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New Report Calls for Updates to Obsolete Shelter and Fuel Allowances to Keep NY Families in Warm, Stable Housing Rather Than in Homeless Shelters

Today, Empire Justice Center published a report explaining the impossible struggle that public assistance recipients experience trying to maintain and heat a stable home on New York's limited shelter and fuel allowances. The report, titled "Turn up the Heat: It's Time to Raise New York's Shelter and Fuel Allowances," compares the low and vastly out of date levels of the shelter and fuel allowances to the much higher market costs of rent and fuel today, and finds that both clearly fall short of what is needed to support a warm and stable home.

The implications of the low allowances go much further than any one family's ability to pay for heat or rent. "Professionals in human services see a direct connection between the low level of housing support that public assistance recipients receive, and current levels of homelessness. That, compounded by the inability to cover the cost of heating one's home in areas outside New York City where heat is generally not included in rent is intensifying the problem," said Kristin Brown Lilley, Empire Justice Center's VP for Policy & Government Relations.

Various data sources confirm that homelessness is on the rise in New York State. The U.S. Department of Housing and Urban Development also reported that between 2013 and 2014, New York experienced the largest increase in homelessness of any state in the nation. In 2014, the National Alliance to End Homelessness reported an increase of 11.30% in New York's homeless population, bringing New York's homeless population to 39.4 homeless people per 10,000 citizens, as compared to the national rate of 19.3 per 10,000. And the trend shows no signs of waning. Throughout 2015, news outlets continue to report high numbers of homeless citizens in New York City.

Empire Justice's research reveals that New York's school-age children are at particularly high risk of homelessness and the attendant detrimental effects. According to the New York State Education Department, the number of homeless kids increased by more than one-third between the 2009-2010 school year and the 2013-2014 school year. Studies have repeatedly shown that children suffer extreme disadvantages in their health and educational development from the instability of homelessness,

including poor physical health, irregular medical care, delays in educational achievement, and behavioral problems.

In addition to the devastating social, emotional and educational harm that homelessness causes children, it exacts a high fiscal price to taxpayers, as well. As the U.S. Department of Housing and Urban Development (HUD) reports: “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 supportive services.”

One effective response to help stem this problem is to raise the public assistance shelter allowance. Martha Moscovitz, an attorney with Empire Justice Center, and author of the report explains, “By raising the shelter allowance closer to the actual cost of rent, New York could protect families from eviction for failure to pay their rent. Families who avoid eviction are then prevented from entering the costly bureaucracy of homelessness. And families who avoid homelessness have children who are spared the incredible disruption in their emotional, physical, and educational development that homelessness creates. Those children are then better positioned to thrive in school and enter a productive adulthood,” said Moscovitz.

Another, equally pressing shortfall in the public assistance grant related to housing is the fuel allowance. On top of the difficulties of meeting basic rental expenses, for many families living outside of New York City, heating costs are incurred separately from their rent.

As Empire Justice’s report explains, public assistance recipients receive certain amounts to cover the cost of heating fuel, based on what county they live in and according to what type of heat a home requires. These fuel allowances have been in place, unchanged, since 1987. In contrast, the cost of oil heat has more than tripled since then, and although costs have recently moderated, the current cost of oil is approximately two times the cost it was in 1990. The cost of natural gas has nearly doubled since 1987 as well. As a consequence, the amount allotted to a public assistance recipient to pay for heat does not bear any resemblance to the actual cost of heat – pushing families into a repayment situation with the county that ultimately reduces their resources as they pay back what is owed.

“After 28 years at the same level, the fuel for heating allowance must be increased to an amount comparable to the market rate,” says Lilley. “The struggle to maintain heat in a home is particularly troublesome for public assistance recipients. Due to the low fuel allowance, they are not only unlikely to be able to pay an average heating bill, but, because of poorly weatherized homes, are also more likely to have higher-than-average heating bills,” explains Susan Antos, a Senior Attorney at Empire Justice.

Empire Justice Center’s report calls for an increase in both the shelter and the fuel allowance. The report recommends the following:

- Increase the shelter allowance to 50% of regional HUD Fair Market Rents consistent with family size as a down payment toward better meeting the housing needs of families and single people on public assistance. The cost of this adjustment will be offset by avoiding the substantially higher costs of housing homeless individuals and families as a result of the inadequacy of the shelter allowance.

- Increase the fuel for heating allowance to an amount commensurate with the market rate, and reassess the market rates on a regular basis and adjust the fuel for heating allowance accordingly.

“The Governor, Legislature and the Office of Temporary and Disability Assistance have the opportunity to make a public policy decision that will serve to both keep families in their homes and better utilize government resources by avoiding the much higher social and economic costs of paying for shelter. We look forward to working with them to make that happen.” Brown Lilley concluded.

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Empire Justice Center is a statewide, multi-issue, multi-strategy, public interest law firm focused on changing the “systems” within which poor and low-income families live. Empire Justice protects and strengthens the legal rights of people in New York State who are poor, disabled or disenfranchised through: systems change advocacy, training and support to other advocates and organizations, and high quality direct civil legal representation. Empire Justice has four offices in Albany, Rochester, White Plains and on Long Island.