

Voices
for Vermont's Children



Respectfully submitted to Senate Health and Welfare

By Amy Rose, Policy Associate, Voices for Vermont's Children

April 13, 2023

Thank you for the opportunity to testify today. Some of my comments will mirror that from the budget testimony, please feel free to interrupt and guide me as I go.

There were two bills introduced in the House this year in an attempt to create structural changes to Reach Up. H.93 did not make the cross over deadline. H.93 would have created a new standard for determining the basic need stipend and the housing allowance for Reach Up (specifically the Consumer Price Index for all urban consumers and the U.S. Department of Housing and Urban Development's annual Fair Market Rents data). As you heard in the budget testimony, Reach Up does not use current year estimates to determine these important stipends. As a result, we are using 2019 estimates to calculate basic needs stipends and we have not increased our housing allowance since 2001. Automatic adjustments for inflation are an important part of the equation.

Voices is always [interested in context](#), we won't dive into the intersections of racial justice, economic justice, and reproductive justice today - but we would be remiss if we didn't name that the work you are doing today provides an opportunity to undue structures that hold families in poverty, H.94 has the potential to move us closer to equity. The changes you made in H.464/Act 133 last year are being celebrated on the national level. In addition, we are fortunate to work with a thriving Reach Up Coalition and to have an economic services division that has benefited from thoughtful, steady leadership. The path forward looks promising for Reach Up, and Voices fully supports H.94.

H.94 is a short and simple bill that has the potential to make a significant difference for children, youth, and families. Our state budget starts with the Governor, H.94 is an invitation and a commitment to partner with the administration to end the ratable reduction of Reach Up base grants and to fund the program at 100% of basic needs. We can change the deprivation level associated with deep poverty for children by providing adequate Reach Up grants and housing assistance.

DCF's basic needs budget is similar to the federal poverty threshold that is used to determine eligibility for many programs—similar in that it is unrealistically low. Cutting this bare minimum budget in half by applying a ratable reduction is unacceptable. [“Cash should be seen as care for families, which respects parents’ primary role in child rearing while enabling them to invest in children’s environments inside and outside the home.”](#) During the pandemic, there was a dramatic shift of resources towards families with children. As our federal [funding surge ends](#), we are left with a better understanding of how important cash is for children, youth and families. We know that the majority of Reach Up families will lose \$95/month beginning in April, due to the SNAP emergency allotment loss. Which makes your possible action on Reach Up timely.

What does this policy decision look like for children?

Our children’s health and well being are intimately tied to the health and well being of the adults in their lives and to the resources they have available to them, something that we have seen play out broadly in the context of this pandemic. When it comes to serving the needs of children, the pandemic has taught us an extraordinary amount about how and where we need to do better. While Vermont has stepped up its response for children and families, the pandemic has clearly exposed the cracks in our systems and helped us to understand how deep those cracks go. We have seen that a strong social safety net protects individual people from extreme hardship, and in doing so strengthens communities and Vermont as a whole. Perhaps most importantly, we have come to understand that our health and wellbeing as a community is intimately tied to that of the individuals that comprise it.

Vermont is in the position to create a structure that works for children, youth, and families. The state’s budget is complex and sophisticated. We choose to invest many of our TANF dollars in child care, EITC, and some in child welfare. This allows us to maximize our federal dollars, but requires us to use other funding mechanisms (general funds) to ensure that we are not asking the impossible of families most in need of cash assistance.

At a time when the higher end of our continuum of care is in crisis, it is important to zoom out. If we fail to shift towards stability, we can predict that about [half of the children who are on Reach Up today will receive benefits as adult participants](#). We know that persistent poverty is harmful to kids, and parenting in poverty creates a level of stress that is untenable. Adults often call child protective services when barriers to safe housing, adequate food, transportation to healthcare and more start showing up in children’s behaviors. While kids are not taken into state care due to poverty alone, we know that the symptoms of poverty create understandable concern and therefore, kids who are living in poverty are much more likely to come into state custody. We hear about kids being restrained in foster homes, switching placements at alarming rates, and quickly ending up without placement options. Voices is grateful that this committee has chosen to prioritize early opportunities for well being alongside the other difficult conversations that are necessary this session.

In addition, Voices has heard from mothers who are in an unsafe setting at home, but without a financial safety net, they are stuck deciding which terrible option is best for their kids. If they

leave and don't have the capacity to meet basic needs, they fear the court will grant custody to the unsafe parent. They also worry about the unknown dangers of emergency housing options. Having a safety net gives people space to make decisions that are in their children's best interest.

In times of crisis, we often speak of our belief in the resilience of children. But leaning on children's ability to endure the untenable should not be our primary strategy. Repetitive trauma is harmful. We need parents, neighbors, care givers, and early educators who can wrap children, youth, and families in support. We need to listen to children when they are showing signs of stress, and act decisively to reduce it. We need to allow them to express their full range of emotions and create an environment where healing is possible. When we assess the broader picture of our resilience as a state, we must include *everyone* in that picture – not just the most visible.

We have asked parents the obvious question “how do you make the Reach Up budget work?”. Most prioritize bills based on what utility might be turned off first. They forgo all “unnecessary” expenses, like eyeglasses. Those who have the privilege of credit, take on debt that takes decades to pay back. Poverty is expensive!

What does the ratable reduction look like for the community and provider networks?

You have heard that many of our systems are stretched thin. When we don't adequately fund Reach Up, the demand for other services rises. It creates a burden on the families (needing to know who to contact to meet each specific need, self identifying poverty repetitively, and filling out multiple applications) and it transfers the state's responsibility to under-resourced community organizations.

Some examples of the community resources that attempt to make up for this policy choice include: diaper banks, food pantries, principal funds at schools, Parent Child Center special funds, toy drives, coat drives, boot drives, car seat programs, and the list goes on...

How does the ratable reduction impact the Reach Up program?

The new engagement model established with last year's policy improvements will only work well if families have the financial resources to participate. The number of families participating in the Post-Secondary Education (PSE) Program has been [steadily decreasing over the last decade](#). We have heard from parents who are interested in PSE opportunities, but cannot make it work with their current family demands.

As a Committee, you have many opportunities in front of you. Voices would like to respectfully make a few recommendations:

- Pass H.94 and look for opportunities to sunset the ratable reduction ASAP. This will show a commitment to meeting the program's goals and statutory purpose. It will be critical to ensure that the report created is implemented with the urgency that it deserves.
- Recommend prioritizing funding Reach Up in the 2024 budget. In addition to the financial opportunities, the structural changes that can be made with new language within the budget should not be understated. Committing to using updated figures to determine cash assistance would set this program up for success.

I'd like to conclude by acknowledging our growing and thriving Reach Up Coalition and once again offer my gratitude for the work that you are doing to create a more equitable safety net for Vermont.