Administration
Department of
Social Services

TESTIMONY

Robert Doar, Commissioner
Human Resources Administration/Department of Social Services

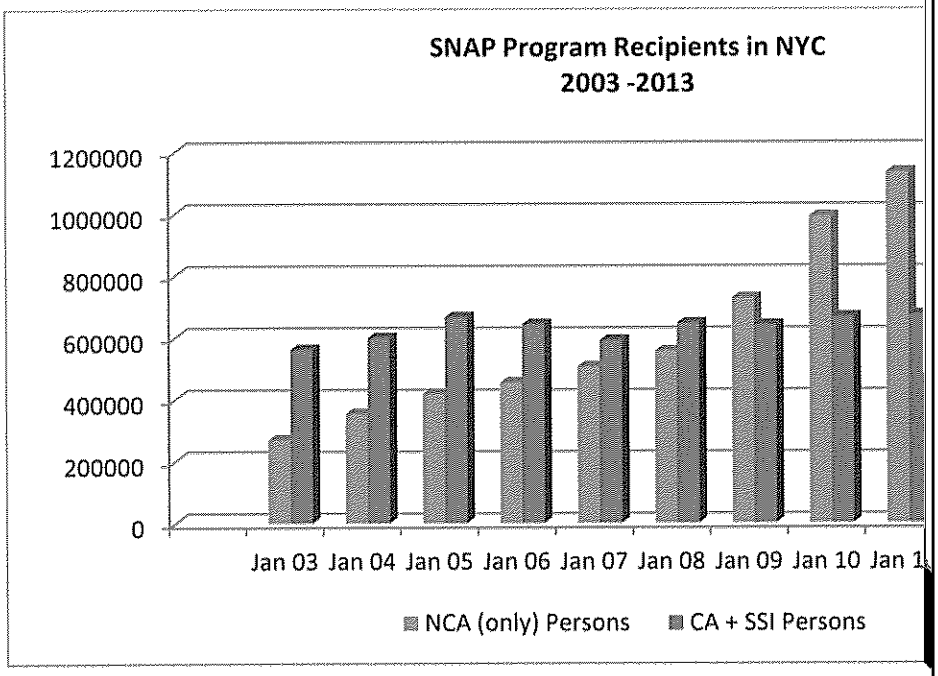
Oversight:
New York City's Supplemental Nutrition Assistance
& Emergency Food Assistance Programs

New York City Council
General Welfare, Women's Issues, and Health Committees

November 25, 2013

Good afternoon Chairwomen Palma, Ferreras, Arroyo and members of
Women's Issues, and Health Committees. As you know, I am Robert D
the Human Resources Administration (HRA). Joining me today are two
leadership team; Cecile Noel, Executive Deputy Commissioner of Emer
Services, which administers our Emergency Food Assistance Program
Jenkins, Assistant Deputy Commissioner of our Supplemental Nutrition
would like to take this opportunity to thank you, Chairwoman Palma, for
making the General Welfare Committee hearings over the years a settir
and honest dialogue.

Of the many programs at HRA, the Supplemental Nutrition Assistance p
gone through significant changes. The front line and administrative stat
community partners have made it possible to enroll and continue to ser
recipients. Through their commitment and efforts, the Food Stamp Prog
the past decade by 102 percent, serving more working New Yorkers tha
year it accounted for over $3.5 billion in benefits to residents in New Yo
this time a year ago as we all were responding to the aftermath of Supe
$72.5 million in automatic and manual replacement and disaster benefi
those impacted by the storm.



To conform to Stat/Federal practice, in 1/08 this report began including Food Stamp issuances for the Residential Treatment Serv

EMERGENCY FOOD ASSISTANCE PROGRAM (EFAP)

HRA's Emergency Food Assistance Program's (EFAP) administers $8
the distribution of 11.5 million pounds of food to 492 food pantries and
across the City. In addition, the City Council appropriated $1.3 million i
used for a special initiative that includes the purchase of frozen foods f
community kitchens.

Following Super Storm Sandy, FEMA granted EFAP $1.2 million to b procurement of additional food to be distributed in the storm's affecte the inventory of food that was distributed as part of our Sandy efforts. the storm, EFAP distributed over half a million pounds of food to the a Emergency food programs that were recipients of these deliveries rep 700,000 persons from October 2012 to September 2013.

EFAP has also made significant inroads to improving the nutritional st are provided to their emergency food network. Since 2008, consisten EFAP has ensured that all foods purchased with City funding meet so standards that aim to reduce the prevalence of obesity, diabetes, and In addition, now all emergency food programs funded by EFAP receiv education services.

THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

The Federal Landscape

As I am sure you are aware, the Supplemental Nutrition Assistance P program and as such, subject to the laws and regulations of Congres For example, as part of the American Recovery and Reinvestment Ac Congress increased the maximum monthly benefits by 13.6 percent. the Child Nutrition Reauthorization, a bipartisan supported provision, a Administration was included which reduced the food stamp benefit in order to pay for school nutrition. This reduction of approximately $10 just went into effect on November 1st of this year.

We can also expect that Congress will make changes to the program Farm Bill negotiations. These changes could include a pull back to so changes of recent years that allowed for more people to qualify for the higher benefit, an increased emphasis on employment and fraud prev use of electronic benefit transactions (EBT) to purchase food delivere

Outreach into the Community

HRA participates with the federal and state governments to educate t the Food Stamp Program's eligibility guidelines and assists with the a our Office of Outreach Services. In Fiscal Year 2013, outreach servic 980 individual events and we increased our services to immigrants an New Yorkers by partnering with 48 community- based organizations t groups. Outreach staff are on-site regularly at three community sites 76 community based organizations that provide facilitated enrollment, recertification services. They also prescreened over 8,700 applicants also implemented a health campaign to educate New Yorkers about u benefits to choose and prepare healthy foods.

The Administration of Benefits

Many of the changes to the Food Stamp Program have been about m process easier and more convenient for recipients. When I first preser

years ago, we had just recently created a unified management structure to manage the Food Stamp-only offices and were in the process of implementing the paperless office process in a of our centers. At that time, an initial pilot to include community based organizations into the program's structure was just underway and showing good initial results. We were also gettin ready to implement a pilot that would allow individuals to submit their application and support documents through the mail or by fax and interview over the phone. Similarly we had just beg rolling out, at two centers, the ability for recipients to recertify over the telephone instead of having the traditional office-based interview.

Now, most applicants can not only file an application by mail and fax but also online at ACCE NYC (*nyc.gov/accessnyc*) and they can have their interviews done by telephone instead of coming into an office. This function, our Telephone Interview Processing Services (TIPS) wa recently reviewed by staff from the U.S. Department of Agriculture (USDA) who were impressed by the customer service provided and saw it as a model for other states. The Council had strongly encouraged the use of a web-based application and now over 45 perce of all applications are submitted online. Some recipients can also recertify using an automat telephone system at any time of the day or night and all can request budget letters over the phone instead of coming into the office.

Re-Engineering to a Self-Service Delivery System Model

Overall Vision

Building off of all of these past improvements, we are now moving even closer to a self-servi delivery model that is easier, faster, simpler and further protected from abuse. Our ultimate g is for almost all applications to be submitted online (at home, at a community-based organization, or anywhere they can access the web) while providing the ability for recipients t access and manage their own cases through secure, online tools. After much planning acro our Agency involving the streamlining of business processes, engagement of staff to make th working environment better, talking and visiting with other states that have done similar work piloting and testing the major concepts, physical alterations to some of our centers, and securing a contract for needed technology upgrades, we are now well underway.

Self-Service Pilots

Since March of this year we have opened eight self-service centers in Supplemental Nutritio Assistance Program offices throughout the five boroughs that feature computer banks and available staff to assist individuals, if needed, with filing online applications. Once the applica is completed, the applicant receives an appointment for a telephone or in-person interview. \ have plans to open two more additional sites by the end of the year and these self-service centers are introducing more of our clients to how technology can simplify and expedite their interactions.

ACCESS NYC

Now and over the course of the next few years, we are building virtual client services center the ACCESS NYC portal to allow clients to go online and perform self-service transactions beyond applying for benefits. Through secure client accounts, recipients will be able to uplo and receive an electronic receipt for their documents, recertify, make requests to change bas case information, check the status of their case, and view their benefit amount and the next planned benefit payment.

Throughout this restructuring, we will continue to work with community-based and city agency partners to ensure that New York's most vulnerable populations, such as the elderly, disabled, and those with limited English proficiency, have assistance with the application and other processes if they need it. Towards this goal, we have naturally enlisted the support of our community-based partners and just last week met with a large group to encourage their participation in the effort.

Changing Role for Program Staff

This new model will transform how applicants and recipients interact with our Agency and as such, will also change the role and present duties of HRA staff. With a successful implementation, we envision an ultimate reduction by fiscal year 2017 of more than one thousand employees agency-wide as the need for coming into centers is further reduced. Some staff will be reassigned to the Telephone Interview Services locations and elsewhere in HRA. And, we plan to rely on attrition in order to avoid the need for layoffs and have already begun the process of leaving new vacancies open whenever possible.

Program Integrity

With the present increased participation in the program and our focus on automation, there are additional program integrity challenges. We want those who need the benefits to have access, but also for applicants to know that they must provide accurate information about themselves. We have significantly enhanced our efforts to fight fraud and abuse in on-going food stamp cases, but preventing it is even more cost-effective than detecting it after it occurs. We now have a front-end review team that uses data analytics to flag applications identified as having certain fraud risk factors so that they can be further reviewed. Also, in moving to an online environment and self-service model, we are focusing on smarter ways to prevent application errors, duplicate cases, and ineligible applicants. We plan to implement safeguards common to industries like banking and credit card companies that use questions to verify that the person on the other end of the internet connection is who they say they are and not someone who has stolen another person's identity or lives several states away.

We also have a team dedicated to finding and investigating retailers and recipients who traffic in benefits, usually small, independent retailers. This enhances our efforts to investigate current food stamp cases arising from data matches, data mining, and referrals from the public. As you can see, overall we are working very hard to protect government resources while further streamlining the process for applicants and recipients. I believe this combination has been key to our success and will be even more critical with every step further into reengineering our application process.

INTRO. NO. 1194: ASSESSING AND TRACKING FOOD INSECURITY

Before ending, I would also like to briefly address the Council's proposal for the Administration to fund a new annual survey on food insecurity at the community district level. Currently, as you know, the USDA reports on food insecurity at the national level. The measure is based on an annual supplement to the Current Population Survey, which is administered by the U.S. Census Bureau. The survey includes a series of 10 questions for households without children and 18 questions for households with children about whether they have enough money for adequate food. American households are determined to be "food insecure" if they respond positively to any combination of three or more of the statements on food insecurity. The 10 statements on the survey range from the least severe such as, "we worried that our food would run out before

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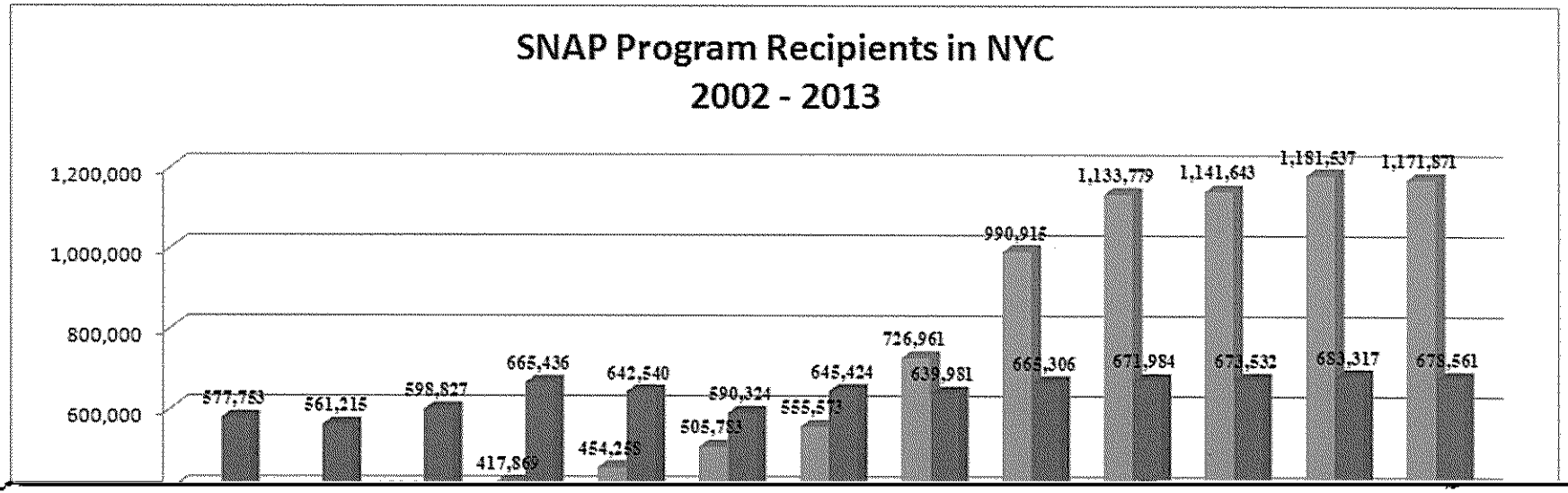
SNAP Program Recipients in NYC
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800,000
600,000
577,783
561,215
598,827
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665,436
454,258
642,540
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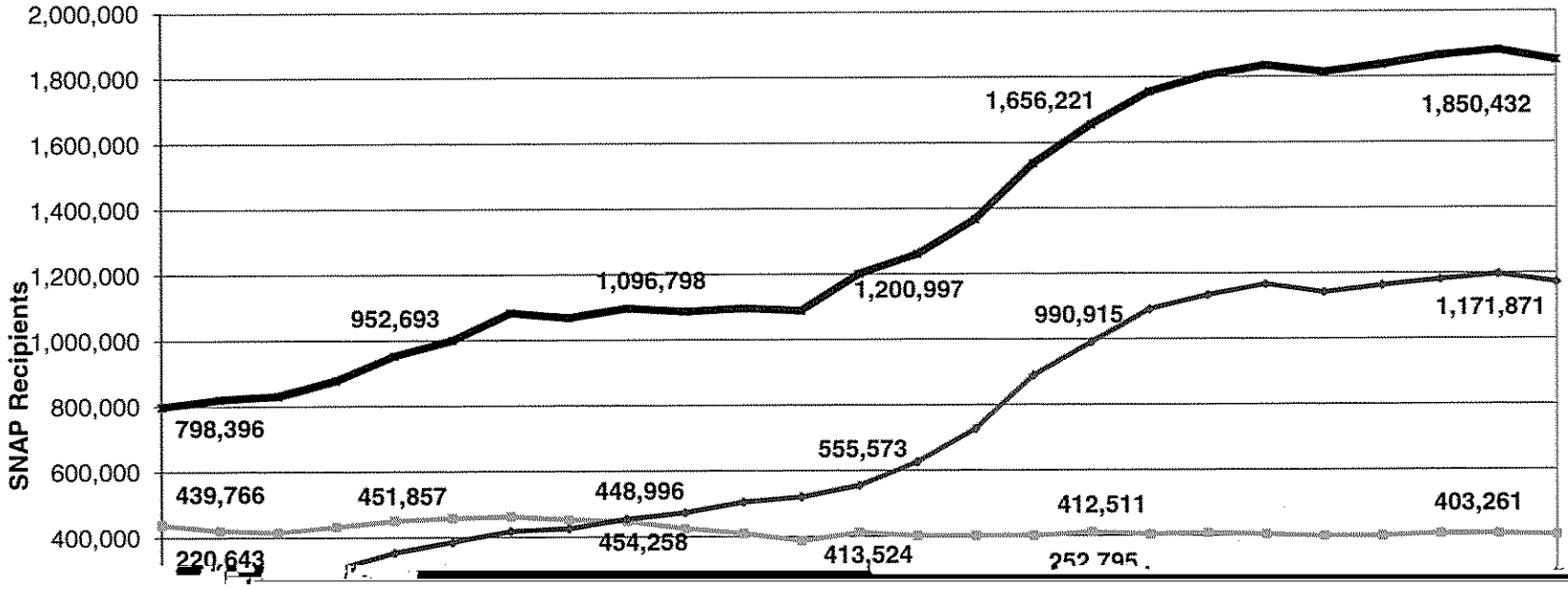
678,561

NYCSupplemental Nutrition Assistance Program Recipients
2002 - 2013



Testimony of Joel Berg, Executive Director, New York City Coalition Against Hunger Before the New City Council Committees on General Welfare, Women's Issues, and Health Regarding Int. 1194, In relation to Assessing Food Security November 25, 2013

Introduction and Summary:

Good afternoon. My name is Joel Berg, and I'm Executive Director of the New York City Coalition Against Hunger. My testimony today is on behalf of the more than 1,100 soup kitchens and food pantries in New York City, and the approximately 1.4 million New York City residents who, even before Sandy hit, lived in homes that couldn't afford sufficient food. I thank Chairs Palma, Ferreras, and Arroyo and the rest of the membership of the committees for holding this hearing. We also want to once again thank Council Speaker Quinn and her outstanding staff for their stellar leadership on hunger and food issues

We are pleased to strongly support of Int. 1194 in relation to Assessing Food Security, although I would suggest one slight technical correct to the language.

I amalso pleased to provide a number of specific suggestions for how Mayor-Elect de Blasio can work with the Council to reduce hunger and food insecurity in New York, mostly by implementing plans he has previously proposed to increase utilization of existing, federally-funded, nutrition assistance programs. We also strongly support the Mayor-elect's proposal to implement universal pre-k, noting that such a policy not only aids education, but also provides nutritious meals to children at a vital stage in their development.

Background: New York City's Structurally Broken Economy, Soaring Poverty, and Unconscionable Inequality Result in Significant Food Insecurity

While the poverty rate in the U.S. stayed essentially flat at a very high plateau in the U.S over 2011 and 2012, poverty increased by five percent in New York City, according to recently released data from the U.S. Census Bureau American Community Survey. One in five New Yorkers now live below the federal poverty line – $19,090 for a family a three – equaling 1.7 million impoverished residents, a number greater than the entire population of the city of Philadelphia.

Yet, according to *Forbes*, over the last two years, the collective net worth of the city's 53 wealthiest billionaires rose from $210 billion to $277 billion – a 31 percent jump. In contrast, the municipal budget for the entire City of New York (which pays for City parks, roads, schools, firefighters, police, health protections, social services, etc.) is now $70 billion, meaning that the 53 wealthiest New Yorkers now have four times the money of the entire City budget.

Median household annual income in the City is now $50,895 and a person working full-time at the current minimum wage in New York of $7.25 per hour would earn $15,080. That means that the 53 wealthiest New York City billionaires now have as much money as five million average families and 17 million minimum wage workers.

This new data provides proof positive that New York City is indeed extraordinarily divided by income and that we do have two entirely different cities co-existing side-by-side. When a few dozen billionaires have more money than five million average New York families, it is clear that our economy is no longer the engine of opportunity that previously enabled so many New Yorkers – including my grandparents and great-grandparents – to advance through hard work and determination.

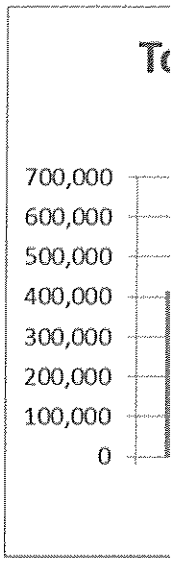
The very trends that are increasing poverty – flat wages, high rates of unemployment and underemployment, and sky-high rents – are the same ones that are eviscerating the middle class. These trends can only be reversed by an entirely new set of federal, state, and city policies.

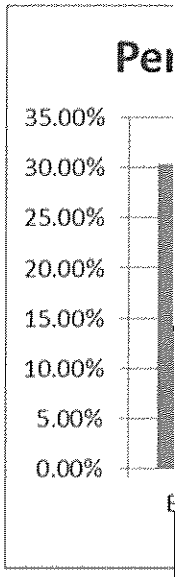
The Gini Index of inequality is now .538 for all of New York City and .596 for the borough of Manhattan, compared to .483 in El Salvador, .475 nationwide in the U.S., .472 in Mexico, and .364 in Sri Lanka. The higher the Gini Index, the greater the inequality, meaning the city's inequality continues to be greater than that of developing world nations like Mexico and Sri Lanka. The Big Apple is now the inequality capitol of the world and the poster case for the vanishing middle class. While we should always be proud that we lead the world in culture, finance, and fashion, we should be ashamed that we outrank developing nations in inequality.

As the charts below demonstrate, over the last two years, the number and/or the percentage of people in poverty rose in three of the five boroughs. Bronx has a poverty rate of 31.3 percent, and a child poverty rate of 44.5 percent, meaning almost one third of residents in the Bronx are poor and almost half of all children in the Bronx live in poverty.

While Bronx County still has the highest poverty rate and child poverty rate out of any urban county in the U.S, the poverty hike in Queens – formerly a bedrock middle class borough – is staggering. This new data proves yet again that soaring poverty and a disappearing middle class are truly a city-wide problems that require citywide solutions.

The term "deep poverty" refers to households earning less than half the poverty rate, or below, equaling less than $9,545 annually for a family of three. While other cities (including Philadelphia) have a somewhat higher percentage of people in deep poverty than New York City, the Big Apple has, by far, the largest raw number – 764,294 or 201 times the capacity of the Metropolitan Opera House.





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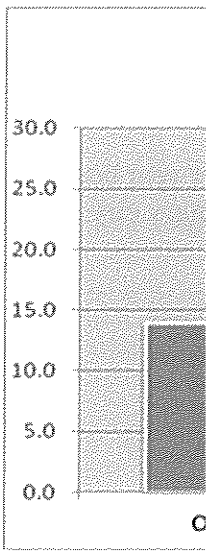
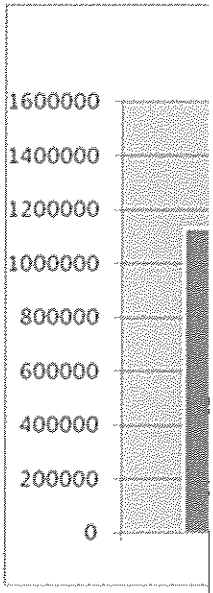


The raw numbe



While most dev
insecurity, both
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The childhood h
NYC children li
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294,000, or 15 p
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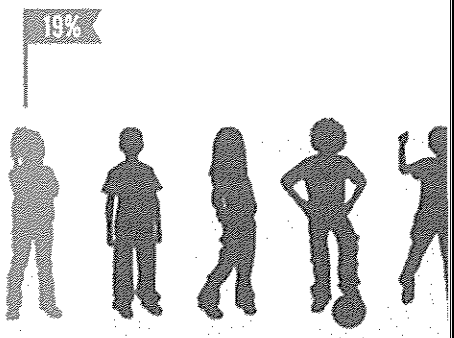
in poverty proves a stark rebuttal to those, including N
supposed strength of the city's economy. All this data
social policies are failing in fundamental ways.

Hunger and food insecurity cost the city's economy a
hungry children cost more to educate, hungry workers
residents of all ages have higher health care costs.

CHILD HUNGER ON TH

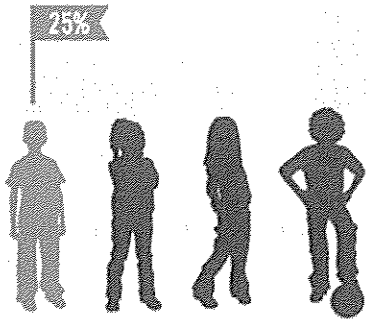
NUMBER OF NEW YORK CITY CHILDREN LIVING IN FOOD INS

2006 - 2008



From 2006-2008, **1 in 5 NYC children** lived in food in

2009 - 2011

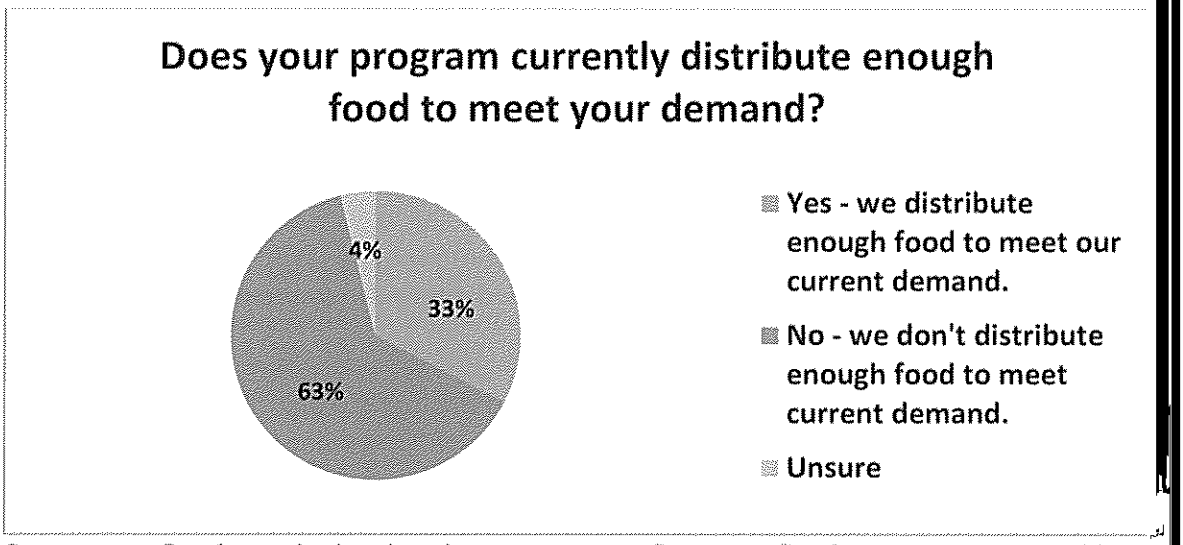


From 2009-2011, **1 in 4 NYC children** lived in food ins

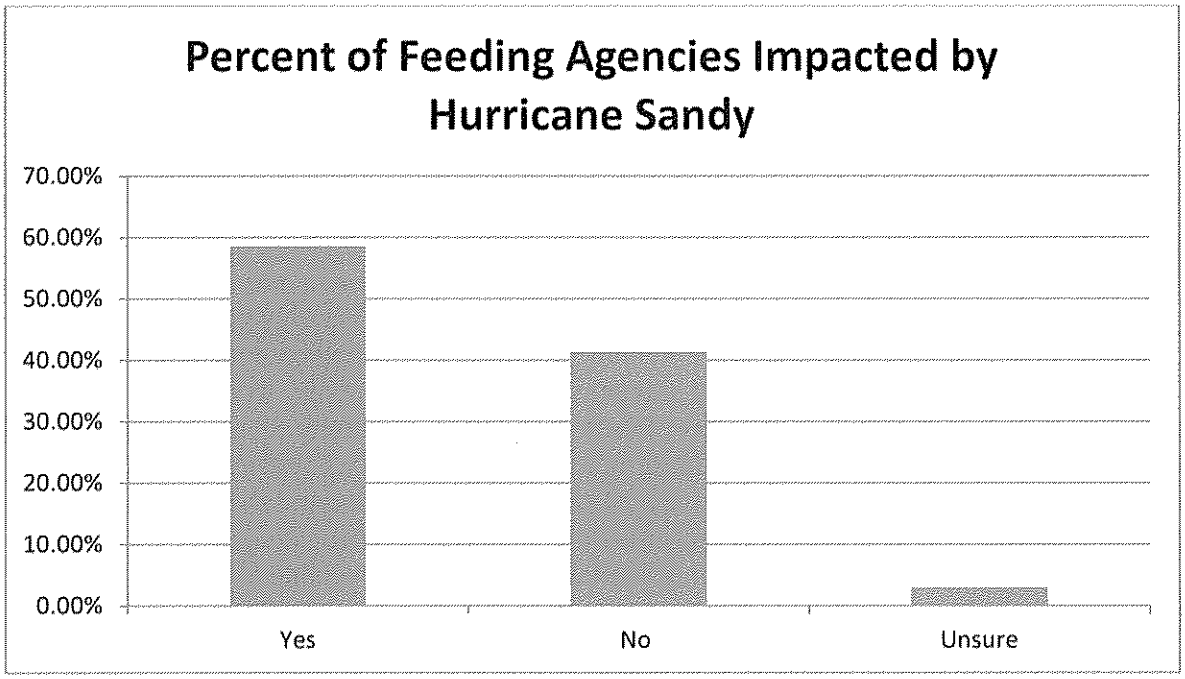
USDA DATA ANALYZED BY NEW YORK CITY COALITION AGAINST HUNGER ©N

There are more than 1,100 non-profit soup kitchens a
mix of government and privately-donated food to try
net. In 2012, before Superstorm Sandy, pantries and k
in demand, on top of increases of 12 percent in 2011,

Almost 11 percent of the City's pantries and kitchens who responded to a 2012 survey sa knew of a food pantry, soup kitchen, or brown bag program that shut down or closed for in the past year. 69 percent of agencies reported a decrease in government / public fundi food. While some programs may have closed because of staffing or other administrative decreases in funding for feeding programs were likely the main cause of the closings. In Emergency Food and Shelter Program (EFSP) which is administered through the Federal Emergency Management Agency (FEMA) was cut by 40 percent last year and has remai the decreased level throughout the current funding cycle. (Funds for this vital program w further cut by sequestration). This source of funding is a tremendous resource for Emerg Food Providers (EFPs) and its decrease had a drastic impact on their ability to meet the n low-income and impoverished New Yorkers. Furthermore, approximately 53 percent of respondents reported a decrease in private funding for food. Even though many of the st volunteers at EFPs are low-income themselves, 34 percent of EFPs reported their staff or volunteers sometimes use their own personal money to fund their feeding programs. As a as the chart below demonstrates, 63 percent of feeding agencies were unable to distribute food to meet current demand, up from 62 percent in 2011 and 51 percent in 2010.



Superstorm Sandy made the situation even worse. In a post-Sandy survey conducted by York City Coalition Against Hunger, as the chart below demonstrates, more than half the responding agencies said they were impacted by the storm.



Pantries and kitchens that were directly impacted experienced a number of problems with operating their programs. Over 35 percent of agencies reported food ruined either due to direct wind, water, and/or a loss of power. A large number of agencies, almost 75 percent, were forced to close or limit their hours of operation.

Agencies that were directly impacted experienced a number of problems with operating their programs. Over 35 percent of agencies reported food ruined either due to direct wind, water, and/or a loss of power.

A large number of agencies, almost 75 percent, were forced to close or limit their hours of operation. Although many were back to pre-storm service as of November 16th 2012, some were not. An enormous amount of food aid poured into the city in the weeks following the storm, but dried up, even as the poverty and hunger needs remained. The Paul Ryans' of the world need to understand that non-profit charities cannot possibly meet the need created by failed economic policies and massive social service cut-backs.

Ignoring those realities, federal lawmakers are subjecting federal nutrition assistance programs to the worst attacks on them in decades.

The city's food pantries and soup kitchens faced particularly severe cuts in funding through the federal FEMA Emergency Food and Shelter Program (EFSP), which suffered through both long-term, multi-year budget cuts as well as through more recent budget cuts as a result of sequestration.

The sequestration is also slashing funding for the nutrition assistance that pregnant women and infants get from the WIC program and that seniors receive through meals-on-wheels.