

Results Review: Economic Security

March 27, 2019

OPENING REMARKS



Overview of Today's Meeting



Listen



Observe



Understand



Acknowledge

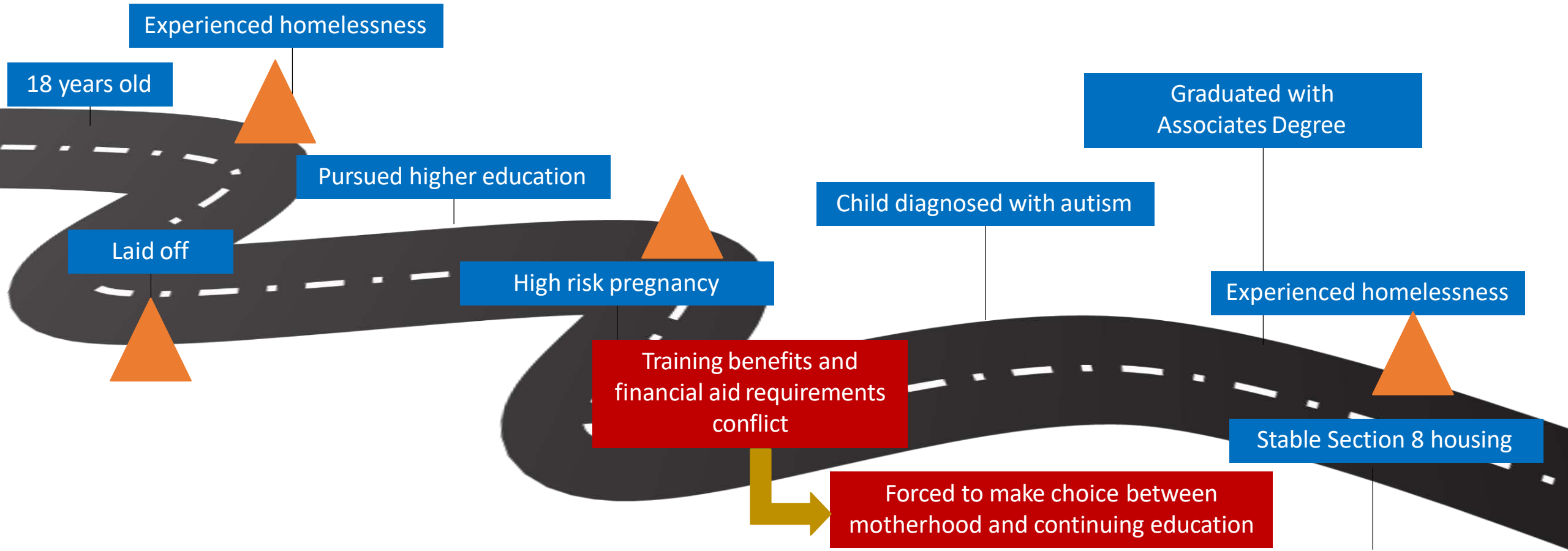
MARCY BOWERS
POVERTY REDUCTION STEERING COMMITTEE

JENNIFER BERESKIN

POVERTY REDUCTION STEERING COMMITTEE



“It should not be up to the customer to repeat information multiple times to different agencies. There should be a streamlined communication service where agencies are connected and can share data.”

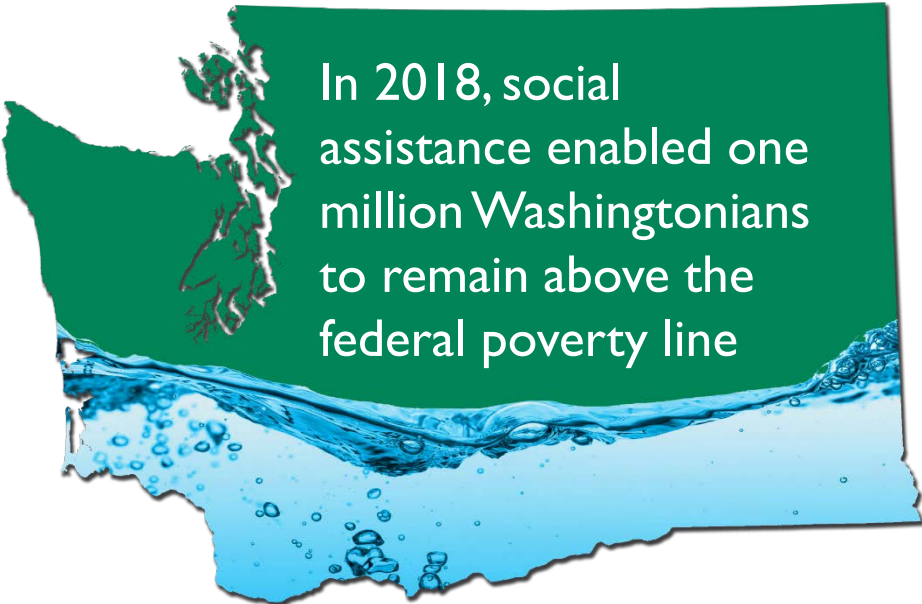
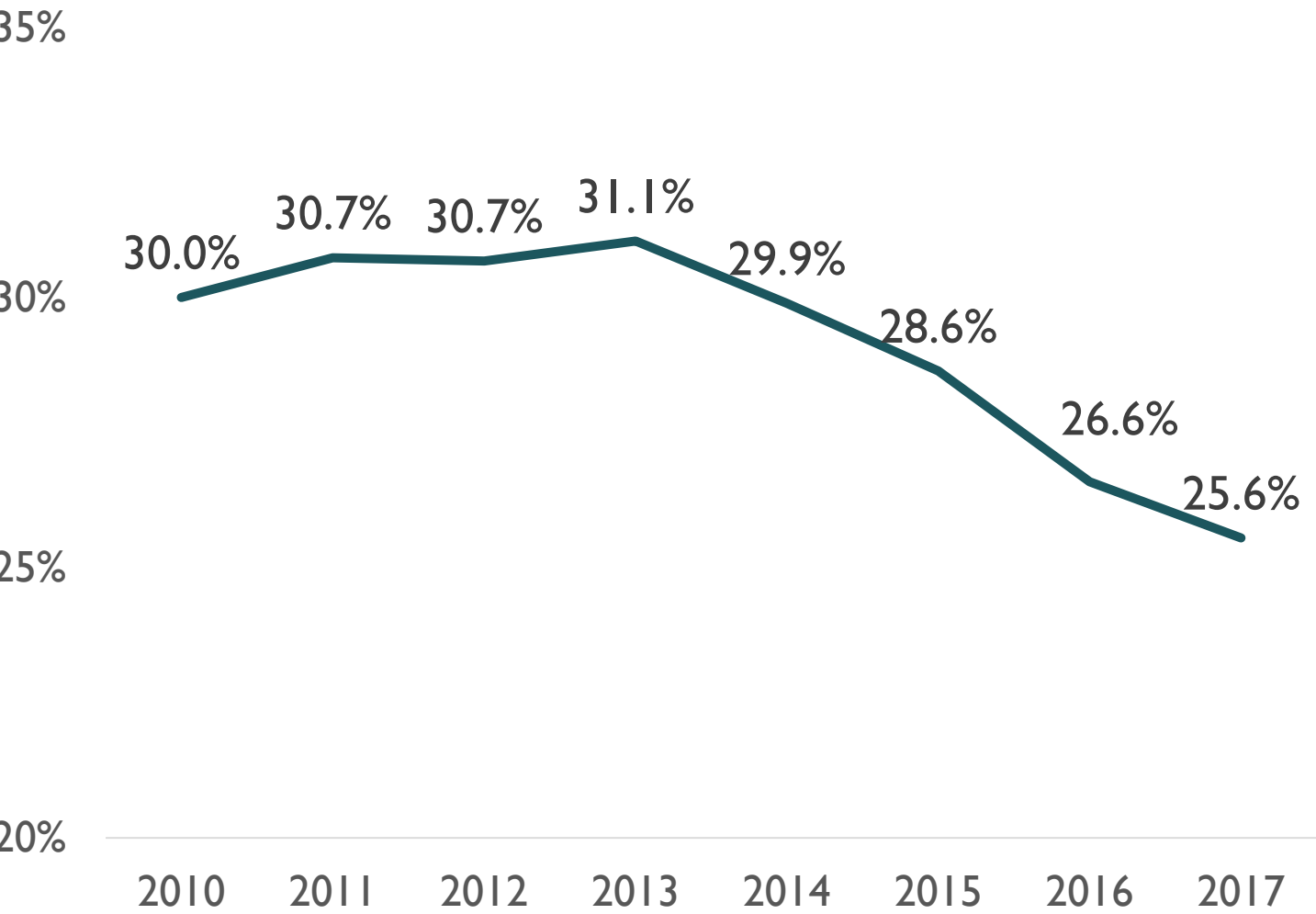


QUESTIONS

Results WA Measure	2013	2017	Performance Status
Washingtonians below 200% FPL	31.1%	25.6%	Improving
Skilled workers	> 74,000	> 96,000	Improving
Graduation Rate	76%	79.3%	Improving
Uninsured Rate	14%	5.5%	Improving
Results WA Measure	2015	2018	Performance Status
Rental Vacancy	6%	3.7%	Needs Improvement

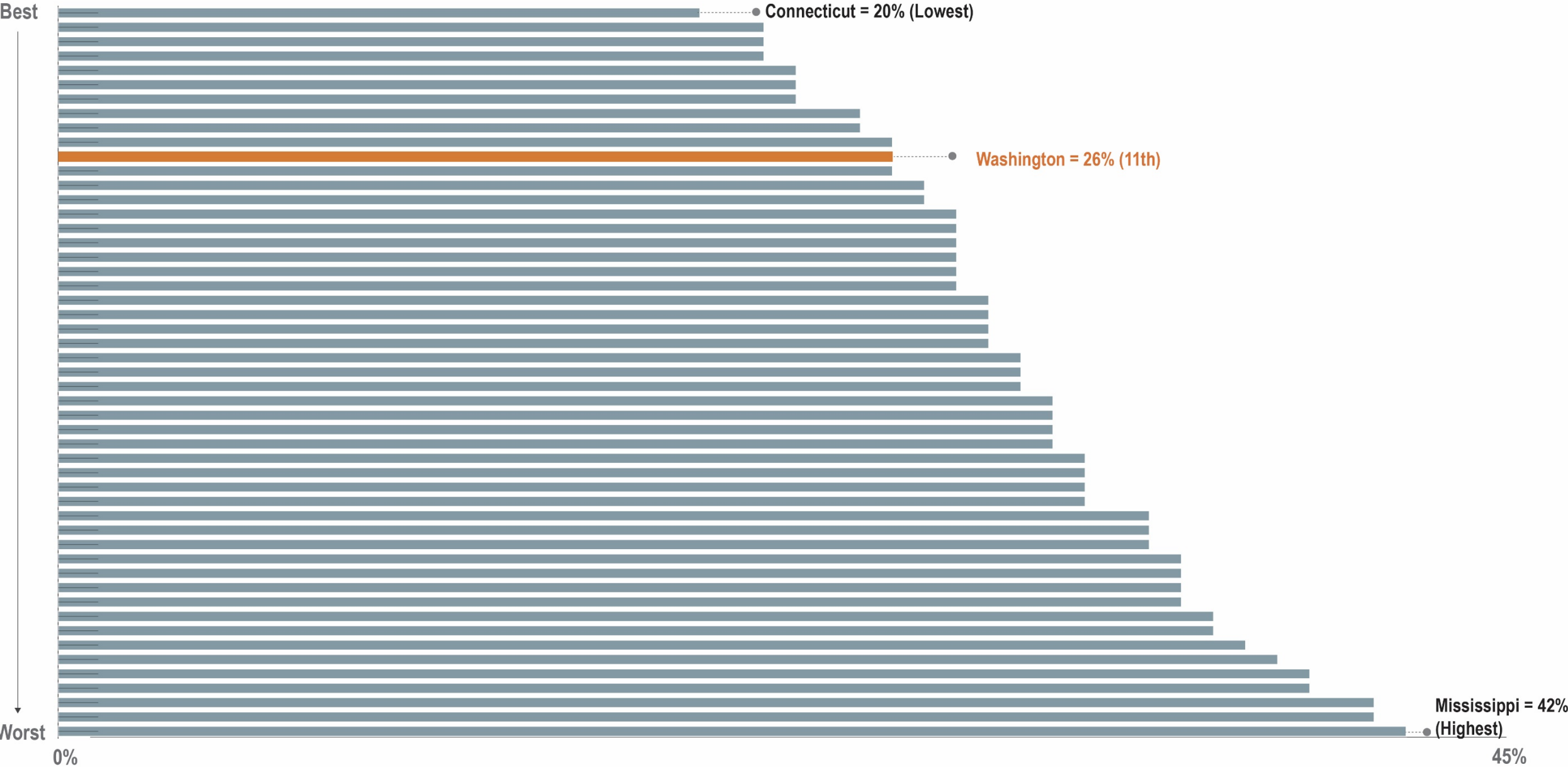
Fewer Washingtonians are experiencing poverty

Percentage of Washingtonians below 200% FPL



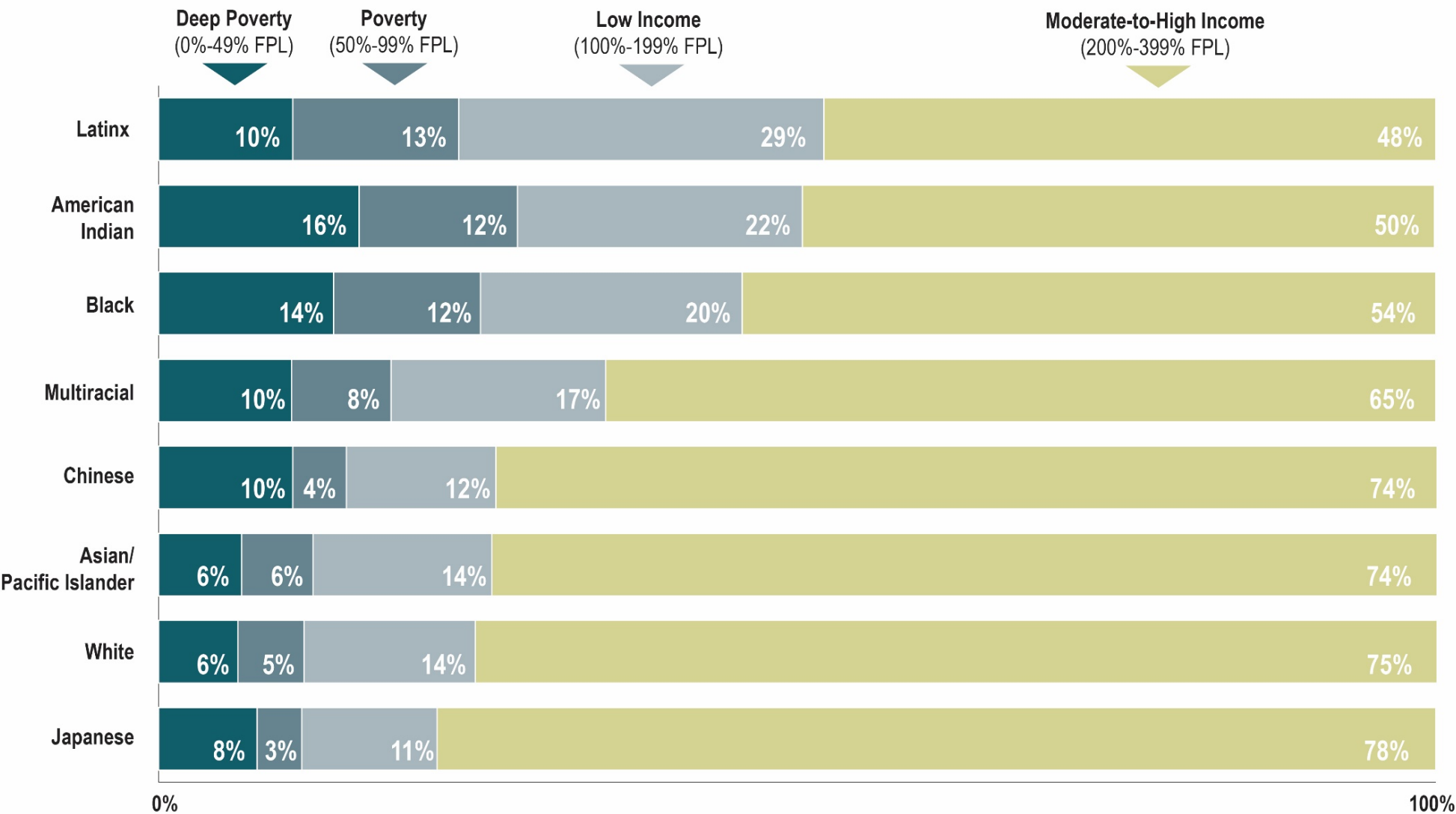
Washington State Ranks 11th Best in Nation for Economic Security of Residents

Share of people living below 200 percent of the federal poverty level, 50 states and District of Columbia 2017



Experience of Poverty Falls Disproportionally on People of Color

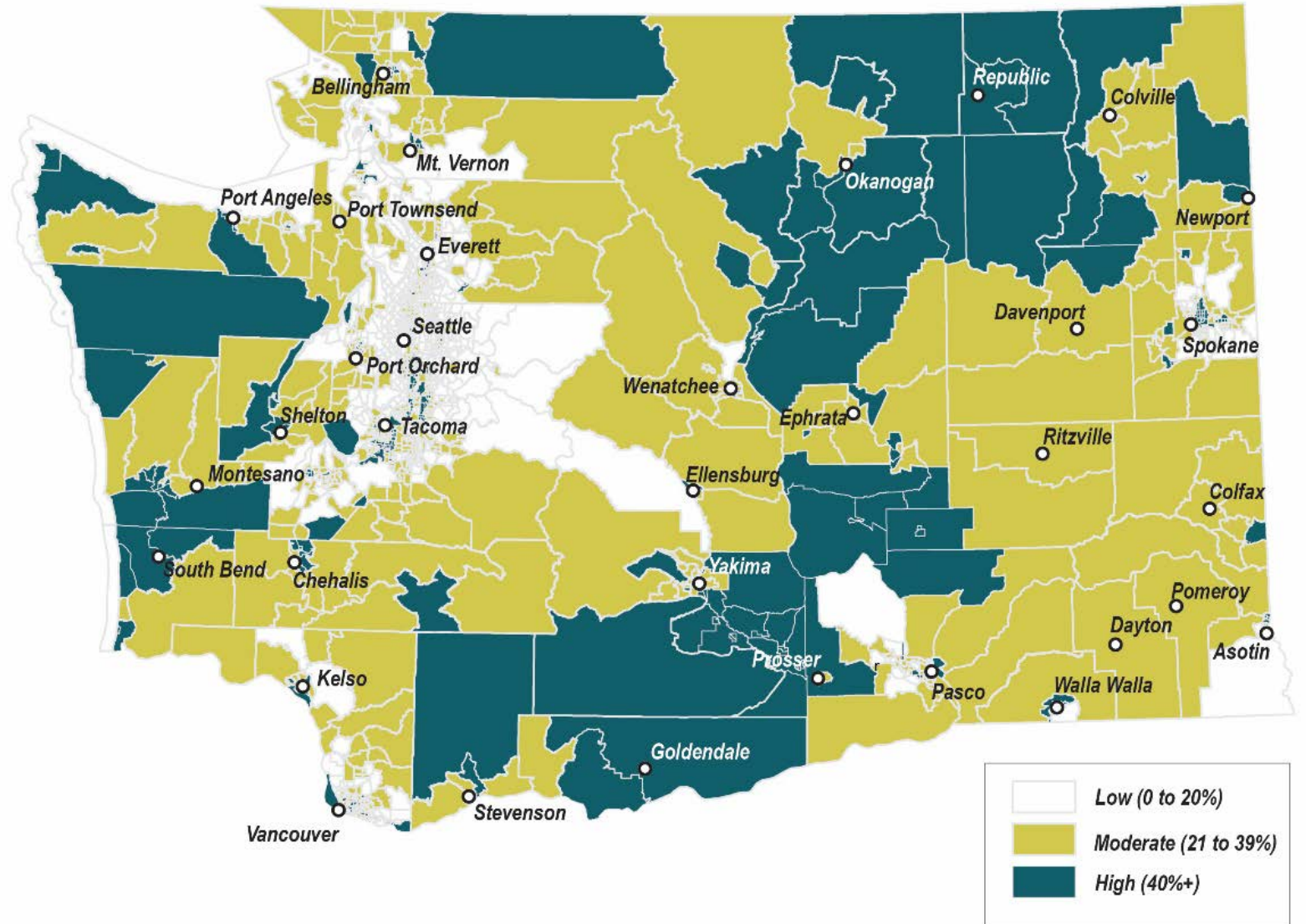
Washingtonians in Lower, Moderate, & Higher Income Households by Race



Source: DSHS|ESA EMAPS analysis of 5-Year American Community Survey data 2013-2017

Poverty Impacts Many Communities Across the State

Percent of people living below 200 federal poverty level
Washington state census tracts, 2012-2016

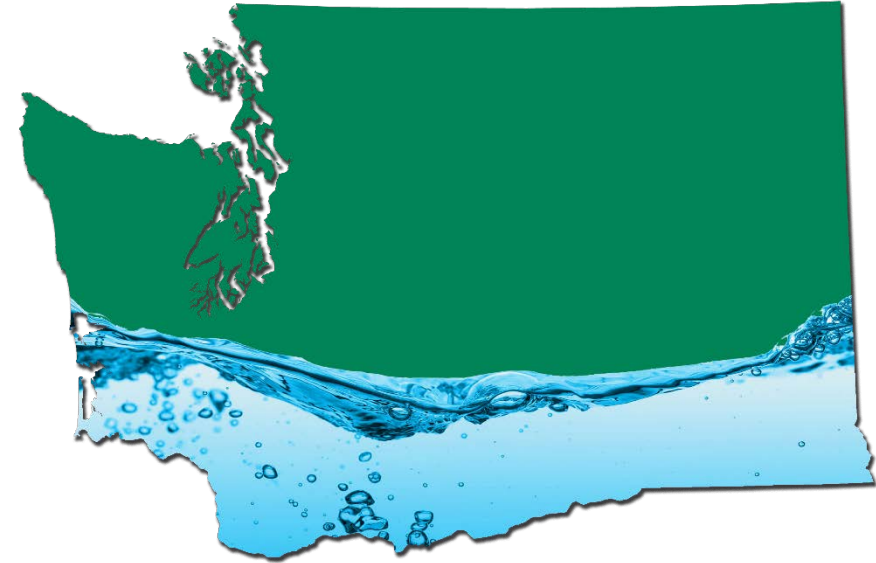


LORI PFINGST

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

POVERTY REDUCTION WORK GROUP

Three Main Points



**TOO MANY
WASHINGTONIANS
ARE UNDER WATER**



**SYSTEM IS NOT
DESIGNED TO GET
THE RESULTS WE
WANT**



**HUMAN-CENTERED,
“CONCIERGE”
SERVICES ARE WHAT
WE NEED**

Ways of Measuring Poverty

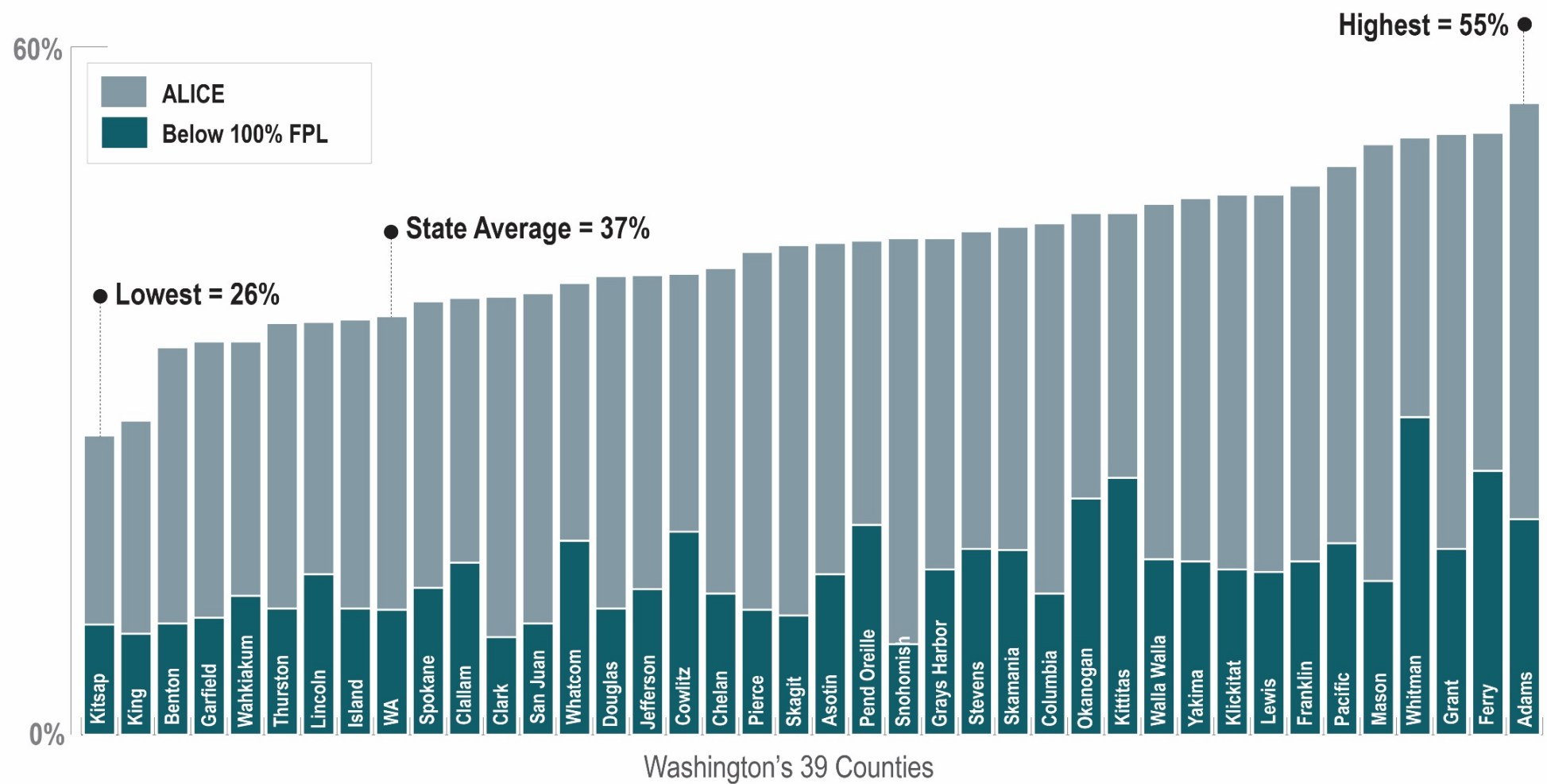
Poverty Measure	Description	Pros	Cons
Official Measure	3X the cost of a minimum food diet in 1963	Provides historical picture; used to determine eligibility; adjusts for family size	Outdated; no adjustment for geography; does not account for tax and non-cash benefits
Supplemental Poverty Measure	Developed in late 1990s to address limitations of official measure	Adjusts for the effects of taxes and social benefits, as well as geography	Very recent; meant to enhance official measure not replace it
Cost-of-Living Measures (e.g., Self-Sufficiency Standard, ALICE, MIT Calc)	Developed recently to measure basic needs budgets	Defines economic hardship based on what it actually takes to make ends meet	Does not account for effects of social benefit programs
Intergenerational Poverty	Developed recently to measure poverty across generations	Differentiates the experience of poverty by severity	No standardized measure;



A Job is Often Not Enough to Achieve a Decent Standard of Living

Asset-Limited, Income-Constrained, Employed Households

Percent of households living below ALICE threshold, Washington State Counties 2017



Source: United Way (2018) ALICE: A Study of Financial Hardship in Washington state



Intergenerational Poverty in Washington State

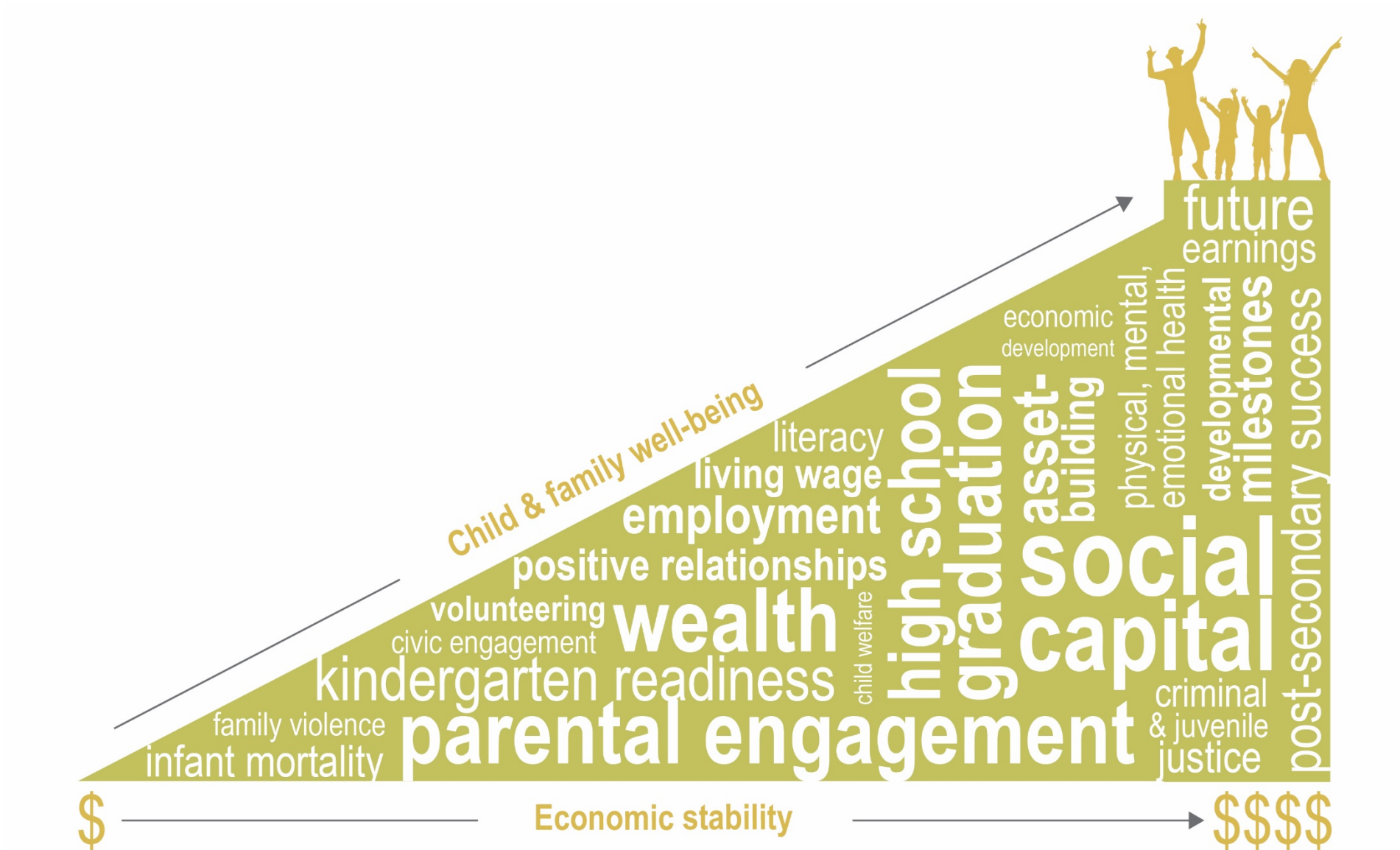
**Among children receiving
food assistance in 2000....**



**46% are receiving
food assistance today**

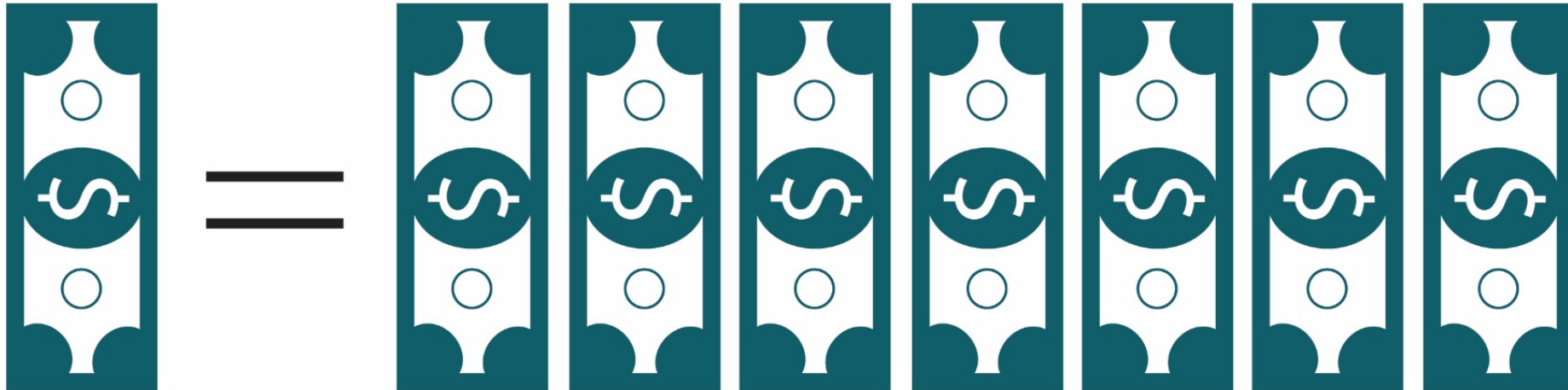


Why Reduce Poverty?



Why Reduce Poverty?

Every **\$1** invested in reducing child poverty yields **\$7** in return due to increased economic productivity in adulthood, and decreased costs associated with health, crime, homelessness, and child maltreatment



QUESTIONS

POVERTY REDUCTION WORK GROUP

LORI PFINGST

DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DIANE KLONTZ

DEPARTMENT OF COMMERCE

TIM PROBST

EMPLOYMENT SECURITY DEPARTMENT

What's the story?

- A great many Washingtonians are not able to make ends meet; many are living paycheck-to-paycheck
- The majority of people experiencing poverty are working...**hard**
- People of color, Native Americans, rural families, women with children, and people with disabilities are more likely to experience poverty
- Many children experiencing poverty today are at elevated risk of experiencing poverty as an adult
- If we want better results, we need a better system

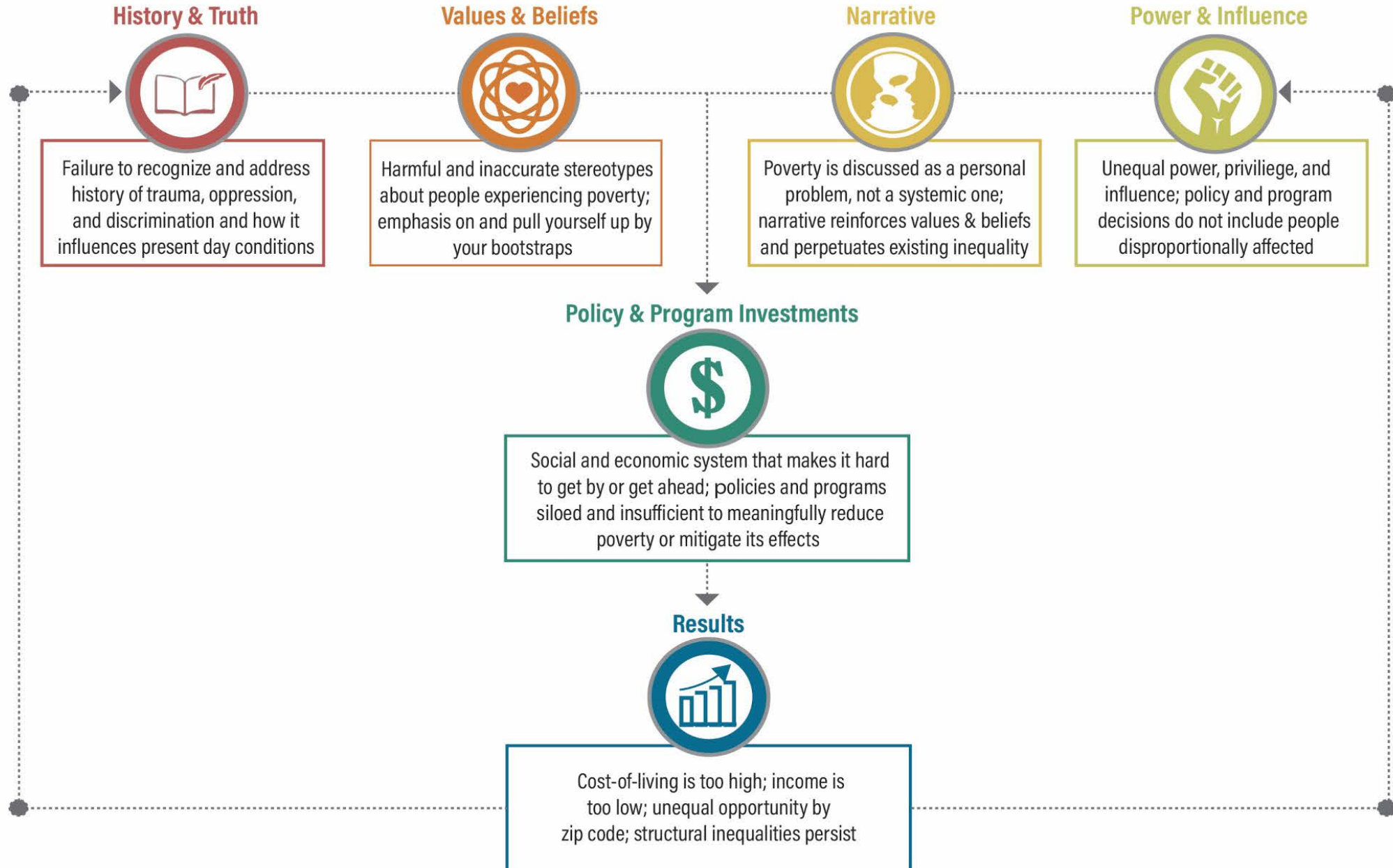
Poverty Reduction Workgroup (PRWG) is Designing a Better Way!



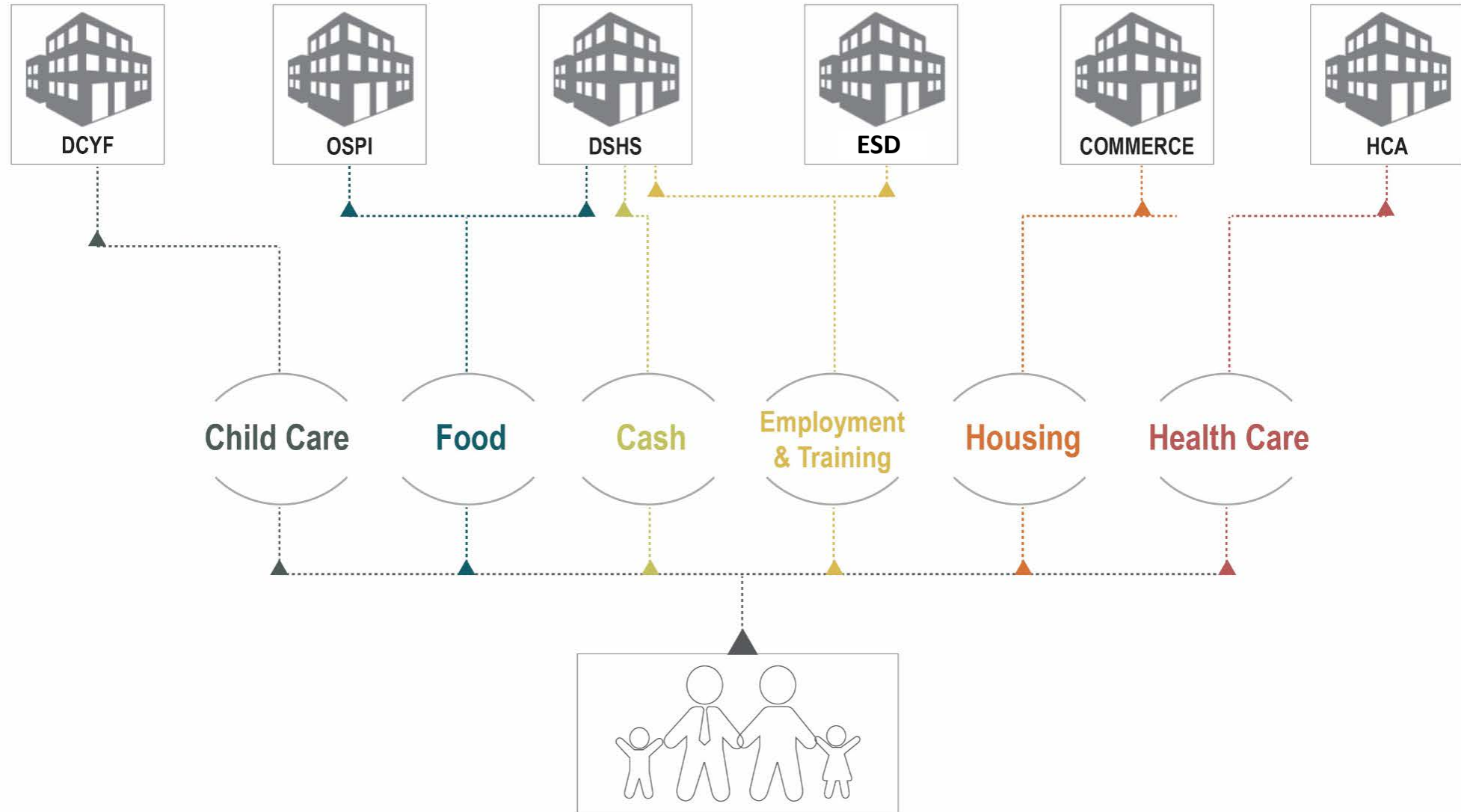


SYSTEM IS NOT DESIGNED TO GET THE RESULTS WE WANT

Addressing Root Causes of Intergenerational Poverty



Major Means-Tested Programs for Children & Families Administered by Six Agencies

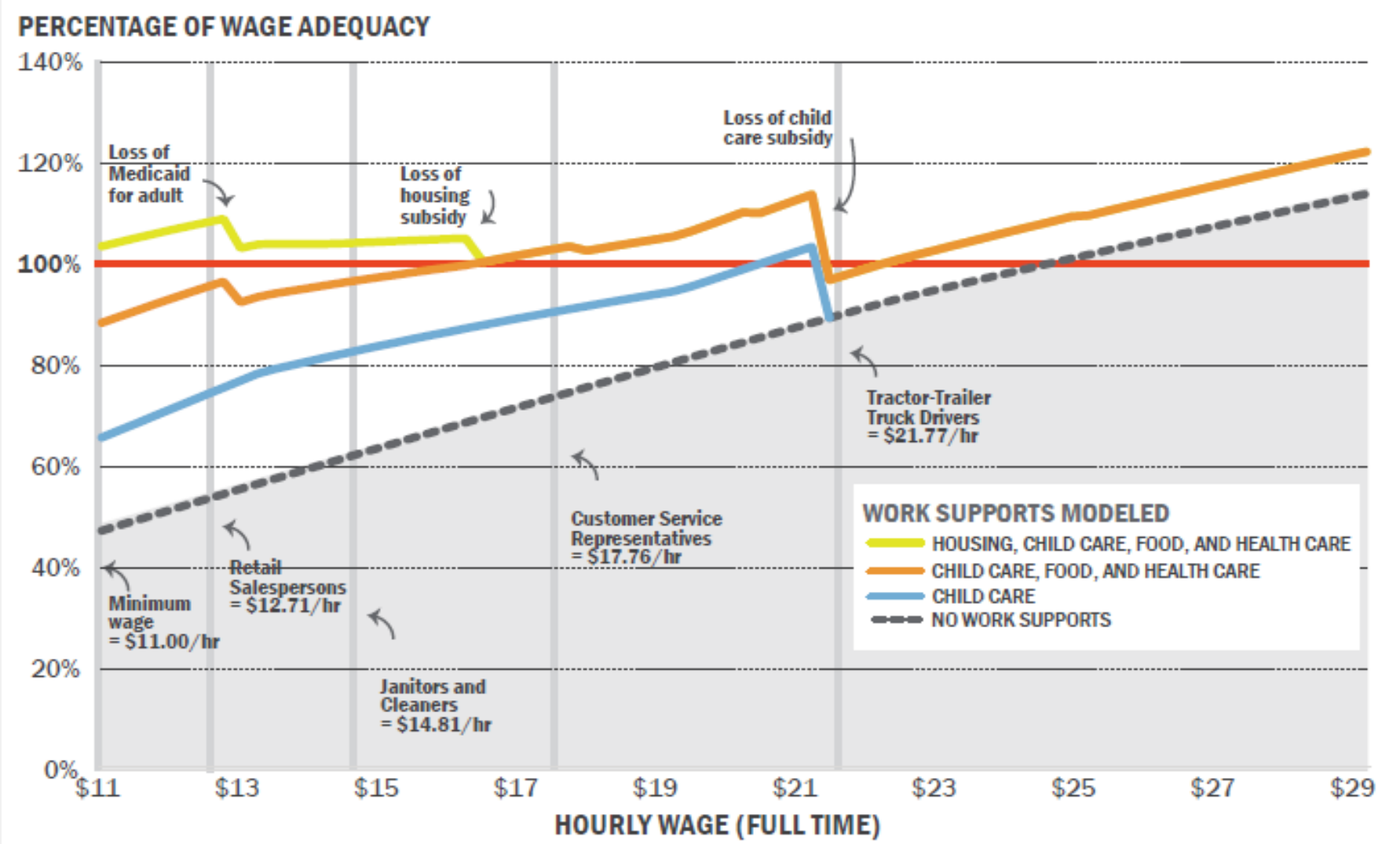


Eligibility for Select Child & Family Programs

Type of Assistance	To qualify, a family of three's income must be below:
TANF/WorkFirst	33% - 67% FPL
Head Start/ECEAP	110% - 130% FPL
Free/Reduced Cost Lunch	130% - 185% FPL
SNAP, BFET, & Child Care (WCCC)	200% FPL
Apple Health: Adult with Dependent Child	47% - 138% FPL
Apple Health: Child	216% - 317% FPL
Independent Youth Housing Program	50% FPL
Young Adult Housing Program	30% - 50% FPL
Low Income Home Energy Assistance Program	125% FPL

Impact of Wage Adequacy on Work Supports

One Adult, One Preschooler, & One School-Age Child: Kitsap County (South), WA 2017



Source: U.S. Department of Labor, “May 2016 State Occupational Employment and Wage Estimates,” Databases and Tables, Occupational Employment Statistics, <http://www.bls.gov/oes/data.htm> (accessed May 15, 2017). Wages adjusted for inflation using the Employer Cost Index from the Bureau of Labor Statistics.

TANF Reaching Less Families in Poverty

Trends

The number of people served by TANF and SFA has dropped since 2010.

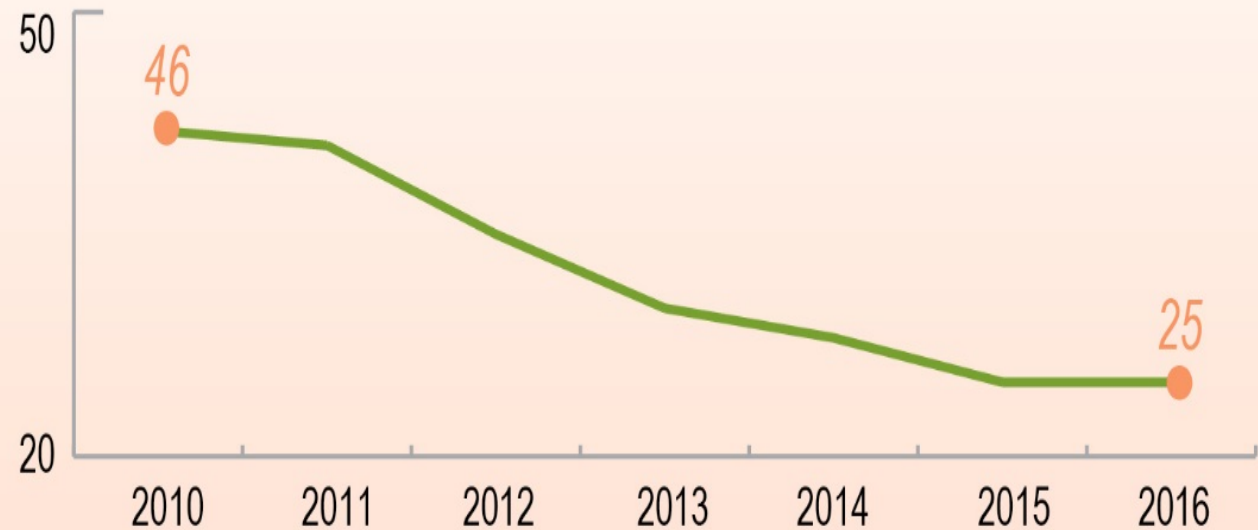
FY 2010 **156,317**

FY 2017 **63,704**

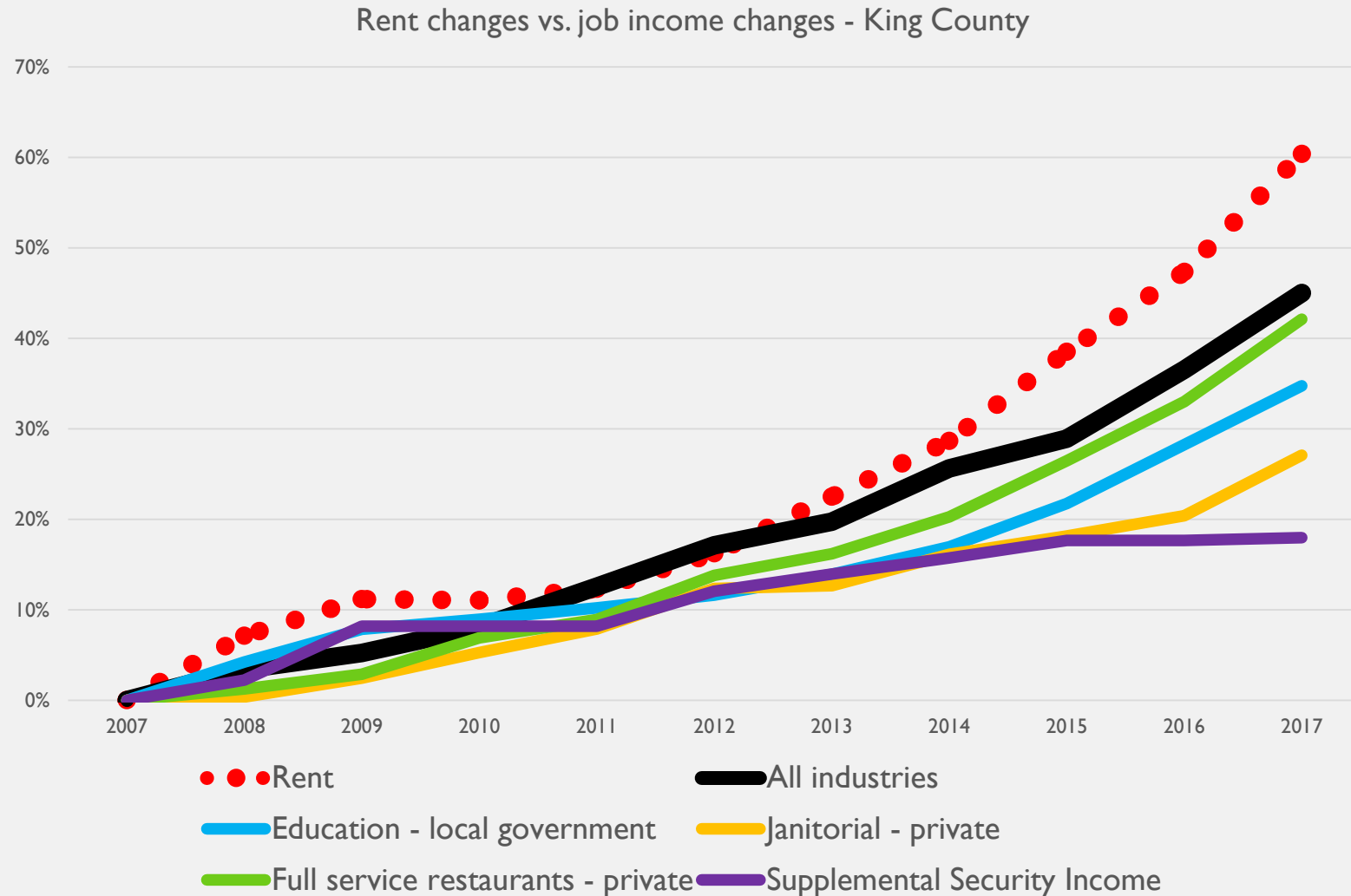
Decrease

Meeting the Need

The ability of the TANF program to meet the need for assistance has weakened over time. In 2016, 25 families were served by TANF for every 100 families living below the poverty level, dropping from 46 families in 2010.



Housing affordability – Individual income vs. rent



Sources:

BLS Quarterly Census of Employment and Wages, Average Annual Pay <https://data.bls.gov/PDQWeb/en>

Census Bureau ACS Median Contract Rent -Year Estimates B25058 https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_IYR_B25058&prodType=table

71% of WA extremely low-income renter households are severely cost burdened

KEY
FACTS

230,395
OR
22%

Renter Households that are extremely low income

\$24,300

Maximum income of 4-person extremely low income households (state level)

-163,726

Shortage of rental homes affordable and available for extremely low income renters

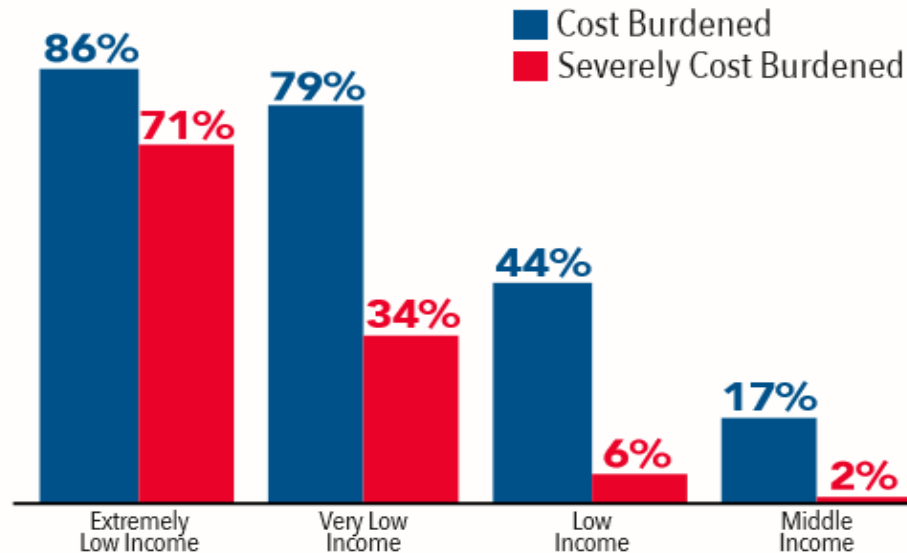
\$55,886

Annual household income needed to afford a two-bedroom rental home at HUD's Fair Market Rent.

71%

Percent of extremely low income renter households with severe cost burden

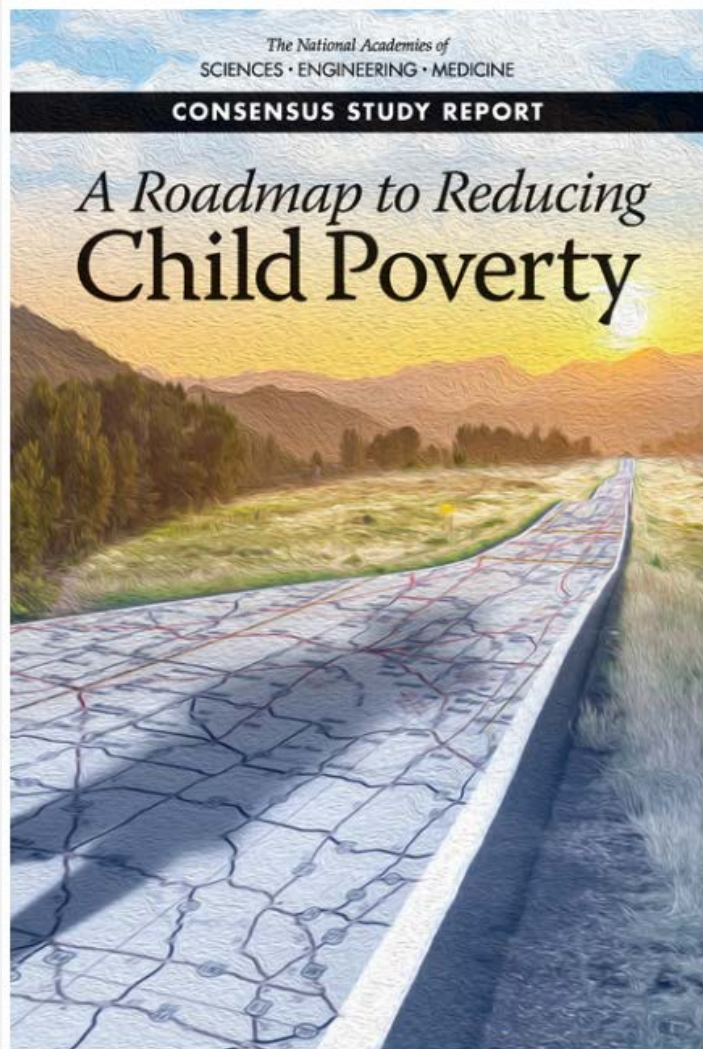
HOUSING COST BURDEN BY INCOME GROUP





HUMAN-CENTERED, “CONCIERGE” SERVICES ARE WHAT WE NEED

LATEST RESEARCH



HIGHLIGHTS

- Food, housing, and tax policy offer the greatest bang for the buck
- Unconditional cash or cash-like programs have greatest impact
- Rejects assumptions that motivated 1996 welfare reform, including work requirements and marriage promotion
- Benefits far outweigh the costs

Economic Security for All

BUILDING AND TESTING NEW MODELS

FUNDING

- \$5.8 million Governor's WIOA funds
- Competitive RFP, just released March 14
- Up to four high-poverty communities across WA
- Small scale to prove concept, then expand

CROSS-SYSTEM PARTNERSHIP

- State and local design teams include people experiencing poverty, ESD, DSHS, Commerce, Workforce Board, local Workforce Development Councils, and other stakeholders

MEASURES AND EVALUTION

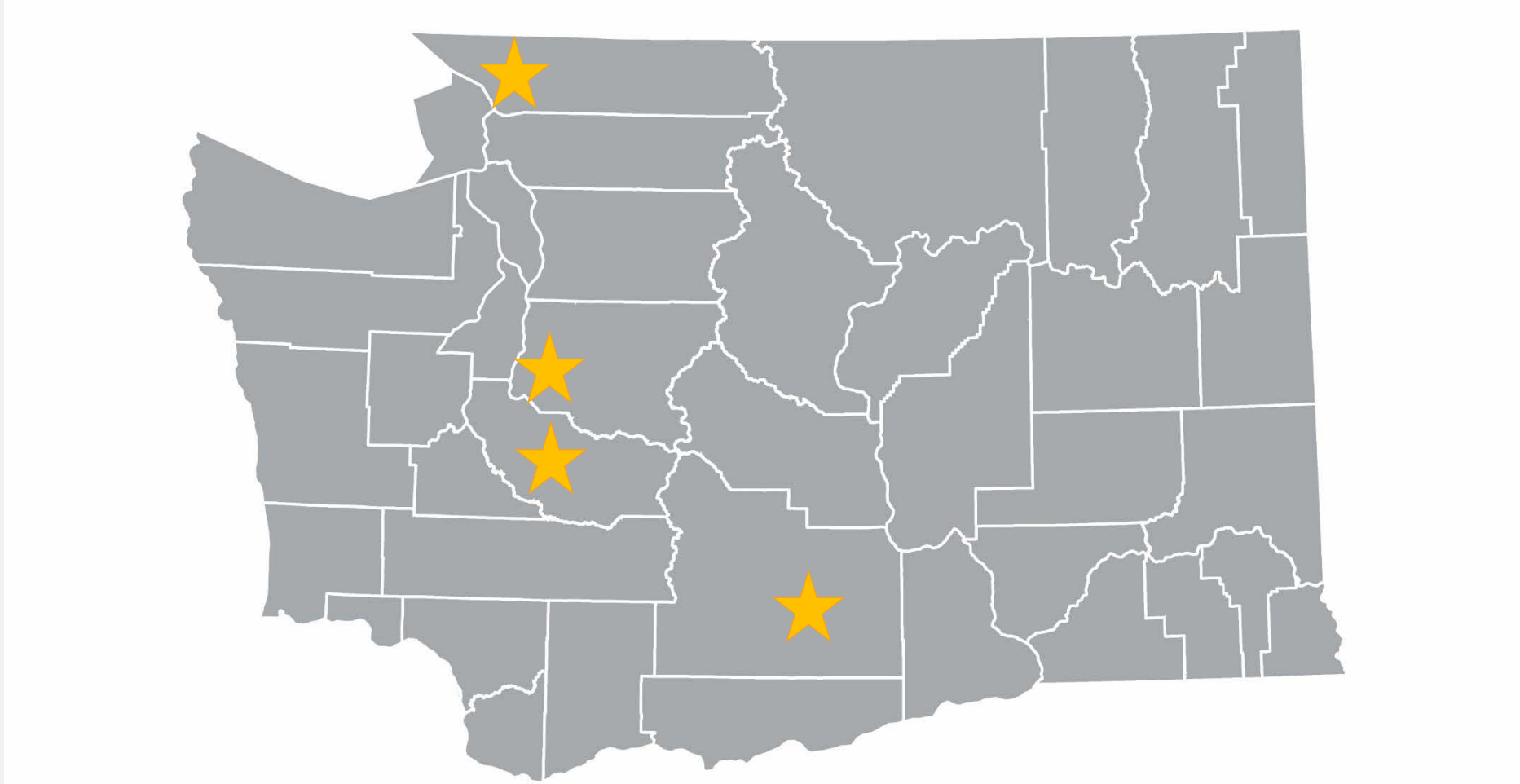
- Move SNAP families above 200% FPL
- Reduce total number in poverty in community
- Independent evaluator

DESIGN

- We listened!
- People experiencing poverty help lead design
 - Communities of color, tribes, rural communities experiencing poverty
- Career plans lead to income above 200% FPL
- Personal Foundation: address personal trauma, historical trauma, behavioral health, other
- Financial Foundation: access all eligible benefits to stabilize family and build foundation for Community mentors to make individual success also a community success
- Build system across multiple agencies/providers
- Quarterly progress checks and adjustment, checking projected versus actual outcomes
- Measurably reduce poverty—together.

Health & Human Service Community Design Labs Slide

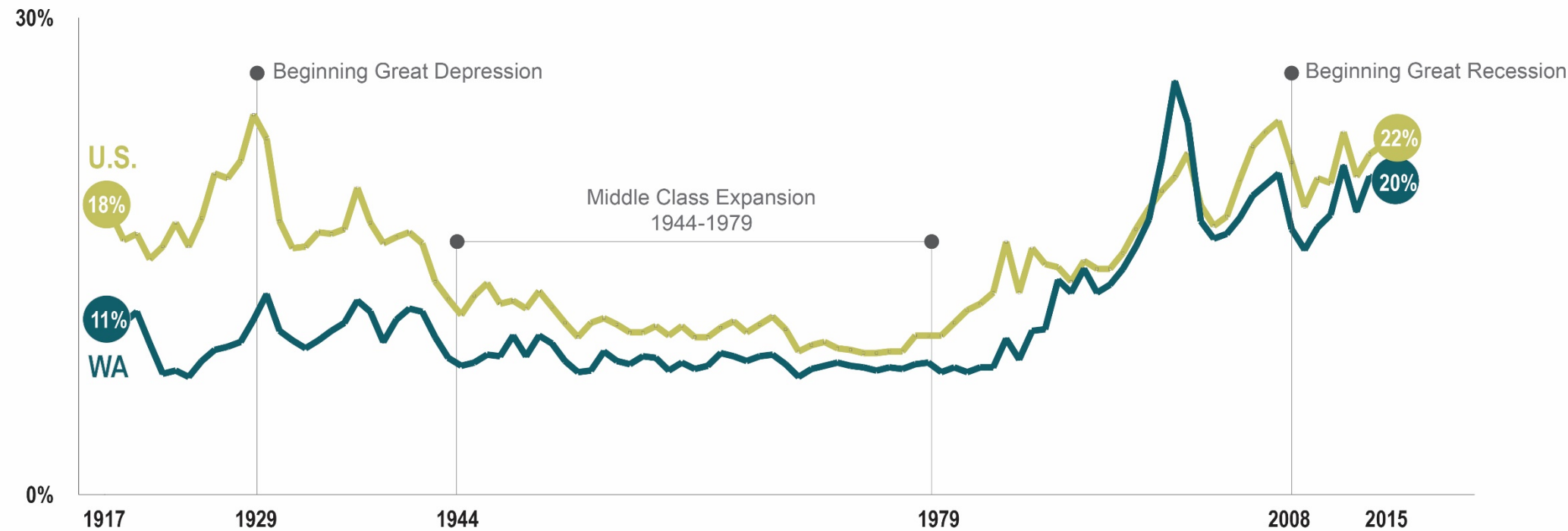
How would we reimagine health and human service delivery through the eyes of the people we serve in the communities in which they reside?



We Need A Thriving and Inclusive Economy For All Washingtonians

The Share of All Income Held by the Top One Percent of Families

Washington state 1917-2015



CALL TO ACTION



**IT TAKES BIG CHANGE
TO TURN
ANTIQUATED
STRUCTURES...**



**...INTO HUMAN-
CENTERED
CONCIERGE
SERVICES**



**FOR ALL OF
WASHINGTON**

QUESTIONS

REFLECTIONS

CLOSING REMARKS