



New York State Comptroller
THOMAS P. DiNAPOLI



New Yorkers in Need

A Look at Poverty Trends
in New York State for the Last Decade

December 2022

Message from the Comptroller



December 2022

The COVID-19 pandemic had devastating health, economic and social consequences. In New York, the pandemic and ensuing economic shutdown produced almost 2 million job losses in 2020. Yet for many, economic hardships existed long before this time; the pandemic deepened the financial stress experienced by these households, fracturing the delicate balance often necessary to make ends meet. Even as jobs have returned, rising costs during a high inflationary period have also placed pressure on budgets, particularly for essentials like food and housing.

Since 2014, poverty rates in New York have surpassed the national average. In 2021, the most recent year for which data are available, almost 2.7 million New Yorkers lived in poverty, or 13.9 percent, compared to 12.8 percent of all Americans. Poverty rates are higher than 13 percent in 17 counties, and in the State's largest cities. In addition, rates have been persistently high among some groups, including children; female heads of household; Black, Hispanic, American Indian and Pacific Islanders; people with disabilities; and those with less than a high school education.

This report is the first of a series examining poverty in New York. It provides a factual basis to understand the incidence of need by place and through demographic analysis; explains the implications of lived poverty; examines major federal and State programs to mitigate need; and makes recommendations for sustaining recent federal interventions and improving State efforts. Subsequent reports will look at specific dimensions of poverty, including food insecurity and housing insecurity.

New York has a robust safety net, and recently set a laudable goal to reduce child poverty by 50 percent; as the State considers evidence-based approaches to achieve this objective, it should sustain a cross-agency focus on high-needs groups and places where the needs are both chronic and acute. Committing to an equitable recovery and targeting resources to those who most need them can facilitate improvements in the lives of millions of New Yorkers.

Thomas P. DiNapoli
State Comptroller

Executive Summary

The New York State Constitution requires the State to provide for the “aid, care and support of the needy.” Poverty has been defined generally as when an individual or household does not have the financial resources to meet basic needs such as food, clothing and shelter, or, alternatively, access to a minimum standard of living. Under the Official Poverty Measure (OPM), 13.9 percent of New Yorkers—or nearly 2.7 million people—lived in poverty in 2021, compared to 12.8 percent of all Americans. Poverty rates in New York have surpassed the nation since 2014, and while they had been declining in the years prior to the pandemic, they remain higher than they were in 2019. New York had the 13th highest poverty rate among states in 2021, and had a higher rate than neighboring states and most large states.

In New York, poverty is prevalent in some communities. Among the key findings:

1. **Poverty rates in New York counties varied significantly, ranging from a low of 5.7 to a high of 24.4 percent.** Although there are differences in the challenges faced by people living in urban and rural counties, poverty rates were nearly uniform in the aggregate for urban and rural counties in 2020.
2. **Poverty rates are significantly higher in some large cities.** In Syracuse, Rochester and Buffalo, one in four people lived in poverty, and one in four families in Syracuse and one in five in Rochester were in poverty in 2021.
3. **Poverty rates are much higher for children than for adults, including seniors;** however, poverty rates have increased for seniors while decreasing for all others between 2010 and 2021.
4. **Families with female heads of household experience poverty at more than two times the rate of all families and four times the rate of married couples.**
5. **Black, Native Hawaiian and Other Pacific Islander and American Indian New Yorkers experience poverty at twice the rate of White New Yorkers,** 20 percent or more compared to 10 percent, respectively, in 2021. Similarly, poverty rates are more than double for Hispanic New Yorkers compared to White, non-Hispanics.
6. **More than one in four of those with less than a high school degree experience poverty,** a rate about five times greater than those with college degrees.
7. **One in five New Yorkers in poverty has a disability.** 20.4 percent of New Yorkers below the poverty line were disabled in 2021, compared to 12 percent with a disability in the population.
8. **One-quarter of New York’s population below the poverty level in 2021 was foreign born compared to 15 percent nationwide.**

More than \$115 billion in federal, State and local government assistance is provided annually to individuals and families in need. The federal government provides the backbone of the safety net, and State, and to a lesser extent local, efforts supplement this funding. The unprecedented economic disruption caused by the pandemic prompted a comprehensive and extraordinary federal response to expand the safety net and resulted in documented reductions in poverty nationally. Specifically, economic impact payments, commonly known as “stimulus checks,” provided the greatest relief (not counting Social Security benefits), lifting 11.7 million Americans out of poverty (as measured by the Supplemental Poverty Measure) in 2020. Refundable tax credits, in particular the expansion of the Child Tax Credit, also yielded significant reductions.

Alleviating poverty in a sustained manner must be an intergovernmental effort, with the federal government continuing to play the largest and most important part as the level of government best equipped to intervene effectively. In particular, the federal government should:

1. **Continue to evaluate alternative poverty measures, and update them as necessary to allow for accurate assessment of need and modern living standards.**
2. **Assess current programs for potential improvements, including the adequacy of benefit amounts and flexibility in local administration.**
3. **Continue and expand effective interventions that have demonstrated a meaningful reduction in poverty.** Pandemic-era enhancements to the Child Tax Credit produced meaningful reductions in poverty and should be continued. Similarly, research has also demonstrated the Earned Income Tax Credit (EITC) to be an effective weapon in the fight against poverty, and it should be enhanced to provide greater income assistance while continuing to promote employment.

The State supplements federal efforts and should ensure those eligible for assistance are aware of, and can easily access, program services and/or assistance. In addition, the State can also:

1. **Make poverty reduction a cross-agency priority.** The State recently set a laudable goal to reduce child poverty by 50 percent and established the Child Poverty Reduction Advisory Council in pursuit of that objective. The Council is composed of stakeholders within and outside of government, and will consider expansion of several programs, including the State EITC, the Empire State Child Credit, housing assistance and food assistance. Recommendations should be guided by evidence and analysis of greatest potential effectiveness.

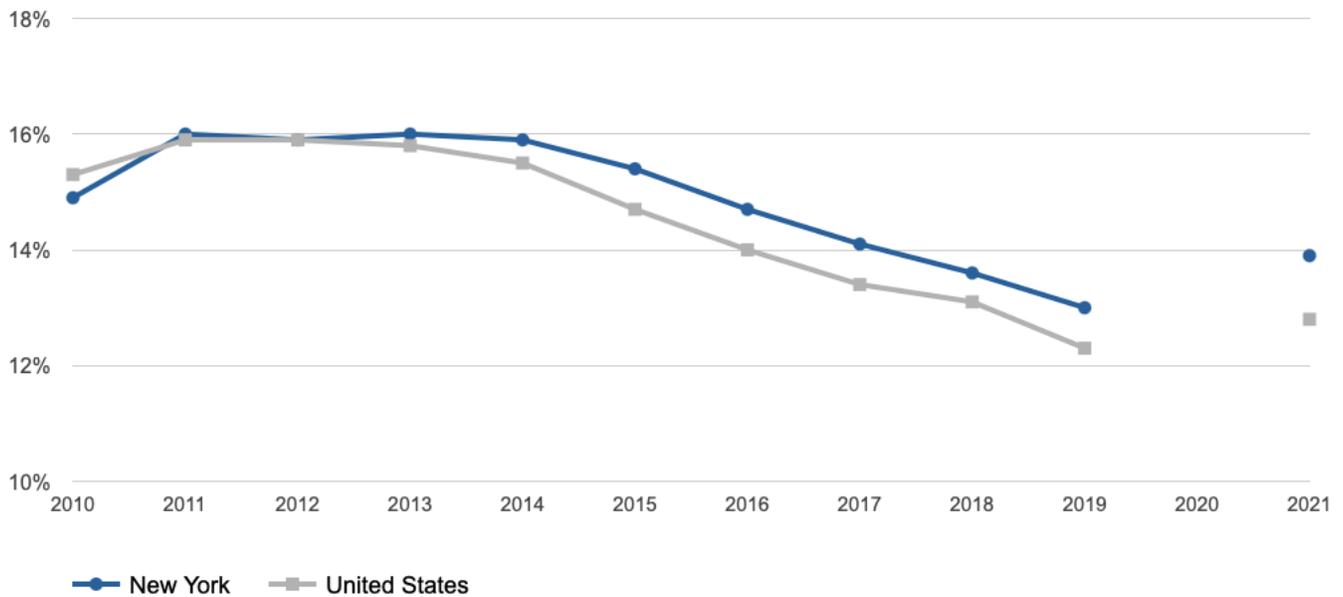
Focus should be placed on achieving poverty reduction for other high-needs groups and in places where the needs are both chronic and acute, and this focus should be sustained through a formalized, cross-agency effort that involves data-sharing, improved evaluation and reporting, and coordinated management.

- 2. Commit to greater equity in State services in order to target resources to those who most need them.** The State committed billions in resources to pursue an equitable recovery through temporary programs such as Emergency Rental Assistance and the Excluded Workers Fund, and has also greatly expanded childcare subsidies to provide greater support to working parents. State investments across functions should be reviewed with an eye toward improving equity and ensuring opportunity for people and places in need across the State to create pathways of economic mobility for individuals and families, with particular emphasis given to geographic regions with disproportionately high rates of poverty.

Poverty Trends

According to the U.S. Census Bureau, there were nearly 2.7 million New Yorkers living below the federal poverty threshold in 2021, and nearly 41.4 million people below the threshold nationally. Since 2014, poverty rates in New York have been greater than the national average, with the difference growing over time to reach 1.1 percentage points in 2021, when the rate was 13.9 percent in New York and 12.8 percent nationally.¹ Poverty rates peaked at about 16 percent in 2011 both in New York and nationally; by 2019, rates had declined steadily to their lowest levels during this period although New York’s decrease lagged behind the rest of the country. Poverty rates increased in New York and nationally in 2021; due to methodological issues, 2020 data did not meet the Census Bureau’s data quality standards and are considered experimental.²

FIGURE 1
Percentage Below the Poverty Level, Official Poverty Measure, U.S. and New York, 2010–2019 and 2021



Note: 2020 estimates are experimental and excluded from the single-year series.

Source: U.S. Census Bureau, American Community Survey (ACS)

1 There was no statistical difference between the rates for New York and the United States in 2011, 2012 and 2013. See: U.S. Census Bureau, *American Community Survey (ACS) 1-Year estimates*, Table S1701, at https://data.census.gov/cedsci/table?q=S1701&g=0100000US_040000US06,09,12,17,25,34,36,42,48,50_1600000US3601000,3611000,3651000,3663000,3673000,3684000&tid=ACST1Y2021.S1701.

2 For more information, see: U.S. Census Bureau, “Census Bureau Announces Changes for 2020 American Community Survey 1-Year Estimates,” July 29, 2021, at <https://www.census.gov/newsroom/press-releases/2021/changes-2020-acs-1-year.html>; and *2020 ACS 1-Year Experimental Data Tables*, November 30, 2021, at <https://www.census.gov/programs-surveys/acs/data/experimental-data/1-year.html>.

During this period, poverty rates in New York were higher than for states that border New York. In 2021, rates were at least 3.5 percentage points higher in New York than in New Jersey, Massachusetts, Vermont and Connecticut. Overall, larger states tend to have higher poverty rates; New York had the 13th highest poverty rate among states in 2021.

How Is Poverty Measured?

The data in this report primarily reflect the Official Poverty Measure (OPM), which is determined by the U.S. Census Bureau based on survey data of “money income” and family size and composition, compared to thresholds that reflect the dollar amount required to meet the needs for different sized families. Money income is defined by Census as “income received on a regular basis” before taxes, not including capital gains and non-cash benefits (such as Medicaid or food stamps). The poverty thresholds are updated for inflation, but do not vary geographically.³ In 2021, the threshold was \$13,788 for one person and \$27,740 for a four-person household.⁴

The OPM is used for a range of purposes including the determination of eligibility for federal program benefits; however, it is considered a conservative measurement of poverty for several reasons, including:

- It does not vary by geography and does not capture geographic differences in cost of living;
- It excludes certain resources that have significant impacts on individuals’ and households’ financial and economic security such as non-cash in-kind benefits like Supplemental Nutrition Assistance Program assistance (SNAP, or food stamps), housing support, tax credits and health insurance coverage;
- It excludes certain uses of income that likewise affect economic security, such as the payment of taxes and childcare and medical expenses; and
- It uses a restrictive definition of family that does not reflect the existence of unmarried partners, foster children and other non-related household members.

3 Inflation updates use the Consumer Price Index for All Urban Consumers. See: U.S. Census Bureau, *How the Census Bureau Measures Poverty*, at <https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html>, last revised on November 22, 2021.

4 U.S. Census Bureau, *Poverty Thresholds*, at <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>, last revised on September 13, 2022.

Due to limitations noted above, OPM estimates may not reflect all basic household needs, or may not include the support of all household members or resources. As a result, there have been initiatives by the Census Bureau and other entities since the 1990s to use a more expansive approach to capture resources and expenses in poverty measurement.⁵

A major outcome of this effort has been the development of the Supplemental Poverty Measure (SPM), which the Census Bureau bases on out-of-pocket spending for food, clothing, shelter, utilities, telecommunications and other needs shared by all household members. SPM thresholds are created for three types of housing circumstances and are adjusted for geographic differences in housing and other costs. The thresholds also include the value of all non-cash benefits available as resources and tax payments and credits are taken into account.⁶

As shown in Figure 2, the rates calculated under the SPM are higher than the OPM. In 2019, the most recent year for which state SPM measures are available through the American Community Survey (ACS), 15.9 percent of New Yorkers were in poverty as calculated by the SPM; the difference between the SPM and OPM rates amounts to an additional 650,000 New Yorkers in 2019.⁷ There is a relatively larger difference between the OPM and SPM rates for New York than nationally.

FIGURE 2
Differences Between the ACS Official and Supplemental Poverty Measures, U.S. and New York, 2010–2019

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Supplemental Poverty Measure (SPM)										
United States	15.9%	17.3%	17.0%	16.9%	16.8%	15.9%	15.4%	15.2%	14.9%	14.2%
New York	16.2%	17.9%	18.4%	18.2%	18.6%	18.2%	17.7%	18.0%	16.9%	15.9%
Difference (SPM - OPM)										
United States	0.8%	1.6%	1.4%	1.3%	1.6%	1.4%	1.6%	2.1%	2.1%	2.1%
New York	1.5%	2.4%	2.8%	2.4%	3.4%	3.3%	3.2%	4.4%	3.5%	3.4%

Note: 2021 figures are not available as of November 2022; differences are not based on these rounded percent figures.

Source: U.S. Census Bureau, *The Supplemental Poverty Measure Using the American Community Survey (Tables: State ACS SPM Rates: 2009-2019)*

5 Recently, a 2019 federal interagency working group recommended development of an additional poverty measure based on consumption, and the National Academy of Sciences, Engineering, and Medicine has established a panel to report on options for changes to the SPM in 2022. See: U. S. Bureau of Labor Statistics, *Final Report of the Interagency Technical Working Group on Evaluating Alternative Measures of Poverty*, at <https://www.bls.gov/evaluation/final-report-of-the-interagency-technical-working-group-on-evaluating-alternative-measures-of-poverty.pdf>; and Fitzgerald, John and Robert A. Moffitt (National Bureau of Economic Research), *The Supplemental Poverty Measure: A New Method for Measuring Poverty (Working Paper 30056)*, May 2022, at <http://www.nber.org/papers/w30056>.

6 U.S. Census Bureau (Liana Fox and Kalee Burns) *The Supplemental Poverty Measure: 2020, Current Population Report (P60-275)*, September 2021, at <https://www.census.gov/library/publications/2021/demo/p60-275.html>; and *The Supplemental Poverty Measure using the American Community Survey*, July 20, 2020, at <https://www.census.gov/library/working-papers/2020/demo/SEHSD-WP2020-09.html>.

7 Ibid. The U.S. Census Bureau began computing the SPM in 2009 and publishing it in 2011 in cooperation with the Bureau of Labor Statistics, and the methodology has been revised several times.

Alternative, more expansive poverty measures have also been developed and used by other entities, including:

- NYC.gov estimates based on ACS data and the SPM framework, with adjustments by the New York City government for local housing costs, which are higher than the national average.⁸
- Center for Poverty and Social Policy at Columbia University and the Robin Hood Foundation annual poverty estimates for New York City that also use ACS data and SPM concepts (with similar results to NYC.gov rates).⁹
- The Self-Sufficiency Standard (SSS) that estimates the cost of household necessities and the income required to cover these needs without assistance. The SSS includes tax payments and credits. It also varies by family type and location. Basic costs are much broader, and include housing, child care, food, health care and transportation, among other items.¹⁰
- The Asset-Limited, Income Constrained, Employed (ALICE) measure, which is a similar approach to the SSS that provides both a Household Survival Budget (including a Senior Survival Budget) and a Household Stability Budget that varies by family type and location.¹¹

These concepts result in measures that estimate a greater level of need, and also indicate that an individual or family that is not captured by OPM rates may face hardship or insecurity with respect to household essentials, such as food or housing.

In fact, several federal and state aid programs determine eligibility based on proximity to the federal poverty line, and often go above that level. (See Appendix D for details.) In 2021, an additional 14.2 percent of the population lived between the federal poverty line and 200 percent of it in New York, for a total of 28.1 percent. (For one person, twice the poverty level is \$27,576; the thresholds vary by household size.)

8 The City of New York, Mayor's Office for Economic Opportunity, *New York City Government Poverty Measure, An Annual Report from the Office of the Mayor*, 2021 at https://www1.nyc.gov/assets/opportunity/pdf/21_poverty_measure_report.pdf.

9 Center on Poverty and Social Policy at Columbia University, Columbia Population Research Center, and Robin Hood Foundation, *The State of Poverty and Disadvantage in New York City Vol. 4*, April 2022, at https://robinhoodorg-wp-production.s3.amazonaws.com/uploads/2022/04/PT_Annual2021_final.pdf.

10 Annie Kucklick & Lisa Manzer, Center for Women's Welfare, University of Washington School of Social Work (prepared for the Women's Center for Education and Career Advancement), *The Self-Sufficiency Standard for New York 2021* (New York State), March 2021; and *Overlooked and Undercounted 2021: Struggling to Make Ends Meet in New York City* (New York City), June 2021, both at <https://selfsufficiencystandard.org/new-york/>.

11 United for ALICE (United Way, United Way of New York State), *ALICE in New York: A Financial Hardship Study*, 2020 New York Report, 2020, at <https://www.unitedforalice.org/state-reports-mobile>.

FIGURE 3**Share of Population at Specific Poverty Levels, U.S. and New York, 2010, 2019 and 2021**

	United States			New York		
	2010	2019	2021	2010	2019	2021
Under 50%	6.8%	5.5%	6.2%	6.8%	6.0%	6.9%
50 to below 100%	8.6%	6.8%	6.6%	8.1%	7.1%	7.0%
Share Below Poverty Threshold	15.3%	12.3%	12.8%	14.9%	13.0%	13.9%
100 to below 125%	4.8%	4.0%	3.8%	4.3%	3.6%	3.7%
125 to below 150%	4.9%	4.0%	4.1%	4.3%	3.5%	3.8%
150 to below 185%	6.8%	5.9%	5.5%	6.1%	5.1%	4.7%
185 to below 200%	2.6%	2.7%	2.5%	2.3%	2.3%	2.1%
Share Between 100 and Below 200%	19.1%	16.6%	15.8%	17.0%	14.5%	14.2%
Total Share Below 200%	34.4%	28.9%	28.6%	32.0%	27.5%	28.1%
Total Share 200% and Over	65.6%	71.1%	71.4%	68.0%	72.5%	71.9%

Source: U.S. Census Bureau, ACS, Table C17002

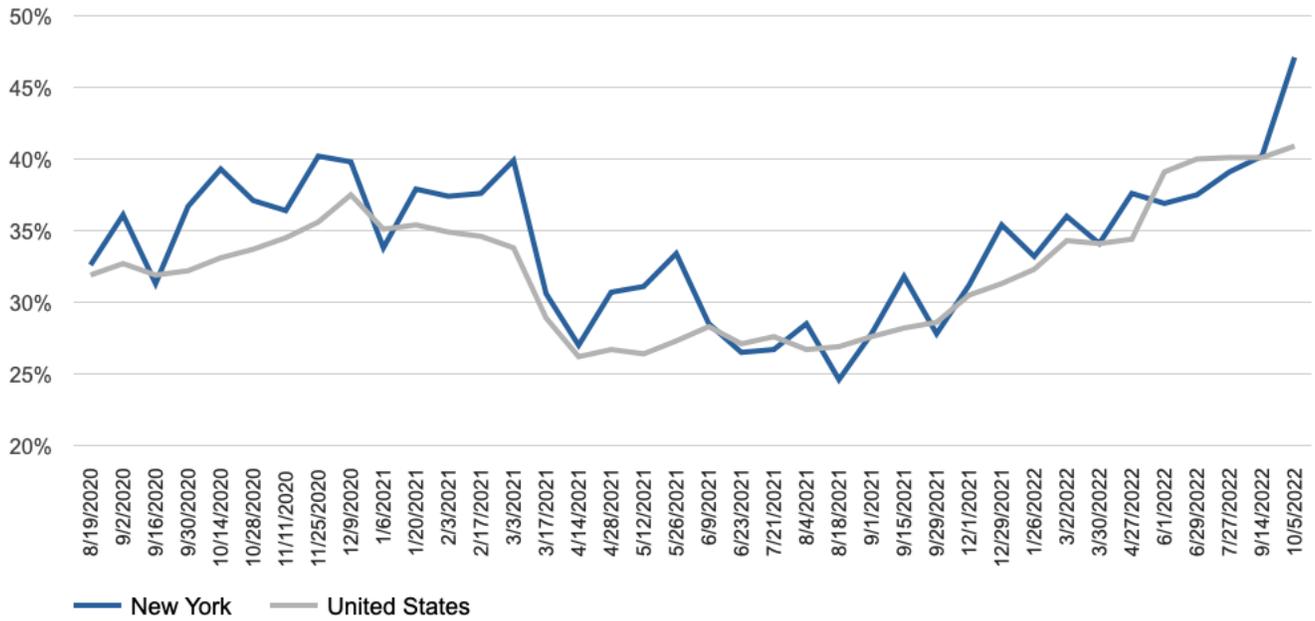
Impact of the COVID-19 Pandemic

The dramatic job losses caused by the pandemic caused economic disruption for many households beginning in the spring of 2020, and the Census Bureau developed the biweekly Household Pulse Survey to allow for more timely assessment of impacts. The survey included a question on payment of routine household expenses in August 2020. Overall, the proportion of New York respondents citing that it was “somewhat” to “very difficult” to pay for household expenses has been higher than the national average throughout the pandemic, as shown in Figure 4.¹²

Specifically, about one-third of all households surveyed reported at least some difficulty in August 2020; the share increased over the next three months to 40 percent and remained elevated through mid-March 2021. These rates fell to just over one-quarter of households nationally by April 2021 and for New York by August 2021. Difficulty in paying for household expenses started increasing again by September 2021 and continued to rise through 2022, to a level higher than two years before. In October 2022, these rates were 40.9 and 47.1 percent, respectively, for the United States and New York.

¹² U.S. Census Bureau, *2020 COVID-19 Household Pulse Survey Phase 2, In Field Beginning August 19, 2020*, at https://www2.census.gov/programs-surveys/demo/technical-documentation/hhp/Phase_2_Questionnaire_11_2_20_Updated_English.pdf included the question, “In the last 7 days, how difficult has it been for your household to pay for usual household expenses, including but not limited to food, rent or mortgage, car payments, medical expenses, student loans, and so on?” with the available responses: “Not at all difficult,” “A little difficult,” “Somewhat difficult,” or “Very difficult.”

FIGURE 4
Share Reporting Difficulty Paying for Household Expenses, U.S. and New York, 2020–2022



Note: Respondents reporting it was “somewhat” or “very difficult” paying for routine household expenses.

Source: U.S. Census Bureau, Household Pulse Survey

Communities in Need

This report follows the recommendation of the Census Bureau to examine poverty on a state and local level using the OPM from the ACS and Small Area Income and Poverty Estimates (SAIPE). Due to its large sample size, single-year ACS estimates are used to analyze national, state and demographic characteristics. SAIPE combines survey data with other administrative data and produces single-year estimates with standard errors generally smaller than ACS results for similar jurisdictions, and it is used for county-level analysis. The Office of the State Comptroller performed testing on the data to ensure the comparisons and time-period changes presented were statistically significant.

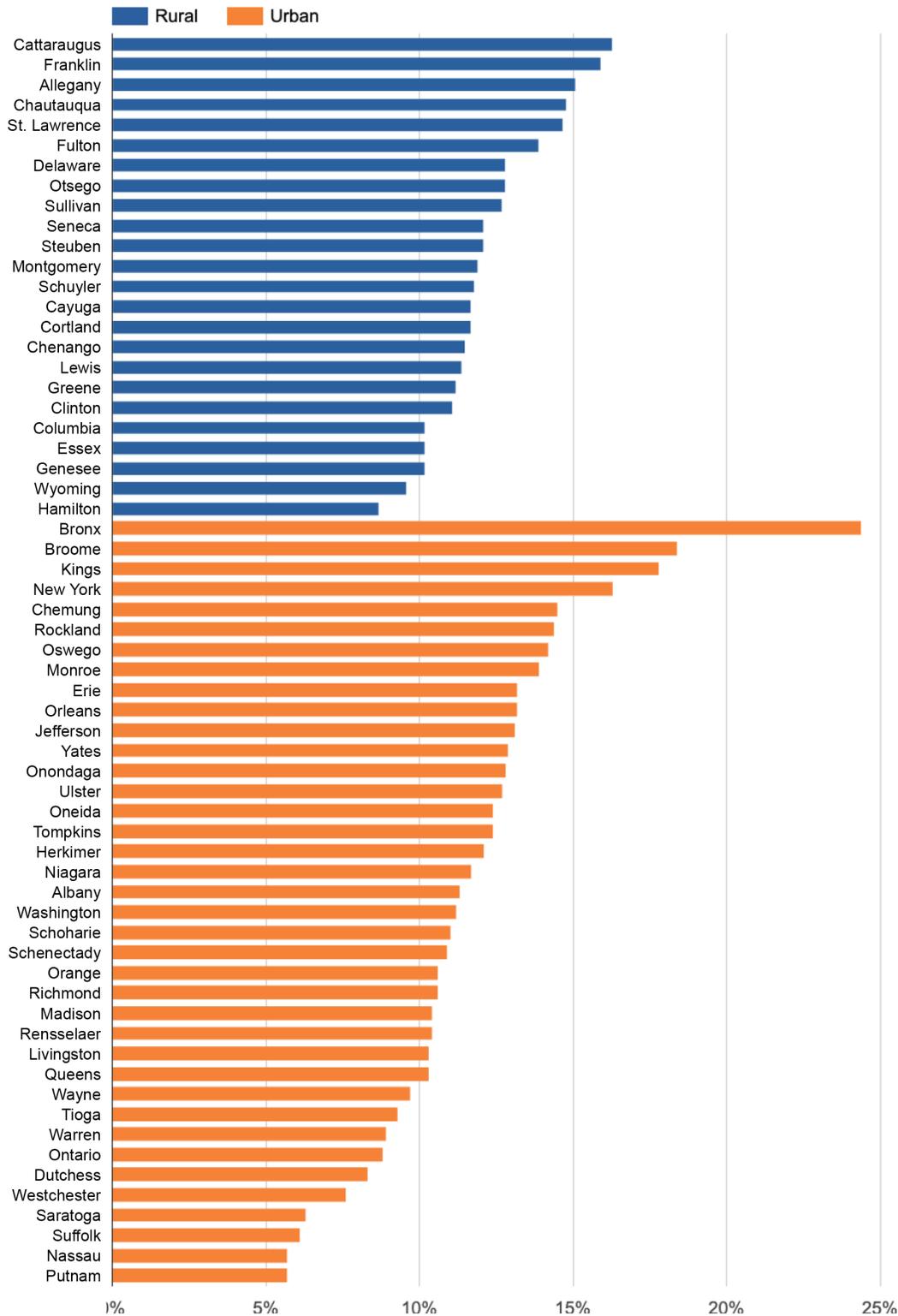
Where Is Poverty Prevalent?

Poverty rates for New York counties ranged from 5.7 percent to 24.4 percent.

Using this measure, the statewide poverty rate in 2020 was 12.7 percent. New York State counties had poverty rates ranging from 5.7 percent in Nassau and Putnam counties to 24.4 percent in the Bronx. Overall, 34 counties had rates under 12 percent; 11 counties had rates from 12 to under 13 percent; and 17 counties had rates greater than 13 percent. (See Appendices A and B.) The counties with rates statistically higher than the statewide average were Broome (18.4 percent), Cattaraugus (16.3 percent), and Franklin (15.9 percent), as well as three in New York City—the Bronx (24.4 percent), Brooklyn (17.8 percent), and Manhattan (16.3 percent).

Over the 10-year period from 2010 to 2020, the statewide poverty rate decreased by 2.3 percentage points, from 15.0 to 12.7 percent. Most counties experienced a decline. Tompkins, Sullivan and Greene counties' poverty rates decreased by six or more percentage points, and poverty declined by 5.6 percentage points in the Bronx. Counties with historically low poverty rates experienced less of a decline. Rockland County was the only county for which there was a statistically significant increase in the poverty rate during this period.

FIGURE 6
Share of Population in Poverty by Rural and Urban County Classification, 2020

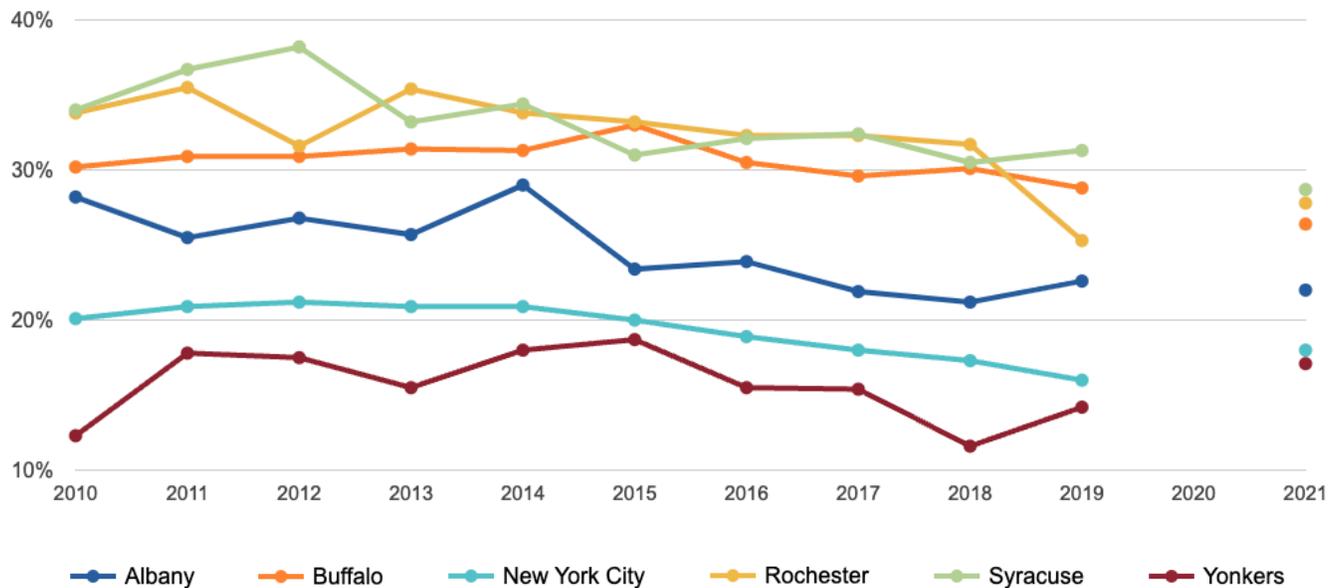


Source: USDA/ERS, *State Fact Sheets: New York and Poverty Estimates* (Excel file provided on August 24, 2022)

Poverty rates are significantly higher in some large cities.

Except for Yonkers, poverty rates for large cities in New York were significantly higher than for the State average in 2021. In Rochester and Syracuse, the poverty rate for individuals had been more than 30 percent since 2010 before going down in 2019. In Syracuse, Rochester and Buffalo, one in four people was in poverty in 2021. Family poverty rates have improved over this time period in Albany, New York City and Rochester; in Syracuse, one in four families was in poverty in 2021.¹⁴

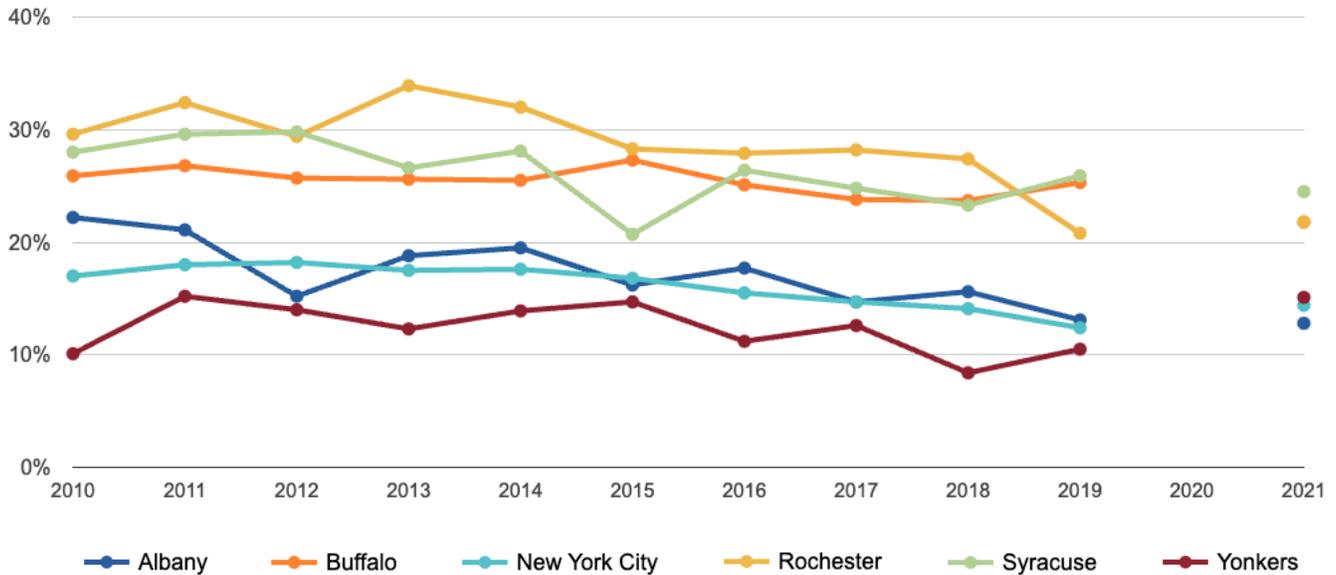
FIGURE 7
Share of Individuals Below Poverty Level, Large New York Cities, 2010–2019 and 2021



Source: U.S. Census Bureau, ACS 1-year estimates, Table S1701

¹⁴ There was no statistically significant change for Buffalo and Syracuse; see Appendix C for estimates.

FIGURE 8
Share of Families Below Poverty Level, Large New York Cities, 2010–2019 and 2021



Source: U.S. Census Bureau, ACS, Table S1702

Who Is in Poverty?

Major findings on the demographic characteristics of poverty in New York are:

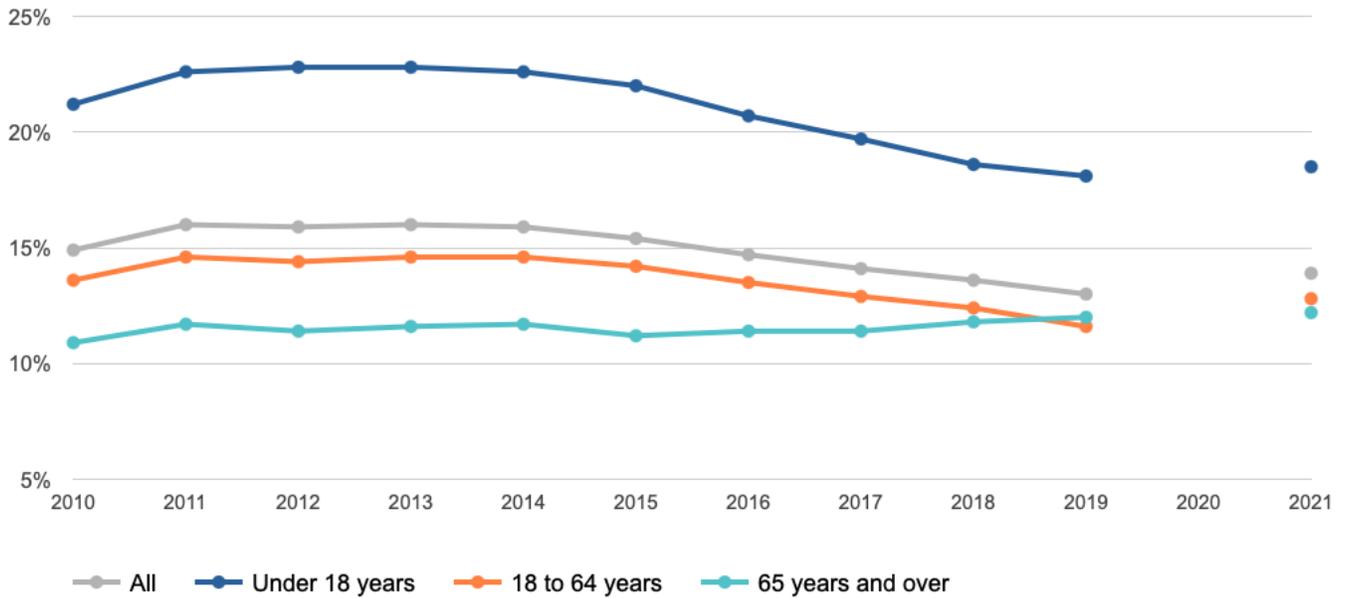
1. **Poverty rates are much higher for children than for adults, including seniors; however, poverty rates have increased for seniors while decreasing for all others between 2010 and 2021.**

Historically, poverty rates have been higher for children. In 2021, the percent of population under 18 and below the poverty level in New York was 18.5 percent, 4.6 percentage points higher than for the overall population. Child poverty has declined from roughly 21 percent in 2010 to 18.5 percent in 2021. National level measures for child poverty also indicate a decrease in child poverty in 2021.¹⁵

¹⁵ Quite notably, the SPM indicates an unprecedented drop in the child poverty rate from 9.7 percent in 2020 to 5.2 percent in 2021—a decrease of 46 percent and the lowest on record. See: U.S. Census Bureau, *Poverty in the United States: 2021*, September 13, 2022; and also Child Trends (Dana Thomson and Renee Ryberg, et al), *Lessons From a Historic Decline in Child Poverty*, September 11, 2022, at <https://www.childtrends.org/publications/lessons-from-a-historic-decline-in-child-poverty>.

While the poverty rate for people 65 years and over was four percentage points less than statewide in 2010, this rate has increased moderately over time so that poverty for this group was 12.2 percent in 2021, only 1.7 percentage points lower than for the whole State population.

FIGURE 9
Poverty Status in the Past 12 Months by Age, New York, 2010–2019 and 2021

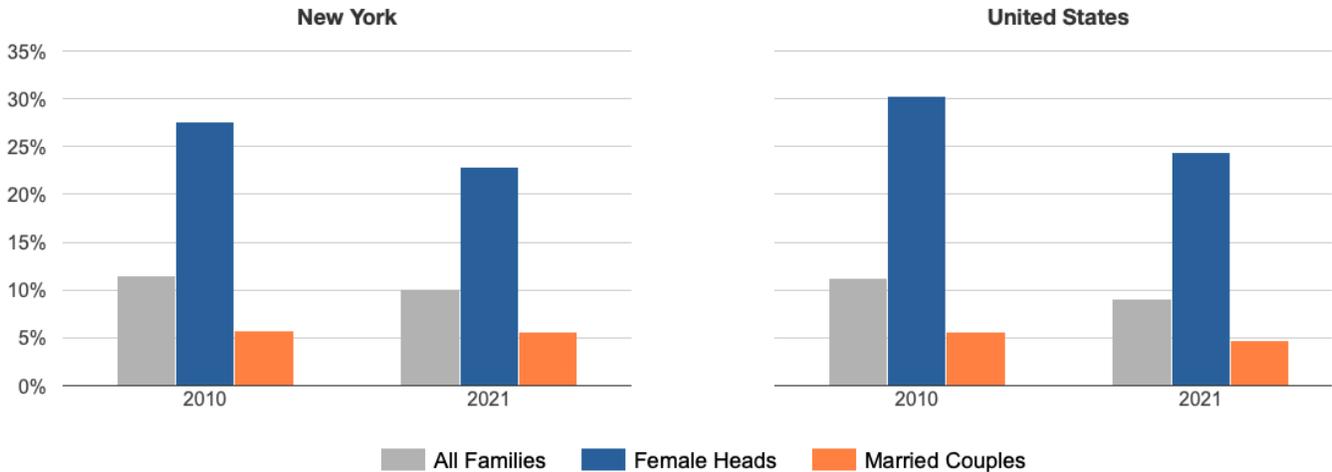


Source: U.S. Census Bureau, ACS, Table S1701

2. Families with female heads of household experience poverty at more than two times the rate for all families and four times the rate of married couples.

The poverty rate in New York State for families with female householders (and no spouse) was nearly 23 percent in 2021, down almost five percentage points from 2010 but higher than 10.1 percent for all families and 5.6 percent for married couples in 2021. This disparity is more pronounced on the national level, where poverty rates for families with female heads of household were higher in 2010 and 2021.

FIGURE 10
Poverty Status in the Past 12 Months for Families, U.S. and New York, 2010 and 2021



Source: U.S. Census Bureau, ACS, Table S1702

3. Black, Native Hawaiian and Other Pacific Islander and American Indian New Yorkers experience poverty at twice the rate of White New Yorkers, 20 percent or more compared to 10 percent, respectively, in 2021.

The same pattern is true for people of Hispanic origin compared to those who are not Hispanic, exhibiting slightly lower levels of poverty. Most groups experienced moderate statistically significant declines from 2010 but decreases were greatest for Latinos. In 2021, one-fifth of New York’s Hispanic population was below the poverty level, a decrease of five percentage points from 2010. Poverty rates in 2021 for Black and Asian New Yorkers were three percentage points less than in 2010.¹⁶

4. For the population 25 years and over, more than one in four of those with less than a high school degree experience poverty, a rate about five times greater than those with college degrees.

Poverty rates decline substantially as educational attainment increases so that less than 6 percent, or just over one-twentieth, of those with a bachelor’s degree or higher are in poverty. This pattern has varied little from 2010 through 2021, although poverty rates were higher in 2021 by roughly two percentage points for both those with a high school degree or equivalent, and with some college (16 and 11.5 percent, respectively).

¹⁶ Margins of error are larger relatively for estimates related to American Indian and Alaska Natives, and Native Hawaiian and other Pacific Islanders than other race classifications due to smaller population sizes.

FIGURE 11
Poverty Status in the Past 12 Months by Characteristic, 2010, 2019 and 2021
 (percentage below poverty level)

	2010	2019	2021
United States	15.3%	12.3%	12.8%
New York	14.9%	13.0%	13.9%
New York			
Age			
Under 18 years	21.2%	18.1%	18.5%
Under 5 years		19.2%	19.1%
5 to 17 years		17.7%	18.3%
18 to 64 years	13.6%	11.6%	12.8%
65 years and over	10.9%	12.0%	12.2%
Race			
White alone	10.9%	10.0%	10.0%
Black or African American alone	23.1%	20.0%	20.3%
American Indian and Alaska Native alone	25.5%	20.7%	22.8%
Asian alone	17.6%	13.3%	14.7%
Native Hawaiian and Other Pacific Islander alone	20.6%	21.2%	25.6%
Hispanic or Latino origin (of any race)			
Hispanic or Latino origin (of any race)	25.1%	18.8%	20.9%
White alone, not Hispanic or Latino	9.5%	9.1%	9.6%
Educational Attainment			
Population 25 years and over	11.8%	11.0%	12.0%
Less than high school graduate	27.3%	26.2%	26.8%
High school graduate (includes equivalency)	13.7%	14.5%	16.0%
Some college, associate's degree	9.7%	9.6%	11.5%
Bachelor's degree or higher	4.9%	4.7%	5.6%
Employment Status			
Civilian labor force 16 years and over	8.1%	6.1%	7.1%
Employed	6.0%	5.1%	5.2%
Unemployed	26.9%	27.9%	26.6%

Source: U.S. Census Bureau, ACS, Table S1701

5. Unemployment is a key driver of poverty.

Some of the greatest discrepancies between poverty rates occur relative to employment status. Specifically, 5.2 percent of employed New Yorkers in the civilian labor force experienced poverty in 2021. For those who are unemployed and in the civilian labor force, this proportion was 26.6 percent—more than five

times the employed rate. Specifically, 25 percent of males and 28.5 percent of females not employed experienced poverty. Poverty rates for employed people decreased slightly by 2021 compared to 2010; for unemployed people in the labor force, the only significant difference was the slight decline experienced by females.

6. Greater shares of New Yorkers in poverty are disabled.

In 2021, 20.4 percent of the statewide population below the poverty level had a disability, four percentage points higher than in 2010. It is also more than eight percentage points higher than the rate of disability in the population overall in 2021; the disparity was less nationwide where there were proportionally more people with disabilities.

FIGURE 12
Poverty in the Past 12 Months by Disability Status,
U.S. and New York, 2010 and 2021

	United States	New York State
Percent of Population with a Disability		
2010	12.0%	10.6%
2021	13.1%	12.1%
Percent of Population Below the Poverty Level and with a Disability		
2010	17.1%	16.4%
2021	20.7%	20.4%

Source: U.S. Census Bureau, ACS, Table C18131

7. One-quarter of New York’s population below the poverty level in 2021 was foreign born compared to 15 percent nationwide.

Foreign born individuals comprise a larger share of the population in New York than they do nationally, and the share of population below the poverty level that is foreign born was 10 percentage points higher in 2021 than the national average, or 25.1 compared to 15.1 percent. Moreover, the percent of population experiencing poverty was larger for non-citizens than naturalized citizens, or 16.1 compared to 9.2 percent in 2010. By 2021, these groups represented more similar proportions of the population experiencing poverty.

FIGURE 13
Poverty in the Past 12 Months by Place of Birth, U.S. and New York, 2010 and 2021

	United States			New York		
	Foreign Born	Foreign Born, Naturalized Citizen	Foreign Born, Not a U.S. Citizen	Foreign Born	Foreign Born, Naturalized Citizen	Foreign Born, Not a U.S. Citizen
Percent of Population That Are Foreign Born						
2010	13.1%	5.7%	7.3%	22.5%	11.7%	10.8%
2021	13.8%	7.4%	6.4%	22.6%	13.7%	8.9%
Percent of Population Below the Poverty Level and Foreign Born						
2010	16.0%	4.0%	12.0%	25.3%	9.2%	16.1%
2021	15.1%	6.1%	9.0%	25.1%	12.8%	12.3%

Source: U.S. Census Bureau, ACS, Table C17025

Real-World Implications of Poverty

Fundamentally, poverty is determined by the adequacy of income to meet basic needs. Researchers studying poverty attempt to explain its root causes and the determinants of its prevalence. Their causal theories fit into three broad categories—structural, behavioral and political¹⁷—and identify conditions that lead to poverty, including the availability of jobs or other income streams, marital status, geographic location, cultural influences, educational attainment, and public policies and incentives.

More on the Research

Structural theories of causation concentrate on demographic factors that influence poverty (such as age, gender and geographical location) and labor market conditions at a particular time and place.¹⁸ Structural theorists also argue that racial disparities in poverty are caused by differential exposure to economic opportunities, which can often be based on residential patterns. Structural explanations of poverty focus heavily on economic growth as the determining factor, stressing that economic growth increases job numbers and wages.¹⁹

Behavioral theories focus on how individual choices are shaped by public policies, social welfare programs and incentives.²⁰ In addition to incentives, behavioral theorists point to cultural influences on behavior and poverty, stating that inequities and biases are internalized by the poor, ultimately inhibiting socioeconomic success and feeding repeated behavior that reproduces poverty from one generation to the next.²¹

Political theories argue that power and institutions influence poverty far more than individual behavior or structural factors through decisions about how to distribute resources.²² Under a political theory of poverty, the solution rests with government wisely organizing and distributing resources, insuring against risks to economic stability, investing in supports (such as education and healthcare), allocating opportunities and setting appropriate policy on social safety nets.

17 Annual Review of Sociology, Vol. 45, *Theories of the Causes of Poverty*, David Brady (2019).

18 Research in Social Stratification and Mobility, Vol. 24, Issue 2, *Structural Theory and Relative Poverty in Rich Western Democracies, 1969–2000*, David Brady (2006).

19 Brady, *Theories of the Causes of Poverty*; Journal of Economic Perspectives, Vol. 14, No. 2, *Fighting Poverty: Lessons from Recent U.S. History*, Rebecca M. Blank (Spring 2000).

20 For example, some scholars contended generous social policies encouraged conditions such as underemployment, low education and single parenthood—risks that have been shown to have a direct link to poverty. See: Brady, *Theories of the Causes of Poverty*.

21 AEI-Brookings Working Group on Poverty and Opportunity, *Opportunity, Responsibility, and Security: A Consensus Plan for Reducing Poverty and Restoring the American Dream* (2015).

22 Brady, *Theories of the Causes of Poverty* (citing *The Oxford Handbook of the Social Science of Poverty*, Oxford Univ. Press, Burton LM [2016]).

Research from the Poverty Tracker Research Group at Columbia University found that nearly one in three adults in New York City faced “material hardship” of some kind in 2020 with rates even slightly higher for children (two in five).²³ This means that worrying about not having enough food to eat, a stable home to live in, or being able to see a doctor is a common struggle for low-income New Yorkers. In addition, when one’s basic needs are at risk, planning for savings or emergencies or investing in reasonable levels of insurance is not possible.²⁴ This stress on individuals and families, in turn, leads to lower levels of personal well-being, more health challenges, psychological distress and reduced life satisfaction.²⁵ Certain challenges may also be heightened in rural or urban environments; for example, a lack of reliable transportation or affordable and flexible child care may cause a significant barrier to employment.²⁶

For children in particular, research shows that childhood poverty presents barriers to healthy child development.²⁷ The financial hardships faced by parents can often result in less access to healthy food and quality medical care, as well as chronic stress in the family, impacting a child’s cognitive development and ultimately the child’s ability to thrive independently as an adult.²⁸

The experience of material hardship often reaches beyond those determined to be in poverty or eligible for public assistance, so many New Yorkers have needs that are not met with any available support. The United for ALICE project reports on “Asset-Limited, Income Constrained, Employed” workers who perform essential jobs in our society yet do not earn enough to support their families. Although not living in poverty as measured by the OPM, ALICE households are forced to make tough choices, such as deciding between quality child care or paying the rent, which have long-term consequences for ALICE families as well as the communities they live in.²⁹

23 Center on Poverty & Social Policy at Columbia University & Robin Hood, *The State of Poverty and Disadvantage in New York City*, Vol. 4 (April 2022), at https://robinhoodorg-wp-production.s3.amazonaws.com/uploads/2022/04/PT_Annual2021_final.pdf.

24 Center on Poverty & Robin Hood, *The State of Poverty*; and Kucklick & Manzer, *The Self-Sufficiency Standard for New York 2021*.

25 City of Jamestown Poverty Reduction Initiative, *Needs Assessment* (May 2017), at <https://www.uwayscc.org/sites/uwayscc/files/Final%20Jamestown%20Poverty%20Needs%20Assessment%20ESPRI.pdf>; see also ESPRI, *Final Report to the Community* (September 2021), at <https://acrobat.adobe.com/link/review?uri=urn:aaid:scds:US:1a226dd6-b1a9-4d5a-bcbd-344ec0305c32>.

26 City of Jamestown, *Needs Assessment*.

27 Annie E. Casey Foundation, *Children Living in High-Poverty, Low-Opportunity Neighborhoods* (Sept. 24, 2019), at <https://www.aecf.org/resources/children-living-in-high-poverty-low-opportunity-neighborhoods>.

28 National Academies of Sciences, Engineering, and Medicine, *A Roadmap to Reducing Child Poverty*. Washington, DC: The National Academies Press, 2019, at <https://doi.org/10.17226/25246>.

29 ALICE in New York: 2020.

The causes and effects of poverty are dynamic and can be brought on by a range of different experiences, such as physical and mental health problems, economic losses and traumatic family situations. For some, poverty is temporary; for others, poverty is long-term and potentially multigenerational. A 2021 U.S. Census Bureau report found 34 percent of individuals experienced episodic poverty, lasting at least two consecutive months, from 2013 to 2016. Roughly three quarters of those individuals were able to exit poverty, while the remaining 8.2 percent remained chronically poor for all 48 months examined.³⁰

The availability of pathways for economic mobility is crucial to ending multigenerational cycles of poverty. Research by Harvard University Professor Raj Chetty shows a systematic, widespread decline in economic mobility in the United States since 1940. One study found only 50 percent of children born in 1980s were likely to earn more than their parents, a 40 percent decline from children born in 1940.³¹ New York demonstrated one of the lowest relative declines (35 percent drop). The analysis cited overall slower GDP growth rates and greater inequality in the distribution of today's gross domestic product as the main factors limiting economic mobility.³²

Chetty's more recent body of work has emphasized the importance of geography. A recent study concluded that low-income children who grow up in more integrated communities have better chances of rising out of poverty.³³ The analysis found opportunities for interaction among low- and high-income families make a significant impact on children's career aspirations, knowledge about educational opportunities and connections to job opportunities.³⁴ The study noted the importance of policy efforts that help families move to higher-opportunity neighborhoods and get better-paying jobs as interventions that increase this type of cross-class interaction and are likely to amplify the impact of existing programs to reduce intergenerational poverty.³⁵

30 U.S. Census Bureau, *Dynamics of Economic Well-being: Poverty, 2013-2016*, Abinash Mohanty (August 2021).

31 Raj Chetty, David Grusky, Maximilian Hell, Nathaniel Hendren, Robert Manduca, and Jimmy Narang, *The Fading American Dream: Trends in Absolute Income Mobility since 1940*, *Science* (2017), at <http://science.sciencemag.org/content/early/2017/04/21/science.aal4617.full.pdf>.

32 Chetty et al, *The Fading American Dream*.

33 Raj Chetty, Matthew O. Jackson, Theresa Kuchler, Johannes Stroebel et al, *Social Capital I: Measurement and Associations with Economic Mobility*, with *Nature* (2022), at <https://opportunityinsights.org/paper/social-capital-i-measurement-and-associations-with-economic-mobility/>.

34 Chetty et al, *Social Capital I*.

35 Chetty et al, *Social Capital I*.

The Social Safety Net

Assistance for individuals and families experiencing poverty is provided through an array of federal, State and locally financed programs intended to provide general economic support or to help meet basic necessities, such as health care, food and shelter. Programs to address poverty are predominately designed and funded by the federal government for two reasons. First, poverty exists across all states, and providing support to allow individuals and families to live with dignity is a core value of American society. Second, as the level of government with the broadest tax base, the federal government is best able to provide funding that can guarantee a base level of benefits that are consistently available to households across the country.

States and local governments also finance such programs. In New York, the foundation established under the national umbrella is enhanced with a series of additional services, as determined to be appropriate to meet the requirements of Article XVII of the New York State Constitution stating, “The aid, care and support of the needy are public concerns and shall be provided by the state and by such of its subdivisions, and in such manner and by such means, as the legislature may from time to time determine.”

As shown in Figure 14, more than \$115 billion of public resources from the federal, State and local governments are used each year to assist low-income families. The federal government funds the backbone of the safety net, providing 87 percent of funding for major assistance and tax credit programs. Including health coverage provided under Medicaid, the federal government funds two-thirds of all major income-based economic supports.

This snapshot captures major cash assistance, food assistance, and tax credits provided in the most recent year for which data are available for each program, but is not comprehensive; there are additional supports provided to low-income families, such as housing subsidies and other tax credit programs not included here. It also does not capture temporary relief programs, such as the Emergency Rental Assistance Program, that were instrumental in alleviating burdens for low-income residents during the pandemic.

FIGURE 14**Select Income-Based Economic Supports from Federal, State, and Local Sources, Annual New York Totals (in billions) – most recent year for which data are available**

	Federal	State	NYC/Local	Total
Medicaid	\$48.1	\$27.7	\$8.0	\$83.8
SNAP Benefits	\$8.4	\$0.0	\$0.0	\$8.4
Child Tax Credits	\$6.4	\$0.6	\$0.0	\$7.0
SSI	\$4.3	\$0.5	\$0.0	\$4.8
Earned Income Tax Credits	\$3.8	\$0.8	\$0.1	\$4.7
Child Care Subsidies	\$1.7	\$0.3	\$0.1	\$2.1
Family Assistance	\$1.1	\$0.0	\$0.0	\$1.1
Safety Net Assistance	\$0.0	\$1.4	\$0.0	\$1.4
Flexible Fund for Family Services	\$1.0	\$0.0	\$0.0	\$1.0
Child and Dependent Care Credits	\$0.5	\$0.1	\$0.0	\$0.6
LIHEAP	\$0.3	\$0.0	\$0.0	\$0.3
TOTAL	\$75.6	\$31.4	\$8.2	\$115.2

Sources: Internal Revenue Service, *Statistics of Income (SOI) Tax Stats – Historic Table 2, Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2019*; NYS Department of Taxation and Finance, Tax Year 2020 Personal Income Tax Study File; SFY 2022-23 NYS DOB Enacted Budget Financial Plan, May 2022, page 118; SFY 2021-22, USDA Food and Nutrition Service; CY 2021, OTDA Temporary and Disability Assistance Statistics, December 2021; SFY 2022-23, NYS OCFS Local Commissioners Memorandum 22-OCFS-LCM-08, April 29, 2022; SFY 2022-23, NYS DOB Executive Budget, January 2022; CY 2021, OTDA Temporary and Disability Assistance Statistics, December 2021

Eligibility varies across programs, and full descriptions are provided in Appendix D. Some major findings regarding these programs include:

- In New York, Medicaid eligibility is broad in comparison to many other states (138 percent of the federal poverty line for most applicants), and is one reason why New York has a low rate of uninsured (5.2 percent in 2021). Medicaid reached record highs of nearly \$84 billion in total spending in State Fiscal Year (SFY) 2021-22 and enrollment of nearly 7.6 million individuals in March 2022. The federal share of Medicaid costs totaled \$48.1 billion in SFY 2021-22; the State share, \$27.7 billion; and the local share, \$8.0 billion.
- In SFY 2021-22, approximately 2.8 million New Yorkers per month received \$8.4 billion in federal food benefits under SNAP, more than double the amount of benefits received in the year before the pandemic. The gross monthly income limit for SNAP is 130 percent of the federal poverty level. Because the federal government expects SNAP households to spend about 30 percent of their own resources on food, the total amount of SNAP benefits a household receives each month is calculated by multiplying net monthly income by 0.3, and subtracting the result from the maximum monthly allotment for household size.

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- In SFY 2021-22, nearly 637,000 New Yorkers received \$4.3 billion in federal Supplemental Security Income (SSI) payments and \$546 million in State supplementary payments for total funding of nearly \$4.9 billion.
 - In tax year 2019, over 1.6 million New York taxpayers received \$3.8 billion from the federal Earned Income Tax Credit (EITC), which is a refundable tax credit provided to workers earning less than \$57,414 on a sliding scale based on income. Over 1.2 million taxpayers claimed \$773.6 million from the State EITC in tax year 2020. For the City EITC, over 673,000 taxpayers received \$69.4 million in credits. The eligibility thresholds and benefits vary under the three programs, and there is a wide body of research indicating positive outcomes for low-income families and children from federal and state EITCs.³⁶
 - In tax year 2019, 2.3 million New Yorkers received \$6.4 billion under the federal Child Tax Credit (\$2,000 per eligible dependent). Over 1.3 million taxpayers claimed \$597.5 million in Empire State Child Credits in tax year 2020, in an amount equal to \$100 or 33 percent of the federal tax credit for a more limited pool of dependents and taxpayers.
 - The child and dependent care credit allows a taxpayer to claim federal, New York State, and New York City personal income tax credits for a portion of the expenses paid for the care of a child or dependent (the dependent does not have to be a child of the taxpayer), such as childcare or adult daycare expenses.
 - In tax year 2019, over 415,000 New York taxpayers claimed \$487 million in child and dependent care credits that assist with the costs of child care. Over 288,000 taxpayers claimed \$112.4 million in New York State credits in 2020, calculated as a share of the federal credit. There is also a minor New York City credit.
 - In SFY 2022-23, New York State is expected to receive \$2.7 billion of federal Temporary Assistance for Needy Families (TANF) funds: \$1.1 billion for the Family Assistance (FA) program; \$964 million for the “Flexible Fund for Family Services” which provides funding to local social services districts (New York City and all other counties) that use the funding for a range of TANF-eligible purposes at local discretion; and \$260 million for childcare subsidies. In SFY 2021-22, more than 162,000 New York families per month received over \$547 million in federally funded cash benefits from TANF, with the remaining funds used for emergency assistance payments, shelter supplements, and other TANF-eligible purposes.

³⁶ A study covering a significant body of research findings is Austin Nichols, Jesse Rothstein, “The Earned Income Tax Credit,” in *Economics of Means-Tested Transfer Programs in the United States, Volume 1*, edited by Robert A. Moffitt, at <http://www.nber.org/chapters/c1348>.

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- In SFY 2021-22, nearly 310,000 New Yorkers per month received \$1.4 billion in Safety Net Assistance benefits, with local social services districts financing 71 percent of costs and the State financing 29 percent of costs.
 - Preliminary federal fiscal year (FFY) 2021 data indicate the Low Income Home Energy Assistance Program (LIHEAP) served over 1 million in New York.
 - In SFY 2022-23, New York authorized over \$2.1 billion for the Child Care and Development Block Grant subsidies: \$1.7 billion in federal; \$334 million in State; and \$68 million in local funding.

Impact of Pandemic Relief

The federal government took significant action during the pandemic to provide extraordinary support to individuals and families by expanding the eligibility of many of these programs, and by implementing other supports. Federal pandemic response included monetary support such as enhanced unemployment benefits, including an extended length of benefits and the provision to individuals who typically do not qualify; economic impact payments, or “stimulus checks;” and expansion of the Child Tax Credit. It also included other supports, such as uninterrupted health insurance through Medicaid; increased nutritional assistance through improved SNAP and the Special Supplemental Nutritional Program for Woman, Infants, and Children (WIC) benefits; a new school meal replacement program; and moratoriums on evictions and increased rental and homelessness assistance.³⁷

Several analyses by the Census Bureau and research institutes find that a comprehensive response from the federal government during the pandemic resulted in an unprecedented drop in the poverty rate.³⁸ SPM estimates for these two years capture income from temporary assistance in the form of expanded unemployment benefits, stimulus payments, expanded tax credits, sustained or expanded Medicaid coverage, emergency meal replacements and rental assistance. Such support drove historic drops in the national SPM rates from

37 This assistance was provided primarily through *Public Law (P.L.) 116-127 Families First Coronavirus Response Act* enacted March 18, 2020; *P.L. 116-136 Coronavirus Aid, Relief, and Economic Security Act* enacted March 27, 2020; *P.L. 116-260 Consolidated Appropriations Act/Coronavirus Response and Relief Supplemental Appropriations Act, 2021* enacted December 27, 2020; and *P.L. 117-2 American Rescue Plan Act* enacted March 11, 2021.

38 U.S. Census Bureau (Liana Fox and Kalee Burns), *The Supplemental Poverty Measure: 2020 (P60-275)*, September 14, 2021, at <https://www.census.gov/library/publications/2021/demo/p60-275.html>; Center on Budget and Policy Priorities (CBPP staff), *Robust COVID Relief Achieved Historic Gains Against Poverty and Hardship, Bolstered Economy*, February 24, 2022, at <https://www.cbpp.org/research/poverty-and-inequality/robust-covid-relief-achieved-historic-gains-against-poverty-and>; and, Center on Poverty and Social Policy at Columbia University, *Monthly Poverty Data*, August 26, 2022, at <https://www.povertycenter.columbia.edu/forecasting-monthly-poverty-data>.

11.8 percent in 2019 to 9.2 percent in 2020 and 7.8 percent in 2021, the lowest rates since the Census Bureau started reporting SPM rates.³⁹

As shown in Figure 15, the stimulus checks provided the greatest relief (not counting Social Security benefits): they reduced the SPM by 3.6 percentage points in 2020 and 2.7 percentage points in 2021. According to the Census Bureau, the stimulus payments alone lifted 11.7 million people out of poverty in 2020 nationally.⁴⁰ Enhancements to refundable tax credits, including the Child Tax Credit, also produced important reductions in the SPM.⁴¹

FIGURE 15
Effect of Individual Elements on Supplemental Poverty Rates, U.S., 2020 and 2021 (in percent)

	2020	2021
All People	9.16	7.78
Additions		
Social Security	-7.97	-8.01
Refundable Tax Credits	-1.62	-2.93
Economic Impact/Stimulus	-3.59	-2.71
Refundable Child Tax Credit	-0.35	-1.63
SNAP and School Lunch	-0.99	-1.04
SNAP	-0.89	-0.85
Supplemental Security Income	-0.83	-0.84
Housing Subsidies	-0.74	-0.73
Unemployment Insurance	-1.71	-0.70
Other Noncash Benefits	-0.16	-0.30
Other Cash Benefits	-0.37	-0.22
Subtractions		
Child Support Paid	0.06	0.07
Federal Income Tax	0.15	0.23
FICA	0.63	0.59
Work Expenses	0.78	0.66
Medical Expenses	1.53	1.42

Source: U.S. Census Bureau

39 U.S. Census Bureau (John Creamer, Emily A. Shrider, Kalee Burns and Francis Chen), *Poverty in the United States, 2021*, September 21, 2022, at <https://www.census.gov/library/publications/2022/demo/p60-277.html>. Single-year national CPS OPM rates for 2020 and 2021 are not statistically different and reflect 2020 Census-based population controls.

40 U.S. Census Bureau, "Two Rounds of Stimulus Payments Lifted 11.7 Million People Out of Poverty During the Pandemic in 2020," September 14, 2021, at <https://www.census.gov/library/stories/2021/09/who-was-lifted-out-of-poverty-by-stimulus-payments.html>.

41 U.S. Census Bureau (John Creamer, Emily A. Shrider, Kalee Burns and Francis Chen), *Poverty in the United States, 2021*, September 13, 2022, at <https://www.census.gov/library/publications/2022/demo/p60-277.html> (see Figure 9 and Table B-5).

Single-year state-level SPM rates through 2021 have not yet been made available.⁴² However, a White House analysis estimated that more than 3.5 million children and 910,000 workers without dependent children in New York would benefit from tax credit expansions in 2021.⁴³

Most federal pandemic relief programs and increased supports were temporary and have lapsed. However, the evidence is clear that these measures were successful in keeping millions of people out of poverty during that time, and helped many households remain housed and fed. It is unclear whether declines in poverty will be sustained in the absence of these benefits.

Recent State Actions

In addition to a host of [pandemic-related relief programs](#) and the expansion of childcare subsidies, the Enacted Budget for SFY 2022-23 included several supplemental, one-time tax credit enhancements. Taxpayers who qualified for the Empire State Child Credit and the EITC in the 2021 tax year will be provided supplemental tax credits (at a cost of \$475 million). The supplemental Child Tax Credit will vary from 25 percent to 100 percent of the State child tax credit, depending on income. The supplemental EITC will be equal to 25 percent of the State EITC, and the NYC EITC increased from 5 percent to a maximum of 30 percent of federal credit, depending on income.

More recently, in October 2022, the Child Poverty Reduction Advisory Council held its first meeting. The Council was established in the Child Poverty Reduction Act signed into law in 2021, and is tasked with developing a plan to reduce child poverty in half over a 10-year period. The Council will consider evidence-based steps for meeting this goal and has contracted with the Urban Institute to model the impact of various actions in New York State. It expects to discuss approaches such as further increasing the State EITC and increasing and expanding the Empire State Child Credit; creating a State-funded food benefit; and increasing the shelter allowance portion of monthly cash assistance.

⁴² ACS SPM rates for 2021 are not available as of November 2022. CPS three-year averages spanning 2019 through 2021 are reported in U.S. Census Bureau (John Creamer, Emily A. Shrider, Kalee Burns and Francis Chen), *Poverty in the United States, 2021*, September 13, 2022, at <https://www.census.gov/library/publications/2022/demo/p60-277.html> (see Figure 9 and Table B-5).

⁴³ White House, *American Rescue Plan, State-by-State Analysis on American Rescue Plan: Child Tax Credit goes to 3,513,000 Children in New York and EITC Expansion Benefits 910,000 More Workers*, March 8, 2022, at <https://www.whitehouse.gov/wp-content/uploads/2022/03/New-York-Tax-Credit-1-pager-3.8.pdf>.

Conclusion and Recommendations

The COVID-19 pandemic had severe economic consequences, and New York's employment has not yet fully recovered from the economic shutdown in spring of 2020. Many New Yorkers have struggled in this period, but there are millions of New Yorkers for whom poverty was a chronic condition prior to the pandemic. While poverty rates declined prior to the 2020 recession, they were higher in 2021 than they were in 2019, yet not as high as the years following the Great Recession.

The federal government provides the backbone of the safety net, and its comprehensive and robust federal response assisting individuals, families, businesses and state and local governments was instrumental in forestalling huge increases to the poverty rate amid the pandemic. Yet most of that support has now lapsed, and New York households have reported growing difficulty in making ends meet since September 2021; in October 2022, 47 percent of New York households continued to report at least some difficulty paying for usual household expenses. High inflationary increases on the price of food and household essentials have also stressed budgets for low-income households. As the Federal Reserve Board continues with interest rate increases to bring inflation down to an acceptable level, national and State employment growth have slowed, and may be poised to decline in coming months; low-wage workers were disproportionately affected by the job losses of the 2020 recession, and may face similar risks.

Alleviating poverty in a sustained manner must be an intergovernmental effort, with the federal government continuing to play the largest and most important part as the level of government best equipped to intervene effectively. In particular, the federal government should:

- 1. Continue to evaluate alternative poverty measures, and update them as necessary to allow for accurate assessment of need and modern living standards.** Advocates have constructed alternative measures that demonstrate broader needs, and the National Academy of Sciences, Engineering, and Medicine has established a panel to report on options to change the SPM. A 2019 federal interagency working group recommended development of an additional poverty measure based on consumption and future research for constructing more timely measures; measures on related dimensions, such as well-being; and approaches for capturing geographic discrepancies and other variations.⁴⁴ Such nuances are important for improving the real-world validity of poverty estimates. In November 2022, New York City voters approved a ballot measure requiring the City to

⁴⁴ See: U.S. Bureau of Labor Statistics, *Final Report of the Interagency Technical Working Group on Evaluating Alternative Measures of Poverty*, at <https://www.bls.gov/evaluation/final-report-of-the-interagency-technical-working-group-on-evaluating-alternative-measures-of-poverty.pdf>; and John Fitzgerald and Robert A. Moffitt (National Bureau of Economic Research), *The Supplemental Poverty Measure: A New Method for Measuring Poverty* (Working Paper 30056), May 2022, at <http://www.nber.org/papers/w30056>.

calculate a “true cost of living” measure annually to better reflect the cost of meeting essential needs locally.⁴⁵

2. **Assess current programs for potential improvements, including in the adequacy of benefit amounts and flexibility in local administration.**

While poverty measures and many benefit amounts are amended in response to inflation, the benefit baselines for most federal programs were established decades ago, and may not adequately reflect the costs of modern living. For programs such as SNAP, ensuring benefits are adequate to meet the policy purpose, particularly at a time of high inflation, is essential.

3. **Continue effective interventions that have demonstrated a meaningful reduction in poverty.** The research indicates pandemic-related responses to enhance tax credits, provide additional insurance benefits and expand food assistance reduced poverty significantly in 2020 and 2021, as measured by the SPM. While it was appropriate to make some of these efforts, such as expanded unemployment insurance and economic impact payments, temporary, others, such as the enhancements to the Child Tax Credit, should be continued. Similarly, research has also demonstrated the EITC to be an effective weapon in the fight against poverty, and it should be enhanced to provide greater income assistance while continuing to promote employment.

The State supplements federal efforts and is responsible for ensuring those eligible for assistance are aware of, and can easily access, program services and/or assistance. In addition, the State can also:

1. **Make poverty reduction a cross-agency priority.** The State recently set a laudable goal to reduce child poverty by 50 percent and established the Child Poverty Reduction Advisory Council in pursuit of that objective. The Council is composed of stakeholders within and outside of government, and will consider expansion of several programs, including the State EITC, the Empire State Child Credit, housing assistance and food assistance. Recommendations should be guided based on evidence and analysis of greatest potential effectiveness.

Focus should be placed on achieving poverty reduction for other high-needs groups and in places where the needs are both chronic and acute, and this focus should be sustained through a formalized, cross-agency effort that involves data-sharing, improved evaluation and reporting, and coordinated management.

⁴⁵ Ballot question 3 amended the New York City Charter to “require the City to create a true cost of living measure to track the actual cost in New York City of meeting essential needs, including housing, food, childcare, transportation and other necessary costs, and without considering public, private, or informal assistance, in order to inform programmatic and policy decisions; and require the City government to report annually on the true cost of living measure.”

2. **Commit to greater equity in State services in order to target resources to those who need them most.** The State committed billions in resources to pursue an equitable recovery through temporary programs such as Emergency Rental Assistance and the Excluded Workers Fund, and has also greatly expanded childcare subsidies to provide greater support to working parents. State investments across functions should be reviewed with an eye toward improving equity and ensuring opportunity for people and places in need across the State to create pathways of economic mobility for individuals and families, with particular emphasis given to geographic regions with disproportionately high rates of poverty.

APPENDIX A: Percentage in Poverty, U.S., New York and New York Counties, 2010–2020

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
United States	15.3	15.9	15.9	15.8	15.5	14.7	14.0	13.4	13.1	12.3	11.9
New York State	15.0	16.1	15.9	16.0	16.0	15.5	14.8	14.1	13.7	13.1	12.7
Albany	13.2	13.6	13.8	13.7	13.5	12.6	12.1	11.3	11.3	11.7	11.3
Allegany	17.2	18.1	18.3	16.7	18.3	16.8	18.4	16.3	17.0	17.9	15.1
Bronx	30.0	30.3	30.8	30.7	31.5	30.3	28.6	27.9	27.3	26.2	24.4
Broome	16.5	17.5	17.3	17.7	17.2	17.7	16.5	17.5	17.3	17.8	18.4
Cattaraugus	15.0	18.7	18.1	18.9	16.2	18.0	14.6	15.8	17.1	14.7	16.3
Cayuga	12.6	14.0	12.9	14.2	12.7	12.7	12.5	12.6	13.0	13.8	11.7
Chautauqua	17.3	19.8	21.0	19.1	19.3	17.2	19.2	17.7	18.3	16.3	14.8
Chemung	15.6	16.4	15.4	17.0	18.2	14.9	15.2	15.3	13.5	14.1	14.5
Chenango	16.0	16.6	15.3	16.8	16.7	14.3	15.2	12.6	15.1	13.7	11.5
Clinton	15.7	15.5	14.7	15.7	16.6	17.5	14.4	13.7	13.2	14.8	11.1
Columbia	9.5	10.4	13.0	11.8	11.6	13.6	12.7	10.5	11.7	10.1	10.2
Cortland	14.8	17.7	15.2	14.6	13.8	16.2	16.4	15.7	16.9	17.3	11.7
Delaware	12.3	17.1	15.6	17.8	14.4	16.9	17.5	17.9	15.9	12.6	12.8
Dutchess	8.2	10.1	9.8	9.5	10.2	10.4	9.2	10.1	9.2	8.6	8.3
Erie	14.3	15.3	14.1	15.1	15.2	15.6	14.2	14.5	13.7	13.3	13.2
Essex	13.0	14.6	14.2	11.7	12.0	12.2	12.6	10.6	11.7	12.4	10.2
Franklin	16.1	20.7	18.5	22.4	18.5	18.3	18.4	18.9	16.7	18.1	15.9
Fulton	15.6	16.6	15.1	15.7	17.8	17.9	15.0	15.9	13.0	16.4	13.9
Genesee	12.1	13.0	11.3	14.7	12.0	13.4	11.4	10.8	9.9	10.5	10.2
Greene	17.2	16.0	14.7	13.9	11.1	16.4	16.4	12.7	13.0	12.6	11.2
Hamilton	10.6	10.7	10.3	12.1	11.4	11.1	10.2	9.8	9.1	9.8	8.7
Herkimer	15.6	16.9	13.2	16.4	16.5	12.7	16.3	14.3	13.5	13.7	12.1
Jefferson	14.3	17.4	15.3	15.7	15.1	14.1	15.3	15.1	12.3	14.6	13.1
Kings	22.9	23.6	24.2	23.3	23.4	22.3	20.6	19.8	18.9	17.7	17.8
Lewis	15.0	12.1	13.6	14.8	14.3	14.0	15.8	12.5	12.2	12.4	11.4
Livingston	13.5	13.5	13.1	15.0	14.7	13.2	13.9	12.0	12.5	13.8	10.3
Madison	11.5	11.9	13.2	13.9	11.8	12.9	11.1	10.8	10.8	9.8	10.4
Monroe	15.1	16.4	14.8	15.5	14.2	14.8	14.7	14.6	14.4	12.7	13.9
Montgomery	17.1	19.0	19.6	17.3	18.9	18.4	19.9	17.8	15.8	15.9	11.9
Nassau	6.2	7.0	6.9	6.5	6.7	6.1	6.1	6.2	5.8	5.6	5.7
New York	16.6	18.4	17.8	19.0	17.7	17.6	17.2	16.3	15.6	14.1	16.3
Niagara	14.1	12.9	14.7	13.8	13.4	15.5	12.6	12.4	13.0	12.4	11.7
Oneida	15.1	17.1	16.5	17.6	17.7	18.0	16.3	16.1	14.8	14.6	12.4
Onondaga	14.1	15.6	15.0	15.3	16.1	14.6	14.6	13.7	13.7	13.8	12.8
Ontario	10.1	10.7	11.3	10.0	11.5	9.6	9.6	9.3	8.5	8.1	8.8
Orange	11.4	13.9	12.5	13.6	13.4	12.1	12.6	10.9	11.5	12.3	10.6
Orleans	14.0	14.5	15.9	15.7	15.5	14.2	15.2	15.2	12.6	13.2	13.2
Oswego	16.9	19.3	16.7	18.6	19.6	17.4	17.2	16.3	16.1	15.6	14.2
Otsego	15.7	16.4	14.2	17.1	18.9	16.8	14.7	13.1	12.5	16.2	12.8
Putnam	6.2	5.9	6.3	5.8	6.3	6.0	6.0	5.4	6.0	5.2	5.7
Queens	15.1	16.0	16.3	15.4	15.4	13.9	13.3	12.2	11.6	11.0	10.3
Rensselaer	13.5	12.0	11.6	14.0	13.0	12.0	11.6	11.5	11.1	11.5	10.4
Richmond	12.1	12.5	12.1	13.1	14.5	14.2	13.2	11.9	11.7	9.1	10.6
Rockland	11.6	14.1	15.3	14.8	14.7	14.0	14.4	13.3	13.9	12.5	14.4
Saratoga	7.0	7.1	6.6	7.9	7.2	6.4	6.3	6.6	6.3	6.0	6.3
Schenectady	12.0	14.1	12.4	14.2	13.2	12.0	11.4	12.8	11.3	12.1	10.9
Schoharie	13.3	11.4	14.4	13.7	15.9	13.7	12.7	13.9	11.8	12.1	11.0
Schuyler	13.1	14.1	13.4	17.9	15.4	12.5	15.0	13.9	13.5	15.7	11.8
Seneca	14.0	13.3	12.9	13.1	14.2	14.1	13.5	12.0	12.6	13.7	12.1
St. Lawrence	17.4	18.8	19.7	21.4	18.9	18.5	17.5	18.9	15.1	18.9	14.7
Steuben	14.4	18.1	15.6	15.6	16.6	15.4	13.2	12.8	12.8	15.0	12.1
Suffolk	6.6	6.9	7.4	7.5	7.7	7.8	7.6	7.0	7.3	6.8	6.1
Sullivan	19.1	17.0	18.2	19.4	16.3	18.1	16.9	14.9	16.2	16.1	12.7
Tioga	9.8	10.9	10.2	11.7	11.4	11.7	12.7	9.9	10.2	9.4	9.3
Tompkins	19.6	20.0	17.7	18.8	18.7	20.1	18.5	18.6	16.8	16.9	12.4
Ulster	12.5	14.5	13.6	12.7	13.7	14.0	13.9	13.7	14.3	12.0	12.7
Warren	10.4	13.9	11.6	11.3	13.3	11.3	11.7	9.7	10.8	10.1	8.9
Washington	12.0	14.1	13.3	15.1	14.6	13.3	11.1	11.7	11.4	11.9	11.2
Wayne	10.6	12.8	12.0	11.4	12.9	12.2	10.4	12.1	9.6	11.4	9.7
Westchester	9.0	10.0	10.2	9.9	10.4	10.1	10.0	8.5	8.3	8.4	7.6
Wyoming	10.8	11.6	11.3	11.8	12.3	13.3	10.0	11.2	9.9	9.9	9.6
Yates	17.0	15.1	16.1	16.5	14.5	13.6	14.1	13.9	12.7	13.9	12.9

Source: U.S. Census Bureau, Small Area Income and Poverty Estimates

APPENDIX B: Percentage in Poverty and Ranks, New York Counties, 2020 (“1” represents highest poverty rate)

	All Ages		Under 18	
	Rate	Rank	Rate	Rank
New York State	12.7		16.7	
Albany	11.3	36	12.5	50
Allegany	15.1	7	21.0	9
Bronx	24.4	1	30.6	1
Broome	18.4	2	23.8	4
Cattaraugus	16.3	4	22.0	7
Cayuga	11.7	31	15.3	38
Chautauqua	14.8	8	19.4	16
Chemung	14.5	10	20.1	13
Chenango	11.5	34	15.7	33
Clinton	11.1	39	13.1	47
Columbia	10.2	48	16.0	32
Cortland	11.7	31	15.7	33
Delaware	12.8	19	18.7	20
Dutchess	8.3	57	8.6	57
Erie	13.2	15	17.8	23
Essex	10.2	48	14.9	40
Franklin	15.9	6	25.0	2
Fulton	13.9	13	20.2	11
Genesee	10.2	48	12.6	49
Greene	11.2	37	16.1	30
Hamilton	8.7	56	14.1	43
Herkimer	12.1	26	16.2	29
Jefferson	13.1	17	17.8	23
Kings	17.8	3	23.5	5
Lewis	11.4	35	16.7	28
Livingston	10.3	46	12.3	52
Madison	10.4	44	13.9	44
Monroe	13.9	13	20.4	10
Montgomery	11.9	29	20.2	11
Nassau	5.7	61	6.3	59
New York	16.3	4	19.3	17
Niagara	11.7	31	14.7	41
Oneida	12.4	24	17.7	25
Onondaga	12.8	19	19.6	15
Ontario	8.8	55	11.0	56
Orange	10.6	42	15.7	33
Orleans	13.2	15	20.1	13
Oswego	14.2	12	19.2	18
Otsego	12.8	19	16.8	26
Putnam	5.7	61	5.6	62
Queens	10.3	46	13.0	48
Rensselaer	10.4	44	14.3	42
Richmond	10.6	42	15.0	39
Rockland	14.4	11	25.0	2
St. Lawrence	14.7	9	18.4	21
Saratoga	6.3	59	6.3	59
Schenectady	10.9	41	15.4	37
Schoharie	11.0	40	15.5	36
Schuyler	11.8	30	16.8	26
Seneca	12.1	26	19.1	19
Steuben	12.1	26	18.4	21
Suffolk	6.1	60	6.2	61
Sullivan	12.7	22	21.3	8
Tioga	9.3	53	12.1	54
Tompkins	12.4	24	12.4	51
Ulster	12.7	22	13.6	46
Warren	8.9	54	13.8	45
Washington	11.2	37	16.1	30
Wayne	9.7	51	12.3	52
Westchester	7.6	58	8.5	58
Wyoming	9.6	52	11.3	55
Yates	12.9	18	22.2	6

Source: U.S. Census Bureau, Small Area Income and Poverty Estimates

APPENDIX C: Poverty Status in the Past 12 Months, New York and Large New York Cities, 2010–2019 and 2021

Individuals

(percent of population below poverty level for whom poverty status is determined)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2021
New York State	14.9%	16.0%	15.9%	16.0%	15.9%	15.4%	14.7%	14.1%	13.6%	13.0%	13.9%
Albany	28.2%	25.5%	26.8%	25.7%	29.0%	23.4%	23.9%	21.9%	21.2%	22.6%	22.0%
Buffalo	30.2%	30.9%	30.9%	31.4%	31.3%	33.0%	30.5%	29.6%	30.1%	28.8%	26.4%
New York City	20.1%	20.9%	21.2%	20.9%	20.9%	20.0%	18.9%	18.0%	17.3%	16.0%	18.0%
Rochester	33.8%	35.5%	31.6%	35.4%	33.8%	33.2%	32.3%	32.3%	31.7%	25.3%	27.8%
Syracuse	34.0%	36.7%	38.2%	33.2%	34.4%	31.0%	32.1%	32.4%	30.5%	31.3%	28.7%
Yonkers	12.3%	17.8%	17.5%	15.5%	18.0%	18.7%	15.5%	15.4%	11.6%	14.2%	17.1%

Note: 2020 estimates are experimental and not included.

Source: U.S. Census Bureau, ACS, Table S1701 (1-year estimates), 2010–2019, 2021

Families

(percent below the poverty level)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2021
All Families											
New York State	11.5%	12.3%	12.2%	12.1%	12.2%	11.6%	10.9%	10.4%	10.0%	9.3%	10.1%
Albany	22.2%	21.1%	15.2%	18.8%	19.5%	16.2%	17.7%	14.7%	15.6%	13.1%	12.8%
Buffalo	25.9%	26.8%	25.7%	25.6%	25.5%	27.3%	25.1%	23.8%	23.7%	25.3%	21.8%
New York City	17.0%	18.0%	18.2%	17.5%	17.6%	16.8%	15.5%	14.7%	14.1%	12.4%	14.4%
Rochester	29.6%	32.4%	29.4%	33.9%	32.0%	28.3%	27.9%	28.2%	27.4%	20.8%	21.8%
Syracuse	28.0%	29.6%	29.8%	26.6%	28.1%	20.7%	26.4%	24.8%	23.3%	25.9%	24.5%
Yonkers	10.1%	15.2%	14.0%	12.3%	13.9%	14.7%	11.2%	12.6%	8.4%	10.5%	15.1%
Female Heads of Households											
New York State	27.6%	28.8%	28.4%	28.3%	28.7%	27.4%	25.5%	25.0%	23.7%	22.1%	22.9%
Albany	43.7%	36.4%	29.0%	33.8%	35.9%	37.2%	32.5%	33.3%	26.8%	27.1%	31.6%
Buffalo	43.0%	41.3%	40.6%	44.3%	42.7%	46.1%	35.8%	39.2%	34.0%	39.1%	38.5%
New York City	30.7%	31.6%	32.2%	30.6%	31.6%	29.8%	27.6%	27.3%	25.8%	23.3%	25.1%
Rochester	49.4%	53.3%	44.1%	50.5%	50.4%	43.7%	43.6%	46.5%	42.8%	31.6%	36.1%
Syracuse	45.3%	50.3%	44.3%	43.4%	47.7%	34.8%	49.2%	38.4%	34.9%	50.3%	43.8%
Yonkers	26.2%	26.2%	25.8%	29.5%	27.1%	29.1%	21.5%	28.7%	19.4%	18.9%	30.6%
Married Couple Families											
New York State	5.8%	6.2%	6.3%	6.4%	6.3%	6.0%	5.9%	5.4%	5.5%	5.0%	5.6%
Albany	10.8%	5.8%	7.8%	11.6%	9.1%	5.4%	8.1%	3.2%	7.5%	2.2%	1.2%
Buffalo	9.9%	12.1%	11.8%	14.0%	12.0%	10.2%	15.2%	13.3%	16.4%	15.9%	10.3%
New York City	10.1%	10.8%	11.1%	10.9%	10.7%	10.4%	9.7%	8.9%	8.8%	7.5%	9.0%
Rochester	9.4%	13.5%	11.5%	14.5%	10.2%	7.8%	9.2%	8.6%	8.0%	8.7%	7.1%
Syracuse	9.7%	13.1%	14.9%	10.0%	11.3%	9.2%	10.6%	11.0%	10.9%	7.5%	9.8%
Yonkers	4.3%	8.0%	6.7%	4.6%	8.3%	8.9%	6.5%	5.9%	3.3%	6.4%	7.3%

Note: 2020 estimates are experimental and not included.

Source: U.S. Census Bureau, ACS, Table S1702 (1-year estimates), 2010–2019, 2021

APPENDIX D: Major Federal and State Programs

Direct Spending Programs

Social Security System

Social Security is one of the largest areas of federal spending. Established in 1935, in the midst of the Great Depression, the system has contributed to dramatic reductions in the poverty rate for individuals living with disabilities and particularly for those aged 65 or older. According to the Center on Budget and Policy Priorities, more than 22.4 million individuals nationally are lifted above the poverty line due to Social Security benefits, including 16.1 million individuals aged 65 or over.⁴⁶ In New York, nearly 3.7 million individuals benefit from Social Security, including 2.9 million individuals aged 65 or older.

The Social Security system is comprised of three programs. Under the Old Age and Survivors Insurance program, workers and their employers pay into a trust fund, and employees and/or their survivors receive a benefit after meeting eligible retirement age.

The second program, Social Security Disability Insurance (SSDI), is available to individuals who are unable to work due to a medical condition that is expected to last at least one year, or be fatal. To be eligible, recipients must meet requirements for recency and length of prior work performed in positions covered by Social Security.

The third program, Supplemental Security Income (SSI), provides monthly cash payments to aged, blind or disabled individuals who have limited income and assets; it is intended to provide a guaranteed minimum income for meeting basic needs. In FFY 2021, nationally 7.7 million individuals per month received \$55.5 billion in federal SSI payments.

To be financially eligible for SSI, a person's countable income must not exceed the maximum monthly SSI payment: \$794 per month for individuals and \$1,191 per month for couples if both are SSI eligible. The limit on available resources is \$2,000 for individuals and \$3,000 for couples. Recipients must also live in the U.S. and be a U.S. citizen or qualified non-citizen.

In SFY 2021-22, nearly 637,000 New Yorkers received \$4.3 billion in federal SSI payments. These individuals also received \$546 million in State supplementary payments for total funding of nearly \$4.9 billion.

⁴⁶ Kathleen Romig, Center on Budget and Policy Priorities, "Social Security Lifts More People Above the Poverty Line Than Any Other Program," April 19, 2022, at <https://www.cbpp.org/research/social-security/social-security-lifts-more-people-above-the-poverty-line-than-any-other>.

Cash Assistance Programs

Temporary Assistance for Needy Families

The federal government provides block grants for states to distribute to low-income families with children under the Temporary Assistance for Needy Families (TANF) program. In addition to income support, acceptable uses of funding include supports to promote job skills training, employment opportunities, marriage, and housing stability. Eligibility for services supported by TANF block grant funds is limited to individuals whose incomes do not exceed 200 percent of the federal poverty level. Nationally, the TANF program provides approximately \$16.5 billion annually.

In SFY 2022-23, New York State is expected to receive \$2.7 billion of TANF funds: \$1.1 billion for the Family Assistance (FA) program; \$964 million for the “Flexible Fund for Family Services” which provides funding to local social services districts (New York City and all other counties) that use the funding for a range of TANF-eligible purposes at local discretion; and \$260 million for childcare subsidies.

Family Assistance

In SFY 2021-22, more than 162,000 New York families per month received over \$547 million in federally funded FA cash assistance benefits, paid from the State’s TANF block grant. Under FA, eligible adults are limited to receiving benefits for a total of 60 months in their lifetime. Parents and other adult relatives receiving FA who are determined to be able to work must comply with federal work requirements to receive benefits. As a further condition of FA eligibility, each person is required to cooperate with State and local departments of social services in efforts to locate any absent parent and obtain support payments and other payments or property. Non-cooperation without good cause can result in lower FA benefits.

Safety Net Assistance

New York also provides additional cash assistance through Safety Net Assistance (SNA), which is financed with a combination of State and local resources. In SFY 2021-22, nearly 310,000 New Yorkers per month received \$1.4 billion in SNA benefits, with local social services districts financing 71 percent of costs and the State financing 29 percent of costs.

SNA provides cash assistance to eligible needy individuals and families who are not eligible for benefits funded by the TANF block grant, including single adults, childless couples, children living apart from any adult relative, families of persons found to be abusing drugs or alcohol, families of persons refusing drug/alcohol screening, assessment or treatment, and non-citizens who are eligible for cash assistance, but who are not eligible for federal reimbursement. Recipients of SNA

who are determined to be able to work must also comply with work requirements to receive SNA benefits. Generally, cash SNA benefits are available for a maximum of 24 months in a lifetime. After that, benefits are provided in non-cash form, such as a payment made directly to a landlord or a voucher sent directly to a utility company.

In SFY 2021-22, cash assistance from both programs totaled nearly \$2 billion and was provided to more than 472,000 recipients per month. Both spending amounts and recipients have been on a downward trend, with the number of recipients peaking at over 578,000 per month in 2013 and spending peaking at over \$2.24 billion in 2015.

Supplemental Nutrition Assistance Program (SNAP)

SNAP, the nation's food and nutrition assistance program for low-income Americans, is designed to help secure a nutritionally adequate diet. The program provided \$108.7 billion in federally funded food benefits to 41.5 million people per month in FFY 2021.

Eligibility is limited to households with gross monthly income at or below 130 percent of the federal poverty level and household net income at or below 100 percent of poverty; there is also a household asset limit of \$2,500. Households with an elderly or disabled member do not have to meet the gross income test and have an asset limit of \$3,750. SNAP eligibility is automatically conveyed based on the applicant's participation in other means-tested programs, including SSI and TANF.

In SFY 2021-22, approximately 2.8 million New Yorkers per month received \$8.4 billion in federal food benefits, more than double the amount of benefits received in the year before the pandemic. Much of this growth in the State's SNAP spending reflects federal pandemic responses that: authorized issuance of emergency allotment supplemental benefits to households not receiving the maximum benefit for the household's size; and funded a 15 percent increase to maximum SNAP benefit amounts for January through September 2021.

Separate from implementation of these COVID policy responses, federal government re-estimates of the cost of a healthy diet increased SNAP's maximum benefit amounts by 21 percent in October 2021. This increase was offset in part by expiration of the pandemic-related 15 percent increase in SNAP benefits that had been in place since January 2021.

Medicaid

Medicaid is a joint federal-state program that provides health insurance coverage and other related services for the nation's most economically disadvantaged, including low-income children and their families, low-income seniors and low-income people with disabilities. Total Medicaid benefit spending was \$717.1 billion nationally in FFY 2021.⁴⁷

Medicaid eligibility is automatic for some people, including most individuals who receive SSI and children who are in foster care. Others must meet financial criteria that vary by group and among states. The Affordable Care Act (ACA) required eligibility for adults under age 65 with incomes at or below 133 percent of the poverty threshold who are not pregnant and do not have Medicare coverage. However, due to a 2012 U.S. Supreme Court ruling that made this eligibility group an optional population, a number of states have not expanded Medicaid coverage to these individuals.

In New York, the Medicaid program reached record highs of nearly \$84 billion in total spending in SFY 2021-22 and enrollment of nearly 7.6 million individuals in March 2022. The federal share of Medicaid costs totaled \$48.1 billion in SFY 2021-22; the State share, \$27.7 billion; and the local share, \$8.0 billion. Enrollment levels were affected by federal restrictions on disenrollment during the COVID public health emergency.

Child Care Subsidies

In SFY 2022-23, New York authorized over \$2.1 billion for the Child Care and Development Block Grant subsidies: \$1.7 billion in federal; \$334 million in State; and \$68 million in local funding. This funding expands eligibility levels to 300 percent of the federal poverty level starting in August 2022 and reduces the family share of childcare payments, implements 12-month eligibility for childcare assistance, and pays for a minimum of 24 absences per child per provider per year. The funding also broadens the childcare options available to subsidy families by increasing the childcare market rate to include 80 percent of providers. The State's subsidy program served 102,595 children in 60,428 families from October 2020 through September 2021.⁴⁸

⁴⁷ This figure includes \$23.1 billion in Medicare premiums and coinsurance for individuals also eligible for the federal health insurance program for individuals aged 65 years and older (Medicare), individuals with end-stage renal disease (ESRD), or certain younger individuals with disabilities.

⁴⁸ New York State Office of Children and Family Services, *Child Care Subsidy Report for FFY 2021*, submitted to the federal Administration for Children & Families, available at <https://ocfs.ny.gov/reports/childcare/NY-ACF-800-2021.pdf>.

Low Income Home Energy Assistance

The Low Income Home Energy Assistance Program is designed to assist households with low incomes—particularly those with the lowest incomes that pay a high proportion of household income for home energy—in meeting their immediate home energy needs. For SFY 2021-22, New York received \$340 billion of federal funds to support the program pursuant to the initial allocation; and received supplemental allocations of \$569 million related to the COVID-19 pandemic. Preliminary FFY 2021 data indicate the program served over 5.2 million households, including over 1 million in New York.

Tax Credits

In addition to cash assistance and program services, there are federal, State and New York City tax benefits for low-income New Yorkers. These include:

Earned Income Tax Credit (EITC)

The EITC is a tax credit for low-income taxpayers who work and can be claimed against federal, New York State and New York City personal income taxes. The amount of the credit the taxpayer is allowed to claim varies based on several factors: age, filing status, number of dependent children, and income of the taxpayer. The maximum eligible income is \$57,414 and the maximum credit is \$6,728. The tax credit is refundable; that is, if the amount of the credit exceeds the taxpayer's tax liability, any excess will be refunded to the taxpayer. In tax year 2019, over 1.6 million New York taxpayers received \$3.8 billion from the federal EITC.

For the New York State and New York City personal income tax, EITC is equal to 30 percent and 5 percent of the federal EITC, respectively, for most taxpayers. Unlike the federal EITC, taxpayers who are non-custodial parents can claim the State EITC. The credit for these taxpayers is equal to 20 percent of the federal EITC for single taxpayers with one child. Over 1.2 million taxpayers claimed \$773.6 million from the State EITC in tax year 2020. For the City EITC, over 673,000 taxpayers received \$69.4 million in credits.

Child Tax Credit

The federal child tax credit allows taxpayers to claim a federal personal income tax credit for each child aged 17 and under. For tax year 2021, the amount of the credit was equal to \$3,600 per child aged 5 and under and \$3,000 per child between the ages of 6 and 17 as a result of the American Rescue Plan (ARP). The credit will revert back to \$2,000 per child for tax year 2022.

Taxpayers with incomes up to \$400,000 can receive the credit; however, the amount of the credit is phased down at the higher income levels. The credit was only fully refundable in tax year 2021. In 2022, it will be partially refundable—if the credit exceeds the taxpayer’s liability, a maximum of \$1,500 over that liability will be refunded. In tax year 2019, 2.3 million New York taxpayers received \$6.4 billion from this credit.

The Empire State Child Credit allows New York personal income taxpayers to claim a credit equal to the greater of 33 percent of the federal child tax credit or \$100. Qualifications for this credit are more limited than the federal credit—only children ages 4 to 16 and taxpayers with incomes of \$110,000 or less are eligible. In addition, the amount of the federal credit to which the percentage applies is that which was in effect prior to 2018, \$1,000 per child. However, the credit is fully refundable. Over 1.3 million taxpayers claimed \$597.5 million in credits in tax year 2020.

Child and Dependent Care Credit

The child and dependent care credit allows a taxpayer to claim federal, New York State and New York City personal income tax credits for a portion of the expenses paid for the care of a child or dependent (the dependent does not have to be a child of the taxpayer), such as childcare or adult daycare expenses.

For tax year 2021, the federal credit was equal to 50 percent of dependent care expenses with a maximum credit of \$4,000 for one dependent or \$8,000 for two or more dependents. Taxpayers with incomes below \$438,000 are eligible for the credit; however, the amount of credits phases down at incomes above \$125,000. Like the child tax credit, these amounts were enacted as part of the ARP and only applicable to the 2021 tax year. For 2022, the credit will revert to the previous amounts of 35 percent of expenses, maximum credits of \$1,050 for one dependent and \$2,100 for two or more dependents. In tax year 2019, over 415,000 New York taxpayers claimed \$487 million in child and dependent care credits.

The child and dependent care credit under the New York personal income tax is equal to a percentage of the federal dependent care credit. Like the Empire State Child Credit, the amount of the federal credit is that which was in effect prior to 2018. There is no income threshold by which to qualify for the credit. However, the amount of the credit does vary with a taxpayer’s income. For those with incomes of \$25,000 or less, the credit is equal to 110 percent of the federal credit. As income increases, the percentage decreases; those with incomes over \$150,000 are allowed a credit of 20 percent of the federal credit. Over 288,000 taxpayers claimed \$112.4 million in these credits in 2020.

For the New York City credit, only taxpayers with incomes less than \$30,000 are eligible. The City credit is equal to a percentage of the State credit, the percentage of which varies based on the income and number of children under the age of four of the taxpayer. In 2020, just over 3,000 New York City taxpayers claimed \$783,000 in credits.

Contact

Office of the New York State Comptroller
110 State Street
Albany, New York 12236

(518) 474-4044

www.osc.state.ny.us

Prepared by the Office of Budget Policy and Analysis

Andrea Miller, Executive Deputy Comptroller

Maria Doulis, Deputy Comptroller

Todd Scheuermann, Assistant Comptroller

Carolyn Boldiston, Principal Analyst

Sara Kenney, Budget & Policy Analyst

