



Testimony Submitted for the Record
on behalf of
Catholic Charities Fort Worth
to the
National Commission on Hunger

July 30, 2015

Chairwoman Chilton, Chairman Doar, and members of the National Commission on Hunger, thank you for the opportunity to submit a written testimony on the issue of hunger in America. I am Heather Reynolds, President/CEO of Catholic Charities Fort Worth, a faith-based, non-profit social service agency. It is my honor to share my thoughts on reform to help low-income Americans avoid food insecurity.

For 105 years, Catholic Charities Fort Worth (CCFW) has worked to meet the needs of our community's most vulnerable. Although a lot has changed since CCFW's founding in 1910, our mission has remained constant: *to provide service to those in need, to advocate compassion and justice in the structures of society, and to call all people of goodwill to do the same.* We have answered the call to care for our neighbors in need and our ambitious goal is to work towards ending poverty in our community, one family at a time. Today, we provide a wide breadth of social services in Tarrant County and 27 surrounding counties in North Central Texas. CCFW's 2015 operating budget is just over \$27.5 million. Thirty percent of our budget comes from government grants, while most of the remainder comes from individuals, corporations, and foundations.

The majority of our more than 40 programs fall into three categories: caring for children, strengthening families, and welcoming the stranger. In 2014, we served over 102,000 people in our community. Of those, approximately 61% were Hispanic, 19% were African American, 12% were Caucasian, and 5% were Asian. Ninety percent of those had a total family income of \$35,000 or less, with 74% reporting a total family income of under \$21,000.

Our focus is on helping those who are able to move out of poverty, and caring for those who are not able to do so. We serve in this way because our Catholic faith compels us to serve those on the margins and those who are most vulnerable. We hold highly the standard that every human life is valuable and all people deserve dignity and respect. Every person's life from conception to natural death is important, and we should always work to preserve and care for

life at every stage. We believe that every person has a fundamental right to life and to those things required for human decency, including food.

Catholic teaching says that the poor have the moral claim on the conscience of the nation. We must examine personal decisions, policies of private and public institutions, and economic relationships in terms of their effects on the poor – those who lack the minimum necessities of nutrition, housing, education, and health care. The poor not only have a right to these basics, but also to discover and develop their full potential and contribute their talents to better the wider society. We believe that the good of each person, the well-being of the individual, is connected to the good of all others.

That leads me to where we are today. I believe strongly in the principle of preferential treatment for the poor and vulnerable and that we should design policies with the poor in mind, particularly the policies aimed at alleviating their suffering. We should not design policies for an end result of families simply subsisting in their poverty. Rather, federal policy should be aimed at helping people move from crisis to stability, and ultimately to a place where they are thriving. It makes sense economically, it makes sense socially, and it makes sense morally.

This is not an implausible dream. I believe in our lifetime we could see government policies designed to realistically boost those in need to a place of sustainability. In order to do this, we need to get to the core of the hunger issue. We know that people are hungry. We know that giving them food will alleviate those immediate hunger pains. But this is not a sustainable solution. To reach that answer we must ask a new question: **Why are people hungry?**

My experience shows that people face many types of poverty. For some, it is situational poverty. Life was fine and then something happened, like a divorce or a job loss, and it sent the family spiraling out of control. For others, it is generational poverty – a cycle of poor parents having poor kids who then grow up to be poor parents with poor kids. The cycle continues unless something intervenes to break it.

Regardless of the type of poverty a family is facing, food insecurity is not the causal issue. Food insecurity is the symptom of a much larger issue. Take, for example, if you had a heart attack. You probably wouldn't be thinking, "That damn cholesterol that clogged those arteries, gets you every time." No, you would probably blame unhealthy choices, like lack of exercise and poor eating habits. Your choice to eat poorly and live a sedentary life were closer to the core of why the heart attack occurred. Your doctor might put you on medication to get your cholesterol under control, but the overall work would be on improving your health through eating the right foods and getting plenty of exercise.

The same is true when we consider those who are hungry in our country. Yes, we need to feed them, but we cannot stop there. We must ask ourselves why people are hungry. Once we understand that hunger is a symptom of poverty, we can then begin to attack the larger issue of poverty in our country. Getting to the core of the issue will help solve the hunger problem in our country for the long term.

Food insecurity is a symptom of poverty. A person does not experience food insecurity in a vacuum, but as one of many intertwined issues that all have their root in poverty. As one of our CCFW employees says, “In general, our clients are undereducated and underemployed. They often can’t keep jobs because they can’t afford transportation to get to work. I try to encourage my clients to access food banks and use the money they would spend on food to pay their utilities. Too many of them go without in order to make their meager SNAP benefits last.”

This month, a family may scrimp on food in order to pay the electricity bill. Next month, they may forego filling a needed medication prescription in order to ensure their children have lunch for the rest of the summer. In fact, research from Feeding America suggests that 69% of clients accessing their food banks had to choose between buying food and paying their utility bill, and 66% had to choose between food and medical care. A third of clients faced those tradeoffs every month last year.¹ Simply feeding people or helping them enroll in government food benefits is not enough when their constraining factor is a limited budget, not access to food. Unless we get to the root of why people are hungry, they will perpetually be shifting their scant resources around simply to survive. By following this formula, true well-being and self-sufficiency will always be beyond their reach.

Why Are People Hungry?

For the most part, people are hungry because they don’t earn enough to meet all of their needs. And people don’t earn enough because they are under-educated, under-employed, and part of a system that under-values what it takes to get from surviving to thriving.

Currently in America, many are living a life of mere subsistence and inadequate well-being. More than 45 million people are living in poverty, and 14.7 million children live in households at or below the federal poverty line.² An alarming 49 million people experience food insecurity, including over 15 million children.³ Over the past decade, Catholic Charities agencies across the nation have more than doubled their emergency food services, aiding a record high 9.6 million people, including 1.3 million children, in 2013.⁴

Over 100,000 people come to CCFW every year for help. When a person calls or visits us for the first time, a CCFW employee conducts a thorough assessment of their needs, and then connects them with CCFW and community services. Nine percent of the 22,473 people who contacted us in 2014 specifically requested food assistance. Already this year we have seen a slight increase in requests for food, with 12% of callers requesting food aid. Of those who call seeking help with another need, many admit that they also need help accessing food when specifically asked by our staff.

¹ Borger, Christine, et al. (2014). [Hunger in America 2014 Executive Summary](#). Feeding America.

² DeNavas-Walt, C. & Proctor, B.D. (2014). [Income and Poverty in the United States: 2013](#). U.S. Census Bureau.

³ Coleman-Jensen, A., Gregory, C., & Singh, A. (2014). [Household Food Security in the United States in 2013](#). U.S. Department of Agriculture.

⁴ Catholic Charities USA Annual Survey [Dataset, 2003-2013]. Survey conducted by Center for Applied Research in the Apostolate, Georgetown University.

We must keep in mind that hunger is just one presenting component of the larger and complex issue of poverty. These calls for food are just a piece of the conglomerate that our clients are facing. They also request help with legal services, transportation, utility bills, medical care, emergency and permanent housing assistance, employment services, financial literacy and coaching, tax assistance and benefit enrollment, immigration services, obtaining replacement copies of critical documents (such as a birth certificate or Social Security card), parenting classes, and domestic violence or sexual assault services, among many others.

Plain and simple, people can't make enough money to overcome these obstacles and support their families if they don't have a job that pays enough. They can't get a job that pays enough if they don't have the education that is needed in our society today.

Lack of Affordable Education and Living-Wage Income

Education - affordable and effective training and degree programs – is crucial for helping people get the jobs they need to get out of poverty. College graduates are 5.3 times more likely than non-grads to leave the bottom quintile of income,⁵ illustrating how closely tied higher education is to economic mobility. This wasn't always the case, but as technology has advanced and our world has grown more interconnected than ever before, many of the manufacturing jobs that once provided high school graduates with a comfortable middle-class living are increasingly being sent overseas or becoming automated. However, if a poor student is able to complete college, their chances of having a solid income and a pathway to the middle-class increase dramatically.⁶

Currently, a high school dropout can only expect to earn \$20,110 per year, on average. A high school diploma or GED allows one to earn around \$35,000, but this is still not an adequate wage for many family compositions or geographic areas. However, average annual wage skyrockets when one earns an Associate's degree, all the way to \$57,590. One can expect to earn even more – \$67,140 – after earning a Bachelor's.⁷ Today, those with a bachelor's degree in any field earn significantly more (\$2.27 million over their lifetime) than those with only a high school diploma or GED (\$1.30 million over their lifetime).⁸ It is estimated that by 2018, two out of every three jobs will require an education beyond high school.⁹

Sadly, this key strategy to getting out of poverty is simply out of reach for those in poverty. Between the 1970s and 1990s, the college graduation rate of the richest Americans leapt from 36% to 54%. But among America's poorest, the college graduation rate just crept from 5% to 9%.¹⁰ The cost of higher education, as well as the myriad barriers standing in the way of

⁵ The Pew Charitable Trusts (2013). [Moving On Up: Why Do Some Americans Leave the Bottom of the Economic Ladder, but not Others?](#)

⁶ House Budget Committee Majority Staff. (2014). [The War on Poverty: 50 Years Later](#). House Budget Committee.

⁷ Bureau of Labor Statistics. (2015). [Employment Projections: Employment 2012 and projected 2022, by typical entry-level education and training assignment](#). U.S. Department of Labor.

⁸ Burnsed, B. (2011). [How Higher Education Affects Lifetime Salary](#). U.S. News & World Report.

⁹ Helmcamp, L. & Garza, Roxanne. (2013). [Bridges to Better Jobs: How Texas Can Equip Texas Adults for Good Careers](#). Center for Public Policy Priorities.

¹⁰ Porter, E. (2014). [A Simple Equation: More Education = More Income](#). The New York Times.

progress for people in poverty, makes post-secondary education only a dream for many of America's poor.

It is clear that a degree beyond high school – of any kind – increases one's earning potential. But a training certificate or degree in science, technology, engineering, or mathematics will take one even further.¹¹ For example, someone trained as an aircraft mechanic can expect to make nearly \$60,000 per year.¹² The Federal Aviation Administration-approved training for this job can be completed in just two years for just a fraction of the cost of a degree from a four-year university. We must focus on helping poor Americans receive affordable and efficient educations in career areas like this – ones that are growing, that pay a living wage, and that can be attained without years and tens-of-thousands of dollars' worth of schooling.

A Failing Safety Net

Additionally, the system of "help" for those in need in our country is not working. It is a safety net full of holes. The federal government spent over \$700 billion on anti-poverty programs in 2012 alone.¹³ But where is the evidence that this money is making an impact? Today we continue to have poverty rates that lag far behind those of other developed countries.¹⁴ Adding in state and local government assistance, the U.S. spends almost \$1 trillion annually on anti-poverty programs. This amounts to over \$20,000 per individual living in poverty, and is a 375% increase in federal spending since 1965.¹⁵ In spite of all this spending, the national poverty rate is still about the same as when President Lyndon Johnson declared a war on poverty over 50 years ago.

Our national anti-poverty system is comprised of at least 92 federally administered programs, many of them duplicative and convoluted. As just two examples, there are dozens of education and job-training programs and over 20 programs that help those in need find affordable or permanent housing.¹⁶ Largely constructed in the 1960s, the majority of these programs are outdated and fail to meet the complex realities facing those in need today. Most focus on dealing with the symptoms of poverty instead of addressing the causes, and thus do little more than sustain someone in poverty. Many of these programs include stringent regulations originally meant to provide support, but now needlessly cause burdens for those they intend to help. These assistance programs, intended to help people live self-sufficiently, operate in a way that leaves those in need unable to live without that assistance. As we witness daily at CCFW, instead of lifting people out of poverty, these programs more often trap the poor in a life of dependency.

¹¹ Burnsed, B. (2011). [How Higher Education Affects Lifetime Salary](#). U.S. News & World Report.

¹² Bureau of Labor Statistics. (2015). [Occupational Employment Statistics: Occupational Employment and Wages, May 2014](#). U.S. Department of Labor.

¹³ House Budget Committee Majority Staff. (2014). [The War on Poverty: 50 Years Later](#). House Budget Committee.

¹⁴ Gould, E. & Wething, H. (2012). [U.S. poverty rates higher, safety net weaker than in peer countries](#). Economic Policy Institute.

¹⁵ Tanner, M. (2012). [The American Welfare State: How We Spend Nearly \\$1 Trillion a Year Fighting Poverty – and Fail](#). Cato Institute.

¹⁶ House Budget Committee Majority Staff. (2014). [The War on Poverty: 50 Years Later](#). House Budget Committee.

Specifically regarding hunger, the U.S. government administers 17 separate food aid programs, to the tune of \$105 billion each year. They are administered by the Department of Agriculture, Department of Health and Human Services, and the Department of Homeland Security. While some of these programs do show evidence of boosting overall nutrition and health – especially in infants and children – together they create a patchwork system geared toward meeting immediate needs without long-term performance measures.¹⁷ Simply put, they operate with the intent of addressing the symptom of hunger instead of treating the underlying cause of a life in poverty.

The largest food aid program, the Supplemental Nutrition Assistance Program (SNAP), was created to help low-income families get the food they need to consistently maintain healthy eating. Last year, SNAP helped feed more than 46 million people, but the evidence on its ability to support pathways out of poverty is mixed at best.¹⁸ Some researchers have suggested that the support from SNAP disincentivizes working adults from finding a job that could provide the income and support necessary to achieve self-sufficiency. Finding ways to incorporate job support into this program could be a natural touchpoint that supports their journey out of poverty. As it is, the system is broken.

Clearly, “business as usual” is not working, as hunger continues to be a severe struggle in America, despite over \$74 billion in government spending on SNAP last year.¹⁹ Simply put, pouring more money into SNAP and other food aid programs just doesn’t make sense - using existing funds in smarter and better ways does. As a businesswoman running a multi-million dollar agency, I would never simply add more resources to an already well-funded, yet failing system or service. More money is not always the answer. In the case of government food aid and other public benefits programs, overhaul is.

Take a CCFW client that I met last month, a single mom of six children named Kristina. Kristina is receiving CCFW case management services. She works part-time, and plans to go back to work full-time once her children all reach school age. She needs government benefits to survive at this point, but we are providing case management to help her transition off government assistance within the next few years. In order to do that, Kristina must continue her education so when she re-enters the workforce full-time, she is able to secure a living wage job to support her family. We also want to help Kristina save what money she can so she is ready to handle any life emergencies that may happen, without backsliding on her financial goals.

I observed the most recent visit between Kristina and her case manager, where the two discussed Kristina’s savings. Kristina proudly stated that she was a great saver. Her savings strategy? Every time she goes to the grocery store, she pays with her debit card and requests \$10 or \$20 cash back. When asked about her savings account, she chuckled and shared she doesn’t have one. Her “savings account” is a large plastic bottle that she fills with bills, tapes up,

¹⁷ House Budget Committee Majority Staff. (2014). [The War on Poverty: 50 Years Later](#). House Budget Committee.

¹⁸ Center on Budget and Policy Priorities. (2015). [Policy Basics: Introduction to the Supplemental Nutrition Assistance Program \(SNAP\)](#).

¹⁹ U.S. Department of Agriculture. (2015). [Supplemental Nutrition Assistance Program Participation and Costs](#).

and hides in the back of her closet. When asked how much she had accumulated this way, she shrugged and guessed about \$8,000-\$10,000. Her case manager urged her to open a savings account at her local bank to ensure the money's safety. But Kristina responded, "I have to save this way. I'm a single mom of six kids. It will be a two years before my children are old enough that I can work full time. If I put this money in the bank, it will go on record as an asset, and I'll lose my government benefits."

On the surface, it may look like Kristina is just trying to game the system by accessing benefits when she has ready cash. But upon closer inspection, we see it's the system that is at fault. It **requires** Kristina to stay in poverty in order to keep her benefits. The structure of our current welfare system penalizes people for building the savings and other assets that are crucial for them to have in order to escape poverty.

We must keep this in mind as we move forward shaping our anti-poverty programs today. The end goal of all of our welfare programs should be supporting people to secure living-wage work and build personal savings so they can live healthy, self-sufficient, fulfilling lives. Simply helping them merely survive is not enough. Not for us, and not for those we serve.

A Case for Case Management

We must build a consolidated system where case management is the critical intervention. Food aid and other benefit programs alone will never eliminate poverty, as they were never created to do so. They *do* have the potential to be tools that help propel a family from government and community assistance to self-sufficiency. However, the current structure of these programs makes them too uncoordinated and siloed to make much of an impact on any of the complex challenges that face the residents of this nation today. The cycle of poverty and its accompanying symptoms will continue to persist until we do something new to break it. It is time for a catalyst that breaks the circuit powering this expired system. Case management can be that catalyst.

Our experience with thousands of clients at CCFW has shown time and time again that case management is the critical element in moving someone from government dependency to self-sufficiency. Case management has to be an integral part of the conversation about welfare reform and how we can more effectively move people out of hunger and out of poverty.

Case management allows us to serve in a holistic way. As I explained above, most people who come to CCFW face complex, multifaceted, and interrelated challenges. Hunger may just be one of a myriad of struggles they are facing. With the way the federal system is designed, clients receive services for each of their needs independently from other problems they may be facing. While addressing these issues individually as they occur can provide much needed short-term relief to the client, this approach has limited effectiveness in creating sustainable self-sufficiency. Case management helps transform interventions from a disarray of solutions to a coordinated plan to get individuals and families to their best possible outcomes. Good case managers help clients manage the situation; they do not "manage" the client. Effective case

management is a participative process in which the client and case manager work together to holistically move a family forward for long-term success.

Recently we had a client call CCFW who was facing eviction, among other immediate issues. He had reached his limit of assistance from multiple local agencies and was in dire need of help. Through case management, we were able to assist him with his initial need, but more importantly found the root cause for his current situation. It turned out that this client had debilitating pain in his knees and could not stand on most days. We arranged for a doctor's visit and financially assisted with his recommended treatment. Months later, our case manager was notified that this same man who came to us desperate and on the brink of eviction was now employed full time, making a living wage and no longer reliant on any social service assistance.

Had we simply stopped our services at providing housing assistance to meet his initial need, this former client would have a roof over his head, but would still be unemployed, in extreme physical pain, and dependent on government and community assistance. Case management was the catalyst for making a long-term vision of self-sufficiency a reality. It also allowed him to rediscover a life of dignity, purpose, and contribution to the greater good.

Another example of case management's effectiveness involves the federal Voluntary Agency Matching Grant Program for refugees, which we run at CCFW. This is one of the most successful federally funded anti-poverty programs in the United States. In Fort Worth, our success rate of moving refugee clients from poverty to self-sufficiency is high because of the intensive case management that is paired with ancillary services. In 2014, 97% of our Matching Grant clients became self-sufficient within six months. Case management gets results.

Case management will drive us to the poverty-free future we know is possible. However, it is vital to acknowledge that each client is different and must be treated as such. Anti-poverty programs need individualization. State benefit laws and policies need to be more flexible, so benefits can be used in ways that will help individual families most. Our clients are the best experts on the problems they are facing. We must move past any suggestion that clients are trying to stay dependent on assistance. In fact, many clearly articulate the specific help they need to bring them greater independence from the system. But the current welfare structure requires them to follow prescribed programs that may not meet their needs or help them make any progress along the path to their personal goals and self-sufficiency. By failing to customize benefits to individual needs, we rob people of the right to be the authority on their own lives, to manage their own situations, and to fully participate in the process of achieving their highest potential.

Key Recommendations

Based on the points above, I make the following recommendations. First, design a people-centered system to get resources to those who need them the most. Combine all resources together in a natural sequence —be it SNAP, TANF, workforce assistance, housing benefits, and more. Once these are compounded together, both administrators and users can easily access them. Quit designing these programs just so they will be easy for the federal government to

manage. Make them easy for **the Americans needing these services** to manage. Design entitlement programs in a way that allows families to get the type of financial assistance they need for the needs they actually have.

Second, re-design program eligibility thresholds to gradually reduce benefits based on a living wage for individual family structure and locality. What it takes for a single mother of four in New York City to get by is different from what it takes for a family with two working parents and two children in Fort Worth. Don't structure benefits so a family must roll off once they hit an income threshold that is simply determined by some blanket percentage of the poverty line. Instead, gradually reduce benefits based on a customized living wage. Do not remove a family from government assistance until they have crossed that living wage threshold. This allowance will ensure they are better off at each stage of the process, and will propel them forward.

If we raised the income limit for applicants and allowed for a gradual reduction of benefits as incomes rise, these benefits could provide important supplemental support while the client is working, helping them get completely out of poverty and abolishing the need for them to access government benefits again in the future. Yes, this may mean spending the money upfront, but we have repeatedly seen with our clients in Fort Worth that doing so will save more money and promote clients to become sustaining and contributing citizens over a longer period of time.

Third, concentrate resources to focus on long-term outcomes rather than short-term outputs. Consolidate the money the federal government is spending today on anti-poverty programs. Allocate these same dollars to both financial assistance **and** case management. Outsource the case management to non-profit organizations like us, who have a track record of successfully moving families out of poverty. Give these agencies a longer runway, such as two to four years, to work with these families, with the end goal to get them to a living wage based on family composition and locality, and to get them out of poverty.

In Conclusion

I firmly believe that, done right, following these three recommendations will get us closer to a poverty-free society. Allow government programs to work to aid a family on their plight out of poverty and ensure case management is there, supporting a family one step at a time through their journey out of poverty.

It is my honor to represent CCFW and the clients we serve in helping you develop innovative recommendations to encourage public-private partnerships, faith-based sector engagement, and community initiatives to reduce the need for government nutrition assistance programs, while protecting the safety net for the most vulnerable members of society. We are thankful for the services we are able to provide at CCFW, but must acknowledge that with the current standards, our clients will continue to experience a myriad of complex issues in conjunction with food insecurity. We must have clearly defined goals for the programs we claim will assist them, and we must commit to use our already-existing resources in more efficient and effective

ways to achieve lasting impact. We want to eliminate their need for our services. The families we encounter every day deserve it, and our country will only benefit more as they thrive.

I am available to provide any more information that you may need. Thank you again for the opportunity to submit this testimony, and thank you for your work to help people in need throughout our country.