



Vermont

TANF State Profile Summary 2025-2026

OVERVIEW

Reach Up Program (TANF)	Vermont	U.S. Average or Total
Annual (federal-only) block grant amount	\$47,196,916	\$16,488,600,000 (total)
% of TANF block grants spent on cash assistance, 2024	9.4%	21.8%
% families who participated in TANF per 100 families with children living in poverty, 2022-23	57.0%	20%
Total # families receiving TANF in 2025	1,567	848,631 (total)
% of cases designated "Child-Only" in 2025	57.6%	39.3%
"Unobligated balance" (or stockpiled amounts, which must be used for cash assistance or admin)		
TANF Funds "unobligated balance," as of 2024	\$0	\$7,986,470,560 (total)
"Unobligated balance" as share of total block grant amount	0%	49.5%
Change (+ or -) in "unobligated balance" from 2023	\$0	+\$241,306,628

VERMONT'S CASH ASSISTANCE (TANF) POLICY: REACH UP

HOW MUCH CASH ASSISTANCE CAN A FAMILY OF THREE RECEIVE?		
Flexibility	Current policy	Potential improvement
<p>Maximum benefit allowed</p> <p>What is the maximum monthly amount a family of three could receive in cash assistance?</p>	<p>\$856 (outside of Chittenden) or \$880 per month (within Chittenden), which is either 38% or 39% of the Federal Poverty Level (FPL).</p>	<p>Consider increasing the maximum benefit to support families with children during challenging periods.</p> <p>Example: Maine provides families with \$917/month.</p>
<p>Recurring benefit increases</p> <p>Has Vermont mandated increases to these amounts, as the costs of living increase?</p>	<p>No. The amount is periodically adjusted, but there is no regular, mandated increase.</p>	<p>Consider making recurring increases, tied to a cost-of-living or poverty measurement.</p> <p>Example: New Hampshire mandates annual cost-of-living updates so that the maximum benefit is 60% FPL.</p>

Flexibility	Current policy	Potential improvement
<p>Deductions for calculation of benefit amount</p> <p>Can parents deduct some earnings or expenses from their income when calculating the benefit amount?</p>	<p>Yes. They can deduct \$350/month, and then an additional 25% of remaining earnings in the calculation of their benefit amount.</p>	<p>The state could consider a larger deduction throughout the family’s access period and for a period after a family member gains employment.</p> <p>Example: Rhode Island allows an ongoing deduction \$525 and then 50% of remaining income. It also allows a deduction of 100% of earned income for up to six months after an adult family member first becomes employed while in the state’s works program.</p>

HOW ELSE DOES VERMONT DETERMINE THE GENEROSITY OF CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p>Time limit</p> <p>Does Vermont allow families to receive cash assistance up to the federal limit of 60 months?</p>	<p>Yes.</p>	<p>N/A</p>
<p>Transitional cash benefits for families who become ineligible after receiving cash assistance</p> <p>Will parents and caregivers who are newly ineligible for cash assistance receive additional cash support for a limited period?</p>	<p>Yes, parents can receive transitional benefits for up to six months after finding work, from the Reach Ahead program.</p>	<p>N/A</p>
<p>Providing one-time cash payments to families in with specific financial needs</p> <p>Does Vermont provide a formal diversion program to support families with specific short-term needs?</p>	<p>Yes. Diversion payments are available for families for a maximum of four months.</p>	<p>N/A</p>

Flexibility	Current policy	Potential improvement
<p>Eligibility for monthly assistance less than six months after a diversion payment</p> <p>Can families who receive diversionary payments apply for monthly assistance within six months afterward?</p>	<p>Yes. The state imposes no ineligibility period.</p>	<p>N/A</p>
<p>Providing assistance with housing</p> <p>Does the state provide housing vouchers with TANF funds?</p>	<p>Yes, additional payments for housing are available to families who apply for Personal Needs and Incidentals.</p>	<p>N/A</p>
<p>Providing assistance with diaper purchases</p> <p>Does Vermont provide assistance to families with diaper expenses using TANF funds?</p>	<p>No.</p>	<p>Providing assistance with diaper costs provides significant support for families with young children.</p> <p>Examples: Hawaii and Washington provide assistance with diapers for families with very young children.</p>

WHO IS ELIGIBLE FOR CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p>Maximum income</p> <p>How much can a family of three earn and still be considered for cash assistance eligibility?</p>	<p>After deductions for eligibility, the family's monthly income must not exceed the maximum benefit amounts: \$856 (outside of Chittenden) or \$880 per month (within Chittenden).</p>	<p>Consider increasing the gross income limit to provide potential eligibility to more families.</p> <p>Examples: Rhode Island's gross income limit is \$4,997/month.</p>

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Flexibility	Current policy	Potential improvement
<p>Deductions for assessment of benefit eligibility</p> <p>Can families deduct a portion of earnings or some expenses from their income to meet income eligibility requirements?</p>	<p>Yes. They may deduct \$250 and then 25% of remaining earned income.</p>	<p>Consider increasing disregards in order to provide support for more families.</p> <p>Example: In Maine, families can deduct \$108 for each employed member of the family, and then 50% of remaining earned income.</p>
<p>Asset limit</p> <p>How much can a family maintain in savings while still being eligible for cash assistance?</p>	<p>Families may retain up to \$9000, including liquid and non-liquid assets.</p>	<p>Consider increasing or eliminating the asset limit to support families' retention of savings.</p> <p>Example: Massachusetts has eliminated an asset limit for cash assistance.</p>
<p>Eligibility during pregnancy for parents without children</p> <p>Are pregnant people with no children in the household eligible for cash assistance?</p>	<p>Yes, as long as the pregnancy "due date" is within 30 days of the application.</p>	<p>Consider providing cash assistance earlier in pregnancy to support development and reduce parental stress.</p> <p>Examples: Connecticut and Massachusetts provide cash assistance in any trimester of pregnancy.</p>
<p>Provision of federal TANF cash assistance to immigrant families who are lawful permanent residents (LPRs) *after* five years' residence in US</p> <p>Can parents who hold green cards access cash assistance in Vermont once they have been in the country <i>for five years or longer</i>?</p>	<p>Yes.</p>	<p>N/A</p>

Flexibility	Current policy	Potential improvement
<p>Use of state funds to provide cash assistance to immigrant families who are lawful permanent residents (LPRs) with less than five years' residence in US</p> <p>Can parents who hold green cards access cash assistance in Vermont if they have been in the country for <i>less than five years</i>?</p>	<p>Yes, it is provided to families in some circumstances.</p>	<p>N/A</p>

HOW DOES VERMONT TREAT CHILD SUPPORT OWED TO A FAMILY APPLYING FOR AND RECEIVING CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p>Child support pass-through</p> <p>Does Vermont “pass through” a portion of the payments received by the state in child support for the family?</p>	<p>Yes.</p>	<p>N/A</p>

WHAT ARE VERMONT’S WORK REQUIREMENTS FOR CASH ASSISTANCE?

Flexibility	Current policy	Potential improvement
<p>Provision of cash assistance to out-of-work parents before they search for a job</p> <p>Does Vermont provide eligibility to parents without a search for employment?</p>	<p>Yes, there is no job search required.</p>	<p>N/A</p>
<p>Counting educational activities as “core” work requirements</p> <p>Does Vermont provide credit for all educational activities, including college, as “core” work activities for cash assistance?</p>	<p>The state transfers some families from Reach Up to the Postsecondary Education (PSE) Program, which provides cash assistance while supporting parents in obtaining their degree. For such cases, college is considered a core activity.</p>	<p>N/A</p>

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Flexibility	Current policy	Potential improvement
<p>Exemption for caregivers of infants</p> <p>Are parents or caregivers caring for a child under twelve months of age exempt from work requirements?</p>	<p>Yes, parents caring may be exempt until their child reaches 24 months.</p>	<p>N/A</p>
<p>Other exemptions from work requirements</p> <p>What are other conditions for exemptions from work requirements?</p>	<p>Those caring for an incapacitated individual and domestic violence survivors may also be exempt.</p>	<p>Consider adding other exemptions, including:</p> <ul style="list-style-type: none"> • Being a single parent and unable to find childcare for a child under six years old • Pregnancy if determined by a physician to be unable to work

WHICH RESTRICTIONS ON CASH ASSISTANCE HAS VERMONT EASED?

Flexibility	Current policy	Potential improvement
<p>Lifting full-family sanctions</p> <p>Are other family members able to continue receiving cash benefits if an adult does not meet work requirements?</p>	<p>Yes, the state will merely reduce the benefit for the family.</p>	<p>N/A</p>
<p>Lifting drug felony bans</p> <p>Are persons convicted of drug-related felonies eligible for cash assistance?</p>	<p>Yes.</p>	<p>N/A</p>
<p>Refraining from drug testing applicants or recipients</p> <p>Does Vermont refrain from enforcing drug testing of caregivers who are either receiving or applying for cash assistance?</p>	<p>Yes.</p>	<p>N/A</p>



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Flexibility	Current policy	Potential improvement
Lifting the family cap for a new birth Can families receive additional cash assistance if they have another child while receiving assistance?	Yes, Vermont never implemented a family cap.	N/A



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NOTES ON SOURCES:

TANF state profiles were compiled by extensive review of administrative guidelines including those published in state TANF manuals. Additionally, NCCP researchers referred to enacted state legislative resources.

NCCP gratefully acknowledges the of states' TANF-to-poverty ratios as developed and provided by the Center on Budget and Policy Priorities:

Center on Budget and Policy Priorities. (2025, April 11). *AFDC and TANF caseload and poverty data*. <https://www.cbpp.org/research/income-security/afdc-and-tanf-caseload-and-poverty-data>

We have drawn on the publication of federal data on states' TANF block grant spending, including financial data, spending allocations, and caseload information:

Office of Family Assistance. (2026, February 10). *TANF and MOE spending and transfers by activity, FY 2024*. Administration for Children and Families, U.S. Department of Health and Human Services. <https://acf.gov/ofa/data/tanf-and-moe-spending-and-transfers-activity-fy-2024>

Office of Family Assistance. (2025). *TANF caseload data 2025*. Administration for Children and Families, U.S. Department of Health and Human Services. <https://acf.gov/ofa/data/tanf-caseload-data-2025>