



WASHINGTON STATE

DEPARTMENT OF COMMUNITY, TRADE & ECONOMIC DEVELOPMENT



Poverty Advisory Committee

Challenging Poverty in Washington

May 2007

Washington State Department of Community, Trade and Economic Development
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“To me, that is the role of government: to help facilitate innovation, transfer ideas to products, create a world-class education system, make smart investments, and make sure our prosperity touches all of us, not just a few.”

Governor Chris Gregoire

II. INTRODUCTION

Take Seattle’s beautiful QWEST Field, fill it up with 67,000 faithful Seahawk fans for nine home games and it still wouldn’t add up to the estimated 641,351¹ people currently living in poverty in Washington.

Governor Gregoire’s administration has begun many initiatives that deal with the underlying issues of poverty such as focusing on jobs, education, affordable housing, improved health care and the availability of mental health services, and helping low-income families to save money to obtain assets that will provide a better future.

As Governor Gregoire suggests, Washington’s prosperity needs to reach all parts of our state and improve the lives of all of our residents. To make permanent, effective improvements, poverty needs to be fought at the local level where solutions are crafted that fit the unique character of each of our cities and counties.

With that in mind, the Department of Community, Trade, and Economic Development (CTED) went to communities to hear first hand the major issues impacting low-income households, and the strategies that might be suggested to address these issues. An Advisory Committee appointed by Director, Juli Wilkerson, then added their expertise to this process. What follows is CTED’s report of the ideas gained from listening to the ideas of those who participated in this study.

¹ http://www.census.gov/hhes/www/cpstc/cps_table_creator.html

*“Economic growth
without social progress
lets the great majority of
people remain in poverty,
while the privileged few
reap the benefit of rising
abundance.”*

John F. Kennedy

III. THE POVERTY ADVISORY COMMITTEE RECOMMENDATIONS

In 2006, the Washington Department of Community, Trade and Economic Development (CTED) conducted Community Forums in 14 locations around the state, from Colville to Seattle. The nearly 500 participants were asked to identify the issues impacting low-income people in their communities and to suggest specific strategies to address these issues.

The outcomes closely followed the national studies, with family wage jobs and housing competing for first place as the primary issue affecting low-income families, followed by access to health care, mental health services and then transportation issues.

In October, 2006, CTED Director Juli Wilkerson initiated the Poverty Advisory Committee. She asked this diverse committee to consider issues identified by state citizens and make recommendations for actions that would reduce poverty in Washington.

Forum input was central to discussions in the group, but not exclusive. The experts on the panel – from state agency leaders to important advocate group leaders – were free to talk about how to approach both stakeholder opinions and what steps should be taken to end poverty in Washington. Expanding the input from the community forums with their own experience and expertise, the Poverty Advisory Committee has put forth several recommendations.

Recognizing that many other groups are working on specific issues and services affecting low-income households, the Committee will lend support to these efforts. Through the various community organizations, and by working within the network of state partners, we will continue to work on system-wide issues that will create a more cohesive and coordinated system of providing services to reduce poverty.

Upon the advice of the Poverty Advisory Committee:

- CTED will convene a coordinating group of all state programs providing food to meet low-income nutritional needs
- Support statewide implementation of the 211 social services telephone referral system.
- Support more funding for local efforts to increase low-income housing in Washington and support for programs that provide services to keep people in housing.
- Promote collaborative initiatives with private and public foundations to help the homeless and people seeking transitional housing.
- Encourage local developers to use innovative state incentives that promote affordable housing projects and programs.
- Lead an effort to seek ways to combine and consolidate reporting, monitoring and auditing between government agencies and agency departments.
- Work with providers and county and state professional organizations to expand dental care for low-income adults and children.
- Support current legislative and Governor led efforts to increase access to health and mental health care.
- Assist state, public and private programs that encourage financial literacy education and asset building programs for low-income residents.
- Educate Washington residents about the complexity of poverty issues through education, community and business contacts.

This report's recommendations are not an end to poverty in Washington. Rather, we hope this report adds to the discussion of a problem that requires the combined efforts of government, businesses, educators and the community at large.

This is a working document and one of many tools we can use to combat poverty in our state. The Community Services Block Grant is a federal grant administered by CTED with the purpose of reducing poverty. The input of the many participants will continue to inform the work of the Department as it addresses programs and services to reduce poverty.

“Homelessness is increasing. Results of the first statewide effort in a “point in time” count has been published in the State of Washington Ten-Year Homeless Plan published by the Washington State Department of Community, Trade and Economic Development. The data collected during the last week of January 2006 shows that 20,222 people were homeless across Washington State.”

**Washington State
Coalition for the
Homeless**
Fall 2006 Newsletter

IV. PROVIDE THE BASIC NEEDS FOR INDIVIDUALS AND FAMILIES

A. HOUSING AND ENDING HOMELESSNESS GOALS

COMMITTEE RECOMMENDATIONS:

1. Support funding to increase low-income housing in Washington and services needed to keep people in housing.
2. Promote collaborative initiatives with private and public foundations to help the homeless and provide more transitional housing.
3. Encourage local developers to use innovative state incentives while promoting affordable housing projects and programs.

COMMITTEE GUIDING HOUSING PRINCIPLES:

- Adopt public policy through the Interagency Council on Homelessness, the Affordable Housing Advisory Board, and other advocates work to assure people in Washington have adequate, affordable housing in both public and private sector programs.
- Preserve current low-income housing to keep Washington residents in homes.
- Educate state residents on basic living skills and home maintenance.
- Educate more residents on energy conservation and energy assistance.
- Provide financial literacy training so low-income families avoid losing their homes.

COMMUNITY FORUM HOUSING RESULTS:

- Create and expand incentives for builders - like higher density allowances or permitting fast tracks to build more

affordable housing units and renovate existing neighborhoods.

- Renovate or build new units by using a program similar to a “Renter Buy Back Program” that allows investors to renovate older homes through state funding and then lease to low-income potential owners at low-or-interest free rates.
- Increase the state Housing Trust Fund, that was established by the Legislature to help communities meet housing needs of low-income and special needs (seniors, farm workers, at-risk kids, chronically ill) Washington residents.
- Work with families to assure that rent is within their means and that they have the support services needed to maintain housing.
- Expand comprehensive home ownership programs that provide training, mortgage guidance and financial assistance and buying.
- Plan more affordable housing near work opportunities.
- Create more affordable homes that are physically accessible for residents who have disabilities or are seniors.
- Publicize and encourage local developers to use the tools in state House Bill 2984 signed into law in 2006 that authorizes cities, towns and counties to implement affordable housing incentive programs while making sure safe construction standards are maintained.

“The roots of hunger, however, lie in family economic instability. When families must choose between heating and eating, quality of life suffers. Fair wages, child care and health care access, affordable housing and Earned Income Tax Credit are all building blocks in family financial security. A long-term solution to hunger in Washington must go beyond the food safety net to insure an economic environment that supports families...”

Children’s Alliance

Hungry in Washington
summary

B. FOOD AND NUTRITION GOALS

COMMITTEE RECOMMENDATIONS:

1. Provide leadership in establishing a coordinated group of all state programs providing food to meet low-income nutritional needs.
2. Encourage education foundations and state agencies to expand financial literacy efforts to include smart food buying and nutrition.

COMMITTEE GUIDING PRINCIPLES:

- Adopt public policy that ensures people have access to basic nutritional needs.
- Promote efficient purchase and distribution of food.
- Promote nutritional information and education to empower people.
- Enhance access to water supplies that are safe and maintained properly.

COMMUNITY FORUM RESULTS:

- Make improvements in providing nutritional needs that reflect the geographic and demographic differences of those who are hungry.
- Link people who use food banks to the social services available.
- Increase the nutritional value of emergency food through greater availability of fresh produce and more protein.
- Insure that all emergency food storage and distribution outlets have adequate facilities and food to serve customers.
- Fund school food programs to provide a nutritionally sound breakfast and lunch for low-income children to help learning.
- Improve Basic Food benefits for eligible families and individuals to reduce reliance on emergency food providers.

“In 2002, 1.16 million people with low incomes were assisted by DSHS (Department of Social and Health Services), totaling \$2.45 billion in assistance. Low-income residents spend a higher percentage of their income on transportation than others. However, many people on public assistance subsidies receive transportation support. Low income people in some rural counties and Tribal Nations may not have access to public transportation services.”

**Washington State
Department of
Transportation**
Transportation Plan

C. TRANSPORTATION GOALS

COMMITTEE RECOMMENDATIONS:

1. Request copies of annual regional and local public transportation plans and evaluate the level of inclusion of low-income riders.
2. Support a member of the Community Action Council Association to obtain a seat on the state Agency Council on Coordinated Transportation (ACCT) to represent low-income riders.

COMMITTEE GUIDING PRINCIPLES:

- Adopt public policy, locally, regionally and nationally that results in greater net resources for transportation.
- Increase accessible and affordable transportation.
- Match transportation to the needs of the community.
- Explore programs that provide safe running cars and help secure car repairs for low-income residents.

COMMUNITY FORUM RESULTS:

- Eliminate limited transportation routes and hours by creating a 24-hour dial-a-ride.
- Make bus fare no cost or low-cost for youth, seniors and low-income residents.
- Create van pools to industrial and business centers.
- Support special needs transportation and funding for fixed route transportation for education and work.
- Provide low-cost or free transportation to low-income riders who use public transportation or car pool.
- Provide incentives to business and vocational schools that repair cars for low-income families and individuals.
- Expand auto recycling programs to provide older, well running cars for low-income residents.
- Advocate for the needs of low-income families and individuals in any major transportation plan that is undertaken by state or federal agencies.

“Washington’s Medicaid program covers dental services for adults. In 2003 the Legislature cut the funding by 25 percent or \$10 million. As a result, the program no longer covers crown, posterior root canals and mouth guards. Moreover, coverage of dentures was severely restricted. Untreated dental problems can lead to serious medical complications and high-cost emergency room treatment.”

Statewide Poverty Action Network

D. HEALTH AND MENTAL HEALTH CARE GOALS

COMMITTEE RECOMMENDATIONS:

1. Work with providers and county and state professional organizations to expand dental care for low-income adults and children.
2. Support current legislative and current gubernatorial efforts to increase access to health and mental health care.

COMMITTEE GUIDING PRINCIPLES:

- Adopt federal and state policy that results in all people receiving health and dental care.
- Increase corporate accountability to provide benefits for both health and mental healthcare services.
- Educate Washingtonians on dental, medical and mental health issues.
- Encourage preventative care.
- Link corporate tax incentives to healthcare benefits.

COMMUNITY FORUM RESULTS:

- Find and target funding to fill the gap of people working toward self-sufficiency by creating a tiered financial system for accessible funded healthcare.
- Study the costs of the insurance process and look at ways to streamline it to increase efficiency and reduce costs.
- Make the state-run Basic Health plan consistently available for adults and children and expand it to include dental coverage.
- Ensure availability, assessment and diagnosis of mental health services and treatment and dispensing of affordable medications.
- Plug mental health resources into shelter and housing programs. Make sure the services are provided at appropriate levels over time.
- Maintain a consistent safety net for residents living with mental illness in order to avoid costly jail or mental health crisis center options.

“The number of children living in poverty in the county (Thurston) grew about 40 percent between 1999 and 2005, a new report shows. In 2005, there were 7,409 poor children countywide, according to the latest State of Our Children report by the Thurston County Public Health and Social Services and United Way of Thurston County. That’s more than all of the students enrolled in the Tumwater School District and an increase from 5,269 children six years earlier.”

The Olympian
April 1, 2007

V. CHALLENGING POVERTY IN WASHINGTON

A. MOVE FAMILIES AND INDIVIDUALS OUT OF POVERTY

THE COMMITTEE RECOMMENDATIONS:

1. Establish a permanent Poverty Policy Advisory Committee (PPAC) through CTED.
2. Educate Washington residents about the complexity of poverty issues through community and business contacts.
3. Require companies that ask for CTED funds to report how many low-income employees are hired. Add incentives if companies hire low-income workers for a portion of the jobs that are created.
4. Support state, public and private programs that encourage financial literacy education and asset building programs.

COMMITTEE GUIDING PRINCIPLES:

- Adopt public policy that results in greater net resources for people at the poverty income level whether through wages or government subsidy.
- Increase minimum wages so people can meet basic needs.
- Provide training, childcare and transportation to low-income residents who are in the job market.
- Stop predatory lending and predatory bill collections.
- Increase corporate accountability for wage and benefit practices.
- Define a realistic cost of living for Washington residents.

COMMUNITY FORUM RESULTS:

- Encourage companies that get state assistance and subsidies to move here to hire low-income workers for a portion of the jobs that are created.
- Employers paying a living wage and health benefits should be given priority on state contracts.

- Recruit businesses that compensate employees at a level measuring up to the real cost of living of the region.
- Look for successful rural business models to expand in Washington.
- Explore the success of entrepreneurial business people in Washington and explore individual community solutions that customize programs to those areas.

COMMITTEE RECOMMENDATION ON JOB TRAINING & EDUCATION:

1. The committee recognizes the important work currently being proposed by various public and private agencies. We are in support of those efforts, but have chosen to work on other specific priority issues first.

COMMUNITY FORUM RESULTS:

- Engage middle school, high school and college students in training and tuition programs to develop real job skills.
- Develop training, education and apprenticeship programs that train low-income residents to provide a pool of employees ready to work for innovative businesses that locate in our state.
- Influence students who do not thrive in an academic environment to think about other careers in specific and valuable trade skills.
- Connect training and education with economic development and engage a local skills panel to research those needs.

“The objective for 211 is to expand the scope and hours of operation to ultimately serve all the residents of Washington State on a 24-7-365 basis. Ultimately, the system will connect eight call centers statewide so that someone in Seattle or Spokane can receive referrals for a friend or relative living in another county. ”

Jon Fine, President and CEO, United Way of King County

Gordon McHenry Jr., United Way of King County board member, Director and chief of staff, government and community relations, The Boeing Co.

VI. SYSTEM IMPROVEMENTS

COMMITTEE SPECIFIC RECOMMENDATION:

1. The committee recognizes the important work currently being proposed by various public agencies. We are in support of those efforts, but have chosen to work on other specific priority issues first.

COMMITTEE GUIDING PRINCIPLES

- Adopt public policies that result in greater net resources for people at the poverty income level.
- Assure workers have necessary support to effectively assist families in doing the difficult work to overcome poverty.
- Change policies that prevent families from making the transition to self sufficiency.

A. IMPROVE SERVICES TO THE PUBLIC

COMMITTEE RECOMMENDATION:

1. Support statewide implementation of the 211 phone number that provides up-to-date phone information on local social services.

COMMUNITY FORUM RESULTS

- Support a statewide initiative, such as the new social service locator phone number 211, to provide specific information at the community level that gives location, current availability and updates on services in real time.
- Support policies that create a graduated reduction in benefits for families and individuals as they approach self sufficiency and not an “all or nothing” mentality.
- Explore a multi-disciplinary and coordinated approach based on client need that is not tied to funding streams.
- Co-locate services for customer convenience to reduce time and travel costs between providers.
- Include low-income residents on identifying needs.

B. STREAMLINE ADMINISTRATIVE PROCESSES

COMMITTEE SPECIFIC RECOMMENDATION:

1. Combine and consolidate reporting, monitoring and auditing between government agencies and agency departments, including CTED.

COMMUNITY FORUM RESULTS:

- Consolidate reporting requirements of service providers between government agencies and different agency departments.
- Eliminate duplicate monitoring and auditing.
- Centralize resources, guides and social service liaisons.
- Explore larger community awareness campaign using several types of communication and in several languages and find partnerships with school- or school-district based programs.

“Most adults in Washington (87 percent) say it is important for local officials to work to help those struggling to make ends meet. They place more trust in their local government than the American public at large, and two-thirds feel their local elected officials are knowledgeable about the struggles people face in their community. However, a smaller percentage of Washingtonians (46 percent) say their officials are working hard to help those struggling.”

Lake Research Partners
Northwest Area
Foundation commissioned
survey, 2005

VII. OVERVIEW OF POVERTY

A. POVERTY DEMOGRAPHICS

After a short period of improvement in the late 1990s, statistics show that the number of Washington families living at or below the federal income poverty level increased from 7.3 percent in 2000 to 9.4 percent in 2004 and back down to 7.6 percent in 2005.²

Twelve percent of children in Washington lived in poverty in 2000.³ In 2005, the percent jumped 33 percent to 16 percent. While the number is lower than the overall national rate of 18 percent, the percent increase has gone up much faster than the national rate.

The adjusted poverty income level for a family of four was \$19,350 in 2005 – the cost of a mid-sized Nissan automobile. The result: more than 640,000 children and adults in Washington live at or below the poverty level.⁴

What is even more significant are two studies that show that the amount of income needed to meet basic needs in Washington for a family of four is often well above \$30,000.

The Seattle Jobs Initiative commissioned a study in 2004 called “Beyond the Bottom Line: Expanding Economic Opportunities for Washington’s Working Families.” This study contains a “Self-sufficiency Standard” based on the actual annual cost of housing, food, childcare, healthcare, transportation, taxes, and a small miscellaneous category, in four communities: King-Seattle, Spokane, Yakima, and Grays Harbor.

The costs range from \$34,368 in Gray’s Harbor to \$40,572 in King County-Seattle.

² http://www.census.gov/hhes/www/cpstc/cps_table_creator.html

³ http://www.nccp.org/state_detail_demographic_WA.html

⁴ http://www.census.gov/hhes/www/cpstc/cps_table_creator.html

The following table ⁵characterizes the impact of financial decisions that need to be made by families whose income is at or slightly above the poverty level:

<p>High risk: Living at or below the poverty line</p>	<p>Waits for subsidized housing, living with relatives or friends or is homeless.</p> <p>Receives public assistance for food, using food banks, sometimes hungry.</p> <p>Receives Medicaid for medical treatment or goes to the emergency room. Does without dental care or dentures.</p> <p>No transportation or no reliable transportation.</p> <p>Carefully managing life to stay below a certain income level in order to be eligible for survival benefits.</p> <p>Shops at Value Village and the Grocery Outlet, asks for help from community charities and churches.</p>
<p>At risk: Struggling to get by</p>	<p>Lives in subsidized housing.</p> <p>Able to pay for the basics of subsidized or unsubsidized housing, food, transportation.</p> <p>May receive help with utilities and childcare expenses.</p> <p>School expenses, debt interest, and cost of clothes and gifts are paid sporadically depending on the disposable income left after the basics.</p> <p>Unexpected expenses such as medical bills, repairs, disability of a family wage earner or other family emergencies, can put the family in a financial crisis that impacts ability to pay for the basic needs.</p> <p>Due to lack of money for routine health care and maintenance, emergencies occur with frequency. When this happens, these families deal with short-term crises by tapping into public assistance and community resources to help them get by.</p>

⁵ Table is based on Washington State Community Action Partnership Risk Matrix used by families to determine where they are strong and where they are at risk.

<p>Stable: Struggling to get by and succeeding most of the time</p>	<p>Able to pay for the basics with enough income to pay for most of the other household costs all of the time.</p> <p>With care, this household has a little left after essential bills that can be used to pay for a family item or special expense.</p> <p>Able to come up with first, last, and a deposit on a rental.</p> <p>Able to obtain and repay credit for emergency needs.</p>
<p>Thriving: Able to manage present financial obligations and plan for a more secure future.</p>	<p>Able to pay for the basic family needs and other necessary expenses.</p> <p>Has consumer debt under control.</p> <p>Able to begin saving for emergencies, or to advance education/training, or to purchase a home.</p>

The main characteristic of poverty is not having enough money – income and assets. For example, many seniors live on fixed incomes from Social Security that were not adequate 20 years ago when they retired, and have not kept up properly with inflation since. While the annual monthly benefit for retirees in Washington was \$993 in 2004, it is not unusual to encounter senior citizens who get by on \$600 to \$700 per month. There is evidence that the issue of seniors in poverty will only grow as the Baby Boomer generation goes increasingly grey.

Others, like people living with disabilities, exist on fixed Supplemental Social Security Income (SSI).⁶ The SSI benefit in Washington for an individual with no other means of income was \$623 in January 2007.

Another large segment of the households in poverty are people who potentially supply the labor force to meet expanding job market opportunities, but need training and other support to successfully attach to the labor market. For example, an estimated one-third of high school youth drop out.⁷ These youth, in their

⁶ http://ssa-custhelp.ssa.gov/cgi-bin/ssa.cfg/php/enduser/std_adp.php?p_lva=&p_faqid=85

⁷ http://www.manhattan-institute.org/html/cr_27.htm

late teens and early 20s, often have little work experience and few job skills that translate into a 21st century career.

Finally, another factor leading to poverty is that many family wage jobs have moved abroad or been eliminated due to technological advances. The sharp drop in Washington manufacturing employment since 1998 is due mainly to a loss of 36,300 jobs in the aerospace sector (aircraft and parts) between 1998 and 2002.⁸ The jobs created to replace them are frequently in the service sector and do not pay enough wages or benefits for a family to live above the poverty level.⁹ Agricultural workers may earn an adequate income during the work season, but their annual income is not sufficient to get out of poverty.

All of the factors above are real road blocks, but it is important to note that there are a multitude of other social and health factors that put Washington families at risk.

⁸ <http://www.ofm.wa.gov/trends/tables/fig104.asp>

⁹ <http://www.workforceexplorer.com/cgi/dataanalysis/?PAGEID=94>

“Rebecca was a single mother, 22 years old, with two sons, ages 5 years and 11 months. She was living in a small trailer with her brother. Her only income was a TANF grant of \$546. She had been using Meth (methamphetamines) off and on since she was 14 years old... After a particularly bad beating, (from her brother) Rebecca and her children were placed in shelter... She was able to hide her addiction for awhile, but eventually it became apparent. As a result of her addiction, she lost custody of her oldest son. The financial impact of Meth in our community is tremendous.”

Washington Gorge Action Programs

¹⁰ <http://oas.samhsa.gov/2k6/metro/metro.htm>

¹¹ <http://www1.dshs.wa.gov/dasa/services/OPPLR/linkstothe2005trends.html>

¹² <http://www1.dshs.wa.gov/dasa/services/OPPLR/linkstothe2005trends.html>

B. CONTRIBUTING FACTORS TO POVERTY

ALCOHOL AND DRUG ADDICTION

Drugs, such as methamphetamines, are a scourge in Washington and continue to plague our communities. The National Survey on Drug Use and Health asked people aged 12 or older to report on illicit drug use in the 15 largest metropolitan areas, including Seattle, Tacoma and Bellevue during the combined years of 2002 to 2005.¹⁰

Some Results:

- Seattle-Tacoma-Bellevue area residents reported IN THE LAST MONTH they had used an illegal drug (9.6 percent) more than any other major metropolitan area save San Francisco (12.7). This number is well above the national average of 8.1 percent.
- A 2005 trend report showed 28.4 percent of adults statewide report having used an illicit drug other than marijuana.¹¹
- Another report showed 29.2 percent of 12th graders have engaged in binge drinking statewide; 15.2 percent of all adults report binge drinking statewide.¹²

“Tamee...understands all too well the difficulties people face in leaving a life of poverty. Tamee struggled for too long in an abusive relationship in order to have a home for her two boys. Through the efforts of school and the Community Action Partnership (CAP) family development staff, she came to realize that keeping a roof over her family’s head was not worth the cost of physical and emotional pain and she left with her young sons.”

Community Action Partnership (Asotin County)

DOMESTIC VIOLENCE

In 2005, Washington domestic violence programs provided emergency shelter to a total of 6,324 battered women and children. Due to space and funding limitations, domestic violence programs had to refuse 34,824 requests for shelter.¹³

According to the National Center for Injury Prevention and Control, the national cost resulting from sexual assault, stalking and homicide by intimate partners exceeds \$8.3 billion each year.

The breakdown:

- \$4.1 billion is for direct medical and mental health care services.
- Another \$1.8 billion is the cost of lost productivity and earnings.
- The loss translates into eight million days of paid work lost, or the equivalent of 32,000 full-time jobs.

In Washington:

- A 2001 study, “Sexual Assault Experiences and Perceptions of Community Response to Sexual Assault”, found that 38 percent of Washington women reported that they have been sexually assaulted. Of those, 80 percent are sexually assaulted before they reach their 18th birthday.

¹³ <http://www.wscadv.org/Resources/index.htm#sr>

“In 2004, a young man came to see our ex-offender case manager. He had been referred to CAMP from work release after serving five years for robbery. During his work release programs’ routine staff assessment of participants, he was deemed high risk and was sent back to prison. In August of 2006, he was again released; this time with \$40 and a two-day stay at a motel in North Seattle that is known for drug and prostitution trafficking. As he sat in his motel room falling deeper into despair, he weighed his options. He had nowhere to go in two days, and no money to pay for a place to stay. The temptation to return to his old way of life was increasing by the hour.”

Central Area Motivation Program (CAMP)

INCARCERATION AND FAMILIES LEFT BEHIND

The Criminal Justice System in the United States amplifies poverty for someone in or out of the system and his or her family. For instance:

- A convicted felon in Washington can’t vote.
- Is often disqualified for public housing.
- Is barred from many employment opportunities.

Collateral impacts to the family result from less income, social stigma and instability that affect the children and other adult(s) in the household during and after incarceration.

- In 2005, over 7 million people were under some form of correctional supervision.
- At the end of 2005, over 4.9 million adult men and women were under Federal, State, or local probation or parole jurisdiction; approximately 4,162,500 on probation and 784,400 on parole.¹⁴
- In 2001, an estimated 2.7 percent of adults in the U.S. had served time in prison, up from 1.8 percent in 1991 and 1.3 percent in 1974.¹⁵
- In 2001, the prevalence of imprisonment was higher for:
 - black males (16.6 percent) and Hispanic males (7.7 percent) than for white males (2.6 percent)
 - black females (1.7 percent) and Hispanic females (0.7 percent) than white females (0.3 percent)¹⁶

In Washington:

- Prison rates have roughly tripled since the mid-1970s, according to a report on a 2005 state prison population report by the Washington State Institute for Public Policy.¹⁷
- The report’s latest forecast of Washington prisons predicts the state will need about 3,700 new prison beds by 2019.

¹⁴ <http://www.ojp.usdoj.gov/bjs/pandp.htm>

¹⁵ <http://www.ojp.usdoj.gov/bjs/crimoff.htm>

¹⁶ <http://www.ojp.usdoj.gov/bjs/crimoff.htm>

¹⁷ <http://www.wsipp.wa.gov>

- Barring reforms, by 2011, there will be one new prisoner for every four now in prison in Washington.¹⁸

¹⁸ http://newsroom.pewtrusts.org/2007/02/public_safety_public_spending.html

“Maria first entered the program July 1, 2005 through a referral from Safe Choice as she was fleeing a home filled with violence. Maria is a young woman who became homeless due to an unforeseen pregnancy in an interracial relationship. She was thrown into the streets and disowned by her parents due to racial prejudice. Though Maria never spent time in shelter she was forced to couch surf and slept from house to house with her young son.”

Clark County Community Services

RACISM

The poverty rate for all persons masks considerable variation between racial/ethnic subgroups. Poverty rates for blacks and Hispanics greatly exceed the national average. That average is mirrored in Washington statistics.

- In 2005, 24.9 percent of blacks and 21.8 percent of Hispanics were poor, compared to 8.6 percent of non-Hispanic whites and 9.8 percent of Asians.
- The three-year average poverty rate for American Indians and Alaska Natives was 25.3 percent.
- Poverty rates are highest for families headed by single women, particularly if they are black or Hispanic. In 2005, 28.7 percent of households headed by single women were poor, while 13.0 percent of households headed by single men and 5.1 percent of married-couple households lived in poverty.¹⁹
- In 2004, both black and Hispanic female-headed households had poverty rates just under 40 percent.²⁰
- One in five blacks and Hispanics in Seattle lives below the federal poverty line, and the city’s African American households earn about \$18,000 less on average than their white counterparts, according to a Brookings Institute profile on Seattle published in November of 2003.²¹

¹⁹ <http://www.census.gov/hhes/www/poverty/poverty05.html>

²⁰ <http://www.npc.umich.edu/poverty/>

²¹ <http://www.brookings.edu/es/urban/livingcities/seattle.htm>

“Jeilani Salim Abdalla’s journey from Somali refugee to American citizen began 14 years ago after militiamen invaded his home, shot and killed his son, and kidnapped his daughter. The businessman fled with the rest of his family to Kenya, surviving a perilous ocean voyage on a small, overcrowded boat. After several years in a Kenyan refugee camp, the family secured a U.S. sponsor and moved to (Seattle) in 1997.”

**Neighborhood House
(Seattle)**

BEING AN IMMIGRANT OR REFUGEE

Washington is one of the largest refugee resettlement states in the country, and our immigrant population continues to grow.

- Between 1990 and 2000, the U.S. Census reported that Washington’s immigrant population expanded by 292,000, bringing the total number to just over 600,000 foreign-born residents.
- Immigrants and refugees – and especially their children – often face multiple challenges, which are compounded by language and cultural barriers. Support services for these newcomers to the United States are essential in advancing their efforts to become productive, contributing members of society.
- The increase was the 10th largest in the United States.

“We measure poverty by what I believe is a very, very crude concept. We actually measure poverty by trying to get some kind of an estimate of the minimum expenditures on food that are required to maintain health, multiplying the number by three, and saying that’s the level of poverty. And it’s a very crude, inaccurate arrangement.”

Milton Friedman

Nobel Prize Winning
Economist

C. MEASURING POVERTY

In 1959, the federal government created the Federal Poverty Level (FPL). This standard is used to establish the number of people living in poverty. It is also considered the gold standard used to determine eligibility for public assistance programs like welfare benefits, food stamps and Medicaid.

Anti-poverty advocates are convinced that the Federal Poverty Level (FPL) is an inaccurate and outdated standard that should be changed to better reflect current social and economic situations. For example, the FPL is based upon the assumption that a family spends about one third of their after-tax income on food. The FPL was established by taking the cost of food for a particular family size and multiplying that by three. Therefore if a family earns less than that dollar amount they are considered impoverished and eligible for assistance.

In the nearly 50 years since the creation of this system, the amount of money a family spends, proportionally, on food is much lower. Due to the increased family cost of housing, health care, child care, etc., food accounts for far less than one-third of a family’s budget.

In addition to the current calculation being outdated, it is not flexible to account for different costs of living for a particular location or for the cost of children of different ages. No matter if you live in Mercer Island or Moses Lake, where the standards of living are very different, the FPL remains the same. In addition, if a family has a young child who is more expensive because of the cost of child care verses a teenager, the FPL remains the same.

The Federal Poverty Level distorts the true extent of poverty across the United States. Because this measure determines eligibility for public assistance, this distortion deprives people of much needed help.

“We all want the same things for our families – quality education, reliable health insurance, and a good job. Our challenge is to stand in the shoes of our citizens, see the future through their eyes, and find common ground that provides the change needed for a future Washington families can count on.”

Governor Chris Gregoire
2007 State of State Address

D. POVERTY WITHIN WASHINGTON

Despite being hit harder and longer by recession in the early 90's²², Washington has a robust economy and is making sincere attempts to increase the programs and services to the poor and to pass policies that increase household income.

Recent efforts by Governor Gregoire and Washington legislators include:

- **Affordable Housing:** Gregoire signed a state budget increasing the Washington Housing Trust Fund to record levels to build more affordable housing for homeless veterans, homeless families with children, people with developmental disabilities, domestic violence victims, farm workers and other vulnerable families.
- **Health Insurance for Children:** Gregoire signed into law a measure she requested to provide health insurance coverage to an additional 38,000 Washington children, bringing the total number of low-income children covered to 624,000. Governor Gregoire has made it a priority to provide health insurance access to all Washington children by 2010 and, since taking office, has steadily added more children to the health insurance rolls.
- **Supporting Families in Need:** In 2006, lawmakers and Gregoire worked quickly to boost the state's utility assistance program by \$7.6 million to help low-income families pay high heating bills. The capacity of drug and alcohol abuse treatment was doubled.
- **Rewarding Work:** Gregoire's emphasis on job growth in Washington has helped add 155,000 new jobs in the past two years. Investments are being made in projects aimed at creating jobs that provide wages that would support a family's needs.
- **Moving Washington Forward:** A pilot program has begun in seven communities that encourage low-income Washington families and individuals to save through Individual Development Accounts (IDAs) that are matched with state funds.

²² <http://www.ofm.wa.gov/trends/tables/fig105.asp>

In other examples of Washington's efforts to reduce poverty:

- The state minimum wage indexed to inflation was the first in the nation and several states have followed that lead.
- State support of Earned Income Tax Credit (EITC) outreach and tax filing information has also helped many families receive a tax return benefit.
- Washington's Basic Health program provides an affordable health insurance plan for many low-income families.
- Childcare subsidies have aided families in working to earn more income.
- Providing services to low-income families in need happens through a labyrinth of state and federal programs, county and local programs, non-profits, foundations, and volunteer programs.
- Non-profits and a large corps of volunteers multiply the impact of state and federal dollars exponentially.
- The Retired Volunteer Seniors Program provides tens of thousands of hours of service to school children and other community programs.
- The Long-term Care Ombudsman uses a system of trained volunteers to resolve for seniors in various care facilities.
- There are trained volunteers who are called by law enforcement to be the first responders for victims of domestic violence.
- Food banks are supplied by food drive donations in every community, and usually staffed by local volunteers.
- The faith-based community provides food banks, emergency shelter, gas vouchers informally at churches and through large faith-based organizations.

This army of local volunteers, along with public and non-profit paid staff, provides an essential safety net of basic services that catches many, but not all, households living in poverty.

Some Other Models

While there are no definitive models for fighting poverty, the creativity and commitment of local communities has resulted in a number of remarkable success stories in Washington.

Here are just a few examples of the work being undertaken in Washington:

- **Thirty-one Community Action Agencies** provide a broad array of services to low-income households. Each agency is governed by a board of directors that includes 1/3 membership of low-income consumers who help shape programs to meet local needs.
- **Goodwill Industries of America, faith-based organizations, refugee organizations, the YWCA and YMCA, are among the many other non-profit organizations dedicated to serving low-income families in communities across the state.**
- **As many as 25 small rural communities** in Washington are participants in a grant designed to reduce poverty, through the Washington State University's Horizon program. Funded by the Northwest Area Foundation, the Horizons program focuses on providing leadership training and practical strategies and tools to community members to enable them to encourage civic engagement, economic development and reduce poverty within their community. If this model proves successful, the state will have to decide how to expand and replicate it in other communities.

These initiatives help real people who may be our neighbors or family members-

- **Working Wheels:** As a single mom, Sally found it hard to make ends meet. The Seattle-area resident started her morning at 4 a.m. with a mile-walk with her son to nearest bus stop, and bus rides to drop him off at daycare and then waiting for another bus. She attended classes during the day and working at night but like many low-income parents, she wasn't eligible for a used car loan from a bank because she didn't have an established credit history. That's when "Solid Ground" (formerly known as Fremont Public Association) helped her through its "Working Wheels" program. They got her into a car, she was accepted into a full

apprentice program and earns \$22 an hour with full benefits – The cost of the Working Wheels Program was \$2,667. The total value of her wages, benefits, taxes paid is estimated at \$74,744 – or a \$1 of investment yielding \$28 of returns.

- **Homelessness to Grateful Taxpayers:** Israel and his family were homeless when they came to get help from Multi-Service Center’s Emergency Family Shelter. After getting help with shelter and the south King County agency’s resource network. The family got technical skills, food and clothing bank help and HEART (family education for shelter children and their parents) They received \$20,262 in the two years they received help, and now they earn around \$63,000 – or a return of \$5.50 for each dollar invested in their family of five.
- **From Despair to Hope:** After years of addiction problems, Rebecca has a new life thanks to the Washington Gorge Action Program. She was placed in a Community Jobs position with a transportation company, which resulted in a full time, permanent job. Previously homeless, her income is now almost \$23,000 annually. She was able to regain custody of her oldest child, and she is renting a house that is subsidized with a Housing Choice voucher. The only assistance she receives is medical coverage for the children and she is committed to a healthy lifestyle.

Despite these successes and uplifting stories, there are significant capacity issues that hinder the ability of everyone who might need the same kind of help to get it. An example:

- The federal Low Income Home Energy Assistance Program in Washington can only serve roughly 20 percent of the people who legally qualify for help to literally keep their lights on during the harsh winter months statewide.

Necessities that help people live better, more productive lives are still not available for many.

“You know, there’s a lot of talk in this country about the federal deficit. But I think we should talk more about our empathy deficit – the ability to put ourselves in someone else’s shoes; to see the world through the eyes of those who are different than us – the child who’s hungry, the steelworker who’s been laid-off, the family who lost the entire life they built together when the storm came to town.”

U.S. Senator Barack Obama, Illinois

VIII. CONCLUSION

Washington is a place of unique talent with an abundance of both natural and intellectual resources. Working together to create a common vision, we can and will make a world of difference in the lives of neighbors, friends and families in need.

Parts of this common vision must include ensuring that the basic needs are met for all, providing an opportunity for income through workforce development, and providing a sound foundation for the future through education. Most of all, providing hope and opportunity for all citizens of Washington to be self-sufficient, contributing members of their communities.

Thank you to the Poverty Advisory Committee members for your thoughtful consideration of the community forum information and for bringing your vast knowledge and expertise about poverty.

Thank you to the community forum hosts and participants for sharing your issues, strategies, ideas, and passion for making your community responsive to the needs of low-income individuals and families.