

Recommendations of the Advisory Council on Child Poverty and Strengthening Families

Prepared by: Jared Adler; Law Clerk, Vermont Office of Legislative Council

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 2018, including one off-site meeting in St. Johnsbury at the Northeast Kingdom Community Action Parent Child Center. 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; and**
- (c) expanding eligibility within the Child Care Financial Assistance Program.**

The Advisory Council received significant testimony from government agencies, advocates, and providers regarding the delivery and accessibility of child care services in Vermont. High child care costs and limited spaces are two barriers to access for Vermont families. While CCFAP addresses affordability to some extent for Vermont’s families with the lowest income, the Advisory Council encourages more significant investments in this Program to enhance existing financial assistance benefits and expanded eligibility. In addition, the Advisory Council supports

efforts to build capacity among child care providers by providing greater opportunities for professional development.

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. It allows children to engage in physical activities, have access to healthy snacks and meals, work with adult mentors, and build important life-long skills, including self-efficacy, problem solving, critical thinking, collaboration, and communication.

The Vermont General Assembly allocated \$600,000.00 to expand access to afterschool programs over three years using tobacco settlement funding.¹ 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.²

3. *Affordable Housing*

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 increasing funding for the Vermont Rental Subsidy and Housing Opportunity Grant Program; and**
- (c) expanding investments in support services to increase housing retention for families, for example by increasing funding for Family Supportive Housing.**

The Advisory Council heard testimony that 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.³ Further, substandard housing contributed to children's developmental delays by age two and poor health at age six.⁴ Moving three or more times during childhood lowered later earnings by nearly 52 percent.⁵ Housing costs were by far the leading cause of financial stress for Vermonters surveyed by

¹ 2018 Acts and Resolves. No. 11 (Special Session), § C.106.2.

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

³ *How Housing Matter*, MacArthur Foundation, *available at*: <https://www.macfound.org/press/article/lessons-learned-housing-research/>.

⁴ *Id.*

⁵ *Id.*

Vermont Public Radio and Vermont Public Broadcasting Station in October 2018. At 32 percent, housing exceeded the next most commonly cited expense, taxes, by 14 percentage points.⁶

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, fair or poor health, be overweight, and be hospitalized, than children who never experienced homelessness or did so for less than six months.⁷ While young children who experienced pre-natal or post-natal homelessness alone had increased negative health outcomes, those who experienced both pre- and post-natal homelessness had even more serious health consequences.⁸

The Advisory Council supports implementation of the recommendations in the legislatively commissioned Roadmap to End Homelessness Report.⁹ The report calls for continued and increased housing investments that reduce homelessness and housing insecurity among families with children, including 368 new units of permanent supportive housing and 1,251 new homes made affordable to Vermonters with very low income over the next five years, as well as housing supports and services and prevention for another 1,529 households.

4. *Economic Empowerment and Employment Supports*

The Advisory Council recommends:

- (a) increasing the minimum wage in Vermont alongside corresponding adjustments in benefits eligibility to avoid a net loss to beneficiaries;**
- (b) the adoption of paid family and medical leave legislation;**
- (c) increasing 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 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) increasing Reach Up financial assistance for households to one hundred percent of their basic needs based on the current cost of living, with automatic increases for inflation; and**

⁶ *A Survey of Vermonters*, The VPR - Vermont PBS Poll (October 2018), *available at*: <http://projects.vpr.net/vpr-vermont-pbs-poll>.

⁷ Sandel M, Timing and Duration of Pre- and Postnatal Homelessness and the Health of Young Children. *Pediatrics*, 2018;142(4): e20174254, *available at*: <http://pediatrics.aappublications.org/content/pediatrics/142/4/e20174254.full.pdf>.

⁸ *Id.*

⁹ 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>.

(g) reversing the reduction in Reach Up grant amounts for households where an adult with a disability is receiving Supplemental Security Income (SSI).

Recognizing that Reach Up grants to families have not had a cost of living adjustment since 2004 and now provide less than 40 percent of the income needed to meet basic needs, 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.¹⁰ To that end, the Advisory Council recommends the 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' Act 43 Childhood Trauma Response Plan;¹¹ and**
- (b) support increased funding for parent child centers and their two-generation approach supporting the five Protective Factors.**

The Advisory Council heard testimony regarding the work of the Agency of Human Services and its community partners to prevent, mitigate, and intervene in trauma and build resilience for children and families in Vermont. The Advisory Council also 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 Agency's grants supporting one or more of these Protective Factors are part of an approach to build resilience amongst Vermonters. Parent-child centers were highlighted as a key source for implementing this plan, and the Advisory Council supports continued investment in these resources.

C. Benchmarks

The Advisory Council's enacting legislation provided the opportunity to establish benchmarks for measuring its progress, in addition to those listed in statute. The Advisory Council has adopted the three benchmarks listed below in subsection (2) of this part.

1. Statutory Charge

Review as compared to 2016, and track for midterm review in 2023:

- a. the number and percentage of children living in families at 50 percent, 100 percent, and 200 percent of the federal poverty level; and
- b. the number and percentage of children living in families paying more than 30 percent of their cash income for housing and related expenses.

¹⁰ *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>.

¹¹ The Act 43 Childhood Trauma Response Plan, available at: <https://legislature.vermont.gov/assets/Legislative-Reports/Combined-Act-43-Report-FINAL082417.pdf>.

2. Additional Benchmarks

- a. The number and percentage of children living in poverty according to the Supplemental Poverty Measure.¹²
- b. The number of children experiencing homelessness on a given night.¹³
- c. The number of children whose parents lack secure employment.¹⁴

¹² Data shall be derived from the U.S. Census Bureau and compiled by Voices for Vermont's Children. *More information on the Supplemental Poverty Measure available at:*

<https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-265.pdf>

¹³ Data shall be derived from the Point-in-Time Count, which is used by the Vermont Coalition to End Homelessness, as reported to the U.S. Department of Housing and Urban Development.

¹⁴ Data shall be derived from the U.S. Census Bureau compiled by the Annie E. Casey Foundation.