

## Women's Center for Education and Career Advancement

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### **New York State Office of Indigent Legal Services**

### **Testimony on Eligibility for Assignment of Counsel**

Written Testimony Submitted by Merble Reagon, Executive Director **Women's Center for Education and Career Advancement** August 2015

I appreciated the opportunity to testify at the NYS Office of Indigent Legal Services (ILS) White Plains hearing on July 23, 2015. I am submitting this written testimony to supplement the remarks I made at that time. My name is Merble Reagon and I am Executive Director of the Women's Center for Education and Career Advancement.

For the purpose of assisting the NYS Office of Indigent Services in establishing criteria and procedures to guide courts in determining eligibility for mandated legal representation in criminal and family court proceedings, we recommend using 300% of the Federal Poverty Guidelines to determine financial eligibility for assignment of counsel.

This recommendation is based on our experience in determining and reporting on "...the income needed to meet reasonable living expenses of the applicant and any dependents...."

#### Background

For more than four decades, the Women's Center has upheld its mission to work to improve the economic self-sufficiency of New York City's lowest- income working families. Our programs and services have helped underserved and underrepresented families move toward the goal of economic self-sufficiency. Since 1970, the Women's Center has conducted successful Career Services programs for 40,000 low-income and unemployed New York City women. The Women's Center provides capacity-building tools and technical support to community-based organizations, human services agencies, advocates, philanthropic and government agencies and other non-profits working together to address poverty issues and to improve the lives of thousands of working poor New Yorkers.

In 2000, in support of the New York City nonprofit community and the constituent families it served, the Women's Center expanded its programming and developed the Self- Sufficiency Project, which resulted in the development of the Self-Sufficiency Standard for New York City. At the same time, we worked in collaboration with New York State agencies such as the NYS Fiscal Policy Institute, Empire Justice Center (formerly GULP), State Communities Aid Association, NYS Community Action

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Association and others, to develop the NYS Self-Sufficiency Standard for all 62 counties in New York State.

Since then, the most recent report for New York State was released in 2010. The most recent New York City report was released in 2014. Led by the Empire Justice Center, plans are already underway to update the New York State Self-Sufficiency Standard in the coming year.

The Standard reports (in 37 states and the District of Columbia) have been authored by Dr. Diana M. Pearce and produced by the Center for Women's Welfare at the University of Washington. **The Self-Sufficiency Standard calculates the cost of living and working based on the county in which a family lives, the number of people in the family, and the ages of the children**. Since its introduction, NYS and NYC policy makers, workforce development professionals, philanthropic organizations, and government and social service agencies have utilized the Standard to expand the dialog and set more realistic financial goals for moving families out of poverty toward economic security.

Recommended Guidelines as per the 2010 New York State Self-Sufficiency Standard Report

To address the question of what are "reasonable living expenses" across New York State, we can reference to the 2010 Self-Sufficiency Standard for New York State. We can start with the costs that make up a family's basic needs: housing and utilities, child care, food, transportation, health care, taxes and miscellaneous expenses which include telephone, household and personal products, clothing and shoes. The self-sufficiency budget does not include entertainment, recreation, savings, charitable contributions or debt repayment. This is a "basic needs" budget with none of the extras and frills that many American families take for granted. It measures how much is enough without the support of any private or public assistance.

We can look at the 2010 Standard to see the range of incomes across New York State that were necessary to meet a family's basic needs, ranging from the highest annual income of \$86, 245 necessary in Suffolk County for a family of two adults, a preschooler and a school age child to the lowest, \$47,673 in Orleans County. Orange County, at \$67,011 fell midway between the two.

Further, for Orange County, the budget broke down as follows: \$1,119 for housing, \$1,419 for child care, \$737 for food, \$631 for transportation, \$519 for health care, \$442 for miscellaneous expenses and \$1051 for taxes. This translated to each adult needing to earn \$15.86 an hour at a full-time job.

In 2010, the federal poverty guideline was \$22,050 for a family of four. 200% was \$44,100, a measure that would not have accommodated the basic needs budget of this family in Orleans County. 300% was \$66,150 that would have barely accommodated the family living in Orange County. While our research shows that it is clear that "one size fits all" doesn't really address the needs of all families across New

York State, doing the math does suggest that using a multiple of the poverty measure could have accommodated the basic needs budgets of most New York State families.

For a single adult, in 2010, the Self-Sufficiency basic budget income was: \$36,522 in Suffolk County; \$26,441 in Orange County; and, \$18,118 in Orleans County. The Federal Poverty Guideline for one person was \$10,830.

See page 91 of the 2010 Self-Sufficiency Standard for New York State report to see that, with exception of single adults, using only 200% of the guideline to determine eligibility for indigent legal services would have eliminated eligibility for all families of two or more, in all 62 New York State counties, whose income was already below the Self-Sufficiency Standard "basic needs" budgets.

#### The 2014 New York City Self-Sufficiency Standard Report

2014 New York City Self-Sufficiency Standard report, **Overlooked** and Undercounted: The Struggle to Make Ends Meet in New York City is available at the links following this testimony. This report represents the fourth time since 2000 that the Women's Center has published the Standard report for New York City. We worked with an outstanding committee from various organizations to make this report the most comprehensive one yet. The funders and key partners include the United Way of New York City, City Harvest and the New York Community Trust. Other committee partners include the Fiscal Policy Institute, Baruch School of Public Affairs, Citizens Committee for Children of New York, NYC Coalition Against Hunger, of Protestant Welfare Agencies, Financial Clinic, Association Neighborhood and Housing Developers, Inc., and others.

The 2014 NYC Standard report includes a demographic study and documents the cost for 152 different family types to live and work in the boroughs of New York City and to meet their basic needs with no public or private assistance.

In 2015, given the increase in the costs of living as compared with slower increases in wages, as documented by the recent New York City Self-Sufficiency Standard report, we can reasonably assume that the same rationale for utilizing a 300% of the Federal Poverty Guidelines should apply across New York State. For example, in 2010, a Queens County family of two adults, a preschooler and school-aged child needed an income of \$70,198. Now, that same family needs \$76,376. 300% of the 2015 poverty guidelines for a family of four is \$72,750. The Self-Sufficiency budget is bare bones – enough, but nothing extra: for that family in Queens, we are talking about essential monthly expenses.

#### Recommendations

The Self-Sufficiency Standard calculates how much it costs to live—at a minimally adequate level—in New York and calculates how it varies by family type and county of residence. Families with income less than the Self-Sufficiency Standard calculation for their family size and county of residence should not be unfairly expected to bear the cost of retaining a private attorney.

We recommend that there should be a presumption of financial eligibility due to "substantial hardship" for all those who have income less than 300% of the Federal Poverty Guidelines. Income and assets necessary to meet the reasonable and sustainable living expenses of prospective clients and any children, spouse or other dependents – and to maintain financial stability – should not be considered.

We urge you to support our recommendation to use 300% of the Federal Poverty Guidelines to guide courts in determining financial eligibility for mandated legal representation in criminal and family court proceedings.

For further information, contact:

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Overlooked and Undercounted: The Struggle to Make Ends Meet in New York City (2014) <a href="http://www.selfsufficiencystandard.org/docs/NYCity2014.pdf">http://www.selfsufficiencystandard.org/docs/NYCity2014.pdf</a>

The Self-Sufficiency Standard for New York State (2010) <a href="https://www.selfsufficiencystandard.org/docs/New-York-State2010.pdf">www.selfsufficiencystandard.org/docs/New-York-State2010.pdf</a>

# The Self-Sufficiency Standard for New York State 2010

September 2010

#### Standard Expenses Can Vary Greatly

Table 2 illustrates the Self-Sufficiency Standards for counties from around the state, including the state's lowest, median and highest self-sufficiency wages for the selected families. Expenses throughout much of the state do not vary dramatically, and a sample of counties from upstate and West New York show that variance among counties is greatest for larger families. Unsurprisingly, Standard incomes in New York City are greatest, and for some family types self-sufficiency wages in Suffolk County are nearly twice as high as in the state's least expensive counties.

Use the Standard to Improve Wages and Decrease Expenses

Large gaps between the incomes families need to meet their basic needs and the wages available to many point to two clear challenges: raising the income of low- and moderate-income families and reducing their expenses by increasing the availability, access and support levels of public assistance programs.

The Standard can be used to identify true sustaining wages, and to indicate how public and private

Table 3
The Self Sufficiency Standard for Selected New York State Counties 2010

County	Adult	Adult 1 Infant	Adult 1 Preschooler 1 School-age	2 Adults 1 Preschooler 1 School-age	2 Adults 3 Teenagers
Orleans County (low)	\$18,118	\$30,576	\$41,049	\$47,673	\$30,499
Schoharie County	\$18,814	\$32,430	\$42,486	\$49,526	\$33,747
Cayuga County (median)	\$19,761	\$34,404	\$43,973	\$50,814	\$38,331
Jefferson County	\$19,994	\$34,500	\$44,038	\$50,768	\$37,696
Clinton County	\$20,225	\$34,754	\$44,202	\$50,926	\$37,569
Suffolk County (high)	\$36,522	\$66,803	\$78,916	\$86,245	\$70,821

In no New York county does low-wage work pay self-sufficiency wages. In the state's least expensive county for single adults, Orleans County, in order to be self-sufficient, a single worker must earn approximately \$8.58 per hour, \$1.33 per hour higher than the New York minimum wage. In Suffolk County, the state's most expensive county, even a single worker must earn \$17.29 per hour to be selfsufficient, more than 2.3 times the minimum wage. And not only minimum wage earners' incomes fall below the Standard-only one of New York's ten most common occupations-registered nursespays median earnings that are above the selfsufficiency wage for a single parent raising two young children in a typical county such as Albany County.

education and training dollars can best be used. Use of a realistic benchmarking tool also increases the likelihood that federal, state and local assistance programs for low- and moderate-income families will be properly structured to increase families' short-term self-sufficiency and longer-term stability.

The full report and additional charts with all 70 family types for every county can be found at:

http://www.nyscommunityaction.org/self\_sufficienc v\_standard.cfm

<sup>&</sup>lt;sup>1</sup> The Self-Sufficiency Standard for New York 2010 was prepared for the New York State Self-Sufficiency Standard Steering Committee by Dr. Diana Pierce from the University of Washington, Center for Women's Welfare. Dr. Pearce has calculated the standard for 37 states and DC.

# The Self-Sufficiency Standard for New York State 2010

September 2010

The Self-Sufficiency Standard (Standard) for New York State calculates incomes working families need to meet their basic needs—housing, child care, food, transportation, health care, miscellaneous personal and household items and taxes—without relying on public supports. The Standard goes beyond the one-size fits all approach of the federal poverty level, and calculates expenses specific to each of the state's counties and 70 family types. To arrive at its income requirements, the Standard draws upon public government market rate and spending survey data. Table 1 illustrates the Self-Sufficiency Standard for selected family types in Cayuga County, where self-sufficiency wages for several family types are statewide medians.

Standard Expenses Have Risen Sharply
The cost of meeting basic needs in a typical New
York county has increased greatly over the past
decade throughout New York:

• Child care—more than 50%

- Transportation—approximately 40%
- Health care—more than 75%
- Housing—more than 50%

Much of the increase in Standard expenses is due to the increased cost of raising children:

- The cost of child care is nearly double the cost of housing for families with two young children
- For families with young children, the cost of housing and child care combined typically make up at least 50% of the family's budget
- Child care, housing and health care expenses have pushed the self-sufficiency wage for families with children to over \$20 per hour in nearly every county, and underscores the great importance of public assistance, such as child care subsidies.

Meanwhile, wages have increased little. Median earnings among New York workers has increased by only 15% between 2000 and 2010.

Table 1: The Self Sufficiency Standard for Cayuga County, NY 2010

MONTHLY COSTS	Adult	Adult 1 Infant	Adult 1 Preschooler 1 School-age	2 Adults 1 Preschooler 1 School-age	2 Adults 3 Teenagers
Housing	\$626	\$750	750	750	998
Child Care	\$0	617	1140	1140	0
Food	\$236	350	536	737	1002
Transportation	\$260	266	266	511	504
Health Care	\$159	396	420	493	596
Miscellaneous	\$128	238	311	363	310
Taxes	\$271	448	542	575	329
Earned Income Tax Credit (-)	\$0	-19	0	0	-228
Child Care Tax Credit (-)	\$o	-63	-100	-100	0
Child Tax Credit (-)	\$0	-83	-167	-167	-250
Making Work Pay Credit (-) SELF-SUFFICIENCY WAGE	-\$33	-33	-33	-67	-67
Hourly	\$9.36	\$16.29	\$20.82	\$12.03 per adult	\$9.07 per adult
Monthly	\$1,647	\$2,867	\$3,664	\$4,234	\$3,194
Annual	\$19,761	\$34,404	\$43,973	\$50,814	\$38,331