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*Susanne R. Young, Secretary*

**TO:** Senator Jane Kitchel, Chair, Senate Committee on Appropriations  
 Representative Mary S. Hooper, Chair, House Committee on Appropriations

**FROM:** Susanne Young, Secretary of Administration  
 Xusana Davis, Executive Director of Racial Equity

**DATE:** Friday, April 30, 2021

**RE:** Submission of 2020 Act 154 Sec. B.1122(g)(2) Report, “Economic Stimulus Equity Fund”

This report is submitted in accordance with 2020 Act 154 § B.1122(g)(2), which created the Vermont Coronavirus Economic Stimulus Equity Program. As required by the Act, this report includes a summary of the payments awarded under the Program, discussion of challenges encountered by the Agency and contractors in the implementation and administration of the Program, and a summary of the results or success of the Program.

**SUMMARY OF PAYMENTS AWARDED**

As of April 20, 2021, a total of 1,060 eligible adults and 1,094 children either received their funding or their funding has been sent out for delivery. Following is the distribution data by organization:

ORGANIZATION	NO. OF ADULT RECIPIENTS	NO. OF CHILD RECIPIENTS	TOTAL AMOUNT
Migrant Justice	956	1,037	\$1,665,700
CVOEO	56	36	\$85,200
AALV	48	21	\$68,100
<b>Total</b>	<b>1,060</b>	<b>1,094</b>	<b>\$1,819,000</b>

*As of April 20, 2021. A final summary will be provided at the end of this program.*



## **PROGRAM BACKGROUND AND DESIGN**

The Economic Stimulus Equity Fund (“ESE Fund”) was designed to fill a gap in federal support in Spring 2020, when Congress authorized a stimulus package with direct payments to individuals. These stimulus payments were billed as being universally available for people across the country, but explicitly excluded people who did not have or file taxes with Social Security numbers. It is well documented that this provision was intended to exclude undocumented people from stimulus payments. It had its intended effect in Vermont and thus disadvantaged some of Vermont’s most vulnerable and least visible citizens. Not only was this an unjust and unnecessary barrier for vulnerable communities, but this tactic also ensnared others: immigrants with legal immigration status and U.S. citizens, many of them children. Accordingly, the ESE Fund was designed to provide stimulus payments to those who were not eligible for the federal stimulus.

Using data from federal sources, community organizations, and national non-profits, it was estimated that there would be up to 5,000 eligible people in Vermont. This estimate included undocumented Vermonters, immigrants in Vermont with legal immigration status, and U.S. citizens who, based on prior tax filings, would have been deemed ineligible for the federal stimulus payments. Because this group of Vermonters often does not interact with government, the estimate was necessarily imprecise.

Through collaboration between community organizations and various state departments (described further below), the ESE fund was designed and implemented between 2020 and 2021. Principal activities required for the program’s successful implementation include:

- Administrative functions
- Outreach and communication
- Application review and approval
- Direct assistance and services
- Payment distribution

### Administrative Functions

The Agency of Administration and the Department of Financial Regulation contracted with Vermont Community Foundation (VCF) in December 2020 (amended in February 2021) to design and implement the Economic Stimulus Equity Fund program. The vision was that VCF would serve as the main contractor and would engage with other trusted community partners experienced in working with the population the Fund sought to serve. With the passage of the 2021 budget adjustment (H. 138), the initial deadline for registration of March 1, 2021 was extended until May 1, 2021. VCF, in collaboration with community-based organizations, continues to manage and administer the distribution of the fund to eligible Vermonters.

Administration of the fund included developing a minimally invasive and easy-to-understand application, designing and going live with an online registration portal, managing data flow and security, and extensive cross-tabulation between the involved community groups to confirm applicant eligibility and prevent double payment.

### Outreach and Communication

Outreach was a critical piece of advancing the program. Because the intended population for this program often does not receive messaging and announcements from the state, a network of community partners was assembled to assist with this communication in all corners of the state. The Agency is grateful for all of their work.

These partners included Migrant Justice; Champlain Valley Office of Economic Opportunity



(CVOEO); Association of Africans Living in Vermont (AALV); Capstone Community Actions; US Committee for Refugees and Immigrants – Vermont (USCRI-Vermont); Community Asylum Seekers Project; NOFA VT’s farmworkers team; UVM Extension’s farm workers health team; Vermont Legal Aid; Vermont Law School’s immigration clinic; and Addison Allies. VCF conducted further outreach to stakeholders including but not limited to organizers and activists within Vermont’s communities of color, Adult Education and Literacy Providers, Vermont Principals’ Association, Vermont Superintendents’ Association, Green Mountain United Way, Vermont Department of Agriculture, and home school liaisons/translators/interpreters for school districts in Vermont.

In addition to providing breadth of communication, the program also prioritized inclusive methods of communication by providing translation and interpretation services in Spanish, Nepali, Arabic, Chinese, French, Somali, Burmese, and Swahili. Further, the Fund operated an open phone line (available 8:00 a.m. – 12:00 midnight, seven days a week) for registrants to inquire about eligibility, status of the registration/distribution process, and to request translation/interpretation assistance.

Despite the huge effort of these entities, it is certain that there are still potentially eligible people in Vermont who remain unaware of the ESE fund or were unwilling to apply. This demonstrates that community outreach—especially for populations who may be Limited English Proficient or face other barriers to accessing services—must be conducted early, thoughtfully, and diligently in efforts like this in the future.

### Application Review Process

As part of the application review process, VCF and distribution organizations provided assistance to applicants to complete registration forms upon request, including in-person assistance (following state-issued guidance regarding gatherings amid COVID-19). This was an especially important accommodation for applicants who lack internet access, applicants who struggle with burdensome schedules, and others. Contract partners also made hundreds of follow-up phone calls to registrants whose responses made them automatically ineligible to ensure that registration forms were accurate and accessible, and that they did not have any questions and/or confusions related to eligibility criteria.

As of April 20, 2021, a total of 175 registrations have been cancelled by the distribution organizations following the review process. Reasons for cancellation include, but are not limited to, incorrect/erroneous information provided during the registration (such as mailing addresses or number of children), or knowledge of ineligibility during the review process. In the case of incorrect/erroneous information, applicants are asked to re-register for the funding.

### Direct Assistance and Services

In the course of this outreach effort, the contract partners also identified unmet service needs among program applicants that were not directly related to the ESE fund. Through independent fundraising, VCF secured additional funds for limited services and assistance from key entities around the state to meet some of these needs. These include:

- Free legal consultancy sessions with experts and trained team members from the Vermont Law School’s Immigration Clinic for individuals with legal questions related to their eligibility; and
- Referral to other resources, such as Vermont Legal Aid and Congressional offices, if

Vermonters contacting the program did not receive their federal stimulus for reasons other than their immigration status.

These service supplements only scratched the surface of what is needed by the community on an ongoing basis. Safe and affordable housing, employment protections, legal services for immigration cases, childcare, access to healthcare, and other services are critical to the protection and flourishing of some of Vermont's most vulnerable communities. While some of these service needs are shared by other populations, our experience with the ESE program illustrates that this part of our Vermont community has unique needs and that those needs take particular care to meet; services may need to be delivered through innovative community partnerships, for example.

### Payment Distribution

Payments to eligible recipients were sent or delivered in-person by the distribution organizations (Migrant Justice, CVOEO, and AALV). Payments were made either through paper checks, or through cash on an as-needed basis to protect those recipients who are unbanked or otherwise face challenges receiving paper checks. In such cases, multiple layers of verification and documentation were taken to ensure proper tracking of funds and prevent duplicate or erroneous payments.

### **CHALLENGES ENCOUNTERED**

All government programs experience some degree of challenges, especially those that are designed for emergency response. While the ESE fund saw its share of logistical and other hurdles, below are two of the more notable challenges experienced.

#### Administrative Fee

The Administration is grateful for the Legislature's agreement about the importance of this fund, and the shared desire to maximize payments directly to the community while minimizing administrative costs. The Legislature was wise to anticipate that this program would best be administered by a non-State entity. Still, the program proved more labor-intensive than anticipated, which resulted in higher than expected costs to administer.

The total administrative cost allocated for the design and execution of this program was \$50,000. (one percent of the total fund amount). The grants and contracts with community partner organizations (for services including outreach, application review, legal advice, etc.) and the project manager total approximately \$106,000 to date. These costs do not include VCF staff time related to state contracting, administrative oversight, grants and contract processing, and program support for navigation and review (currently estimated at \$27,500). These additional costs were absorbed by VCF to ensure the program's success, which VCF viewed as a mission-central moral imperative for it as an organization. However, future programs like this may not be able to count on a partner like VCF absorbing costs in the same manner.

#### Reaching all eligible Vermonters

One of the expectations of the ESE fund was that it would help the state gain a more accurate estimate of the size and distribution of its undocumented population, so that we can improve our service delivery and outreach efforts in the future. The number of approved beneficiaries does not reflect the initial estimate of up to 5,000 people, despite the intense and persistent outreach efforts

made by contract partners: VCF and collaborating partners used printed flyers, e-mails, social media posts, and individual phone calls to reach out to eligible Vermonters. Further, the organizations contacted various service providers (such as school staff, healthcare providers, local businesses, and immigration attorneys) across the state. However, trust-building between the undocumented community and local/state government will continue to be a long-term pursuit and there are still many immigrants living without any pre-existing relationships with social service providers. Therefore, we acknowledge that we were likely not able to reach all Vermonters eligible for this fund.

## **SUCSESSES ACHIEVED**

The ESE fund accomplished several of its goals: It provided a lifeline for over 2,000 Vermonters – including over 1,000 children – who were excluded from federal assistance, which serves the Administration’s overarching goal of protecting the most vulnerable. It also served as an example of extensive collaboration with community organizations, which is critical to the state’s relationship-building goals. The fund also brought heightened awareness to the important role that immigrants hold in our communities and economy. Finally, the fund served as a model nationally—Vermont was the first state to implement such a fund at this scale, and we did so using a model that minimized bureaucracy for recipients.

The ESE fund also provided useful insights for leaders. We gained deeper understanding of which outreach methods are most effective for the intended population, how to balance thorough government process with security and privacy, and how to resource programs so they can be effective and sustainable. After the ESE fund was underway, a subsequent federal aid package modified the eligibility of the previous CARES Act stimulus payments to make certain residents retroactively eligible. We believe that Vermont’s example, coupled with advocacy from numerous states, demonstrated to Congress that excluding people from pandemic recovery due to immigration status was unjust, and did not set the stage for equitable recovery. The State of Vermont should be proud to have set this example, both statewide and nationally.

Individual applicants and recipients also expressed deep appreciation for the program. Below are some paraphrased comments from program applicants.

- This will help me pay for my daughter’s medical bills.
- I lost my job during COVID-19 and my rent is due. I will use this money to pay my rent.
- The funds will help me pay for my lawyer to get legal status.
- My kids need a computer for school. This fund will help me provide one for them.

## **CONCLUSION**

As the Economic Stimulus Equity Fund program comes to a close, we hope to take what we have learned about (and from) the community to develop and update programs that will serve their needs. The pandemic will have long-lasting effects for all people in Vermont, particularly the most vulnerable, and we acknowledge that the ESE Fund is one of many actions the state must take to ensure an equitable long-term recovery.

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