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Testimony of Claire Zippel, Policy Analyst At the Public Hearing on Bill 22-178, Commission on Poverty in the District of Columbia Establishment Act of 2017 DC Council Committee on Labor and Workforce Development And Committee on Housing and Neighborhood Revitalization November 1, 2017

Chairperson Bonds, Chairperson Silverman, and members of the Committees, thank you for the opportunity to speak today. My name is Claire Zippel and I am the housing policy analyst and research coordinator at the DC Fiscal Policy Institute. DCFPI is a non-profit organization that promotes opportunity and widespread prosperity for all residents of the District of Columbia through thoughtful policy solutions.

As of 2016, about 120,000 District residents have incomes that fall below the federal poverty line. One fourth of those residents are children. More than four out of five are people of color.¹ DC has adopted many policies that are designed to boost the well-being of people in poverty, and to give people the tools they need to climb the economic ladder. Yet it's clear that the District must do more to reduce poverty and support residents whose incomes fall below the poverty line: three-fourths of DC's poor residents do not have a home they can afford,² and despite the District's economic boom, the city's poverty rate is 19 percent, unchanged since before the recession.³

DCFPI supports the creation of a Commission on Poverty dedicated to evaluating the District's existing policies and unmet needs, and to recommending actions to reduce poverty. We are particularly glad that a substantial portion of the Commission's members would be DC residents in poverty or who have recently experienced poverty. These residents' insight, experiences, and wisdom are essential to successfully designing and evaluating anti-poverty programs.

Today, we would like to comment on the Commission's two main tasks: evaluation and recommendation.

The Commission's Evaluation Role

DCFPI supports the provisions of the bill proposes to make the Commission responsible not only for studying poverty in the District, but also for evaluating and recommending policies to address poverty. Studying a problem is only the very beginning of solving it, yet is often where similar efforts have ended. Evaluating the impact of proposed policies is the critical next step.

To that end, we recommend that the Commission be responsible for creating metrics that measure policy impacts, and ultimately, that facilitate goal-setting and accountability. One tool the Commission could explore to better measure poverty and the impact of anti-poverty efforts is a Supplemental Poverty Measure (SPM) for the District, modeled on the federal SPM published by the U.S. Census Bureau.⁴ Unlike the official poverty rate, which measures only cash income, an SPM accounts for the many government programs that affect a households' financial well-being, such as tax credits and housing assistance. A Supplemental Poverty Measure also would take into account DC's cost of living when defining a poverty-level income, in contrast with the current Census Bureau poverty thresholds, which are same across the nation. SPMs allow jurisdictions to estimate the impact of existing and proposed policies. For instance, New

York City uses its SPM to guide its anti-poverty programs, and to measure the city's progress toward its goal of lifting 800,000 residents out of poverty over 10 years.⁵ The Commission could use a DC SPM similarly, to inform its comments on proposed legislation and budget submissions, as well as its own recommendations.

The Commission could additionally be responsible for completing racial equity impact analyses of proposed legislation and budget submissions. The bill suggests that the Commission could provide analyses of how a proposal would affect poverty in DC. The Commission could expand on this role to provide analyses of how a proposal would affect racial equity, and in particular, racial disparities in the experience of poverty. Jurisdictions such as Seattle use racial equity analyses to reveal the racial equity implications of a current or proposed policy, and to determine if the policy would reduce or exacerbate racial, economic, and social inequity.⁶

Furthermore, while the bill proposes that the Commission could comment on budget submissions and legislation, an alternative would be to require the Commission to provide a poverty impact analysis and/or a racial equity impact analysis to accompany the annual budget and any legislation that may have a measurable impact on poverty. To conduct these analyses, we believe the Commission will need more than the three-person staffing minimum called for in the bill. The Council should provide additional staff for the commission to conduct this kind of analysis.

The Commission's Recommendation Role

The bill currently requires the Commission to author an annual report on the needs of persons in poverty in the District. We support the goal of regular reporting, and recommend that the Commission be further tasked with presenting a discrete package of legislative, regulatory, and budgetary recommendations, with a proposed timeframe for implementing them. Ideally, each recommendation in the package would be well-developed enough to be adopted relatively quickly by the Mayor or Council. Like other commissions in the District, like the Tax Revision Commission, the Poverty Commission should be given resources to contract with experts to conduct studies to support the development of its evaluation metrics and recommendations.

Finally, we note that a Commission on Poverty—like any commission, advisory group, or task force—is only as effective if there is political will to thoughtfully contemplate its findings and implement its recommendations. For example, while the full Tax Revision Commission package has been passed into law and funded, essentially none of the 2012 Comprehensive Housing Strategy Task Force's major recommendations have become reality, despite the fact that the lack of affordable housing is among DC's greatest challenges. We encourage all Councilmembers who have support the creation of a Commission on Poverty to seriously consider the Commission's eventual recommendations.

Thank you again for the opportunity to testify today. I am happy to answer any questions.

⁴ U.S. Census Bureau, 2016 Supplemental Poverty Measure Report,

http://www1.nyc.gov/assets/opportunity/pdf/NYCgovPovMeas2017-WEB.pdf

NYC Center for Economic Opportunity Annual Report 2014-2015,

¹ 2016 American Community Survey 1-year estimates.

² DCFPI analysis of 2016 American Community Survey 1-year PUMS.

³ "DC Has More to Do to Ensure Residents of Color Can Access Growing Prosperity, Census Data Show," DCFPI, 2017, https://www.dcfpi.org/all/dc-ensure-residents-color-can-access-growing-prosperity-census-data-show/

https://www.census.gov/library/publications/2017/demo/p60-261.html

⁵ New York City Government Poverty Measure 2005–2015,

http://www1.nyc.gov/assets/opportunity/pdf/2015_ceo_annual_report.pdf ⁶ See "Racial equity impact assessments", All-In Cities, an initiative of PolicyLink, <u>http://allincities.org/toolkit/racial-equity-</u> impact-assessments