



Turn up the heat:

it's Time to Raise New York's Shelter and Fuel Allowances

*Homelessness is on the rise in New York...*

**According to HUD, between 2013 and 2014, New York experienced the largest increase in homelessness of any state in the nation.**



**New York's homeless population per 10k people is 39.4. The national average is 19.3.**

The NYS Education Department reports a 30 percent increase in the number of homeless children from 2013-2014.

**“Homeless children have worse physical health**, are less likely to have a regular source of medical care, and are more likely to use emergency rooms .... They are delayed in educational achievement, especially in language. Homeless children also experience more mental health and behavioral problems than the general population of children.” -*National Law Center on Homelessness & Poverty, September 2011.*

**Students with stable housing perform better** in school than those who are uprooted by homelessness. Moving schools more than twice the five years between preschool and third grade correlates directly with lowered test scores.

**With the shelter portion of the welfare grant remaining flat since 2003, and housing costs steadily increasing, the ability to maintain stable housing has been further eroded each year.** In Albany

County, the shelter allowance for a one bedroom apartment for family with children (\$309) went from providing 60% of the HUD Fair Market Rent in 2003 to less than 40% in 2015. For single and childless individuals the amount has not increased since 1988 (Albany - \$245).

**“In almost all cases, the costs associated with providing housing for individuals and families who are homeless within a program exceeds the Fair Market Rent cost of providing rental assistance without support services.”** –U.S. Department of Housing and Urban Development

**The Solution?** Increase the shelter allowance across the board to 50% of FMR as a down payment. Then move toward bringing the allowance up to FMR where it had been historically.

## *Inadequate Fuel Allowances Exacerbate the Problem...*

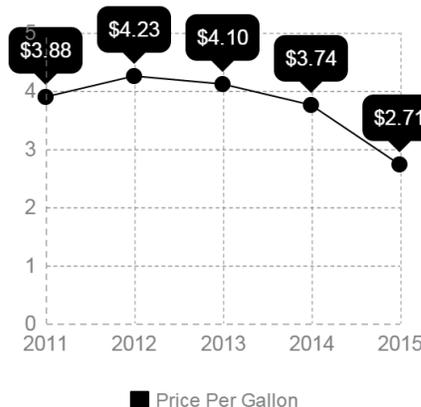
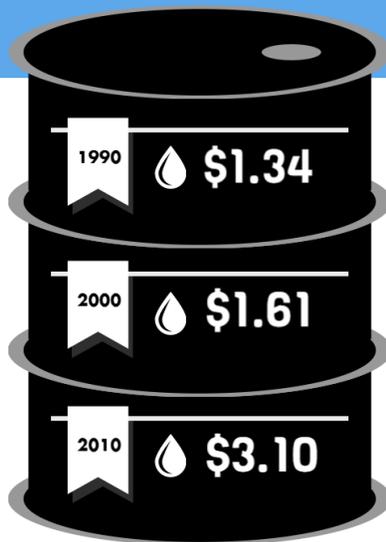
The Office of Temporary and Disability Assistance Rules and Regulations provide certain amounts to cover the cost of fuel, which are organized by county, and according to what type of heat a home requires. **These fuel allowances have been in place, unchanged, since 1987. Almost 30 years.**

### The Price of Natural Gas in New York Nearly Doubled Between 1987 and 2014

New York 1987	\$6.88 (per thousand cubic feet)
New York 2014	\$12.54 (per thousand cubic feet)

**For a family of three reliant on oil heating, the current allowance for several upstate counties is \$69 per month.** Yet, the current cost to heat a typical upstate New York home for the winter averages \$180.83 per month (for 12 months), more than 2 ½ times the \$69 provided by the fuel allowance.

## Variability in Oil Costs 1990 - 2015



**Oil Prices Have Been Persistently Volatile Over 25 Years.**



**So Why Hasn't The Fuel Allowance Responded?**

**“[E]nergy use is a necessity and does not change proportionately when incomes rise or fall.** But the larger cost burden on low-income renters also arises from the lower energy efficiency of their housing, requiring more energy for a given level of comfort or service.” –*Joint Center for Housing Studies of Harvard University, 2013.*

“As of April 30, 2015, there were 1,037,651 residential customers who were more than 60 days in arrears, carrying nearly \$799 million owed to utilities; and 295,797 residential customers statewide had utility service disconnected for non-payment during the preceding 12 months. Low income customers experience a disproportionately high amount of these arrears and service terminations for non-payment.” –*Public Service Commission, 2015*

For families unable to cover the cost of their heating fuel or utility service, the local district pays the utility company on an emergency basis; then, the local district recoups the funds paid to the utility company from the household, resulting in a 10% reduction of their already inadequate grant, causing additional hardship and difficulty in being able to make ends meet and remain in stable housing.

### ***What can New York do?***

**After 28 years, the fuel for heating allowance must be increased to an amount commensurate with the market rate.** Going forward, OTDA should be required to reassess the market rates on a regular basis, not to exceed once every five years, and increase the fuel for heating allowance accordingly.

**Because of the long-standing inadequacy of the public assistance grant in meeting fuel and utility costs, until such time as it is increased, a moratorium should be placed on the recoupment of energy-related payments from ongoing public assistance cases.** Counties should have the option to suspend all public assistance recoupments during the moratorium period for administrative ease. The State should consider forgiving the outstanding recoupments that resulted from the inadequacy of the fuel for heating allowance; any ongoing recoupment should be limited to 5% of the grant.

For the full report: [www.empirejustice.org](http://www.empirejustice.org)

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