

September 20, 2002

Mr. Ronald Speier
Office of Legal Affairs
Office of Temporary and Disability Assistance
40 North Pearl Street, 16th Floor
Albany, New York 12243

Re: Comments to Proposed Amendments to 18 NYCRR

Dear Mr. Speier:

On behalf of the Citizens Housing and Planning Council of New York (CHPC), I would like to offer the following comments to the proposed amendments of Title 18 of the New York Code of Rules and Regulations that relate to the shelter allowances provided to public assistance applicants and recipients. CHPC has been involved with the connection between welfare and housing for many years. We are pleased that our study of last year, *Welfare Reform and Community Development in New York City* (October 2001), was useful to the Office of Temporary and Disability Assistance (OTDA) and cited in its Regulatory Impact Statement.

18 NYCRR §352.3(a)(1)

Although we are pleased that the State is proposing to increase its shelter allowance for public assistance recipients, we believe the new schedule is still grossly inadequate for New York City residents.

Our welfare study of last year showed that the median monthly rent for a public assistance family living in private rental housing in New York City was \$590, which exceeds not only the shelter allowance but the entire public assistance grant of \$577 for a family of three. Unfortunately for these families, simply moving into a less expensive apartment is not a realistic option. According to the 1999 New York City Housing Vacancy Survey (HVS), the number of housing units with rents below \$400 declined 18 percentage points from 1996 to 1999. Moreover, the vacancy rate for these very-low rent units fell from 3.21 percent in 1996 to 1.26 percent in 1999.

Continuing to provide insufficient shelter allowances prevents the currently homeless from finding adequate housing. Currently, the City's homeless population is over 35,000. Since January 2000, the number of homeless persons in the municipal shelter system has increased across all categories of

individuals: 9 percent increase in single adults; 66 percent increase in families; and 72 percent increase in children. The City shelter system is reeling from the increased demand for its services. It is increasingly turning to drastic measures to handle the large number of poor New Yorkers, such as proposing to house them in a defunct county jail and evicting those who refuse permanent housing. Moreover, the new inadequate shelter allowance, in conjunction with the proposed two-year limit on the receipt of Jiggetts rent supplement payments, will inevitably push vulnerable public assistance families into homelessness.

No reputable housing expert would agree that the proposed shelter allowance is reasonably related to the costs of housing in New York City. To get a more accurate sense of market rents, the State could use local housing surveys, whenever possible, to adjust the shelter allowance levels rather than decennial Census data.

18 NYCRR §352.3(a)(3)

The proposed regulations authorize local jurisdictions to provide public assistance recipients with an additional monthly shelter supplement, so long as the combined allowance and supplement do not exceed the recipient's contractual rent. This provision would have little to no effect, as nothing in the current regulations prohibits social service districts from doing so. Unless the State were willing to share the financial costs of the shelter supplement with the local governments, this new authority would remain theoretical.

18 NYCRR §352.8(b)(1)

The proposed rules would not allow public assistance recipients to purchase room and/or board from a private individual or family who is not operating a commercial boarding house. Given the high cost of housing in New York City, two single mothers receiving public assistance may benefit from sharing the cost and maintenance of an apartment. Pooling their shelter allowances might facilitate their search for a place to live and may well offer other benefits, such as shared cooking of meals, emergency child care, and other intangible but important social supports.

In general, the proposed regulations do not alleviate the existing problems and may in fact exacerbate the housing crisis facing public assistance families by limiting the receipt of Jiggetts and disallowing the sharing of an apartment. The Regulatory Impact Statement that accompanies the proposed regulations reveals the punitive rationale behind most of the amendments. In justifying the proposed shelter allowance schedule, ODTA stated its belief that the shelter allowance should only cover basic needs and any increase in grant levels reduces welfare recipients' incentive to work.

CHPC has long believed that the State should strike a balance between the level of assistance it provides poor New Yorkers and the responsibilities it demands from them. The federal welfare changes enacted in the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) and New York's Welfare Reform Act of 1997 (WRA), which implemented and expanded the federal provisions, already increased the responsibilities of welfare recipients. Now that welfare recipients must work for their benefits and federal assistance is limited to 60 months over their lifetime, the State should do all it can to facilitate their transition from dependency to self-sufficiency. The first and most basic step is finding and stabilizing their housing situation. Once this is achieved, the family can focus on the education and job

opportunities that will allow them to lead more productive lives. Housing may not be a cure-all for every individual or family, but without it, self-sufficiency remains illusive.

Respectfully submitted,

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Policy Analyst