

# REDUCING POVERTY & INEQUALITY IN WASHINGTON STATE

Jennifer Bereskin, PRWG Steering Committee

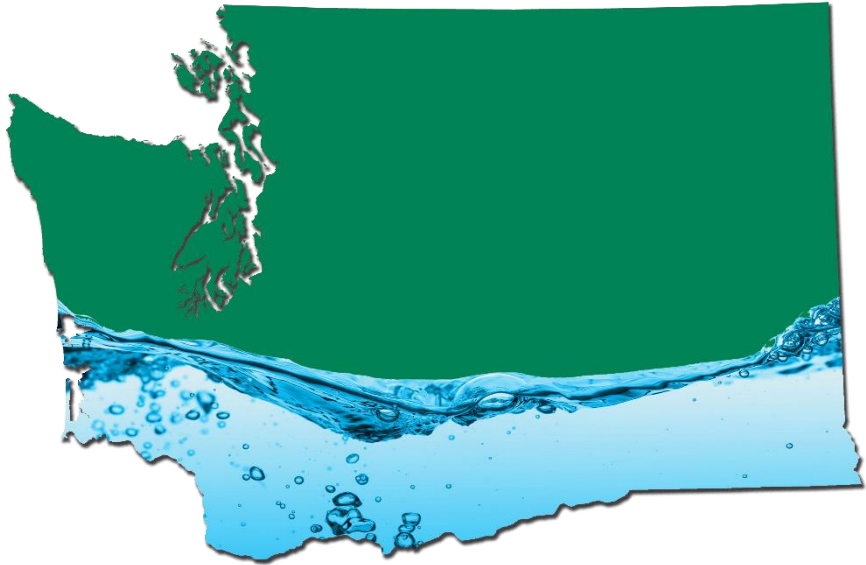
Cecil Daniels, Department of Commerce

Lori Pfingst, Department of Social & Health Services

Tim Probst, Employment Security Department

David Stillman, Department of Social & Health Services

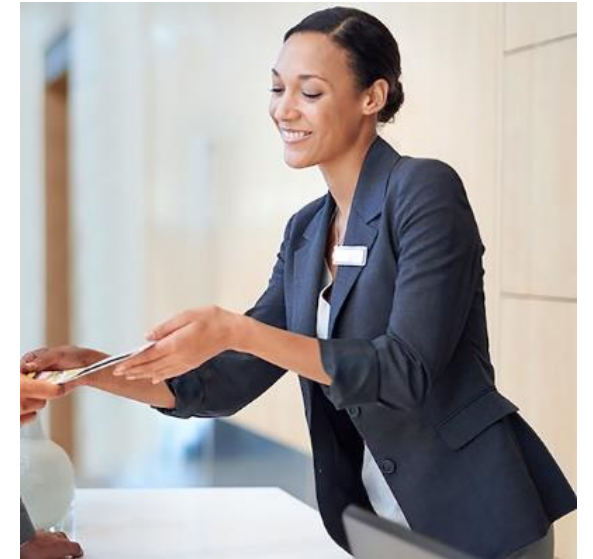
# Three Main Points



**TOO MANY  
WASHINGTONIANS  
ARE UNDERWATER**



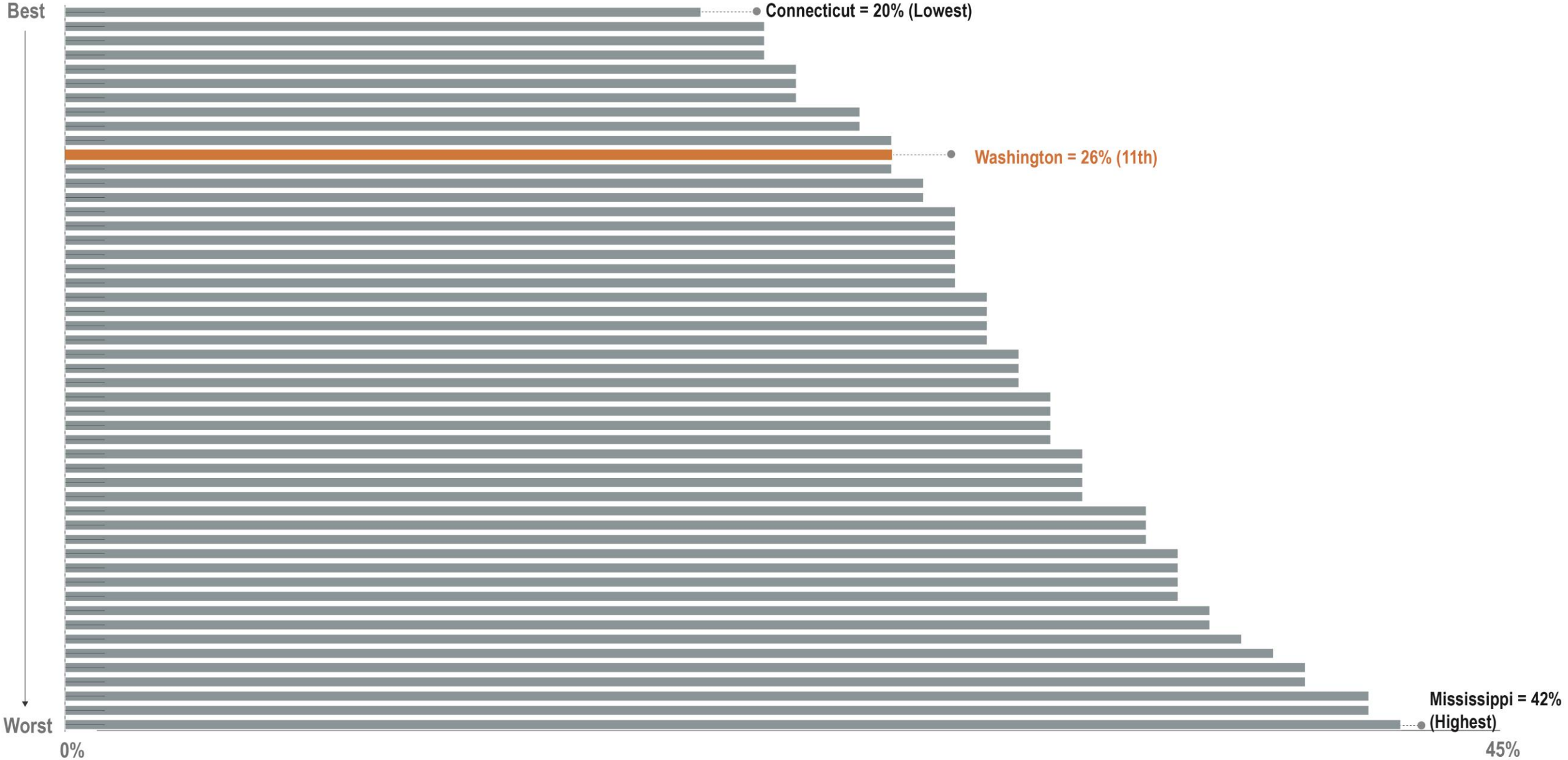
**SYSTEM IS NOT  
DESIGNED TO PRODUCE  
THE RESULTS WE WANT**



**A HUMAN CONCIERGE  
APPROACH TO SERVICES  
IS WHAT WE NEED**

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

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





26%

of Washingtonians do not have enough resources to meet needs foundational to their well-being, such as adequate food, safe and stable housing, and reliable transportation.

**TOO MANY WASHINGTONIANS ARE UNDERWATER**

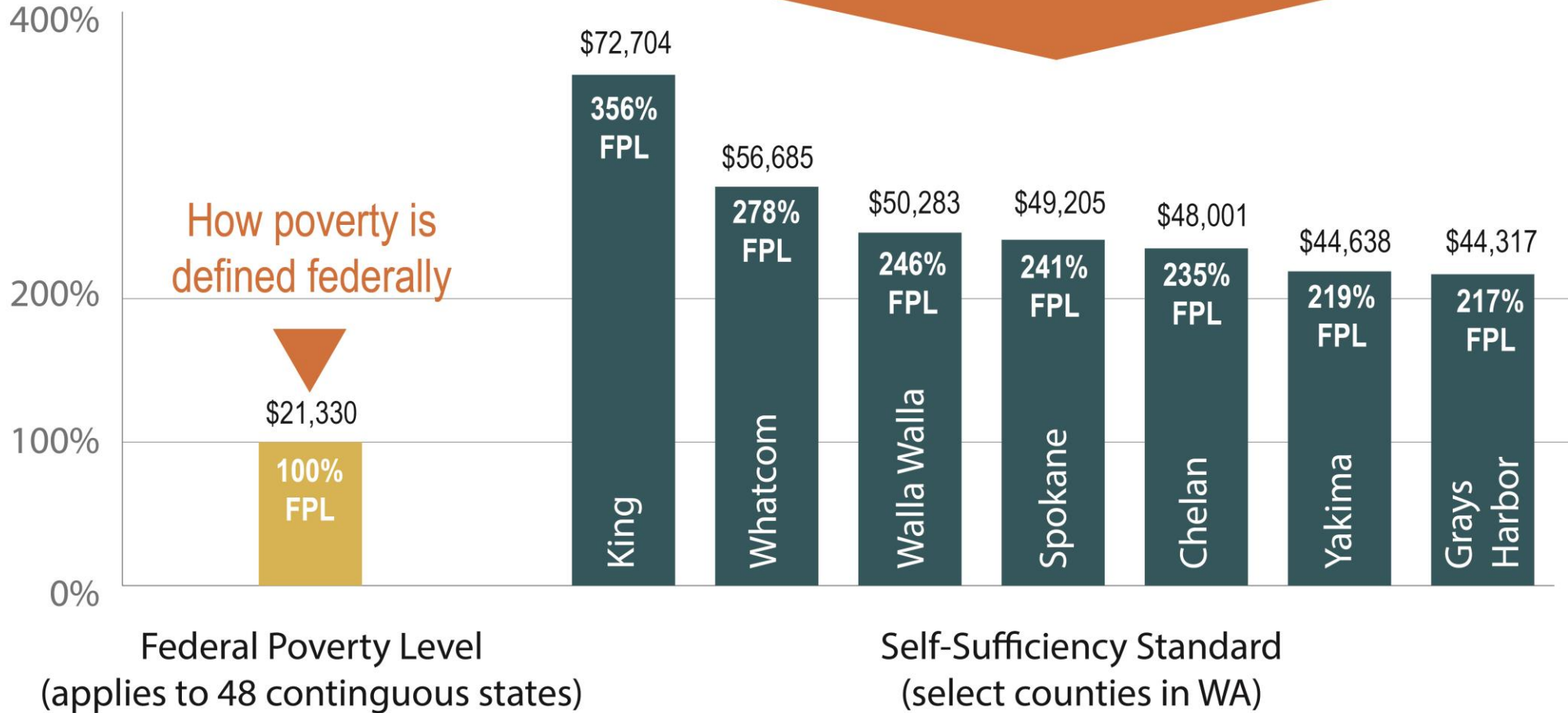
# Ways of Measuring Poverty

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cost of a minimum food diet in 1963	Provides historical picture; used to determine eligibility; adjusts for family size	Outdated; no adjustment for geography; does not account for tax and non-cash benefits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

# The Measure Matters

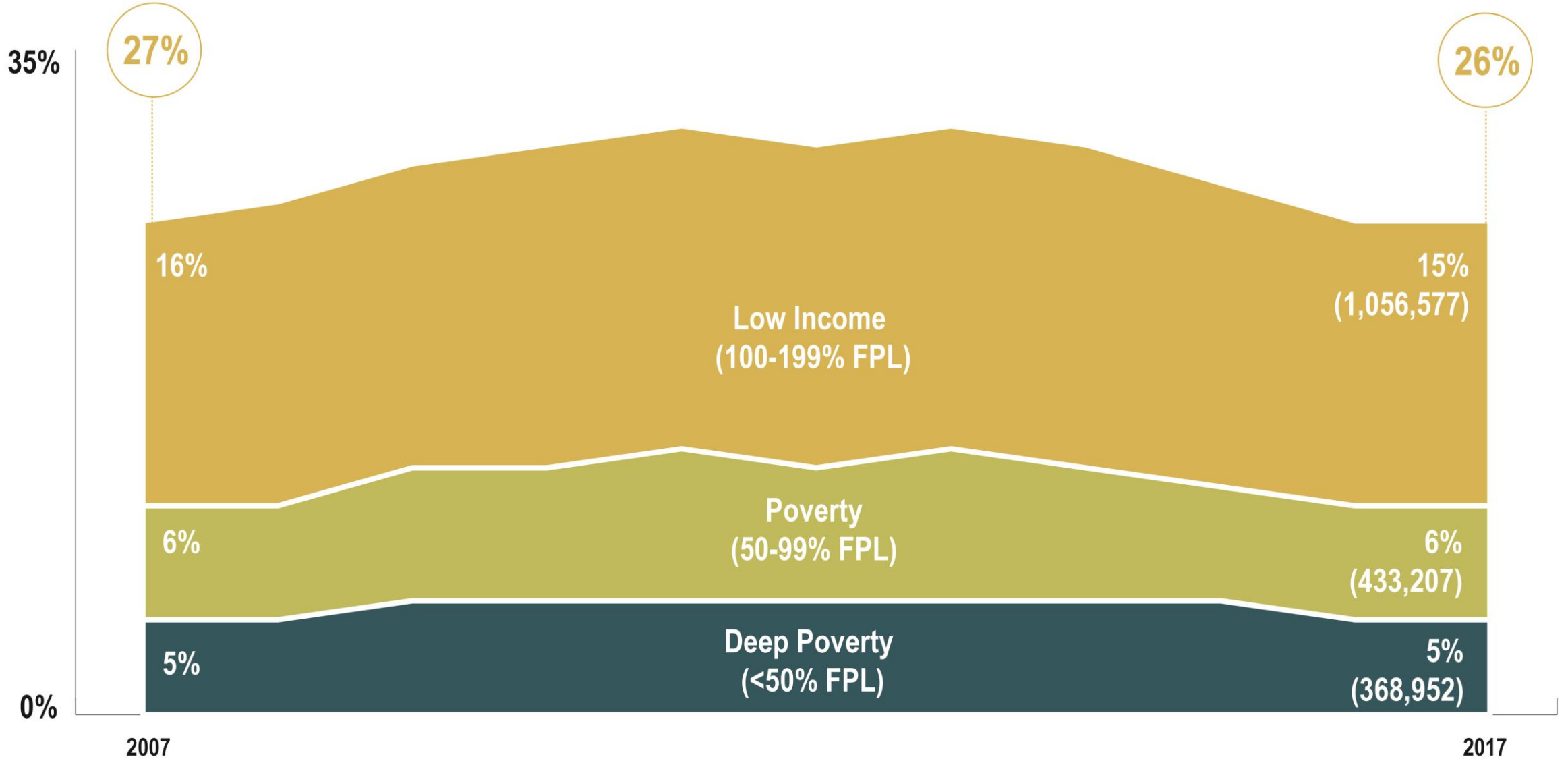
Poverty Level vs. Self-Sufficiency Standard, Family of Three, 2017

What it takes to meet basic needs in different counties in WA

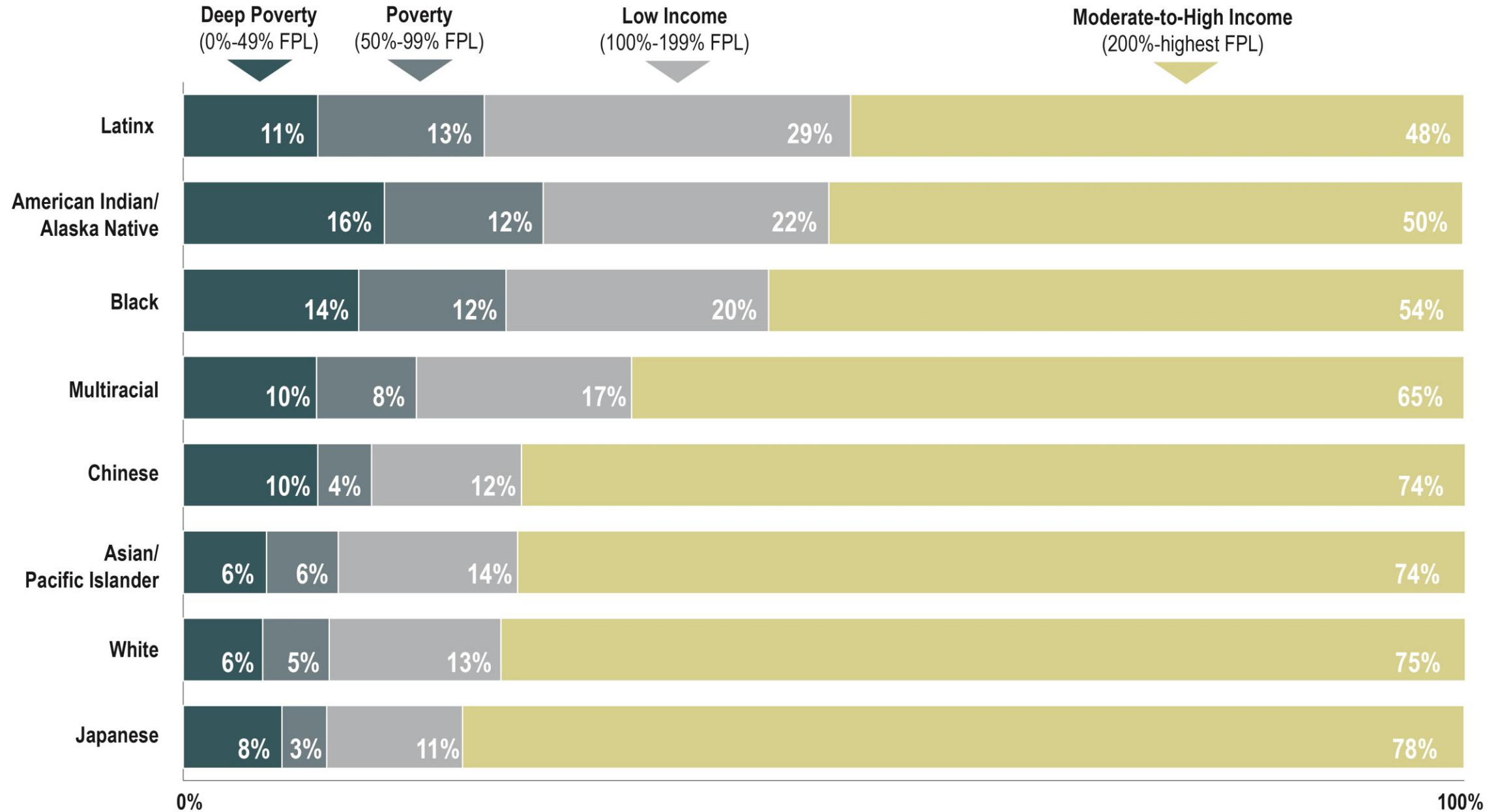


# Poverty Rates Look Similar to Pre-Recession Levels

Share of people living below 200 percent of the federal poverty level by degree of severity, Washington State 2007-2017



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

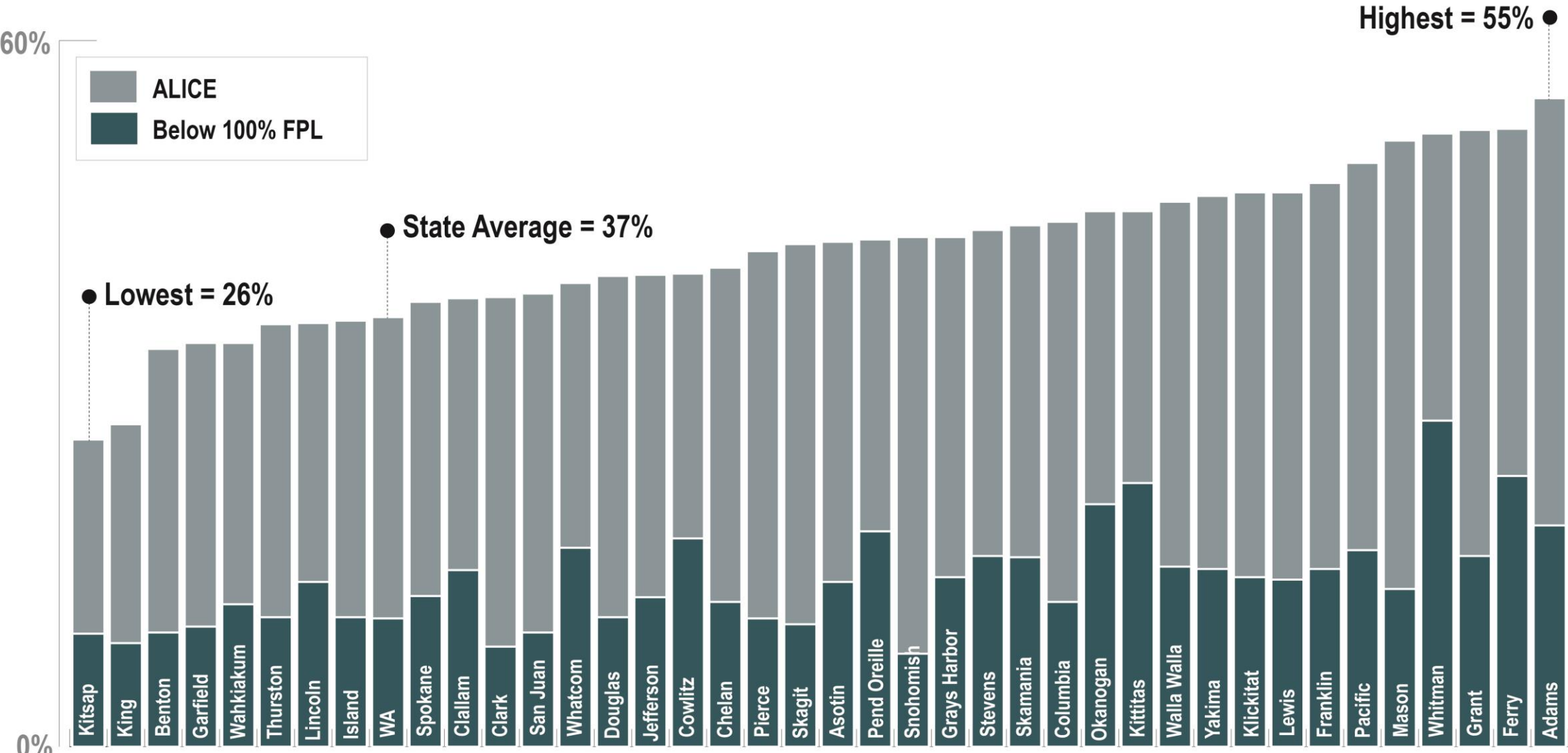


Source: DSHS|ESA EMAPS analysis of 5-Year American Community Survey data 2013-2017; percentages may not add to 100% due to rounding



# Asset-Limited, Income-Constrained, Employed Households

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



Washington's 39 Counties

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

# Intergenerational Poverty

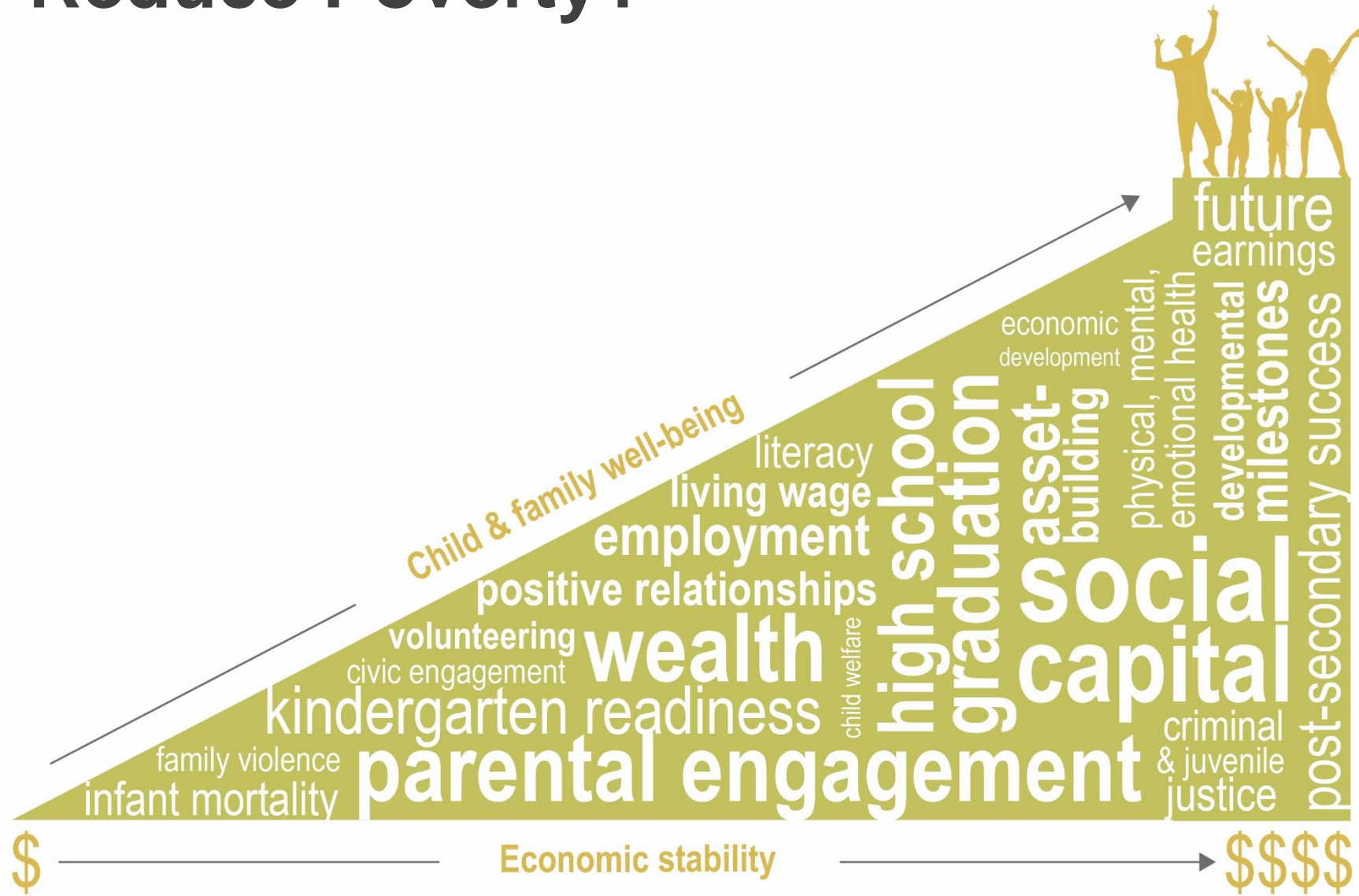
Among children receiving  
food assistance in 2000....



**46%** are receiving  
food assistance today

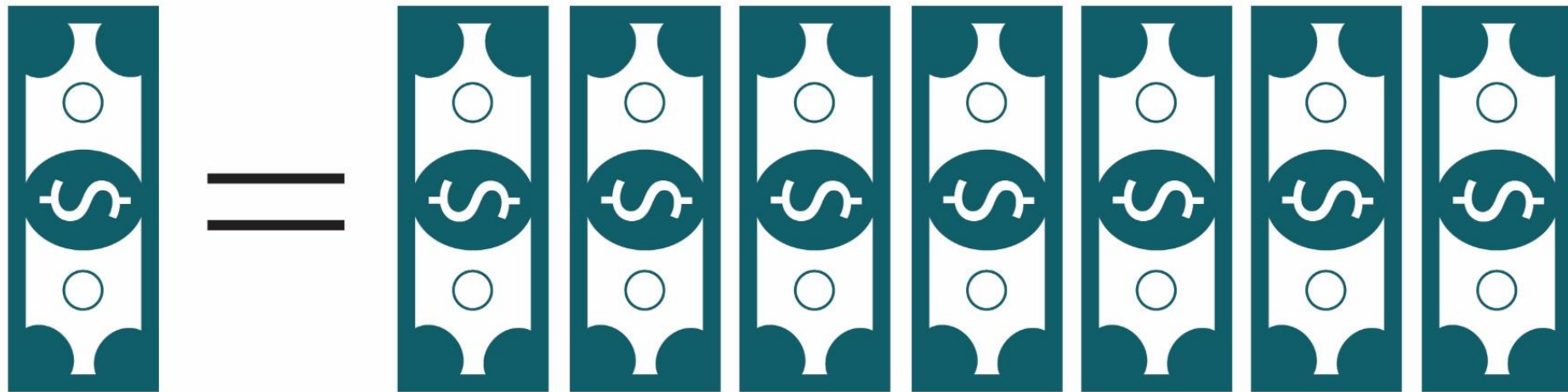


# Why Reduce Poverty?



# Why Reduce Poverty?

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



Source: Michael McLaughlin and Mark R Rank (2018) Estimating the Economic Cost of Childhood Poverty in the United States. Social Work Research, v42(2); 73-8

# What's the Story?

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

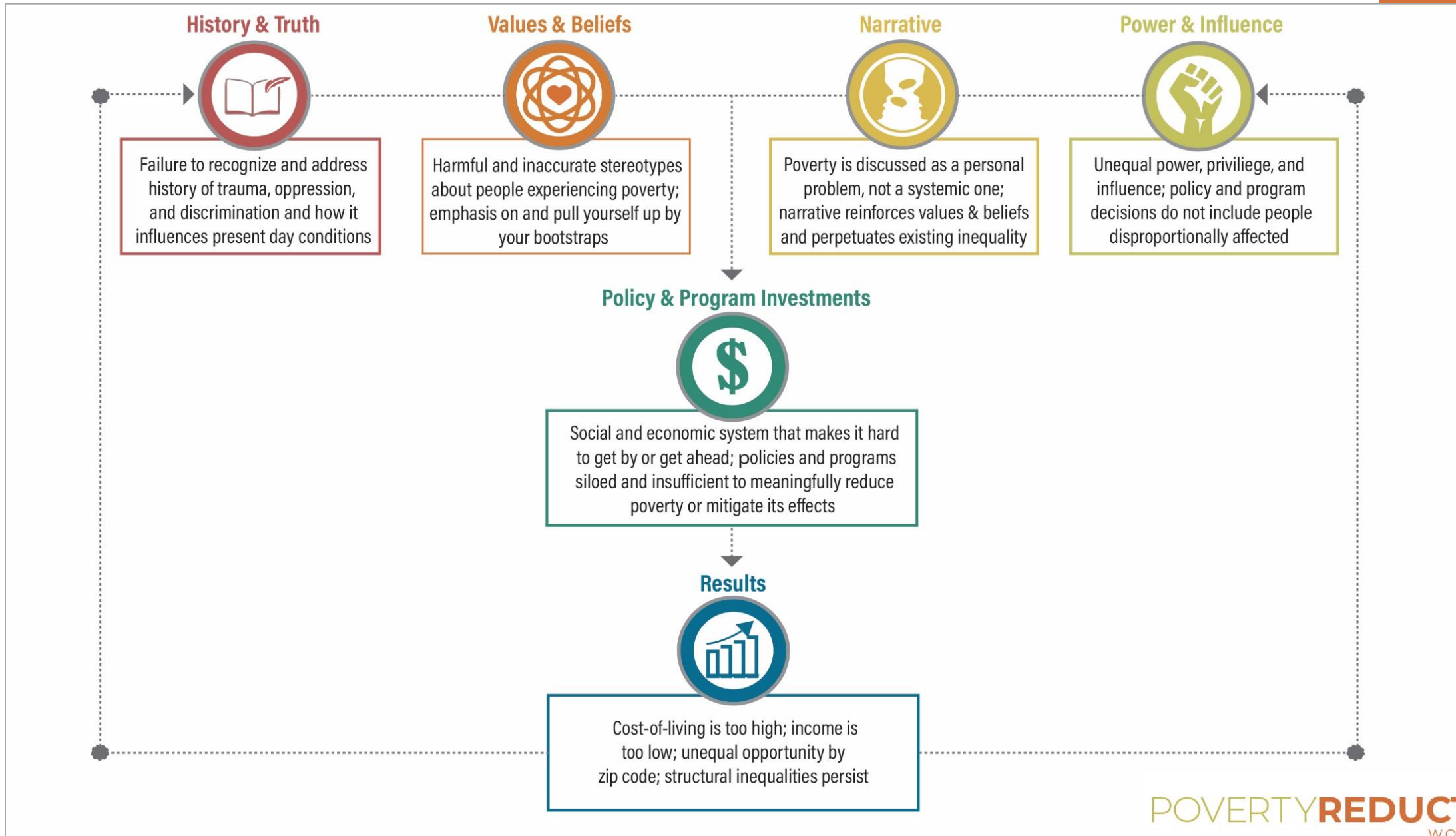


**SYSTEM IS NOT DESIGNED TO PRODUCE THE RESULTS WE WANT**

# PRWG is Designing a Better Way!



# Addressing Root Causes of Poverty





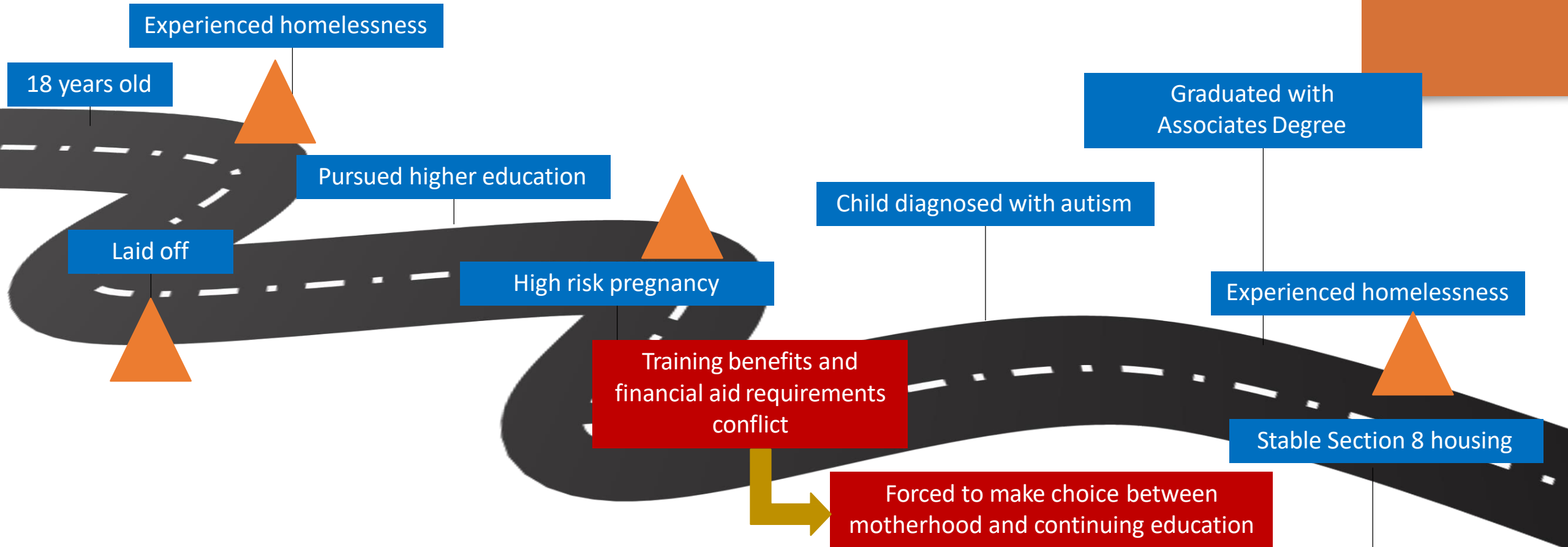
# Jennifer Bereskin, PRWG Steering Committee



TVW Video link to Jennifer's presentation:

<https://www.tvw.org/watch/?clientID=9375922947&eventID=2019031289&startStreamAt=880&stopStreamAt=1415&autoStartStream=true>

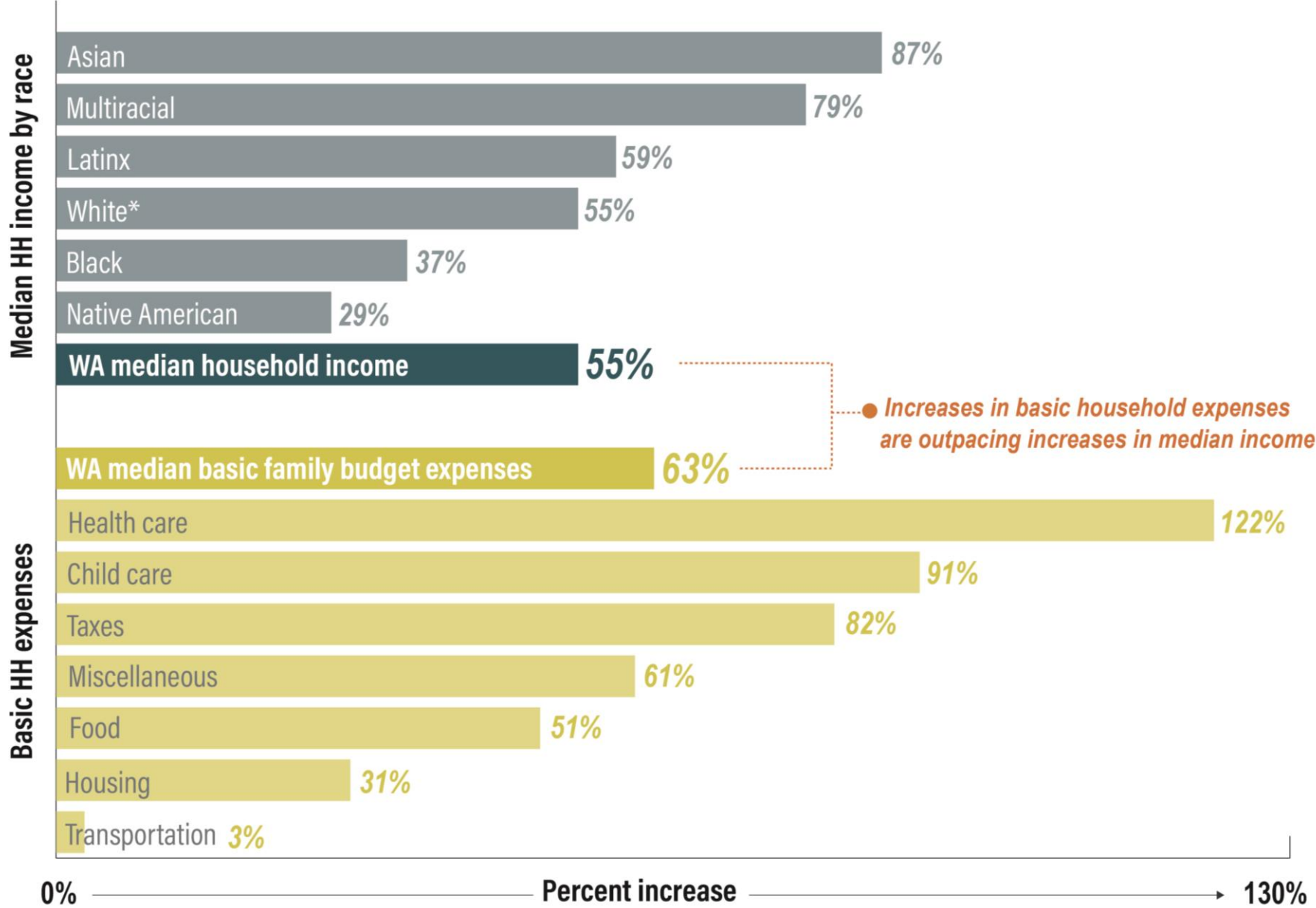
*“It should not be up to the customer to repeat information multiple times to different agencies.  
There should be a streamlined communication service where agencies are connected and can share data.”*



Jennifer Bereskin's Story:  
<https://www.tvw.org/watch/?clientID=9375922947&eventID=2019031289&startStreamAt=880&stopStreamAt=1409&autoStartStream=true>

# Percent change in median income vs. cost-of-living

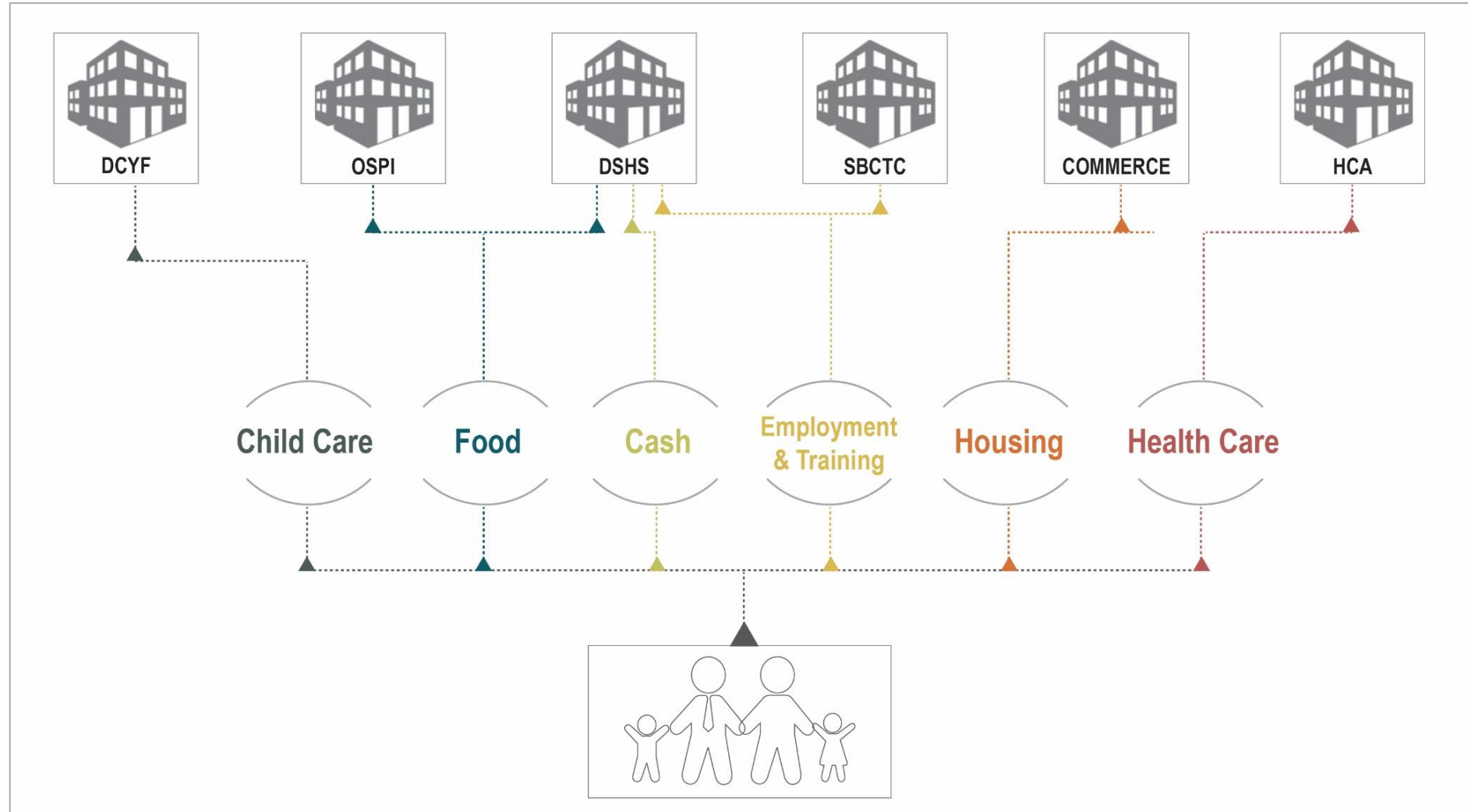
Washington state 2000 and 2016



The rise in cost-of-living is outpacing the rise in wages, disproportionately affecting Black and Indigenous Washingtonians.

Source: 2000 Decennial Census data; 2017 American Community Survey data; 2001 and 2017 Self-Sufficiency Standard data

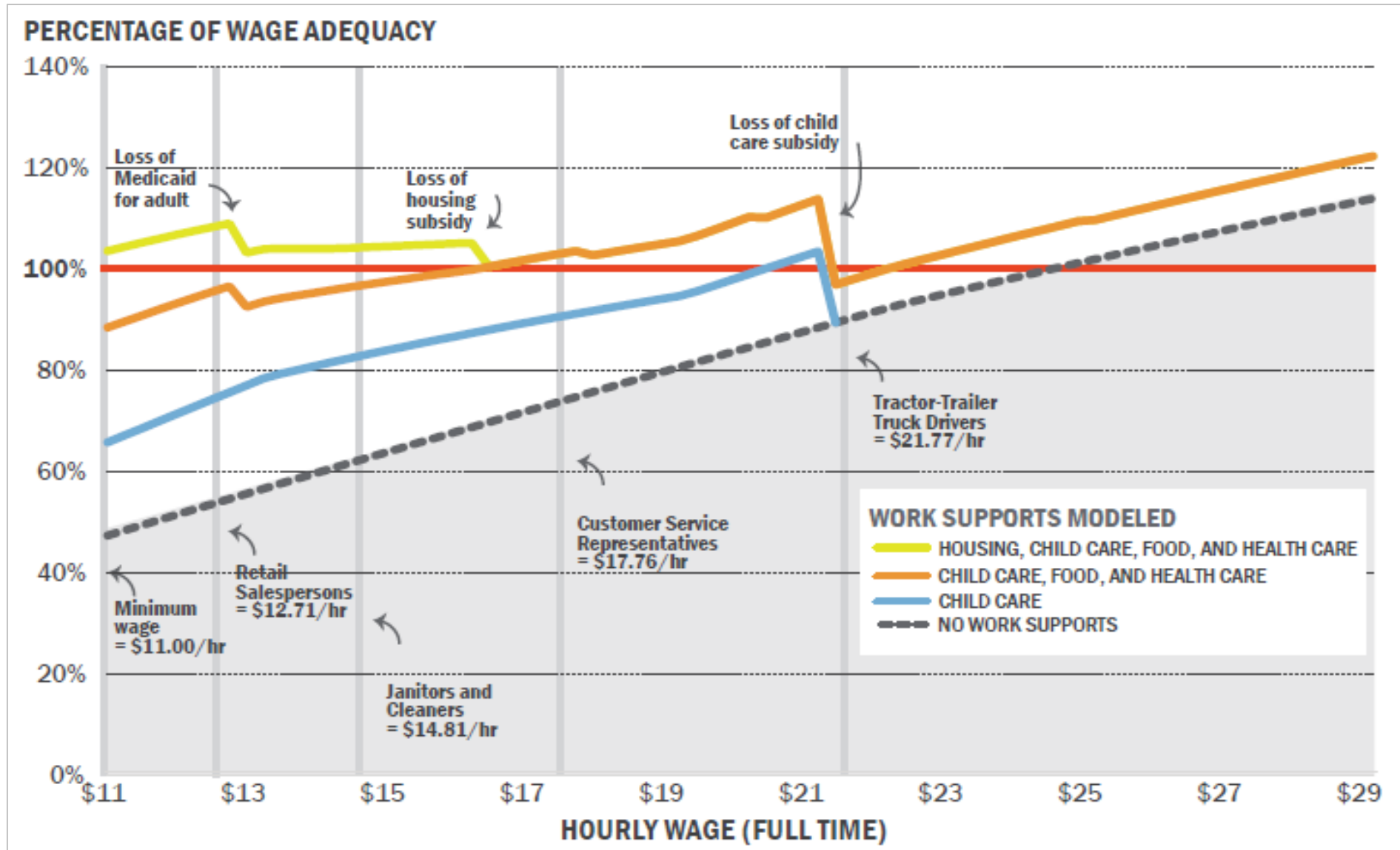
# Major Means-Tested Programs Administered Across Six Agencies (and many partners)



# Eligibility for Select Child & Family Programs

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

# Impact of Wage Adequacy on Work Supports

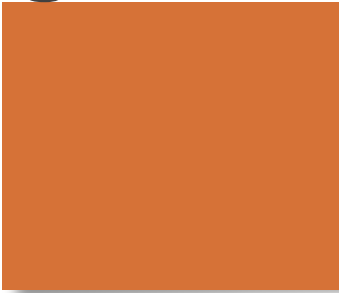
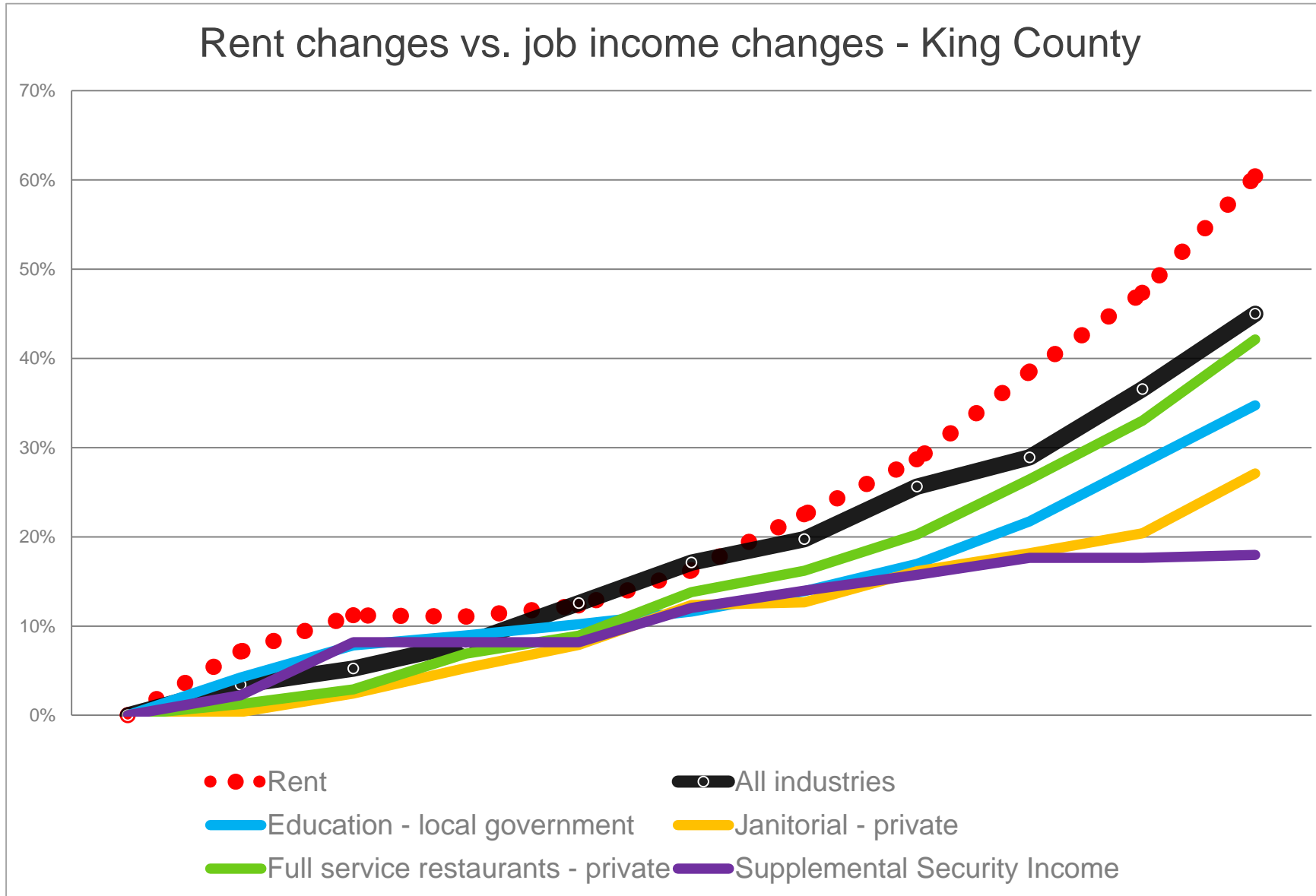


**FAMILY OF THREE**  
 1 Adult  
 1 Preschooler  
 1 School-Age Child

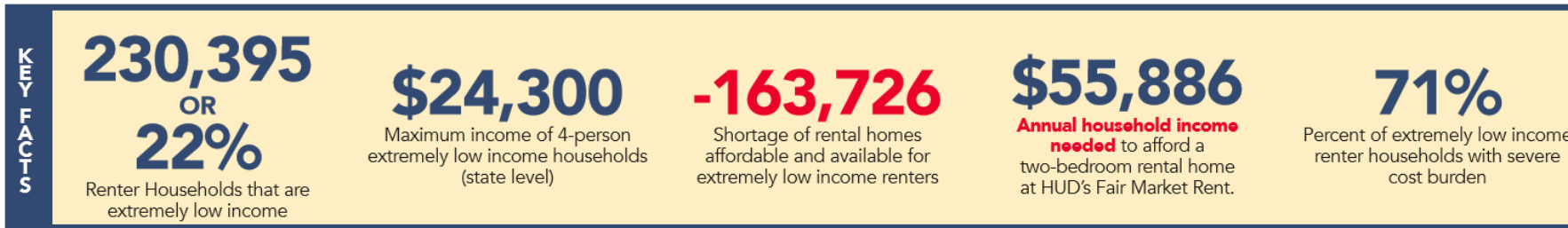
***Kitsap County (South), WA 2017***



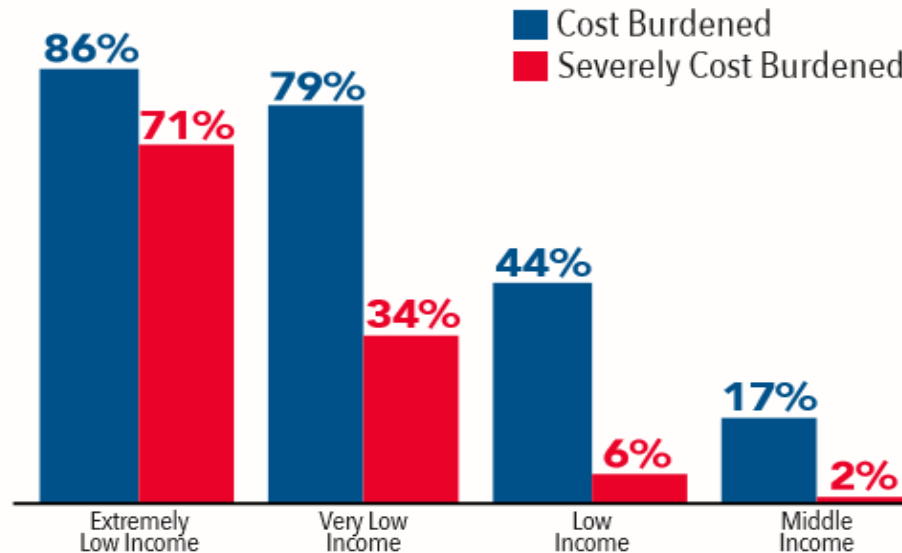
# Increases in Rent are Outpacing Increases in Wages



# 71% of Extremely Low-Income Renter Households are Severely Cost Burdened



HOUSING COST BURDEN BY INCOME GROUP

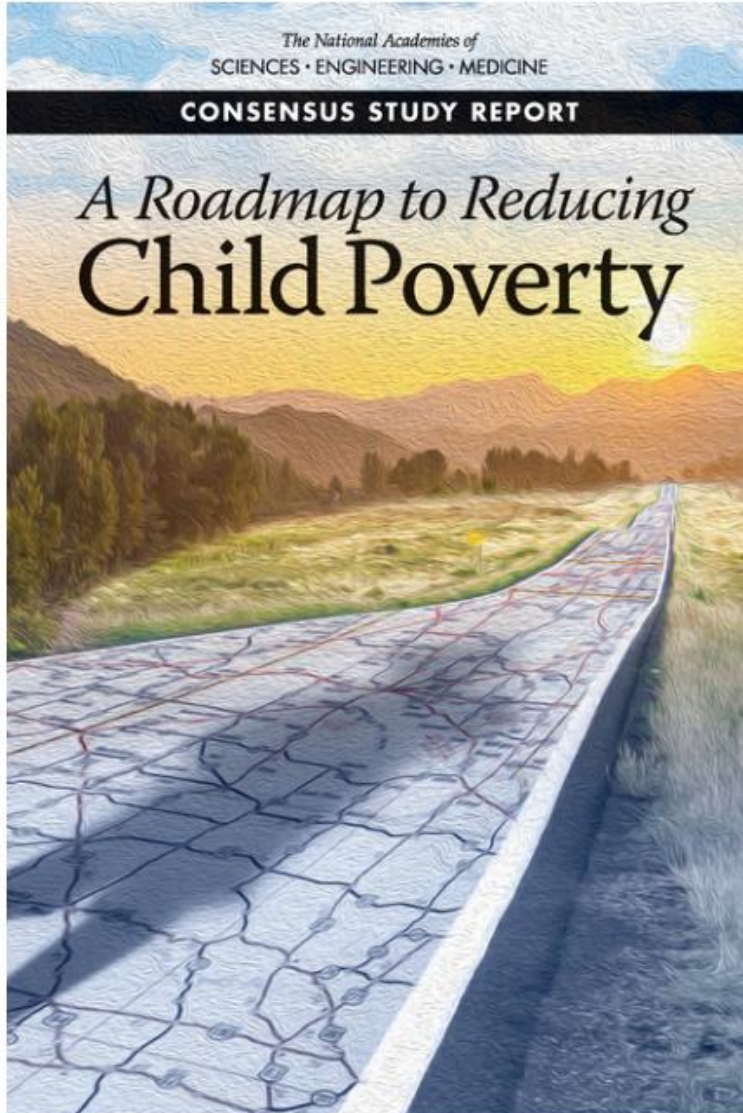






**HUMAN-CENTERED, “CONCIERGE” SERVICES ARE WHAT WE NEED**

# Latest Research



## HIGHLIGHTS

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

# Economic Security for All

## Building and testing new models

### FUNDING

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

### CROSS-SYSTEM PARTNERSHIP

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

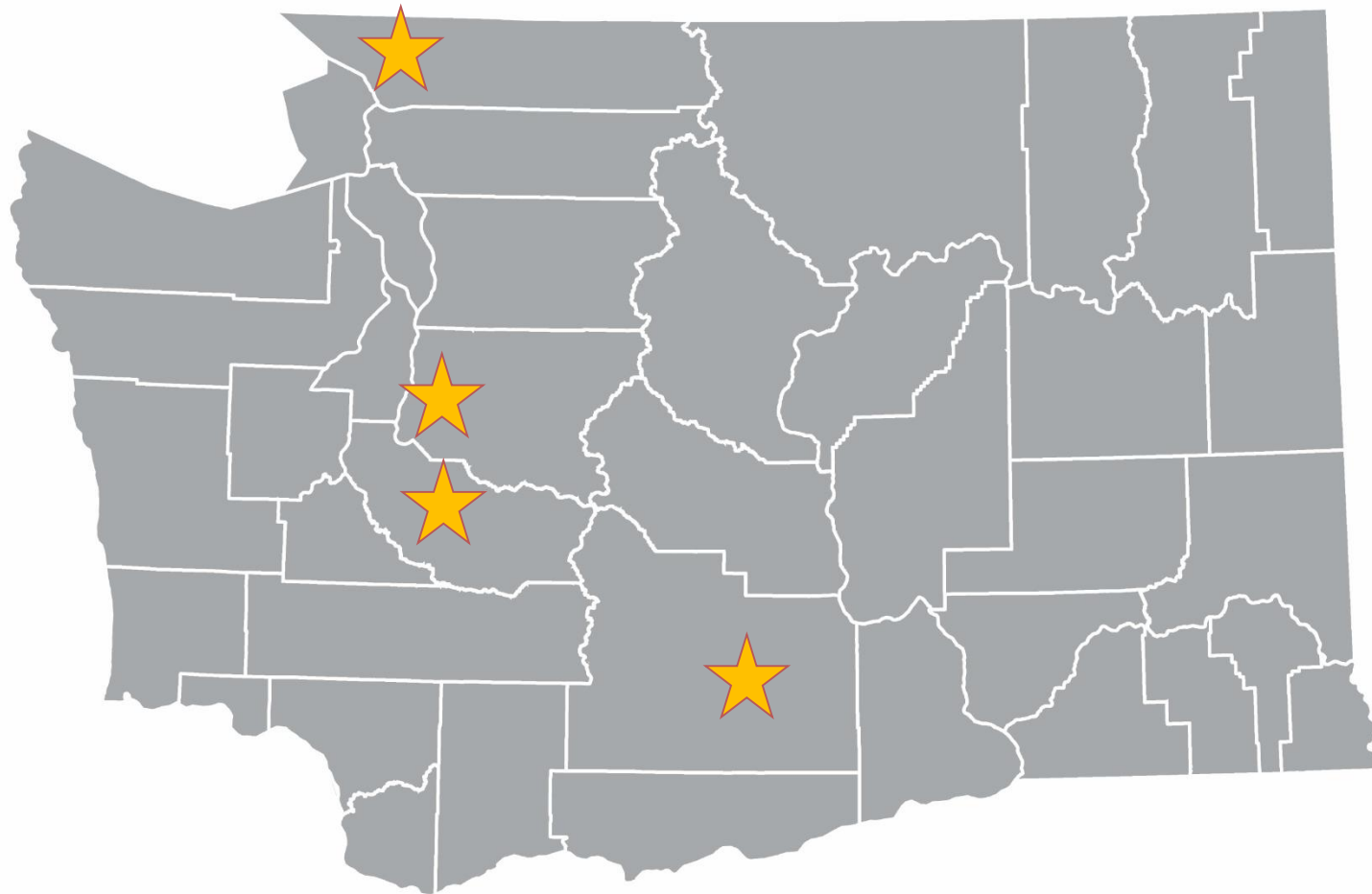
### MEASURES AND EVALUATION

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

### DESIGN

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

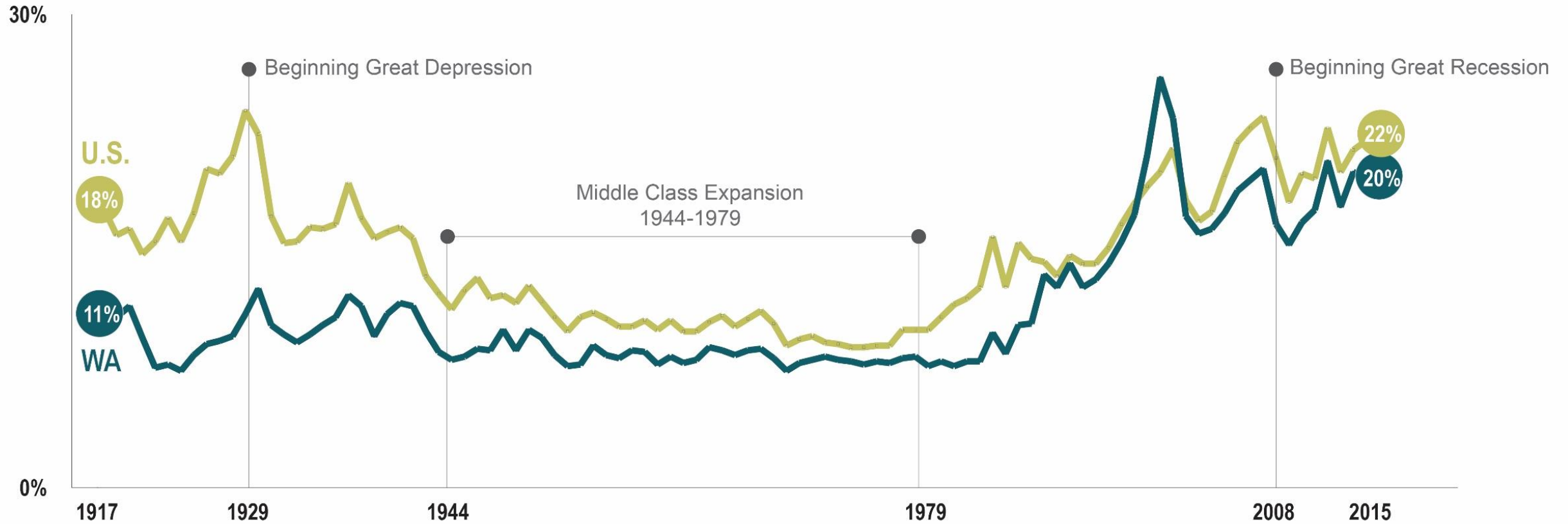
# Health & Human Service Community Design Labs



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

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

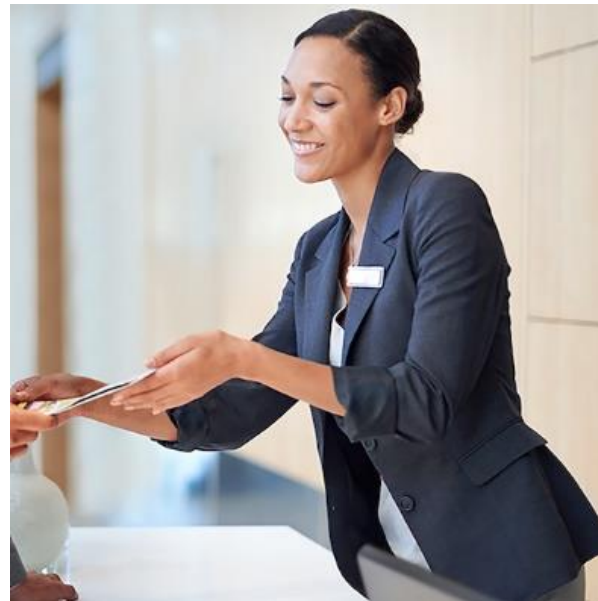
Washington state 1917-2015



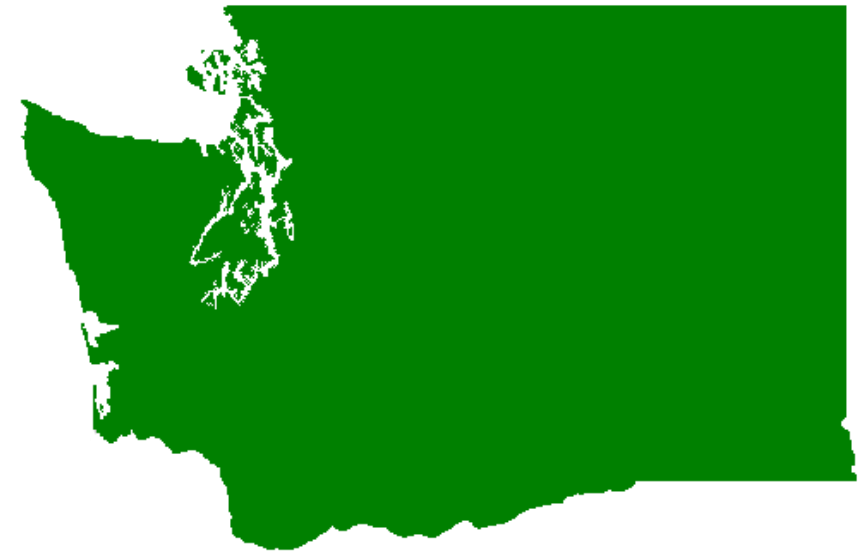
# CALL TO ACTION



**ANTIQUATED STRUCTURES  
REPLACED BY...**



**CONCIERGE SERVICES....**



**FOR AN  
INCLUSIVE, THRIVING  
ECONOMY FOR ALL**

**Thank you!**