

# Child Poverty Reduction Advisory Council (CPRAC)

#### Reminders – Administrative Items

- Meetings are being recorded and live streamed
- Facilities
- Breaks



#### **Table of Contents**

- I. Welcome Meeting Goals
- II. Recap Meeting 4
- III. CPRAC Procedural Matters
- IV. In-Depth Review and Discussion Public Benefits and Childhood
  - Research Briefings
  - Lived Experience
- V. Looking Ahead Next Steps



# Welcome



#### Welcome

- Assistant Secretary to the Governor for Human Services and Mental Hygiene Alyson Tarek – Remarks Representing CPRAC Co-Chair Deputy Secretary Jihoon Kim
- Acting Commissioner Barbara Guinn (OTDA) Remarks
   CPRAC Co-Chair



#### **Goals for Meeting 5**

- Recap work to date
- **Review** procedural and committee updates, status of research
- **Discuss** Public Benefits and Childhood research and lived experience
- Engage potential areas for reform
- Schedule confirm meeting 6, schedule meetings 7 and 8



# Recap Meeting 4

## Recap – Meeting 4

- Discussed Enacted Budget and related reforms that will have a positive effect on poverty in New York
- Began scheduling committee meetings
- Orientation on Employment/Wages policy, including:
  - presentations from scholars
  - testimonials from New Yorkers with lived experience



# Recap – Employment/Wages Policies

- In CPRAC's orientation on Employment/Wages, we explored research findings and realworld implementation data that show how different employment and wage policy options reduce poverty:
  - In 2019, NAS' "Roadmap to Reducing Child Poverty" considered the effects of reforms to employment-based credits
     (EITC) on child poverty and found that increasing the EITC would reduce child poverty by more than 18%
  - We learned about wage and employment trends from Economic Policy Institute, who showed how racial disparities in employment and wages have persisted for decades and that those gaps have widened over time.
  - The NYS Department of Labor showed how the minimum wage has helped address gender wage gaps and outlined the recently-enacted plan to increase the minimum wage across New York State
  - Scholars from Georgetown and Niskanen Center shared research on the EITC, including its complicated history,
     positive effects over time, existing administrative burdens, and how it interacts with the minimum wage



# **Recap – Economic Policy Institute**

- Dr. Valerie Wilson from the Economic Policy Institute discussed employment and wage trends over time, highlighting racial disparities and gaps
  - Though employment rates have increased among all groups over time, Black and Hispanic workers experience persistently higher rates of unemployment than similarly educated white workers
  - Nationally and in New York, racial wage gaps between black-white workers and Hispanicwhite workers are wider now than 40+ years ago, which is not associated with productivity – pointing to discrimination as a key factor
  - Women of color face dual impacts of race and gender wage gaps, with the highest gaps (lowest wages) of any groups
  - Before, during, and after pandemic, Black and Hispanic unemployment rates have remained high (and significantly higher than white employment, which rebounded post-pandemic)
  - In New York, while the lowest wage workers overall did experience strong wage growth since the pandemic, median wage growth among Black and Hispanic workers has been very limited over the past 30+ years



# **Recap – Economic Policy Institute**

- Dr. Wilson made clear that counteracting racial disparities in unemployment and wages requires intentional policy action:
  - Raising wages for low-wage workers could help close racial and gender wage gaps, including through policies like minimum wage and paid leave
  - To prevent discriminatory outcomes, restructure institutions to focus on solidarity and equity, especially for low-wage workers, such as by forming unions
  - Make more generous and more permanent pandemic-era-type policies that data have shown were effective at supporting low-income working families and closing persistent gaps (such as wage and leave policies, cash transfers like credits, child care assistance, and more)
  - Equity cannot be an afterthought must be clearly and explicitly defined goal, with systems that can actually support achieving those goals, by confronting systemic racism and implicit biases



# Recap – NYS Department of Labor

- New York State Department of Labor shared key facts on the minimum wage in New York
   State, based on the work of their Division of Research and Statistics
  - NY's ~\$15 minimum wage was already among the highest of any state in the U.S.
  - More than 1 million New Yorkers (12% of New York's ~9 million hourly workers) currently make less than \$16 in NYC/ \$15 rest of state
    - > Disproportionate number of these workers are part time workers, women, people of color
  - Recent increases will make New York the national leader in minimum wage and help to address pay gaps/disparities
    - > 2024: grow to \$16 in NYC, Nassau, Suffolk, Westchester counties; \$15 in rest of state
    - > 2025 and 2016: additional \$0.50 increase statewide each year
    - > Starting in 2027: NY's minimum wage will be indexed to inflation



# **Recap – EITC Reform Options**

- Dr. Pamela Herd (Georgetown University) and Dr. Joshua McCabe (Niskanen Center) presented several examples of reform options to consider for New York's EITC that would help it reach and uplift more families in poverty:
  - Make the EITC more accessible and less confusing for eligible populations
  - Expand the EITC, including by increasing value and/or modifying eligibility
  - Consider adjusting overall structure of EITC (shape of curve, phase-out, etc), in particular to avoid intersection with minimum wage on the phase-out portion of the credit schedule, which would reduce or eliminate the disincentive for working households to increase their earnings and encourage income-building/wage growth at lowest levels
  - Consider how other tax credits, such as the Empire State Child Credit, avoid intersection with minimum wage – any lessons to draw in terms of program design, resource allocation, etc.



### Recap – Testimonial: Employment/Wages

- CPRAC statutory members who've lived in poverty provided testimonials about their employment/wages experiences
- Pamela Walcott (New York City):
  - Has not worked for many years (disability), but husband has maintained steady employment
  - Even working full time, employment income does not provide enough to cover basic needs
  - As a result, family relies on food, cash, and housing assistance, which were hard to obtain
  - Has not received EITC
- Candace Cabral (Rochester):
  - Currently works low-wage jobs, volunteers
  - Has spent many years juggling multiple jobs to have enough hours to earn enough for family
  - Multiple minimum-wage and low-wage jobs still not enough to cover basic needs
  - As a result, family relies on food, cash, and housing assistance, which were hard to obtain
  - Receives EITC



## **CPRAC**

Organization and procedural matters



#### **Organization and Logistics – Urban Institute**

- Update: Current State of UI work
  - Baseline memo shared earlier this summer
  - Recently received data on Enacted policies
  - Goal: start receiving simulation data on forward-looking proposed policies by October meeting; interactive session discussing proposed policy packages

#### **Organization and Logistics – 2023**

- Next CPRAC statutory members convenings:
  - Meeting 6: October 5
  - Meeting 7: November 9
  - Meeting 8: December 6
- Committee meetings to date
  - Tax Policy: June 2
  - Housing: June 12
  - Employment/Wages: June 23
- Scheduling next committee meetings:
  - Public Benefits: September date TBD
  - Childhood: September date TBD



#### Organization and Logistics – Next Steps

- Through committees, will start putting pen to paper on specific ideas and takeaways
- As committees reach consensus around certain ideas and potential recommendations, will come back to the CPRAC statutory members to present their consensus
- Goal of issuing progress report this year, including:
  - recap of CPRAC work to date: topics covered, research reviewed, committees formed, poverty reductions achieved via FY23 and FY24 enacted policies
  - initial recommendations as put forward by issue committees

#### **Urban Institute – Baseline Memo**

- Baseline represents the "before" against which the present/ future will be compared
- Based on data from 2019 to avoid capturing temporary
   COVID-related programs
- Developed a new "CPRAC Supplemental Poverty Measure" based on the SPM, incorporating more nuance via modelling



#### **Urban Institute – Enacted Policies**

- To begin their analysis, Urban estimated the effects of the recently-enacted policies (from 22/23 and 23/24 Budgets) on child poverty in New York, comparing to baseline
- This exercise included four simulations:
  - Effects of child-poverty-related permanent policies in FY23 and FY24 Budgets
  - Effects of permanent policies plus the one-time/temporary expansion/supplement of EITC
  - Effects of permanent policies plus the one-time/temporary expansion/supplement of ESCC
  - Effects of permanent policies referenced above, combined with temporary policies referenced above



#### **Urban Institute – Enacted Policies**

- According to Urban estimates, NYS is already making progress reducing child poverty through recently-enacted policies
- All four simulations were shown to have child-poverty-reduction effects:
  - Child-poverty-related permanent policies in FY23 and FY24 Budgets: 6.7% reduction
  - One-time/temporary expansion/supplement of EITC: 2.3% reduction on its own
  - One-time/temporary expansion/supplement of ESCC: 2.8% reduction on its own
  - Permanent policies together with temporary policies: estimated cumulative 11.8% reduction



# **In-Depth Review**

Public Benefits and Childhood

### In-Depth Review – Public Benefits, Childhood

- Presentations on the following areas:
  - 1. Public Benefits
  - 2. Child Care
  - Hear from Council members about related experiences
  - Group discussion and Q&A



#### In-Depth Review – Public Benefits, Childhood

To recap, among the initial ideas we discussed in Meeting 1:

We looked to NAS' *Roadmap to Reduce Child Poverty*, which found that both SNAP policy options they considered, which included increasing benefits by 20 percent or 30 percent for families with children, and increasing Summer EBT, were found to reduce child poverty by more than 10 percent:

- Option 1: Increase SNAP benefits by 20 percent for families with children, along with small program adjustments and increasing Summer EBT, reduced child poverty by more than 10%.
- Option 2: Increase SNAP benefits by 30 percent, along with small program adjustments and increasing Summer EBT, reduced child poverty by 13%.



### In-Depth Review – Public Benefits, Childhood

- Challenges in the areas of public benefits and childhood have been discussed throughout our meetings together, in particular in comparison to other policies and programs
  - Current eligibility for programs excludes certain New Yorkers who need assistance
  - Among eligible New Yorkers, benefits are underutilized, including by race/ethnicity
  - Difficulty applying for and maintaining benefits (program rules, documentation requirements, administrative burdens, and more)
  - Many recipients report that benefit amounts are no longer sufficient to cover basic needs,
     exacerbated by rising inflation and dramatically rising costs of essentials, including extreme
     cost of living/housing in New York, food, and more



#### **Presentation – Public Benefits in New York**

- NYS Office of Temporary and Disability Assistance (OTDA)
  - Overview of public benefits/key programs offered by OTDA
  - Summary of related facts, figures, and reforms
- Q & A to follow



\*\*\* Intermission \*\*\*

# **In-Depth Review**

Public Benefits and Childhood

#### **Presentation – Child Care in New York**

- NYS Office of Children and Family Services (OCFS)
  - Overview of child care landscape in NY, including child care subsidy programs offered by OCFS and efforts to address lack of access
  - Summary of related facts, figures, and reforms
- Q & A to follow



#### **Discussion – Public Benefits and Childhood**

- We have heard a lot today about public benefits and child care in New York, including challenges that applicants/recipients continue to experience and ways to improve programs and reach more eligible New Yorkers
- We also heard about State Agencies ongoing efforts to implement reforms and strengthen benefits statewide for all
- Focusing on these topics:
  - What policy characteristics stand out as areas for New York to consider?
  - Additional ideas for reforming or more effectively targeting these proposals?
  - Specific strategic iterations you want to see?



# **In-Depth Review**

Lived experience discussion

### In-Depth Review – Lived Experience

- Must incorporate the perspectives of New Yorkers with lived experience
  - Council Members Candace Cabral and Pamela Walcott have provided a testimonial about their challenges applying for, receiving, and maintaining public benefits of different kinds, including SNAP, PA, SSI, child care, and Medicaid
  - We will review and discuss their experiences with them
  - Q&A to follow



#### **Discussion – Lived Experience**

- Key takeaways from listening to their first-hand experiences
- Based on their testimonials, as well as your experiences helping New Yorkers facing these types of challenges, what specifics should we focus on learning, discussing, and addressing more?
  - Specific barriers to focus on?
  - Positive features of these programs and policies to build upon?
  - Best practices from successful programs that we can use to address areas of challenge?



# **Next Steps** *Upcoming Meetings*

# Next Steps – Meetings in 2023

- Schedule for remainder of 2023:
  - October 5
  - November 9
  - o December 6

# Next Steps – Goals for 2023

#### Meeting 6 – October:

- Begin reviewing Urban Institute data on proposed policies and their poverty-reduction effects
- If possible, consider interactive session, grouping individual policies into proposed packages for Urban Institute to model/simulate
- o If ready, hear from committee(s) on any consensus achieved in their topic area

#### Meeting 7 – November:

- Statutory members vote on committees' consensus recommendations
- Review draft progress report on CPRAC efforts to date, discuss initial recommendations

#### Meeting 8 – December:

Vote to issue progress report with initial recommendations



# Closing



#### Closing

- Assistant Secretary to the Governor for Human Services and Mental Hygiene Alyson Tarek – Remarks Representing CPRAC Co-Chair Deputy Secretary Jihoon Kim
- Acting Commissioner Barbara Guinn (OTDA) Remarks CPRAC Co-Chair

#### **Questions? Comments? Feedback?**



# Thank you!