

## MEMORANDUM

**To:** Senate Committee on Health and Welfare

**From:** Sandi Hoffman, Commissioner, Department for Children and Families

**Date:** April 13, 2026

**Subject:** H.657 An act enabling unaccompanied homeless youth to obtain certain services without parental consent

Dear Senator Lyons and Member of the Senate Committee on Health and Welfare,

Thank you for the opportunity to provide feedback on H.657. We appreciate the legislature's demonstrated collaboration on this bill thus far and look forward to our continued work together. The Department would like to reiterate feedback provided to House Human Services on the portions of the bill related to DCF Family Services Division and provide additional feedback on the section related to the Reach Up asset limit, which will impact the fiscal and operational programmatic sustainability of the Reach Up program within Economic Service Division.

### **Removing Reach Up Asset Limit**

DCF does not support eliminating the current \$9,000 Reach Up asset limit due to fiscal and administrative concerns. Instead, it recommends maintaining the current limit while evaluating a phased increase that balances household flexibility with fiscal and operational sustainability.

Removing the asset limit would allow households with little or no current income—but potentially significant savings—to qualify for the program, including those experiencing temporary income gaps such as seasonal workers or teachers during summer months. As a result, eligibility and caseloads could increase significantly, creating potential for substantial increases in program costs and administrative demands in subsequent years.

Eliminating the asset limit entirely would expand eligibility beyond households with ongoing financial need to those experiencing short-term income interruptions, some of which may already be addressed through existing resources like unemployment insurance. This shift would likely increase program participation, resulting in higher costs, greater administrative workload, and additional staffing needs. An estimated increase of just 30–40 households would represent approximately one full caseload, requiring additional full-time staff capacity and creating additional budget pressures.





Increased Reach Up participation would also have secondary impacts across programs. Reach Up eligibility can automatically qualify families for child care financial assistance without copayments, creating additional fiscal and administrative pressure on the Child Development Division (CDD).

Reach Up already excludes several asset types when determining eligibility, including trust funds, retirement accounts, qualified education savings accounts, and certain tax credits. The program also provides flexibility by disregarding certain lump-sum income when used for essential expenses, such as the death or incapacitation of a wage earner, loss of housing due to fire or flood, replacement of major household items, education or training, and daily living expenses, as well as housing and child care costs. These provisions are intended to support families experiencing genuine financial hardship while maintaining program integrity.

As an alternative, the Department recommends exploring a phased increase to the asset limit that balances flexibility for families with fiscal and operational sustainability. The Department supports the goal of assisting Vermont's most financially vulnerable residents and requests additional time to fully assess the impacts of a policy change of this magnitude. A comprehensive analysis of existing resources, potential caseload, administrative, staffing, and budgetary impacts is needed, and the Department would welcome the opportunity to return to the Legislature with a detailed analysis of the potential need and possible impacts.

### **Social Security Benefits for Youth in Foster Care**

FSD is in support of moving away from applying a child/youth's social security benefits to the cost of their care while in custody. Currently, FSD uses approximately \$812K annually in social security benefits to pay directly for the cost of care for children/youth in custody. Funds are never pooled or used for other youth, and any unused benefits are returned to the caregiver or youth when they leave foster care.

There are two distinct types of Social Security benefits, each governed by different rules. Social Security Disability (SSI) benefits are need-based and depend on a child's qualifying condition and financial eligibility. Survivor benefits, by contrast, are based on a parent's work history due to disability or death and are not income-based, though they are subject to separate federal requirements.

In December 2025, the Administration for Children and Families issued suggested guidance specific to ending the use of Survivor benefits for youth in foster care; this guidance did not address SSI benefits. FSD is committed to addressing the federal suggested guidance while supporting the needs of youth in its care.





Because these benefit types operate under different rules, they require distinct administrative approaches. For example, ABLE accounts are designed for SSI beneficiaries and are not available for youth receiving Survivor benefits. As a result, a single uniform process is not feasible. FSD recommends that the bill provide flexibility in implementation to account for these differences, rather than prescribing a single approach.

FSD recognizes the importance of pursuing benefit applications and appeals where appropriate. At the same time, expanding application and appeal activities would require additional administrative resources, particularly given the ongoing responsibilities associated with benefit management, reporting, and federal audit requirements.

To achieve the bill's goals, FSD recommends an incremental implementation approach. For example, the Department has already analyzed the impact of conserving benefits for youth aged 17 and older to support them in their transition out of custody. Phasing in changes by gradually expanding to younger age groups—or through other structured approaches—would allow time to develop and refine procedures, ensure compliance with federal requirements, and manage budget impacts while making steady progress toward the intended policy outcome.

#### **Human Trafficking:**

FSD remains concerned about the vulnerability of the population this bill would serve if additional safeguards are not included. While FSD supports consistent human trafficking training for certifying entities, trafficking is a complex issue that requires instruction from credible, experienced, and evidence-informed trainers; without this, there is a risk of misinformation, missed warning signs, and inconsistent or ineffective responses to potential trafficking situations.

FSD recommends requiring all certifying entities to complete human trafficking training that is vetted and approved by the Human Trafficking Workgroup—a multidisciplinary team—every two years. FSD staff, in coordination with state partners, already provide training on an annual basis.

FSD also recommends requiring certifying entities to either provide human trafficking prevention education to designated youth or referring them to a qualified provider. This would help ensure youth understand the risks and warning signs of trafficking. In addition, FSD recommends that youth designated as unaccompanied and homeless receive a trafficking screening within two weeks of designation. Screening would not need to occur at intake or in the youth's presence, but certifying entities should have clear policies and procedures for identifying and responding to concerns, including mandated





reporting requirements. Existing 2024 Program Instructions from the Office of Trafficking in Persons could serve as a foundation for these protocols.

Finally, FSD recommends requiring verification that a youth designated as “unaccompanied and homeless” is not a minor who left home without parental consent, has not been reported missing to the National Center for Missing and Exploited Children, and is not listed in the FBI’s National Crime Information Center Missing Person File.

While these recommendations may add steps for certifying entities, they are intended to address the heightened risk of trafficking among this population and to ensure appropriate safeguards are in place to protect youth safety and well-being.

### **Transportation, Restraints, and Seclusion:**

This bill seeks to codify restrictions on the tools service providers use to maintain safe care environments. Many of the provisions reflect existing regulatory standards and align with the values guiding FSD’s work. FSD appreciates the committee’s efforts to address individually identified concerns throughout the bill.

While FSD supports the intent to ensure strong protection for youth in care, there are concerns that the bill’s current approach could have broader implications for the Department’s system of care. In particular, DCF is concerned that certain restrictions may affect its ability to maintain existing contracts or develop new agreements with transportation and residential service providers which could result in reduced availability of these services for youth in care. Because DCF holds contracts for certain programs and services utilized by the Department of Mental Health (DMH), these impacts will also extend to DMH’s youth system of care, potentially reducing availability of youth mental health services – particularly for out-of-state residential programs. DCF aims to keep children in state whenever possible and will increase efforts in that area. However, when there is a placement better suited to meet a young person’s needs DCF may opt to place out of state. DCF requests that the restrictions set forth only apply to in-state programs as there is no mechanism for enforcement and the requirement may limit availability for most appropriate placement.

### **Consent to Mental Health Services**

For acute treatment of mental health conditions, family or guardian involvement is vital for the success of youth with complex or acute mental health concerns who are accessing higher levels of care and is a required element for determining eligibility for residential treatment through DMH and for on-going utilization review. While these youth should be able to





access outpatient mental health and outpatient psychiatric services independently, best practices for higher levels of care include family or guardian involvement.

