

To: Senator Lyons, Chair, Senate Health and Welfare Committee
From: Miranda A. Gray, Deputy Commissioner
Leslie Wisdom, Food & Nutrition Program Director
Date: March 21, 2024
Re: S.215 Restaurant Meals Program

Thank you for the opportunity to speak to your committee about S.215 on March 15. As requested, we are providing this memo as follow up.

The department does not support S.215 for a few different reasons. The sections of the bill creating a restaurant meals program are not needed because Vermont already has the authority to issue 3SquaresVT benefits as cash to households where all members are 65 or older and/or receive SSI (little to no income/resources and are disabled or blind). 3SquaresVT households are determined to be cash out when they apply and all household members meet these criteria or, households are converted to cash out automatically when they age in and meet the criteria. Currently, almost half (42%) of 3SquaresVT households receive their benefits as cash (16,697 households out of a total of 39,869).

Vermont pursued the cash-out option to help de-stigmatize and provide greater access to the program. Receiving these benefits as cash means that households can spend these benefits anywhere using their normal debit card or cash to make purchases. Because these benefits are issued as cash, cash out households can already use their benefits to purchase restaurant meals and hot/prepared foods. Please see [our memo dated February 5, 2024](#) to the committee with more information about Vermont's cash out program.

The department also does not support section 4 of the bill requiring a transition plan detailing the process and resources necessary to calculate a minimum benefit for 3SquaresVT at 30 percent of the USDA's moderate cost food plan. The 3SquaresVT benefit is calculated based on federal rules and requirements using the USDA's thrifty food plan. 3SquaresVT benefits are 100 percent federally funded. If the state elected to calculate a minimum benefit based on the moderate cost food plan, the difference between the federally funded benefit (based on the thrifty food plan) and the supplemental amount (based on the moderate cost food plan) would be funded with solely general fund dollars. The exact amount of general funds needed for the minimum benefit is not known as it would require analysis and data to calculate. However, it may be helpful to share that Vermont provides around \$13 million in federally funded 3SquaresVT benefits to households each month (around \$156 million annually). Funding a state-funded supplement to that amount would be some percentage of that total amount.



Testimony was provided by others about the cost of this state-funded supplement. The department would require time to retrieve and analyze data from its system to be able to estimate the cost of these state-funded supplemental benefits. If the state were to pursue a state-funded supplemental benefit, general fund dollars would also be required to modify/add on to the state's eligibility system, amend the contract with the state's electronic benefits card processing company, and to expand staff resources to make this change.