Suffolk County Legislature

WELFARE TO WORK COMMISSION
of the Suffolk County Legislature
c/o Clerk of the Legislature
725 Veterans Memorial Highway
Smithtown NY 11787
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December 17, 2012

To: Members of the Suffolk County Legislature:

The Welfare to Work Commission is pleased to present you with our report, "Struggling in Suburbia: Meeting the Challenges of Poverty in Suffolk County." Following release of U.S. Census data in the fall of 2011 that poverty has risen dramatically in the suburbs, the Commission held public hearings and focus groups in the spring and summer of this year to determine the extent of poverty in Suffolk County. Having heard from 102 government officials, academic experts, agency representatives and the public, the Commission found that 20% of Suffolk residents are poor, earning under $46,100 which is the actual poverty level for our high-cost region. Many are the so-called near poor or working poor who earn too much for government supportive programs and too little to make ends meet in a county where $75,000 is the base line for a family of four to pay for necessities..

The Commission's report:

- Identifies who are the poor, near-poor and new poor in Suffolk and tells their stories;
- Details the special sufferings of vulnerable populations who are poor such as people of color, children, senior citizens and people with physical and mental disabilities;
- Recommends a package of $15 million in County actions funded by modest increases in revenues.

Our Commission struggled with these recommendations. The meeting to adopt them lasted almost three hours and we had differences of opinion. Like you, we are uncomfortable asking for any revenue increases in these difficult times. But we also understand that not providing supportive services to near-poor people prolongs and exacerbates their suffering while costing the County more money in the long run.

During this Holiday Season, many Long Islanders have provided charitable contributions and volunteer efforts to alleviate the suffering of their poor neighbors. This year in the wake of Hurricane Sandy when just about all Long Islanders felt some of the vulnerabilities experienced daily by people in poverty, the plight of poor people is especially poignant. But after the Holidays, and after the Sandy repairs, poor residents of Suffolk County will continue to suffer the indignities and uncertainties that plague them throughout the year. This report contains specific recommendations to meet the challenges of poverty in Suffolk County.

We will hold a press conference in the lobby of the Hauppauge legislative auditorium on Thursday, December 20th, at 1:00 PM. Please let us know if you would like to speak by calling 631-499-6725 or e-mailing rkmicahli@gmail.com.

Yours truly for the Commission,

Richard Koubek *Kathy Liguori*

Richard Koubek, PhD, Chair Kathy Liguori, Vice Chair

COUNTY OF SUFFOLK

WELFARE TO WORK COMMISSION
of the Suffolk County Legislature

Struggling in Suburbia:
Meeting the Challenges of Poverty in Suffolk County

A Report to the Suffolk County Legislature
By the Welfare to Work Commission

Based on Public Hearings Conducted by the Commission
May 18th, May 22nd, June 1st, and August 13th, 2012

December, 2012

Acknowledgements

This report was prepared by the Poverty Hearings Committee of the Welfare to Work Commission of the Suffolk County Legislature: Don Friedman (Empire Justice Center) and Roland Hampson (Suffolk County Department of Social Services) Co-Chairs; Marjorie Acevedo, Office of the Suffolk County Legislature's Presiding Officer; Peggy Boyd (Family Service League); Gwen Branch (LI Council of Churches); Bridget DePasquale (Catholic Charities); Rob Greenberger (FEGS); Dr. Richard Koubek (Chair, Welfare to Work Commission); Ellen Krakow (Nassau/Suffolk Law Services); Kathy Liguori (Vice Chair, Welfare to Work Commission); Dr. Jeffrey Reynolds (LI Council on Alcoholism and Drug Dependence); Marcia Spector, (EOC of Suffolk); Michael Stoltz (Clubhouse of Suffolk). The report was drafted by Dr. Richard Koubek with the assistance of Don Friedman who wrote the section on the various definitions of poverty. The report was outlined, critiqued and edited by the Poverty Hearings Committee and then reviewed at the November 15th, 2012 meeting and reviewed again and adopted by the full Welfare to Work Commission on December, 14th, 2012. The Commission is grateful to those whose names appear in the Appendix below who participated in the hearings, focus groups and discussions that shaped this report. The Commission also wishes to thank the following people who assisted with the research, editing and publication of the report: Tim Laube, Clerk of the Suffolk County Legislature; Trudi Renwick, Chief, Poverty Statistics Branch, Social, Economic and Housing Statistics Division, US Census Bureau and Gail Vizzini, Director, Suffolk County Legislature's Budget Review Office.

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Executive Summary

Suffolk County is among the wealthiest suburbs in the United States. But this affluence masks the many thousands of Suffolk residents who are poor, struggling to make ends meet. The Federal Government's definition of poverty – $23,050 for a family of four – places only 6% of Suffolk residents at or below the Federal Poverty Level (FPL.) But the Commission's research revealed that the actual poverty level for Suffolk is 200% of the FPL or $46,100 in a county where $75,000 is the base line for a family of four to pay for basic necessities.. Using this measure, 20% of Suffolk households are poor.

Between May and October of 2012, the Welfare to Work Commission of the Suffolk County Legislature received testimony on what it means to be poor in Suffolk from 102 government officials, academic experts, agency representatives and the public during four hearings and two focus groups. Among the surprising facts about poverty in Suffolk County uncovered by the Commission's hearings were:

- The FPL is a woefully ineffective measure of poverty because it is not regionalized to account for high-cost-of living areas such as Long Island.
- Suburban poverty has increased at a faster rate than urban poverty in the past decade, with suburban poor and near-poor people largely invisible and isolated compared with the urban poor.
- Struggling near-poor working people, earning between 100% and 200% of the FPL (between $23,050 and $46,100 for a family of four) are ineligible for most government supportive programs because their incomes are too high.
- Since the Great Recession began in 2008, many Long Islanders are now considered the "new poor," having slipped from the middle class into poverty.
- Poor, near-poor and new poor people can be found in just about every Suffolk community.
- Poverty takes an especially heavy toll on people of color as well as on people with special needs and vulnerabilities, including children, senior citizens, and people with mental and physical disabilities.

The Commission heard over 20 hours of testimony from and about working-poor people who are left largely on their own, or who must turn to private charities for help, because rigid program regulations cut them off from government assistance if they earn more than the FPL. These rigid policies force some Suffolk residents on to welfare, discourage others from working and create numerous barriers to self-sufficiency. These barriers include the lack of health care, transportation, child care, affordable housing and education or training programs geared toward Suffolk's economy. Facing these obstacles, members of what one researcher described as America's "Missing Class" find themselves and their children permanently tracked for lives of low-wage jobs and chronic economic insecurities that take a serious toll on them and the larger Suffolk community and economy.

The stories of these struggling Suffolk residents – many of them our neighbors – are moving and disturbing; they challenge us to listen and to act. As a *New York Times* editorial written in response to the Commission's hearings stated, solving the problem of poverty in Suffolk "must begin with an admission that suburban officials and residents are reluctant to make: Poverty is growing, and it is not going away."

The Commission found that too many federal, State and County programs to help struggling Suffolk residents are underfunded or are the first to have their funding cut or are wrapped in strangling regulations that discourage people from applying or deny them access to these supportive services. While the Commission heard poor people speak of their desire to work and their shame at being poor and needing help, many of these government regulations are predicated on the simplistic belief that poverty is rooted solely in laziness and other negative behaviors. Yet, the Commission heard from numerous experts who described systems and structures – such as Long Island's racially-segregated school systems – that create and perpetuate poverty in Suffolk County and that transcend personal behaviors.

Understanding that Suffolk County Government is itself boxed in by these rigid federal and State regulations, unfunded mandates and underfunded programs, the Commission nevertheless believes that the County can take action to provide needed supports to Suffolk's "Missing Class." The Commission commends the important role that private charities play in providing these services, but recognizes that the County does not always sufficiently fund these private agencies for the services they provide poor and vulnerable people. The Commission also recognizes that at this time when the County is struggling with a serious budget deficit, new funding streams must be found. The Commission therefore supports the legislative Budget Review Office's (BRO) 2012 call for a ¼ cent sales tax increase in 2014 and, in light of the BRO's criticism of the County's overreliance on the sales tax as well as the fact that the General Fund tax has not been increased in nine years, the Commission also recommends that the General Fund tax be increased to the 2% State cap in 2014.

Both of these modest tax increases will yield $71 million in new County revenues. The Commission recommends that 21% or $15 million of these new revenues be dedicated to programs that address the unique qualities of poverty in Suffolk County. Among the Commission's recommendations are:

- Restore Department of Social Services (DSS) and Department of Health (DOH) staffing to 2011 levels so that these departments can adequately provide for the dramatic increases in demand for their services that began with the Great Recession in 2008.
- Continue the partnership with nonprofit contract agencies but provide them with sufficient funds in their contracts to meet the demand for their services.
- Prioritize education and training for college and STEM (science, technology, engineering and math) training programs to prepare DSS and Department of Labor (DOL) clients for skilled jobs that pay family-sustaining wages.
- Work with DOL contract agencies to ensure that education and training programs meet the special needs of persons with disabilities.
- Add $2 million in County funding for subsidized child care for working-poor families and continue advocating with the State for a restoration of child-care funding cuts and a change in the State's inadequate funding formula.
- Create a County child-care task force to coordinate child-care services with the economic-development plans of the County.
- Extend bus service beyond 8PM and provide Sunday service.
- Oversee County Industrial Development Agency (IDA) grants to ensure that recipients are creating local jobs that pay family-sustaining wages.
- Provide the Suffolk Human Rights Commission with a full-time attorney to ensure enforcement of fair-housing laws.
- Continue County policies to support safe and effective sober homes and to expand the stock of affordable housing.

A significant number of the report's recommendations will require no additional County funds but rather legislative oversight to see that these program goals are being met. *The Commission will take up these recommendations as its 2013 priorities, assisting the Legislature in overseeing their implementation.* The Commission knows that any legislative call for a tax increase will be politically unpopular. However, the Commission also believes that the County will accrue long-term benefits from helping to lift one fifth or more of its population from economic insecurity to more economic self-sufficiency. Among these benefits will be a more skilled and productive workforce, additional tax revenues as well as reductions in the social costs of poverty such as the need for public assistance, chronic health conditions and other problems. Poverty diminishes all the residents of Suffolk; reducing poverty enhances the broader Suffolk community.

Introduction: Missing People…Missing Policies

On November 5th, 2012, just one week after Hurricane Sandy devastated Long Island, members of the Welfare to Work Commission attended a pre-scheduled meeting to assess what the Suffolk Legislature could do to address poverty in Suffolk. Before the meeting began, people shared stories about how the hurricane affected them. One Commission member described how vulnerable he felt during and after the storm, adding, "Imagine poor people who feel vulnerable all the time." This report is their story.

A little over a year ago, *The New York Times* headlined a front page story, "Older, Suburban and Struggling, 'Near Poor' Startle the Census." [1] In this report, *The Times* cited new Census data using a new poverty measure that revealed 51 million "near-poor" Americans. Perhaps, for Suffolk County policymakers, the most striking statement in *The Times* report about these near-poor people is how much they shatter stereotypes about suburban affluence and poverty:

> "Demographically, they look more like 'the Brady Bunch' than 'the Wire'…. Half live in households headed by married couples; 49 percent live in the suburbs. Nearly half are non-Hispanic white, 18 percent are black and 26 percent are Latino. Perhaps the most surprising finding is that 28 percent work full-time, year round."[2]

Soon after the new Census data were released, the Welfare to Work Commission voted to hold public hearings titled, "Struggling in Suburbia: Meeting the Challenges of Poverty in Suffolk County." At the November 18th, 2011 meeting, the Commission decided that these hearings would be useful in shedding light on the nature and extent of poverty in Suffolk County as well as exploring policies that address the needs of poor people in Suffolk.

Additionally, the Commission minutes note, the hearings were deemed necessary because of what was anticipated to be a "likely eclipsing of the poverty issue in the 2012 presidential election campaign." This "eclipsing" did, in fact, occur with poverty rarely if at all mentioned by either political party. This missing class of Americans and missing policy issue were graphically illustrated during the October 2nd, 2012 first Presidential debate when the 90 minute exchange between the candidates contained only seven references to "poverty" or "poor people," all by Governor Mitt Romney who used these terms to attack what he called the Obama Administration's failed economic policies. The other two debates were no different.

The reluctance of policy makers at all levels of government to address the needs of poor people was driven home during the June 1st Welfare to Work poverty hearing in Riverhead. Legislator DuWayne Gregory, Chair of the Human Services Committee, sat with the Commission at this, and earlier hearings, but excused himself to briefly attend a County memorial service. Upon his return he reported, with sadness, that he had asked one of his legislative colleagues at the service

[1] DeParle, Jason, Robert Gebeloff and Sabrina Tavernise, "Older, Suburban and Struggling, 'Near Poor' Startle the Census," *The New York Times,* November 19, 2011.
[2] Ibid.

to join him for the Suffolk County poverty hearing. His colleague replied, "Why would I do that? We don't have any money."[3]

The legislator's comment goes to the heart of this report. Long Island is one of the wealthiest suburbs in the United States. It also has one of the highest property tax rates in the nation. With a three-year Suffolk deficit projected to be about half a billion dollars, Suffolk County legislators have to make tough choices about how to spend taxpayers' money. The Commission fully understands that Suffolk County legislators are caught in a perpetual bind having to choose - among scarce resources - which County policies will be prioritized and funded.

With poor people having little visibility at the federal and State levels of government, with programs to support poor people constantly on the chopping block in Washington and Albany, and with the widespread belief that Long Island has little poverty compared with the rest of the nation, it is not surprising that government programs to help poor people can slip out of sight. It should be noted that all of the State assembly members and senators as well as the two U.S. senators and three members of Congress who represent Suffolk County were invited to speak at the Commission's poverty hearings. None did; nor did they send representatives.

As Professor Sarah Eichberg, Director of Community Research at Adelphi University's Vital Signs Project, stated in her May 22nd testimony before the Welfare to Work Commission's poverty hearing, poor people in the suburbs "tend to be …invisible, … isolated… and less concentrated."[4] It was for these very reasons that the Commission had voted in November, 2011 to hold public hearings on Suffolk poverty with the goals of:

1. Documenting the number of Suffolk residents who are poor or near poor;
2. Telling the stories of people living near or below the poverty line;
3. Assessing appropriate definitions of poverty for Long Island;
4. Analyzing public polices at the federal, State and especially at the County levels of government that serve and support poor people in Suffolk County.

The hearings were held in the Suffolk legislative auditoriums on May 18th and 22nd in Hauppauge and June 21st in Riverhead. Over 15 hours of formal hearing testimony were received from 42 witnesses including government officials, human-services agency representatives , academic experts as well as members of the public. An additional hearing was held for young people on August 13th as well as 2 subsequent focus groups. Over 100 people testified in all. A full listing of those who provided testimony can be found in the Appendix. Audiotapes of the hearings are posted on the Welfare to Work Commission's page of the Suffolk County Legislature's website: http://legis.suffolkcountyny.gov/clerk/cmeet/wwc/wwc12.html. Testimony from the hearings and focus groups, as well as additional research, were used to compile this report on poverty in Suffolk County which the Commission believes is *the first such comprehensive report on Long Island poverty to have been written*.

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[3] Gregory, Legislator DuWayne. Suffolk County Legislator. Statement at the June 1st Welfare to Work Commission hearing on poverty.

[4] Eichberg, Sarah, Vital Signs Project, Director of Community Research, Adelphi University. Testimony at the May 22nd, 2012 Welfare to Work Commission poverty hearing.

The Surprising Number of "Poor" People in Suffolk County

$75,000: Suffolk's Base Line

The federal government's definition of poverty, informally known as the Federal Poverty Level (FPL,) is based on the size of the family and is the same for every state except Alaska and Hawaii.[5] The 2012 FPL for a family of four, for example, is $23,050 in Suffolk New York and Suffolk Virginia. The FPL does not take into account local costs of living, which, on Long Island, are among the nation's highest.

In her May 18th poverty hearing testimony, Long Island Association Chief Economist Pearl Kamer stated that The Economic Policy Institute, a Washington DC think tank, concluded that, for a family of four, an annual income of $71,913 was needed to cover basic necessities on Long Island in 2009. Adjusted to inflation, that income is now $75,000.[6]

Dr. Kramer's $75,000 was lower than the $86,245 offered by Professor Diana Pearce whose "Self Sufficiency Standard for New York State 2010" calculated the actual Suffolk County costs of housing, child care, food, transportation and other basic expenses for a family of four (two adults, a pre-school and school age child) less various credits such as the Child Tax Credit. The Pearce study examined the costs for ten different family structures (adult and infant or adult and preschooler, etc.) and found the Suffolk range of basic incomes to be from $36,522 (single adult) to $115,665 (adult, infant, preschooler and teenager) depending on the size of the family.[7]

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[5] A brief discussion of definitions is warranted here. This report refers frequently to the "Federal Poverty Level" or FPL. This term is used because it is the most commonly used and recognizable expression of the Federal Government's measure of poverty. However, this is actually an informal term that blurs the differences between two distinct official poverty measures used by the Federal Government. The Census Bureau has developed and uses the term "poverty thresholds," a weighted average used primarily for statistical purposes. The Department of Health and Human Services (HHS) annually releases the "poverty guidelines," a somewhat simplified measure often used to determine eligibility for various federal benefits. The two measures are often fairly similar, but do vary considerably at times. To complicate things further, as is discussed in some depth in the section of this report titled "The Federal Poverty Level: A Critique with Alternative Measures," the Census Bureau has developed an alternative, the "Supplemental Poverty Measure," whose levels are somewhat higher than the measures currently in use, and which represents an effort to more accurately describe and determine the extent of poverty in the United States. When the term "Federal Poverty Level" or FPL is used in this report, it is generally referring to HHS's poverty guidelines. It will be made clear when reference is made to one of the other poverty measures.

[6] Kamer, Pearl, PhD, Chief Economist, Long Island Association. Testimony at the May 18th , 2012 Welfare to Work Commission poverty hearing.

[7] Pearce, Diana, PhD, "The Self Sufficiency Standard for New York State 2010" prepared for the New York State Self- Sufficiency Committee, 2010. P. 84

Here is the basic Suffolk family budget presented by Dr. Kamer[8]:

Basic Monthly Budget for a Family of Four in Nassau-Suffolk, 2009

Item	Cost
Housing	$1,529
Food	643
Child Care	1,372
Transportation	447
Health Care	547
Other Necessities	522
Taxes	932
Monthly Total	**5,993**
Annual Total	**$71,913**

Source: Economic Policy Institute

In 2010, Dr. Kamer reported, 409,063 Long Island households had incomes below $75,000. Applying the average household size in Nassau and Suffolk, 537,973 Nassau residents and 662,411 Suffolk residents – a total of 1.2 million – lived in households with incomes below $75,000.[9]

Thus, the base line to make ends meet in Suffolk County is at least $75,000 for a family of four, even more depending on the makeup of the family such as the presence of pre-school children whose expensive pre-K child-care costs need to be factored into the budget. Any analysis of Suffolk County poverty must take into account the high costs that families have to pay in Suffolk for basic needs such as housing, food or transportation.

How Much Poverty is There in Suffolk?

The phrase "Suffolk County poverty" seems an oxymoron. With a median family income near $100,000 for a family of four, and an official Federal Poverty Level (FPL) of only 6% compared with 15% nation-wide, Suffolk County can sometimes be mistaken for Garrison Keillor's Lake Wobegone "where all the women are strong, all the men are good-looking, and all the children are above average."

The 2011 U.S. Census Bureau's American Community Survey reported a Suffolk median family income of $96,177 compared with the national family median income of $50,054.[10] But Long Island's affluence is misleading. Hidden in this positive statistic is the grim fact that 20.5% of

[8] Kamer, Op. Cit.
[9] Ibid.

[10] U.S. Census Bureau *American Fact Finder* S1701, "Poverty Status in the Past 12 Months - Suffolk County, New York 2011." and Tavernise, Sabrina, "U.S. Income Gap Rose, Sign of Uneven Recovery," *The New York Times*, September 12, 2012.

Suffolk families earn under $50,000 a year, which is close to the "true poverty level" for Suffolk County.

As Professor Sarah Eichberg, reported in her testimony at the May 22nd Commission hearing, "It is extremely important to note that for a place like Suffolk, with a very high cost of living, incomes above 200% of the [federal] poverty level [i.e., $46,100 for a family of four] are often simply not enough to make ends meet.[11] Using this definition of poverty as 200% of the Federal Poverty Level, *one in five Suffolk families actually lives in poverty*.

The Growth of Suburban Poverty: An Alarm Bell for Suffolk

U.S. Census data showing the growth of suburban poverty prompted the Commission to invite Trudi Renwick, Chief, Poverty Statistics Branch, Social, Economic and Housing Statistics Division, U.S. Census Bureau, to keynote the first Commission poverty hearing on May 18th. Nationally, Ms. Renwick reported, the Census found that between 2000-2010, the number of people living at the Federal Poverty Level (FPL) increased by 66.2% in the suburbs compared with an increase of 46.8% in principal cities.[12] While there are still more people at or below the FPL in the cities, the rise in suburban poverty over the past decade has been dramatic.

According to the U.S. Census Bureau, 6.2% of Suffolk County residents were living in poverty in 2010. While the Census Bureau does not have an official definition of "near poor," if people with incomes between 100% and 125% of FPL were counted as poor, there would be an 8% federal poverty rate in Suffolk County.[13]

But even this adjustment does not account for the many thousands of people earning between 125% and 200% of the FPL which, as noted above, is considered by some academic experts to be the "true" poverty level for Suffolk. *Counting all those earning between 100% and 200% of FPL would raise the "official" federal poverty rate in Suffolk County to almost 20%.*

Poor people can be found in almost every Suffolk community. They tend to be highly concentrated in certain communities - particularly in communities containing a majority of African American and Hispanic residents - because of racial and class housing segregation patterns that will be discussed in more detail below. Legislators, policy makers and the general public already know the names of the communities that have concentrations of poor people living at or below the FPL such as Brentwood (7%), Huntington Station (9%) or Central Islip (almost 9%) but many will be surprised to find poor people living in affluent communities such as Commack (2%) which has a median household income of $107,512 or Hauppauge (4%) with a median household income of $101,213, or Dix Hills (1%) with a median household income of $146,317.[14]

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[11] Eichberg, Op. Cit.

[12] Renwick, Trudi, Chief, Poverty Statistics Branch, Social, Economic and Housing Statistics Division, U.S. Census Bureau. Testimony at the May 18th, 2012 Welfare to Work Commission poverty hearing and U.S. Census Bureau *American Fact Finder* S1703, "Selected Characteristics of People at Specified Levels of Poverty in the Past 12 Months – Suffolk County, New York, 2011."

[13] Ibid.

[14] Ibid. and U.S. Census *Quick Facts*, 2006-2007.

Using the federal government's FPL, 91,000 people in Suffolk were "officially" poor in 2010. That number rose to 94,000 in 2011. In 2010, about 40,000 Suffolk residents live below 50% of the FPL ($11,525 for a family of four) and are characterized as living in "deep poverty." Residents with incomes between 100% and 125% of the FPL increased by more than 4,000 people or 44% between 2000-2010 while those earning between 100% and 200% of FPL increased by 40,000 or 29%. [15] These data should be an alarm bell for Suffolk legislators concerned about the economic well-being of Suffolk County.

Who is Poor in Suffolk?

U.S. Census 2010 demographic data for the 91,000 people in Suffolk who live at or below the FPL ($23,050 for a family of four in 2012) provide good insights as to who in Suffolk are among those officially defined as poor by the federal government:

- 8% (5,731 people) of working-aged adults in poverty worked full or part time, year round
- 36% (19,424 people) of poor adults age 25 or older have a high school diploma
- 37% (19,942 people) of poor adults age 25 and older have some college or an associate's degree or a bachelor's degree
- 42% (6,465 families) of poor families are female-headed households with children
- 27% (4,161 families) are married couples with children
- 16% (2,418 families) of poor families receive public assistance or SSI[16]
- 71% (63,994 people) in poverty are white; 12% (11,030 people) are black; 28% (25,255 people) are Hispanic[17]

These data challenge a number of stereotypes about people living in Suffolk County at or below the FPL. The vast majority are white rather than people of color. Perhaps most surprising, only 16% of families officially defined as poor by the federal government receive public assistance or SSI because, as Ms. Renwick noted in her testimony, eligibility levels for public assistance, which are primarily set by the federal and State regulations tend to be below the FPL. Some Suffolk residents living at or below the FPL had normal to high levels of education for the region: almost 36% had a high school diploma and another 37% had some college education or a college degree. And a significant number of families are married couples with children. Finally, almost 10% worked part or full time, leading Ms. Renwick to observe that *"work alone is not sufficient to keep one out of poverty."*[18]

The data also confirm poverty's heavy toll on certain populations. While many more of Suffolk's poor people are white, the percentage of whites who are poor is just 4% compared with almost three times that number of African Americans (12%) and seven times that number of Hispanics (28%) who are living at or below the FPL. Similarly for immigrants, 8% of native-born Suffolk residents compared with double that number of foreign-born immigrants or 16% live at less than

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[15] Renwick, Op. Cit.

[16] SSI, or Supplemental Security Income, is a federal benefit program, administered by the Social Security Administration, providing benefits to needy people who are aged, blind or disabled.

[17] Renwick, Ibid. and e-mail to Welfare to Work Commission Chair Richard Koubek, October 19, 2012 and U.S. Census Bureau *American Fact Finder* S1703, Op. Cit.

[18] Renwick, Ibid.

125% of FPL.[19] The special economic insecurities and burdens of these populations are examined below.

The Struggling Near Poor
U.S. Census data reveal that almost 178,000 Suffolk residents made up the near poor, having incomes between 100% and 200% of FPL (i.e., between $23,050 and $46,100 for a family of four in 2012.)[20] Specific U.S. Census demographic profiles (age, race, ethnicity, education, employment and family status) for Suffolk's near-poor population have not yet been released.

However, Americans living in this "Missing Class" were studied over a seven-year year period by a research team headed by Professor Katherine Newman of Princeton University. Their findings, published in 2007 just before the Great Recession, and referred to by Professor Sarah Eichberg during her testimony at the May 22nd poverty hearing, provide a moving portrait of near-poor people:

> "Their grit and determination are extraordinary…Near-poor Americans do work, usually in jobs the rest of us do not want – jobs with stagnant wages, no retirement funds, and inadequate health insurance, if they have it at all. While their wages stay the same, the cost of everything goes up…. Their incomes, households, and neighborhoods lack the solidity of an earlier generation's blue-collar, union-sheltered way of life. Missing Class families earn less money, have few savings to cushion themselves, and send their kids to schools that are underfunded and crowded…."[21]

Professor Newman captured the stress that near-poor families endure on a regular basis:

> "Near-poor parents are firmly attached to the world of work…They pay their taxes and struggle to keep afloat….Yet even as these men and women dutifully turn the wheels of the national economy, their devotion to work takes a toll on their family life, especially on their children, who spend long hours in substandard day care or raise themselves in their teen years."[22]

Very often these families, earning too much to qualify for supportive services such as Food Stamps yet not earning enough to pay their bills, have to make "Sophie's choices" each month such as, "Do we feed the kids or pay the rent?" The Island Harvest, Long Island Cares 2010 study of hunger on Long Island, for example, found that, of the 280,000 people who used food pantries or soup kitchens:

- 47% had to choose between paying for food and paying for utilities/heat.
- 49% had to choose between paying for food and paying their rent or mortgage.
- 36% had to choose between paying for food and paying for medicine or medical care.[23]

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[19] Ibid. and e-mail to Welfare to Work Commission Chair Richard Koubek from David Kallick with Fiscal Policy Institute analysis of 2011 American Community Studies data, October 17, 2012.
[20] Ibid. and U.S. Census Bureau *American Fact Finder*, S1701, Op. Cit.
[21] Newman, Katherine S. and Victor Tan Chen, "The Missing Class: Portraits of the Near Poor in America." Beacon Press, 2007. Pp. x, 3.
[22] Ibid., Pp. 4-5.
[23] Island Harvest and Long Island Cares, "Hunger in America 2010: The Local Report for Long Island…Executive Summary." February, 2011, P. 8.

Professor Newman's research revealed a Missing Class of near-poor or working-poor people who are locked in economic insecurity and whose children are tracked for similar lives. Even educational reforms like the "No Child Left Behind Act" work against them where, in their generally inferior schools, third graders "are now sweating high stakes tests every year…eight year olds wake up with stomach aches because they are afraid of being held back in school if they cannot pass these exams…[while indeed] the failure rates on statewide tests are high in their neighborhoods." [24]

Further, Newman observed, "Trapped in a renter's limbo, the Missing Class cannot feather its nest for retirement" against a home they own. And, writing on the eve of the home-mortgage meltdown that triggered the Great Recession in 2008, Newman observed, "Missing Class families are generally uneducated in the ways of credit, and credit card companies are all too happy to indulge them." Finally, her research revealed that "the kinds of jobs that sustain the near poor may not come with health insurance" or, if they are lucky enough to have medical insurance, it "often comes with very high deductibles'" that expose the Missing Class "to medicine of a middling quality" so that, in the end, "when it comes to health, the near poor and the real poor [i.e., officially designated poor] are hard to tell apart."[25]

The New Poor

Another category of poor people on Long Island and in Suffolk are the "new poor" - middle-class people who have slipped into poverty due to long-term unemployment since the Great Recession hit in 2008. While there are few statistics that identify the new poor, there is anecdotal evidence that they can be found in communities across Long Island. Ele Ruth Melendez, who testified at the May 18th hearing, is the director of St. Frances de Chantal Parish Outreach Center in Wantagh which provides emergency food, clothing and other services to people from Wantagh who cannot make ends meet. Wantagh, a largely white Long Island suburb, had an estimated median household income in 2009 of $107,037.[26] The fact that this parish outreach in this affluent middle-class community helps about 40 families a month with basic needs speaks volumes about the hidden poverty and the new poor on Long Island.

In her testimony, Ms. Melendez said:

> "We are not just seeing the single moms who are in an emergency situation. Now we are seeing educated people like lawyers and teachers. They don't qualify for DSS [Department of Social Services administered public assistance] because they have too many assets. Many are the unemployed who have come to the end of their 99 weeks of benefits. These are people who are tapping into their pension plans to pay their medical bills."[27]

In the fall of 2011, the East Hampton International Film Festival honored an HBO documentary titled, "Hard Times: Lost on Long Island." Starting in summer 2010, when many hoped an era of recovery would begin, and continuing through the holiday season six months later, this

[24] Newman, Op. Cit., P. 5
[25] Ibid., Pp. 6-8.
[26] www.city-data.com/city/Wantagh-New-York.html
[27] Melendez, Ele Ruth, Director of the St. Frances de Chantal Parish Outreach Center, Wantagh, Long Island. Testimony at the May 18th, 2012 Welfare to Work Commission poverty hearing.

documentary spotlights the challenges facing highly skilled, well-educated Long Islanders who lost their jobs. Public relations professional Anne Strauss who is featured in the film notes, "Being unemployed for two years is not just a financial loss. It's an emotional loss. It's a loss of friendships. People disappear. You can't socialize. It changes every facet of your life."[28]

"Hard Times: Lost on Long Island" was screened to a sold-out audience at the Cinema Arts Centre in Huntington on June 20th, 2012 and was aired by HBO in July, 2012. The families in the documentary movingly tell the story of Suffolk's new poor. The June 20th screening featured a panel that included several people in the film such as Ms. Melendez as well as these families:

- Nick Puccio, who grew up in Queens, and his wife Regina, who grew up in Brooklyn. Nick and Regina Puccio used to be donors at the St. Frances de Chantal outreach center in Wantagh. Now they are clients. They met at Merrill Lynch, where he spent the bulk of his Wall Street career. He was laid off from an asset-management firm owned by Lehman Brothers after Lehman's collapse and has been unemployed since. Facing foreclosure, Regina considered selling her engagement ring for cash and visits the St. Frances de Chantal food pantry. The Puccios testified at the May 18th poverty hearing where Mr. Puccio said, "My wife and I had the courage to go to Ele Melendez and her food pantry. If you have been self-sufficient your whole life, it's hard to get help."[29]
- Alan Fromm and his wife Susan, who grew up in Brooklyn, met at Brooklyn College and moved to Plainview, where they raised two children. He has a master's degree and spent his career in corporate education and training, but lost his job in summer 2009. No stranger to hardships, Alan was struck by lightning at age 15, had just started a new job as at the World Trade Center when it was first bombed and, most recently, was in the World Trade Center when it collapsed. At the time of filming, he had been out of work for more than a year and despaired for his family's future after falling behind on his mortgage. [30]

A Web of Definitions, Statistics and Regulations

Suffolk County Department of Social Services Commissioner Gregory Blass said, in his testimony at the May 18th Commission hearing, "The definition of 'poverty' is exceptionally complex, and trying to pinpoint its root causes is equally difficult."[31] Compounding this are the myriad of federal, State and County regulations for various programs that use measures of poverty to determine eligibility for the services offered to people who are "poor." Later in this report, the various definitions of poverty will be assessed. For now, this complex web of definitions, statistics and regulations can easily obscure the reality that behind each percentage point or number, and beneath each policy regulation, there is a real person or family struggling to make ends meet in one of this nation's most affluent and expensive suburbs. Their stories follow next.

[28] http://www.hbo.com/documentaries/hard-times-lost-on-long-island/index.html#/documentaries/hard-times-lost-on-long-island/synopsis.html

[29] Puccio, Nick. Testimony at the May 18th Welfare to Work Commission poverty hearing.

[30] http://www.hbo.com/documentaries/hard-times-lost-on-long-island/index.html#/documentaries/hard-times-lost-on-long-island/synopsis.html

[31] Blass, Gregory. Testimony at the May 18th, 2012 Welfare to Work Commission hearing on poverty.

The People Behind the Statistics

The Downward Spiral of the Working Poor
America's large middle class symbolizes the American Dream that hard work will lead to economic security and success. Undoubtedly, most of the 178,000 Suffolk residents who are near poor would describe themselves as middle class. However, since they belong to the lowest quadrant of wage earners, they have seen their incomes on a downward spiral over the past forty years at the same time that middle-class incomes have been gradually shrinking.

As Robert Reich, former U.S. Secretary of Labor, wrote in a *New York Times* Op/Ed, "Starting in the late 1970s, the middle class began to weaken. Although productivity began to grow and the economy continued to expand, wages began flattening…. [and] the typical household debt grew by a third."[32] *The New York Times* reported in 2011, "Median household income for the bottom tenth of the income spectrum fell 12 percent from the peak in 1999 …. Overall, median household income adjusted for inflation declined by 2.3 percent in 2010, from the previous year, to $49,445."[33] While Suffolk's median income is almost twice the national median and remained flat in 2011, Suffolk residents who are near poor have been stuck in low-wage jobs for decades and have seen their incomes shrink, despite holding two or three jobs to stay afloat.

"Down But Not Out"
In August, 2012, there were 64,700 unemployed people in Suffolk. Long Island's unemployment rate in September 2012 climbed from 7.1% in 2011 to 7.3%.[34] Unemployed, underemployed and poor Long Islanders were described as "down but not out" in the June 1st Welfare to Work Commission's poverty hearing testimony by Theresa Regnante, President and CEO of United Way, Long Island. The crushing burdens of Suffolk's poor and near-poor people are reflected in these stark statistical trends[35]:

- Between 2007-2011, Temporary Assistance recipients in Nassau and Suffolk County increased by 74%, while Temporary Assistance for New York State as a whole increased by 11%. Temporary Assistance is the basic public-assistance program administered by the Department of Social Services (DSS) under federal Temporary Assistance to Needy Families (TANF) regulations.
- Between 2007-2011, Food Stamp (now called SNAP) recipients in Nassau and Suffolk increased by 148%, while the overall level of recipients in New York State increased by 66%. By April of 2012, the number of Suffolk County Food Stamp cases reached 40,699,

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[32] Reich, Robert, "The Limping Middle Class," *The New York Times*, September 4, 2011.
[33] Tavernise, Sabrina, "Poverty Rate Soars to Highest Since 1993," *The New York Times*, September 14, 2011.
[34] Crowell, Michael, Senior Economist, New York State Department of Labor, e-mail to Welfare to Work Commission Chair Richard Koubek, October 19, 2012 and Masson-Draffner, Carrie, "LI Jobless Rate Climbs," *Newsday*, October 24, 2012.
[35] Regnante, Theresa, President and CEO, United Way of Long Island. Testimony at the June 1st, 2012 Welfare to Work hearing on poverty. Unless otherwise indicated, the data were provided by James Parrot, Deputy Director and Chief Economist of the New York State Fiscal Policy Institute.

up from 26,193 two years ago.[36] By October, 2012, Suffolk Food Stamp cases had risen to an average of 55,420.[37]

- Between 2007-2011, Medicaid enrollments increased by 56% in Suffolk County, while the overall level of enrollees in New York State increased by 20%. Almost 195,000 people in Suffolk were on Medicaid in 2012.[38]
- Suffolk County Department of Social Services emergency housing caseloads hit a 10 year peak in January 2012, with 488 families and 261 individuals living in shelters and motels.[39]

In addition, the nonprofit sector was providing extraordinary services to people unable to make ends meet. For example:

- 300,000 Long Islanders received help at local food pantries in 2011.[40]
- An estimated 316,800 people were served at Catholic parish outreach centers in Suffolk County in 2011.[41]
- Between January and May, 2012, the United Way's 2-1-1 "Long Island Information and Referral Helpline" had an average 2,000 calls, 60% of which were for basic needs such as heat, emergency food, shelter, possible eviction and utility or mortgage-payment assistance.[42]

The stories of these struggling Long Islanders enflesh Suffolk's poverty statistics. And their stories are compelling. One thing the Commission heard repeatedly from struggling Suffolk residents is how much the "system" seems to be rigged against them.

"I Feel Insignificant"

Wendy Miller is a white, middle-class Setauket resident who had been a "stay at home mom." She is 58 and, having divorced her husband after "22 years of his adultery," she returned to the world of work. She is a homeowner who is having trouble making her monthly mortgage payments but she can't get a bank-mortgage modification to lower the payments. In order to pay the mortgage, she has been tapping into her IRA. However, federal tax policies charge her a 10% penalty for cashing out the IRA at age 58. These charges cause her to fall further behind. "I can't break even" she told the Commission during her May 22nd testimony. "I feel insignificant." She called for a restructuring of IRA regulations so that the "penalties are not applied to" people who are struggling. "I am about to go to a food pantry" for the first time, Ms. Miller said as she concluded her testimony. Nick Puccio, the unemployed stock broker featured in the

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[36] "Struggling in the Suburbs," Editorial, *The New York Times,* July 7, 2012. [Note: This editorial was written as a response to the Welfare to Work Commission's poverty hearings.]

[37] Hampson, Roland, Suffolk County Department of Social Services, e-mail to Welfare to Work Commission Chair Richard Koubek, October 19, 2012.

[38] Ibid.

[39] Ibid.

[40] Dresner, Randi, President and CEO, Island Harvest. Testimony at the May 18th, 2012 Welfare to Work Commission hearing on poverty.

[41] *2011 Parish Social Ministry Report*, Catholic Charities, Diocese of Rockville Centre.

[42] Regnante, Op. Cit.

documentary, “Hard Times: Lost on Long Island,” also raised this issue of IRA penalties setting him further behind when he testified to the Commission on May 18th. [43]

“I Am the New Face of Poverty”
Kim Luisi was the part-time Director of Our Lady of the Assumption Parish Outreach Center in Copiague. During her testimony, she told several stories of how her outreach center helps struggling, working-poor families. The last story was of a “woman in her late 40s who lost her last full time job in 2009. She survived on unemployment for a while, still looking for work in her field which was publishing.” Ms. Luisi went on, “Today she has two jobs and earns less than when she was on unemployment. Her income puts her well above the poverty line for a single person. This person has no health insurance,” Ms. Luisi testified, “which was a problem a few months ago when there was a concern that she might have cancer.” Ms. Luisi concluded her testimony by asking: “Who is this woman? This woman is me. I am the new face of poverty.”[44]

“Living From Paycheck to Paycheck”
Theresa Regnante of United Way, Long Island, told the story of the Cavanaugh family when she testified at the June 1st, Commission hearing. Mr. Cavanugh is a 46 year old security manager with a wife and two children, ages 1 and 3. He earns $49,000 a year, just over 200% of the FPL income of $46,100 which is, as noted above, what the Commission and various scholars consider to be the true poverty level for Suffolk County. One fifth of his income is devoted to taxes, medical care and transportation, giving the Cavanaugh’s a disposable income of about $39,000 a year. Ms. Cavanaugh hoped to work after the birth of their second child, “but the cost of child care for their children was way more than his wife could make.” Three years ago, the Cavanaughs moved to Coram to care for his ailing parents. Eventually, the “family fell behind in their mortgage payments and sought assistance from Project Warmth,” a United Way program which provides emergency grants to prevent utility services from being terminated. “The Cavanaugh’s real problem,” Ms. Regnante concluded “was lack of sufficient income to meet their basic needs. Living from paycheck to paycheck remains their survival strategy.”[45]

“I’ll be Forced Back to Welfare”
Leigh Scozzari of Shirley is a single mother with twin daughters who are enrolled in a Tutor Time child-care center. In her May 22nd testimony to the Commission, she described how her mother had named her twin daughters as beneficiaries in the grandmother’s pension accounts. As a result, Ms. Scozzari was told by Suffolk County DSS that because federal and State regulations require them to count her mother’s pension as part of her assets, they would be forced to reduce her child-care subsidy so long as her daughter’s remained beneficiaries in their grandmother’s pension accounts. Eventually, this DSS decision was overturned in a fair hearing. But Ms. Scozzari concluded her testimony by saying, “If I lose this child care I’ll be forced back on to welfare. I went to school, got training.” If this child care “is taken away from me…I am back into poverty.”[46]

[43] Miller, Wendy. Testimony at the May 22nd, 2012 Welfare to Work Commission hearing on poverty. And Puccio, Op. Cit.
[44] Luisi, Kim. Testimony at the May 22nd, 2012 Welfare to Work Commission hearing on poverty.
[45] Regnante, Op. Cit.
[46] Scozzari, Leigh. Testimony at the May 22nd, 2012 Welfare to Work Commission hearing on poverty.

“How Can a Family of Four Live on $40,000?”

In the spring of 2012, due to child-care funding reductions by New York State which will be discussed below, Suffolk County DSS was forced to reduce the eligibility for subsidized child care from 185% of FPL ($42,645) to 150% of FPL ($34,575.) Renee Delgado of Bellport, is a working mother with two young children in child care. She earns $41,000 a year and thus, with the new DSS eligibility standard, she lost her subsidized child care because she earns too much to qualify. “How can a family of four live on $40,000?” Ms. Delgado asked when she testified at the May 22nd Commission hearing. “My paycheck goes to day care. I cannot come up with my medical or child-care co-pays.” Parents in Suffolk who receive subsidized child care are required to pay 30% of the child-care costs out of pocket. Ms. Delgado went on, “I can’t even afford to purchase food sometimes.” She stated proudly, “I have never been in public assistance.” But, she added, “I get $50 a week in Food Stamps. What do I do for food?” Ms. Delgado is among the many working-poor or near-poor people in Suffolk who each month have to make “Sophie’s choices” alluded to above such as, “Do I pay for child care or purchase food for the kids?”[47]

Gregory Blass, Suffolk County Commissioner of Social Services, has seen his Department cope with huge increases in demand for their services since the Great Recession began. Some of these increases are documented above. Because of strict federal and State eligibility requirements, also noted above, only 16% of families at or below the FPL qualify for public assistance or SSI. Public assistance is the federal TANF program that is generally understood by the public to be welfare. None of the near poor qualify for public assistance but they can access supportive services provided by DSS such as Food Stamps or subsidized child care. DSS clients on public assistance (TANF) tend to be among the most vulnerable residents in Suffolk. Here are a few of their stories that were included in Commissioner Blass’ testimony.

“It Could Happen to Anyone”

Among the DSS cases described by Commissioner Blass was Mr. K, a 42 year old single man, a U.S. Navy veteran, who has orthopedic problems and a seizure disorder that prevent him from working. He currently resides in a rooming house with a DSS public-assistance shelter allowance. Ms. L is a 62 year old woman living with her 21 year old son who suffers from cerebral palsy and receives SSI benefits. When her son turned 21, Ms. L was no longer eligible for an enhanced DSS shelter supplement. She and her son now face eviction. Commissioner Blass noted that, with the Great Recession, “poverty’s face has taken on several compelling new features: the week-old stubble of a recently laid off businessman who foregoes a new razor in the face of a food shortage…. a tired mother sitting at a table after her night shift, wondering how to make tomorrow’s tightly budgeted dollars stretch into three meals …. It could happen to anyone.”[48]

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[47] Delgado, Renee. Testimony at the May 22nd, 2012 Welfare to Work Commission hearing on poverty.

[48] Blass, Op. Cit.

Special Needs…Special Suffering in Suffolk

Suffolk's Most Vulnerable Citizens
Throughout the hearings and focus groups, Commission members were struck by the fragility in the lives of Suffolk residents who the Commission defines as poor meaning that they live below 200% of the FPL or $46,100 a year for a family of four in 2012. Even more striking was the fragility of specific vulnerable populations with people who also happen to be poor. Among these populations that the Commission focused special attention on were:

- DSS clients
- Children and young people under the age of 21
- Segregated African Americans and Hispanics
- People with mental illness and substance-use disorders
- Senior citizens
- People with physical and developmental disabilities

What follows are the Commission's findings on the vulnerabilities of people who are poor in these Suffolk populations. The vulnerabilities of poor people with physical and developmental disabilities will be treated separately in the last section of the report that deals with public-policy issues.

The Vulnerable DSS Population
"Welfare reform," the much-touted changes in federal welfare policy adopted in 1996, has been credited with reducing welfare rolls by over 60% in part by setting lifetime limits for receiving welfare benefits and by establishing state quotas for moving welfare recipients from welfare into the workforce. The Commission has concerns about the success of these polices since many of those who left welfare for work became part of the near-poor or working-poor population meaning, here in Suffolk, that they remained poor. However, one thing is clear about people on public assistance: a significant number of welfare recipients are among Suffolk County's most vulnerable populations, facing serious physical, psychological, educational and other barriers and disabilities that prevent them from working.

Knowing that many DSS applicants and clients suffer from a wide range of disabilities, the Commission has, for the past three years, been working in close partnership with DSS to ensure compliance with the Americans with Disabilities Act (ADA). Together the Commission and DSS have developed a brochure that informs people of their rights and of services available to them by DSS if they are disabled. And they are close to completing a new ADA policy for DSS which may include a new tool for assessing mental and intellectual disabilities.

The vulnerabilities of the TANF clients can be seen in multiple national studies that have been published. For example, the National Health Interview Survey found that two-fifths of TANF recipients in 2005-2006 had a disability and another 10% had a family member with a disability. Another study of TANF clients in 2002 found 29.2% without a high school diploma, 25.2% with a work-limiting health condition and 24.2% having poor mental or emotional health.[49]

[49] Bloom, Dan, Pamela J. Loprest and Sheila Zedlewski, "TANF Recipients with Barriers to Employment, " The Urban Institute, August, 2011, P.2.

In Suffolk County, the Department of Social Services reported in September of 2012 the following vulnerabilities among 1,342 Temporary Assistance (TA) clients who had been assessed by the Department for barriers to work.[50]:

Vulnerabilities of SCDSS Temporary Assistance Clients, September, 2012

Limitation	Number	Percent of TA Clients
Physical impairments	686	51%
Psychiatric impairment	496	37%
Substance-use disorders	384	29%

Children and Young People

In January 2012, Samantha Garvey captured the attention and the hearts of many Long Islanders when she was selected as a semi-finalist in the prestigious Intel Science Talent Search. Samantha and her family were homeless, living in a shelter. Her story is an extraordinary testament to the strength and courage of poor people. Unreported was the fact that some 500 other Suffolk County families were also homeless at the time, living in shelters or motels.

Newsday reported that 90% of the 103 largest school districts on Long Island saw an increase in the number of children living in poverty between 2007 and 2009. "Of the 103 school district areas that had a total population of about 8,000 people living in these areas, *Newsday* reported, "94 saw increases in the poverty rate among school-age children between 2007 and 2010."[51] Childhood poverty remained level in 2011 with the U.S. Census reporting 7.8% or 27,000 Suffolk children under the age of 18 living at or below the FPL. As LI Cares and Island Harvest reported in their 2010 study on Long Island hunger, over 110,000 children a year under the age of 18 are hungry and have to rely on food pantries for help; 28,000 are children under the age of 5.[52] Even more telling, the report found that 27% of food-pantry clients stated that their children did not have enough to eat because they could not afford enough food "often" or "sometimes" in the previous 12 months and that 13% of their children skipped meals for the same reason.[53]

Island Harvest also reported that in 2012, "here on Long Island, over 88,000 children receive Free or Reduced-Price school lunches. For many, a school meal is the primary source of nourishment, and when school lets out for summer vacation, they lose this essential source of nourishment." [54] Children receiving Free or Reduced-Price lunches can be found in almost all of Long Island's 124 school districts, although they are heavily concentrated, as are Long Island's poor and near-poor families, in certain school districts such as Westbury (87%) or

[50] Suffolk County Department of Social Services, "EMP Barrier Report: Assessment Period Between: 01/01/2012 and 09/30/2012."
[51] Winslow, Olivia, "Child Poverty Rising." *Newsday*, December 3, 2011.
[52] Island Harvest and Long Island Cares, "Hunger in America 2010: The Local Report for Long Island…Executive Summary," Op Cit.
[53] Island Harvest and Long Island Cares, "Hunger in America 2010: The Local Report for Long Island...Final Report," P. 118.
[54] www.islandharvest.org, "Summer Food Service Programs."

Brentwood (71%.)[55] Many if not most of these children who are hungry or who receive food assistance live in families who earn between 100% and 200% of the FPL.

A widely-used but flawed barometer of the fact that children in poverty can be found throughout Suffolk County is the number of children participating in the federal government's Free Lunch or Reduced-Price Lunch programs. There is widespread agreement that in many school districts the percentage of students receiving Free or Reduced-Price lunches is significantly underreported: in many cases, parents do not return the required forms and schools often don't have the staff or motivation to follow up with the parents. Some families are embarrassed to seek the Free or Reduced-Price lunches because of the stigma attached to being poor on Long Island. And undocumented immigrant parents fear dealing with any official bureaucracy.

Nevertheless, the Free and Reduced Lunch data reveal, as discussed above for people living at or below the FPL, that children in need can be found in affluent communities as well as low-income communities. In 2012, eligibility for participation in the Free Lunch Program required an income of $29,965 or less for a family of four. The maximum allowable income for the Reduced-Price Lunch Program was up to $42,643 for a family of four. As the chart below clearly demonstrates, children participating in these two federal nutrition programs for low-income families can be found in solidly middle-class school districts such as Hauppauge, Commack and Half Hollow Hills, although at significantly lower rates than in low-income communities such as Brentwood, Huntington Station and Central Islip.

Children Participating in the Free or Reduced-Price Lunch Programs[56]

Suffolk School District	**Median Household Income**	**Children in Free Lunch Program**	**Children in Reduced- Price Lunch Program**
Central Islip	$68,876	3,092 (52%)	923 (16%)
Huntington Station	$74,667	1,046 (23%)	179 ((4%)
Brentwood	$59,208	8,261 (50%)	2,612 (16%)
Hauppauge	$101,213,	197 (5%)	109 (3%)
Commack	$197,512	191 (3%)	97 (1%)
Half Hollow Hills	$107,512	737 (7%)	320 (3%)

Nutritional deficiencies are just one measure of children's well-being. According to *Newsday*, the U.S. Census report on childhood poverty showed that "children in poverty, especially young children, are more likely than their peers to have cognitive and behavioral difficulties, [and] to complete fewer years of education." Deborah Garcia, chief executive of Long Island Head Start, told *Newsday*, "Poverty is one of the biggest factors in having children not able to perform along with their [more] advantaged peers when they get to kindergarten."[57]

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[55] Winslow, *Newsday,* December 3, 2011, Op. Cit.

[56] U.S. Census *Quick Facts*, 2006-2009 for median household incomes and New York State Department of Education *District Report Card Accountability Overviews*, 2010-2011 for the school-lunch programs in the school districts indicated.

[57] Winslow, Olivia, "Child Poverty on the Rise." *Newsday*, November 18, 2011.

On August 13th, 2012, over 60 young people between the ages of 12 and 20 attended a special Commission poverty hearing for youth organized by EOC/SNAP of Long Island at the Brentwood Library. Almost all of the young people were African American or Hispanic. Thirty four of these young people had the courage to tell their personal, moving and hopeful stories of struggle and survival in poor or near-poor Suffolk families. Damaris Vaval, an 11th grader at Wyandanch High School, for example, said she gets a subsidized lunch at school, but admitted, "I am lucky enough to get free food and not to have to be homeless." She lives with her mother and father and said, "I know there are times in the month when there isn't enough money to pay the bills, so I sometimes give them money because I know they are struggling." Damaris wants to go to college and hopes to pay for the tuition by working.[58]

Esther Monius, a senior at Central Islip High School, spoke of moving several times before settling with her mother in Central Islip. "We're OK buying food," she said, "but other expenses are a problem." Her mother lacking child care, Esther watches her younger sister after school. "Once I had to leave a Regents exam a half hour before the test was over to watch my sister." Esther hopes to attend Stony Brook University to study Biology. But her family's struggle with basic necessities like child care hang over her life and the family's security. Esther's story is typical of many near-poor Suffolk residents.[59] Cuts in State funding in Suffolk subsidized care for working-poor families will be examined in more detail below as a case study of limited government supports for near-poor people.

Segregated African Americans and Hispanics

Bernard Anderson, a professor of Management at the Wharton School of Business, estimated that nationally since the 1960s, the number of black people who could be described as middle class doubled, from about a third to about 60% of black people.[60] Hispanics have also been entering the middle class in large numbers during this period. A 2012 report by Paul Taylor for the Pew Research Center, for example, found 17% of blacks and 12 % of Hispanics identifying themselves as "upper class" while 48% of blacks and 47% of Hispanics said that they were "middle class." [61]

Nevertheless, it is well known that a disproportionate number of African Americans - and Hispanics - are poor and near poor. The special struggles of African American and Hispanic children and their parents in Suffolk County who live in poor and near-poor families are rooted in the rigid patterns of racial and class segregation that have dominated this region for six decades. A 2011 study of Long Island segregation produced by John Logan of Brown University and Brian Stults of Florida State University, for example, found that Long Island has gotten slightly worse over the past decade and ranks among the ten most segregated regions in the

[58] Varval, Damaris. Testimony at the August 13th, 2012 Welfare to Work Commission special hearing for young people in poverty.

[59] Monius, Esther. Testimony at the August 13th, 2012 Welfare to Work Commission special hearing for young people in poverty.

[60] Anderson, Bernard, The Philadelphia Enquirer, July 12, 2004.

[61] Taylor, Paul, "The Lost Decade of the Middle Class." The Pew Research Center, August, 2012.

United States.[62] This study squares with a 2002 study by John Powell which found Long Island to be *the third most segregated suburb in the United States.[63]*

Logan and Stults used an "index that measures the integration of the 50 largest minority communities on a scale from 0 to 100, with any number 60 or higher considered very segregated. The study found that the segregation between whites and blacks on Long Island is 74.1, according to tract estimates from 2005 to 2009 from the Census Bureau American Community Survey. That number is up from 73.6 in 2000."[64]

The Powell study documented the degree of rigid segregation that too often locks African American and Hispanic children into low-performing school districts:

- More than half of African American and Hispanic children are concentrated in just 13 of the Island's 124 school districts.
- Nine of the 10 Long Island school districts with poverty levels greater than 40% (measured by the number of students eligible for Free or Reduced-Price lunches) have 60% or more of their students who are African American or Hispanic.[65]

The Logan-Stults study found that "minorities make up 28 percent of the population on Long Island, but minority groups, especially blacks, are not moving into white neighborhoods." Professor Logan noted, minorities "tend to live separately, and they'll tend to live in the communities that are least likely to provide really good schools" and "where the crime rates are higher, where there's more vacant housing."[66] And it can be reasonably assumed that Long Island's segregation patterns apply to both middle-class and poor people alike. As Legislator DuWayne Gregory stated at the May 18th Commission hearing, "people don't like poor people – period. And there is an assumption that all people of color are poor."[67]

Logan noted that there is an historic pattern of opposition to minority groups entering new communities. "Some communities have developed a reputation as to whether they're friendly or not, and that's something minorities take into account when looking for a place to live," he said. "If Puerto Ricans want to live in Brentwood, okay, but not in Port Jefferson," Logan said. "Or if blacks have moved into Hempstead Village, that's okay, but not next door."[68]

Elaine Gross, President of ERASE Racism, testified at the May 18th Commission hearing on poverty. Referring to her organization's research into patterns of "structural racism" on Long Island such as real-estate practices that foster racially-segregated neighborhoods and schools, Ms. Gross said:

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[62] Mian, Rashid, "Study: LI Still Among Most Segregated Regions in US." *Long Island Press*, February 24, 2011.
[63] powell, john, "Racism and the Opportunity Divide on Long Island." ERASE Racism, 2002.
[64] Mian, Op. Cit.
[65] powell, Op. Cit.
[66] Mian, Op. Cit.
[67] Gregory, Legislator DuWayne . Statement at the June 1st Welfare to Work Commission hearing on poverty.
[68] Ibid.

> "Our research shows that the high level of racial segregation in Suffolk County creates concentrations of poverty that disproportionally affect blacks and Latinos….Many studies of the region…show that segregation and concentrations of poverty are associated with lower quality local services, such as poor-performing schools….On Long Island, more than one half of all black youth under the age of 18 live in nine…school districts. In these nine districts, less than one third of young people are white and the poverty rate among households is twice that of households in other school districts. Even when federal and State money is factored in, schools in areas of concentrated poverty have higher levels of unmet needs."[69]

The deeply rooted racism in Long Island's housing markets plays out in the schools where children in minority districts receive decidedly inferior educations. As Ms. Gross stated in her testimony, "According to 2010 data from the New York State Department of Education, only 19% of the mostly-minority districts on Long Island "had graduation rates greater than 85%," compared to "91% of the mostly- white districts."[70]

Consider just these few measures of school-district performance, comparing the mostly-minority Central Islip and Brentwood districts with the mostly-white Commack and Hauppauge districts.

Comparison of Selected Criteria for School District Performance in Selected Minority and White Suffolk Districts[71]

School District	African American	Hispanic	Students Meeting 4th Grade English Standard	Students Meeting 8th Grade Math Standard	Students Attending 4 Year College	Students Attending 2 year College
Central Islip	27%	52%	39.2%	28.7%	27%	41%
Brentwood	15%	75%	42.6%	49%	30%	49%
Commack	1%	4%	78.2%	82.6%	79%	18%
Hauppauge	2%	6%	78.6%	83.1%	72%	24%

Drilling down to the complex reasons why mostly-minority school districts do not perform as well as mostly-white districts would require a research effort beyond the scope of this report. However, the data on school performance – well known to government officials and the general public alike – clearly point to significantly lower student performance levels in minority districts. Given the fact that African American and Hispanic incomes lag well behind white incomes on Long Island, as seen in median household incomes in the chart on page 22 above, it is clear that the minority districts contain many near-poor residents whose children, as Professor Newman concluded in her study of the Missing Class, attend schools with poor standardized tests results. This patterns results in "school district officials" having "their own problems to contend with. If

[69] Gross, Elaine. Testimony at the May 18th, 2012 Welfare to Work Commission hearing on poverty.
[70] Ibid.
[71] New York State Department of Education "School District Report Cards: Comprehensive Information Reports" and "Accountability and Overview Reports," 2010-2011.

their charges do not show significant improvement every year, they find their schools on watch lists, threatened with the loss of funds."[72]

Finally, Ms. Gross referred to a new study released by ERASE racism which confronts what she called the "myth" that African Americans self-segregate because they want to live in African-American communities. "When asked about the percentage mix that best represents the kind of neighborhood in which they would most like to live," Ms. Gross reported, "a large majority, 69%,…chose an even mix of 50% black and 50% white." African Americans, she noted, who share the same goals as whites for their neighborhoods such as good schools, low crime rates and good local services, find themselves in neighborhoods where these characteristics that they most value are lacking.[73]

It is this kind of segregation that causes the poverty, hunger and economic struggles of so many of the children, young people and their parents discussed in the previous section of this report.

People with Mental Illness and Substance-Use Disorders

Another population whose vulnerabilities are made worse by poverty is people who suffer from mental illness or substance-use disorders. Colleen Merlo, Executive Director of the Mental Health Association of Suffolk County provided this summary of the correlation between mental illness and poverty when she testified at the May 18th Commission hearing:

- The unemployment rate for adults living with mental illness is three to five times higher than for people without mental illness.
- Many people who live with serious mental illness are underemployed; about 70% who hold college degrees earn less than $10 an hour.
- An estimated one third to one half of people who live with serious mental illness live at or near the FPL.
- 39% of the homeless population have some form of mental-health problem.[74]

Ms. Merlo stated that poverty and mental illness feed off one another. "While mental illness is rooted in biological causes, environment plays a large role…. Children who grow up in poverty are four times more likely to need mental-health services during their school-aged years."[75]

Ms. Merlo testified that, in 2011, her agency took calls from 9,000 people in Suffolk who were seeking referrals to mental-health and related services. She noted that they are now getting calls from people who never thought they would need mental-health services. "Depression and anxiety are on the rise as people are facing job loss, foreclosures and financial insecurity." Ms. Merlo told the story of one caller, "Paul:"

> "He was living in his own home in Smithtown for the past 15 years. As he spoke, I could hear in his voice that he was on the verge of tears. He had lost his job in the financial sector and was scared about how he was going to maintain his home and send his eldest daughter to college. He was embarrassed because his wife had recently visited a local food pantry. The day before the call, he found out that his wife was facing an illness. He

[72] Newman, Op. Cit., P. 7.
[73] Gross, Op. Cit.
[74] Merlo, Colleen. Testimony at the May 18th, 2012 Welfare to Work Commission hearing on poverty.
[75] Ibid.

> didn't know how to tell her that he had not been able to make the COBRA insurance payment and that their medical coverage was cancelled. This man didn't understand why he couldn't shake his feelings of overwhelming sadness and the thought that his family would be better off if he were dead."[76]

On October 24th , the Commission held a focus group for people suffering from both mental illness and poverty at the facilities of the Clubhouse of Suffolk. Of the 30 people who attended the focus group, none captured the intertwined tragedies of mental illness and poverty better than Sue who said that, due to her mental illness, "They took my son from me when he was eight and placed him in foster care." Sue said, with profound sadness, that her son was well cared for and today is quite successful as an adult and that they now have a good relationship. But the grief on her face was deeply moving as she described the pain and suffering of a mother's loss of her child. "How can I believe my government when they took my son?" she asked, even while admitting that her illness and poverty caused this tragedy and that her son benefitted from the government's decision to remove him to foster care.[77]

Dr. Jeffrey Reynolds, a Commission member and Executive Director of the Long Island Council on Alcoholism and Drug Dependence, also testified at the May 18th hearing. He began his testimony by countering a common stereotype: "Poor people are no more likely than their wealthier counterparts to abuse alcohol and drugs. The drugs of choice tend to be different, but substance abuse is equally distributed across poor, middle-class and wealthy communities." He further noted that, like mental illness, alcoholism and drug dependence reinforce and compound poverty. Drugs and alcohol, he testified, "can be a means of coping with financial hardship, job loss and the social isolation often associated with poverty." Further, "this means of coping…deepens the barriers to employment and housing and diverts financial resources and increase one's risk for a whole host of health problems." Dr. Reynolds stated that "12.3% of those living in poverty nationwide were classified as being in need of substance-abuse treatment in 2011" but that only "17.0% received treatment…which means that 82% did not." This lack of treatment, he concluded, leads to a perpetuation of certain behavioral causes of poverty as well as problems in the criminal justice system, all of which are costly to the community and to government at all levels.[78]

Senior Citizens

The U.S. Census reported that, in 2011, 6% or 12,017 Long Island seniors lived at or below the FPL[79] While Social Security provides an income cushion for Suffolk seniors, and many seniors enjoy economic security, those who rely exclusively on Social Security for their income cannot make ends meet. LI Cares and Island Harvest reported in their 2010 study that 4% of the clients at food pantries and soup kitchens were senior citizens while 11% were families that had a senior citizen living with them.[80]

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[76] Ibid.

[77] Sue (last name was withheld to protect the privacy of the speaker.) Testimony at the October 24th, 2012 Welfare to Work Commission poverty focus group for mentally-ill clients at The Clubhouse of Suffolk, Ronkonkoma, New York.

[78] Reynolds, Jeffery, PhD. Testimony at the May 18h, 2012 Commission hearing on poverty.

[79] U.S. Census Bureau *American Fact Finder*, S1701, Op. Cit.

[80] Island Harvest and Long Island Cares, "Hunger in America 2010: The Local Report for Long Island," Op. Cit.

Martha Graziano, Coordinator of the Catholic Charities Commodity Supplemental Food Program (CSFP,) stated in her May 22nd testimony at the Commission poverty hearing that her agency provides about 125,000 food packages each year on Long Island, of which 93% go to seniors earning under 130% of FPL or $1,211 a month for an individual and $1,640 for a couple. The vast majority of her senior clients live exclusively on their Social Security benefits. She noted, with some frustration, that "if you make $1 more [than the eligibility limit] I am not allowed to serve you." She further testified:

> "When seniors got their [Social Security] COLA increase in January 2012 it was bittersweet for some because they were now over income for CSFP. I had to console many senior older women in particular because they now needed to go to their local food pantry where they would not get the variety or the amount of food we consistently provide them."[81]

Ms. Graziano stated that, while CSFP is supposed to supplement the food of clients, her staff hears on a daily basis from these clients, "Without this food I would not have any food." She elaborated that CSFP is supposed to be a supplement to Food Stamps (SNAP,) food pantries, Meals on Wheels or congregate meal programs for seniors but that many do not access these programs because they are embarrassed or because they lack transportation. "We are not doing as well as we could if [CSFP] is the only way they get food." Ms. Graziano concluded her testimony by observing that, despite the stereotype that Long Island seniors are the wealthiest demographic group, her program serves 10,000 seniors a month.[82]

Adrift in Their Need

The Commission heard repeatedly from government officials, agency representatives and poor people how government supportive programs that are supposed to help poor people are complicated and inflexible and sometimes inadequate due to lack of funding or lack of enforcement, leaving poor people to fend for themselves or seek help from family members, friends or private charities. Perhaps the most glaring example of weak enforcement are laws that ban discrimination in housing, yet do very little to stop discriminatory real-estate practices that foster racial and class segregation on Long Island because federal, State, County and town governments lack either the will or the resources to enforce these laws.[83]

During the hearings, some Commission members stated their anger at the close scrutiny the government maintains over people who receive public benefits while banks and other large corporations were virtually without government scrutiny of their reckless lending and investment practices that led to America's 2008 financial collapse and the Great Recession. The final section of this report will deal with public-policy recommendations designed to enhance government supports for people earning under 200% of FPL. But first, the very definition of poverty – the Federal Poverty Level or FPL itself – requires examination since it is the gateway for many poor people to access supportive government and private programs.

[81] Graziano, Martha. . Testimony at the May 22nd, 2012 Welfare to Work Commission hearing on poverty.
[82] Ibid.
[83] Gross, Op. Cit.

The Federal Poverty Level: A Critique with Alternative Measures

"A Woefully Ineffective Tool"
Suffolk DSS Commissioner Gregory Blass said this about the Federal Poverty Level or FPL in his May 18th Commission hearing testimony[84]:

> "The FPL essentially considers [these] factors: the size of the family… and an approximation of income percentage spent on food that was calculated approximately fifty years ago. These thresholds are used throughout the United States, and fail to consider geographic/regional economic conditions. This is problematic for areas like Suffolk County, where the cost of living is appreciably higher than the national average….The FPL is, in actuality, woefully ineffective at measuring poverty on Long Island. Most unfortunately, this problematic and antiquated tool is used as a guideline in determining any DSS client's eligibility for Temporary Assistance and the Food Stamp program."[85]

The prevailing benchmark for measuring poverty in the United States, the Federal Poverty Level (FPL) is as noteworthy for its shortcomings as for its widespread use. And its weaknesses have direct consequences for critical government functions, including the allocation of federal grants to states, and individual eligibility for a wide range of state and federal benefits and services, not to mention its distorting effect on the public debate over anti-poverty policy.

Measures of poverty tend to be comprised of two basic elements:
(1) A determination of what it means to be poor. That determination is challenging because opinions vary widely regarding the minimum material resources needed for a household to avoid poverty. [86] Some experts have therefore acknowledged that the selection of a particular level of necessary resources must be somewhat arbitrary, but should be transparent and defensible.
(2) A method for counting resources. What counts as income? What should be excluded? As will be discussed below, the undercounting *and* overcounting of resources is a significant drawback of the FPL.

At a minimum, the Commission believes that Congress should enact legislation that would regionalize the FPL to account for local costs of living. However, at a July, 2010 press conference announcing the new Self Sufficiency Standard for New York State, Congressman Steve Israel stated that such a change stands little likelihood of passing since, by regionalizing the FPL, eligibilities for federal programs would vary from region to region and many more people would qualify for these programs, depending on the local cost-of-living index.[87]

[84] As noted at the beginning of this report, the Federal Poverty Level is actually an informal term not used by the Federal Government. When the FPL is mentioned in this report it is, generally speaking, referring to the "poverty guidelines" developed by the Federal Department of Health and Human Services.
[85] Blass, Op. Cit.
[86] Rector, Robert and Rachel Sheffield, *"Understanding Poverty in the United States: Surprising Facts About America's Poor," Backgrounder #2607, Heritage Foundation, September 13, 2011. they need on a wide variety of key issues.*
[87] *Health and Welfare Council of Long Island press conference unveiling the "Self Sufficiency Standard for New York State 2010" at the Child Care Council of Suffolk, July 2010.*

The Federal Poverty Level
The Federal Poverty Level was created in the 1960s based on the research of Molly Orshansky, who worked for the Social Security Administration.[88] She found that low-income families tended to spend about one-third of their income on food. She then reasoned that by calculating what was needed to purchase a modest diet and multiplying by three, she could estimate the cost of meeting a household's essential needs. That calculation, with a formula to adjust for different family sizes, and annually modified by the change in the Consumer Price Index, has remained the predominant measure of poverty in this country for close to 50 years. Some important criticisms of the FPL include the following:

- The FPL is built entirely around one variable, food costs. Even if using just one variable might somehow be appropriate, there would still be serious flaws. First, the estimate of food costs was based on the U.S. Department of Agriculture's Economy Food Plan, a diet that was designed only for temporary or emergency use. Second, while food expenditures may have represented a third of a modest-income family's budget in the mid-1950s, they now comprise closer to one eighth of a typical household's costs, arguably leaving the fundamental FPL formula with a fatal flaw.
- With the exception of Alaska and Hawaii, the FPL is uniform throughout the country, thus ignoring regional variations in the cost of living. As Commissioner Blass stated, in places like Long Island, with two of the costliest counties in the nation, the FPL is nearly irrelevant as a measure of material need.
- The FPL looks only at gross income. It therefore *over counts* income by not taking into account taxes or expenses such as child care and out of pocket medical costs, which have risen dramatically since the 1950s. And it *under counts* income by failing to include tax credits and certain types of government assistance such as Food Stamps and housing subsidies as part of a family's resources. Related to this critique is the fact that, since the FPL was developed, there has been a dramatic increase in the number of employed mothers. The FPL, counts the additional income, but does not in any way take into consideration the corresponding increase in work-related expenses, such as child care and transportation.

Absolute v. Relative Poverty
A significant but often unaddressed question is whether poverty is only validly expressed in terms of a household's capacity to meet basic material needs, or if it is also appropriate to take into account a household's well-being relative to the society at large. These concepts are sometimes referred to as "absolute" poverty and "relative" poverty. Recently released data about the dramatic inequality in the distribution of income in the United States cited above has brought new attention to this question.

On the one side are those who insist that if a family is able to meet its rudimentary material needs, then it is not poor. According to this perspective, the fact that the household's income is ever more distant from, say, the national median, or from the income of the wealthy, is not particularly relevant, as long as the household can meet its basic needs. Robert Rector, of the

[88] See, for example, Gordon Fisher, The Development and History of the Poverty Thresholds," Social Security Bulletin, Volume 55, Number 4, 1992.

Heritage Foundation, has been a leading voice for the notion that poverty should be based solely on material deprivation and that existing and proposed poverty measures grossly overstate the number of Americans experiencing real material hardship.[89]

This notion that poverty may be relative was illustrated by two of the teenagers who testified at the Commission's August 13th poverty hearing for young people. Carlos Olivera, an 8th grader in Brentwood, was born in Mexico. He said that when he lived in Mexico, he was "fat" because he got all the food he needed from his extended family. "When we moved to Hempstead everything changed," he said. "Now we had to share food." Stacy Flores who came to the U.S. from El Salvador, attends BOCES. Stacy spoke of the jobs she works to help her single mother pay the bills. Sometimes they don't make it. Stacy described a situation where their electricity was shut off for several weeks because they fell behind in their utility payments. When asked how difficult it was to live without electricity, she said, "I wasn't too upset because I lived in El Salvador where we never had electricity." [90]

Taking a very different view are those who argue that it is appropriate, when measuring poverty, to take into account a household's relative well-being in their society. Rebecca Blank and Mark Greenberg, in their detailed study of poverty measurement, observe that "…The rationale for a relative measure is that in developed nations poverty is fundamentally about having the resources to fully participate in society."[91] From this perspective, an indication of the inadequacy of the current poverty measure is the fact that in the 1960s, the FPL was about 50% of the national median income, but by 2007, the FPL had fallen to only 20% of median income. While the poverty level family arguably had a roughly comparable material standard of living in the 1960s and in 2007, that family had clearly fallen dramatically farther from the American mainstream. Whether that matters is at the heart of the absolute versus relative poverty debate. Concepts that include relative measures in the poverty determination will be discussed briefly below.

There is also a growing body of research suggesting that, even if the lowest-income households tend to be doing better than such families were doing in the past, the widening gap between haves and have-nots in this country is nevertheless correlated with negative consequences for family well-being. A recent study of educational achievement, for example, makes clear that "…as the income gap between high- and low-income families has widened…the achievement gap between children in high- and low-income families has also widened…"[92] In addition, while

[89] See, for example, Robert Rector and Rachel Sheffield, *Air Conditioning, Cable TV, and an Xbox: What is Poverty in the United States Today?* Heritage Foundation, July 19, 2011, http://www.heritage.org/Research/Reports/2011/07/What-is-Poverty.

[90] Olivera, Carlos and Stacy Flores. Testimony at the August 13th, 2012 Welfare to Work Commission special hearing for young people in poverty.

[91] Blank, Rebecca and Mark Greenberg, *Improving the Measurement of Poverty,* Brookings Institution, December 2008. The authors quote Adam Smith in The Wealth of Nations: "By necessaries I understand, not only the commodities which are indispensably necessary for the support of life, but whatever the custom of the country renders it indecent for creditable people, even the lowest order, to be without… A linen shirt, for example, is, strictly speaking, not a necessary of life. The Greeks and Romans lived, I suppose, very comfortably, though they had no linen. But in the present times, through the greater part of Europe, a creditable day-labourer would be ashamed to appear in public without a linen shirt, the want of which would be supposed to denote that disgraceful degree of poverty which, it is presumed, nobody can well fall into without extreme bad conduct."

[92] Reardon, Sean, "The Widening Academic Achievement Gap Between the Rich and the Poor: New Evidence and Possible Explanations, Stanford University, July 2011, forthcoming in *Whither Opportunity? Rising Inequality, Schools, and Children's Life Chances.* Reardon does not argue that the widening achievement gap is directly caused by growing inequality; rather he cites it as one factor. But the fact is that growing inequality has been accompanied by a widening educational achievement gap.

more young adults in all income groups are graduating from college, the gap between the college graduation rates for high- and low-income students has grown by more than 50% since the 1990s. College completion is one of the most significant predictors of economic success, so this aspect of the widening income gap has an unfortunate ripple effect for future generations.[93] This research suggests that even if all families at all income levels may be doing better, the growing gap between the relative success of the wealthy and the success of the less affluent has detrimental consequences for our society.

In any event, this absolute v. relative poverty debate should not obscure the reality that many Americans, whether or not their household income falls below the poverty level, do objectively have difficulty meeting certain expenses that most of us would agree are essential. This includes access to decent housing, health care, child care, transportation and educational opportunity.

An Alternative Census Measure – The Supplemental Poverty Measure

In 1995, at the request of Congress, the National Academy of Sciences (NAS) released a proposal for an alternative poverty measure.[94] The proposed measure attempted to remedy some of the more glaring flaws in the FPL. Over the course of the next 15 years, the NAS proposal was analyzed, critiqued, and tested, and in March 2010, building on the NAS effort, an Interagency Technical Working Group introduced its suggested criteria for a Supplemental Poverty Measure (SPM). The current plan is that the Census Bureau will each year release some data using the SPM together with the full array of official poverty data. As its name suggests, the SPM will supplement and not replace the FPL. It would appear that this distinction enables the public to have access to this new information while avoiding the politics and pitfalls that would inevitably accompany a move to change the official measure.

As noted above, a poverty measure must define poverty by (a) specifying a particular income level as the "poverty threshold," and must (b) determine how income will be counted. In addition to performing these tasks, the SPM refines the measure by determining which individuals in the household will be counted as part of the family unit and how the threshold will be adjusted over time. The following are the main features of the Supplemental Poverty Measure:[95]

→ The poverty threshold is built around the amount a family spends on four key family expenses: food, clothing, shelter and utilities (FCSU), with a modest amount added for other items, such as household supplies and personal care items. The information is derived from the Consumer Expenditure Survey for a family of four with a formula to

[93] Tavernise, Sabrina, "Middle-Class Areas Shrink as Income Gap Grows, New Report Finds," New York Times, November 15, 2011. The article cites research by Martha J. Bailey, an economist at the University of Michigan, who found that "more than half of children from high-income families finish college, up from about a third 20 years ago. Fewer than 10 percent of low-income children finish, up from 5 percent."

[94] Citro, Connie F. and Robert T. Michael. 1995. *Measuring Poverty: A New Approach*. Washington, DC: National Academy Press. An excellent analysis of the development of the NAS poverty measure can be found in Rebecca Blank and Mark Greenberg, "Improving the Measurement of Poverty," Brookings Institution, December 2008.

[95] Much of the material in this section is derived primarily from Kathleen Short, "The Research Supplemental Poverty Measure: 2010," *Current Population Reports,* U.S. Department of Commerce, U.S. Census Bureau, November 2011.

adjust for different family sizes. The threshold is pegged at the 33rd percentile of households' expenditures across the spectrum on these items.

- The formula can be modified for different family compositions (number of adults, number of children, etc.)

- The expense calculation takes regional variations in the cost of living into account by adjusting the thresholds in accord with geographic differences in the cost of housing.

→ The SPM will be adjusted periodically in accord with changes in the expenditures on the four key expense items (FCSU).

→ Income is defined to include all cash income from all sources, plus the value of various benefits that help families to purchase the "basic bundle of goods (FCSU)". These benefits include nutritional assistance, subsidized housing and home energy assistance.

- From this income total, certain necessary expenses that are not part of the FCSU bundle are deducted. These include income taxes, social security payroll taxes, child care and other work-related expenses, child support payments and contributions toward the cost of medical care, health insurance or out-of-pocket medical costs.

The SPM addresses a number of the weaknesses of the official measure (the FPL). The calculation of the poverty threshold is based on four fundamental costs for families rather than solely food costs. The threshold is adjusted over time based on changes in those four expense items rather than only looking at changes in the Consumer Price Index. Variations in expenses due to differences in geography and family composition are taken into account. Finally, the computation of income includes a variety of previously *uncounted* benefits (such as Food Stamps), and deducts certain previously *counted* expenses (such as child care.) While still imperfect, it certainly appears to improve significantly upon the FPL.

The national poverty rate, 15.2% using the FPL, rose to 16% using the SPM. This represents about 2.5 million additional people considered poor. Among the striking results was the fact that poverty among children was reduced by more than 4%, and poverty among the elderly increased by nearly 7%. The lower rate among children can be attributed to the counting of various government benefits as part of a household's income. On the other hand, the higher poverty rate for elderly Americans is largely due to the deduction from income of out-of-pocket medical expenses.

While it can be argued that the SPM still falls short of accurately gauging poverty in this region, the inclusion of geographic variations in its formula certainly helps the SPM to improve upon the official measure. The regional variations for 2010 are not yet available, but the Census has published figures for 2009. In that year, the official poverty level for a family of four was \$21,756. By contrast, the SPM threshold on Long Island for families with mortgage or rental costs was over $28,000.[96] Many would insist that even this figure seriously understates the economic realities of life on Long Island.

Other Approaches to Measuring Poverty

Percentage of Median: As discussed above, one alternative approach to measuring poverty is to set the poverty threshold at a percentage of a nation's or region's median income. Median income changes from year to year, and not necessarily in direct relation to the cost of living. This measure, therefore, provides some information about a family's ability to meet its basic needs, but actually tells more about their well-being relative to society as a whole. If median income rises, for example, the poverty level will rise as well, without regard to the cost of living. Thus, using a percentage of median is a measure of relative poverty.

The strongest critique of this approach has been described in this way: Let's assume a country has designated 50% of median income as the poverty level. If everyone in that nation experiences a doubling of their income during an economic boom, the poverty rate – the percentage of people below the poverty line – will remain unchanged, since roughly the same number of families will have incomes equal to 50% of the median income. Critics argue that this number will not accurately indicate the number of families genuinely living in poverty.

A Family Budget: One important criticism of the SPM is that it examines how much people *spend* for certain necessary items, rather than how much they *need* for these items. People may not spend much for certain items because they feel that they cannot afford it and other inflexible expenses demand their resources, and this could distort the poverty calculation. Family budget measures address this problem by looking at a market basket of items needed for a modest standard of living, and determining the cost of that market basket. Of course, as with all poverty measures, there is some degree of arbitrariness in deciding the contents of the basket. The family budget introduced by LIA Chief Economist Pearl Kamer and the Self Sufficiency Standard above illustrate the family-budget approach to measuring poverty

A "Decent Standard of Living": At the conclusion of their excellent paper on the development of alternative measures to the Federal Poverty Level, Mark Greenberg and Rebecca Blank, recommend that, to complement poverty level measures, there should be research on the resources that would be needed to maintain a "decent standard of living." With their concept, this would be:

> "…a level well above basic needs at which families can pursue the activities that most Americans would consider desirable such as home-ownership, savings for college and retirement, quality child care, and adequate health care."[97]

A Poverty Index: Similar to the Greenberg-Blank "decent Standard of living" measure, Professor Sarah Eichberg testified at the May 22nd Commission hearing that poverty measures that are based on income and resources alone "do not adequately capture poverty. By focusing on

[96] Figures are for the "New York-Northern New Jersey-Long Island-NY-NJ-PA Metropolitan Statistical Area, published in Trudi Renwick, "Geographic Adjustments of Supplemental Poverty Measure Thresholds: Using the American Community Survey Five-Year Data on Housing Costs," U.S. Census Bureau, July 2011.
[97] Blank, Op. Cit., P. 15.

income alone we may miss the many ways that economic deprivation affects other areas of life." Poverty, she stated, is "multi-dimensional" and includes not just economic or material well-being but also "emotional, physical and social well-being." Ms. Eichberg suggested a poverty index that would rely on "indicators other than household income like health status, education status, housing and community safety, social isolation and exclusion (how integrated are people into the life of their community?) and a sense of agency or control over one's life, (how helpless does someone feel?)"[98] Professor Eichberg and Adelphi University's Vital Signs Project have published a number of analysis of life on Long Island using such indices including "Vital Signs 2009: Measuring Long Island's Social Health" which can be accessed at: *chi.**adelphi**.edu/files/2011/10/**AdelphiVitalSigns**2009.pdf*

"Economic Inclusion": Shawn Fremstad, with the Center for Economic and Policy Research, has written a thoughtful critique of both the current official poverty measure and the Supplemental Poverty Measure.[99] He argues that while the NAS alternative did a much better job of counting resources, it did not address the measure of "what it means to be poor,'" referenced above and what Fremstad prefers to view as "income adequacy." His fundamental criticism is that neither the FPL nor the alternative measure correlate closely enough with material, real-world deprivation and hardship. Although he avoids the terms, he favors an approach that takes both absolute and relative poverty into account.

Fremstad proposes that the measure of income adequacy should take into account public opinion about the amount of income that is needed to "get along." He observes that people who have been surveyed have been remarkably consistent, over time, in responding with an estimate that corresponds with 50-60% of median income. Whether or not this would be called a poverty line or a "risk of poverty" line, or a "get-along" line, it would be defensible as a "a common-sense measure based on public consensus about the smallest amount of income needed to get by in one's local community…"[100] Fremstad points out that the survey estimates of a "get-along" income generally are quite similar to those of the experts.

To best measure poverty and income adequacy, Professor Fremstad framed a proposal modeled on a three-tiered approach developed in the United Kingdom in 2003 to assess child poverty.[101] The three tiers are:

→ A measure of poverty based on income and adjusted annually for the cost of living. *Thus, a poverty level is determined to reflect the minimum income needed to meet basic needs, and that figure is adjusted annually based on inflation. So after each year's adjustment, a*

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[98] Eichberg, Op. Cit.

[99] Fremstad, Shawn, "Measuring Poverty and Economic Inclusion: The Current Poverty Measure, the NAS Alternative, and the Case for a Truly New Approach," Center for Economic and Policy Research, 2/09, December 2008. When Fremstad wrote this paper, the SPM had not been formally introduced. Rather he wrote in response to the NAS alternative measure. However, I believe that the NAS version and the SPM are closely enough related that his comments remain equally relevant.

[100] I have expressed my view that every poverty or income adequacy measure requires some arbitrary decisions about what material deficits constitute poverty or what material possessions represent a modest but decent standard of living. In light of this perspective, it seems reasonable to argue that popular conceptions of the necessary income to "get along" is a valid and valuable factor.

[101] Kennedy, Steven and Ian Townsend, "Poverty: Measures and Targets", Research Paper 04/23, March 2004, House of Commons Library, March 2004. The measure was developed as part of a declared goal of eradicating child poverty in the U.K. by 2020.

family with income at the poverty level should have roughly the same standard of living as households at the poverty level in any other year – an "absolute" measure.

→ A measure of poverty based on income and adjusted for changes in median income. The starting point is 60% of median income, and it is updated annually to remain at that percentage. *This measure will determine "whether the poorest families are keeping pace with the growth of incomes in the economy as a whole" – a measure of "relative poverty".*[102]

→ A measure of poverty based on material deprivation. People with incomes under 70% of median income are surveyed to determine whether they have certain basic material items. If they do not have them, they are asked whether they want them but cannot afford them. The responses determine a material deprivation score. *Unlike poverty measures that are based solely on income, this tier asks about the family's material well-being – a measure of actual hardship.*

This three-pronged model thus looks at absolute poverty, relative poverty and material hardship. Poverty is deemed to be falling "when all three indicators are moving in the right direction."[103]

Redefining Poverty: Political Obstacles Ahead

The Supplemental Poverty Measure (SPM) offers a more accurate, real-world alternative, although it has shortcomings of its own. The Commission believes that the concept developed in the United Kingdom by Shawn Fremstad which, in essence, acknowledges the impossibility of developing the perfect poverty measure, and instead utilizes a multi-tiered approach that combines an "absolute" measure of poverty, a "relative" measure of poverty, and survey-based information about material hardship, is a more valuable and comprehensive approach to defining and measuring poverty.

Whether the measure of poverty will change substantially in the United States is of course a question of politics as much as policy. Many commentators have observed that no political leaders want to see a substantial increase in poverty on their watch. Indeed, it has been suggested that to be politically viable, the change would have to be characterized as something other than a poverty count. For example, Shawn Fremstand proposes that this change should be described not as just an update of the FPL, but as a new measure of poverty and economic inclusion. This particular problem does not seem to be insurmountable since it should be clear that the new numbers would be caused by an improved measuring tool, not because conditions had actually changed. Nevertheless, the politics of the debate will inevitably play a role.

Another source of resistance has a much more concrete grounding. It is estimated that about 80 federal agencies and countless state and local government agencies use the FPL in one way or another. Millions of dollars in government aid depend on the number of people living below the FPL in a state or locality, and one element of eligibility for a wide array of government benefits involves a household's income relative to the FPL. If the threshold changes in any significant way, there will be major "winners and losers."

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[102] Measuring Child Poverty," United Kingdom Department of Work and Pensions, December 2003. http://www.dwp.gov.uk/ofa/related/final_conclusions.pdf.

[103] Ibid.

On the other hand, it is difficult to justify leaving, as the United States' primary measure of poverty, a tool that is as problematic as the FPL. And the status quo is not without serious costs, as truly needy people such as the near poor in Suffolk County are deemed "not poor" and are denied crucial benefits, and states and localities do not receive urgently needed government support based on unrealistic poverty numbers. Finally, the public debate over social policy is hindered by the absence of appropriate estimates of the extent and depth of poverty in our country. So it must be hoped that the trend towards a critical reassessment of the measurement of poverty will continue and that a more accurate and meaningful measure will be adopted.

In the end, changing the tool for measuring poverty does little by itself to address the causes of poverty. Elizabeth Lower-Basch, of the Center on Law and Social Policy (CLASP), commented that the SPM represented a valuable improvement in the measurement of poverty, but then observed that:

> "… This is only a change in the measurement and not a change in the underlying reality. Regardless of the numbers, people's everyday reality is the same. No senior citizen finds it easier to pay for medicine and not one child is less hungry as a result of this new report…. However we measure it, poverty is unacceptably high, hardship is unacceptably widespread, and no focus on technical issues can obscure that fact."[104]

The concluding section of this report will case study several government programs that have inflexible regulations or funding reductions or regulations that have changed to the detriment of poor people in Suffolk County in need of youth services, child care and physical, developmental and mental-health services. Some of these problems faced by the government programs can be traced to the faulty FPL definition of poverty. The report will conclude with specific policy recommendation to help the County address the needs of its struggling poor residents.

[104] Lower-Basch, Elizabeth, "New Supplemental Poverty Measure Doesn't Change Reality," originally appeared in the Huffington Post, November 8, 2011.

Policy Implications and Recommendations
To Meet the Challenges of Poverty in Suffolk County

Case Studies of Public Policy Challenges: Inflexible Regulations…Insufficient Funding

"We Want to Work"
The 1996 "welfare-reform" law signed by President Bill Clinton had a title that speaks directly to what many Americans think of poor people. The law's title, "The Personal Responsibility and Work Opportunity Act," strongly suggests that this welfare reform act would address the "irresponsibility" of welfare recipients who "do not want to work." This, despite research such as the study by Kathryn Edin and Laura Lein that found, in personal interviews with 379 single-mother welfare clients conducted just before the 1996 law was enacted, that almost half (46%) of welfare mothers were already working, most off the books.[105]

There is a deep bias woven throughout American culture that believes, in this land of opportunity, people who are poor are somehow personally responsible for their own poverty. Laziness and various "bad" behaviors are assumed to be the root cause of poverty with little attention or credibility given to systems, structures and circumstances – like mental illness, for example – which also cause poverty and which sometimes have little to do with individual choices.

During the October 24th Commission focus group of clients with psychiatric disorders at Clubhouse of Suffolk, almost two thirds of the 30 attendees raised their hands when asked, "Do you want to work?" Some did not raise their hands because, as one attendee, Skippy, said, "Why bother working? When I worked … they took my SSI away because I earned a few dollars too much." She noted that the loss of SSI at the time also confused her Medicaid eligibility status and interrupted the continuity of her health and mental health care.

One person who did raise his hand was Peter. Peter said this about work:

> "With mental illness, I get the short end of the stick. We want to work as much as anybody else. We have pride just like everybody else. Give us a chance. I need SSD (Social Security Disability) to get to the point where I don't need SSD. My goal is to work."[106]

Skippy and Peter each suffer from bipolar disorder. Skippy once owned her own business before the disease incapacitated her. Peter has a college education. Both expressed the frustration heard so many times by the Commission during the poverty hearings and focus groups that poor people are caught in a web of inflexible government rules which are often predicated on the assumption that they are "irresponsible" and "lazy." These rules and regulations, the Commission repeatedly heard, too often hold poor people back or exacerbate their situations or worse, prevent them from

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[105] Edin, Kathryn and Laura Lein, "Making Ends Meet: How Single Mothers Survive Welfare and Low-Wage Work," Russell Sage Foundation, 1997, P. 44.
[106] Skippy and Peter (last names were withheld to protect the privacy of the speakers.) Testimony at the October 24th, 2012 Welfare to Work Commission poverty focus group for mentally-ill clients at The Clubhouse of Suffolk, Ronkonkoma, New York.

becoming self-sufficient. And, the American bias against poor people frequently results in anti-poverty programs having their funding reduced during a budget shortfall at the federal, State or County levels of government. This report will next case study four policy areas: mental health; physical and developmental disabilities; child care; youth programs.

SSD/SSI – Caps and Traps for People with Disabilities

There are thousands of poor people in Suffolk County who rely on federal disability benefits under the Social Security program. Many of these under the Social Security Disability (SSD) program are former breadwinners in their families. Recent publications also note the significant rise in SSD claims across the country in the wake of the economic downturns since 2001 and more seriously since the Great Recession began in 2008.

It's called the "Earnings Cliff." And, from the perspective of a rational public policy, it makes sense. People on Social Security's Supplemental Security Income (SSI) or Social Security Disability (SSD) receive their benefits because they have disabilities that render them unable to work, either for a short period or for life. The Social Security rules allow recipients to work, and have programs to encourage paid employment, but all of these programs set a cap on what they can earn because, if they are earning what the regulations refer to as a "substantial amount" of money, they clearly should not need Social Security Disability income. The rules allow work, with limits, such as:

- ***Trial Work Period*** allows recipients of a disability benefit to "test" their ability to work for at least nine months. During this trial period, they can receive their benefits regardless of how much they earn so long as they report their income to the Social Security Administration.
- ***Extended Period of Eligibility*** which occurs after the Trial Work Period, and allows the recipients to continue receiving their disability benefits for another 36 months so long as the earnings in any single month are "not substantial," meaning they do not exceed $1,010 a month. Should the earnings exceed $1,010, the benefits stop.
- ***Continuation of Medicare*** allows for Medicare Part A coverage to continue, even if the disability benefits stop due to the earnings cap, for at least 93 months after the nine month Trial Work Period.[107]

In addition, when people who receive disability benefits have employment earnings, they also generally face further penalties in the loss of Food Stamps and, if they are in Supported Housing through a State disability office (Office of Mental Health or Office of Persons with Developmental Disabilities) or Section 8, they are required to pay 30% of such income toward their rent which is a further disincentive to work since the 30% rent now reduces the amount of their income available for food, medication co-payments, transportation and other expenses.

While these regulations appear reasonable on the surface, the Commission heard from numerous mental-health clients during the focus group that these rules discourage work. Again, Peter weighed in, saying that "it is impossible to make ends meet on SSD. I am blessed to work part time," he went on, but "I can't work full time. If I go over $1, 010 a month, I lose everything. It discourages me from working." Dennis, another focus group participant, also with bipolar

[107] Social Security Administration, "Working While Disabled – How Can We Help,?" SSA Publication No. 05-10095, ICN 468625, August 2012.

disorder and other medical conditions, spoke with emotion about his disappointment when he failed a medical reevaluation test that would have allowed him to return to a part-time job he enjoyed. "People want to work," he said, explaining his hope of eventually leaving the SSD system. "It would have been a hell of a journey. I was ready to lose my SSD. It was scary." But he also mentioned how the SSD rules discourage him from working and leaving the system. "There have to be laws that allow people to go back to work over one or two years."[108]

Thus, the Social Security disability rules designed to prevent fraud by capping earnings actually trap some people into the Social Security Administration's system by limiting what they can earn. And the federal programs that do exist to incentivize a return to work are so complex and onerous with drastic benefit reductions that only a small percentage of people with disabilities actually ever leave these federal programs. One innovative response that Social Security has introduced that attempts to provide more flexibility in its work rules is the "Ticket to Work" program that will be profiled below.

Rigid Rules for Physically and Developmentally-Disabled People

On September 24th, 2012, the Commission conducted a focus group at the Riverhead legislative auditorium for physically and developmentally-disabled individuals, their caregivers and private service providers. Here again, the rules and regulations for programs that support people in poverty hung over their lives, in some cases providing them with enormous supports, but at other times creating unnecessary obstacles that blocked the services they needed.

Amy Dias spoke to the Commission. Ms. Dias was severely injured in a car accident at age 21 and is permanently disabled with a Traumatic Brain Injury (TBI.) Amy, now age 30, is a success story in some ways, having just moved out of her father's home and into her own apartment in Middle Island. She pays her $1,400 monthly rent with her $725 monthly SSD benefit and rental supplement she receives as a participant in the New York State Department of Health's (DOH) Medicaid TBI Waiver Program. She also gets help from her father. Amy is wheelchair bound. Since her new apartment is not handicap-accessible, Medicaid will pay to adapt it to her needs. She also gets physical therapy assistance through Medicaid and is continuing her education through several programs for disabled people.

But even in Amy's case, with all the government program supports she receives, there are snags. Ms. Dias has a home health aide through her Home and Community Based Waiver (HCBW) Program. The aide assists with her daily needs such as dressing, cooking and driving to medical appointments. However, due to a change made by DOH a few years ago to its HCBW regulations, aides like Amy's cannot drive clients to any non-medical destinations such as a grocery store, the library or school. Amy, and several others in this focus group, spoke of their desperate need for improved transportation services due to this DOH restriction, several other restrictions in the Medicaid Transportation Services Program and numerous problems they have accessing Suffolk County's SCAT bus service system for riders with disabilities.

[108] Peter and Dennis, (last names were withheld to protect the privacy of the speakers.) Testimony at the October 24th, 2012 Welfare to Work Commission poverty focus group for mentally-ill clients at The Clubhouse of Suffolk, Ronkonkoma, New York.

Ms. Dias and others in the focus group also described a serious lack of rehabilitative services in Suffolk County. Rehabilitative services are crucial to people with severe disabilities because they are designed to help individuals live more independently. Rehabilitation includes specialized psychological services, training and other vocational services. Service providers at the focus group explained to the Commission that Suffolk County provider agencies cannot afford to offer rehabilitative services because the Medicaid reimbursement rates for rehabilitative services are set too low to be financially viable.[109]

Another case demonstrating the impact of inflexible policy regulations is that of the Dominick family of Calverton. Robert and Dawn Dominick adopted a child at three months who, it turned out, has Angelman Syndrome, a genetic disorder that has rendered their son – now 17 years old – non-verbal and virtually incapable of any form of communication, severely intellectually disabled and incontinent. Mr. Dominick who is 60 years old, became permanently disabled in 2005 due to a work injury to his back. Ms. Dominick was a stay-at-home mother due to her son's disability and therefore, despite an autoimmune disease that prevents her from working, cannot receive SSD because she does not have the 10 quarters of work needed to qualify. Mr. Dominick receives a $2,200 monthly SSD benefit and his son receives a $1,700 month SSD subsidy.

The Dominick family was able to purchase a home when Mr. Dominick was working. Today, their monthly SSD benefits do not cover expenses. They fell two months behind in utilities and one month behind in their mortgage payment. Despite this emergency situation, DSS was forced to cut off their Food Stamps because the combined SSD benefits of the father and son exceeded the Food Stamp income eligibility guideline.[110] As noted above, over four fifths of people living at or below the FPL do not receive DSS services because of rigid and complex eligibility requirements. The barriers on near-poor people are even greater when they try to access services. The maximum gross monthly income allowed for a family of three to receive Food Stamps, for example, is $2,548. However, the regulations also set resource limits, such as households "with disabled individuals [receiving] (SSA) income [that have household] incomes over 200% of the federal poverty level [$38,180 for a family of three] are NOT categorically eligible [for Food Stamps] and are subject to the SNAP [Food Stamp]resource limits."[111] The Dominics, by owning their home and with a monthly gross income of $3,900, exceeded the Food Stamp income and resource limits, despite the hardships they face with their own and their son's disabilities. The eligibility regulations leave little room for discussion or adjustment.

Diana Cardona is a single mother of a developmentally-disabled 25 year-old son who is "mentally between the ages of three and seven, depending on the task." She receives Section 8 housing assistance. Because Ms. Cardona's other children have left home, she has been told by

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[109] Dias, Amy. Testimony at the September 24th, 2012 Welfare to Work Commission poverty focus group for disabled people, Suffolk County legislative auditorium, Riverhead, New York.

[110] Dominick, Robert and Dawn. Testimony at the September 24th, 2012 Welfare to Work Commission poverty focus group for disabled people, Suffolk County legislative auditorium, Riverhead, New York.

[111] Suffolk County Department of Social Services, "2011-2012 SNAP Desk Guide" and "Federal Poverty Levels Desk Guide."

her local Housing Authority that she no longer qualifies for the three bedroom, free-standing home in which she and her disabled son have been living, and that they must move into a two-bedroom apartment or lose their housing assistance. However, Ms. Cardona's son cannot live in an apartment because of his severe autism. He cannot navigate stairs due to a gait issue and cannot ride in elevators due to a fear of enclosed, small spaces. Moreover, he often becomes extremely loud and physically aggressive at home. His behaviors will create a constant disturbance for neighbors in an apartment-like setting, putting Ms. Cardona and her son at risk of eviction. Ms. Cardona has reported all of this to her Housing Authority. Thus far, however, the Housing Authority has refused to accommodate Ms. Cardona's son's needs, continuing to insist that they find a two bedroom apartment.[112]

With limited resources, government supportive programs such as Food Stamps, Medicaid or Section 8 must set eligibility limits. However, for people with severe physical and developmental disabilities, these regulations can be divorced from the real-life situations they or their caregivers actually face, especially those who are poor.

Child Care for Working Poor People: A Failed Funding Formula

When welfare reform was enacted in 1996, President Clinton and other supporters of the law argued vociferously for supportive services like child care that would help parents who left welfare for work to place their children in safe, quality child-care settings. While the Federal and State Governments have invested many millions of dollars since 1996 in child-care funding, Suffolk County has not been getting the funds it needs to meet the demands for child care.

The Welfare to Work Commission's Child Care Committee has been closely monitoring DSS child-care services for over three years. The New York State Office of Children and Families Services Child Care Block Grant (OCFS/CCBG) funds Suffolk County's child-care programs. About 75% of these funds are directed to families who are required to receive child care such as TANF recipients, the number of whom, as indicated above, has increased dramatically since the Great Recession began in 2008. The remaining 25% of OCFS/CCBG funds are directed at helping working-poor parents pay for child-care services. During this same period, the OCFS/CCBG funds for Suffolk County's child- care program have been cut by $3.5 million. These OCFS/CCBG reductions have taken place while the Suffolk County Department of Social Services increased the number of children served from 3,627 in 2009 to more than 5,900 in 2011. OCFS/CCBG funds serve the most vulnerable working-poor families who rely on child-care subsidies to remain in the workplace. Many of these low-wage workers are an integral part of the important service sector of Long Island's economy.

As a result of the CCBG reductions – the latest being a $143,000 CCBG cut announced in June of 2012 – DSS has been forced to devastate many working-poor families who rely on the CCBG subsidy by:

- Increasing the amount of the child-care co-payments parents must contribute from 15% to 30% of the child-care costs;

[112] Cardona, Diana. Testimony at the September 24th, 2012 Welfare to Work Commission poverty focus group for disabled people, Suffolk County legislative auditorium, Riverhead, New York.

- Decreasing the child-care subsidy eligibility level for working-poor families from 200% of the Federal Poverty Level (FPL) or $46,100 for a family of four to 100% of the FPL which is $23,050 for a family of four;
- Eliminating subsidized child care for 2,254 children of working-poor families since January, 2012;
- Closing the subsidized child-care program to any new working-poor families.

As noted above, the Commission believes that 200% of FPL ($46,100 for a family of four in 2012) is the true poverty level for Long Island. At the Commission's hearings, a number of working-poor parents stated that, due to the loss of their subsidized child care, they would be forced to reduce their work hours in order to qualify for the subsidy or quit their jobs altogether or go on public assistance or place their children in unlicensed and possibly dangerous child-care settings. Additionally, child-care providers have laid off employees as a result of the loss of CCBG-subsidized children and some have been forced out of business. According to a 2004 Rauch Foundation study, every dollar spent on child care adds $2 to the local economy; each dollar removed from child care expenditures removes $2 dollars from Suffolk's economy.[113]

In August, 2012, every member of Suffolk Legislature signed a letter drafted by the Welfare to Work Commission informing Governor Andrew Cuomo that "the State's OCFS/CCBG reductions since 2009 are penalizing working-poor families while undermining the fragile economic recovery underway in Suffolk." The legislative letter stated that "these CCBG cuts make no sense" because:

1. Nassau County with comparable child-care needs received a $2.6 million increase in its 2012 CCBG allocation at the same time that Suffolk County sustained a $143,000 reduction;
2. OCFS based the CCBG reductions on an allocations formula that penalized SCDSS for using federal stimulus ARRA (American Relief and Recovery Act) funds to increase Suffolk's subsidized child-care rolls, despite being authorized to do so in Local Commissioners Memoranda 09-OCFS-LCM-14 and 10-OCFS-LCM-14, issued in 2009 and again in 2010. The outdated OCFS formula applies a four year average of OCFS/CCBG fund usage by a county to determine its current CCBG allocation. It thereby did not take into account the use of ARRA stimulus funds which OCFS authorized.

The legislative letter went on to state:

> "Historically, the OCFS/CCBG grant has not been sufficient to meet the *actual* demand for subsidized child care in Suffolk. For this reason, SCDSS properly used its OCFS allocated ARRA funds to supplement its CCBG funding and thereby meet the actual demand for child care services. Consequently in 2011 there was no wait list for subsidized child care in Suffolk County. Yet, the price paid for the authorized decision to use ARRA funds to meet Suffolk's actual demand for child care has been a $3.5 million reduction in OCFS/CCBG funds since 2009." [114]

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[113] Stoney, Luise, Keri Klockowski, Mildred Warner, "The Child Care Industry: An Integral Part of Long Island's Economy," The Rauch Foundation, Spring 2004, Pp. 4-5.

[114] Suffolk County Legislature's letter to Governor Andrew Cuomo, signed by all 18 legislators, which was drafted by the Welfare to Work Commission, August 21, 2012.

Here, the Commission found a classic case of government underfunding a program essential to keep working-poor parents in the workplace. Efforts to secure an OCFS/CCBG emergency restoration to help Suffolk meet its documented child-care needs and to revise the flawed OCFS funding formula have thus far been unsuccessful. However, it is clear to the Commission, the Suffolk County Legislature and DSS, that, by using a rigid and outdated funding formula, the State has failed in its responsibilities to properly fund a program which is critical to the economic health and security of working-poor families and the larger Suffolk County economy.

In an October, 2012 the Welfare to Work Commission issued a report to the Legislature, "The Negative Impacts of State Reductions in Child Care Funding on the Suffolk County Economy." The Commission studied nine large Suffolk child-care centers and reported that the current round of child-care funding cuts "could lead to 400 layoffs of child-care workers, have already forced Suffolk child-care providers to reduce or end services and might cost providers $17 million in lost revenues [in 2012] that will result in a $34 million loss to the Suffolk economy." And these losses, the Commission told the Legislature, "do not convey the pain and suffering of working-poor families where children have lost their child care or are now placed in substandard, perhaps dangerous, child care settings."[115]

Fragile Youth, Fragile Funding

Demetrius Labozetta looks tough. And he is. At 20 years of age, he has been living on his own for five or six years. He told his story at the Commission's August 13th poverty hearing for young people. Nicknamed "Romeo," Demetrius admitted "I felt grown up when I wasn't." He was a troubled student in high school, got involved in drugs and eventually dropped out. He also admitted to a violent past that began at age 16 and resulted in his serving jail time. His parents are separated from each other and from Demetrius; his mom lives on the east end; his dad lives in Brooklyn. His mother was living in Florida when he was released from jail.

Living on his own, Demetrius collects Food Stamps and does odd jobs. He got his GED and would like to pursue a culinary arts educational program. He currently volunteers in the YES after school programs in Central Islip where he "gives guidance to the kids." When asked what help he received as a troubled youngster, Demetrius named several school guidance counselors, an uncle who provided him emotional and spiritual support, and the YES program.

Youth Enrichment Services – YES – provides programs and services entirely free of charge for youth and their families residing in Bay Shore, Brentwood, Central Islip and West Islip. Services and programs include daily supervised after school programs for middle-school aged youth, work readiness and job placement, drop-out prevention, tutoring, traditional mentoring, golf mentoring, tennis mentoring, e-mentoring, career mentoring, community service, social and recreational programs, discussion groups, family centers, Saturday Enrichment, special events, multicultural events and a full range of summer programs for children and youth of all ages.[116]

The Commission was stunned to learn from Demetrius and YES Executive Director Mary Ann Pfeiffer that the YES program has suffered major funding reductions. The Summer Nights

[115] Welfare to Work Commission of the Suffolk County Legislature, "The Negative Impacts of State Reductions in Child Care Funding on the Suffolk County Economy." A report to the Suffolk County Legislature, October, 2012.
[116] www.thelongislandway.com

program, for example, which helped him, was a free five nights a week evening program for youths 14-18 years old designed to keep them off the streets and out of trouble. In 2011, due to a $40,000 New York State budget cut, this program was reduced to three nights a week. In 2012, the program was eliminated following another $52,051 reduction. Then in July, YES was notified that OCFS was slashing $150,000 from its Community Reinvestment Program which works with the courts and the Suffolk County Probation Department to provide youth-development and mental-health services to young people – like Demetrius – who have had trouble with the law. This program is an alternative to expensive incarcerations. As a result of these and other YES funding reductions, the following numbers of young people were eliminated from YES programs, 2011-2012:

- 240 - Summer Program
- 60 - Employment Program
- 170 - Summer Nights Program
- 25 - Community Reinvestment Program.[117]

As the State struggles with declining sales and income tax revenues due to the Great Recession, and with the Governor and Legislature unwilling to raise taxes on wealthy New Yorkers or on corporations, hundreds of supportive programs like YES have been slashed in order to balance the State budget. The consequences of these funding cuts to poor residents in Suffolk County can hardly be measured. This much is known: 455 teenagers in Bay Shore, Brentwood, Central Islip and West Islip have lost important YES services. Three of these four communities (Bay Shore, Brentwood and Central Islip) have high concentrations of poor and near-poor families very much in need of YES programs. And 25 young people with troubled histories - like Demetrius Labozetta - have been dropped from the Community Reinvestment Program which is aimed at keeping them out of jail. The long-term fiscal and social costs to Suffolk are indeed immeasurable.

The Challenges of Making Programs Flexible

The New TANF Waivers: Flexibility Becomes a Political Football

As noted repeatedly above in this report, the Commission heard a great deal of testimony about the inflexibility of program regulations designed to provide supportive services to poor people. The Welfare to Work Commission has focused much of its attention since its inception in 2003 on the work rules in the federal Temporary Assistance for Needy Families (TANF) program enacted in the 1996 “welfare reform” law. The TANF rules required states to place 50% of TANF recipients in work activities, penalized them with funding reductions for not doing so, and penalized welfare recipients with sanctions that reduced or eliminated their benefits if they failed to comply with these work requirements. The federal TANF regulations required public-assistance clients to be placed in any of 12 prescribed activities which included work settings or training for work or, to a very limited degree, job training as well as education activities such as a GED program.

[117] Labozetta, Demetrius and Mary Ann Pfeiffer. Testimony at the August 13th, 2012 Welfare to Work Commission special hearing for young people in poverty and e-mails from Ms. Pfeiffer to Welfare to Work Commission Chair Richard Koubek, August 15 and August 20, 2012.

The Commission believes that too many of the work settings allowed by the TANF regulations either fail to prepare clients for employment or prepare them for low-wage jobs that keep them in poverty after they leave welfare. Because the TANF work rules limit the amount of time that clients can be in education and training settings, the Commission has consistently argued for more flexibility in these rules, allowing, for example, a career-oriented associate's degree or baccalaureate degree college to be counted as a work setting so that clients are prepared for competitive jobs that pay family-sustaining wages. Thus, some years ago, the Commission and DSS agreed to a new Suffolk policy that counts a client's second year of college study as a work setting if the client is studying for a degree in a demand occupation.

Generally, the TANF rules are rigid and allow little room for educational activities to be counted as work settings. Current TANF rules state "Actual hours of participation in vocational education will count toward the hours reported as work, not to exceed the federal limit. Hours of participation in a vocational education program must be documented by the provider through attendance rosters or other supporting documentation developed by the district or the provider. *Also an individual cannot count toward work participation rates due to participating in vocational education for more than 12 months during the individual's lifetime receipt of assistance.*"

GED, ESL and other basic remedial-type studies are not included in the countable vocational education activities as a stand-alone activity. These types of study can only be credited as a secondary activity when coupled with one of the countable activities. The Suffolk County Departments of Social Services and Labor collaborated on a request being forwarded to the New York State Office of Temporary Assistance to request a waiver for the inclusion of GED study as a stand-alone countable activity.

In the summer of 2012, the Commission was pleased to learn that the U.S. Department of Health and Human Services (HHS) had issued a memorandum allowing states waivers to certain of these rigid TANF work rules so as to have more flexibility in determining a work setting for public-assistance clients. A July 12th HHS memorandum stated that the purpose of these waivers was:

> "To allow states to test alternative and innovative strategies, policies, and procedures that are designed to improve employment outcomes for needy families. TANF Waiver demonstration projects under Section 1115 must be accompanied by a high quality evaluation plan, which is critical to ensuring that the pilots result in rigorous evidence about what works and what doesn't in order to inform future decisions made by policymakers at the federal, state, tribal, territorial, and local levels. In addition, states that apply for a waiver must identify interim performance targets that will be used to hold states accountable for improving outcomes for families. We will work with states interested in developing waiver demonstration projects to design these performance measures and targets."[118]

Given the fact that states had been under strong federal pressure to quickly place clients in work settings to avoid losing their funding and that the federal TANF work rules had serious

[118] Johnson, Earl, Director, Office of Family Assistance, U.S. Department of Health and Human Services, Memorandum to State Human Services Officials, July 12, 2012.

restrictions on the amount of time and the kinds of placements allowed for education, the Commission has been concerned that education and training were not being prioritized by either DSS or the Suffolk County Department of Labor (DOL) which is contracted to fulfill the DSS TANF work requirements. The Commission thus welcomed news of the state waiver which might allow more flexibility in placing clients in educational settings, including possibly more career-oriented college programs.

However, the Commission was disappointed to see that, soon after news broke about the waivers, the issue was quickly politicized. For example, Robert Rector of the conservative Heritage Foundation wrote an Op/Ed in *The Washington Post* attacking the waivers. The essay was titled, "How Obama Has Gutted Welfare Reform."[119] Even though the HHS memorandum required "performance targets" holding states accountable for meeting work outcomes, the waivers came under attack in the summer of 2012 with campaign ads arguing that the Obama administration and HHS were undermining the work requirements of the 1996 welfare law. While this contretemps died down, the fact that it was so quickly a political flashpoint and – a political football – illustrates the difficulties facing policymakers who attempt to make government programs more flexible so that they meet the needs poor people.

"Ticket to Work": An Attempt at Program Flexibility

As noted above in this report, participants in the Commission's focus group for people with psychiatric disabilities uniformly criticized what they felt were the inflexible and complex Social Security Administration (SSA) rules that penalized them for returning to work. Generally speaking, for those who receive SSI (those who are disabled and have a minimal work history,) the Social Security Administration withholds $1 for every $2 earned; however a further complexity occurs when SSA implements this withhold two to four months after the individual has begun to work, thereby leaving the recipient with notice of a huge overpayment. SSD recipients can earn without cash penalty up to "Substantial Gainful Activity" (approximately $1,000 per month,) which then triggers a clock of elimination of the recipient's cash benefit (i.e., 9-13 months.) Already aware of these concerns, the SSA has developed a "Ticket to Work" program to foster more flexibility and responsiveness for SSI and SSD recipients who want to work.

According to the SSA "Ticket to Work" brochure, the goals of the program are to:

- Offer beneficiaries with disabilities expanded choices when seeking service and supports to enter, re-enter, and/or maintain employment;
- Increase the financial independence and self-sufficiency of beneficiaries with disabilities;
- Reduce and, whenever possible, eliminate reliance on disability benefits.

The beneficiary does not need a paper Ticket to participate. Under this program, eligible beneficiaries with disabilities who are receiving monthly cash benefit payments are entitled to participate by signing up with an approved service provider of their choice. This can be an Employment Network (EN) or a State Vocational Rehabilitation (VR) agency. The EN/State VR agency, if they accept the Ticket assignment, will coordinate and provide appropriate services to help the beneficiary find and maintain employment. These services may be training, career

[119] Rector, Robert, "How Obama Has Gutted Welfare Reform," *The Washington Post,* September 6th, 2012.

counseling, vocational rehabilitation, job placement, and ongoing support services necessary to achieve a work goal.

While participating in the Ticket to Work Program, beneficiaries can get the help they need to safely explore their work options without immediately losing their benefits and can work to find the job that is right for them. Beneficiaries also can use a combination of work incentives to maximize their income until they begin to learn enough to support themselves. Therefore, the individual can:

- Go to work without automatically losing disability benefits;
- Return to benefits if he or she has to stop working;
- Continue to receive healthcare benefits;
- Be protected from receiving a medical continuing disability review while using the Ticket and making the expected progress with work or educational goals.[120]

According to Commission member Michael Stoltz, Executive Director of Clubhouse of Suffolk, the Ticket to Work Program can be a "win/win" for clients and providers. However, federal officials have been slow to respond to national disability advocates who have asked that the regulations be simplified. For example, many SSA recipients with disabilities receive both SSI and SSD; Ticket to Work rules are much more complicated for this group. A simple fix, proposed but not yet adopted after years of advocacy, is to treat earned income in the SSI and SSD programs in exactly the same manner, preferably like the SSD program where the client's cash is not reduced until such time as he or she has accumulated some money to be more self-sufficient. Such a reform would create a gradual reduction in benefits rather than an "earnings cliff," a much more friendly policy, especially for people with disabilities who are at risk of relapse.

Public Policy Recommendations for the Suffolk County Legislature

Adapting Policies to the Uniqueness of Suburban Poverty

As indicated above, the rigid FPL is perhaps the most obvious example of federal policies not adapting to local economic and social circumstances. The Commission fully understands that Suffolk County Government is hamstrung by federal and State regulations - in addition to the underfunding of programs by Albany and Washington and the growing number of unfunded mandates passed down to the County - that often do not meet the needs of the people of Suffolk.

Understanding that there are no simple or singular solutions to what Commissioner Blass correctly called the "exceptionally complex" problem of poverty,[121] the Commission is confident that there are important policies which can be enacted at the County level to provide much-needed support to Suffolk residents who are poor or near poor. The Commission therefore urges Suffolk legislators to factor into their County policy and funding decisions the unique qualities of suburban poverty that affect Suffolk citizens struggling to make ends meet, even when State and federal policymakers fail to do so.

[120] Social Security Administration, Ticket to Work Program Overview, http://www.ssa.gov/work/overview.html#a0=1

[121] Blass, Op. Cit.

Professor Sarah Eichberg of Adelphi University's Vital Signs Project summarized some of these unique qualities of poverty in the suburbs when she testified at the May 18th poverty hearing:

- Suburban poor people tend to be more isolated and less concentrated and much more invisible than poor people in cities.
- Suburban poor people face serious transportation barriers compared with poor people in the cities who often can walk or take public transportation to work or to charitable and government offices that offer them help.
- Social services in the suburbs are much harder to access because the providers are spread over a wide geographic area and often have fewer funding resources than do city programs. The five Suffolk DSS sites and seven Suffolk health centers spread over the 2,373 square miles of Suffolk clearly illustrate this point.
- The lack of affordable housing is an especially serious burden facing suburban poor people. For example, only about 17% of Suffolk's housing stock is rental housing which is critical to poor and near-poor people. And much of the existing rental stock is not affordable, especially to people earning under 200% of the FPL. This critical issue was addressed in the Commission's 2007 report to the Legislature, "Affordable for Whom? Creating Housing for Low and Moderate-Income People in Suffolk County."
- Suburban economies are now witnessing an increasing number of low-wage workers following the migration of low-skilled, low-wage jobs to the suburbs from the cities.[122]

Recognizing the Need to Act

Soon after the Commission held its poverty hearings in the spring, one Long Island journalist contacted the Commission's chairperson several times to confirm LIA economist Pearl Kamer's testimony that $75,000 is the base income needed for a family of four to make ends meet on Long Island. The reporter had run into disbelief on the part of his editors who were reluctant to print such a controversial figure. Eventually the reporter prevailed, but the pushback he met from his editors suggests the political challenges facing Suffolk legislators who want to take action to alleviate poverty in Suffolk County.

On July 7th, 2012, *The New York Times* lead editorial, written as a response to the Commission's poverty hearings, was titled, "Struggling in the Suburbs." Identifying many of the difficulties facing poor people in Suffolk County that are documented in this report, the editorial concluded, "Solving these problems must begin with an admission that suburban officials and residents are reluctant to make: Poverty is growing, and it is not going away."[123] As stated repeatedly above in this report, about 20% of Suffolk's population lives at or below $46,100 a year which the Commission believes, along with numerous academic and other experts, is the actual or true poverty level for a family of four on Long Island.

Suffolk residents who earn between $23,050 and $46,100 are pretty much on their own because their incomes are too high to qualify for many government supports but too low to pay their bills. And, as the Commission heard again and again throughout the hearings, these near-poor people work. They are not lazy; they want to be self-sufficient; they are ashamed to ask for help; they rely on private charities but still can't pay their bills. They are too often victims of systems and

[122] Eichberg, Op. Cit.
[123] "Struggling in the Suburbs," Op. Cit.

structures that are stacked against them: racist and classist real-estate practices that lock their children into low-performing schools and future poverty; a housing market that is unaffordable; low wages that are not family-sustaining. Their poverty diminishes them; their poverty diminishes the entire Suffolk community.

The Commission has been encouraged by New York State's creation of Regional Economic Development Councils with funding opportunities that will create jobs in Suffolk County. And the Commission is hopeful that County Executive Bellone's bold plans to make economic development an overarching theme of his administration – beginning with the consolidation of numerous County departments into an Office of Economic Development and Planning – will also spur much-need job creation in the County. Good-paying jobs are a critical antidote to poverty.

But as noted repeatedly above in this report, the causes of poverty are complex. *The New York Times* editorial captured the challenge of poverty facing Suffolk County government:

> "Of course, there are things to be done – smarter use of social service resources, more economic development, a stronger public commitment to mass transit, housing and job training. But those are long-term challenges atop an immediate crisis, which must be addressed by more spending and more staffing to fix the safety net."[124]

The policy issues identified by the *Times* editorial will be addressed in the Commission's recommendations for Suffolk County legislative action that are presented below, recommendations that are targeted at the unique qualities of suburban poverty. But first, the *Times* call for "more spending" to meet the challenges of suburban poverty must be addressed.

Can't Private Charities Do the Job?

Private charities have long played an important role in relieving the economic stress and insecurities of poor people. As reported above, food pantries alone serve about 10% of the Long Island population each year. Catholic parish outreach centers provide food, clothing and emergency assistance to over 300,000 Suffolk residents a year.

It has long been understood that government contracts for nonprofit agencies have too often fallen short of the actual costs they incur in providing these services. Because the contracts draw from federal and State health and social-service funds which, as noted above, are often the first to be frozen or cut during a budget crisis, the County is hamstrung by these outside funding sources when it negotiates a contract with a nonprofit agency. County funds used to pay these nonprofit contractors are also among the first to be frozen or cut during a County budget crisis. Thus, it is routine for County contracts to be frozen or flat funded for years at a time. An even worse case is the Long Island Council of Churches (LICC) food pantry in Riverhead which serves hundreds Suffolk residents referred to it by County agencies, yet receives no County funding. In Nassau, the LICC food pantry does have a County contract but funding was frozen for 30 years despite a fivefold increase in the demand for food assistance, and then the contract was reduced by 21% in 2012.[125] A cost-of-living adjustment (COLA) is almost never factored

[124] Ibid.
[125] Goodhue, Rev. Thomas, Executive Director, Long Island Council of Churches.

into a County's contract with a nonprofit agency. Nor does the County pay the typical 10% administrative costs incurred by nonprofit agencies in the delivery of services.

This frustration was well illustrated with Suffolk County's adoption of the commendable Living Wage Law in 2001, which required all contract agencies to pay a wage of about $10 an hour with health insurance yet provided virtually no funding for them to do so. It can also be seen in the Catholic Charities' contracts to provide substance-abuse and mental-health services. In 2006, Catholic Charities paid a psychiatric social worker with sixteen years of experience $38,000. Yet, while it cost Catholic Charities $82 to provide a chemical-dependence counseling session, with the client paying $25 out-of-pocket for the session, the contract provided the agency with only $38 for that session, leaving Catholic Charities to absorb the $19 shortfall. And, if the uninsured and poor client defaulted on the $25 fee, which frequently happened, the agency had to absorb the missing $25. For this reason, Catholic Charities had $2.9 million in substance-abuse and mental-health program deficits between 2000-2004 which were covered by agency investments, private contributions and funds from the Diocese of Rockville Centre.[126]

Thus, Suffolk County government contracts with nonprofits have routinely underfunded the provider agencies to the point where a proposed contract freeze despite inflationary and other increases in their costs is often considered a victory by provider agencies.

"We Don't Have Any Money"

Any analysis of Suffolk government responses to the challenges of poverty must begin with the challenge posed by the County legislator who, as reported above, did not attend the Commission's poverty hearings because, as he said, "We don't have any money." The County's ballooning deficit is a matter of serious concern to the Commission. But so are the dwindling revenues that have choked government action in numerous policy areas for decades. The Commission believes that these revenue shortfalls can be traced in good part to the reluctance of county executives and legislators of both political parties to impose tax increases on the people of Suffolk.

Understanding that property taxes in Suffolk County are among the highest in the United States, the Commission took a close look at the County tax structure, with surprising results. The County portion of a property tax bill is typically only 11% which includes the police district tax and the other minor County revenues such as "Out of County Tuition." The General Fund tax which supports almost all of the non-police programs in County government comprises only .0096% of a typical property tax bill. A 2% General Fund tax increase would add only $2 to the total annual tax bill of the average Suffolk homeowner.[127] To illustrate the miniscule portion of a Suffolk property tax bill that supports County government, consider how this $14,032, Dix Hills property tax bill in 2012 breaks down:

[126] Catholic Charities, Diocese of Rockville Centre, "Why Has Catholic Charities Subsidized Government Contracts in Mental Health and Chemical Dependence Programs with $2.9 Million,?" an advocacy document , March 3, 2006.
[127] Vizzini, Gail. E-mail exchanges and conversations with Welfare to Work Chair Richard Koubek, March 14th, November 6th and 7th, 2012.

Property Tax Category	Current Property Tax	Property Tax with a 2% General Fund Tax Increase
County General Fund Tax	$ 134.95	$136.95
County Police District	$1,812.62	No change
Out of County Tuition	$ 39.15	No change
Town Property and Highway	$1,121.85	No change
School District	$8,782.74	No Change
Miscellaneous Local and State	$2,140.71	No Change
TOTAL TAX	**$14,032.22**[128]	**$14,034.02**

On November 7th, at the special Suffolk County legislative general session to approve the 2013 County budget, Legislator Thomas Barraga stated that he would vote for the budget because it does not contain a "tax increase." Not raising taxes - even by $2 a year - is a mantra for elected officials; a vote to raise taxes is seen as political suicide. For this reason, the Suffolk County General Fund tax has not been increased for nine years. As a result, County programs and staffing have been slashed, contract agencies that provide services have been frozen or cut and, with falling sales tax revenues, the current three year County deficit at one point was projected to be $500 million. As the Legislature's Budget Review Office (BRO) reported in their analysis of the 2012 County Operating Budget, "the County has relied for far too long on sales tax …to avoid having to increase local sources of revenue." And again, in their analysis of the 2013, the BRO stated that this overreliance on sales tax revenues which have fallen during the Great Recession has created a "structural imbalance" in the County Operating Budget that will lead to a continuing problem "in terms of our credit worthiness and cash flow."[129] The County shifted toward this sales-tax base for its revenues in the early 1990s. Prior to that, for example, *between 1989 and 1992, the General Fund tax revenue was in the $130 million to $166 million range as compared with only $49 million today.*[130]

Given these structural imbalances and resulting funding inequities, the County's budget shortfalls and the need to expand programs that help struggling Suffolk residents, the Commission makes the following recommendations regarding the County's tax revenues[131]:

1. There is a great deal public misperception about what is widely believed to be the "crushing burden" of the County's property tax. The Commission therefore recommends that the Legislature undertake a public education campaign to help residents understand how little of their property tax bill is used to support County programs and how unstable reliance on the sales tax is to the County finances.

[128] Statement of Taxes for Richard and Kathryn Koubek, 10 Randolph Drive, Dix Hills, 2012.

[129] Suffolk County Legislatures Budget Review Office, "Review of the 2012 Operating Budget," P.3 and "Review of the 2013 Operating Budget," Page 3.

[130] Vizzini, Op. Cit.

[131] A motion to remove the recommendation for tax increases was defeated at the December 14th Commission meeting by a vote of 14 NO , 7 YES (Jeffrey Reynolds - Long Island Council on Alcoholism and Drug Dependence, Bridget DePasquale – Catholic Charities, Lori Andrade – Health and Welfare Council of Long Island, Paula Fries for Michael Stoltz – Clubhouse of Suffolk, Peggy Boyd – Family Service League, Debbie Joseph – Wyandanch Homes and Property Development Corporation, Robert Greenberger - FEGS) and no ABSTENTIONS.

2. In addition, the Commission support's the Budget Review Office's 2013 recommendation that the County sales tax be increased by ¼% which would yield $70 million in new revenues. This will require State legislative approval.[132]
3. The Commission additionally recommends that the General Fund tax be increased to the State cap of 2% which will yield an additional $1 million in new revenues. [133]
4. The Commission also recommends that the County undertake a fiscal analysis of steps that might be taken to return to a greater reliance on the property tax and less reliance on the unstable sales tax as a revenue source.
5. The Commission recommends that the Legislature ask the legislative Budget Review Office to examine a 1% tax on the sale of any home that is 200% or more above the Suffolk median home value. This tax would be shared equally by the home seller, the home purchaser and the bank that provides the mortgage. Revenue from this tax would be dedicated to County anti-poverty programs.
6. The Commission recommends that the Legislature explore funds available from other levels of government (e.g. policy changes by the New York State Office of Temporary and Disability Assistance regarding equity in day-care funding, federal transportation or housing funds, etc.) Other additional funding opportunities might include grants and tax credit programs, user fees, dedicated fees and taxes such as the Peconic tax for environmental preservation, State grants for economic- development projects in low-income areas such as "Wyandanch Rising."

Increasing the sales tax by ¼% and the General Fund tax by 2% will yield $71 million in new revenues for the County. What follows are the Commission's recommendations[134] as to how 21% or $15 million dollars of these new revenues should be designated in the 2014 County budget for programs to meet the challenges of poverty in Suffolk County. Also included are long-term recommendations for County action. The recommendations are accompanied by estimated costs as well as the Commission's projections of what the costs will be for County inaction. *It should be noted that the Commission will take up all of these recommendations in its 2013 goals with special attention to those recommendations marked, "(Only legislative oversight is required)"*

Finally, the Commission understands that Hurricane Sandy was a catastrophic event that devastated parts of the South Shore of Suffolk, with Lindenhurst, Copiague, Amityville, Babylon Village, Mastic Beach among the most-affected communities on Long Island. Although complete data are not yet available, those providing disaster-relief services report that impacted families are faced with severe economic challenges related to rebuilding. While the Commission cannot yet project how these circumstances will impact the long-term poverty rate in Suffolk County, it is important to recognize that large-scale disasters could exponentially and disproportionately affect vulnerable populations. Hurricane Sandy thus hangs over the Commission's legislative recommendations to meet the challenges of poverty that follow.

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[132] Budget Review Office 2013 Budget Review, Op .Cit., P. 3.

[133] Vizzini, Op. Cit.

[134] A motion to separate the recommendations out from the report for further study and then to release these recommendations as a separate document by March 31st , 2013 was defeated at the December 14th Commission meeting by a vote of 18 NO, 3 YES (Lori Andrade – Health and Welfare Council of Long Island, Paula Fries for Michael Stoltz –Clubhouse of Suffolk, Peggy Boyd – Family Service League) and no ABSTENTIONS.

Specific Policy Recommendations for the Suffolk County Legislature To Meet the Challenges of Poverty in Suffolk County				
Policy Area to Address the Causes of Poverty	**Short-Term Recommendations**	**Long-Term Recommendations**	**Impact on the County Budget**	**Costs of County Inaction**
DSS Staffing	Reduce the 9.6% vacancy rate per Budget Review Office concern that there are “45 less personnel occupying the department’s authorized positions [in 2012] compared with a year ago.”[135]		$2.25 million ($50,000 salary and benefits for 45 DSS staff accounting for State and federal pass-through funding)	BRO reported that failure to address DSS staffing in the 2013 budget “burdens a department overwhelmed with mandated responsibilities.”[136]
Eligibility for DSS/DOL Supportive Services for Near-Poor People		Request that DSS, DOL, provider agencies and the local Social Security Administration offices collaborate to ensure maximum flexibility in the application of federal and State supportive service program eligibility requirements.	$0 (Only legislative oversight is required)	Many near-poor people who are denied critical supports such as subsidized child care either quit working or return to welfare, thereby costing the County millions in services and lost taxes.
Contract Agencies	Continue partnerships with nonprofit and other community agencies in the delivery of social services but monitor these	Suffolk’s Five Year Human Services Plan should analyze existing programs, pinpoint emergency needs and implement performance-based	$0 (Only legislative oversight is required	Nonprofit contract agencies that are not funded at cost-of-service will reduce their services or eliminate services.

135 Budget Review Office 2013 Budget Review, Op .Cit., P. 287.
136 Ibid, P. 20.

	contracts to ensure that they afford agencies adequate funding to provide these services.	contracts.		
Education and Training for Low-Income Workers and SWEP Clients	Prioritize placing Suffolk Works Employment Program (SWEP) public-assistance clients in the Workforce Investment Act (WIA) College Transition Program to help them prepare for college.		$0 (Only legislative oversight is required)	Placing SWEP clients in low-wage, unskilled jobs perpetuates their poverty and costs the County millions of dollars in future tax revenues. These low-wage workers also have a high welfare recidivism rate which is very costly to DSS.
	Prioritize placing SWEP clients in educational and vocational training programs such as GED and where appropriate emphasize programs that target STEM-related fields (Science, Technology, Engineering , Math) as indicated by the Long Island Regional Economic Development Council (LIREDC.) Examples of such training programs are Energy Auditor or Solar Installer.	-The Department of Labor (DOL) should continue to publish Requests For Qualifications (RFQs) targeting STEM vocational training. -Assess the effectiveness of STEM career training in moving SWEP clients to self-sufficiency.	$0 (Only legislative oversight is required)	The Long Island Regional Economic Development Council is supporting the STEM program to help Suffolk County prepare SWEP clients to meet the high-skilled workforce needs of the region. In so doing, the STEM participants will increase their incomes leading to increased County/town revenues. Failure to do so works against the needs of both the clients and the wider Suffolk economy.
Subsidized Child Care for Working-Poor Families	Increase County funding to match the $2 million in County funds for child care		$2 million	According to a 2004 Rauch Foundation study, every dollar spent on child care generates $2

	added to the 2009 County budget. These funds would be dedicated for child care subsidies for working poor-families who do not receive pubic assistance.			dollars in local revenues and every dollar invested ensures almost $10 in additional Federal and State funds are returned to the regional economy. The reductions in New York State OCFS/CCBG funding will cost the Suffolk economy 400 jobs and an estimated $34 million in 2012.[137]
	Create a child-care task force to coordinate child care services with the economic-development goals of the County.		$0 (Only legislative oversight is required)	County Executive Bellone has made economic development an overarching goal for his Administration. Failure to coordinate child-care services with these plans will undermine the work-force needs of many businesses and thereby jeopardize the County's economic-development plans.
Transportation		Establish County-wide Sunday bus service	$3 million per Abrams and Cherwoni study[138]	The lack of Sunday bus service is very costly for working-poor people who cannot reach their jobs and it traps disabled people in their homes on Sundays.
		Ask that the Department of Public Works to meet with disabled riders and their provider agencies to determine how to provide more flexible SCAT services that meet their	(included in $3 million above)	The lack of flexible SCAT service prevents disabled people from reaching educational, rehabilitative and medical settings that contribute to their self-sufficiency.

[137] Welfare to Work Commission of the Suffolk County Legislature, "The Negative Impacts of State Reductions in Child Care Funding on the Suffolk County Economy," Op. Cit.
[138] Abrams-Cherwoni, et.al., "Comprehensive Bus Route Analysis and Service Development Transit Plan for the Suffolk County Public Bus System," submitted to the Suffolk County Department of Public Works, October, 2008.

		needs.		
		Establish evening hours (to 10PM) on the 24 routes recommended by the Abrams-Cherwoni study.[139]	$2 million[140]	Many working-poor people have jobs with evening hours that extend beyond the current 8PM end of most bus routes. Not providing evening bus service is another barrier to employment and self-sufficiency for low-wage workers.
People with Substance-Use Disorders	The Legislature should continue to monitor the Sober Homes DSS enhanced payment pilot program designed to establish quality sober homes.		$71,185 net County Cost after Safety Net reimbursement.[141]	As the Commission reported in its 2010 sober homes study, there is no State oversight of sober homes. The majority of sober home residents are DSS clients who receive DSS housing supports to live in unsupervised homes where drugs and alcohol are often used openly, thereby undermining the residents' recovery treatments.[142]
Education and Training for Persons with Disabilities, Substance-Use Disorders and Mental Health Conditions		Ask the Department of Labor to work with contracted nonprofit agencies to ensure that vocational and pre-vocational services they provide to disabled SWEP clients can be tailored to meet the individual needs of people with physical or developmental disabilities,	$0 (Only legislative oversight is required)	Any effort to make people with physical or developmental disabilities, substance-use disorders and mental-health conditions more self-sufficient through tailored education and training programs reduces long-run government disability costs and, through their enhanced

139 Abrams-Cherwoni, Op. Cit., P 11.

140 Cost extrapolation by Legislator Jay Schneiderman, Chair of the Suffolk County Legislature's Public Works and Transportation Committee and Welfare to Work Chair Richard Koubek in a conversation on December 10, 2012, drawn from the Abrams-Cherwoni study, Ibid.

141 Barnett, Robin, DSS Housing Services, Division Administrator. E-mail to Welfare to Work Commission Chair Richard Koubek, December 3, 2012.

142 Welfare to Work Commission, "Recovery for Whom? The Urgent Need for Safe and Effective Sober Homes in Suffolk County," 2010 report to the Suffolk County Legislature.

		people with substance-use disorders and people with mental-health conditions so they can develop work-related skills.		productivity, adds to the County's revenue base.
Health Services	Restore $3.6 million to County health centers to bring funding levels back to 2011, after accounting for the transition of Coram by Hudson River Health Care[143]		$3.6 million	The 2013 BRO budget analysis states, "In the Review of the 2012 Recommended Budget, the Budget Review Office warned that the 2012 Recommended Budget would render Suffolk County… less healthy and less safe…. Much of the service reductions and enforcement drawbacks that elicited that statement have now been in place since July, 2012 [with] service reductions that include a 25% reduction in visits to the Maxine Postal Tri Community Center [and] a 20% reduction in visits at the three East End centers [and]reductions in visits to the Mental Health Clinics."[144]
	Restore 41 Patient Care staff cut in 2012[145]		$2.05 million ($50,000 salary and benefits for 41 DOH positions accounting for State and federal pass-through	The BRO 2013 Budget Report concludes, "the staff reductions of 2012, which are not alleviated by the 2013 Recommended Operating Budget, have forced the Department [of Health] to change its focus from prevention, early

[143] Budget Review Office 2013 Budget review, Op. Cit, P. 189.
[144] Ibid., P. 191.
[145] Ibid., P. 184.

			funding)	detection and intervention to response and mitigation…[which will cause] reduced visit capacity [and] longer waiting lines in the health centers…This typically results in patients being seen later in their illnesses, and in foregoing preventive care."[146]
	Assess the process of transitioning the County health centers to Federally Qualified Health Centers (FQHC.)		$0 (Only legislative oversight is required)	Several of the County's health centers, in addition to the Coram Center, may be taken over by Hudson River Health Care (HRHC) which is a Federally Qualified Health Center (FQHC.) There has been some confusion and concern by employees, advocates and the public about these negotiations. FQHC status may actually raise the quality of services while bringing additional federal funds to the centers. Nevertheless, there is also concern that Suffolk may be using the FQHC process as a vehicle for privatizing and off-loading its public-health responsibilities.
Economic Development	Continue to encourage Industrial Development Agency (IDA) tax reductions to corporations that create jobs but provide oversight to insure		$0 (Only legislative oversight is required other than the potential reduction in County tax	IDAs are an important tool to encourage economic development and job creation. But there are cases where corporations that receive IDA tax breaks do not deliver on their negotiated

[146] Ibid., P. 192.

	that these corporations hire local workers and pay them family-sustaining wages.		revenues which cannot be calculated.)	commitments. For example, the Central Islip Marriott hotel currently under construction received over $2 million in County, town and school district tax breaks over an 11 year period yet the workers hired to construct the hotel are out-of-State, non-union workers being paid less than the prevailing wage.
		Include in the scoring tool for applications to receive Empire Development Corporation/Long Island Regional Economic Development Council (LIREC) grants community-benefits criteria that require commitments to serve low-wage workers.	$0 (Only legislative oversight is required.)	Applications for LIREC grants are scored on a number of economic-development criteria. Among these criteria should be specific actions that grant recipients will take to support Suffolk low-wage workers, such as hiring local workers, providing day care for their children and education and training to prepare the workers for project-related skills, etc.
Racial Segregation	Adequately fund and staff - including a full-time attorney - the Suffolk County Human Rights Commission to insure enforcement of fair housing laws designed to reduce racist real-estate practices such as racial steering.[147]		$100,000 for one attorney, salary and benefits.	Racial segregation is one of the most significant factors contributing to poverty among African Americans and Hispanics which costs the County millions of dollars in lost economic productivity as well as the costs of social, health and criminal-justice County services.

[147] Welfare to Work Commission of the Suffolk County Legislature, “Affordable for Whom? Creating Housing for Low and Moderate Income People in Suffolk County,” report to the Suffolk County Legislature, February, 2007, P. 15

Workforce Housing	Continue to support County affordable-housing programs such as: -Transfer of Development Rights; -Sanitary Flow Credits; -Transfer of tax foreclosure properties to local municipalities, at no cost, for the development of affordable housing. [148]		$0 (Only legislative oversight is required)	The lack of workforce housing is causing Suffolk to lose about 15% of its young people between the ages of 25 and 34. Thus, after Suffolk school districts typically spend almost $300,000 to educate children, grades K-12, these former students move away due to the lack of affordable housing. Near-poor workers with family incomes under $46,100 are in desperate need of affordable housing, especially rental housing. Some are relocating to find affordable homes
Housing for Low-Wage Workers		Create a Legislative Task Force to explore: - Requiring a mandated accessory apartment for low-income renters when the County utilizes federal or state funds to support the creation of affordable owner-occupied housing; -Providing additional funding, through DSS, for supportive case management programs for very-low income people placed	$0 (Only legislative oversight is required)	Only 17% of Suffolk's housing stock is rental housing. Low-wage workers who earn up to 200% of FPL are a critical component of Suffolk's workforce. The lack of affordable rental housing places undue burdens on these workers and forces many to leave Long Island.

[148] Ibid. P. 16.

		in subsidized rental housing; -Adopting a Suffolk County rent control law to stabilize rents for low income households.[149]		
Suffolk County Budget Impacts of the Recommendations			**TOTAL:** $71 million revenue addition with ¼% sales tax and 2% General Fund tax increases less **$15 million** in the anti-poverty program expenditures identified above leaving a $56 million net revenue gain for the County	

[149] Ibid.

The Need for Action by Suffolk County Government
The Commission understands that not every social or economic problem can be solved by another government spending initiative. However, the Commission also recognizes that too many of these problems are unresolved or made worse because government programs to address them are seriously underfunded.

To illustrate, between 2008 and 2011, DSS monthly caseloads rose dramatically in basic programs such as Medicaid (+39%), Emergency Housing/Singles (+40%), Family Assistance (+45%), Safety Net (+69%), Emergency Housing/Families (+69%) and Food Stamps (+109%).[150] This trend continued into 2012. Food Stamp cases, as noted above, rose to 40,699 in April, 2012 (up from 26,193 in 2010) then rose again to 55,420 in October, 2012. Food Stamps are one of the few government supports available to near-poor people. Yet, staffing at DSS actually fell between 2011 and 2012, despite the Department's rising case load. The BRO reported that DSS filled (i.e., occupied) staff positions declined from 1,653 in 2011 to 1,568 in 2012,[151] causing the BRO to conclude, as noted above, that the Department is now burdened and overwhelmed in its delivery of services. No matter how productive these DSS workers are, they simply cannot efficiently provide from 39% to 109% more services with 45 fewer workers than one year ago.

This kind of understaffing inevitably leads to frustration, errors and inefficiencies. Sr. Lisa Bergeron, Director of the St. John Nepomucene Parish Outreach Center in Bohemia, reported to the Commission a situation in which one of her disabled clients was repeatedly denied basic DSS services (including Food Stamps,) was treated rudely by DSS staff and had her application lost for weeks. Sr. Lisa described the situation:

> "One cold Friday morning in March, 2012, 'Leilah,' who is a disabled person receiving SSI… walked to our office [a distance of more than 10 miles] in Bohemia from the [DSS] offices in Hauppauge. She had to walk – she has no other means of transportation and the Safelink cellphone she has …had no more minutes….On March 8, 2012, [LIPA] served 'Leilah' with the 72 hour notice for payment….The DSS workers did not appear to care…; nor did they seem interested in helping this disabled, poor person."

Sr. Lisa went on to explain that she had to personally intervene with a DSS administrator to make sure that "Leilah" received the services to which she was entitled. "Leilah" was fortunate to have an advocate; many poor people do not. Explaining her success, Sr. Lisa wrote, "We had passion, the means and the know how to push the right buttons to get a prompt and just response." She concluded, "Wouldn't it be wonderful if the public servants at [DSS] did the same?" [152]

This is the price paid for underfunding and understaffing a basic government program.

The Commission believes that the modest revenue, staffing and program recommendations above can be implemented in the 2014 County budget. The evidence from these hearings and focus groups was clear: vulnerable people exist and need help in Suffolk; near-poor people who

[150] Welfare to Work Commission letter to the Suffolk County Legislature, November 1, 2011, based on case load data received from DSS.
[151] Budget Review Office 2013 Budget review, Op. Cit., P.287.
[152] Bergeron, Sr. Lisa. Written testimony submitted to the Welfare to Work Commission, September, 2012.

work but remain poor need supportive services. The recommendations offered above address the uniquely suburban nature of Suffolk's poverty while providing much needed government supports to vulnerable people and the 20% of Suffolk families who live below 200% of the FPL, many working but still unable to make ends meet. Charities alone cannot do the job.

Nor can Suffolk County alone do the job. For this reason, the Commission recommends that the Suffolk Legislature begin an advocacy campaign at the federal and State levels of government to address the funding inequities that burden Suffolk's ability to properly fund and deliver supportive services. The Commission therefore recommends that the Legislature:

1. Advocate for the Federal Government to regionalize the FPL which would open more services to near-poor people.
2. Advocate for the New York State Legislature to authorize a ¼ cent sales tax increase in Suffolk County for 2014.
3. Advocate for a change in the New York State OCFS/CCBG formula that has underfunded Suffolk's subsidized child-care program.
4. Advocate for a State increase in public-bus funding comparable to the Sate contribution to Nassau's bus system.
5. Continue to press the New York State Office of Alcohol and Substance Abuse Services to assume responsibility for and oversight of Suffolk County sober homes.

The Commission's members, representing a cross section of private and public agencies that serve poor and vulnerable people on Long Island, pledge their support for these efforts. Meeting the challenges of poverty in Suffolk County will not be easy. Not meeting these challenges will continue to cause great harm to our neighbors and to the larger Suffolk economy. Poor people contribute to Suffolk's prosperity. The less poor they are, the more they will contribute and the less it will cost the government to assist them. In the end, meeting the challenges of poverty in Suffolk County benefits everyone.

Conclusion: Budgets are Moral Documents

On January 1st, 2013, the United States will mark the 150th anniversary of President Abraham Lincoln's Emancipation Proclamation. DSS Commissioner Gregory Blass told the Commission at the May 18th hearing that we must end "the emasculation of government's ability to do what Lincoln said is the purpose of government – to help those who can't help themselves."[153] With so much attention given to the November 2012 release of Steven Spielberg's movie, "Lincoln," and the approaching anniversary of his historic Emancipation Proclamation, it makes sense to conclude this report by reflecting on Lincoln's thoughts about the purpose of government.

In 1854, Lincoln wrote, "The legitimate object of government is to do for people what needs to be done." He added, "Why not each individual take himself the whole fruit of his labor, without having any of it taxed away…?" Lincoln answered, "The legitimate object of government is to do for a community of people whatever they need to have done, but cannot do, *at all*, or cannot, *so well do*, for themselves - in their separate, and individual capacities… There are many such things [which include] … providing for the helpless young and afflicted…. The best framed and best administered governments are necessarily expensive."[154]

This is the challenge facing Suffolk Government's response to those struggling in our suburb. Meeting the challenges of poverty needs to be done. Despite the misguided belief that poor people can always lift themselves out of poverty, the reality is that many cannot "so well do" this by "themselves" because of the many barriers they face which are documented throughout this report. While government policies must not make poor people dependent on others for help, neither must government turn away from giving them the supports they need to help themselves, whether this means emergency housing assistance, Food Stamps, education and training to get a better job, health care for the uninsured, subsidized child care, affordable housing or public transportation. These are the challenges that must be met. And, the Commission believes that Lincoln was correct: "The best framed and best administered governments are necessarily expensive."

The Commission believes that Suffolk can no longer escape the twin realities that meeting the challenges of poverty will require additional tax revenues and that Suffolk has the resources to do so because the County portion of the property tax is quite low – again, only 11% of the total. Failing to implement a County tax increase after nine years of a General Fund freeze while relying far too much on sales tax revenues which are the most regressive form of taxation, falling most heavily on the poor, is failing to meet the moral responsibilities of government alluded to by President Lincoln. County budgets are moral documents.

Mary Dewar, Chair of the Public Issues Committee of the Long Island Council of Churches, summarized this moral challenge in her testimony at the Commission's May 22nd poverty hearing:

[153] Blass, Op. Cit.
[154] Novick, Steve, "Lincoln on Government, "http://www.blueoregon.com/2009/02/lincoln-on-government/

> "[It is] the moral imperative of all … to seek justice for all with love and compassion. It is not enough to provide crisis interventions for those who need food, clothing, housing, medical care or [who are] suffering from discrimination and injustice.
> It is also our imperative to find ways to correct these situations so they do not continue."[155]

This moral imperative was addressed by Rabbi Judy-Cohen Rosenberg of the Reformed Community Temple in Westbury and Rev. Stephanie Pope of St. Stephen's Lutheran Church in Hicksville in an October 29th, 2012 *Newsday* Op/Ed titled, "Budget Decisions Are Moral Ones." Acknowledging that county officials face "difficult, unavoidable choices about how to balance needs and resources, how to distribute burdens and sacrifices," they note, "these choices are economic, political – and moral." The Rabbi and Reverend next elaborate on the moral nature of the challenge:

> "The moral measure of the [County budget] debate is how the most poor and vulnerable fare. We look at every budget from the bottom up: whether, as Isaiah demanded, it 'breaks every yoke,' ensuring comfort for the hungry and afflicted (Isaiah 58:6); how it treats what Jesus called 'the least of these' (Matthew 25:45) … [County budgets] will shape the county we live in for the coming years. The investments and cuts we make are defining moral choices."[156]

It is the Commission's sincere hope that the Suffolk Legislature will take the short and long-term steps needed to shape a County where, as Rabbi Cohen-Rosenberg and Reverend Pope describe it, the County Legislature gives "moral priority to programs that protect the poor and vulnerable."[157] To do less is to blame poor people for their suffering, to dismiss their needs and to leave them alone, feeling "vulnerable all the time," without the help they need and cannot provide for themselves.

Meeting this challenge will take moral courage and political will; it will require tough pragmatism and compassionate idealism. And, in the end, it will come down to this prescription offered by President Lincoln: "Determine that the right thing can and shall be done, and then we shall find the way."[158]

[155] Dewar, Mary. Testimony at the May 22nd Commission hearing on poverty.
[156] Cohen-Rosenberg, Rabbi Judy and Rev. Stephanie Pope, "Budget Decisions are Moral Ones," *Newsday*, October 29, 2012.
[157] Ibid.
[158] http://www.csmonitor.com/Books/2012/0211/Abraham-Lincoln-15-favorite-quotes-on-his-birthday/Right-motives

Respectfully Submitted to the Suffolk County Legislature
By the Welfare to Work Commission
December, 2012[159]

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Kathy Liguori, Commission, Vice Chair, Tutor Time

Marjorie Acevedo, For Presiding Officer William Lindsay
James Andrews, Suffolk County Department of Labor
Gwendolyn Branch, Long Island Council of Churches
Bridget DePasquale, Catholic Charities
Barbara Egloff, Eastern Suffolk BOCES
Don Friedman, Empire Justice Center
Kimberly Gierasch, Suffolk County Department of Health
Robert Greenberger, FEGS Health and Human Services
Hon. DuWayne Gregory, Chair, Human Services Committee, Suffolk County Legislature
Roland Hampson, Suffolk County Department of Social Services
Michael Haynes, Long Island Cares/The Harry Chapin Food Bank
Debbie R. Joseph, Wyandanch Homes and Property Development Corporation
Ellen Krakow, Nassau/Suffolk Law Services
Nina Leonhardt, Suffolk County Community College
Kathleen Malloy, Suffolk County Association of Municipal Employees
Ray O'Rourke, Suffolk County Workforce Investment Board
Jeffrey Reynolds, Long Island Council on Alcoholism and Drug Dependence
Marcia Spector, EOC of Suffolk County
Michael Stoltz, Clubhouse of Suffolk

[159] A motion to adopt the full report as amended by the Commission on December 14th, 2012 passed: 18 YES, 2 NO (Lori Andrade – Health and Welfare Council of Long Island, Peggy Boyd - Family Service League) and no ABSTENTIONS.

Appendix: Participants in the Hearings and Focus Groups

Government Officials

1. Gregory Blass, Commissioner, Suffolk County Department of Social Services
2. Glenn McNab , Deputy Commissioner, Suffolk County Department of Labor
3. Trudi Renwick, Chief, Poverty Statistics Branch, Social, Economic and Housing Statistics Division, U.S. Census Bureau

Academic Experts and Researchers

4. Sara Eichberg, Director of Community Research, Vital Signs Project, Adelphi University
5. Pearl Kamer, Chief Economist, Long Island Association

Agency Representatives

6. Peter Barnett, Board Member, Nassau/Suffolk Coalition for the Homeless
7. Sr. Lisa Bergeron, Director, St. John Nepomucene Parish Outreach Center, Bohemia
8. Mary Dewar, Chair, Public Issues Committee, Long Island Council of Churches
9. Randi Shubin Dresner, President and CEO, Island Harvest
10. Courtney Fabian, Director, Ss. Peter and Paul Parish Outreach Center, Manorville
11. Chris Fogarty, Director, St. Frances Cabrini Outreach Center, Coram
12. Martha Escobar Graziano, Coordinator of Operations and Outreach, Commodity Supplemental Food Program, Catholic Charities, Diocese of Rockville Centre
13. Stephanie Greenberg, East end Disability Associates
14. Elaine Gross, President, ERASE Racism
15. Corinne Hammons, Executive Vice President, Community Development Corporation of Long Island
16. Gina Koch, RES Home Care Administrator
17. Brian Lahiff, Assistant Director, Child Care Council of Suffolk
18. Kim Luisi, Director, Our Lady of the Assumption Parish Outreach Center, Copiague
19. Tracey Lutz, Maureen's Haven
20. Ryan Lynch, Policy Director, Tri-State Transportation Campaign
21. Sally McGarrity, Program Director, Clubhouse of Suffolk
22. Ele Ruth Melendez, Director, St. Frances de Chantal Parish Outreach Center, Wantagh
23. Colleen Merlo, Executive Director, Mental Health Association of Suffolk County
24. Ken Miller, East End Disabilities Associates
25. Angie Moro, SEIU 1199
26. Pilar Moya-Mancera, Family Service League of Long Island
27. Rebecca Mowl, Political Director, Long Island Federation of Labor
28. Charlene Obernauer, Executive Director, Long Island Jobs with Justice
29. Gwen O'Shea, President and CEO, Health an Welfare Council of Long Island
30. Paule Pachter, Executive Director, Long Island Cares/The Harry Chapin Food Bank
31. Susan Paulsen, Director, St. Anthony of Padua Parish Putreach Center, Rocky Point
32. MaryAnn Pfeiffer, Executive Director, Youth Enrichment Services, West Islip
33. Regina Perettti, RES
34. Theresa Regnante, President and CEO, United Way of Long Island
35. Jeffrey Reynolds, PhD, Executive Director, Long Island Council on Alcoholism and Drug Dependence

36. Jon Stepanian, Community Solidarity/ Long Island Food Not Bombs
37. Michael Stoltz, Executive Director, Clubhouse of Suffolk
38. Luis Valenzuela, PhD, Executive Director, Long Island Immigrant Alliance
39. Gina D'Andre Weatherup, Planned Parenthood

Members of the Public

40. Janet Allen, Huntington Station
41. Abigail Antenor, Central Islip
42. Vaneshia Baker, Wyandanch
43. Jeanne Burton, Central Islip
44. Diana Cardona, West Babylon
45. Jessica Cavanaugh, West Islip
46. Chanelle (Last name withheld)
47. Brian Conforti, Bridgehampton
48. Christopher Coredro, Brentwood
49. Dale, (Last name withheld for privacy, Clubhouse of Suffolk)
50. Devin Darmanie, Brentwood
51. Joseph Darney, Brentwood
52. Troy Decasteele, Bay Shore
53. Renee Delgado, Bellport
54. Dennis, (Last name withheld for privacy, Clubhouse of Suffolk)
55. Amy Dias, Middle Island
56. John Dias, Miller Place
57. Dawn Dominick, Calverton
58. Robert Dominick, Calverton
59. Alex Drummond, Brentwood
60. Lenox Edwards, Central Islip
61. Elizabeth, (Last name withheld for privacy, Clubhouse of Suffolk)
62. Esther (Last name withheld), Central Islip
63. Natalie Fernandez, Central Islip
64. Stacy Flores
65. Jahmaal Gardno, Brentwood
66. Nicole Christian Goodine, Coram
67. Johsun Hawkinson, Brentwood
68. Sasha Jayne, Brentwood
69. Wendy Johnson, Port Jefferson
70. Gianna Justo
71. Caroline Knoell, Patchogue
72. Demetrius Labozetta
73. Kayla Lopez, Bay Shore
74. Maria (Last name withheld)
75. Evette McIntyre, Bentwood
76. John Meyers, Brentwood
77. Wendy Miller, Setauket
78. Esther Monius, Central Islip
79. Carlos Olivera, Brentwood

80. Jeanatte Ouldelhkim, Central Islip
81. Peter, (Last name withheld for privacy, Clubhouse of Suffolk)
82. Nicholas Puccio, Wantagh
83. Regina Puccio, Wantagh
84. Peter Quinn, West Islip
85. Tomas Romero, Bay Shore
86. Perry Russell, Farmingville
87. Reinaldo Sanchez
88. Shabnam Sanli, Central Islip
89. Theodore Scoville
90. Leigh Scozzari, Shirley
91. Adriana Sealey, Brentwood
92. Shirley (Last name withheld for privacy, Clubhouse of Suffolk)
93. Skippy, (Last name withheld for privacy, The Clubhouse of Suffolk)
94. Sue, (Last name withheld for privacy, Clubhouse of Suffolk)
95. Tasha, (Last name withheld for privacy, Clubhouse of Suffolk)
96. Bismarck Toribio
97. Doris Torres, Brentwood
98. Damaris Vaval, Wyandanch
99. Diana Vasquez, Central Islip
100. Yasser Vetura, Brentwood
101. Destonee W. (Last name withheld)
102. Wanda, (Last name withheld for privacy, Clubhouse of Suffolk)