



Testimony of Marilyn Askin, Esq.
Chief Legislative Advocate, AARP New Jersey
Before the Assembly Committee on Human Services
Special Hearing on Poverty

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Good morning Speaker Prieto, Chairwoman Huttle, Vice Chairwoman Tucker and members of the Committee. My name is Marilyn Askin. I am Chief Legislative Advocate for AARP Jersey and I very much appreciate the opportunity to speak with you today on behalf of AARP members and many other New Jersey residents with modest incomes.

Let me begin by commending you, Speaker Prieto, for launching this new anti-poverty initiative. New Jersey's current and long-term economic and employment outlooks, which I am sure you will hear about today, are ominous. Continuing increases in the cost of housing and declines in real wages in New Jersey is pushing even more middle income residents into significant deprivation and actual poverty. These trends raise the possibility that we are witnessing profound and long-term shifts that will likely require corresponding paradigm shifts in government economic development and anti-poverty strategies.

While poverty in New Jersey started leveling off in 2014, at least temporarily, ending an unprecedented series of annual increases launched by the Great Recession, it still remains close to 50-year record high levels, nearly 40% higher than before the 2008 economic collapse.

Traditional disproportionate over representation of certain groups — single women, Blacks, Latinos, children — among those in poverty continued in 2014 and, in most cases, worsened. For older New Jerseyans, over 300,000 residents 65 and older live below 200% of the poverty level. That's less than \$1,962 a month for a single and \$2,655 a month for an older couple. It's particularly difficult for those folks to get by particularly because the state consistently ranks in the top five or six most expensive states to live in. Those costs are driven particularly by high housing and energy costs, which older adults spend a greater portion of their income paying.

In measuring the extent of poverty, place of residence still matters greatly; wide differences in poverty rate and numbers remain among counties and municipalities. For example, while three of our 21 counties, Hunterdon, Morris and Somerset, have poverty rates under five percent, eleven New Jersey counties struggle with rates of 12 to 20 percent.

Still-growing numbers of children in poverty exacerbate concern about the likely well-being of future generations, especially given the ever more demonstrable link between childhood poverty and educational attainment.

Unfortunately, the government responses to poverty in New Jersey over the last few years have failed to address this growing crisis. The state's safety net was further weakened in 2014 with the termination of its extension to the emergency rental assistance program. Further limitations on welfare eligibility during the past two years have made the state's Work First program even less accessible to those with the greatest need. And those who do participate saw years pass without a grant increase – a pattern that has now persisted for 28 years.

And of course, the state's decision to abandon the Heat and Eat program was a real blow to thousands of older New Jerseyans struggling every day to find adequate food. New Jersey had and continues to have an opportunity to take advantage of flexibility to implement federally required the Heat and Eat changes to allow the provision of enhanced SNAP benefits to qualified households. Providing a very modest additional federal energy benefit of \$21 would leverage up to \$1,080/year in SNAP benefits per household. The \$170 million in additional federal funds will not only prevent further cuts on SNAP benefits, but will provide significant economic benefits to communities across the state – up to \$9 for every \$5 in SNAP benefits spent. These are substantial returns on a very modest investment of \$3.2 million in funding, which we understand can be provided through the available unexpended balance of federal LIHEAP funds.

To put it simply, SNAP is a critical part of the nutrition safety net available to low-income families and people in need, including the elderly and people with disabilities.

On the positive side, expansion of Medicaid eligibility and private insurance coverage through the Affordable Care Act has greatly boosted health and financial security for many New Jersey residents. The uninsured rate is now one-half of what it was when these were implemented just three years ago.

Once again, I appreciate the opportunity to speak with you today, and would be happy to try to answer any questions you might have.