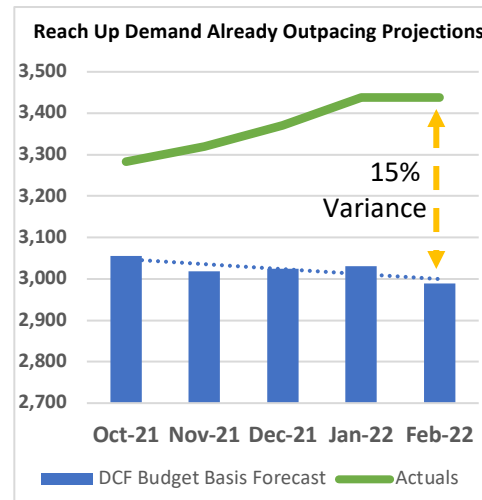


Reach Up: FY23 Request

The Reach Up budget is not adequately funded for FY23, based on likely caseload increases and the needs of families who won't be able to make ends meet.

Caseload Projection Problems

- The governor's FY23 Budget is \$4.6 million lower than FY22, based on the assumption that pandemic relief measures would continue.
- Most pandemic supports either have ended, or are about to end. Actual caseloads are already exceeding the low-end projection DCF used for their budget by 15%, and the trend line suggests this gap will continue to grow.



Inadequate Benefit → Continuing the Cycle of Generational Poverty

- The budget that passed the House accepted the governor's recommendation, and fails to include a cost-of-living adjustment as the country faces the highest inflation in 40 years.
- The current Reach Up benefit is less than half of what DCF determined to be a subsistence income in 2019, before the recent spike in the cost of living.
- H.464 (currently under consideration in Senate Health & Welfare) makes important programmatic improvements to Reach Up by aligning the activities that count toward participation with the research on how to build family financial security. But if families' basic needs aren't met, they are forced to spend scarce time and resources resolving that immediate crisis, not taking steps toward a secure future.

Our Request: Align Reach Up with Basic Needs

1. Amend H.464 to automatically adjust the Reach Up benefit each year for inflation to align it with current cost of living.
2. Amend H.464 to establish a ratable reduction of 60% (from the 49.6% currently set by rule), a level that, when combined with other benefits like 3SquaresVT, LIHEAP and Lifeline, will provide nearly 100% of what DCF has determined to be a subsistence living standard. (This would align us with New Hampshire's TANF program).
3. Base caseload projections for the Reach Up budget on models that more accurately capture the economic condition of Vermont's most economically disadvantaged families.

The Reality of Reach Up: Porsche's Story

I have four children. Three live with me full-time and I pay child support for the oldest. I graduated from the Dental Assisting Program in Essex last June and went straight to work! My daughter started kindergarten at the end of August, and is in school from 8:05 am - 2:50 pm (she's released at 1:50 on Wednesdays). There are no afterschool programs available. This created a barrier that my employer could not accommodate and said I was breaking our contract of a full-time schedule. So I found a position where the office was desperate for a dental assistant due to an abrupt leave of absence of another assistant. Downfall – it was temporary.

I really started thinking about my future during the next two months of employment with this new office. How am I going to be successful? How can I financially support ALL of my children, even at a baseline standard? Some key factors to think about: four children. Two schools. Transportation. Bills. Single Mother. And not to forget - Covid, hot and heavy. Then, with no notice, my boss retires. I literally worked for the day and was handed a termination letter at the end of my shift, ten days before Christmas 2021.

I receive \$930 in Reach Up currently. I'm struggling to make it. My children are struggling to make it. In some ways I thank God for Covid. Once in a while I can find a way to get a \$20 gift card to get gas or groceries. The things that Reach Up says they will financially help or reimburse? I couldn't tell you how many times I have heard, "I have to take a look at my budget" and received no financial assistance. We live a very basic life in my home. At this point I do not know how to make it at all let alone in this demographic area. Moving to a lower cost area would financially be impossible at this point. Even being an extremely motivated and ambitious mother.