



Make Reach Up Work for Families

April 2, 2026

Dear Chair Lyons and Chair Perchlik:

The undersigned organizations call upon the Legislature to act in support of Vermont's most economically disadvantaged children by passing a budget that increases Reach Up benefits for the first time in five years.

Every child in Vermont deserves food, housing, clothing and other resources essential for a dignified life. When economic and social conditions make it hard for parents to pay for their family's basic needs, income assistance programs like Reach Up protect kids from immediate harm and hardship. By ensuring that our social safety net is strong and resilient, we can support kids' well-being and make a lasting impact across their whole lives.

What's At Risk – Children and Their Future

Reach Up is meant to act as a safety net protecting children from harm. Instead, **the program has become a sink hole, with current benefits falling in the range of extreme poverty – providing just 40% of a basic needs budget.** Even combined with other benefits and earnings, family resources are below the federal poverty line. An enrolled parent working to overcome barriers to employment, with two children, receives just \$880 to cover basic needs, including a \$268 housing allowance.

Reach Up benefits are not automatically adjusted for inflation, and the last increase was five years ago. Since 2021, inflation totaling over 20% has slashed the value of Reach Up.

Families are dropping off of the program, and Reach Up dollars are not able to reach families in need. The Scott Administration has noted \$3.4 million in "savings" of caseload reductions. The caseload reductions reflected in the budget are in part driven by the frozen benefit level.

To make matters worse, when the grant doesn't keep up with the cost of living, even a small amount of earned income can bump families off the program, well before they achieve

economic security. The program is meant to lift families out of poverty, but the current funding structure fails to meet its legislative intent.

Unless the legislature acts, Reach Up's impact will continue to shrink - serving a smaller share of families in poverty each year, and meeting an ever smaller percentage of children's basic needs.

Take Action Now for Our Kids

We call upon the Legislature to make progress on the actionable plan to eliminate the Ratable Reduction outlined in [the Report submitted as part of enactment of Act 49](#), which was passed in 2023. At that time, the Department for Children and Families estimated the one year cost at \$6 million, including benefit increases and more eligible families. Unfortunately, neither the administration nor the legislature has moved forward with implementation of that plan.

Instead, once again citing decreasing cases, Governor Scott's Recommended FY27 Budget cuts \$3.4 million from Reach Up grants, a 12% reduction. Unfortunately, the House did not act to restore these cuts.

Disinvestment in our kids' wellbeing is a costly and harmful mistake, but we can turn it around by restoring the \$3.4 million that the House FY27 Budget cuts from Reach Up. This reinvestment could increase families' basic needs grants by an estimated 10% - not enough to catch up with several years of inflation, but enough to make a real difference in children's lives.

With the restored \$3.4 million, Reach Up could serve more families:

- **OPTION A:** Adjust the Ratable Reduction so that instead of getting less than half of a basic needs allocation, families would receive 55%. This would increase the max grant for a family of three by almost \$100/mo, or > 10%:
 - **From \$880 to \$977** in ChittCo
 - **From \$856 to \$949** rest of state
- **Option B:** Change the basis year for the basic needs budget calculation from 2019 (current) to 2024. This option works to keep up with increasing cost of living.
- **Option C:** Focus Reach Up investments on housing and expand Vermont Rental Subsidies for Reach Up eligible families.

Alternatively, these funds could focus on housing security for the estimated 150 families who are currently without safe, affordable housing. Like we did during COVID, Vermont

could establish a housing voucher for Reach Up recipients, supported by a specialized case manager to help families stay housed.

Now Is The Time To Act

Every year that passes without action on Reach Up is a missed opportunity to give every child a solid foundation for good health, safety, and wellbeing.

We all want every child in our communities to have a solid start and a strong future. At a time when the wealthiest 1% of Vermonters are pocketing an average tax cut of \$57,000, Vermont can afford to protect our youngest residents from hunger, homelessness, and deprivation. We just need the political will.

Please take action to reject the Reach Up reductions in the FY27 Budget.