

April 11, 2025

Respectfully submitted to the Senate Committee on Health and Welfare By: Amy Rose, Policy Director, Voices for Vermont's Children

The <u>Reach Up Coalition</u>'s primary goal is to ensure that the program fulfills its statutory purpose by bringing benefits to a level that meets basic needs. We could eliminate children's exposure to poverty by acting on the legislature's intent to remove the ratable reduction.

- Language ask require that the <u>Unfunded Budget Pressures</u> report be published along with the proposed budget going forward. Include an inflationary marker in the report. It is critical to know the state's obligations when drafting a budget.
- Language/Budget ask make it clear that all funds appropriated for Reach Up must be
 used to meet the statutory intent of the program. The state must protect the funding for
 Reach Up participants and distribute "caseload savings" to participants. This can be
 accomplished by 1) adjusting the ratable reduction or 2) putting the money in special
 funds or 3) extending the Reach Ahead Pilot.

33 V.S.A. § 1103 references benefit calculations and says "the amount of financial assistance . . . as far as funds are available, shall provide that person with a reasonable subsistence compatible with decency and health." Maximum benefit amounts are fixed by rule "to ensure that the expenditures for the programs shall not exceed appropriations for them."

Reach Up benefits are not meeting recipients' basic needs, so there should not be a budget reduction in the BAA until the statutory goals of the program are met.

- Budget ask: the <u>Reach Ahead Pilot</u> appears to be a <u>success</u>, but is scheduled to end in June. The original appropriation was a one time \$2 million stipend to cover the two year pilot. Make this "pilot" permanent, or at a minimum extend it. There has not been clear communication with the current participants about the pilot's end date.
- Budget ask: take steps towards eliminating the ratable reduction based on Act 49.

This could be accomplished by mandating that a fixed percentage of TANF funds be used to supplement the general fund allocation for this program. TANF's primary goal is economic security and we use roughly 6% of our federal TANF dollars for Reach Up.