

BASIC NEEDS SHOULDN'T BE OUT OF REACH FOR VERMONT'S KIDS



"I receive \$930 in Reach Up currently. I'm struggling to make it. My children are struggling to make it...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." -Single mother of 4

Reach Up is Vermont's income assistance program for very low-income families with children, funded by a combination of the federal Temporary Aid to Needy Families (TANF) block grant and state funds. The powerful poverty fighting ability of Reach Up is undermined when families are kept in survival mode. **Current inadequate funding all but ensures children in the program experience deep poverty.** Vermont has the opportunity to meet the program's funding obligation and ensure families have the resources they require to meet their basic needs.

Reach Up consistently falls short in three important ways:

- There is **no automatic adjustment for inflation**, and current calculations for non housing essentials remain at 2019 levels.
- **The housing stipend is based on what families reported spending on housing more than 20 years ago (2001)**, rather than on an objective measure like current fair market rent.
- These inadequate benefits are then subjected to an adjustment called the *ratable reduction*, which essentially **cuts the benefit in half**.

Together, these policy choices translate into grants that provide around just **40%** of what the Department for Children and Families has determined is a **bare-bones budget**. Parents, especially those who do not have subsidized housing (the majority of Reach Up households), are left continually scrambling to fill in the gaps. Research has repeatedly shown that scarcity restricts the executive skills and emotional strength that is required to navigate the challenging path toward economic security while also raising children.

Reach Up Coalition

- CVOEO
- Disability Rights Vermont
- Hunger Free Vermont
- King Street Youth Center
- Planned Parenthood - PPNNE
- Prevent Child Abuse VT
- Public Assets Institute
- Root Social Justice Center
- Spectrum Youth and Family Services
- Vermont Children's Alliance
- Vermont Center for Crime Victim Services
- Vermont Commission on Women
- Vermont Early Childhood Advocacy Alliance
- Vermont Legal Aid
- Vermont Food Bank
- Vermont Low Income Advocacy Council
- Vermont Network Against Domestic and Sexual Violence
- Vermont Parent Child Center Network
- Voices for Vermont's Children



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voicesforvtkids.org/reachup

2024 Policy Goals



Use the Basic Needs Budget created by the Joint Fiscal Office as the basic needs standard for Reach Up. The Basic Needs Budget:

- Creates a common framework for basic needs across Vermont, rather than maintaining tiers for different populations.
- Is updated every two years via a collective process with a transparent, evidence-based methodology, with opportunities to weigh in through the Basic Needs Technical Advisory Committee.
- Eliminates the harmful effects of level funding. *Using a cost of housing figure from 2001 is in direct opposition to the goals of the program.*



Eliminate the “ratable reduction” as it currently exists. Ensure that the cumulative benefits a family receives assures their ability to meet their children’s minimum basic needs.

- Leverage fully refundable tax credits, 3SquaresVT, LIHEAP, and Lifeline alongside Reach Up to achieve the goal of getting families to an adequate standard of living. A Reach Up grant, combined with other benefits should get a family to the basic needs level.



What happens to children when we underfund Reach Up?

Poverty is expensive, unsafe, and a direct result of the policy choices we make as a state. These choices have immediate, compounding consequences on the lives of children.

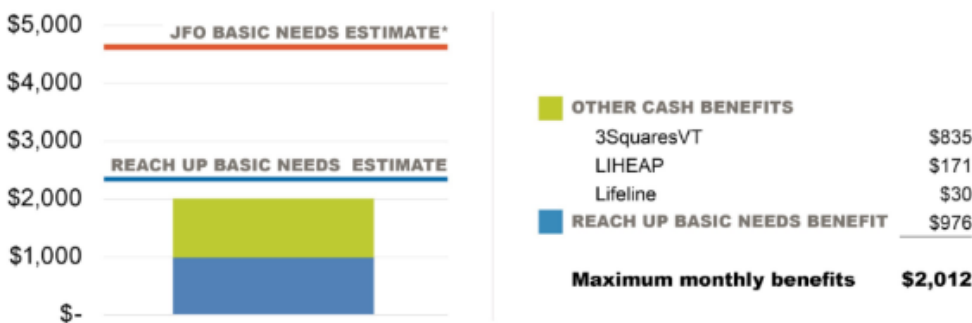
Inadequate income is linked to increased household stress and increased rates of domestic violence, and can undermine parent child relationships. Families juggle bills to avoid or postpone disconnection of utilities or eviction. They skip “unnecessary” expenses, like eyeglasses. Those who have the privilege of credit might take on debt that could restrict their financial health for decades, limiting future options for them and their children.

When we don’t adequately fund Reach Up, the demand for other services rises, creating a burden on families and transferring the state’s responsibility to under-resourced community organizations.

Adequately funded cash assistance programs empower people to make decisions that prioritize their own best interests and the health and safety of their children.

Even counting other benefits, Reach Up falls short

Maximum monthly benefits, Reach Up basic needs and Joint Fiscal Office basic needs estimate, family of four, 2022



*Excludes health care, child care, rental and life insurance, and savings