

**Vermont Commission on Women
Meeting Minutes**

February 13, 2013

4th Floor Conference Room, Pavilion Office Building, Montpelier, VT

Commissioners present:

Marcia Merrill, Chair, Gretchen Bailey,
Eileen Boland, Carol Buchdahl, Charlotte
Dennett, Ruth Finn, Cathy Frey, Susie Hudson,
Marion Milne, and Shambulia Gadsden Sams.

Commissioners absent:

Laine Dunham, Jennie Gartner,
Dr. Felicia Kornbluh, Anne McClaghry,
Peg Martin, and Danielle Martel.

Advisors present: Sarah Kenney representing the Vermont Network Against Domestic and Sexual Violence, Kate Rader representing the League of Women Voters, and Rebekah Weber from Senator Leahy's office.

Guests: Doug Racine, Secretary of the Vermont Agency of Human Services; Christopher Curtis, Vermont Legal Aid; and Jack Hoffman, Public Assets Institute.

Staff: Cary Brown, Janet Bullard, and Lilly Talbert.

Presiding: Marcia Merrill

Recording: Janet Bullard

The meeting was called to order at 9:35 a.m.

1. Welcome/Introductions/Luncheon reactions

Carol congratulated Cary on the great job she did speaking at the Commission's legislative luncheon last month. Marcia was impressed with the number of legislators in attendance and the amount of time they spent at the luncheon. In summary, important connections were made between Commissioners and the Legislators.

2. Minutes of January 2013

MOTION made by Carol Buchdahl and seconded by Eileen Boland:

To approve the minutes as submitted

MOTION APPROVED

3. Legislative Update

Cary gave an update on various legislative bills, including: **H.100** Expanding the Commission on Women to include a member of the Progressive Party. The bill is currently in the House Government Operations Committee and will most likely not see any action.

H.99 Equal Pay – the bill is currently in the House General, Housing, & Military Services Committee, testimony has been taken, and the bill is being redrafted. The committee is hoping to vote it out soon. Commissioners agreed by consensus to continue working on this bill. **S.52** Child care providers – this bill is in the Senate Economic Development, Housing & General Affairs Committee. Cary distributed statements from Vermont Early Educators United in support of the bill and Vermonters for the Independence of Child Care Providers opposing the bill. **H.208** Absence from work for health care & safety (paid sick days) – the bill was just introduced.

4. Governor's proposals for child care subsidy increases; reduction to Earned Income Tax Credit; limits on Reach Up benefits

Cary introduced Doug Racine, Secretary of the Agency of Human Services, Christopher Curtis from Vermont Legal Aid, and Jack Hoffman from Public Assets Institute to speak about the proposed Child Care Subsidy increases, reduction to Earned Income Tax Credit and limits on Reach Up benefits.

Doug thanked the Commission for asking him to come and give an overview of the administration's plans regarding these issues. The childcare system has been chronically underfunded for years and the results show in various achievement tests and social indicators, this is a chance to do something about these issues. The childcare subsidy program reimburses at 2008 rates, now paying 42 cents on a dollar for child care. With additional funds in childcare subsidy, parents can start to see a light at the end of the tunnel. The Reach Up proposal time limits do not work without increasing the childcare subsidy so that single mothers can get into the workplace. The objection is the funding source for this proposal. We have an opportunity to make a significant change to benefit families. The Vermont Earned Income Tax Credit has grown tremendously over the years.

There are a number of folk who have been on Reach Up for a number of years, regardless of the time limits, and fall into one of the following three groups - many of whom cannot afford childcare, others that don't belong on Reach Up, but should be on other programs (maybe SSI, or substance abuse services or mental health services, etc.) and folks who need a push, need a deadline, an incentive to end their Reach Up benefits. Proposing to limit the number of years a person can continuously be on Reach Up. With proper supports the Reach Up caseload can be decreased.

Chris Curtis, staff attorney with Vermont Legal Aid, informed everyone that both Vermont Legal Aid and Public Assets Institute have concerns about the Earned Income Tax Credit (EITC) and Reach Up program. He then turned to Jack Hoffman from Public Assets Institute and asked him to speak about the EITC and then said he would speak about Reach Up.

Jack informed everyone that Public Assets Institute opposes funding the childcare subsidy program by cutting the state's EITC, but cited that they do support the expansion of the childcare subsidy. He reported that the important take-away from his presentation is that low-income working Vermonters are paying taxes even after the EITC is taken into account. The administration has characterized this refundable credit as a "cash benefit payment" – in effect, a transfer payment to these families from other Vermonters. In fact, the EITC works like any other tax credit or deduction to reduce the overall state and local tax liability of these families. In a study from the Center on Budget and Policy Priorities, you'll see the reason the federal EITC was created as a refundable credit was to offset other federal taxes, especially regressive taxes like the payroll tax. Similarly, the state EITC was made refundable to offset regressive state taxes, like the sales tax, the gasoline tax, and the property tax. The EITC is not a cash benefit paid by other Vermonters; it is not an appropriation by the Legislature; it is a tax expenditure: a partial refund of state and local taxes paid by low-income, working Vermonters. As with most tax expenditures, these taxpayers are getting some of their own money back. Reducing this tax expenditure is increasing taxes on those working Vermonters who are least able to tolerate an increase.

Chris explained the Administration's proposal to cut the Reach Up program. The cut is presented as a 36-month limit on Reach Up (or TANF) benefits. Thereafter, beneficiaries would

be terminated for a period of at least 12 months, after which eligibility would be restored. If that 12-month period is exhausted, beneficiaries would again have a 12-month disqualification period, followed by another 12-month period of eligibility. Vermont Legal Aid opposes budget cuts to the Reach Up Program and, specifically a 36-month cap on benefits. The Reach Up program is remarkably successful at helping low-income Vermont families move from public assistance to employment or educational advancement. Today, more than 1,700 families combine work with their Reach Up grant.

Reach Up recipients in Vermont are generally white (95%) between the ages of 20-29 (52%), overwhelmingly female (80%), single (62%), have at least 12 years of formal education (65%), and are receiving other benefits (primarily medical and food stamps, with some receiving housing and/or childcare subsidies). Most families are not on Reach up for long periods of time. More than half of Vermont's families that contain an adult receiving assistance do so for less than 12 months (53%). Only a small fraction of cases exhaust the federal TANF benefit (10%). According to the latest Reach Up report, less than 5% of Reach Up participants participate beyond 60 months. The vast majority of Reach Up participants have more than one barrier; the biggest barrier is transportation, not childcare.

MOTION made by Charlotte Dennett and seconded by Carol Buchdahl:

The Vermont Commission on Women strongly supports increased subsidies for child care and does not support paying from the Earned Income Tax Credit. We urge you to look for alternative funding. This resolution will be sent to Governor Shumlin, Secretary of Human Services Racine, and appropriate members of the Legislature.

MOTION APPROVED

5. Committee structure

Marcia explained that they are three standing committees and an unlimited number of ad hoc committees. Cary will send out an email listing the committees and ask for everyone to respond.

6. Announcements

Ruth reminded everyone about the upcoming Women's History Month event, "Women in Journalism" on Tuesday, March 26th, 2013 from noon -1:30 p.m. at the Snelling Room of the Vermont History Museum. This is a joint event put on by VCW and the Vermont Historical Society.

Marcia informed everyone that she has received a letter of resignation from Anne McClaughry. Marcia also announced that Danielle Martel from St. Albans has been appointed to fill Cary's commissioner term. There is one opening currently and will be appointed by the Senate Committee on Committees.

7. Adjournment

The meeting adjourned at 12:30 p.m.