

**Hunger Action Network of New York State
Health Budget Hearing Testimony by Susan Zimet, Executive Director
Thursday, February 16, 2017**

Hunger Action Network of New York State is a statewide membership organization of direct food providers, advocates and other individuals whose goal is to end hunger and its root causes, including poverty, in New York State. The dire straits confronting so many low-income New Yorkers highlights the need for the state to both strengthen the safety net and invest in housing, health care and good jobs.

Increase Funding for the Hunger Prevention and Nutrition Assistance Program(HPNAP) to meet the needs of hungry New Yorkers

Approximately 2.7 million people in New York State are food insecure. They are in every town, every county , every corner. The cost to bridge the meal gap in NYS is \$ 1.4 billion dollars, as estimated by Feeding America That is the true cost of the need to feed the hungry of New York. However the state funding to feed the hungry in New York , through the Hunger Prevention and Assistance Program (HPNAP) is \$34.5 million.

HPNAP was created in 1984, when an emerging hunger crisis spurred then-Governor Mario Cuomo and the State legislature to action. Through their leadership, New York State became one of the first states in the nation to provide direct support to local hunger relief efforts. Since then, HPNAP has become one of the most successful anti-poverty and nutrition programs in the state. Through lines of credit at food banks and the United Way, HPNAP enables local emergency food providers – soup kitchens, food pantries and shelters - to distribute millions of pounds of nutritionally balanced food to New Yorkers in need.

The number of New Yorkers using food pantries and soup kitchens has doubled since the Great Recession started in 2007; Food pantries report that they are serving more people and many of the programs report that they turned people away at some point.

Many of the guests of emergency food programs are the working poor - meaning they don't earn enough to escape poverty or pay for basic necessities. Programs are reporting an increase in the working poor and seniors coming for help. About 1/3 of Emergency Feeding Programs guests are children.

According to the New York State Department of Health, last year HPNAP funding provided more than 225 million meals to New Yorkers in need. Unfortunately, funding levels have not kept pace with rising need in our state.

New York State currently faces a Meal Gap of approximately 472 million meals – that is, New York State residents who experience food insecurity fall short of an adequate diet by 472 million meals in a single year – more than the state's entire emergency food system provides.

New York State does not even fund the HPNAP program to meet its own standards; the criteria for Emergency Food Providers is a nine meal standard which would provide 3 meals for 3 days . On average, a pantry bag provides just under six meals.

In order to meet the New York standard, factoring in the increase of state residents in poverty, rising food costs, and the shortfall of pantry bags to meet the State's nine meal standard, HPNAP funding needs to be increased by **\$16.5 million, for a total of \$51 million.**

While this is just a drop in the bucket to truly feeding the hungry in New York, the \$16.5 million would provide the funding for the Emergency Food providers to meet the established standards set by the state and help many more have the dignity of not facing a day of hunger.

Farm to Food Bank Bill

It is one thing to give people food. It's another to give them food with nutritional value. Yet that's the challenge food banks across the state face on a daily basis, especially in New York City where an estimated 1.4 million people rely on emergency feeding programs.

When you consider the role diet plays in health, there is no question that distributing healthy food to those in need is critical. For low income folks, many who rely on food banks, poor nutrition - and poor health as a result is even more common. When people receive healthy food through the food banks, their health can improve. Fruits and vegetables always top our wish list for Food banks.

The "Farm to Food Bank" bill allows New York farmers to receive a refundable tax credit for donations made to food banks and other emergency food programs serving low-income New Yorkers. If enacted, it would benefit New York farmers by making it more economically feasible for them to donate food to those in need and, most importantly, it would benefit impoverished, food-insecure individuals by increasing their access to fresh, healthy produce.

This bill would permit eligible farmers to claim a refundable tax credit equal to 25% of the wholesale cost of their qualified donations to food banks or other public, charitable, or nonprofit emergency food programs, up to \$5,000 per year. The current federal tax deduction does little to incentivize the large number of New York farmers who earn minimal or no farm income to make such donations. A state tax credit to offset the out-of-pocket costs of harvesting, processing, and transporting food that might otherwise go unharvested or undelivered would encourage our farmers to give more generously than they already do. A farmer who receives the maximum \$5,000 tax credit would have actually provided \$20,000 worth of fresh food (at wholesale prices) to an emergency food program.

The cost estimate for this refundable tax credit is **\$700,000- \$800,000. that equates to approximately \$3 million** dollars worth of nutritious food donated for hungry families (tax credit is 25% of wholesale value).

The bill has passed both the Senate and the Assembly with bipartisan support two years in a row, but has been twice vetoed by Governor Cuomo. He has stated both times it was outside the budget, despite this being a recommendation in the Governor's Anti- Hunger Task Force. Senator Funke reintroduced it into the State Senate and for a third time it passed unanimously on January 30th, 2017. It is expected to be introduced in the Assembly shortly and passed again with unanimous support.

Senator Funke has stated he will be advocating for the proposal to be included in the 2017-18 budget. This bill has received broad support of over 150 plus advocates across the State including the NYS Farm Bureau, the NYS Food Bank Association, NYS League of Conservation Voters, The National Resource Defense Council, and more.

It is truly unconscionable that this bill has been vetoed twice and that the advocates have to work so hard to pass a refundable tax credit that helps both farmers and the hungry of New York for a price tag of possibly \$800,000, while we give sales tax benefits to production and R&D to the tune of \$ 547 million, film & commercial tax credits for a price tag of \$ 428 million and tax breaks for Start Up New York at a price tag of \$105 million to name just a few.

For those who don't always know where their next meal is coming from, such donations have the potential to positively impact their health outcomes in the long-term and meet their immediate food needs in the short-term. Fresh, locally grown food that might otherwise go to waste can now be distributed to New York's neediest populations via the emergency food programs that serve them. It's not often that one piece of legislation produces across-the-board benefits for so many.

We request that this committee and the entire legislature support adding this to both one house bills and getting the fresh fruits and vegetables out of the fields and into the hands of our fellow hungry fellow New Yorkers.

Make Healthcare A Right in NYS Through Single Payer Health Care

The solution to hunger is eliminating the reasons that force people to seek help in feeding their families. There are three big bills that drive people to EFPs: high rent, high utility bills, and high health care bills.

Hunger Action Network was a co-founder of Single Payer Network, a network of community groups, health care, labor, and faith organizations working to pass single payer at the national and state level.

Hunger Action Network believes we need a health care system which provides quality healthcare to everyone, with no exceptions or exclusions. And with no copays, no deductibles, no premiums.

A significant problem with mandating that individuals obtain health insurance is that it promotes poor quality health insurance. Many, if not most, workers are already living from paycheck to check. Mandating additional costs into a budget that is already stretched to the maximum forces them to seek the cheapest plan possible, providing the least comprehensive coverage while forcing them to cut back on other essential expenditures such as food, housing, utility bills, etc.

Many of our guests will not be able to afford to pay for subsidized health insurance. And if they spend their money on insurance rather than food and housing, they will not be able to afford the co-pays or deductibles. And when they get a big medical bill, they will find that their insurance will not pay for much of it, and they will go bankrupt.

According to Physicians for a National Health Program (PNHP), administrative costs consume 31 percent of US health spending, most of it unnecessary. Medical bills contribute to half of all personal bankruptcies.

Americans pay the highest health care taxes in the world. Yet our health care delivery is rated among the worse compared to other industrial countries, with tens of millions of Americans still denied access to quality health care.

Upgrading the nation's Medicare program and expanding it to cover people of all ages would yield more than a half-trillion dollars in efficiency savings in its first year of operation, enough to pay for high-quality, comprehensive health benefits for all residents of the United States at a lower cost to most individuals, families and businesses. A study by Gerald Friedman, a professor of economics at the University of Massachusetts, Amherst, states the savings would come from slashing the administrative waste associated with today's private health insurance industry (\$476 billion) and using bargaining muscle to negotiate pharmaceutical drug prices down to European levels (\$116 billion)..

New York and the US are already paying for universal health care – we are just not getting it. The amount of funds we spend on Medicaid and Medicare alone is more than any other country spends in total to provide quality healthcare for all. We don't need more money for health care. We need more health care for the money we are already spending.

With the national government in disarray over how it is going to handle the healthcare going forward, it is more important than ever for New York State to be the leader in the nation and pass single payer health care this session. It will create the standard for all others and help put the fears of New Yorkers about what is going to happen with their health care to rest. This would be a legacy each of you could be proud of.

Keeping People in their Homes

As stated earlier, housing, heating and healthcare are significant driving factors that send people to emergency feeding programs. It is imperative that we help people to afford to stay in their homes and have money to purchase food for the family. Homelessness is at a critical mass, with the number of homeless adults and children at record levels in New York City.

Hunger Action Network supports the Home Stability Support plan, lead by Assemblyman Hevesi, that will create a statewide rental subsidy to help families on public assistance stay in their homes. The program would help bridge the gap between the shelter allowance for public assistance recipients and market rents. The proposal would use state and federal funds to supplement a family's shelter allowance up to 85 percent of fair-market rent and would help pay for heat, if heat is not included in rent.

A Holistic Approach

As mentioned previously, hunger does not exist in isolation. Hunger, the lack of affordable housing, homelessness, and lack of access to health care are all interconnected and must be addressed in a comprehensive manner.

We have always held it to be true that hunger will never end if it is addressed purely with charity. Righting the systemic injustices that cause poverty and hunger is the only way to fix the problem. Thus, our philosophy of social change is holistic. We view hunger, as one symptom of an underlying condition that can best be remedied through changes in public policy.

Most of the proposed fixes to hunger and poverty (paying everyone a living wage, providing all with health care, improving education) have majority support, not just here in NYS, but nationally. Yet we are all too often unable to get corrective legislation and or funding passed by our lawmakers. Our political system has become so dysfunctional it is nearly impossible for any meaningful reforms to take place. .

Hunger Action Network understands the necessity to humanize the face of poverty but also the importance of understanding the cost benefits of addressing the issues early and head on. Ultimately, it is more sensible, humanitarian and cost effective to deal with the issues of hunger and poverty up front. Otherwise, the public will be impacted by hunger and poverty through their local, state and federal budgets in increased costs for health care, criminal justice and more.

While we work on systemic change we also recognize the need to feed hungry people today by any means possible. Ensuring a strong safety net to protect our most vulnerable, both through charitable and government support, is and always will be our first priority.

Thank you for your time and your work on behalf of the people of New York State.