children experiencing homelessness experience “toxic stress” that has long-lasting repercussions. Research by pediatrician Dr. Megan Sandel at the Children’s HealthWatch has documented that young children who experienced homelessness for longer than six months were significantly more likely to have developmental delays, have fair or poor health, be overweight, and be hospitalized than children who never experienced homelessness or did so for less than six months.¹³ While young children who experienced prenatal or postnatal homelessness alone had increased negative health outcomes, those who experienced both pre- and postnatal homelessness had even more serious health consequences.¹⁴

The Advisory Council supports implementation of the recommendations in the legislatively commissioned Roadmap to End Homelessness Report.¹⁵ It further recommends that the committees of jurisdiction review the recommendations in the report of the Specialized Housing Vouchers Working Group.¹⁶

4. *Economic Empowerment and Employment Supports*

The Advisory Council recommends:

- a) **increasing the minimum wage for all workers in Vermont to be consistent with a liveable wage alongside corresponding adjustments in benefits eligibility to avoid perpetuating the benefit cliff;**

⁹ 2019 Point-in-Time Count Report, Vermont Coalition to End Homelessness, available at:

<https://helpingtohousevt.org/pointintime/2019-pit/>

¹⁰ *How Housing Matters*, MacArthur Foundation, available at: <https://www.macfound.org/press/article/lessons-learned-housing-research/>.

¹¹ *Id.*

¹² *Id.*

¹³ Sandel M, Timing and Duration of Pre- and Postnatal Homelessness and the Health of Young Children. *Pediatrics*, 2018;142(4): e20174254, available at:

<https://pediatrics.aappublications.org/content/pediatrics/142/4/e20174254.full.pdf> .

¹⁴ *Id.*

¹⁵ 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%20-%20Final%20Report~1-10-2017.pdf>.

¹⁶ Report of Specialized Housing Vouchers Working Group, available at:

<https://legislature.vermont.gov/assets/Legislative-Reports/Specialized-Housing-Voucher-Report-FINAL.pdf>.

- b) **the adoption of paid family and medical leave legislation, which provides economic support and job security to families facing serious illness or to bond with a new child;**
- c) **increasing base funding for economic programs that create jobs and build savings and assets, for example the Micro-Business Development Program and the Vermont Matched Savings Program (formerly Individual Development Account);**
- d) **investing in workforce training, financial capability, and financial literacy education;**
- e) **supporting transportation-related public initiatives, including increasing public transportation options, increasing access to reliable and affordable vehicles, and providing license fee and fine remediation assistance;**
- f) **supporting funding for tax preparation programs for persons with low income, such as the Volunteer Income Tax Assistance program;**
- g) **increasing cash assistance to Vermont’s most vulnerable families to 100 percent of basic needs and eliminate the \$77/monthly penalty for families with an adult who has a disability; and**
- h) **continuing to increase the income disregard and asset limit in the Reach Up program.**

In 2019, the General Assembly approved increasing Reach Up grants from the 2004 to the 2008 standard of need at a cost of \$1.9 million, bringing the maximum grant for a family of three from \$640 to \$700 (or \$725 in Chittenden County).¹⁷ The General Assembly also added \$1.3 million for parent-child centers that the Governor had proposed to cut with regard to the services they provide to young families and \$1 million in infrastructure improvements. Act 72 restored one-third of the remaining 2015 deduction to families receiving both Reach Up and SSI.¹⁸

The Advisory Council recommends that Reach Up financial assistance be increased to ensure 100 percent of a household’s basic needs are funded based on the current cost of living. The Advisory Council also recognizes that poverty is both a cause and consequence of living with disabilities and that people with disabilities experience poverty at a rate more than twice that of the general population.¹⁹ To that end, the Advisory Council recommends the complete reversal of the SSI Reach Up benefit reduction.

5. *Trauma and Family Supports*

The Advisory Council recommends that the committees of jurisdiction:

- a) **support and monitor the implementation of the Agency of Human Services’ Childhood Trauma Response Plan developed pursuant to 2017 Acts and Resolves No. 43²⁰ and 2018 Acts and Resolves No. 204;**

¹⁷ 2019 Acts and Resolves No. 72.

¹⁸ *Id.* at § E.323.1.

¹⁹ *Income and Poverty in the United States: 2017*, United States Census Bureau, available at: <https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-263.pdf>.

²⁰ The Act 43 Childhood Trauma Response Plan, available at: <https://legislature.vermont.gov/assets/Legislative-Reports/Combined-Act-43-Report-FINAL082417.pdf>.

- b) **support increased funding for parent-child centers and their two-generation approach supporting the five Protective Factors; and**
- c) **support peer advocates and educator training to avoid the impact of trauma for families in poverty who are navigating the special education system.**

The Advisory Council received written testimony from Auburn Watersong, the Agency of Human Services' Director of Trauma Prevention and Resilience Development. It also heard testimony from Advisory Council member, Katie Ballard, with regard to the particular challenges that families who navigate the special education system face. The Advisory Council believes it is crucial to prevent, mitigate, and intervene in trauma and build resilience for children and families in Vermont. Previously, the Advisory Council heard testimony describing the five Protective Factors: parental resilience, social connections, knowledge of parenting and child development, concrete support in times of need, and social and emotional competence of children. The Advisory Council supports the Agency's continued distribution of grants that support one or more of these Protective Factors as part of an approach to build resilience amongst Vermonters.

6. Responding to Urgent Need

The Advisory Council recommends that if proposed federal changes are implemented to the Supplemental Nutrition Assistance Program (SNAP), the General Assembly should make every effort to find replacement funding for the program to mitigate harm to families.

SNAP, known as 3SquaresVT in Vermont, currently utilizes two types of categorical eligibility: standard categorical eligibility and broad-based categorical eligibility. The proposed federal rule seeks to eliminate the latter category of eligibility, which currently provides a benefit to food-insecure families that have a gross income at or below 185 percent of the federal poverty level and do not otherwise qualify for standard categorical eligibility. This proposed change penalizes low-income, working families who have significant child care or shelter expenses or who have otherwise managed to build a modest savings account. The Vermont Department for Children and Families estimates that 5,204 households would lose their current benefits if the proposed rule were to take effect, which includes benefits to 4,619 children.

In addition to its alarm that the proposed rule would heighten the risk of hunger in food-insecure households, the Advisory Council is further concerned with the ripple effects of this proposal. Most significantly, impacted households with school-age children would lose their direct certification for free or reduced school lunch. Currently, the State's Department for Children and Families shares information on students eligible for free and reduced lunch on the basis of their participation in SNAP with the State's Agency of Education, which in turn shares the information with students' schools. Students receiving this benefit and their caregivers are not required to affirmatively seek out this benefit. While some students losing direct certification status as a result of the proposed rule may still qualify for free and reduced lunch, it is anticipated that requiring households to affirmatively seek the benefit will result in significantly

fewer youth reliably receiving healthful meals at school due to both stigma and bureaucratic obstacles.

Appendix A. 2019 Meeting Minutes

- **July 25, 2019 Minutes** available [here](#)
- **August 28, 2019 Minutes** available [here](#)
- **September 26, 2019 Minutes** available [here](#)
- **October 24, 2019 Minutes** available [here](#)
- **November 21, 2019 Minutes** available [here](#)
- **December 19, 2019 Minutes** available [here](#)