
Committee Meeting

of

SENATE LEGISLATIVE OVERSIGHT COMMITTEE

“The Committee will receive testimony from invited guests, including Acting Commissioner of Human Services Elizabeth Connolly and stakeholders, on the administration, adequacy, and funding of various programs, including the Emergency Assistance, Temporary Assistance for Needy Families, and General Assistance programs”

LOCATION: Committee Room 4
State House Annex
Trenton, New Jersey

DATE: September 29, 2016
10:00 a.m.

MEMBERS OF COMMITTEE PRESENT:

Senator Robert M. Gordon, Chair
Senator Loretta Weinberg, Vice Chair
Senator Paul A. Sarlo
Senator Joseph M. Kyrillos Jr.
Senator Samuel D. Thompson



ALSO PRESENT:

Robin C. Ford
Office of Legislative Services
Committee Aide

Mark Magyar
Senate Majority
Committee Aide

Christopher Emigholz
Senate Republican
Committee Aide

Meeting Recorded and Transcribed by
The Office of Legislative Services, Public Information Office,
Hearing Unit, State House Annex, PO 068, Trenton, New Jersey



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Chairman

LORETTA WEINBERG
Vice-Chair

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COMMITTEE NOTICE

TO: MEMBERS OF THE SENATE LEGISLATIVE OVERSIGHT COMMITTEE
FROM: SENATOR ROBERT M. GORDON, CHAIRMAN
SUBJECT: COMMITTEE MEETING - SEPTEMBER 29, 2016

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The Senate Legislative Oversight Committee will meet on Thursday, September 29, 2016 at 10:00 AM in Committee Room 4, 1st Floor, State House Annex, Trenton, New Jersey.

The committee will receive testimony from invited guests including Acting Commissioner of Human Services Elizabeth Connolly and stakeholders on the administration, adequacy, and funding of various programs, including the Emergency Assistance, Temporary Assistance for Needy Families, and General Assistance programs.

Issued 9/22/16

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SENATOR ROBERT M. GORDON (Chair): Good morning, everyone. I'm going to call the Committee to order.

May I have a roll call, please?

MS. FORD (Committee Aide): Senator Gordon.

SENATOR GORDON: Here.

MS. FORD: Senator Weinberg.

SENATOR LORETTA WEINBERG (Vice Chair): Here.

MS. FORD: Senator Ruiz and Senator Sarlo are not with us today.

Senator Thompson.

SENATOR THOMPSON: Here.

MS. FORD: And Senator Kyrillos is not with us.

SENATOR GORDON: Thank you.

Will you all rise and please join me in a flag salute? (all recite Pledge of Allegiance)

Good morning, everyone.

I want to welcome Senator Thompson to our Committee today. He's subbing in for some of his colleagues.

Senator Sarlo, I believe, is on his way. Senator Ruiz will not be joining us. I understand that, I think, the day before yesterday she gave birth to a little girl, and we extend our very best wishes to her.

And I have just learned that there has been what appears to be a serious train accident in Hoboken, in which there may be casualties. And our thoughts are certainly with those New Jerseyans, and we are hoping for the best at this point.

I welcome you all to this meeting of the Senate Legislative Oversight Committee. Today's hearing will focus on a number of safety-net programs designed to prevent homelessness and combat poverty in New Jersey. We will specifically address the following programs: One, the Emergency Assistance Program, EA, which provides tenant-based and project-based rental assistance grants to prevent individuals from becoming homeless; two, the Supplemental Nutrition Assistance Program, or SNAP, which provides low-income families with funds to buy food and grocery items -- formerly known as the Food Stamp Program; three, WorkFirst New Jersey -- and this program includes both Temporary Assistance for Needy Families -- known as TANF -- which provides cash and other assistance to low-income families with dependent children, once known as AFDC; and General Assistance, GA, designed to assist able-bodied individuals who are unable to find work.

Over the course of the past few years, funding for these programs has been significantly reduced and fewer people have been served. For example, the number of average monthly Emergency Assistance recipients has decreased from 25,878 individuals in Fiscal Year 2014, to 24,221 in Fiscal Year 2015; 16,532 in Fiscal Year 2016; and an estimated 14,869 in Fiscal Year 2017. And by my math, that's a reduction of about 42.5 percent over that time period.

State expenditures on Emergency Assistance have decreased from \$176.5 million in Fiscal Year 2014 to a projected \$114.1 million in Fiscal Year 2017 -- a decrease of \$62.4 million, or 35.3 percent.

Members of the Christie Administration have stated that fewer individuals are in need of such services due to improvements in the

economy and reduced unemployment rates, as well as increased housing vouchers for veterans and individuals with disabilities. However, service providers and anti-poverty advocates argue that the need for anti-poverty and homelessness prevention programs has not diminished and that New Jersey's poverty rate has not dropped. Alternate explanations for the reduction of individuals in some programs include more stringent interpretations of program eligibility, not lack of need.

If poverty rates have not significantly declined and the need for services remain high, we are concerned that reductions in funding for anti-poverty programs may result in far too many New Jersey residents, including children, not receiving vital services they need and that they are entitled to.

I should note that the Acting Commissioner of Human Services, Elizabeth Connolly, was invited to testify before the Committee today, but was unable to do so. She did submit written testimony, which I will read into the record momentarily.

We will hear from other stakeholders today who will present their views on the State's current needs and on what we can do better to provide for our most vulnerable residents.

With that, I'd like to turn Senator Weinberg, the Majority Leader -- if she has some opening comments.

SENATOR WEINBERG: Yes, I have an opening comment.

Thank you, Mr. Chairman, but I want to read the first sentence of the letter from Commissioner Connolly. "I have received your invitation to appear before the Senate Legislative Oversight Committee to discuss the State's social services program," etc., "I am unable to attend;" which is the

same sentence -- opening sentence that we have gotten from, I think, almost every Commissioner we have requested to appear before this Committee. Am I correct?

SENATOR GORDON: We have had people at the Cabinet level appear here. I can't recall which hearing it was, but we have had--

MR. MAGYAR (Committee Aide): Only a couple.

SENATOR GORDON: Yes.

SENATOR WEINBERG: Well, the majority of them--

SENATOR GORDON: The majority of them are unable to attend.

SENATOR WEINBERG: --of the Commissioners-- And I really believe -- because it's such a pattern, how everybody is always busy when the Senate Legislative Oversight Committee meets -- that we might need subpoena power in order to get Commissioners to come before this Committee, come before the people of New Jersey and answer simple, straightforward questions.

So I thank you for the courtesy of allowing me to put that on the record. And I would make a motion, if you think it's in order, that we ask our legislative leadership for subpoena power for this Committee in order to get Commissioner--

You're shaking your head "no."

MS. FORD: I'm sorry; I was looking at Mark.

SENATOR WEINBERG: Oh, okay. (laughter) I thought I was getting a legal opinion before I even finished the sentence. (laughter) But that's okay.

SENATOR GORDON: I certainly would support that move. You know, I had hoped that the principles underlying our Constitution -- if not our form of government at every level -- in which the Legislative Branch has oversight responsibility over the Executive Branch, thereby exercising the checks and balances that the founders thought were important to our system, would come into play. But apparently we may need a little something more compelling. And so I certainly would accept a motion for that.

SENATOR WEINBERG: So moved.

SENATOR GORDON: Do I have a second? (no response)

I'll certainly second that.

We need a vote?

MR. MAGYAR: (Indiscernible).

SENATOR GORDON: Oh, I'm reminded that we don't have a quorum. Well, we are going to have -- I'm pretty sure we'll have a quorum a little later.

SENATOR WEINBERG: Okay.

SENATOR KYRILLOS: Isn't four out of five a quorum? No?

MS. FORD: There's six.

MR. MAGYAR: Six.

SENATOR WEINBERG: I will restate the motion when we have a quorum. Thank you for your courtesy.

SENATOR KYRILLOS: Four out of six is a quorum; two-thirds.

SENATOR GORDON: I know Senator Sarlo is on his way, and we can--

MS. FORD: (Indiscernible).

SENATOR GORDON: When Senator Sarlo arrives, we can take this up again; perhaps at the end of the hearing. But I think Senator Weinberg's comments are well taken.

I see Senator Kyrillos is here. Do any of the other members of the Committee wish to make any opening comments?

SENATOR KYRILLOS: Just very briefly, to thank you for your leadership, Mr. Chairman; for putting a spotlight on this issue. I'm going to learn about it, hear more about it. I'm not prepared to vote for subpoena power, if that vote comes later on today. But I certainly want to hear what the witnesses have to say.

Thank you, as always. You're a very strong Senator. Thank you, sir.

SENATOR GORDON: Senator Thompson, any comments?

SENATOR THOMPSON: Well, of course I was invited here, kind of at the last minute, so I haven't had a lot of time to prepare.

SENATOR GORDON: We apologize for that.

SENATOR THOMPSON: Although a number of the issues here I have heard in other Committees, and so on, so I do have some familiarity with them and -- well, we (indiscernible) here to see what you have to say.

SENATOR GORDON: Okay.

Before we turn to our witnesses today, I would like to read into the record the letter I received -- the Committee received from Elizabeth Connolly, the Acting Commissioner. It's dated September 28, 2016.

“Dear Chairman Gordon: I have received your invitation to appear before the Senate Legislative Oversight Committee on Thursday, September 29, to discuss the State’s social services programs, including Emergency Assistance, Temporary Assistance to Needy Families, and General Assistance. I am unable to attend, but in lieu of an in-person presentation, please accept the following information as testimony on behalf of the Department of Human Services.

“Chairman Gordon, members of the Senate Legislative Oversight Committee, advocates, and stakeholders -- for the last several months, there has been intense scrutiny regarding the State’s “safety net” with respect to funding and program rules. I am proud to report that since January 2010, more has been done to buoy residents with low incomes, housing and food insecurity, or disabilities than under any previous administration in several decades.

“Since 2010, the State has raised eligibility levels and eliminated the asset test for the Supplemental Nutrition Assistance Program (SNAP), enrolling nearly 100,000 newly-qualified residents. In partnership, the DHS and the Department of Health identified and contacted SNAP-eligible participants in the Pharmaceutical Assistance for the Aged and Disabled Program, enrolling over 60,000 new seniors into SNAP. In 2014, New Jersey expanded Medicaid, enrolling over 500,000 newly-eligible residents into New Jersey FamilyCare, which provides comprehensive health care, including physician visits, hospitalization, mental health and addiction services. In addition, the Earned Income Tax Credit was increased by 10 percent, allowing low- and moderate-income families to keep more of their hard-earned money.

“During the same period of time -- and here is where there tends to be confusion -- Emergency Assistance (EA), Temporary Assistance for Needy Families (TANF), and General Assistance (GA) enrollment has decreased dramatically. While some suggest that this decrease is the result of an effort by the State to restrict access to social services benefits, that suggestion is simply not true, as demonstrated by national and local experts and their studies.

“Earlier this month, the U.S. Census Bureau announced that median household income increased by 5.2 percent between 2014 and 2015, while the official poverty rate decreased by 1.2 percentage points. In early July, Monarch Housing’s 2016 Point in Time Homeless Count report showed that the homelessness rate in New Jersey has declined by 12.4 percent, compared to 2015. And last December, the U.S. Department of Housing and Urban Development’s annual report noted that New Jersey’s homeless count declined more than 45 other states between 2014 and 2015.

“This decline in poverty and homelessness can be attributed to many things: an improved economy and reduced unemployment rate are often referenced, but more effective has been the intense focus by the State and Federal government in implementing homelessness prevention.

“Since 2010, more than 1,000 new Section 8 vouchers were issued by the Department of Community Affairs; more than 1,000 veterans housing vouchers were distributed through the Department of Military and Veterans Affairs; and, DHS has developed thousands more supportive housing units for people with mental illness and physical or developmental disabilities.

“In addition, the Federal Department of Housing and Urban Development (HUD) provides funding to community-based organizations -- part of the Continuum of Care -- to prevent and reduce homelessness. In 2014, New Jersey received \$38 million; in 2015, \$38 million; and in 2016, \$40.65 million.

“Reduced poverty similarly impacts other programming, such as TANF and GA. For those programs, qualifying applicants typically have no income at all, are limited to 60 months in a lifetime, and must participate in a work activity.

“Because EA is only available to TANF, GA, or Supplemental Security Income (SSI) recipients, a drop in participation in those programs understandably reduces the EA rolls. Reductions in the Fiscal Year 2017 budget, therefore, are the result of caseload trends showing fewer applicants for TANF and GA, not a change to any eligibility criteria. Eligible applicants continue to receive benefits,” and that sentence is underlined. “To the extent some have claimed that DHS has limited access to EA through EA review teams, those claims are untrue. DHS’s review teams, which only operate in six counties, play a critical role in ensuring that eligibility and timeline rules are enforced to preserve funds for eligible individuals and families. But to be clear, there has been no change in eligibility criteria.

“Residents determined to be ineligible for EA can still apply for Social Services for the Homeless (SSH) funding, a State-funded program that provides short-term assistance to people who are homeless or at-risk of homelessness. The Division of Family Development contracts with local

agencies to administer the SSH program, which is funded with \$15.9 million annually.

“Additionally, because the Governor expanded Medicaid in 2014, low-income residents now have access to a full array of medical benefits without having to enroll in TANF or GA, or to comply with the time limit and work requirement.

“Because of the success of our work, in partnership and collaboration with housing support agencies, Federal, State, and local government and non-governmental organizations, we continue to advance new initiatives.

“During the Department’s Senate and Assembly Budget hearings, I announced that, this fall, the Department will launch a Rental Assistance Program -- SRAP -- for recipients of SSI-EA. This initiative is in partnership with the State Department of Community Affairs, DCA.

“In addition, DHS recently included in its Comprehensive Medicaid Waiver renewal application a proposal to use Federal Medicaid reimbursement to fund housing-specific case management for Medicaid clients who are homeless or at risk of homelessness. Studies show that programs that provide permanent housing over temporary or bridge housing create better outcomes for people receiving the benefits.

“The above-mentioned programs, in combination with the host of local programs offered through non-profit groups and funded by Federal grants, are working effectively to reduce our homeless population in responsible and effective ways: maximizing Federal funds, promoting long-term permanent housing options, and preserving temporary benefits for

eligible individuals in need. This strategy is succeeding, and we will continue to push forward.

“Thank you for the opportunity to share with the Committee this information about our progress in reducing poverty and combatting homelessness. I hope that it is helpful and that it allows for a balanced and constructive discussion.”

And it’s signed Elizabeth Connolly, Acting Commissioner.

Well, that is the Administration’s perspective.

And at this point, I’d like to hear from other stakeholders. And I see Senator Sarlo arriving, and we welcome him.

I’d like to hear from these groups; and we welcome you all. I’d like to do a series of panels in the interest of time.

The first panel will involve the following individuals: Renee Koubiadis, Maura Sanders, and Gail Levinson. I would appreciate it if you’re here, if you would come forward and testify in any order you choose.

And if you would start by just introducing yourselves and noting your organization, we would be grateful.

MAURA SANDERS, Esq.: Good morning. My name is Maura Sanders; I’m an attorney and Chief Counsel for Public Benefits at Legal Services of New Jersey.

I want to thank the Committee, thank the Chair, Vice Chair, and members of the Committee for holding this hearing today. It’s vitally important that we continue to talk about and hear about what’s happening around the state on these issues.

My testimony this morning is on behalf of both Melville Miller, our President at Legal Services, and myself.

There's unquestionably been a substantial decline in our TANF caseload. As Senator Gordon cited earlier, those declines have been substantial and significant across the board. In our TANF caseload -- the overall caseload -- we've seen a decline of about 25 percent just from July 2015 to July 2016. That's 6,800 fewer families receiving assistance than were receiving assistance a year prior.

In the GA program, that caseload decline was about 30 percent in one year's time. And if we look at EA, those numbers are even more dramatic. We've seen declines in the EA program that are close to 50 percent within one year for TANF families; almost as high within the GA program -- those are the single adults who are noncustodial adults. And in the SSI recipients -- among SSI recipients who were receiving Emergency Assistance -- that number has declined by almost two-thirds. We went from having roughly 1,500 individuals receiving Emergency Assistance, temporary rental assistance and other emergency housing assistance when they were homeless or imminently homeless. That number is now down to 569 as of July 2016. We believe it's even lower than that as we are here, starting at the end of September.

It bears emphasis that the Emergency Assistance Program, which is a key component of our WorkFirst program, is entirely a State-funded program and a State-created program. While some of our WorkFirst New Jersey statute was created to implement provisions of the Federal TANF law, our Emergency Assistance Program -- the provisions of that have existed long before. It incorporates long-standing policy from our Poor Laws that have been in existence for much longer than any of us in this room. It is a program with a State-created time limit that can be

changed at any time. It isn't subject to Federal time limits or Federal rules in that regard.

And just to be clear on that -- it's 12 months of assistance. There are some very limited exceptions for families and individuals that can give folks an additional six months and, in some cases, for families, an extra 12 months. But that's it over their lifetime.

For many people, that's all they need; but for some -- particularly those with significant barriers of disabilities, those who cycle on and off of work and haven't been able to maintain permanent employment or permanent housing -- it becomes critical that they have an emergency source available to them.

We are looking at-- Even though we've seen these substantial declines, and even though we have seen some small shifts in our poverty rate this year, we are still looking at poverty rates near 50-year record lows (*sic*), while our TANF caseload, our GA caseload, are at historic lows as well. We have never seen numbers this low since the start of the program, and we haven't seen rates of decline like this since the very first year that WorkFirst New Jersey was implemented 20 years ago.

And we are seeing that impact. We are seeing that impact in our offices; we're seeing people coming in on the verge of homelessness. Just within the last week-and-a-half, I can share with you that I personally talked with, I would say, three separate individuals who were homeless. Two of whom had been denied Emergency Assistance; one because of time limits, one because they kept pushing from one county to the other -- that second one was living in her car; the first gentleman had been in and out of temporary situations, temporary housing. And the third was someone who

didn't qualify because they receive Social Security Disability payments, which makes someone ineligible. Even though his income was only essentially \$900 a month, and he had health issues and other things, he wasn't eligible for housing and he was homeless at the time. That's also someone who, by the way, was only eligible for \$16 worth of food stamps because of the way that program works. So he wasn't accessing services or supports through other programs either.

Essentially what we know is that they're in this extreme hardship. But because of deficiencies in the application procedures, in the reporting requirements within the EA program, and within our other aspects of the WorkFirst New Jersey program, we simply don't have statistical information or we don't have the data that we can come in here today and point to all the reasons why those caseloads have declined. We know that time limits have played a major factor in why caseloads have declined. That isn't some information that is retrievable or obtainable through the Department -- that number of individuals who have maxed out on their Emergency Assistance time limits. But for many of the other reasons, that information is not available. We don't have a good count on the number of applicants for assistance, for example, because in many counties and in many offices the practice doesn't require or often doesn't lead to a written application and denial that's recorded somewhere. And even among those where we do see those denials, the reasons are not well identified; those reasons aren't catalogued or reported.

We do know there have been some policy changes -- denying assistance, making it more difficult for people to-- There has been this increased scrutiny through those Compliance Review Teams and other

messages, I'd guess I'd say, within the offices to require additional documentary evidence; to look more closely at an individual's circumstance. And certainly it is proper for the agency to be held accountable and to be ensuring that those who apply are, in fact, eligible for assistance. We have no issue with that, we support that, and we work with the county offices to make sure that those who come to us are able to document their situations. But we have seen shifts that have also resulted in changes in who they determine eligible; the kinds of in-kind assistance that people are deemed to have that now may make them ineligible; the differences in how victims of domestic violence might be viewed if they move from one area to another to escape an abuser.

So all of those things we are seeing bits of; but we just don't have the kind of information that would allow us to come in and point to this number of cases. We've seen those caseloads fluctuate over time. And as I said, those numbers are at the smallest.

But to shed light on some of these questions, and many others, regarding the effectiveness of our WorkFirst program overall, Legal Services, through our Poverty Research Institute, is undertaking an assessment for the first 20 years of WorkFirst. Early this winter, we will have 20 years after the implementation of WorkFirst New Jersey in New Jersey, so we are taking a closer look to understand, both over time and today, how this program is working -- both the successes within the program, and the shortcomings in that program. It will be an evidence-based assessment; it's based on the available data that we have, as well as information we obtain from clients, from other providers, and from advocates -- some of whom are here. The scope of this report will be to examine and identify the evidence

of program successes; information about gaps in our program data, and collection, and reporting -- some of which I referenced here. These protection gaps -- where the program is not meeting our safety net; where folks are falling through that crack. And the work development gaps, where we -- to the degree to which our program has successfully moved individuals and families into work and transitioned them off of assistance.

Finally, we'll make recommendations, based on that, for changes. And we look forward to sharing that report with you, providing whatever information we can glean from that. And certainly, if you have any questions regarding any of what I've talked about, or what others here may come to, I'm happy to answer any questions here, or at a later time.

Thank you.

SENATOR GORDON: Thank you.

RENEE KOUBIADIS: Good morning, Chairman Gordon, Vice Chair Weinberg, and members of the Committee. Thank you for having this hearing and wanting to learn more about all the issues. We certainly would like more information as well.

My name is Renee Koubiadis; I'm the Executive Director of the Anti-Poverty Network of New Jersey, a broad-based coalition of organizations and individuals committed to the prevention, reduction, and the eventual end of poverty in New Jersey. I am also on the Board of Trustees of the New Jersey Coalition to End Homelessness, and I am here representing them as well.

Thank you again for the invitation to address you today about the far-reaching challenge of meeting the housing and social service needs of people in this state, as it relates to the work of this Committee.

Poverty runs the spectrum from the desperately poor who are often facing generational--

SENATOR WEINBERG: Excuse me one moment. Do we have a copy of your testimony?

MS. KOUBIADIS: Not yet; I apologize. I have it here. Would you like--

SENATOR WEINBERG: If you have a copy, yes.

MS. KOUBIADIS: Sorry.

SENATOR GORDON: If we could have that, for the record.

MR. MAGYAR: If you could pass that up, that would be great.

MS. KOUBIADIS: Sure.

SENATOR WEINBERG: Thank you.

MS. KOUBIADIS: So poverty runs the spectrum from the desperately poor who are often facing generational barriers to opportunity, to the formerly middle class who have slipped into poverty since the great recession. We know that New Jersey is a high-cost state; what APN calls *true poverty* is twice the Federal Poverty Income, or 200 percent of the Federal Poverty Level. At this level, we know that about 1 in 5 New Jerseyans are facing economic shortfalls relative to the cost of living in our state. This places individuals and families at the edge where one high-cost or unexpected bill can push them into homelessness.

At the other end of the spectrum we see extreme poverty faced by some of our neighbors. The official poverty rate, 100 percent Federal Poverty Level, while counting far less people who are really struggling in our state still, accounts for 1 in 9 New Jersey residents, or 11.1 percent. Many of these are minimum wage workers whose salary, even working fulltime

year-round, is not enough to pull a three-person family out of poverty. Moreover, our poorest families are facing the kind of intense deprivation that should be unknown in a high resource state like New Jersey. Families that depend on the Temporary Assistance to Needy Families, or TANF program, although less numerous than the other categories -- on average, about 73,000 in 2015 -- face an incredible gap between their monthly resources and the standard published by DHS. This is the very Department that serves them. However, \$424 a month is barely more than 15 percent of the Standard of Need; and even when combined with approximated SNAP benefits, the total resources are still less than 30 percent of the Standard of Need. This kind of intense poverty must be part of the conversation about addressing New Jersey's poverty problem.

An essential component of our welfare safety net is Emergency Assistance, as we've discussed. We are seeing people who have been denied EA because they have exceeded the 12-month time limit. With the dearth of low-income and affordable housing statewide, it can be extremely difficult for families and individuals to secure affordable housing within this time frame. There are exemption categories that exist currently in the WorkFirst New Jersey program that could be used to apply exemptions for certain populations, like those with long-term disabilities and those deemed unemployable by DHS. Legislation could modify the WorkFirst statute to allow for these exemptions to be put in place to extend EA assistance, enabling people to find safe, sustainable housing.

The second issue is that, since last summer, the Department of Human Services has implemented a significant policy change in the EA program which has driven many disabled and vulnerable individuals, and

families into homelessness, and threatens many more. DHS Commissioner Connolly has said repeatedly that regulations for EA have not changed. And while that is true, the way the regulations have been applied to new applications has changed. Indeed, the June report from the Division of Family Development indicates that between June 2015 and June 2016, the number of EA cases decreased by 43.6 percent statewide. There are some variations in the percentages of decline across the 21 counties. Hudson County and Passaic County are around 28 percent, which would be important to know that information on why they are so much less than some other counties. But the variations can be generally from 40 to into the 60s, in terms of the percentages of decreases in Emergency Assistance approved around the state.

The individuals and families who are being denied this assistance are still homeless or on the verge of homelessness, whether they are doubling or tripling up with other families, or are being provided temporary assistance by homeless services providers who cannot, in good conscience, see them on the street or sleeping in cars even though those providers are no longer getting the EA funding to provide assistance. These situations are precarious and can destabilize at any time. The decrease in EA approvals and funding has created a crisis in our state and caused a number of homeless services providers to layoff significant numbers of staff and cut back on services they can provide, or even to close their emergency assistance programs entirely.

The New Jersey Coalition to End Homelessness recently provided DHS Commissioner Connolly with information on at least 10 homeless service providers who have cut back on assistance or closed their

doors. That list, and additional organizations that are seeing the same results, can be forwarded to this Committee by APN and the Coalition, if that would be helpful in your review of the current situation and solutions.

It is very encouraging that New Jersey has adopted a Housing First approach, and voucher programs have seen some expansion, providing more low-income residents in our state access to stable housing. However, the concern of APN and many other advocates throughout the state is for the individuals and families who find themselves on the verge of homelessness or suddenly homeless with no real safety net. With the increased EA denials in the last year, people are being told they have “caused their own homelessness” through “failure to plan.” This is the case, whether it is a domestic violence victim who was able to take her children and leave her abuser, or an individual who was suddenly kicked out of the apartment they shared with a boyfriend or girlfriend. These are typically unplanned life events, and can be more difficult to manage with low or no income.

There are also low-income families who just get buried under the high cost of living in this state, with a major car repair needed to continue to get to work, a sick child, or a high heating bill in the winter that sets them back financially where they can no longer afford their housing and become homeless. We need to ensure that emergency assistance is still available to these people when they are in crisis.

A report released in the journal *Science*, entitled “The Impact of Homeless Prevention Programs on Homelessness,” found that 4,448 people in Chicago who sought assistance for rent or security deposits before they became homeless, reduced the likelihood they would wind up in a homeless

shelter by 76 percent. For people with lower-than-median incomes, that percentage increased to 88 percent.

Providing temporary rental and security deposit assistance can reduce more costly shelter and other service costs, while improving health and educational outcomes for families. Securing the continuation of this type of assistance is needed for New Jersey's vulnerable.

The Legislature can also play a role in requiring data from DHS on the numbers, reasons for denials, and impact of the cuts in EA funding to help inform solutions to reduce the effect on our state's most vulnerable.

In closing, there's another element of New Jersey's poverty crisis that must be recognized and addressed to effectively reduce poverty statewide. There is sufficient data to show that poverty disproportionately affects people of color in our state and in our nation. Structural racism, the kind of racism that we do not necessarily recognize in our everyday lives, creates persistent barriers to equity and opportunities that can lift people of color out of poverty. I grew up poor and on welfare for most of my childhood here in New Jersey. I feel very strongly that if my family had been Latino or African American, we would have been homeless at least at some point in my childhood, because we would have been denied access to the low -- very low rent housing that helped us to survive year-by-year and meet our other basic necessities. It was well known in my community that through a racist policy, people of color were denied access continually to the housing there.

Last year, APN convened a working group of committed partners who have assembled a report series about the problems of structural racism and what New Jersey needs to do to address the serious

and persistent barriers that face communities of color. We will begin to release this series of reports next month at the annual APN Poverty Summit. We urge each member of this Committee to engage with us in exploring policy recommendations that could reduce poverty in our state by addressing the barriers for a significant percentage of the population affected by poverty. We need to address structural racism head-on to improve the economic future of our residents and our state.

Thank you again for the opportunity to provide testimony this morning.

SENATOR GORDON: Thank you very much.

Ms. Levinson.

G A I L L E V I N S O N: Thank you, Senator Gordon, Senator Weinberg and other members of the Senate Legislative Oversight Committee. I appreciate the opportunity to speak today.

I am the Director of The Supportive Housing Association of New Jersey. We have been around for about 20 years, and we have this sort of delicate balance of time to secure capital dollars to construct and refurbish affordable homes; and also provide services to people; and secure vouchers for rental subsidies when possible. And those sort of three elements combine to create stability for people who live with disabilities around the State of New Jersey. And we are concerned about all individuals with disabilities and special needs, including people who live in homelessness or on the verge of homelessness.

Just another statistic I want to throw out to put some of this in context in terms of the work that we do: There are about 120,000 individuals in New Jersey who receive Supplemental Security Income

benefits -- SSI benefits; those who live with disabilities on SSI. It's a few years old, that statistic. About 6,000 more are children, who also receive that SSI benefit. We have reason to believe that there are about 42,000 people in New Jersey who live on very low incomes, who receive some kind of Federal or State housing assistance. So, you know, if you think about it that way -- there are probably 80,000 people of very low income on a SSI benefit who -- some of them may have a decent and safe place to live, but for the most part, we think many are living in a substandard housing, at home with aging parents, toward a crisis, and really need some additional help.

We are not a consumer organization; and yet every single day we get calls, and I just want you to be aware of that. So clearly, there's a need out there. We get calls from aging parents whose kids are now 60 years old and don't have a plan; don't know what they're going to do in terms of independent housing when their parents are no longer there. We get calls from individuals living in substandard housing. There are probably about 18,000 people living in rooming and boarding homes in New Jersey. And while some are good, many are substandard.

And then we get calls from people who are in some state of homelessness and housing crisis. People on cell phones who are calling us from shelters, in their cars, in abandoned buildings, and really don't have a place to go or an answer. I'm often like the 20th person they call, and they don't know what to do.

These stories are often complicated. These are folks who need housing, but they also need knowledgeable people who can provide good,

intensive case management. And many of them also need legal services, as Maura was pointing out earlier.

I just want to provide a couple of ideas. They're not new ideas, but I think that we also need to focus on what we can do to solve the problem, so just bear with me just for, maybe, two or three more minutes.

The rules governing EA, GA, etc., I think should just be made a lot simpler. When I talk to folks, they're just confused about much of what is out there. And several of my colleagues are going to be talking about these recommendations.

But in terms of some things we can do, some larger things we can do -- the Governor had an Interagency Council on Homelessness, which was established in 2012, and it submitted its report to prevent and end homelessness in 2014. And then in 2015, a work group was established to explore those recommendations. Well, I think we all-- Enough time has passed. And however many people are on the verge of homelessness or in homelessness, we need to solve this problem. The body-- This work group consists of many State representatives. There are only two community members -- Julie Orlando from Bergen County; and Matt Reilly, who is the CEO of MEND. These are two excellent community leaders, and I think with a few more we will be able to solve the homeless crisis in New Jersey for the chronically homeless and for families. And some of these EA issues I think should be handled by this work group.

There's also a critical need for affordable housing in New Jersey, particularly with subsidies to house those who are on very low incomes. And there are a few positive things that are happening. New Jersey has a new mortgage finance agency that incentivizes supportive

housing in one of its cycles; and actually in the two other cycles. That is very good, but it's clearly not enough housing at the end of each year to handle the need.

As was mentioned in the Commissioner's report to you, the Department of Community Affairs has, over the last two years, put out hundreds and hundreds of new rental vouchers -- both State rental assistance vouchers and Section 8 vouchers -- and they just opened the waiting list for another 10,000 people. And Commissioner Connolly has said, and we hope that this will happen, that she's going to take some of the Emergency Assistance money and convert it into permanent housing, which I think is an excellent idea, as long as the framework of Emergency Assistance does not go away for others who need it.

My organization is working with some of the banks right now to see if we can get some low-cost loans available to small nonprofit developers so they can acquire and refurbish housing and make it available to low-income people, in concert with rental assistance.

We also need a renewal of the depleted Supportive Housing Trust Fund. And while there are municipalities out there doing important work to welcome and house special needs populations, many towns -- I think we need to just say it -- avoid their housing obligations and do not use municipal housing trust funds for those most in need -- those who are seriously low income.

And then finally, I think we must adopt more efficient ways to house people. Senator Weinberg, we've spoken about this in your office. A one-bedroom apartment is not for everybody, especially when the income is so low. There are shared housing models out there throughout the country

that are excellent, and we need to start using them for people who live on very low incomes.

There are also boutique boarding homes in Bergen and throughout the state that are doing very good work -- that can house people on less than \$700 a month, and also provide them with food.

Also, refurbishing foreclosed properties for families in the welfare system is another idea that bears merit.

And then finally, Medicaid reimburses for home counseling. The Commissioner mentioned that in her letter. This is a function desperately needed by those who have no idea how to manage the intricacies of the public housing system. They are losing opportunities because they cannot understand who to call, what to ask for, and they need more than phone numbers. So we need to find the entities out there that are already doing this good work, give them some Medicaid reimbursement, and expand their reach to people of low income and with disabilities.

So I think we have a lot of the solutions -- I think this work group that the Governor has established to tackle it -- and I think it would be great if the Legislature could, in some way, require that something happen so that we can actually end chronic homelessness and family homelessness in New Jersey. It's very possible; we just need to do it.

Thank you.

SENATOR GORDON: Thank you very much, Ms. Levinson. Thank you all for your thoughts on this.

I think the overriding question here has been -- as suggested by my introductory comments and some of the comments made by the Acting Commissioner -- is, has there been-- Are these declines the result of a

change in policy regarding eligibility, or is it, in fact, reflecting market conditions?

What I'm hearing from you is that we're not quite sure -- at least that's what I heard; that's there's a need for better data, better analysis. It appears as if we've started down that road with this commission that you referenced, Ms. Levinson. But I'm wondering whether it might not be a bad idea for the State Auditor or the Comptroller to undertake a comprehensive analysis to see how we're doing in these programs, what accounts for the declines in enrollment. Is it, in fact, a reflection of market conditions, or some administrative action? That might actually require interviews with the individual recipients. But I would just pose that question for the Committee to consider.

One thing that I found rather confusing -- and it suggests that the decline in the numbers may be an artifact of policy or administrative action -- there appears to be, in some programs, a tremendous amount of variability in the number of recipients. In the case of intensive case management programs under the Hardship Extension programs, there's a rather startling variation in data by county. We see, for example, 82 recipients in Passaic, 4 in Union, 3 in Camden. I mean, that suggests to me that this isn't some trend in the economy, but some other artifact. Can you comment on any of these -- on this great variability that we see in some of the data?

MS. SANDERS: To some extent, that's true. There are variations in each county; it happens for a variety of reasons. It may be that in one particular county, folks are referred more often to the county for assistance. And it also is true that there are very subjective rules within

some of these programs in how they are administered. And some case managers and some aid workers may encourage an applicant to apply; some may interpret circumstances one way -- when the agency imposes a standard that determines if someone had both the capacity to plan in advance for housing and whether or not they caused their own homelessness. They impose those kinds of subjective standards when evaluating applications.

And that's very variable from one county to another, from one agency, from one person. We don't know if there are other factors at play that aren't being categorized when interpreting someone's circumstances. But yes, there is quite a bit of variation, county to county.

SENATOR GORDON: I was looking at some of the data last night by county. I can't recall which programs, but actually I think it holds true for most of the State programs. I saw, if I'm correct, if I'm analyzing the data correctly -- I saw reductions in enrollment on the order of 20 or 25 percent in Atlantic County. And yet all the evidence we're hearing anecdotally, and, in fact, quantitatively as well, when it comes to foreclosure data and employment data -- you would think that Atlantic County would not see a decline of that magnitude unless there was some other reason -- perhaps an administrative or policy reason. Can you comment on that? We may not have the data to be able to do that.

MS. SANDERS: We don't have the data; I mean, anecdotally, we know stories from clients. Some of that I can't-- There are some things that we're looking at, and looking at other avenues of challenging. But it does -- I don't have a particular case or situation I can point to right now on Atlantic County. But there have been challenges in getting applicants in

the door, getting them approved; individuals we feel should be eligible. We're just not getting the same success.

MS. KOUBIADIS: If I may--

SENATOR GORDON: I'm sorry; sure.

MS. KOUBIADIS: In response to that as well.

So I and a few other advocates have met with Commissioner Connolly in August a couple of times. And both times she kept alleging fraud at all the County Boards of Social Services -- or many, across the state. There was a State Comptroller's report that was released last May that alleged fraud in three different counties. And since that time -- which coincides with the July and August change in the numbers of denials -- there have been either State employees placed in those County Boards of Social Services, and the only ones who could approve applications currently -- not the county workers anymore; or they need to send those applications to the State for those State workers to approve.

And in one meeting with Commissioner Connolly, there was a story that was retold by the Commissioner about a person who was referred to her office because she kept saying to advocates, "We are not hearing these stories about people being denied. We need to hear more of the stories." Gail Levinson actually referred a woman who had been denied assistance; and she was out on parole at the time. By the time the Commissioner and the DFD Director Natasha Johnson followed up with the woman, she had since been picked up on a parole violation. But the way the Commissioner framed it in the conversation with us, was that this was a fraudulent application from the beginning because this woman had

always been in prison from the beginning of the application process. And that was not the case.

And so I'm concerned about the framing by the Commissioner of some of the alleged fraud, personally.

SENATOR GORDON: We've been talking about whether these declines are the result of changes in the way eligibility criteria are interpreted. Could we also have in play here an effort by the Administration to just try to respond to reduced budget appropriations? I mean, is there any evidence of that?

MS. KOUBIADIS: That's my concern. But as we've said, we certainly need more data.

SENATOR GORDON: Yes, okay.

Does anyone else on the Committee have any questions?

Senator Thompson.

SENATOR THOMPSON: I would just agree with your recommendation that maybe there should be an audit and so on to attempt to answer the question that you're raising there.

I'd also say that, again, as we look at the programs we're talking about, Temporary Assistance to Needy Families, Emergency Assistance-- Now, I don't know if these are misnomers or not, but when I see something that says *temporary assistance*, that means that is intended to help you over a period here and get you moving forward. *Emergency* means we have a situation we need to deal with today, and then we move forward.

So whether these come about because of-- If what they are is temporary programs and emergency programs; and if so, is it a case of we need to be transitioning these people into permanent-- In fact, some of the

data I'd heard before seemed to indicate there was a problem there -- people were being put on, and the work -- a permanent solution to their problems was not occurring. And that's where, really, we need to have the emphasis. And if we need that, then maybe we need to design some program to move people who need permanent assistance to a permanent program, not one that says *temporary* or one that says *emergency*. Maybe we should look at constructing new programs for people who fall in that category.

SENATOR GORDON: Those are good points; but a thought that occurs to me is, one of the problems we have in the state is there's just not enough affordable housing. And I think we were all -- at least I was -- astounded by a statistic that was made public last week -- that of the population age 18 to 34, 47 percent are still living with their parents, the highest in the country. And those are presumably people -- many of whom we would consider middle class. It's because-- I think it's not because that's the situation they want, but it reflects the lack of affordable housing in the state, which we've been trying to address since 1985 at least.

Senator Weinberg.

SENATOR WEINBERG: In answer to that last comment, I can assure you it's not the situation the parents want either. (laughter)

First of all, one comment, Ms. Levinson, about the Medicaid reimbursement for home counseling. We do have a bill moving through the Senate; it was released from the Senate Health Committee and is now awaiting, hopefully, action in the Senate Budget Committee. So I hope that will start that ball rolling.

But you know, when you look at the TANF-- And let me backtrack. I agree with what Senator Thompson just said about emergency

assistance and temporary assistance. And if I can brag a little bit, there's a great program in Bergen County, the Domestic Violence Shelter, that deals exactly that way with victims of domestic violence who come into the shelter, based on emergency, and then they have transitional housing. As people come out -- it's usually women and children -- come out of the shelter and need some time to get on their feet again, they can live in the transitional housing until they receive some kind of independence or attain some kind of independence. And they also have a Shared Housing Program -- which has been rather successful, by the way -- of matching up victims of domestic violence who need housing with people who have housing but can't afford to just keep it on their own. So it's a model program that maybe the State should be looking at more closely.

But if you just look at the chart we were given for the TANF recipients from Fiscal Year 2012 when there were 103,000 recipients, to 2016 -- almost half the amount of recipients. I do not believe we've solved either poverty or affordable housing to that extent in the State of New Jersey. So these kinds of statistics really need further explanation.

So thank you, all of you, for being advocates in a field that doesn't always sound sexy and interesting, hence the lack of press sitting at that table over there. (indicates) But we keep on trying.

Thank you.

MS. SANDERS: Thank you.

SENATOR GORDON: Senator Thompson.

SENATOR THOMPSON: I'd just like to add that the success of a temporary or emergency program should not be gauged based on how

many people they have on the program, but on how many people they're successfully able to move off the program.

SENATOR GORDON: Thank you.

I'm going to turn to another panel. But before I do -- Renee, you made reference in your testimony to service cuts in the homeless services program, I thought.

MS. KOUBIADIS: To providers.

SENATOR GORDON: You said you provided that data to DHS? If you could provide that to the Committee as well, I think we'd find that helpful.

MS. KOUBIADIS: Yes, absolutely. I just found out about a couple of new ones just yesterday, and so I haven't been able to add them to the previous list that was sent to the Commissioner. But yes, we can send that along.

SENATOR GORDON: Okay; thank you all very much.

I want to bring up another panel, and that will consist of Adele LaTourette; Jessica Abreu; and Jon Whiten, from New Jersey Policy Perspective. If you could come up, identify yourselves and your organization before you present your testimony, we'd be grateful.

ADELE LATOURETTE: Good morning.

SENATOR GORDON: Good morning.

MS. LATOURETTE: My name is Adele LaTourette; I'm the Director of the New Jersey Anti-Hunger Coalition. I want to thank the Chair and Committee members for inviting me.

I am here today to talk about SNAP. I apologize for not having written testimony; it's sitting on my coffee table in my haste to get here.

And I want to talk specifically about the most recent change to SNAP, which was the change for the Able-Bodied Adults Without Dependent Children.

And I will start with data -- which is, we have no data. And this, in and of itself, has been a large problem. The New Jersey Anti-Hunger Coalition has been really trying to raise awareness of the issue of the ABAWD change, and the fact that it's definitely going to lead to an increase in hunger. And we've been searching for people who have been impacted by this change, and we have struggled to find them. It seems to me -- and I've been doing this for a long time -- that what's happening to the ABAWDs is kind of what happened to TANF when the five-year time limit went into place -- which is, that people are kind of disappearing. We don't know what exactly they're doing; we have yet to really see an uptick in terms of the soup kitchens and the food pantries. We know that's going to happen, because it's inevitable. And I will just say, charity was never intended to and cannot pick up the kind of numbers that we are potentially seeing in terms of the numbers who are going to show up at our doors.

But it's a huge problem to not have this data. We have not heard from the Department about what they are seeing, or what they are not seeing, in terms of ABAWDs. The implementation of the ABAWD rules was staggered, so different counties have come on at different times. So between the work requirements and the time limits, those are taking place different times in different areas, which may be complicating things; I'm not 100 percent sure. But the fact that anti-hunger advocates don't have access to really look at what the impact has been, has been an enormous problem.

And we are seeing the ABAWD change on top of the Heat and Eat cut, which was really devastating to, particularly, the senior and disabled populations. And that did cause and has caused an increase in the number of people being served at food pantries -- primarily food pantries -- because of that population.

So this is, I think, for us -- it would be so important for the Committee to ask the Commissioner just to give us a picture of what it is they're seeing in different counties; and what they're seeing in terms of compliance, noncompliance, and people who are actually just coming up against the time limits.

SENATOR GORDON: Okay; thank you.

JESSICA ABREU: Good morning. My name is Jessica Abreu; I am the Program Manager for Emergency Shelter for Passaic County Women's Center. We serve women and children who are displaced due to domestic violence or sexual assault.

One of the things that we've seen -- the trend that we've seen is that a lot of our women are being seen by workers who are not trained in domestic violence. Therefore, when someone comes in and says, "I fled my home because it wasn't safe," the social worker wants to know, "Why couldn't she come up with a different plan?" You don't plan to run out of your house with your children. Every family and every case doesn't look the same as it does on TV, with bruises and running in the middle of the night. But we do have a lot of women who come to us; 95 percent of the women who come into shelter genuinely have no other option. We are rock bottom, and we are their safety net. And when they call the hot line, we tell

them, “We will do the best that we can to advocate so that you can get the services that you are eligible for.”

But eligibility has become so subjective that it’s frustrating. Because when I call, as an advocate, I ask for regulations. I am educated; I know how to read; if you explain it, and you tell me these are the regs, we will follow them. But what we’re met with on a day-to-day basis is, depending on the social worker who gets the family, the outcome will be according to how she’s feeling. The social worker-- We have what’s called the *Family Violence Option Waiver* for victims who go to apply for TANF or Emergency Assistance. And the waiver is completed by a domestic violence-trained employee in the lead agency for the county. That waiver will then-- We will dictate in the waiver what’s the likelihood that the victim will be subjected to greater danger if she has to comply with the TANF or EA requirements. So we rate from low to high. If the woman is rated *low*, it means that she can comply with all of the requirements for TANF. It does not mean she’s not a domestic violence victim; it does not mean she is not homeless. But if we rate her *low*, she is denied. She is immediately denied Emergency Assistance and cannot apply for any other emergency assistance for six months.

I’ve been in this work for 11 years. In the last six months, three out of five women get denied. I had one woman in particular who went in June; her daughter was raped by her husband. So she called the police, he was arrested, and DCP&P got involved. Her landlord didn’t like the comings and goings of all these people, so he kicked her out.

When she came to us and we sat her down to apply for EA -- which she had never applied for -- she was denied. The worker said she

created her own homelessness by not following the rules of the landlord. "It's his home, and she should follow his rules." (laughter)

We did go to Fair Hearing; she did win. It was overturned; she was granted the EA. But let me tell you -- she was granted, but she was not free of the revictimization, the shaming that was tied to that. To have to sit in welfare and explain to a very educated social worker -- she just doesn't understand DV -- that you fled because your husband raped your daughter, you couldn't stay. And what she said to me was, "Maybe I should have told DCP&P to meet me at the library."

We had another client recently who came in with twins. Her abuser attacked her in the car; he kicked her out of the car. She came to the shelter extremely battered. I haven't seen that in a very long time. She was battered; the police told her it wasn't safe to return home. And of course, they work in the same place, so she got fired from her job because he had a higher position. So now she's without a job and homeless with us. When we sat her down to apply for EA, she was denied because she told the worker that she took her children to see their dad on the weekends; therefore, she's no longer afraid of him, so she cannot apply as a domestic violence victim. So she was denied.

This woman had lived in the United States for eight years; had never applied for TANF, had never applied for food stamps, had never applied for EA. This was the first time she was asking for any help, and we did nothing, absolutely nothing.

And she left me with money that she received from her income tax returns. She moved out. But when she moved out, she left all of us marked, because her answer to me was that we should stop lying to

survivors. We should stop telling survivors that we can help them get out, because we couldn't. She got out on her own because she had income tax returns, not because the State did anything to protect her or her children -- because she would not lie about her fear. She could not live with a man who would batter her, but she saw no problem in taking her children to see him, the way that the judge had mandated she do. And she was still punished.

So when I hear the statement from the Commissioner, she's talking about there are other options. There's Rapid Rehousing; there's Continuum of Care. There are. But domestic violence victims have no concessions. I sit on the Executive Board for our Continuum of Care program in Passaic County. All monies go to someone who is chronically homeless or disabled. I am not here to say that population is not valid; they are, and it's huge. But domestic violence survivors are not all chronically homeless or disabled, but they can't get any of those funds.

Then we have Section 8. Yes, we got a lot of new vouchers; and a 10-year waiting list.

Then we used to have the SHE Program -- the Shelter Housing Exit Program for survivors of violence, which could substantiate their income. That was eradicated about two-and-a-half years ago; it's been gone. So there is nothing that is specifically for a woman who is trying to escape violence.

And now, with these strict regulations to be eligible for Emergency Assistance, it's almost impossible for me to say that there's a realistic solution or option for her. And going back to live somewhere where you're afraid to go to sleep should not be the option. And a 23-year-

old social worker who knows nothing about domestic violence should not be the one making that decision.

So when I sit here and I listen to this, first of all, I'm very happy that we're here. It's the first time in 11 years I've had the forum to speak for these women who cannot speak for themselves. And it's my brightest professional moment, because we have a voice. They're there; they're the biggest -- they're the second-biggest population of homeless people: survivors of violence. The numbers haven't gone down; the denials have gone up. So I would love to see the denial numbers being produced. But when they're being denied right at the first window, there's no paper trail. Show us that, and then we can have a reasonable conversation about whether things are getting better or not.

Thank you for your time.

SENATOR GORDON: Thank you for your very significant comments. I think I speak for everyone on the Committee -- that we will try to amplify your voice.

Senator Weinberg, do you--

SENATOR WEINBERG: I'm sorry; are you finished?

SENATOR GORDON: Yes.

SENATOR WEINBERG: Okay.

Thank you.

Just for my own edification, what is the Passaic County Women's Center?

MS. ABREU: Passaic County Women's Center is the lead domestic violence and sexual assault agency in Passaic County. And when I heard you speak of Bergen, I got very excited. We work very closely with

Bergen County. They are an excellent program, and I would love for us to eventually be able to emulate the transitional housing program that they have. We work very closely because they are our sister county.

SENATOR WEINBERG: So are you actually a county agency?

MS. ABREU: Yes, we are the lead county agency.

SENATOR WEINBERG: Oh, okay. You know, I guess we're all trying to become authorities too, on regulations.

SENATOR GORDON: Yes. (laughter)

SENATOR WEINBERG: Thankfully, to our professional staff.

And I agree with what you were saying, certainly, about issues around domestic violence. I find it really peculiar that if children do get to visit the other parent, that is construed that domestic violence has been solved, along with homelessness.

But it says in here -- and this is from the Human Services regulations -- "Emergency assistance is likewise available in situations where there is an indication that an individual or a parent and his or her children have left their customary residence and the unit is in a state of homelessness due to eminent or demonstrated domestic violence which imperils the health and safety of the eligible unit." I don't exactly know what the word *unit* means.

MR. MAGYAR: Yes, family unit.

SENATOR WEINBERG: The family?

SENATOR GORDON: Family unit?

MR. MAGYAR: Yes, yes.

SENATOR WEINBERG: Just a strange word; sorry. Maybe if they used the word *family* it might help. (laughter) I know I'm looking at

you; you're not responsible. (laughter) Just a little comment. If we talked about *families* rather than *units*, perhaps that would be helpful.

And I agree with you; I mean, sometimes the interpretation--

MS. ABREU: That's where the issue is.

SENATOR WEINBERG: --of these kinds of rules -- I won't make any comment about the age of the social worker that you talked about. But certainly there can be a better interpretation of the rules and regulations governing this.

MS. ABREU: We have a domestic violence--

SENATOR WEINBERG: And you know, this is the part where-- I'm sorry; I got a little bit upset about the lack of having a Commissioner sitting at this table to hear all of this, firsthand, and perhaps answer any questions we might put to her directly. I've expressed my frustration; hopefully, we'll get back to it.

But thank you for being a voice. I'm sorry that it took this long for you to have a forum to speak. (laughter) But thankfully, to our Legislative Oversight Chair, we've really gotten into some of these issues in depth. So thank you for being here.

MS. ABREU: Thank you.

SENATOR GORDON: Mr. Whiten.

J O N W H I T E N: Thank you, Chairman Gordon, members of the Committee. I appreciate you having us all here today, and for your attention to these important issues.

My name is Jon Whiten; I'm Vice President of New Jersey Policy Perspective. And I'm going to focus here specifically on the adequacy or inadequacy of TANF and the assistance levels therein.

But first I want to respond, if I may, to the written testimony that the Acting Commissioner sent in, because I think it suggests that there's a little more context that's necessary.

The Commissioner pointed to a 5.2 percent increase in household incomes from 2014 to 2015 as proof that the economy is recovering and that, therefore, it's no surprise we're seeing these caseloads declining. That's a national statistic. In New Jersey, the increase from 2014 to 2015 was 0.3 percent in median household income. That was the lowest in the nation. And we've had stagnant poverty rates. A more apt comparison would be to compare where we are in 2015 to 2007, before the recession.

So quickly: Poverty is 26 percent higher than it was in 2007; child poverty is 34 percent higher than it was in 2007; median household income is down by 6 percent since 2007; and the unemployment rate is up by 12 percent since 2007.

So to suggest that these decreasing caseloads are merely a natural byproduct of a booming economy is misguided, to say the least.

That said, it's also an issue that's much larger than one Administration, or the last six years, the last seven years. There's a long history, particularly for TANF, of neglect of this program.

You know, Senator Weinberg, before you mentioned the decrease in enrollments, I think, from Fiscal Year 2012 to the past year. But what we've done at NJPP is taken an even longer look. So if you compare 1988 to 2015, you've seen an 81 percent decrease in people being helped by TANF. It used to serve over 300,000 a year, and now it's under 60,000. There are a variety of reasons for that; but there's a reason I picked

1988, and that's because 1987 was the last time the assistance level was increased. So we can all think back to 1987 -- whatever we were doing then; the bottom line is, things cost a lot less in 1987 than they do in 2016. Yet for these families with children, they are still only able to receive \$424 a month maximum for a family of three. So that \$424 in 2016 is going to get you a lot less far than it did in 1988. In fact, it only gets you 25 percent of the way to the Federal Poverty Level in 2015 -- the \$424 maximum benefit for a family of three. Not suggesting that TANF benefits are designed to be a permanent replacement for income and get people permanently out of poverty, but clearly when you're that far behind, how are you supposed to lift yourself out of poverty when you're struggling to meet daily bills?

So 29 years of stagnation in TANF assistance levels have obviously hurt the tens of thousands of families and their kids who are able to use the program. But it has a secondary effect in that it's keeping tens of thousands more families from accessing the program. The reason why is eligibility is tied to the benefit level. So, in most cases, if you make 150 percent more than the benefit level, you're not eligible. So if you're in New Jersey, you're a family of three, you have earned income of \$10,000 a year -- \$10,000 a year -- you're still desperately poor, but you're not eligible to get any temporary assistance to get out of poverty. So those families are not only losing out on the cash assistance -- which is important to meet the daily bills, pay the rent, make sure you don't fall further behind -- they've also not been eligible to connect to the work supports, the childcare supports, transportation supports, the Emergency Assistance -- all of these other programs that are pulled in through TANF in an effort to lift people

out of poverty and promote economic independence. All of those programs are reaching fewer and fewer people every year.

In fact, in just the last two years -- let's find this number here -- the number of families receiving education and training services through TANF just dropped by 46 percent in just the last two years. So those training programs may be great; maybe there are problems with them. I'm not sure, that's not in our purview. We're looking at the big picture here. But what good are they if fewer and fewer people can access them? And the number of families receiving emergency assistance through TANF has dropped by 58 percent over that same time.

I think it's beyond time that New Jersey raised the benefit level in TANF. And I'm thankful to the members of this Committee who helped pass legislation this year, in a bipartisan fashion, to increase the TANF benefit level by 30 percent over three years, and then tie future increases to inflation so these families don't fall further back down the hole.

Unfortunately, that legislation was vetoed by the Governor, but my message here today is that I hope that you all don't forget those families and keep fighting for them, moving forward.

I appreciate your time.

SENATOR GORDON: Thank you very much, Mr. Whiten.

I mean, listening to your testimony and hearing about changes that have been in place since 1987 suggests to me that what we may need to do here is just totally revamp these programs. I mean, it's a generational thing. I think it really is time to just take a fresh -- go back to the white board and just start over.

I'd be interested in comments that any of you can make about whether there are states that that are doing this right; are there best practices that we can look at? I mean, there's no need to reinvent the wheel here if New York, or Massachusetts, or a comparable state has found a way to address these problems effectively.

MR. WHITEN: So in terms of administration of the programs, I'm not certain -- there might be other experts here today who could talk more about how other states do their programs better. In terms of sheer funding and benefit levels, I could tell you that New Jersey has the lowest benefit level in the Northeast; New York state's is about twice the level of New Jersey's. And if you consider the cost of housing, 40 states offer more generous benefits than New Jersey, including states like Kentucky and West Virginia.

So I think there are administrative issues with the programs; and maybe there is a need, as you suggest, to sort of rethink and redesign the entire system. But there's also a need for the State to invest in these programs and to make sure that our budgets are a reflection of our priorities. And if our priorities are to help these people, we should find the money to do so.

SENATOR GORDON: You know, I'm just wondering whether the decline we see in some of these numbers is a function of people leaving the state for areas where the benefits are more generous. I mean, we hear a lot of talk about people leaving the state because of differential tax rates, and the price of gasoline, and other things. You know, people are economic creatures and they respond to signals like benefit levels, you know? And I'm just wondering whether there's any merit to that idea.

MR. WHITEN: I'm not sure how much merit there is. I mean, anecdotally, it would make sense; but then again, you have to think that these are people who are really at the very bottom rung.

SENATOR GORDON: Yes.

MR. WHITEN: And their mobility is incredibly limited, so--

SENATOR GORDON: Yes.

MS. ABREU: I know, for us, a lot of our clients have started to go into New York; because in New York, once you are in the shelter system and you are a domestic violence survivor, it is easier to get into Section 8 housing than it is in New Jersey. In Passaic County, the list -- there is a 5-to-10-year waiting list. So I mean, there's little hope for Section 8. But if your options are limited, New York seems to be the more common area now.

MS. LaTOURETTE: I think in terms of SNAP, there are definitely states that are doing it better. I think there are some really quick fixes, and I do think so much of it is philosophical, in terms of what the Administration prioritizes specifically in SNAP. We could apply for the waivers -- for the ABAWD waivers that we have applied for historically, kind of forever. We could have actually kept the Heat and Eat program intact. That would not have been a huge heavy lift, contrary to opinions. There are states that actually help out-- College hunger has been on the rise. You may have been reading about it; it's been kind of bubbling up in the media in different places. There have been states that have been making efforts to increase access to SNAP to college students.

So I think absolutely we could do much better in SNAP. I think it just takes a willingness to really look at what all the options are,

and piece it together to make it the most effective program to reach as many people as possible.

The New Jersey Anti-Hunger Coalition does have a couple of legislative proposals we will be bringing to the Legislature in terms of SNAP and how to increase access, and how to really look at it in a different way. So absolutely there are opportunities there.

SENATOR GORDON: I'm reminded by your reference to the waiver that we also walked away from a significant amount of Federal money, did we not?

MS. LaTOURETTE: I believe the number I recall was -- it was millions of dollars; it's millions. I mean, SNAP is a huge economic stimulus program. And to make the choice to really leave all that money -- all that Federal money on the table back in Washington, I think was not a particularly wise economic decision.

SENATOR GORDON: Do any members of the Committee have some questions for this panel? (no response)

We could discuss this all day, I'm afraid. And we certainly want to follow up with you as we consider what the policy options are. But I want to thank you three for being here, and I'd like to bring up the next panel.

Thank you very much.

MR. WHITEN: Thank you.

MS. LaTOURETTE: Thank you.

SENATOR GORDON: The next panel will consist of Steve Leder, Kent Pipes, and Jay Everett.

Thank you all very much. Please proceed; whoever would like to start.

S T E V E N L E D E R, Esq.: I'd like to thank you, Senator Gordon, and members of the Committee, for this hearing.

I submitted written testimony that basically deals with the issues that have occurred since July 5, 2015, when the program instruction came that basically changed the EA universe in regard to Emergency Assistance. I'm going to relate all my comments to Emergency Assistance, because actually this has been a long time, and personal to me. I work with clients all the time; I'm a Direct Service Worker. I see people who are devastated, who end up going into the streets, sleeping under bridges because of this situation. And I've been involved, policy wise, on this for a very long time.

Approximately 20 years ago, I was in this room testifying before the Assembly Appropriations Committee regarding this exact same issue. I was the last person who testified that day, about 6:30 in the afternoon. And it was really-- There was a huge amount of tumult and moving around, passing this. No one even knew, when this was passed, what this 12-month situation was. Because what happened is there were two opposing bills that came out: one was this 12-month limit, and the other one was following a directive of the Supreme Court that was done in the case of *LT v. The Department of Human Services*. That was in 1993. And I think, if you give me -- if you indulge me just for a few moments, because I think it's important to get a historical perspective of this.

Back in 1993, the Department of Human Services had put a time limit on the amount of Emergency Assistance you could be given.

There was a case brought against that for General Assistance clients who were homeless. The Supreme Court said, basically, that-- And I think this goes a little bit to what Senator Thompson was talking about in terms of *temporary*. It said, in one sense, "To denote such a program as temporary rental assistance makes sense because the program contemplates an active effort by the administrators of the program at the local level to put the claimants on their feet by finding employment for the employable and securing disability benefits for the unemployable." Okay. "However, we do not read the legislation as contemplating that at the end of the year" -- because the Department of Human Services said a year -- "that EA recipients shall be returned to the streets even though they have made every effort to turn their lives around."

Basically, they catalog-- And I think it will be of everyone's interest to read this case; it's very short. But it basically talks about that the State of New Jersey does not condone-- "In the absence of such a mandate," they're saying -- because they said if the Legislature did offer it, then they could put a time limit in -- "But in the absence of such a clear mandate, we believe that the Legislature intends that the GA program be administered in such a way as to provide temporary shelter for the most needy of our citizens. A regulation that terminates TRA without a fallback provision for shelter conflicts with that purpose." And that is the problem; there's no fallback position. GA and EA is the last rung of the social safety net. It is in tatters; there are people.

Now, I understand there's an economic driver saying that there has been improvement. There has been --10 percent or so less homeless, studies have shown in the last year. But there's been a 45 percent decrease

in EA funding. Why is that? Interestingly enough, a few months after the program instruction-- I'm going to step back one more step. I'm sorry; I apologize. After the legislation was passed, Commissioner Waldman, who is a phenomenal person, did a speaking tour around to all the advocates, and he said -- I've known him for years -- he said, "There is going to be a fallback position. We are going to create a fallback position. And the way we are going to do it is through the implementation of pilot programs." So somebody who has done everything that they are supposed to have done, but still does not have housing and shelter, will be provided with such.

So Commissioner Waldman said, "We're going to do these pilot programs." Now, these pilot programs were done; and when people-- I have a lot of clients who are on SSI with mental health disabilities, developmental disabilities, also substance issues. When that happened -- what happened is, these pilot programs were the safety net. They became the lowest rung of the safety net because it was only 12 months with a 6 month extension on EA. The problem was that, on July 5, 2015 -- that was the last of the pilot programs; the HHE/HAP pilot program. And when that happened, the safety net fell apart.

And in the three or so months after that happened, we were seeing calls all the time. You know, I had a client on SSI; she was very, very disabled. She has since passed. But at least, you know, that was her saving point. Luckily, the Commissioner, to her credit, on December 5, did a new program instruction for an intensive case management program, and it's referred to in my testimony; I don't want to bore you with that. But when that happened, that at least laid some reappearance of the safety net; but who knows how much and where?

Now, I'd like to refer now to just a couple of ideas. There are some solutions, small-bore solutions that can be done. Actually, advocates are working with some legislators on some possible legislation right now that -- and if you have any interest, I can go through it. I've gotten permission to talk about -- that may, in some ways, help with the safety net issue. It's not going to solve the whole problem, but at least it may stop some of the difficulties. Because we see people who end up-- And you have to remember, and this is the most important thing. All the secondary sources that deal with the non-categorically eligible people -- the unemployed, unemployment insurance, workers comp, Social Security Disability benefits -- all those agencies that work with those populations, if you are categorically eligible -- GA, SSI, and TANF -- they tell you to go the Board of Social Services first. So now you're going to have to get a denial before you can even get to them. And you may have a landlord/tenant case that's next week; or you may have a housing situation that's immediate, okay? Because of that, there's a delay in time. But many of my clients are getting the denials of, "You've used up your 12 months," and then they're being referred to the secondary sources. And there's no way for them, in many ways, unless they get temporary rental subsidy or some sort of help, that they can maintain their housing at this point.

So the idea of this 12-month limit has gone back to 1996. So if somebody-- And so we're seeing more and more of it happening. There was that big drop-off in August and September of 3,000 people -- it hit the newspapers -- when they were dropped out of the program. But now there's a trickle effect that keeps going down. Because a person may have used up 10 months of Emergency Assistance in 2004, or 12 months in 2005. And

now they go back to the Board of Social Services, and guess what? It's a lifetime cap; it's a lifetime cap. These people are making \$764.25 on SSI; they may be making \$322, \$424 in TANF; or \$210 in GA. To expect that they won't have reoccurring emergent conditions is ludicrous; it's going to happen. And what needs to happen is to have a quick response. Just as Judge O'Hern said, "The duty of the Administration and the duty of the government is to assist them in getting out of that situation as long as they're doing everything that they are being asked of and required of."

Thank you.

SENATOR GORDON: Thank you very much.

KENT R. PIPES: I'm Kent Pipes; I'm President of the Affordable Homes Group, which is a family of five different nonprofit companies.

I thought I would start my testimony with telling you how I got into the business. I interviewed to be Pastor of the Presbyterian Church in Willingboro in November of 1977, moved here in 1978, and have been working in New Jersey for the last 38 years.

One of the questions that was asked of me when I interviewed that November day in 1977 was, "If you come to be our Pastor, will you be able to help us get rid of the man who has moved into our Sunday school classroom when he was homeless, and now won't leave?" Homelessness preceded me in New Jersey. But somehow in Burlington County, I get blamed for being the cause of homelessness, because I advocate so strongly for people.

I have found, over the years, that homelessness is really not a housing problem. Homelessness is caused by something else, and it's that *something else* that needs to be addressed. Without vibrant programs in this

State, we will never solve homelessness, because homeless people living in an unstable situation will continue to cycle in and out of homelessness over the years.

One of the things which I tell people is that the root of much of what I see in the state is based upon the faith community's commitment to the poor. And one of my Lutheran friends said to me one day, "We need to reshape and reframe the discussion. We should not ask government to help us; we should offer the government our help, because together we can make it work." And that's why I come here, because I know you have a concern about Emergency Assistance and other governmental funded programs. But you're not being asked to solve the problem. We'll work with you, but we can't do it alone.

One of the things that bothered me is, I served on the Governor's Task Force to End Homelessness, and when we issued our report in December of 2015, I thought we had worked to create a plan that we could implement in this state that would make significant progress. Little did I realize that, six months later, the Emergency Assistance crisis would start to envelope, because the program regulations were now not new regulations, but they were being interpreted in an exceedingly more scrutinous way. Our population in our program at that time numbered about 350 people living in over 100 scattered-site housing units, from Bordentown to Atco, New Jersey. Over the 12 months preceding that date, we housed 763 different people in our program. Now we are annualized at around 418 for this calendar year. We saw a 40 to 45 percent drop in people being placed in our agency for emergency housing, which was really a continuous housing-first approach, because they were being denied. Our

call level went up, on a daily basis, from zero -- because we only took referrals. Now people were told, "Oh, call the Affordable Homes Group. Maybe they can help you." So we began to spend hours every day responding to people who had been to the Board of Social Services, been denied, and now we were asked to try to help provide housing with no additional resources from the State.

Fortunately, we've been able to buy homes in this marketplace without any government assistance. We just added five additional housing units with no cost to the State of New Jersey because we bought foreclosures that were dirt cheap. We are missing an opportunity to solve homelessness because the investors are buying these foreclosures and making millions off of them while we sit by and let it happen. As nonprofits, we can't get access to enough capital.

So in addition to the cutback that's affecting the residents, we had to lay off six staff members -- three social workers, two support staff, and one maintenance worker -- because we had to take-- In December of a year ago, our population dropped, so we had 20 vacant houses that we had to convert over to rentals. And fortunately, we were able to rent those at below-market-rate rents and provide affordable housing to some folks.

But let me just tell you--

SENATOR GORDON: If I could just interrupt. I just want to clarify something.

So you're saying that the denials are increasing; and yet the calls and other signs that the problem is only getting more severe are increasing? I mean, is--

MR. PIPES: Yes.

SENATOR GORDON: That's what you're reporting.

MR. MAGYAR: Yes.

MR. PIPES: We're responding as an agency to people who are told, "If you can't get help at the Board of Social Services, call the Affordable Homes Group. They have affordable housing." But without government assistance, even the houses that we've been able to buy in the marketplace previously, people could not afford. But today we're able to buy them and to rent them after they're fixed up at less than fair market rents. So we're able to help some people. But in our last point in time count, out of a 1,000 people who were homeless, 90 percent of them had incomes of less than \$1,000 a month. How are we, as a society, going to end homelessness without resources to either make housing available as a capital subsidy for the provider, or as a rental subsidy for the consumer? Twenty percent of them had incomes of less than \$200 a month. It is fiscally impossible to end homelessness without an increase in resources.

And those folks who are being denied Emergency Assistance are being forced into very unwelcome situations. I've learned, over the last 30 years, that homelessness has a direct correlation to trauma. People don't choose to be homeless. They're homeless because something happened in their life, and now they're unstable. And trauma-induced social work is the industry standard now for responding to homelessness. It's not housing. It's good, competent, comprehensive social services supported by adequate, decent, well-placed, and affordable housing.

We will fiscally bankrupt this State if we don't change the current situation for the children growing up. We're only fooling ourselves. A child who has a decent place to live and goes to a decent school has a

future. A child whose mother or two-parent family has to move around from place to place and is forced to live in substandard housing with bad schools is a great financial risk to our society. I'm deemed to be a social liberal, but I'm really a fiscal conservative. I want to do the right thing for the kids today so that they can have a future and we can end homelessness 20 years from now. We're only kidding ourselves if we don't do the right thing the right way.

So I'm appealing to you that you need to look at the regulations that are squeezing people out and denying people the assistance they really need. Because we're going to leave for our children and our grandchildren a state that even has greater problems -- with incarceration and other social ills -- if we don't address the problem of homelessness the right way, right now.

SENATOR GORDON: Thank you very much for that compelling statement.

JAY EVERETT: Thank you, Senators. My name is Jay Everett; I'm from Monarch Housing Associates. And Monarch is a statewide nonprofit. We work with 17 of the 21 counties in the State, and 12 of the 16 Continuums of Care. We also coordinate the NJ Counts point-in-time count for persons experiencing homelessness throughout the state.

And I just wanted to clarify one number that was stated earlier about the point-in-time count, just for context. It was stated that the numbers, overall, in the point-in-time, in 2016, were deduced or reduced by 12 percent. But the number of unsheltered persons who were counted -- those who are living in a place not meant for human habitation -- went up 48 percent over the 2015 numbers. So please bear that in mind.

Our Ending Homelessness Team at Monarch assists each different community that we work with to develop a housing crisis response system. And I think that that's what a couple of you Senators were talking about -- making sure that the emergency housing crisis can be dealt with; and then also passed along to permanent solutions, to help folks maintain and obtain that permanent housing solution for the long term.

So in order for these local housing crisis response systems to work, and to actually end homelessness for folks, every part of the system is integral -- each partner, provider, funder, stakeholder, and consumer; the whole Continuum of Care, as we call it. Our partners across the state in every community have related to us just how integral funding for Emergency Assistance is to help quickly shelter and house those experiencing homelessness.

Two major issues caused by recent changes to the EA programs are slower admissions to the EA systems and those program benefits; and a reduction in the number of homeless residents being determined eligible for emergency housing benefits, but no reduction in overall need.

The Continuum of Care agencies across the state are working to reduce the length of time people spend homeless. Just like Mr. Pipes alluded to, trauma-informed care. We want to reduce the amount of trauma that each household is experiencing, and reduce the length of time that people spend in homelessness so we can quickly end their housing crisis.

The Emergency Assistance program, including the Immediate Need Housing Benefits, is a key resource for responding quickly to these housing crises for households. However, although the only requirement to

qualify for this Immediate Need Housing Benefit is a sworn statement signed by the applicant stating that he or she is homeless, many homeless households with little or no financial resources are required to obtain notarized letters from people they have resided with, or are not given the same-day decisions as required by the statute for Immediate Need.

With regard to general EA housing benefits, burdensome documentation requirements, such as notarized letters; case workers that fail to assist claimants with obtaining the requested documentation; and a failure to make eligibility decisions in a timely manner delay program admissions. This bureaucracy keeps people homeless longer than they need to be. It means persons living temporarily in emergency shelters, hotels, and motels are kept homeless longer because the burdensome eligibility determination process delays their ability to receive other aid benefits, like Temporary Rental Assistance, where they would move into housing.

It also means that people who can't access shelter without Emergency Assistance benefits are forced to stay in the street, in their cars, or in another place not meant for human habitation, for a longer period of time. These delays prevent each Continuum of Care from operating as a true crisis response system.

Another issue is that the stricter interpretation of the eligibility criteria for the program has reduced the number of homeless persons who can receive Emergency Assistance in these communities, but it has not reduced the number seeking help. This means that homeless persons can't access many housing services that can only assist clients who have EA benefits, and it strains the capacity of other programs in the housing response system, such as emergency shelters and street outreach teams.

When EA is not given in a timely way to eligible applicants, Boards of Social Services caseworkers are also expending the more flexible Social Services for Homeless Persons funding, which is a more flexible funding source and it's precious and in too short a supply to be then used in excess for EA-eligible folks. It means that it can't be used as effectively for other homeless households that are not EA eligible.

Unfortunately, the reduction in EA eligibility determinations also impacts other costly systems where vulnerable homeless persons can end up, such as emergency healthcare and criminal justice systems. I think we heard a couple of examples of that in other folks' testimony. One reason for the recent reduction in the number of homeless persons being deemed eligible is that determination of which individuals and families "caused their own homelessness." And I think that I want to echo the sentiment stated earlier about how much discretion is given to independent caseworkers in making those determinations, versus the actual regulation which provides, in one example, that workers must adequately consider whether a claimant had the functional capacity to avoid becoming homeless when the claimant has a documented mental health, cognitive, or substance abuse issue, even though they're trying to address these factors.

So with our partners across the state, we affirm that the Emergency Assistance program is an absolute key resource for helping households experiencing homelessness in this state to quickly end their housing crises.

And in closing, I would like to thank you all for the work that you're doing to shape policies and make these more effective solutions for serving all who are experiencing homelessness. I know that these are

difficult things to get to the bottom of, but thank you for giving us the opportunity to share this information with you.

SENATOR GORDON: Thank you all for some excellent testimony.

What I'm hearing is, effectively the safety net is in tatters; that the declines in the recipients may well be supply-driven; and by that I mean increasing the eligibility requirements, allowing individual social workers to make a decision; as opposed to some better process, as opposed to being demand-driven. The demand is clearly, based on what you're saying, increasing, but program participation is declining because of what I would consider these bureaucratic policy-driven factors.

And it seems to me that what we need to do, as a State, is really take a fresh look at this. I know we seem to do that every few years and start over, and do another study. And we probably come up with a number of the same recommendations; and it can be very, I'm sure, frustrating to people who are in the field working in this area over a long period of time. You see these waves of reform that never seem to get implemented.

I'm hopeful that, perhaps, we can turn a corner on this. We heard some -- just heard some good ideas about using foreclosed properties to address some of our housing needs. And maybe there's a legislative fix in there somewhere, using the State incentives; I don't know. But clearly we're taking a first step here, and I'm pleased that we have this body of knowledge out there that we can use to try to find some solutions.

Any members of the Committee with--
Senator Thompson.

SENATOR THOMPSON: Mr. Everett, you indicate that the burdensome documentation requirements necessary to get Emergency Assistance results in people being homeless longer than necessary. I don't know what documentation is required, but what is your solution -- proposed solution to this, i.e. should they-- Just a person comes in and says, "I'm homeless, I need it, and that's all I need to do; and therefore, you have to give it to me?" Or what do you do-- Is the documentation that burdensome, and so on, etc. Or if it is, what do we do about it?

MR. EVERETT: It's a great question, Senator.

One thing that I would suggest is that with that question of individual caseworker discretion, that the regulation be refreshed in some cases to folks who are interpreting -- especially that immediate need clause of the EA provision -- correctly. So basically this immediate need section of the WFNJ states that if you can certify and you swear and sign that you are homeless, that you are eligible for immediate need services pending your EA determination. And in some cases, that is not what is happening, in certain cases. Folks are not getting that same-day determination that the statute requires. And if they can't access EA on that particular day, they may not have a place to stay that night, for instance. So that's one example -- just going back to making sure that even the existing regulation is utilized appropriately.

SENATOR THOMPSON: Thank you.

For the gentleman from the Community Health Law Project, you indicate that rationales have been used by the Division of Family Development for many years, but we are seeing them used more frequently as a basis of denial. I assume your conclusion there is correct. But then

that leads me to the question of which-- Obviously, somebody is doing something wrong; whether they did it wrong before, or now. Thus, were they being too lenient in regards to the rules and etc. before, or are they being too critical now? Or is there somewhere in between that they should be?

MR. LEDER: Thank you, Senator.

If I understand, Senator-- Yes, you're going from my written testimony, I assume.

SENATOR THOMPSON: Right.

MR. LEDER: Yes, the problems that I -- it was the second-to-the-last paragraph -- it's much more subtle in nature. I mean, basically the regulation has stayed the same for many years. It says-- It talks about beyond circumstances, beyond the control and realistic capacity to plan in advance. It's just, maybe, an interpretive changeover. And the question really comes up, much more so -- is you have people who I have indicated earn very fragile incomes. You'll have somebody who is, let's say, on SSI getting \$764.25, and their rent is \$650 a month. And something happens; there's a funeral of a relative they have to go to, or something else. And they mistakenly don't pay the rent and fall behind. They're going to say, "Well, those were circumstances within your control." And they're taking a more-- It seems -- it appears they're taking somewhat more of a narrow viewpoint on that.

The other thing that we also do see is that a lot of my clients have what is called *functional incapacity*. Functional incapacity, as the gentleman just indicated, is some problem that does not allow them to make, maybe, a judgement. I've had a number of clients who, because of

substance abuse, or mental health, or other reasons, make a bad judgement. And the answer, really, on that functional capacity, is that gets you over that failure to plan. But if they don't come with advocates, a lot of times they don't make that case or have that understanding.

And there is a program instruction that was put out in 2005 that directly -- in accordance with the ADA -- says you really need to, sort of, search for that kind of disability that caused that homelessness. And I will tell you, in the last 10 years I have saved so many hundreds of people, because what will end up happening is I will get EA for that person; and that EA will allow that person -- he may need a payee, an agency to make sure that they monitor their Social Security benefits so it doesn't happen again. Because the idea of the ADA is not that you just get help; but a reasonable accommodation requires you come up with a solution. And that's been done for many, many years.

I think the bigger issue, though -- and I did put it as the second more subtle effect -- is the first one. That person who is coming in for EA doesn't get in the door because, when they look it up, they're saying, "Hey, you used up your EA 12 months of eligibility back in 2006, and now you're out; you're over your numbers." And there's no pilot program, safety net program. In fact, this year earlier a proposal for a safety net was done. And the Senate passed it, 37-0, and the Assembly was 49-17-6, I believe. It was Senator Sweeney's legislation to get permanent housing, which would have essentially been the safety net, okay? That, unfortunately, was vetoed by the Governor.

But that is the solution. Either you're going to set up a safety net, or you're going to have to revamp the whole system because the bottom rung -- people are being turned away at the door.

SENATOR THOMPSON: Yes, but my basic question was, again--

MR. LEDER: I'm sorry.

SENATOR THOMPSON: --the requirement that they consider the same factors that were there all along as they are now, I think.

MR. LEDER: Yes, the same legislation--

SENATOR THOMPSON: My question, before you answer it--
(laughter)

MR. LEDER: Yes.

SENATOR THOMPSON: My question was, were they being too liberal in the past in saying, "Okay, go ahead anyhow;" or are they being too stringent now? That was the basic question.

MR. LEDER: Tough question. I would think that they are being stringent now. And the reason I say that is, I go back to Justice O'Hern back in 1993. To err on the side of compassion is not a vice. This is not -- I'm sorry; this is me -- it's not a vice, but a virtue, okay? If you know this person is-- Get them in the system. If they don't do everything that they are supposed to do, then they can be sanctioned or terminated. But don't let them be homeless because of some technicality.

SENATOR THOMPSON: Thank you.

MR. LEDER: This is my personal opinion.

MR. PIPES: Senator, if I may.

Let me just describe the process that went on in Burlington County after the audit. The State then sent a representative to the Board of Social Services to sit with the staff and review what they were making as decisions, based upon their interviews. And then later the cases had to be sent from Burlington County up to the Trenton Office to be reviewed by a third party, who was not there at the present interview and knew nothing about the dynamics or the look on the person's face when they were answering a question, the shakes when they were scared. They were making these decisions independent and remote; and I think that in itself was a significant part of the problem. The State was scrutinizing, and the screws began to be tightened on how you would even read the regulations. And so I think -- personally, I believe people who would have been denied (*sic*) normally were now being denied because of a more harsh interpretation and process, which really hurt families and hurt individuals who should have been provided these services.

SENATOR GORDON: Senator Weinberg.

SENATOR WEINBERG: Yes. You know, this comes from the top in any kind of bureaucracy. Either the people who are charged with implementing the programs are encouraged and supported to find ways to help people, or they are encouraged and supported to find ways *not* to help people. That's very simple, and it's a very simple philosophy that begins at the top and works its way through the bureaucracy and through the people who are charged with implementing this program, or any of these programs.

So I think those of you who are in the field, and those of us who sometimes even deal with these constituent problems in our own offices and have to reach out to various programs around the state, are very

familiar with this. And it seems to me that there is a prevalent philosophy here -- to find every means possible and legal not to serve the population; not the opposite. That's my own bias, my own experience, and what I hear every time I sit in a hearing like this and I hear again.

So if I may, I would like to put forth the motion to request the New Jersey Senate adopt a resolution granting subpoena power to the Senate Legislative Oversight Committee to compel attendance at hearings of the Committee.

SENATOR GORDON: I do think we need Senator Sarlo here.

SENATOR WEINBERG: I think he's here.

And while we're waiting, if I might: Not quite on the subject, but we are, I'm sure, somewhat preoccupied with what is going on with the PATH station. At least two (*sic*) people have been killed, according to reports; hundreds injured, some seriously. And the Governor is going to be doing a call-in for those of us, to update us on that at 1:00 p.m.

SENATOR GORDON: Yes.

SENATOR WEINBERG: So I know that's very distracting to some. But I do have a motion on the floor.

SENATOR GORDON: We have a motion on the floor. Is there a second?

SENATOR SARLO: I'll second it.

SENATOR GORDON: Seconded by Senator Sarlo.

May I have a roll call, please?

MS. FORD: Yes; on the motion to request the New Jersey Senate adopt a resolution granting subpoena power to the Senate

Legislative Oversight Committee to compel attendance to that such Committee, Senator Kyrillos.

SENATOR KYRILLOS: Mr. Chairman, just a quick note.

While I share the concern that members of the Cabinet and others are not here, the Commissioner should always be available to Committees of the Legislature, especially a Committee such as this one. And I'm not impressed with that at all. I'd be happy to join with you and others on the Committee in making that request yet again -- jointly requesting.

That said, I can't vote for this motion. I think we have to be very, very careful when we use subpoena power and reserve it for rare circumstances. So I vote "no."

MS. FORD: Senator Thompson.

SENATOR THOMPSON: Not actually being a member of this Committee -- but just sitting in today -- I think it would be inappropriate for me to make a decision about this Committee.

I will join in some of Senator Kyrillos' comments. I think it is totally inappropriate that Cabinet members do not appear before a Committee and testify. And in fact, even if the Commissioner could not, she has a Deputy Commissioner and she has other people, etc. I think that the Administration should supply somebody, from whatever department, as a pertinent hearing before a Committee there. And if I had experienced the frustrations that you are indicating you had, I might well be voting with you. But since I haven't been here and I have not experienced them, I think it's more appropriate for me to abstain on this vote.

SENATOR WEINBERG: You won't just take my word for it?
(laughter)

SENATOR THOMPSON: Darling, you know how I love you. We've been together on many Committees; but again, I think I should abstain on this particular motion.

MS. FORD: Abstains.

Senator Sarlo.

SENATOR SARLO: Yes; I vote "yes."

Listen, you know, I concur with Senator Kyrillos. Any time you grant a Chairman or a Committee subpoena power, it's a pretty powerful tool in the Legislature.

However, I will tell you this. I think we all get frustrated at times when we ask for somebody to come and give a simple explanation on a matter that's in the public domain, and we can't get the right folks here. We're fortunate in the Budget Committee -- it's their budget, so they have to present it to us. But in the last seven years, it was the only Committee, quite frankly, where we've been able to get somebody from the Cabinet or somebody from the Administration to come forward and speak. It's because it's their budget; they're presenting it to us, and we're going to adopt their budget.

The only other time, in Judiciary, when they're looking for to be confirmed, they have no choice. (laughter)

SENATOR GORDON: Or a Special Committee investigating something.

SENATOR SARLO: Right, yes. They have to come because--

SENATOR WEINBERG: Well, they have subpoena power.

SENATOR SARLO: But I believe we do better work -- especially when we're considering legislation -- when there's input from the Executive Branch. They have some historical knowledge there; they can talk about the operational aspect of it, and the practicality of implementing it.

So I think it's in everybody's best interest if they come forward. They may completely disagree with the proposed piece of legislation or topic that's being discussed, and so be it. But at least we're having a discussion on it, and perhaps they could weigh in to make a piece of legislation stronger.

So I'm going to vote "yes" just because I think it has been frustrating. But there is a lot going on, and I'll leave it at that.

MS. FORD: Thank you.

Senator Weinberg.

SENATOR WEINBERG: Yes; thank you, and thank you to my colleagues for considering this. It's only a request to the Senate. We obviously don't have the power to grant ourselves subpoena power. Had we had that power, we would have used it a long time ago, I'm quite sure. (laughter)

But in any event, if in fact we can't get this passed, I would hope that we will join with our colleagues, Senator Kyrillos and Senator Thompson, to again express our frustration, hostility, anger -- whatever words one wants to choose -- with the lack of the top people who are in charge, with setting the philosophy I outlined a few moments ago.

So thank you; and I vote "yes."

MS. FORD: Senator Gordon.

SENATOR GORDON: I vote “yes.”

And let me echo Senator Weinberg’s comments. Regardless of where this goes, I would hope that we can extend a bipartisan invitation to the leadership of Human Services to get better information. I know that, as a Committee, we’ve been very effective working in a bipartisan way in dealing with the Port Authority. And I think we had actually a profound impact on some policies because letters came out signed by everyone on the Committee, including some very senior members of the Senate. And I think that’s a good model to follow, as we proceed with this.

In the interest of time, I want to--

SENATOR THOMPSON: Mr. Chairman, if I may just add one remark on this.

SENATOR GORDON: Senator Thompson.

SENATOR THOMPSON: I would also like to add that whenever you have a controversial issue, any partisan on one side that doesn’t come forth and put forth their case, it’s their loss.

SENATOR GORDON: Yes, exactly.

SENATOR THOMPSON: Because you can only go on the facts represented. And if they don’t come and give you their facts, they’re the loser. So the Administration loses by not sending their person to answer the questions.

SENATOR GORDON: Right; thank you very much.

SENATOR WEINBERG: I think we need a reading from OLS about how-- I just got a very quick tutorial about resolutions like this. So you might want to hear from OLS on whether this resolution went through or not.

SENATOR GORDON: Okay. Is this a video tutorial, or--
(laughter)

MS. FORD: (Indiscernible).

SENATOR GORDON: Okay, if we could hear from OLS.

MS. FORD: I know, I'm going to right now; okay.

According to Senate Rules, the three votes in the affirmative, and one abstention, and one vote in the negative -- that motion does not pass because you actually -- we need four votes; you need a majority of the Committee members who are appointed to the Senate Committee. So that motion does not pass.

However, did you want me to talk about the resolution, Senator?

However, Senator Weinberg, at her choice, or any of the other Senators, could submit a resolution on her own, or with the other members of the Committee, to urge the full Senate to adopt such a resolution.

SENATOR SARLO: Okay.

SENATOR GORDON: Okay.

SENATOR WEINBERG: A Senate Resolution.

SENATOR GORDON: Senate Resolution.

SENATOR WEINBERG: Yes, okay.

SENATOR WEINBERG: And that we can deal with--

SENATOR SARLO: Another time.

SENATOR WEINBERG: In the interest of being fair, I didn't want to leave anybody with the impression that the 3-2 vote actually meant the Resolution came through. So thank you.

SENATOR GORDON: Well, you know, I would suggest that we have further discussions about this. A resolution going to the Senate floor may be the more appropriate route. But certainly we -- this issue has not ended and will be further discussed.

Let me thank those on this panel for your very compelling and important testimony.

I'm going to bring up the next group, which will consist of Sarah Steward and Mary Gay Abbott. Would you join us please?

Thank you very much. Please proceed.

SARAH STEWARD: Thank you.

I'm pleased to join you this morning at this important hearing.

My name is Sarah Steward, and I am Chief Operating Officer at HomeFront, which is a Mercer County nonprofit dedicated to ending homelessness here in Central New Jersey.

To give you a sense of our operation: On any given night, approximately 450 people, most of them children -- HomeFront is providing shelter for. Last year, we answered over 16,000 cries for help for food, shelter, and other emergency needs. Through our programs and services, we lessen the immediate pain of homelessness and help put families on the path of self-sufficiency by providing emergency and longer-term housing, tools for living and finding a job, a vast resource network to obtain life's essentials, and programs for children to break the cycle of poverty.

And so it's on our clients' behalf that I'm happy to be here and testify today.

Yesterday, at HomeFront, I walked into our agency through our food pantry. For 25 years we've been providing food for families in need.

And right now, over 1,000 families a month are visiting the HomeFront Food Pantry.

Yesterday something happened that has never happened in 25 years of HomeFront's operation: We had no food left, but our waiting room was still full. Last night, every room in our 38-family emergency shelter was filled by a family in need; each with a compelling story, but many having been deemed ineligible for Emergency Assistance.

HomeFront has seen the decline in approvals of Emergency Assistance firsthand. We work every day to try to shelter and care for the families that are told that they are not eligible.

Others have testified this morning as to the appropriateness and the interpretation of the EA rules. I'm here really, today, to reinforce the basic truth that we at HomeFront believe should guide your thinking as you explore these issues. There are families and individuals in our state that are in desperate need who are not currently eligible for government Emergency Assistance, but who cannot survive without intervention. They fill the HomeFront waiting room and voice mailbox every day.

Beyond just our anecdotal experience, as has been discussed earlier, I cannot find another indicator of poverty that has dropped as substantially as EA approvals have. One additional indicator that might be of interest is, the New Jersey Department of Education tracks homeless students, and that number has remained constant over recent years.

In New Jersey, unlike in many other states, we have tied Emergency Assistance to TANF and GA eligibility; and I really urge the Committee to consider whether that is wise. The now-20-year-old welfare reforms at the Federal level were important and needed; but the State of

New Jersey tying eligibility for EA to eligibility for TANF has meant that families in true crisis, by any objective measure, cannot access crucial and, in some cases, even life-saving EA dollars.

Last week I met a family at our Family Campus: a 13-year-old severely autistic son; a two-year-old baby that was born prematurely with developmental delays; a mother with a significant, complicated disability that includes heart and pulmonary issues, a debilitating seizure disorder, and crippling anxiety. The father in the family seeks work wherever he can to keep his family stable, but is often prevented from working, as one medical crisis after another devastates the family. They are no longer eligible for Emergency Assistance.

Another mother came to us with Stage 4 cancer and four children, one of whom is 16-year-old with such severe cerebral palsy, she's operating at the intellectual level of a 3-year-old. Once her medical bills ran her bank account dry and left them on the street, she, too, could not access Emergency Assistance. Her meager unemployment check put her over the income level to be considered.

A third mother was victimized by years of domestic abuse, and finally chose to leave her abuser when he came after the children. She was told she had a "failure to plan" for her homelessness. Given the history of abuse, she should have known it would have gotten unbearable. She was ineligible for EA as a result. These are real people, and true stories, and they are heartbreaking.

Our society believes it has woven a safety net to catch the most desperate, but too many are slipping through its cracks. In years past, HomeFront has been able to catch those that the system did not. Our

strong partners in the community, at the county welfare offices, and in the State agencies would turn to us when families had nowhere else to turn. Now with our budget stretched to the breaking point as Emergency Assistance funds have sharply plummeted, we are, for the first time, having to say “no.” Where the safety net once had small holes, it is now being torn to shreds.

Earlier this summer, HomeFront closed our long-time haven of support and hope for first-time pregnant women, a program that demonstrably changed the lives of the mothers and improved the outcomes of the children who they bore with us. We are simply out of funds.

HomeFront, unlike many of our sister agencies, will survive. We’re fortunate to have the resources and community support to be able to continue to provide our core services, although the continued cuts diminish and jeopardize the many programs we offer that set families up for long-term success. Many of our sister agencies see a much bleaker future unless the State reconsiders the way it funds and maintains its emergency shelter program.

Again, I suggest we consider looking at examples of other states and reconsider whether emergency aid should be dependent on someone’s eligibility for cash assistance through welfare.

Thank you for convening this and bringing everyone together. And we stand ready to be a partner in finding a better solution.

SENATOR GORDON: Thank you very much.

MARY GAY ABBOTT - YOUNG: Good morning, and thank you. My name is Mary Gay Abbott-Young; I’m with the Rescue Mission of Trenton.

This morning I was very interested to receive this invitation because we had scheduled a meeting at the Rescue Mission in which we hosted our community partners -- our funders, and our friends, and colleagues -- to discuss the possible closing of the emergency shelter at the Rescue Mission. We are in this situation because of the loss of EA dollars. Unlike earlier testimony, I'm not going to speak about the devastation to the individual, but to the system -- that I think was an inadvertent consequence of the changes to the EA regulations.

I'll be as brief as I can. I have submitted written testimony and included charts and things that I hope will explain this. But essentially, it comes down to this: that previously, when someone stayed at the Rescue Mission emergency shelter, if he or she was eligible -- we serve only adult singles -- we could bill the EA system for that. Because of the change in GA regulations, considerably less people are entitled to GA. And with the stricter interpretation to the EA, we have lost all of the EA dollars coming into our emergency shelter. This amounts to about \$120,000 to \$130,000 per year.

Our shelter previously faced a deficit of approximately \$400,000. The Rescue Mission itself raises \$170,000 in private grants; solicits another \$200,000 from the community, making the community the largest single provider of emergency shelter in Mercer County.

With the loss of the EA dollars and another economic change at the Rescue Mission, we will face a \$200,000 deficit. The Board of Directors for the Rescue Mission has determined to underwrite this temporarily until June 30, hoping that, by that time, this horrible situation from what I hope and trust is an inadvertent consequence of the change to EA that has

resulted in the absolute devastation to the emergency shelter system in our state--

SENATOR GORDON: Thank you very much.

MS. ABBOTT-YOUNG: Thank you, sir.

SENATOR GORDON: Ms. Steward, you referred to learning some things from other states. Are there some states that you think are models we should look at for best practices?

MS. STEWARD: There are. I don't know them off-hand, but I'm happy to get you a list of ones that might be worth considering.

SENATOR GORDON: Okay; thank you.

MS. ABBOTT-YOUNG: Sir, may I add to that?

SENATOR GORDON: Yes, certainly.

MS. ABBOTT-YOUNG: Thank you very much.

One of the possibilities that -- and this is not in the direct area you're undertaking today; clearly this Committee is very enlightened in this matter and concern. There are now programs where Medicaid dollars are being used to offset -- Massachusetts is a leader in this -- being used to offset the cost of providing social services and behavioral health services to the homeless and other populations. That's so we don't have to divert money from shelter operations and other operations to provide for the counseling and other needs.

I'd be happy, again -- if you would like, we can provide information on that.

Thank you.

SENATOR GORDON: That would be very helpful.

In the interest of time, because we do have a -- a number of us, I think, want to participate in this conference call regarding the Hoboken accident at 1 p.m.; I want to move this along.

Any questions from the Committee? (no response)

Thank you both very much.

Our final witness today will be Allen Weston, representing the New Jersey Association of Counties.

A L L E N W E S T O N: Thank you, Mr. Chairman, members of the Committee. Allen Weston; I'm the Legislative Director with the New Jersey Association of Counties. We're hoping to alleviate some of the frustration that we've experienced today in terms of getting some more concrete answers for you from some of the main stakeholders in this issue.

And for that reason, I'm going to be turning it over to the two colleagues I have with me. To my left is Shawn Sheekey; he is the Director of the Board of Social Services of Camden County. He's also the President of the County Welfare Directors Association of New Jersey. To his left is Kathy Lockbaum, Director of Salem County Board of Social Services, and the immediate Past President of that Association. And I am sure they have a lot to say about what was already said today, and hopefully clarify any further questions that you still have.

SENATOR GORDON: Thank you very much.

Shawn, you certainly taught me a lot about Motor Vehicle issues (laughter), so I'm glad that you're here on this subject.

S H A W N S H E E K E Y: Well, I'm onto my next venture, so it's been a challenge.

Now, we're pleased to be here. We didn't prepare testimony, but we did want to be available to answer questions. I guess there are some advantages to going last, and that is, we heard a lot. Our agencies touch on a lot of what was talked about today, but I think I wanted to sort of focus on-- You know, we're often perceived as housing agencies, and we're not. We administer the EA program, which is the temporary program to bridge the gap for people. I know I often get calls from my legislators, from freeholders, who want me to permanently place people. And I sort of have to educate them on that.

So, you know, I heard a lot here today, but I do want to say -- and I can speak for Camden County. The EA program has not changed in the six years that I've been Director. We have administered it the same; my Social Services Department deals with that. I know there is a big frustration for many of us with the lack of permanent housing, because that's what we see when we're dealing with clients. But I did want to just mention that, because I had seen articles; you heard some of the testimony. But there's nothing that really has impacted our ability. You know, clients come in; we either deem them *eligible* or *ineligible*. So that's one of the issues I wanted to clarify.

And I won't get into specifics; I know with the limited time we have, I'd rather you guys be able to ask us questions. But, you know, there was a lot with DV clients. What I try to do in my County is, I've opened the door to everyone -- legal services, every group that touches our agency. Because we hear so many cases anecdotally that there's a problem here, there's a problem there. This person couldn't get housing when they're entitled to it. So that's what I can say. You know, we're the frontlines; we

see these people, we know many of these people, we know their cases, we see them come back, we see them sort of leave -- which we're glad to see, since we're that bridge.

So, you know, we can sit here all day probably for a week and talk about a larger homeless issue, which I've been trying to educate and bring myself up to speed on since I really deal with that short piece, that small piece of EA.

So anyway -- with that, I will -- I will give, maybe, Kathy a chance to talk, unless you guys want to start with questions.

KATHLEEN LOCKBAUM: Sure.

Thank you for having us. I just want to mention that our role as County welfare agencies truly is the bridge. It's the bridge to assist people to get to a better place; to assist them with housing when they need it -- temporarily; to assist them if they need training and education in order to be able to secure better employment. And I think that we are a small piece of a larger issue regarding housing. And in that temporary assistance side of this, or part of this, the larger issue is getting enough available permanent housing for folks so that when they come in and they are eligible for Emergency Assistance, we really want -- we don't want them to exhaust all of their 12 months of time limits-- They do get two extensions, by the way, in certain circumstances; two six-month extensions, which would give them 24 months of Emergency Assistance. Which doesn't sound like a lot of time, and we know it's not a lot of time, so we don't want them to blow it all in their first application. So our goal -- it really is to make it a short-term situation. We don't want families living in motels or in shelters. We

want them to be in permanent housing. Obviously, that stabilizes families and allows them to get themselves into a better place.

So in Salem, also, I've been the Director there for over 11 years. The Emergency Assistance program has not changed; the regulations have not changed; our interpretations have not changed. But our caseload also has dropped. We don't know exactly why. But the caseloads across the country have dropped.

Just to clarify a couple of things: General Assistance and GA/EA are State-funded programs. TANF/EA is not; it's a federally matched program and cannot -- EA cannot be separated from that TANF side of the house in terms of funding. So obviously State dollars can be used for whatever the State chooses they want to use those dollars for. So there's more flexibility there. Also, the EA for SSI clients -- they are also State-funded dollars.

So just a couple of points that I think we wanted to talk about, and mainly to just emphasize the fact that we really are trying to be a temporary transitional piece of an overall system.

SENATOR GORDON: Okay. So am I hearing you correctly that you said there hadn't been any changes in the regulations; you're not interpreting the regulations differently. So would you subscribe to the idea that what's driving down the number of recipients is, in fact, market improvements as opposed to other things? I mean--

MS. LOCKBAUM: I think there's a number -- there are a number--

SENATOR GORDON: What about the impact of the State budget--

MS. LOCKBAUM: Right.

SENATOR GORDON: --and the resources available?

MS. LOCKBAUM: I don't know-- If people are eligible, they will get the services. In our case, we can speculate, and in Salem I can speculate. Shawn and I have had many conversations. And as an Association, we've had many conversations about the reasons why some of our cash assistance caseloads have dropped. Ironically, our Medicaid caseload has not dropped and has grown significantly. And over the past few years our food stamp caseload has also increased. It's the cash piece -- the cash assistance piece that's dropped. And in order to receive Emergency Assistance, people have to be eligible for that cash assistance side. So we're not sure all of the reasons why our cash assistance caseloads may be dropping. But only six counties have, if you want to call it, State oversight of the Compliance Review Teams in those counties reviewing EA. And yet, EA is dropping everywhere.

So I don't know that that's actually the reason why there's a reduction in the caseloads. And I'm not saying that there isn't a need; I think that there may be a need. But it's part of a bigger system of housing and homeless issues that we are part of. I think it's not just our EA piece. There are HUD dollars, and DCA dollars, and other discretionary dollars that are coming through, and I don't know-- And we fit into that overall service delivery system.

SENATOR GORDON: Senator Weinberg.

SENATOR WEINBERG: Has there been any change in the way eligibility is deemed appropriate? Is it still done at the county level--

MS. LOCKBAUM: Yes.

SENATOR WEINBERG: --or do you now send that to the State?

MS. LOCKBAUM: In some counties-- In the pilot counties, there is oversight in those six pilot counties. However, immediate need is still determined at the county level; that is not State -- that is not overseen by the State.

I am not one of the pilot counties; Camden is not one of the pilot counties for EA review or compliance. I can't -- you know, it's difficult to speak as to what's happening in other places and what is happening in some of the other CWAs across the state.

SENATOR WEINBERG: What do you mean it's difficult to speak about what's happening -- what other places you--

MS. LOCKBAUM: I don't know -- I can't speak as to how they're determining eligibility in another county welfare agency. I can just tell you that in my County Welfare Agency, we're following the same rules, and they haven't changed.

SENATOR WEINBERG: Well, maybe the New Jersey Association of Counties could kind of fill us in on what the variables are here.

MR. WESTON: To my knowledge, Majority Leader, there should not be variables in the way that you are determining your eligibility.

MS. LOCKBAUM: Right.

MR. WESTON: Everyone should be following the same set of rules.

MS. LOCKBAUM: Yes.

SENATOR GORDON: You would think.

Well, we're approaching 1:00 p.m., as much as I would like to continue this conversation.

I've learned a tremendous amount on these subjects today. The conclusion that I'm reaching is that there is a need for more analysis, better assessment of what's going on, and maybe something we need to ask the State Auditor or the Comptroller to do. Perhaps we begin -- we draw on some of the people we've heard today and try to develop some legislative remedies to the problems we've heard about.

But before we do that I think we really need to understand the scope of the problems and the nature of those problems before we try to solve something that may not be clear enough to us.

But I want to thank everyone for participating. I'm hoping this is the beginning of a process. I know many of us are very concerned about this, and have learned a lot about these problems. And I think the time is right to rethink the way we're doing a lot of things. There's going to be a change of leadership in a year-and-a-half or so. It's a good time to take stock of where we are and make changes.

Thank you all for appearing.

Yes?

MR. WESTON: Just in closing, really briefly, Mr. Chairman, with regards to legislation and the direction that we may all be headed.

I'd certainly like to lend ourselves, as an Association, as well as the welfare directors, to the Legislature to be a part of that conversation, definitely at the front end, as opposed to at the back end--

SENATOR GORDON: Right.

MR. WESTON: --coming and testifying in Committee. We'd definitely like to be a part of that.

SENATOR GORDON: We would certainly welcome that participation. Thank you for the offer.

And thanks to everyone for appearing today. I'm going to adjourn the meeting.

Thank you all very much.

MR. SHEEKEY: Thank you, Chairman.

MS. LOCKBAUM: Thank you.

(MEETING CONCLUDED)