

Transforming
Lives

Legislative-Executive WorkFirst Poverty Reduction Oversight Task Force

September 29, 2020

1:00 pm – 4 pm

Washington State Department of Social and Health Services





Agenda

- I. Welcome and Introductions
- II. Task Force Business
 - a. Review and confirm prior meeting minutes
- III. Governor's Poverty Reduction Workgroup Update
 - a. Changes to the 10-year plan
 - b. Summary of engagement work
- IV. Impacts of COVID-19 on Poverty and the Economy
- V. 5-Year Plan Next Steps
 - a. Update from Legislative member's caucus
 - b. Action plan progress
- VI. Public Comments



FINALIZING THE 10-YEAR PLAN

Summary of Community Engagement & Changes to Final Plan

Lori Pfingst, Senior Director, ESA|DSHS

Summary of Feedback on 10-Year Plan

- Overwhelmingly positive, strong support for strategies and recommendations
- Visibility in the data and recommendations
 - › EDITS TO PLAN: *Strengthening data collection and centering people historically invisible*
- Impact of COVID-19 on strategies and recommendations
 - › EDITS TO PLAN: *Greater specificity on some recommendations, greater discussion on what to prioritize*
- Continuing role of Steering Committee in implementation
 - › EDITS TO PLAN: *Institutionalizing this practice is foundational to progress*
- Resources and power, implementation and action
 - › EDITS TO PLAN: *Greater emphasis on the distribution of budget resources, sharing power, and holding the state accountability to an equitable recovery and inclusive economy*





COVID-19 & INTERGENERATIONAL POVERTY

Trends, Projections, and Considerations for Equitable Economic Recovery

Lori Pfingst, Senior Director, ESA|DSHS

3 Main Points

1. 1.75 million people in Washington state were at high risk for intergenerational poverty *before* COVID-19. Many more will join them, and racial and geographic inequality will deepen.
2. COVID-19 is exacerbating stressors and inequalities associated with intergenerational poverty, threatening the well-being of children, adults, families, and communities in the short- and long-term *if* we fail to invest in solutions *now*.
3. Research shows that federal and state investments in health and human services can greatly reduce intergenerational poverty and are essential to a strong, equitable economic recovery.

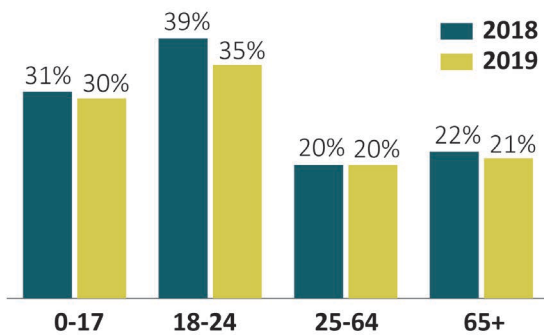


Poverty & Inequality Pre-COVID

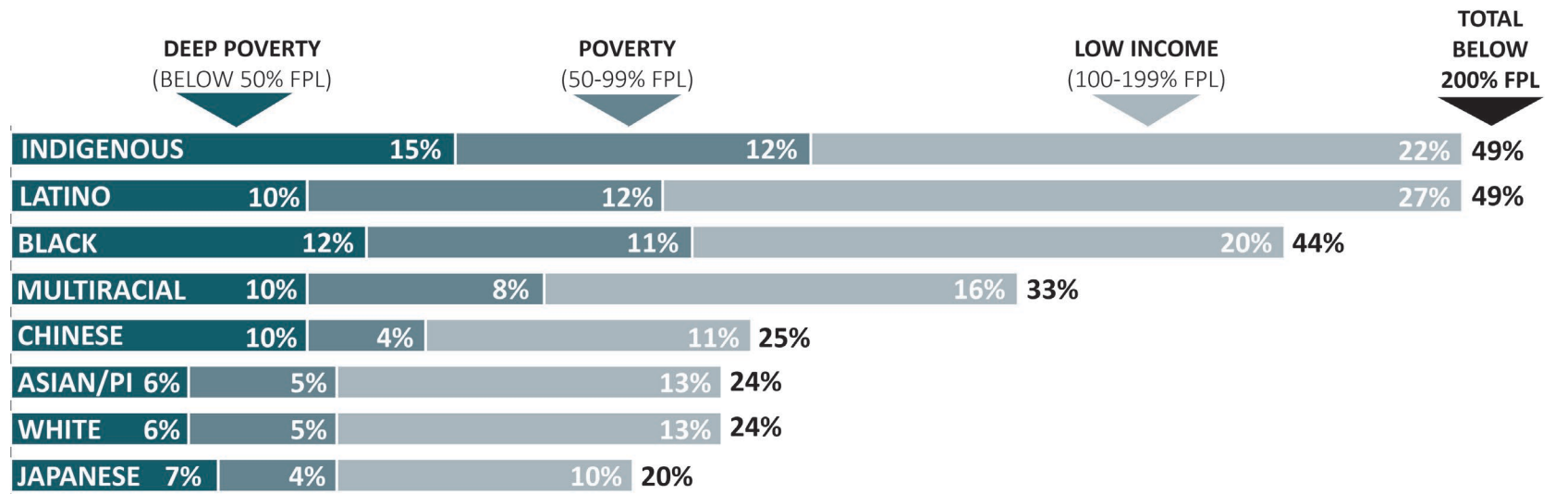
OVERALL TREND: IMPROVED

2018	1.81 million	25%
2019	1.75 million	23%

AGE TRENDS: IMPROVED



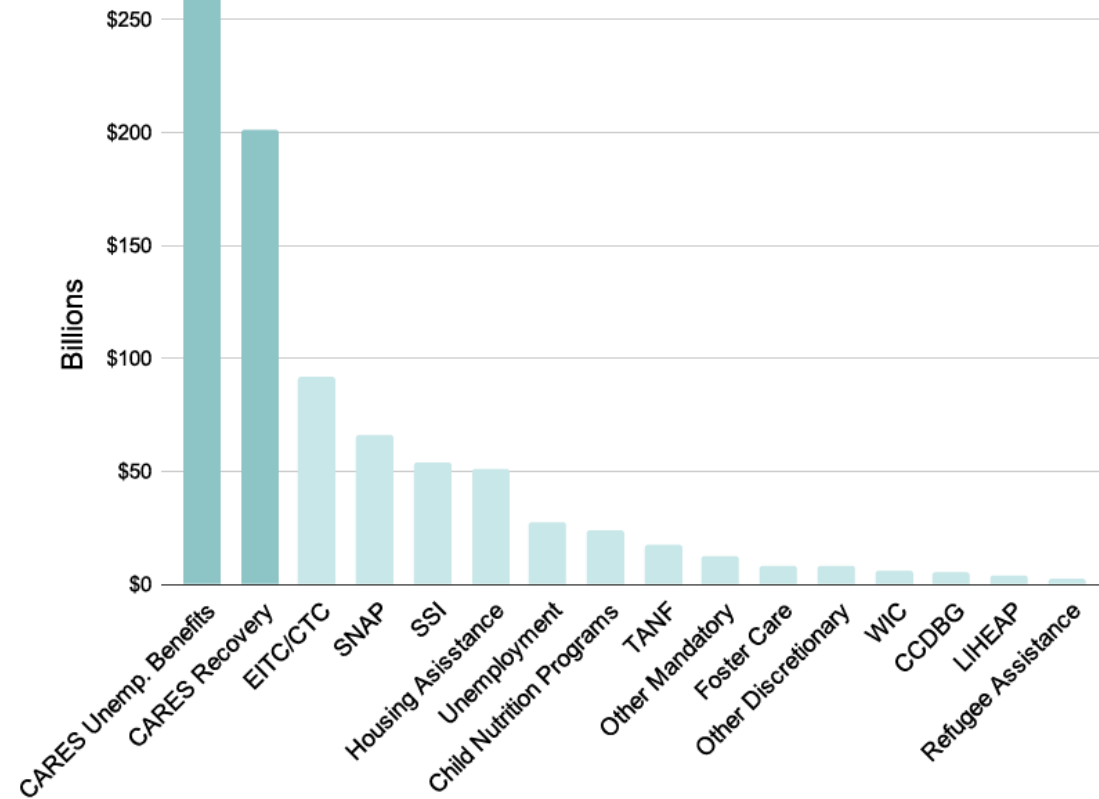
RACIAL AND ETHNIC DISPARITIES: REMAIN LARGE*



Source: Overall trend and age trends: 2018 and 2019 ACS 1-Year data; Racial and ethnic disparities: 2014-2018 ACS 5-Year data
 *New 5-Year data expected to be released October 2020

CARES Investments in Health & Human Services Stabilized Poverty, but Only Temporarily

Figure 1. Projected spending (in billions) for CARES Act transfers compared to spending on existing transfer programs in 2019



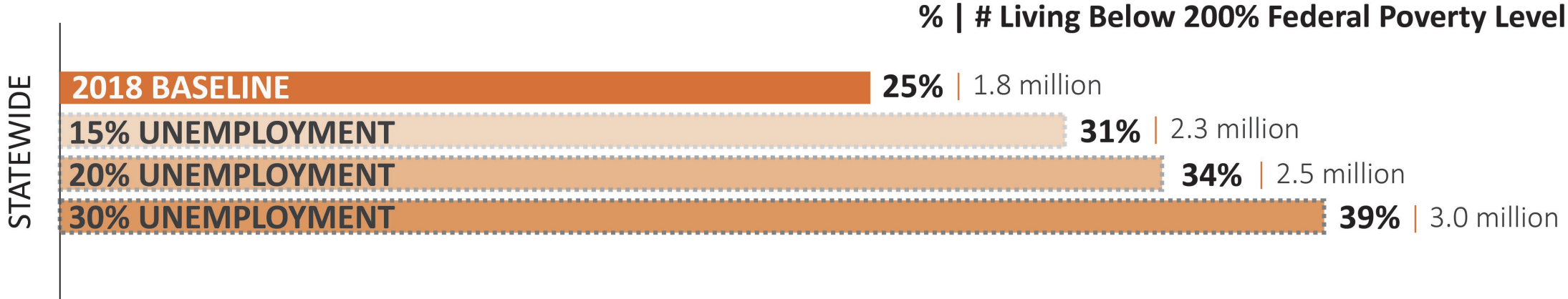
Note: CARES Acts projections under medium levels of access (70% receipt rate among families eligible for Recovery Rebates and 60% receipt rate of unemployment benefits among recent jobless). See Appendix for projections at high or low access. Projections based on 19.7% unemployment rate as observed in April 2020 monthly CPS data. Spending on existing programs from House Committee on the Budget.

"The CARES Act's Recovery Rebates and expansions to unemployment benefits are projected to provide up to \$500 billion in income transfers in 2020, more than the total amount of all spending on non-retirement income transfers in 2019."

The CARES Act stabilized poverty rates in the immediate aftermath of unemployment increases due to COVID-19, but the funding is short-term and temporary.



Projected Increases in Poverty as Unemployment Increases



Source: Romich, Jennie & Ellie Terry (2020, forthcoming) Potential Washington State Poverty Rates for the Covid-19 Era. Policy Brief: University of Washington West Coast Poverty Center

Trends in Race and Ethnicity among ESA Clients during the COVID-19 Pandemic

Lisa Nicoli, PhD
ESA Management Accountability and Performance Statistics (EMAPS)
Office of the Assistant Secretary
Economic Services Administration
September 14, 2020

Concern about Racial and Ethnic Disparities

- Nationally, data indicates that COVID-19 pandemic is disproportionately affecting people of color
 - Black Americans are dying at twice the rate of White Americans
 - Latinos and Blacks are about three times as likely to contract COVID-19 as Whites
 - Increases in poverty from February to June 2020 have been concentrated in Black, Latino, and Asian households

Sources: *The New York Times*, <https://www.nytimes.com/interactive/2020/07/05/us/coronavirus-latinos-african-americans-cdc-data.html>; The COVID Tracking Project, <https://covidtracking.com/race>; Center on Budget and Policy Priorities, <https://www.cbpp.org/research/poverty-and-inequality/research-note-number-of-people-in-families-with-below-poverty>

Data on Applicants and Clients

- SNAP/FAP and TANF/SFA applicants
 - Compare all household members on applications from March 16 – August 31 in 2018, 2019, and 2020
 - Only have one race field, so unable to identify multiracial individuals
 - All groups other than Hispanic or Latino are non-Hispanic
- SNAP/FAP and TANF/SFA clients
 - All household members who received a benefit in August 2020
 - Compare those who applied March 16 – August 31, 2020 (newly approved clients) to those who applied prior to March 16, 2020 (ongoing clients)
 - Uses all 5 race fields, so able to identify multiracial individuals
 - All groups other than Hispanic or Latino are non-Hispanic

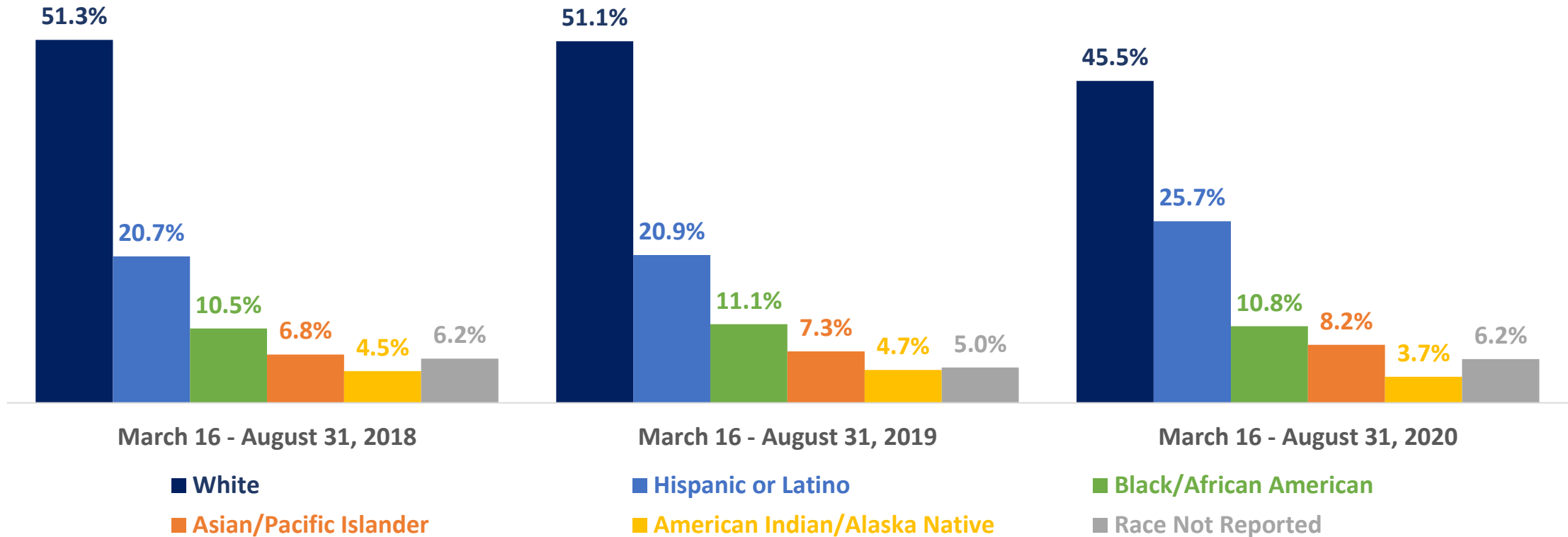
Summary of Findings

- % Hispanic/Latino is increasing in the ESA caseload across the board, regardless of program
 - This group has the largest increases of any racial or ethnic group since the onset of COVID-19.
 - Hispanic/Latino communities have been hit hard by the pandemic and may require more assistance than other communities.
- % Black/African American is holding steady among applicants but there are disparate trends among clients
 - SNAP/FAP clients have a 1.2 percentage point increase while TANF/SFA clients have a 0.5 percentage point decrease.
 - Need may be greater among Black/African American households who are not eligible for TANF/SFA (e.g. those without children).

Summary of Findings

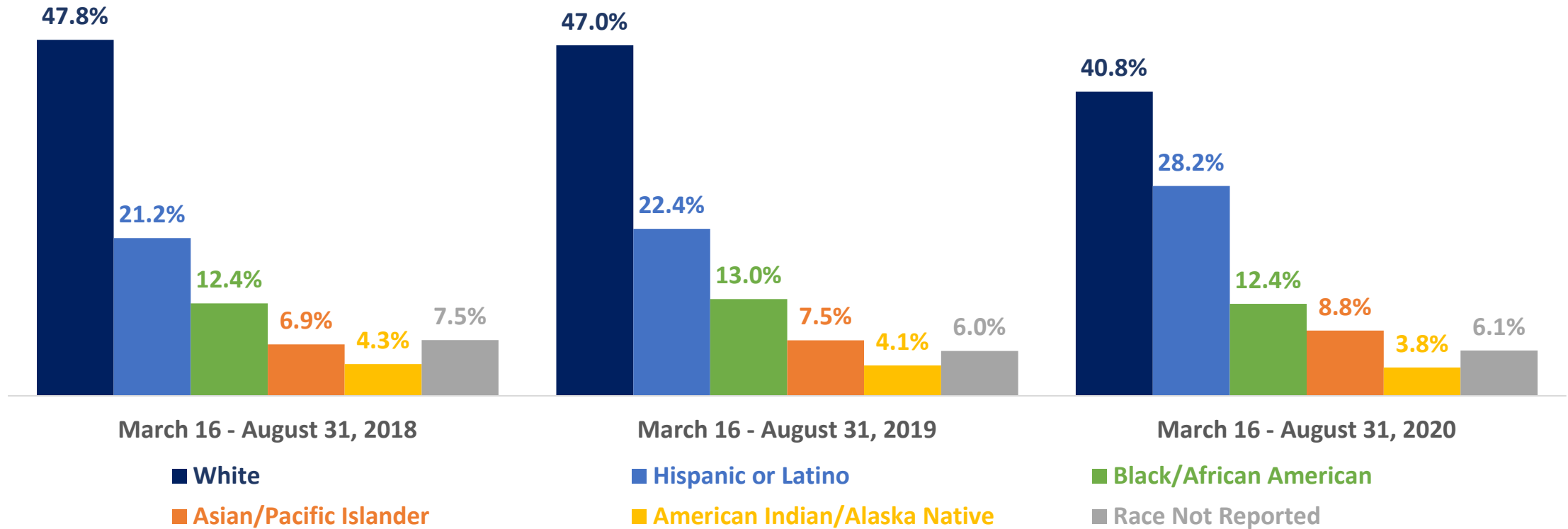
- % Asian/Pacific Islander is (mostly) increasing among applicants and TANF/SFA clients
 - Despite increases in the % of SNAP/FAP applicants who are Asian/Pacific Islander, % Asian/Pacific Islander is slightly lower (0.5 percentage points) among newly approved SNAP/FAP clients than among ongoing SNAP/FAP clients.
- % American Indian/Alaska Native is decreasing across the board
 - This holds true for applicants and clients regardless of program.
 - Potentially concerning as this group may be disproportionately impacted by the COVID-19 pandemic.

Race/Ethnicity among SNAP/FAP Applicants



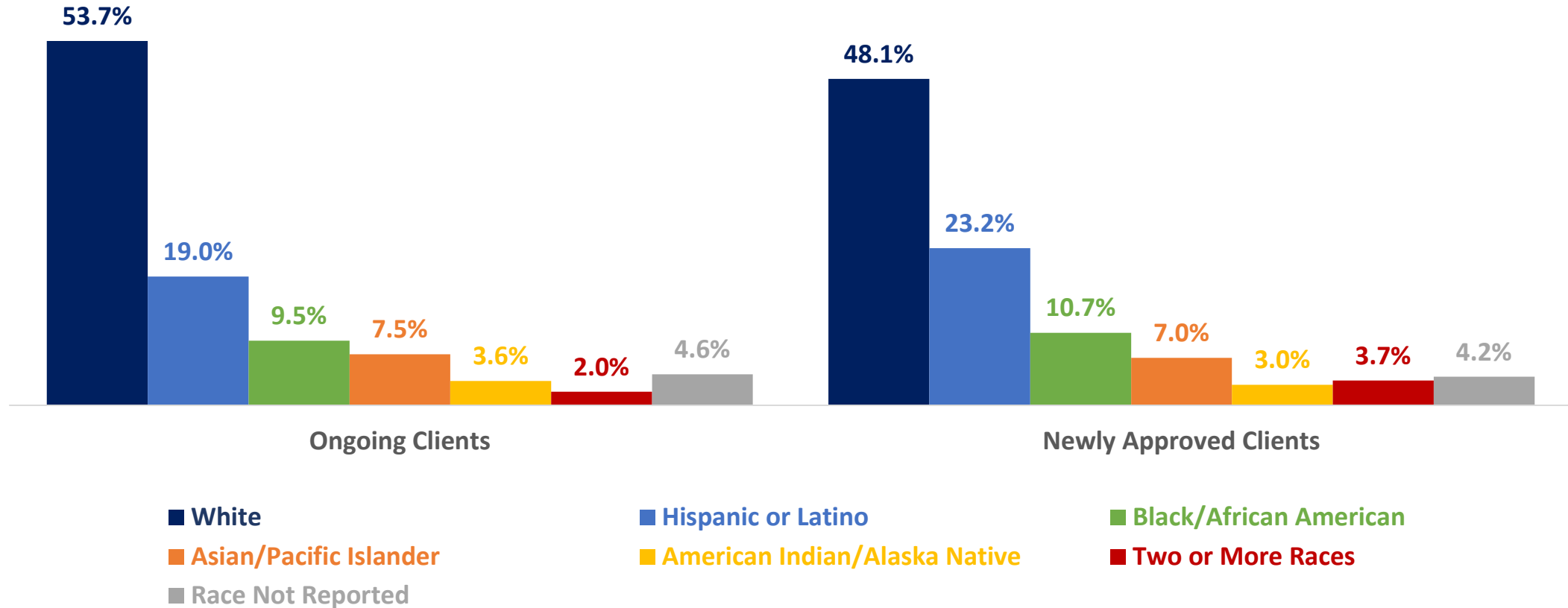
Note: Includes all household members that were on an application that applied. Dates indicate when the head of household applied for SNAP/FAP. All groups other than Hispanic or Latino are non-Hispanic. ESA-EMAPS Assignment #5021, updated 9/10/20.

Race/Ethnicity among TANF/SFA Applicants



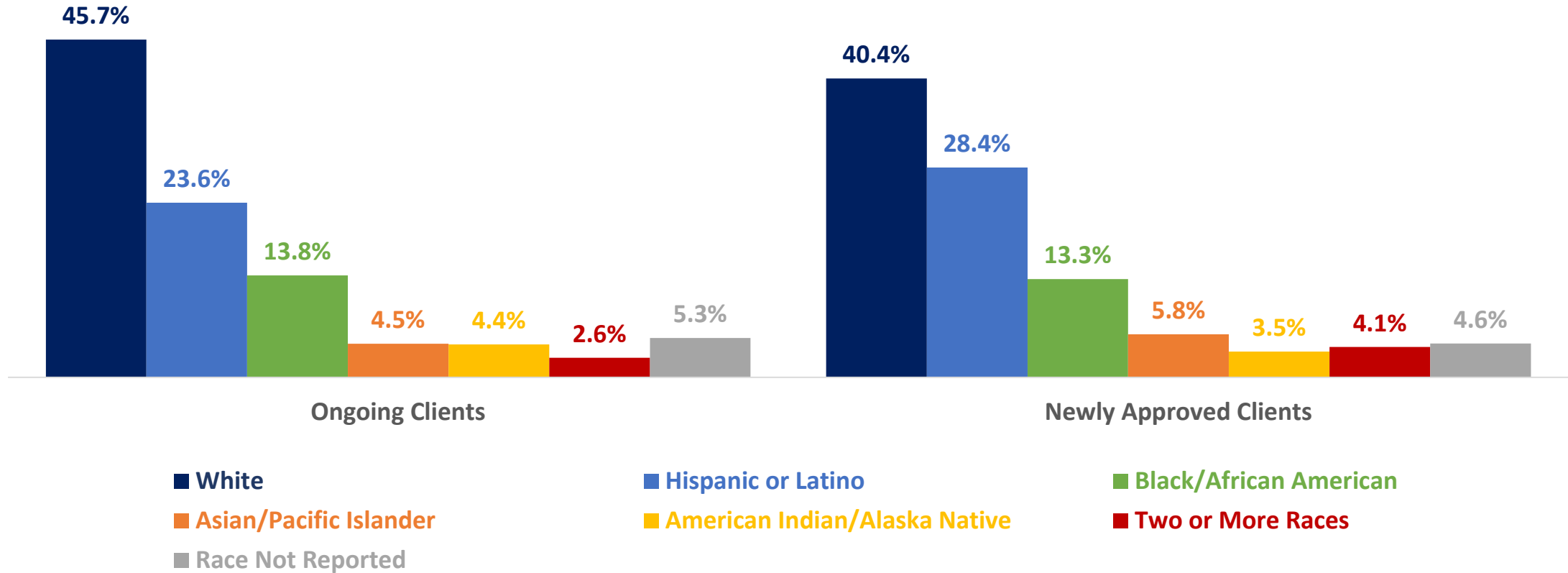
Note: Includes all household members that were on an application that applied. Dates indicate when the head of household applied for TANF/SFA. All groups other than Hispanic or Latino are non-Hispanic. ESA-EMAPS Assignment #5021, updated 9/10/20.

Race/Ethnicity among SNAP/FAP Clients

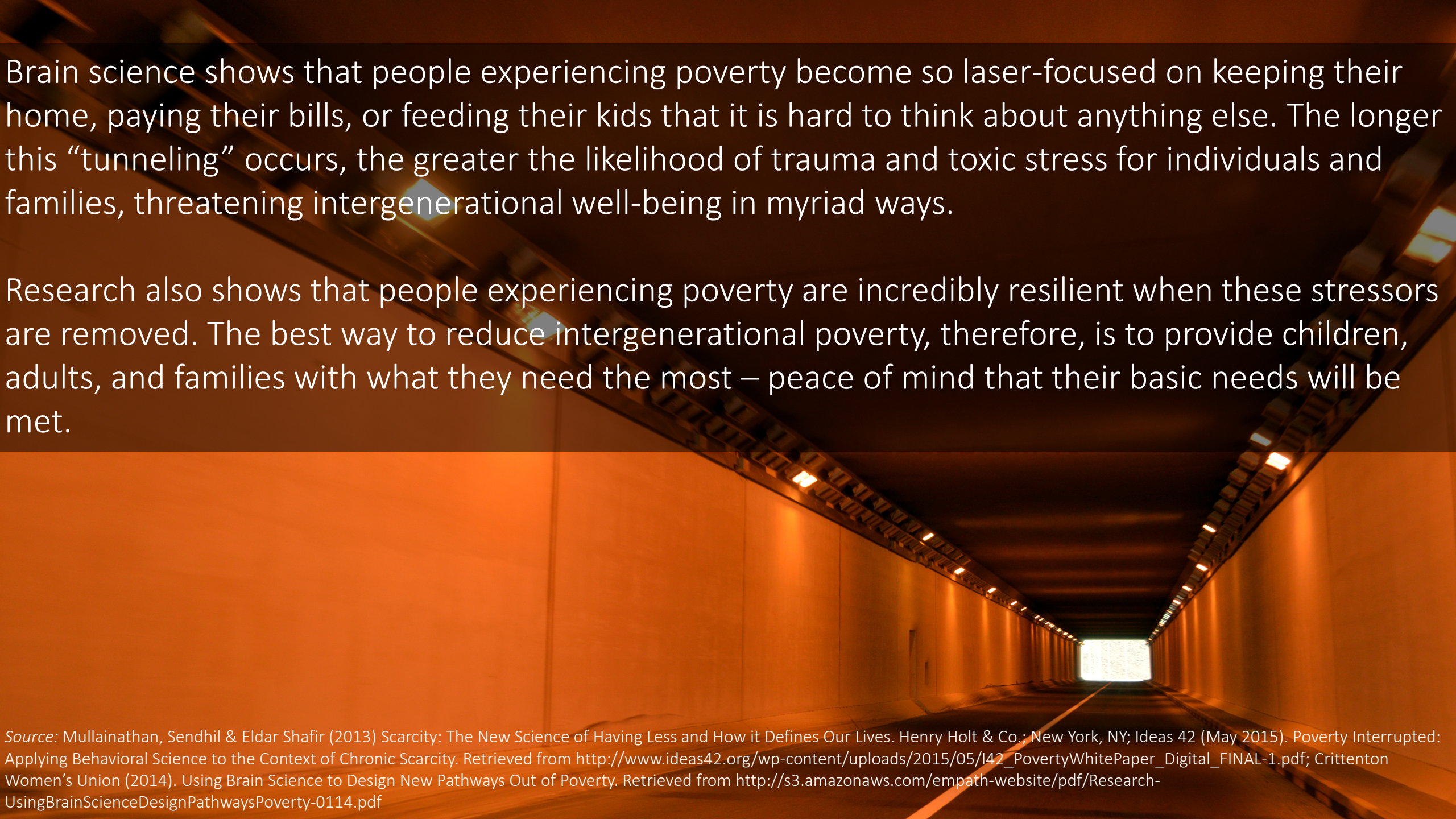


Note: Includes all household members who received a benefit. All groups other than Hispanic or Latino are non-Hispanic. ESA-EMAPS Assignment #5015, updated 9/11/20.

Race/Ethnicity among TANF/SFA Clients



Note: Includes all household members who received a benefit. All groups other than Hispanic or Latino are non-Hispanic. ESA-EMAPS Assignment #5025, updated 9/11/20.



Brain science shows that people experiencing poverty become so laser-focused on keeping their home, paying their bills, or feeding their kids that it is hard to think about anything else. The longer this “tunneling” occurs, the greater the likelihood of trauma and toxic stress for individuals and families, threatening intergenerational well-being in myriad ways.

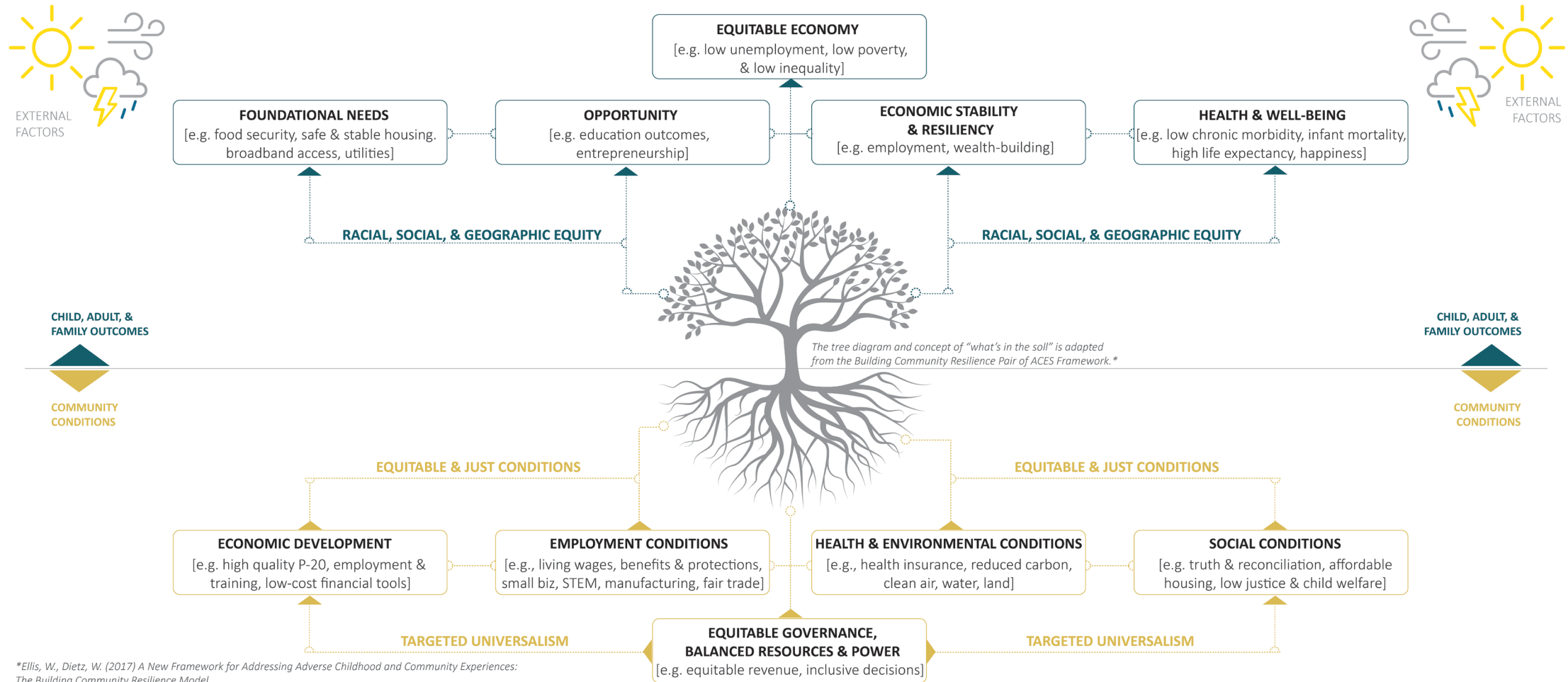
Research also shows that people experiencing poverty are incredibly resilient when these stressors are removed. The best way to reduce intergenerational poverty, therefore, is to provide children, adults, and families with what they need the most – peace of mind that their basic needs will be met.

Source: Mullainathan, Sendhil & Eldar Shafir (2013) *Scarcity: The New Science of Having Less and How it Defines Our Lives*. Henry Holt & Co.; New York, NY; Ideas 42 (May 2015). *Poverty Interrupted: Applying Behavioral Science to the Context of Chronic Scarcity*. Retrieved from http://www.ideas42.org/wp-content/uploads/2015/05/I42_PovertyWhitePaper_Digital_FINAL-1.pdf; Crittenton Women’s Union (2014). *Using Brain Science to Design New Pathways Out of Poverty*. Retrieved from <http://s3.amazonaws.com/empath-website/pdf/Research-UsingBrainScienceDesignPathwaysPoverty-0114.pdf>

Priorities for Reducing Poverty & Inequality

- 1. Set a foundation for equitable economic recovery by:**
 - Supporting and expanding the role of the Steering Committee to Governor Inslee's Poverty Reduction Workgroup to influence policy, program and funding decisions.
 - Adopting a definition and measure of recovery that holds the state accountable to long-term, equitable and inclusive economic growth.
- 2. Sustain and expand investments in health and human services to mitigate the effects of COVID-19, including:**
 - Continuing investment in COVID-19 related changes to the Temporary Assistance for Needy Families Program, State Food Assistance Program and programs serving immigrants and refugees.
 - Leveraging existing programs to provide cash, food, housing and medical assistance to keep Washingtonians food secure, safe and stably housed, and able to obtain medical care when needed.
- 3. Establish an economic floor that guarantees all children, adults and families have their foundational needs met unconditionally by:**
 - Adopting a standard of need for the state that reflects the actual costs of what it takes to make ends meet for individuals and families.
 - Prototyping a new state program that leverages the combination of wages, employer benefits, public programs and tax credits to ensure an economic floor.
- 4. Adopt the 10-Year Plan to Reduce Poverty and Inequality as the state's long-term economic recovery plan.**
 - The 10-Year Plan makes recommendations that mitigate the experience of poverty *and* reduce the overall incidence of poverty. As such, the plan is a blueprint for how to make progress toward an equitable, inclusive economy in the wake of the social, economic and health crises initiated by COVID-19.

Defining/Measuring Equitable Economic Recovery



*Ellis, W., Dietz, W. (2017) A New Framework for Addressing Adverse Childhood and Community Experiences: The Building Community Resilience Model



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5-Year Plan Next Steps

- Legislative Caucus Update
- Agency Action Planning



Public Comment



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