



**Testimony before the Senate Standing Committee on Cities II
Hearing on Poverty and Concentrated Poverty in Small and Mid-sized Cities**

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The [Schuyler Center](#) thanks the chair and members of the committee for the invitation to testify about poverty in New York's small and mid-sized cities. The Schuyler Center is a 151-year-old nonprofit organization dedicated to policy analysis and advocacy in support of public systems that meet the needs of disenfranchised populations, including people living in poverty.

Our priorities for the coming year focus on building a family-friendly New York: ensuring the systems, supports, and policies are in place to **strengthen and support** families before they experience crises and **preventing** families from enduring hardships like ill-health, poverty, or involvement with the child welfare system. The Schuyler Center leads and participates in several coalitions focused on children and families: [New York Can End Child Poverty](#) coalition, [Empire State Campaign for Child Care](#); [Medicaid Matters New York](#); and a statewide workgroup on maternal, infant, and early childhood home visiting, which brings together State agencies, providers and advocates to strengthen coordination between and access to important dual-generation interventions.

Passed nearly unanimously by the legislature and signed by Governor Hochul in 2021, the *Child Poverty Reduction Act is legislation in which New York State publicly commits to cutting child poverty in half over 11 years, with attention to racial equity; it requires a plan to reach this goal and regular assessment of progress toward the goal.* While this promise is achievable, there is immense work to be done to combat our stubbornly high rates of child poverty and alleviate the hardship experienced by so many in all corners of the state.

The Act creates a Child Poverty Reduction Advisory Council that has examined policies likely to have an impact on child poverty and racial inequity in New York. The Council is chaired by the Office of the Governor and the Commissioner of the Office of Temporary and Disability Services, the State agency that administers cash assistance, low-income housing programs, and SNAP food assistance. Several other agencies are represented, including Tax and Finance. By statute, the Council includes individuals with lived experience, and advocates. I serve on the Council, as an appointee of the leader of the NYS Senate. The Child Poverty Reduction Advisory Council released a [progress report](#) in December 2023 and New York has contracted with the Urban Institute to model the potential impacts of various policy solutions. There is a wealth of expertise, data, and information in the CPRAC meeting materials, housed on the [OTDA website](#).

In December 2022, the [NYS Comptroller released a report](#) examining poverty in the state and reminding us that the New York State Constitution requires the State to provide for the “aid, care and support of the needy.” Yet New York – a State with vast wealth and resources allows hundreds of thousands of children to endure the hardships of poverty – in times of recession, and in times of plenty. In 2022, approximately 736,000 children, nearly 20% of all New York children, experienced poverty; hundreds of thousands more are in near-poverty, defined as 200% of the federal poverty level.¹ Child poverty rates are significantly higher in many areas around the state; approximately 35% of children in the Bronx and 29% in Oswego County live in poverty.² Among the top five cities with the highest child poverty rates in New York are Syracuse (46%), Rochester (42%), and Binghamton (41%).³

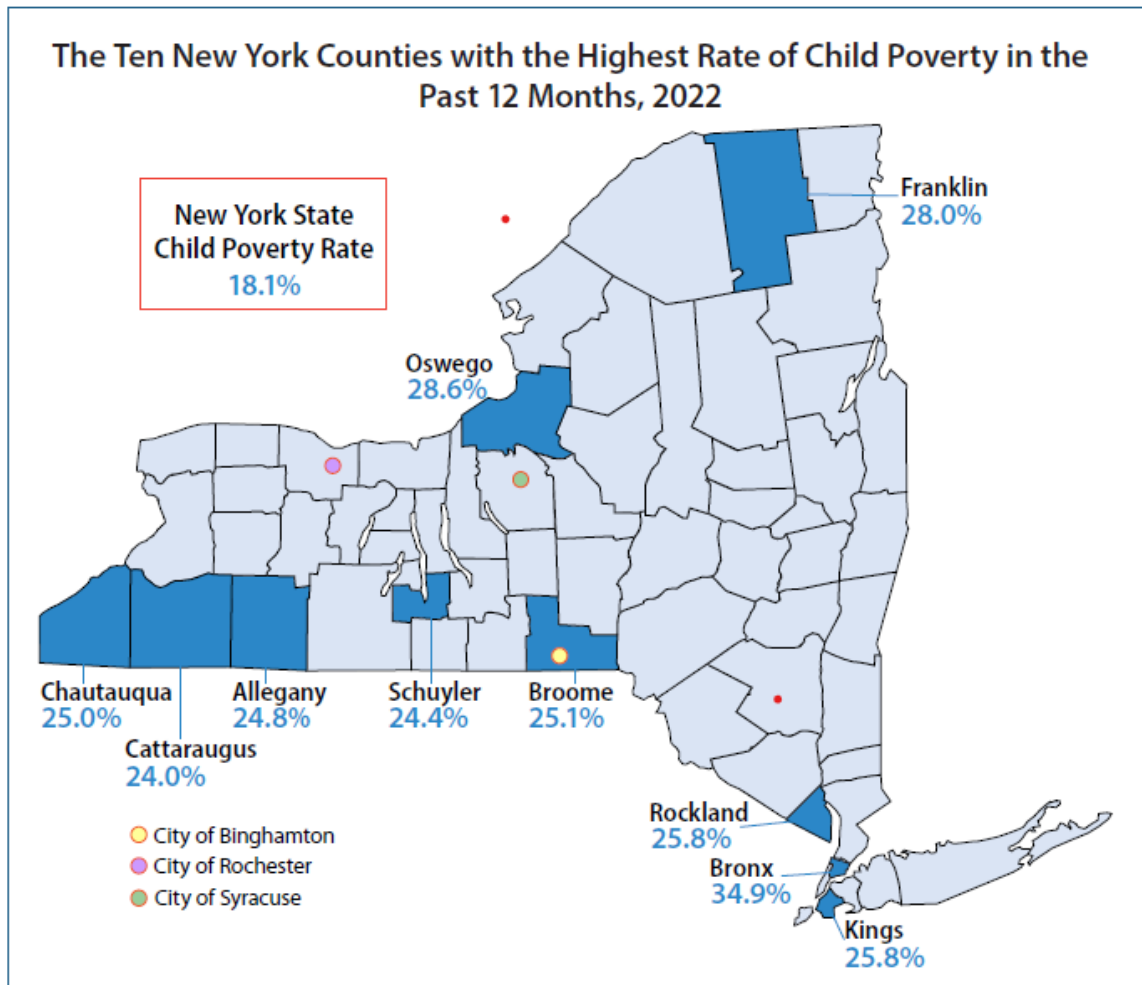
Children in Black and Hispanic families experience poverty at much higher rates, do to structural, historic, and continued racism in housing, employment, education, policing, and other systems.

Compared to the rest of the nation, New York children were more likely to live in poverty than children in [32 other states](#).

I think we all can agree that every child deserves a fair opportunity to be educated and get off to the best start possible. The ZIP code where a child grows up should not determine his or her chances of achieving success. But it can and often does. Growing up in certain ZIP codes is connected to greater risk of abuse and neglect, dropping out of school, becoming homeless, and struggling financially as an adult. “Diversitydatakids.org” takes a rigorous, equity-focused research approach to understand the conditions children experience with a mission to help improve child wellbeing and increase racial and ethnic equity in opportunities for children. [They find that within a city](#), neighborhoods influence children’s health and education and that low-income children who live in neighborhoods with attributes like quality schools, parks and playgrounds, clean air, access to healthy food, health care, and safe housing have lower stress levels than low-income children in neighborhoods without these types of attributes. A positive neighborhood environment may protect children against the detrimental effects of the experience of poverty.

In Several New York Cities, 40% of Children are Experiencing Poverty			
City	Number of Children Under 18	Number of Children Experiencing Poverty	Percent of Children Experiencing Poverty
Syracuse	29,919	13,702	45.8%
Rensselaer	1,745	747	42.8%
Dunkirk	2,194	937	42.7%
Rochester	45,048	18,792	41.7%
Binghamton	7,847	3,209	40.9%
Utica	16,138	6,598	40.9%
Buffalo	60,653	24,150	39.8%
Jamestown	6,712	2,644	39.4%
Watervliet	2,040	802	39.3%
Niagara Falls	10,122	3,975	39.3%

U.S. Census Bureau. (2022). Poverty Status in the Past 12 Months. American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1701.



Source: U.S. Census Bureau. (2022). *Poverty Status in the Past 12 Months*. American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1701.

Growing up in poverty, and the childhood trauma often associated with poverty, can have long-lasting impacts on a child’s development. The toxic stress of poverty can alter the brain development of young children – causing [permanent](#) changes in the structure and functioning of the brain. Growing up in areas of [concentrated poverty](#), those neighborhoods and communities with poverty rates over 30%, intensify these impacts – due to environmental health issues, lack of access to healthy foods, and financial stress, among other issues. As a result, many children who experience poverty face significant challenges – in the form of poor health, academic obstacles, and lower earnings – long into adulthood. With the stakes so high, there should be no delay in tackling child poverty in every inch of New York state.

Notably, the younger the child, the more likely the child is to live in poverty. [Nearly twenty percent](#) of New York children under the age of five live below the federal poverty level, and [11% live in deep poverty](#) – at exactly the time in their development when they are most vulnerable to poverty’s devastating impacts. In fact, [the birth of a child is the leading trigger](#) of “poverty spells” experienced by families. Often, circumstances stemming from poverty are [construed as neglect](#). While most families living in poverty do not maltreat their children, they have a significantly higher likelihood of experiencing crises because of a lack of resources.

Finally, child poverty is costly. [New York State loses](#) billions of dollars a year in productivity due to child poverty.

Communities—cities and counties—can take action, but cannot reduce child poverty alone. Our communities need wide-reaching, cross-sector, systemic solutions to combat poverty across the State of New York. We have the tools to reduce child poverty, and we have a statutorily required goal – a reduction of child poverty by 50% by 2033.

In the short-term, New York State should:

- **Strengthen New York’s tax credits.** Increased income for families in or near poverty has been shown to be an effective poverty-fighting tool. The National Academies of Science, Engineering, and Medicine, in their [Roadmap to Reducing Child Poverty](#), found the child tax credit policy options had the most significant impact of any the evidence-based anti-poverty policies considered in their research. One child tax credit option reduced child poverty by almost 24 percent, while the other reduced child poverty by more than 40 percent.

As reported the [Center on Poverty and Social Policy](#) at Columbia University at the January 2023 CPRAC meeting, extensive, high quality research finds that cash and near-cash benefits increase children’s health, education, and future earnings, and decrease costs on healthcare, child protection, and crime. Further, the Center reports the value to society that flows from these impacts is **over seven times** the annual costs. And specifically, expanding the Empire State Tax Credit to \$1,000 per child for all children in New York State under 17, with the exception of high-income families, would cost about \$2.8 billion per year and would generate about \$17 billion in benefits to society per year.

- **Strengthen the State child tax credit** so it reaches the poorest New Yorkers, currently excluded from the full credit. New York made significant strides in the 2023-24 Budget by correcting the exclusion of children under age four but, as expert testimony provided to the Child Poverty Reduction Advisory Council makes clear, child tax credits lose their poverty-fighting power when the full benefits are denied to the lowest income households. We recommend removing the current income phase-in from the Empire State Child Credit (ESCC) to maximize its poverty-fighting potential and reduce existing racial disparities among children benefiting from the program. We also recommend increasing the credit amount to have a meaningful impact on a family’s budget.
- **Strengthen the Earned Income Tax Credit (EITC)** so that all working New Yorkers who are eligible may file, including those filing with an Individual Tax Identification Number (ITIN), as is permitted with the ESCC, and increasing the value of the credit.
- **Stabilize housing and reduce costs.** Housing in New York State exceeds the national average and housing stability and homelessness among New York households with children are severe. Hundreds of thousands (34%) of New York households with children report being [behind in their rent](#) payments. The Fiscal Policy Institute [reports](#) that the typical family that moves out of New York State saves 15 times more from lower housing costs than they do from lower taxes.

The National Academies of Science, Engineering, and Medicine, in their [Roadmap to Reducing Child Poverty](#), found that housing assistance would have the second most significant (after tax credits) impact on child poverty. Federal rental assistance helps [586,000 New York State households](#) to afford modest housing, but more federal dollars go to homeownership subsidies, like the mortgage interest deduction, which mainly benefit higher-income households. Across New York State, seven out of ten households that are eligible for a voucher do not receive one because [vouchers are not available](#) for all qualifying households.

- **Fund the Housing Access Voucher Program (HAVP)**, which would create a state-funded voucher that would operate much like the federal Section 8 program. A commitment of \$250 million toward HAVP would have a transformative impact, aiding nearly 15,000⁴ families or individuals in exiting or preventing homelessness.
- **Increase the Public Assistance housing** allowance to a level that stabilizes housing for more families. Currently at a statewide average of \$347 for a household of four⁵, the PA housing allowance was last adjusted twenty years ago – in 2003⁶.
- **Remove administrative barriers that prevent families from accessing, or cause families to lose access to, critical programs.** Parents and young people who have personal/lived-experience of poverty report significant challenges with learning about, accessing, and obtaining the supports that could help them escape poverty and for which they are eligible.
 - **Ensure all eligible children remain continuously enrolled from birth to age 6 in Medicaid and Child Health Plus (CHP) health coverage** – programs which provide no-cost or low-cost health coverage for eligible children. As the State returns to pre-COVID Medicaid rules, children are urgently at risk of being disenrolled and losing coverage. New York can – and should – commit to multi-year continuous coverage as have several other states, including Washington, Oregon, California, Ohio, Minnesota, and Colorado. The time to do this is now, as the current administration in Washington, DC has demonstrated an openness to the policy.
 - **Ensure access to child care** for all families who need it, with a sustained investment in the child care workforce and expanding eligibility to all children in immigrant families.
 - **Establish and fund a permanent, statewide Healthy School Meals for All program** that provides free school breakfast and lunch to all students in schools participating in the National School Lunch Program. Healthy School Meals for All is a proven strategy that reduces food insecurity and helps lift families out of poverty. While the FY2024 State budget took a critical step in this direction, through the expansion of the federal Community Eligibility Provision (CEP), CEP does not reach all children. Providing universal free school meals is the best way to ensure equitable access without stigma for *all* students.

New York has an opportunity now to make bold investments to combat poverty and support New York families and communities. New York's child poverty rate has languished and remained stubbornly high for more than a decade – in good fiscal times and bad. It is time to act with intention. We urge our leaders to act now to implement these solutions and measure the outcomes, including impacts by race, ethnicity, and geography.

Thank you. We appreciate the opportunity to submit testimony and look forward to continuing to work with you to reduce poverty in New York State.

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¹ Kids Count Data Center. *Children in Poverty in New York*. (2014-2023). The Annie E. Casey Foundation. <https://datacenter.aecf.org/data/tables/43-children-in-poverty?loc=34&loct=2#detailed/2/34/true/1095/any/321,322>

² U.S. Census Bureau. (2022). *Poverty Status in the Past 12 Months. American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1701* [data set]. Retrieved from [https://data.census.gov/table/ACSST5Y2022.S1701?t=Poverty&g=040XX00US36,36\\$0500000](https://data.census.gov/table/ACSST5Y2022.S1701?t=Poverty&g=040XX00US36,36$0500000)

³ U.S. Census Bureau. (2022). *Poverty Status in the Past 12 Months. American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1701*. Retrieved from <https://data.census.gov/table/ACSST5Y2022.S1701?q=poverty+new+york+cities>

⁴ https://furmancenter.org/files/publications/2_A_State-Level_Rent_Voucher_Program_Final.pdf

⁵ <https://otda.ny.gov/news/meetings/attachments/2023-03-07-CPRAC-Shelter-Allowance.pdf>

⁶ <https://otda.ny.gov/news/meetings/cprac/2023-08-10/attachments/2023-08-10-OTDA-Presentation.pdf>

A State Commitment to Reducing Child Poverty

The Promise

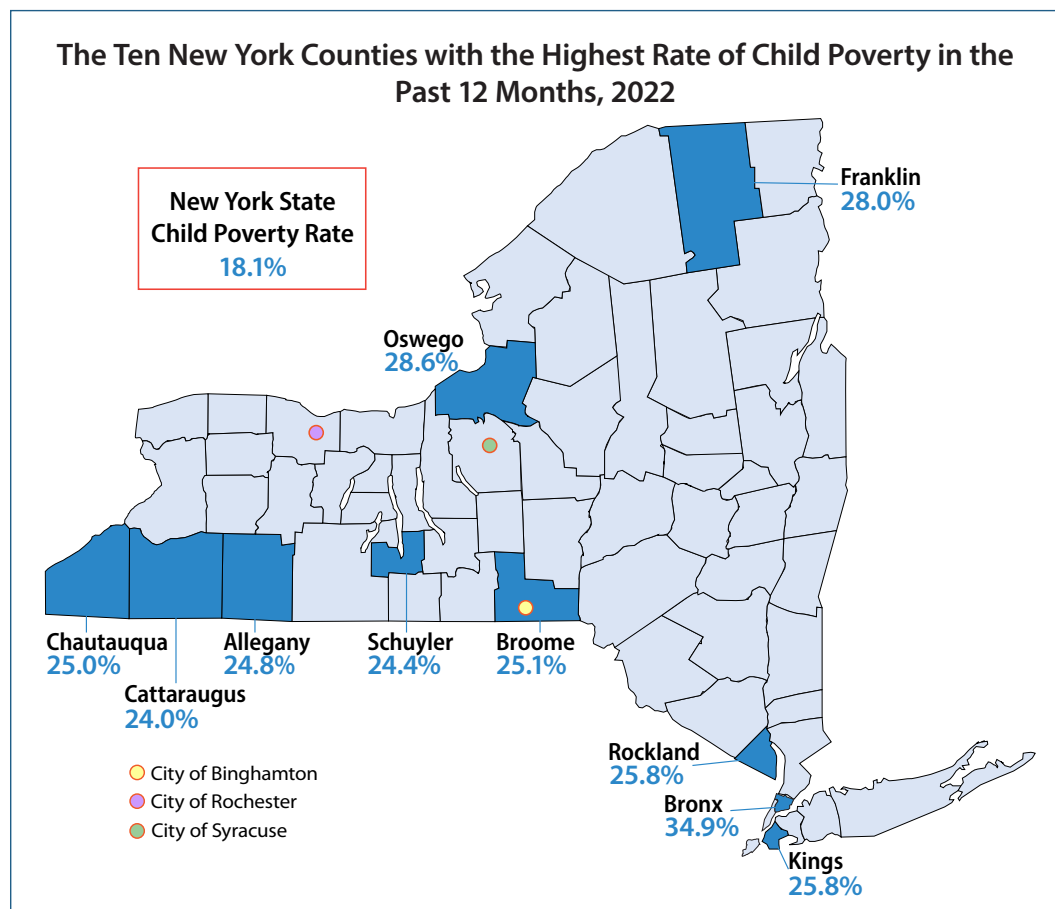
No child in New York State should grow up enduring the hardships of poverty. Recognizing this, New York leaders passed the landmark Child Poverty Reduction Act, committing in statute to cutting child poverty in half by 2030. Now it is time to make good on this promise and fight child poverty, support the economic stability of families, and set up all the state's children to thrive.

The Challenge

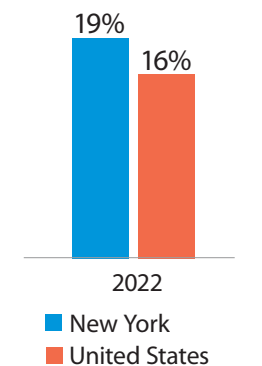
New York State has repeatedly, over time, made the policy choice to allow hundreds of thousands of children to experience poverty. There are serious consequences to this choice: evidence shows a lack of economic resources for families compromises children's ability to grow and achieve adult success, hurting them and our communities.

What We Know

Child poverty in New York State exceeds the national rate, as it has for more than a decade. In 2022, approximately 736,000 children, nearly 20%, experienced poverty.¹ Those rates are significantly higher in many areas around the state; more than 34% of children in Bronx County and more than 28% in Oswego County live in poverty.² Among the large cities with the highest child poverty rates in New York are Syracuse (46%), Rochester (42%), and Binghamton (41%).³



Children Under 18 Living in Poverty

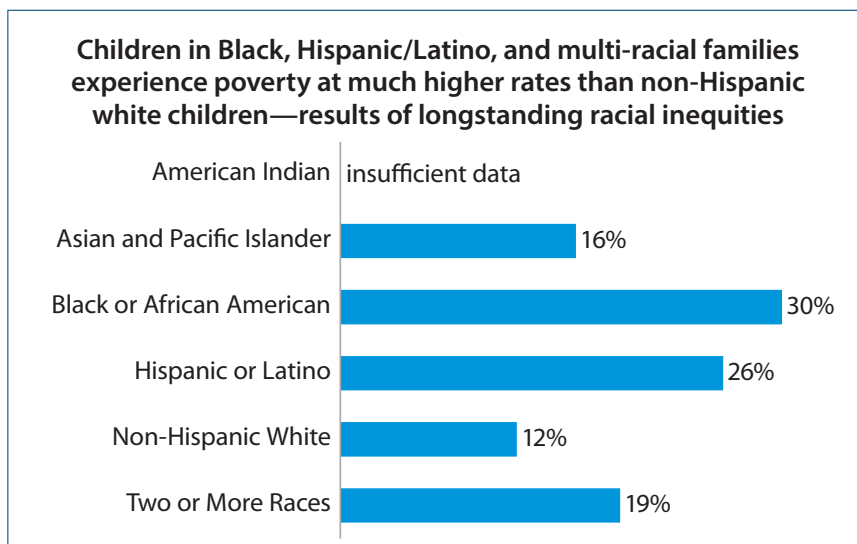


Source: Kids Count Data Center. *Children in Poverty in New York*.

Source: U.S. Census Bureau. *Poverty Status in the Past 12 Months American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1701*.

The U.S. Census Bureau measures poverty two ways. The Supplemental Poverty Measure is considered by many experts to be more accurate and comprehensive because it takes into account family resources and expenses not included in the official measure, geographic variation, and the value of in-kind benefits like nutritional assistance (SNAP), subsidized housing, home energy assistance, refundable tax credits. In contrast, the official poverty measure looks solely at income, without regard to other incoming resources.

The impact of systemic, historic, and ongoing racism embedded in housing, education, employment, and other systems is reflected in the relative rates at which children experience poverty based on their race. Public policy solutions must be shaped with intention to address the root causes of these disparities and bring an end to poverty for all children.



Source: Kids Count Data Center. *Children in Poverty by Race and Ethnicity in New York*.

Policy Solutions

Government has the capacity to quickly and sharply reduce the number of children experiencing poverty. This was made particularly clear when a 2021 temporary expansion of the federal Child Tax Credit resulted in a nearly 50% reduction in child poverty nationwide, and in New York State.⁴ The federal government allowed the CTC expansion to expire, resulting in a steep tax hike for middle and low-income working New York families with children, coming just as food, gas, and housing costs had skyrocketed, leaving many families struggling to pay household bills.⁵

In the absence of federal action, New York State must take the lead to become a family-friendly state by supporting families and meeting its child poverty reduction goals.

Proven solutions to support families and combat child poverty include providing:

- ▶ **child care assistance to all families that need it, regardless of immigration status, and free from unnecessary administrative burdens;**
- ▶ **robust, refundable tax credits and cash assistance;**
- ▶ **continuous Medicaid coverage for children 0-6 years old; and**
- ▶ **housing and nutritional supports for all families, no matter where they were born.**

¹ Kids Count Data Center. *Children in Poverty in New York*. (2014-2023). The Annie E. Casey Foundation.

² U.S. Census Bureau. (2022). *Poverty Status in the Past 12 Months. American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1701* [data set]

³ U.S. Census Bureau. (2022). *Poverty Status in the Past 12 Months. American Community Survey, ACS 5-Year Estimates Subject Tables, Table S1701* [data set].

⁴ Wilson, D., Collyer, S., Hardy, B., and Wimer, C. (2023). *State-Level Poverty Impacts of the Child Tax Credit in 2021. Poverty and Social Policy Fact Sheet*.

⁵ Coalition of Human Needs. (2022). *Household Pulse October 5 – 17, 2022 (Week 50) Food, Household Expenses, Rent, And Utilities Hardship Data For All States*.

* For all sources and computations, go to <https://bit.ly/NYSchildren>