

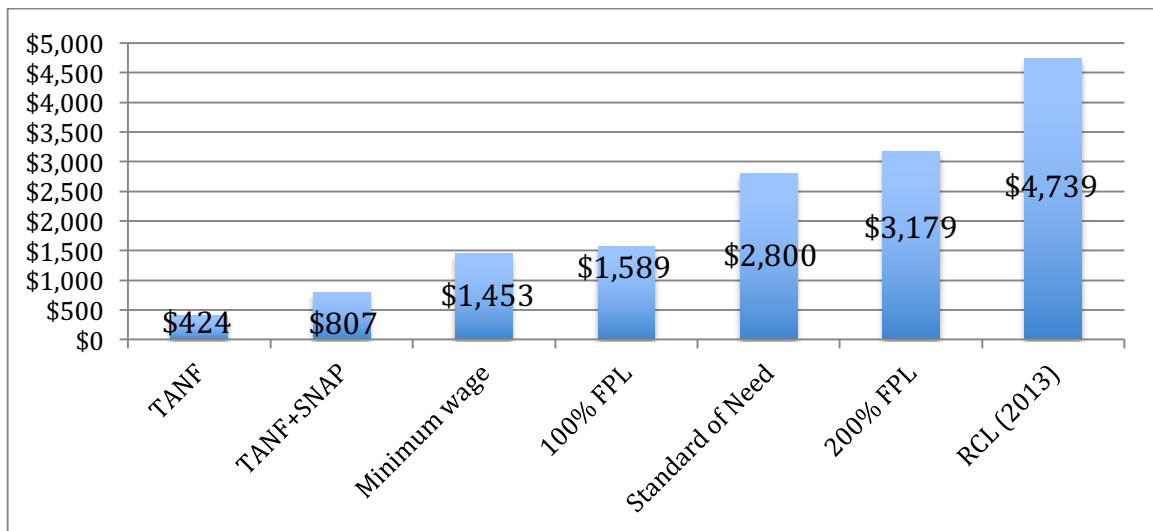


**Assembly Housing & Community Development Committee, January 27, 2016**  
**Testimony of**  
**Serena Rice, Executive Director**  
**Anti-Poverty Network of New Jersey**

Good afternoon Chairman Green, Vice-chair Jasey, and members of the committee. My name is Serena Rice and I am the Executive Director of the Anti-Poverty Network of New Jersey, a broad-based coalition of organizations and individuals committed to the prevention, reduction and the eventual end of poverty in New Jersey. Thank you for the invitation to address you today about the far-reaching challenge of poverty in this state particularly as it relates to the intersection of poverty and housing needs. The Anti-Poverty Network appreciates your engagement, as well as the commitment expressed by the Assembly Speaker to make poverty a central priority of this legislative session.

Earlier today I had the opportunity to address the Human Services committee about this same topic of poverty in New Jersey, and I shared with them this graph of the array of income needs that encompass poverty in New Jersey.

**Monthly Income for a Family of Three (2016)**



For a family of three, this graph shows a variety of monthly income levels that real families face in our state, to make the point that there is not just one poverty story that we need to address. The extreme poverty faced by parents and children in the Temporary Assistance to Needy Families program requires different solutions than the income gap faced by the working poor who may earn above minimum wage but are still unable to meet the real cost of living.

The other function of this graph is to provide context for the sheer numbers we need to recognize when we are talking about poverty. The bar marked as 200%fpl represents an income level double the official poverty threshold, which APN calls *True Poverty*. Although this benchmark is still well below the real market cost of all basic needs, it is a conservative measure of who is really struggling. Using this measure, we know that about 1 in 5 New Jerseyans are facing some level of sustained economic struggle.<sup>1</sup>

This is the magnitude we are talking about when we talk about poverty in New Jersey, and the range of income levels on this graph demonstrate how one size does not fit all in responding to this crisis. This is particularly true when it comes to housing needs.

Earlier this week, I sent copies to the committee of the Anti-Poverty Network's white paper on housing. This paper includes two pivotal facts in understanding the central importance of solving New Jersey's affordable housing crisis if we want to make progress on poverty. The first is that more than three-quarters of all very-low-income families (those with an income below \$25,000/year for a family of four) pay more than half of their income on housing. This level of housing cost is defined as extreme housing cost burden by the Department of Housing and Urban Development. It destabilizes family budgets and jeopardizes the capacity to meet other basic needs or even to maintain housing. The second fact is that a growing body of research shows a direct link between "housing security" and physical/mental health, depression, behavioral, and school problems among children, as well as demonstrating the ultimate costs of these problems to society.

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<sup>1</sup> The most recent statewide Census poverty data estimates that 24.9% of New Jersey residents have incomes at or below twice the federal poverty level (200% fpl).

Being able to afford stable, decent housing without help is almost impossible for people in poverty – market prices are out of reach. Our state needs a robust plan for subsidizing housing costs to make housing affordable to families all along the poverty spectrum. This includes deep subsidies for those in the most desperate straits, as well as the production of more low- and moderate-income units to provide below-market rentals, and to increase the supply of modest rental housing, and thereby relieving some of the market pressure.

Unfortunately, this two-pronged approach to providing homes people can afford has been undercut in recent state budgets. The state's highly effective rent subsidy program, the State Rental Assistance Program (SRAP), has gone from being funded by the general fund, to being funded with redirected revenues from the Affordable Housing Trust Fund. This redirection is despite the function of the Trust Fund to support new development and rehabilitation. Subsidies and development are in essence being set-up as an either/or, with the state revenues that used to support SRAP being removed from the picture. ***So my first call to this committee is to reject this either/or dichotomy and to work to restore balance to New Jersey strategies for addressing the housing crisis.***

Looking more closely at SRAP it is further clear that the program can meet only a small portion of the need. In the last months of the past year a new homelessness crisis began to unfold for families and individuals with disabling conditions. These households have been relying on the Emergency Assistance program to maintain appropriate housing because they simply cannot find other affordable options. When the Department of Human Services implemented a change in policy that ended this assistance for several thousand recipients, it was immediately evident that other programs simply did not have the resources to absorb the new need. SRAP would be the perfect program to serve these households, most of whom are unable to increase their incomes through work, and many of whom are surviving on less than \$800 per month in disability payments. The existing SRAP vouchers, however, are already accounted for. ***That is why APN supports the Opening 1,000 Doors Campaign, and respectfully asks this***

***committee to work toward the creation of 1,000 new SRAP vouchers for special needs and chronically homeless households.***

The third issue I would like to raise to this committee is the reality of what happens when families just cannot afford the cost of decent housing — if they can avoid homelessness, or dangerous overcrowding, they are often forced to inhabit substandard housing. Among the many dangers to health and safety in such housing is the danger of lead poisoning. Through the tragic crisis in Flint Michigan we are all aware of what lead poisoning means for young children – serious and often irreversible health impacts, including brain damage and behavioral issues with life-long consequences. Although it is not getting as many headlines, New Jersey has a lead crisis as well. High levels of toxic lead were detected in more than 3,000 children in 2014 alone.

What makes this most tragic is that this poisoning is entirely preventable. New Jersey has a Lead Hazard Control Assistance Fund whose purpose is to pay for removing or controlling lead in homes, relocating households with lead-tainted children on an emergency basis, and supporting widespread education and outreach on lead poisoning. But over the last 10+ years these funds have been diverted to plug holes in the state budget, with the small portion remaining clearly inadequate to protect the primarily poor children who live in homes with unsafe lead-based paint. ***So my third call to this committee is to support and work for the inclusion in the FY17 budget of the \$10 million appropriation for the Lead Hazard Control Assistance Fund***, since the appropriation bill which passed the legislature last month was not signed.

In closing, there is one further element of the context for New Jersey's poverty crisis that must be addressed in any serious effort to reduce poverty statewide. Demographic data makes it abundantly clear that poverty has a racial component. Rates of poverty are several times higher among Blacks and Latinos than among Whites. This disparity is systemic and particularly in the arena of housing it is tied to entrenched patterns of housing segregation that bar communities of color from accessing the same opportunities in large numbers that

are open to Whites. Last Spring APN convened a working group of committed partners who have been working to assemble research and recommendations about what New Jersey needs to do to address the serious and persistent barriers to equity and economic progress for communities of color. Later this year we will be releasing a report with the fruit of this work, and we urge this committee to engage with us in exploring the policy recommendations that will relate to human services. If we want to get serious about addressing poverty in New Jersey, that work has to involve actions to counteract the structural racism that feeds that poverty.