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for the

Committee on General Welfare

on

**New York City's Strategies for Achieving the President's Goal of Ending
Childhood Hunger by 2015**

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on behalf of

Food Bank For New York City

INTRODUCTION

Good afternoon. The Food Bank appreciates the opportunity to present testimony today to the City Council regarding ending childhood hunger in New York City.

First, the Food Bank thanks the City Council and the General Welfare Committee for your consistent work to address the issue of hunger. And, the Food Bank commends the City's ongoing efforts to ensure city residents have access to affordable, nutritious food, such as increasing enrollment of eligible households in the Food Stamp Program and expanding the in-classroom School Breakfast Program.

Food Bank For New York City works to end hunger and food poverty by increasing access to nutrition, education and financial empowerment. The organization distributes food and provides support services to approximately 1,000 emergency and community food programs citywide; manages nutrition education programs for schools and CBOs; operates benefits access programs including food stamp outreach & enrollment assistance and the largest Earned Income Tax Credit (EITC) program in the country; and conducts research to inform community and government efforts to end hunger in New York City.

Government data paint a bleak picture of the past year: poverty, food insecurity and unemployment are up. Food assistance programs have felt the resultant pressure: demand at food pantries and soup kitchens increased across the city; food stamp enrollment reached record levels. At the same time, the past year has seen a dramatic increase in resources to provide food for low- and middle-income individuals and families, and a new president who has pledged to end child hunger by 2015. With economists predicting that the jobs lost in this recession may not be fully recovered until 2012, federal government will need to seize the opportunities before them – most importantly, Child Nutrition Reauthorization and the Farm Bill – in the next few years, and only strong advocacy at the local level will provide the support needed for the actions that could make President Obama’s goal a reality.

2009: IN THE FACE OF RECESSION, FOOD POVERTY PERSISTS

The number of people living in poverty throughout the U.S. increased by 2.5 million people from 37.3 million people (12.5 percent) in 2007 to 39.8 million (13.2 percent) in 2008, the highest number since 1960.¹ Throughout the nation, 15 percent of households (17 million) are food insecure, up from 11 percent (13 million households) in 2007 —the USDA reported this year that in New York State more than 11 percent of households are food insecure, marking a 14 percent increase from reported numbers in 2008.²

The unemployment rate in New York City as of September 2009 was 10.3 percent (413,000 people), up 72 percent from 6.2 percent unemployment (240,000 people) one year ago and more than double since the start of the recession in December 2007 (4.8 percent).³ As the number of unemployed workers continues to rise, finding a job is becoming increasingly difficult. There are more than six unemployed workers in the U.S. for every open position,⁴ and on average, unemployed workers in the U.S. are out of work for more than six months — the longest amount of time recorded since the beginning of data collection in 1948.⁵ Unemployment is expected to continue rising in New York until the second half of 2010, and lost wages as a result of unemployment are expected to be substantial.⁶ The New York State Budget Office predicts that in 2009 total wages paid in New York will fall by approximately 5 percent and personal income will drop by almost 3 percent — these figures represent the largest one-year decreases ever recorded in New York State.⁷

New York City food stamp enrollment rates increased to incorporate higher numbers of eligible families and individuals falling on hard times; as of October 2009, more than 1.6 million city residents are enrolled in the Food Stamp Program, marking a one-year increase of more than 21 percent. Food pantries and soup kitchens across the city found themselves on the front lines of the crisis. In the past year, almost all (93 percent) emergency food sites in the city (food pantries and soup kitchens) witnessed an increase in the number of first-time visitors — and more than one-half saw an increase of more than 25 percent.⁸

¹ Community Population Survey. (2008). U.S. Census Bureau.

² Nord, M., Andrews, M. and Carlson, S. Household Food Insecurity in the United States, 2008. (November 2009). U.S. Department of Agriculture.

³ New York State Department of Labor; U.S. Bureau of Labor Statistics.

⁴ *6.1 Job Seekers per Job Opening in September*. (November, 2009). Economic Policy Institute.

⁵ *At 10.2%, October's Unemployment is a Wake-Up Call*. (November 6, 2009). Economic Policy Institute.

⁶ *State of Working New York 2009*. (September 2009). Fiscal Policy Institute.

⁷ *Ibid*.

⁸ *NYC Hunger Experience 2009*. Food Bank For New York City.

It is therefore not surprising that research conducted last month by the Food Bank and Marist College Institute for Public Opinion shows that 40 percent of New York City residents, 3.3 million, experience difficulty affording food, an increase of 60 percent from 2 million (25 percent) in 2003. What is surprising, however, is that this number represents a decrease from 48 percent (3.9 million) in 2008.⁹

RECESSION RESPONSE SHOWS IT IS POSSIBLE TO REDUCE FOOD POVERTY

An analysis of the public- and private-sector response to the recession provides some context for the past year's decrease in the number of New Yorkers having difficulty affording food. It also illustrates that it is possible to reduce hunger and food poverty when government, corporations, foundations, nonprofit organizations and individuals recognize the problem and come together to respond, and but also that there is real danger of losing ground if we do not stay the course and transition from temporary measures to sustainable solutions to help low- and middle-income households get back on their feet.

During 2009, government and private sector support for measures that address food poverty increased as part of the nation's response to the recession:

- Beginning with the 2008 Farm Bill which came into full effect in 2009, there was a \$100 million increase for the federal Emergency Food Assistance Program (TEFAP); this was further augmented by an increase of \$150 million from the federal stimulus package, the American Reinvestment and Recovery Act (ARRA).
- Simultaneously, the shortage of food at soup kitchens and food pantries was met with new and/or increased donations and support from the private sector, including foundations, corporations and individuals, for emergency food.
- The 2008 Farm Bill and ARRA also improved the federal Food Stamp Program (Supplemental Nutrition Assistance Program [SNAP]) with measures that included increasing the minimum benefit, uncapping dependent care deductions and increasing maximum food stamp benefit levels. Local New York State and City initiatives secured increased enrollment of eligible households in the program and increased allotments for households that benefited from initiatives like the increase of food stamp benefits for Section 8 and public housing residents. The cumulative result in New York City was an almost 40 percent increase in the average monthly household food stamp allotment, from \$210 in August 2008 to \$293 in August 2009.¹⁰
- ARRA bolstered other government nutrition programs, including increasing funding for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) by \$500 million and the Emergency Food and Shelter Program (EFSP) by \$100 million.
- ARRA also extended unemployment benefits through December 2009 and raised unemployment benefits by \$25 per week. Congress passed a further extension earlier this month, providing for 20 weeks of extended benefit coverage in states where unemployment is more than 8.5 percent, including New York. The extension allows unemployed New Yorkers to continue receiving unemployment benefits for up to 73 consecutive weeks.
- Bringing extra tax relief to low- and middle-income earners, ARRA increased the Earned Income Tax Credit (EITC) for taxpayers with three or more children from 40 percent to 45 percent of qualifying income and lowered the eligibility for the Child Tax Credit, making it

⁹ Ibid.

¹⁰ Analysis of SNAP data as reported by the New York State Office of Temporary and Disability Assistance (OTDA).

available to households with at least \$3,000 in earnings (prior to ARRA, the minimum income was set at \$12,550).

- ARRA's Making Work Pay Credit provided up to \$400 for single workers earning up to \$100,000 and up to \$800 for married couples earning up to \$200,000 – an individual eligible for the maximum credit of \$400 received an additional \$15.38 in every biweekly paycheck.

The impact was immediate. Recipients of food stamps, unemployment benefits and tax credits saw their ability to purchase food expand. Soup kitchens and food pantries around the city had more resources to meet the increasing demand across the city. Even so, many emergency food sites were forced to compensate for food shortages by scaling back services. During the past year, 59 percent of soup kitchens and food pantries ran out of food at some point and were forced to respond as follows:

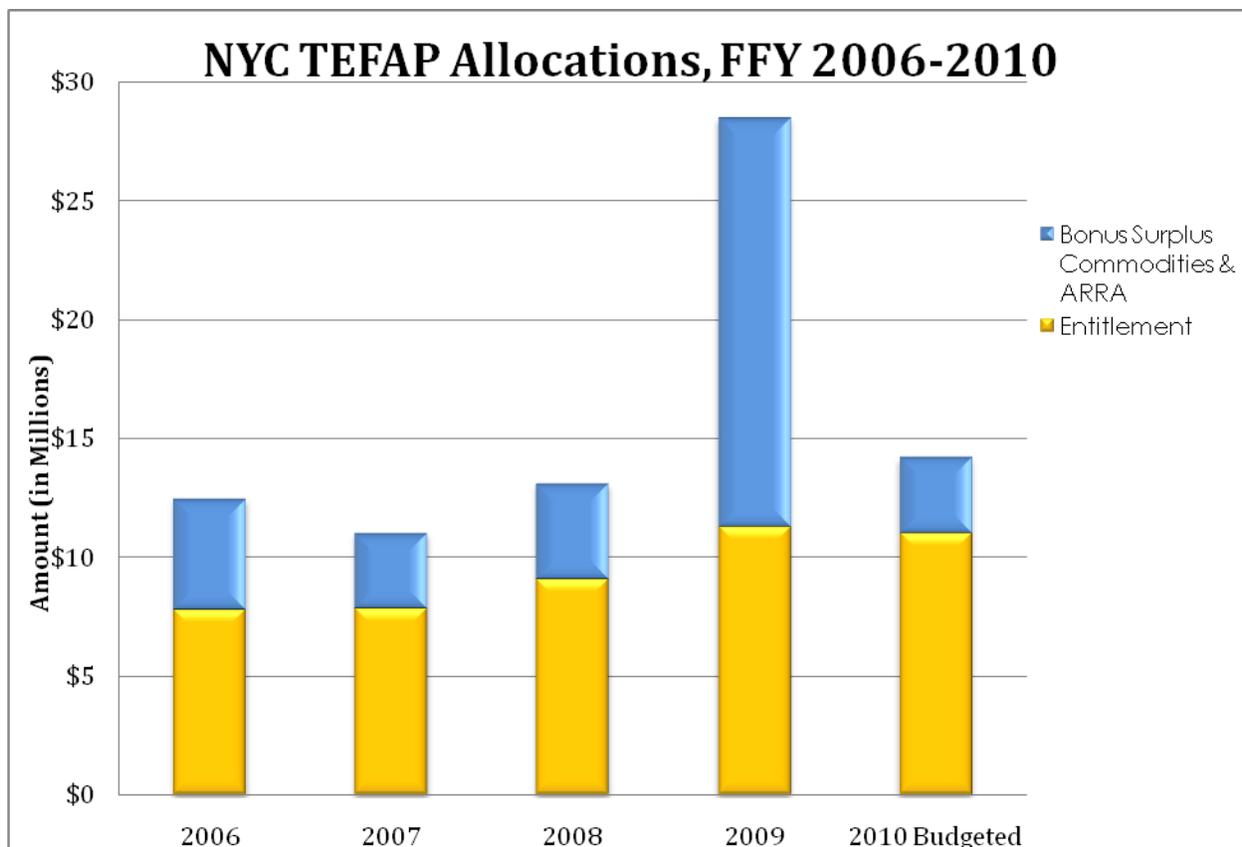
- More than two-thirds (69 percent) of emergency food sites had to *reduce the amount of food per household*.
- Approximately one-quarter (24 percent) of emergency food sites *reduced the number of days or hours of food distribution*.
- Almost one-half (47 percent) of emergency food sites *turned away individuals*.¹¹

2010: NEED REMAINS, BUT AID SET TO DECREASE

As outlined above, many of the recent measures that provided a percentage of low- and middle-income households with some relief were not only intended to be temporary, they were not sufficient to keep up with the extraordinary need.

For example, increasing the supply of emergency food is one of the key measures put in place to address the spike in food poverty as a result of the recession. The Farm Bill's \$100 million increase to TEFAP entitlement funding began to flow through to emergency food organizations around the country late in 2008, but the full impact of the increase was not realized until 2009. In addition, ARRA provided a one-time increase of \$150 million for TEFAP, and for the first time in four years, the amount of surplus commodities streaming into TEFAP outweighed the entitlement portion of the program. Consequently, the total 2009 TEFAP package for New York State amounted to \$45.2 million, including \$28.5 million for New York City, a 118 percent increase from New York City's 2008 TEFAP funding level of \$13 million. Of the overall amount, however, a little less than 40 percent was TEFAP entitlement, a baseline, recurring amount, and the entitlement increase since 2008 was only 24 percent (\$2.2 million). The remainder of the food resulted from a combination of ARRA and surplus commodities, of which the former will not be renewed in the years ahead and the latter is unpredictable — for example, in 2009, New York City received \$12.5 million in TEFAP surplus commodities, in contrast to approximately \$4 million in 2008 and \$3 million in 2007. In total, the budgeted 2010 TEFAP level for New York City is approximately \$14.2 million, representing a decrease of one-half (50 percent) from 2009. The graph on the next page illustrates.

¹¹ NYC Hunger Experience 2009. Food Bank For New York City.



A reduction of this magnitude in the supply of emergency food to New York City soup kitchens and food pantries will result in an increase in the number of people being turned away.

Conceptually, emergency food is an important component of the work to end food poverty, as it ensures that families have access to immediate assistance while longer-term solutions are put in place. However, emergency food is designed to be a temporary measure, and absent resources being dedicated to long-term solutions, emergency food is but a band-aid, and a one-time stimulus measure, like ARRA, that temporarily increases the supply of emergency food is effectively placing a band-aid on top of a band-aid for a wound that needs stitching.

ENDING CHILD HUNGER BY 2015: THE NEED FOR SUSTAINABLE SOLUTIONS

There is much to be learned from the response to hunger in 2009. It is likely that the extra support and funding for food assistance services did contribute to addressing and reversing the crisis levels of difficulty affording food reported in 2008, illustrating that when government and the private sector combine forces to recognize and address a problem, it is possible to have an effect. Nevertheless, 3.3 million New York City residents are still struggling to put food on the table, and the recession is not likely to end for them soon. If the nation is to have any hope of reaching President Obama's goal of ending childhood hunger by 2015, harnessing the combined muscle of the public and private sectors that effected temporary relief in 2009 to focus on permanent solutions is essential.

Although ambitious, the Administration's goal is achievable if government officials seize the many opportunities that will present during the next five years. At the local level, the most

effective strategy will be advocacy to ensure that federal programs are reformed to reflect the needs of New York City's children and families. Two key such opportunities are next year's Child Nutrition Reauthorization and the reauthorization of the Farm Bill set for 2013.

Child Nutrition Reauthorization

Last school year, more than 750,000 children, or 75 percent of the city's total student population, were enrolled in free or reduced-price school meals, meaning their maximum annual household income was 185 percent of the federal poverty level (approximately \$40,800 for a family of four).¹² As anyone who lives in New York City knows, this is hardly adequate to meet basic living expenses. (Indeed, research shows that New York City households need an income of at least 250 percent of the federal poverty level to afford necessities.¹³) Moreover, the number of children living at or below this income threshold is likely to be much higher as students in high school tend to apply for free or reduced-price school meals at a much lower rate than children in elementary school. (Whereas 80 percent of elementary school students enrolled in free or reduced-price meals last year, only 67 percent of high school students did.¹⁴) As currently implemented, the school meals program neither captures the full scope of the need, nor does it realize its full potential for participation.

The single most meaningful change for New York City to address child hunger in Child Nutrition Reauthorization is authorization of universal free school meals, making nutritious school breakfasts and lunches available to all public schoolchildren without individual income applications. At the state and city government levels, implementing universal meals would introduce a number of efficiency improvements through streamlining operations and reducing paperwork and bureaucracy. At the same time, limited trials of universal meals models in New York City and elsewhere have shown it produces dramatic increases in participation, particularly among older students whose appreciation of the stigma and shame of poverty turns them away from the nutritious meals available to them in schools. There are currently bills in Congress that would authorize universal school meals models; without consistent, coordinated advocacy for universal meals from cities like New York, the likelihood that these provisions are included in the coming year's Child Nutrition Reauthorization are surely far smaller. Another opportunity for this will not come until 2015.

The Farm Bill

Reauthorization of the Farm Bill, which is due before the 2015 deadline, presents the most comprehensive opportunity to redirect government spending in a manner that addresses all aspects of food poverty (from lack of geographic and financial access to food to the nutritional quality of the food that is being produced throughout the nation). The New York City Congressional delegation was instrumental to securing a strong Nutrition Title in Farm Bill negotiations in 2008. Again, the best local strategy to end child hunger will be consistent, coordinated advocacy to ensure federal policies and funding for nutrition assistance reflect and address our city's needs.

Beyond Food

Child hunger cannot be eradicated without addressing hunger in adults and families. It is essential to think and act beyond food and nutrition assistance, with support and funding for sustainable solutions that address the underlying causes of hunger and food poverty, including

¹² New York City Department of Education Consolidated Claims Report. June 2009.

¹³ *Measuring Income and Poverty in the United States*. National Center for Children in Poverty, Columbia University. (2007).

¹⁴ New York City Department of Education Consolidated Claims Report. June 2009.

a living wage and affordable housing and health care. The current health care debate is as much an opportunity to reduce child hunger as Child Nutrition Reauthorization.

SUMMARY

In the near term, continuing to support and increase funding for emergency food to meet the growing demand at soup kitchens and food pantries is vital for the response that is needed in the months and years ahead. Threatened cuts to New York State emergency food funding could not come at a worse time. But to be clear: emergency assistance, temporary relief and other stop-gap measures will not end child hunger – indeed, if ending child hunger in New York City by 2015 is truly our goal, our strategy must include advocacy for changes to federal policy and legislation, as well as support and funding for the long-term, sustainable solutions that can help people lift themselves and their children from poverty.