



Testimony of

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Before the  
New York City Council  
Committee on Community Development

Oversight – New York City Poverty 2010:  
A Look at the Impact of the Recession on Communities, People, and the  
Administration's Poverty Reduction Plan

October 28, 2010

Good afternoon. My name is Louise Feld and I am the Policy Associate for Education, Food, and Economic Security at Citizens' Committee for Children of New York (CCC). CCC is a 67-year-old independent, multi-issue child advocacy organization dedicated to ensuring that every New York child is healthy, housed, educated and safe. I would like to thank Chair Vann and the members of the Committee on Community Development for holding this important hearing on the recession's impact on individuals and communities, and the Administration's Poverty Reduction Plan.

In June 2010, CCC released *Keeping Track of New York City's Children 2010*, our bi-annual, comprehensive book detailing over 400 child well-being indicators about New York City's children. *Keeping Track* includes data collected at the start of the economic downturn, and paints a vivid picture of children's health and welfare, both citywide and in each of New York's 59 community districts.<sup>1</sup> The data in our most recent *Keeping Track* demonstrates the undeniable negative impact that, as early as 2008, the economic downturn has had on many of New York City's two million children and their families. As the information in *Keeping Track* shows, families in all five boroughs have faced increased financial instability, hunger, and homelessness. Further, while many of those suffering and in need of government assistance were new to economic instability, communities of color and historically lower-income neighborhoods have borne the overwhelming brunt of this crisis.

In 2008, at the cusp of the recession, 26% of New York City's children – nearly 500,000 children, or one in four children citywide – lived in households below the federal poverty

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<sup>1</sup> The data from *Keeping Track* is also available at [www.cccnewyork.org](http://www.cccnewyork.org).

level, which was then \$17,600 a year for a family of three. For certain New York City neighborhoods, the data is even bleaker: 40% of children in the Bronx (155,985 children) and 30% of children in Brooklyn (192,624) lived in poverty in 2008. The recession took a similarly disparate toll on Black and Latino children, who resided in poverty at a greater rate than the citywide average. A full 34.7% of Latino children and 28.7% of Black children fell below the federal poverty level in 2008.

The percent of New Yorkers, children in particular, who live in poverty has continued to increase as the economic crisis persists. According to the US Census Bureau's recently-released data for 2009, 27.1% of New York City children lived below the federal poverty level. This increase is unsurprising given the 2009 spike in unemployment in each of the five boroughs, and the overall rate of 9.5% unemployment in New York City. Notably, unemployment rates were highest in the Bronx (12.2%) and Brooklyn (10.1%), and climbed to even greater heights in some communities, such as Brownsville, Brooklyn (22%) and Hunts Point, Bronx (20%). Further, and similar to the poverty statistics, unemployment numbers also demonstrated that communities of color were disparately affected, as 14.9% of African-Americans and 11.2% of Latinos were unemployed in 2009.

The impact the economic downturn is having on New York City's children can be seen clearly when the data related to the number of families turning to government social supports is examined. For instance, in 2009, 21,294 families with children – more than in any previous year – applied for shelter. In addition, 1.5 million New Yorkers received

food stamps. Although this latter staggering number may be attributed in part to improvements in the enrollment process and changes in food stamp eligibility (such as the elimination of the asset test), the role that current economic conditions have played in raising the number of New York City residents who receive food stamps cannot be ignored.

CCC supports the Administration's Center for Economic Opportunity, and applauds its initiatives that not only recognize that low-income and working families want to save for their children's futures, but provide them with the information and means to do so. For example, tax credits, such as the City's Earned Income Tax Credit and the Child Care Tax Credit, help hard-working families build assets. Programs such as \$ave NYC, which offers matching funds to low-income tax filers who save a portion of their tax returns, build upon these credits, promoting easily accessible ways to allow a family's savings to continue to grow. Finally, initiatives, such as the Youth Financial Empowerment Program, help youth who are aging out of foster care – our youngest and perhaps most economically vulnerable work force members – develop financial literacy and a way to save for education, housing, and even entrepreneurship.

In continuing this important work, the City must acknowledge that low-income families and communities of color have felt the greatest impact of the economic downturn. CCC urges the Administration and the City Council to continue supporting and exploring innovative ways to address and ameliorate the financial hardships that the recession has created for New York City's children and their families. As the City once again looks to

address budget shortfalls, both in Fiscal Year 2011 and Fiscal Year 2012, it is imperative that the programs designed to help low-income families develop both short- and long-term financial stability be preserved, and that the programs and services that protect and support child well-being, such as child care, after school programs, child abuse prevention services, and homelessness prevention services be maintained.

CCC looks forward to working with the New York City Council, the Mayor's Office and the City to ensure that despite the economic downturn, NYC's children are healthy, housed, educated and safe. Thank you for this opportunity to testify.