

# Hunger 101



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New Mexico Voices for Children

## Interfaith Hunger Coalition

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# KIDS COUNT

New Mexico ranks 49<sup>th</sup> out of 50 states on child well-being

16 indicators of child well-being under four domains:



Economic Well-Being



Health



Education



Family and Community



# 55% of our children live in low-income families

Percentage of New Mexico children living at 200% of the poverty level (2005-2014)



 Children in low-income families  
\$48,500 for family of 4

Source: Population Reference Bureau, analysis of data from the U.S. Census Bureau, 2005–2014 American Community Survey

# One-third of our children live in poor families

## That's the highest rate in the nation

Percentage of New Mexico children living at the poverty level (2005-2014)



Children in poverty  
\$24,250 for family of 4



Children in low-income families  
\$48,500 for family of 4

Source: Population Reference Bureau, analysis of data from the U.S. Census Bureau, 2005–2014 American Community Survey

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# 15% of our children live in deep poverty

Percentage of New Mexico children living at or below half the poverty level (2005-2014)



Children in deep poverty

\$12,125 for family of 4



Children in poverty

\$24,250 for family of 4



Children in low-income families

\$48,500 for family of 4

Source: Population Reference Bureau, analysis of data from the U.S. Census Bureau, 2005–2014 American Community Survey

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# NM has the second highest rate of child hunger

- 27% of our children are food insecure

**We have the second highest rate of children eligible for free or reduced-price lunch**

- 67% of our students are eligible

Sources: *KIDS COUNT Data Book*, Annie E. Casey Foundation, 2016;  
*Map the Meal Gap*, Feeding America, 2016

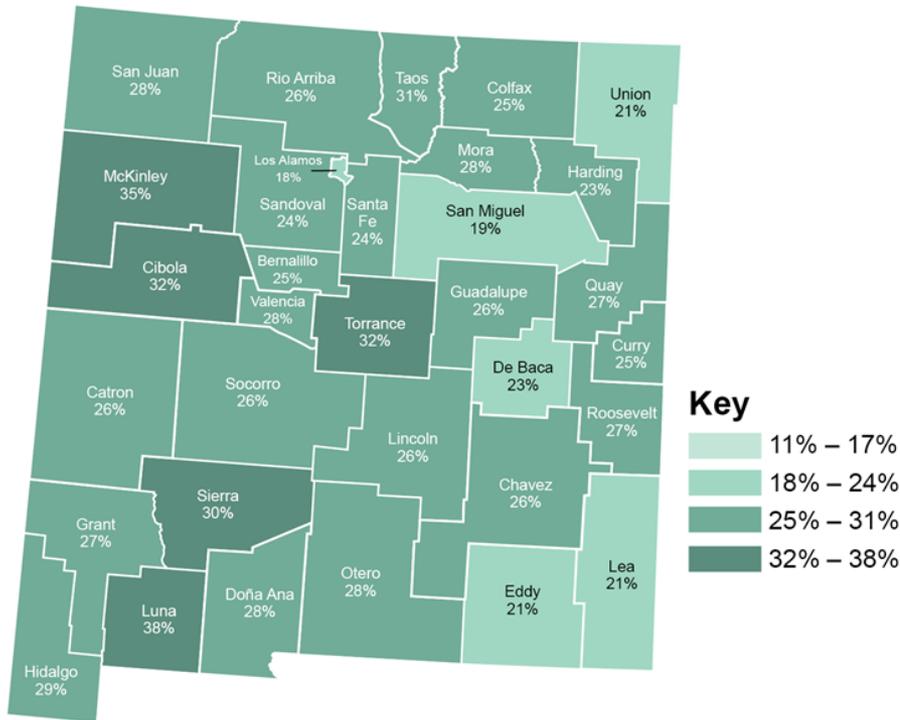
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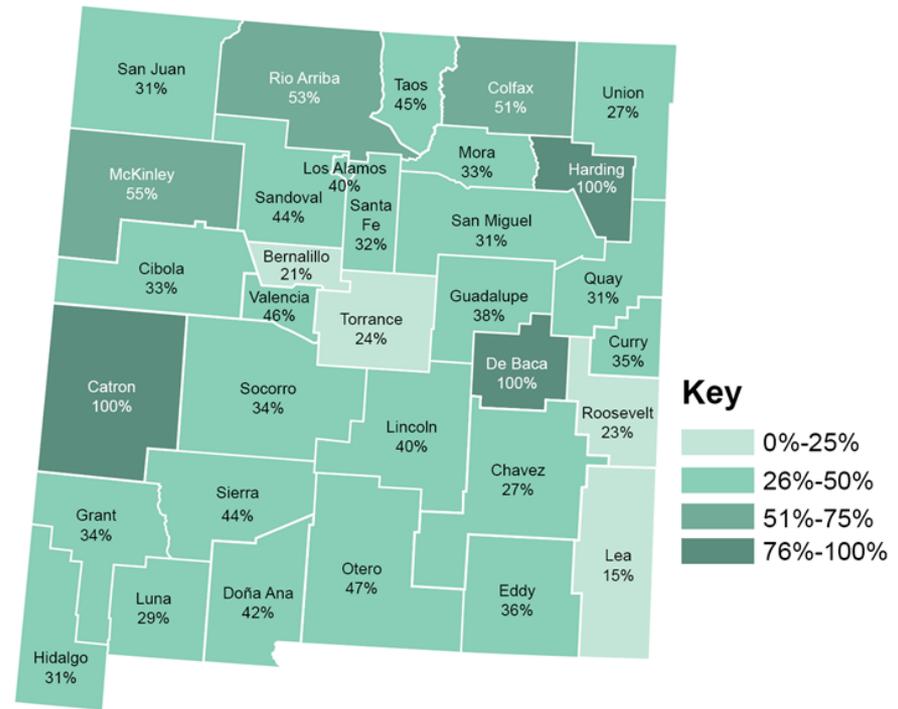


# Food access is also a major issue

**Percentage of children who are food insecure (2013)**



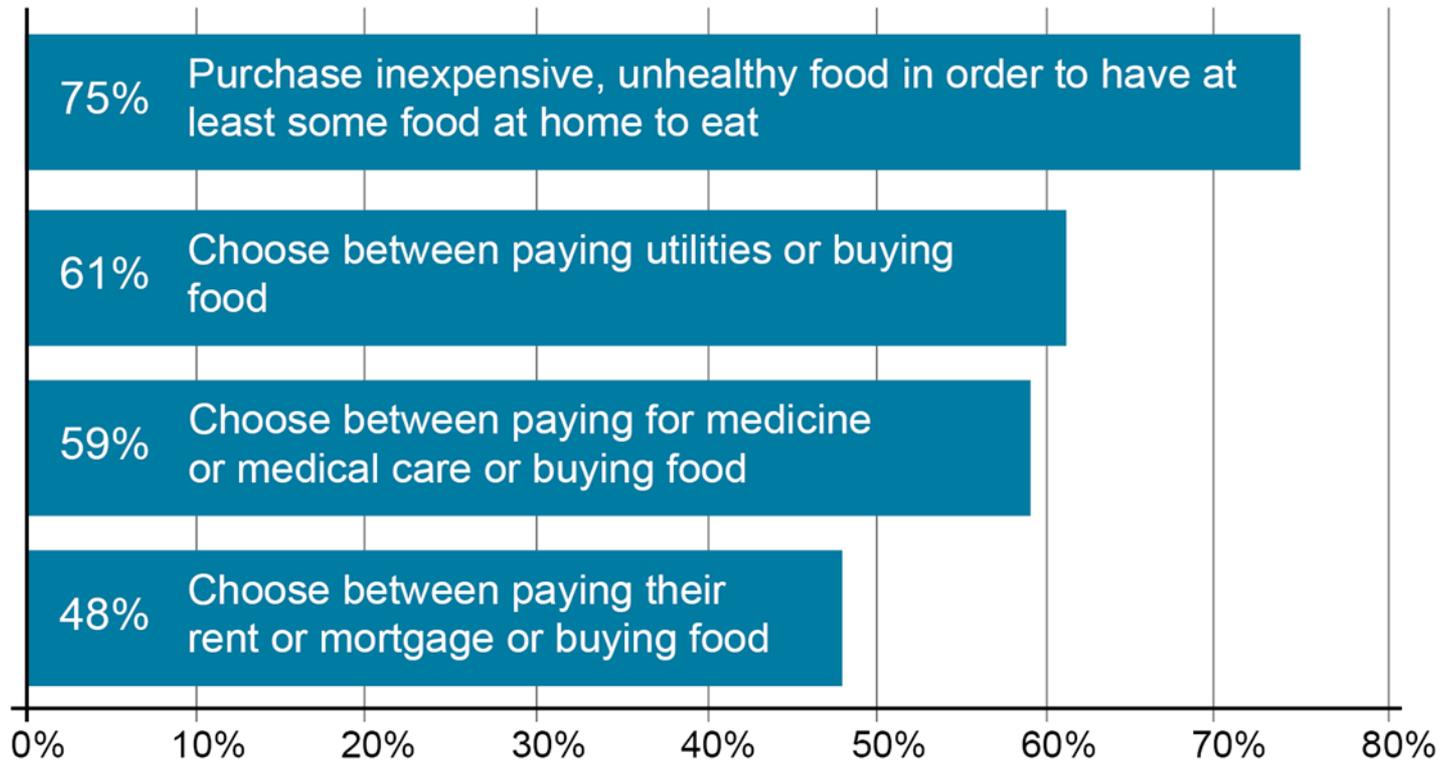
**Percentage of the population with low access\* to a grocery store (2010)**



\*Food access indicators for census tracts use ½-mile and 1-mile demarcations to the nearest supermarket for urban areas, 10-mile and 20-mile demarcations to the nearest supermarket for rural areas.

Sources: *Map the Meal Gap 2015*, Feeding America (child food insecurity); “Food Access Research Atlas Data File,” U.S. Dept. of Agriculture, Economic Research Service, released August 2015 (food access)

# Many food-insecure New Mexicans already make tough choices



Source: NM Association of Food Banks Survey, and Feeding America, Map the Meal Gap, 2014

# SNAP benefits are not adequate to address food insecurity

Exhaustion of SNAP benefits at the end of the month  
decreases test scores



Very low-income  
New Mexicans not  
receiving SNAP spend



**\$215 million** a year on groceries



Low-income\* New Mexicans  
miss, on average, **3 meals per week**

\*\$31,244 for a family of 3 (185% of FPL)



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80% of SNAP benefits are used up within the first half of the month

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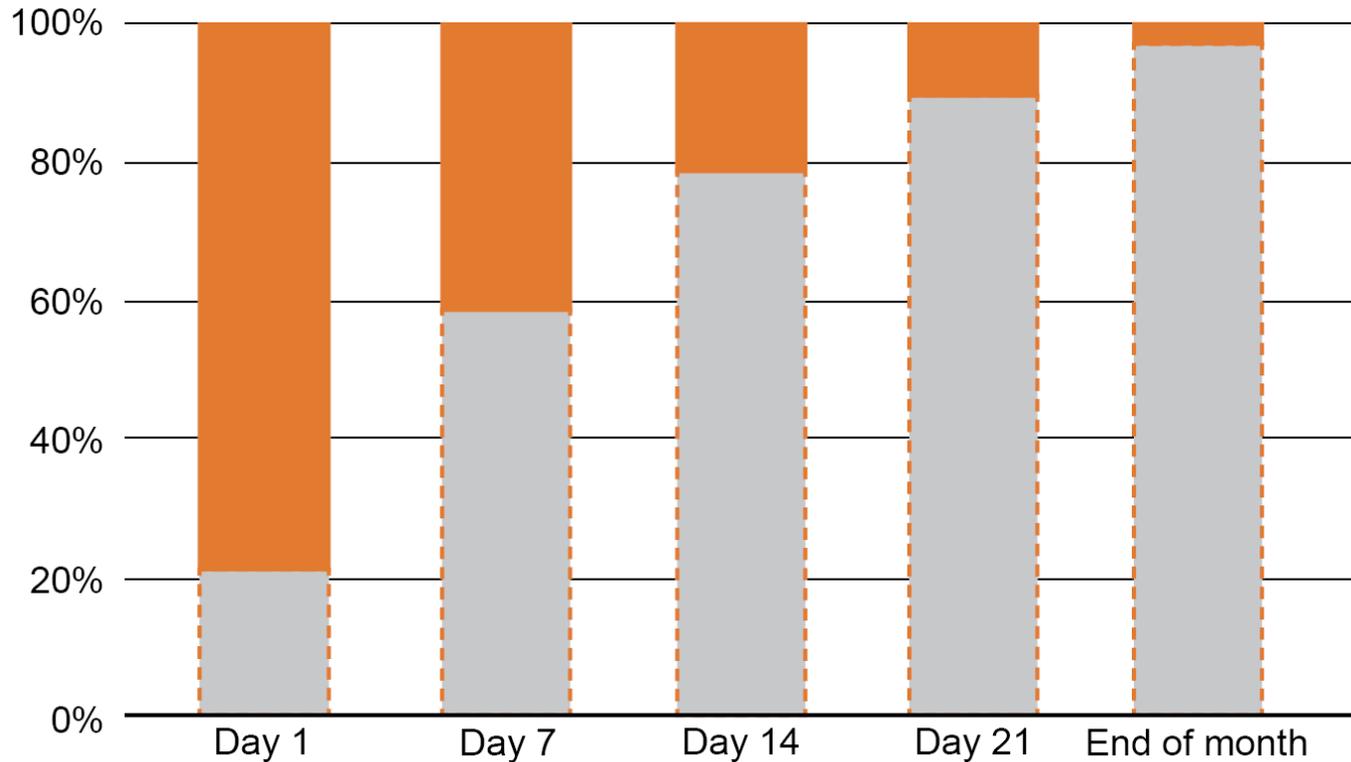


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# Nearly 80% of SNAP benefits are used within the first half of the month

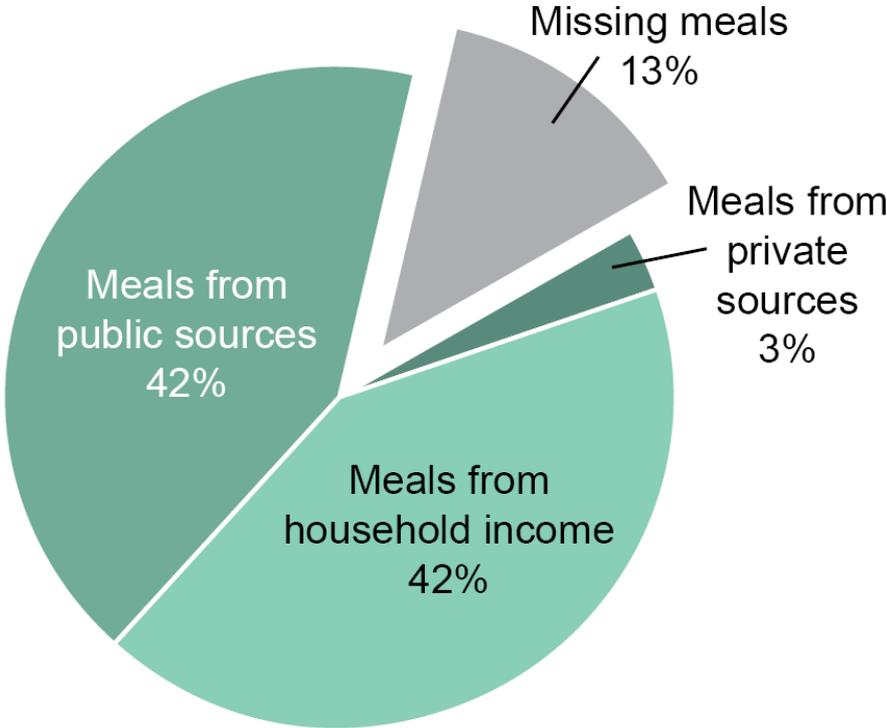
Percent of SNAP benefits redeemed by day



Source: *Benefit Redemption Patterns in SNAP, 2011*, USDA

# Food-insecure New Mexicans miss 13% of their meals

New Mexico meals for those who are food insecure by source (2010)



Source: *Missing Meals in New Mexico*, NM Association of Food Banks, 2010

# NM has the second highest rate of children whose parents do not have secure employment

- 36% of our children have parents who lack full-time year-round work
- 31% of our children live in households with a high housing cost burden\*

\*Spending 30% or more of their income on housing

Source: *KIDS COUNT Data Book*, Annie E. Casey Foundation, 2016

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# Work doesn't pay well

- 78% of SNAP families have at least one worker



- SNAP households have a median income of just \$18,243



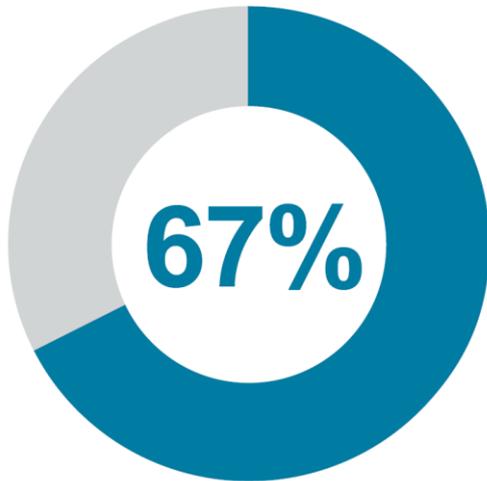
That's *below the poverty level* for a family of three

And *less than half* the state's median income

Source: Profile of SNAP Households, US Department of Agriculture, 2015

# Work doesn't pay well

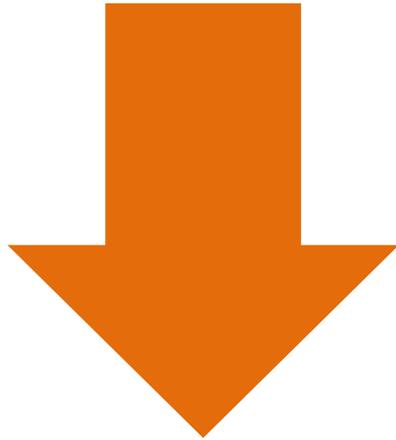
- 67% of our jobs are in occupations that pay low wages



- Retail
- Leisure & Hospitality
- Education & Health Care
- Professional Services (office & administrative support)

Source: Analysis of Occupational Employment Statistics, Bureau of Labor Statistics, 2012

# New Mexico's job growth rate is among the lowest in the nation



- In May 2015, we still had 20,000 fewer jobs than we did in May 2008
- 64,000 New Mexicans are unemployed (not working but actively seeking jobs)

Source: Bureau of Labor Statistics, Current Population Survey

# New Mexico has the highest rate of long-term unemployment in the nation

- 45% of unemployed have been out of work for 27 weeks or more



NM's long-term unemployed spend 43 weeks on average between jobs

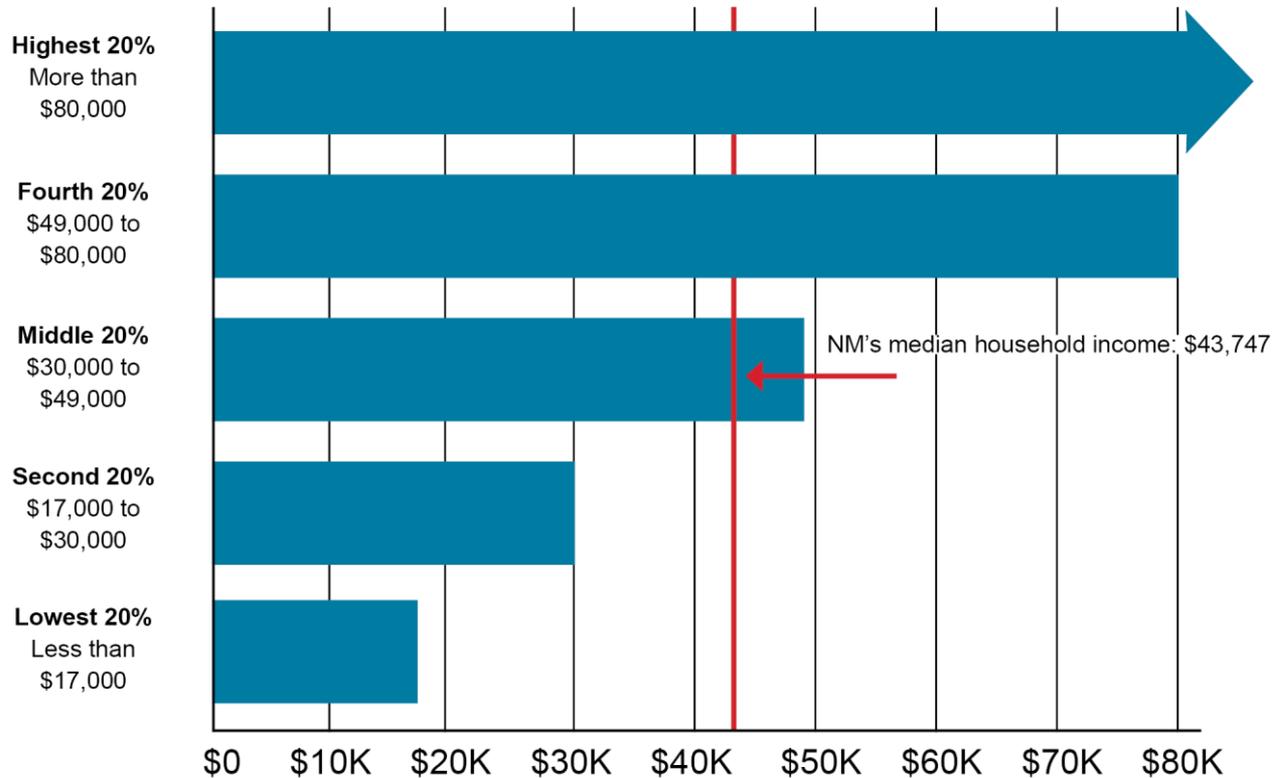


The national average is 28 weeks

Source: Bureau of Labor Statistics, Current Population Survey

# Income inequality is high in new Mexico

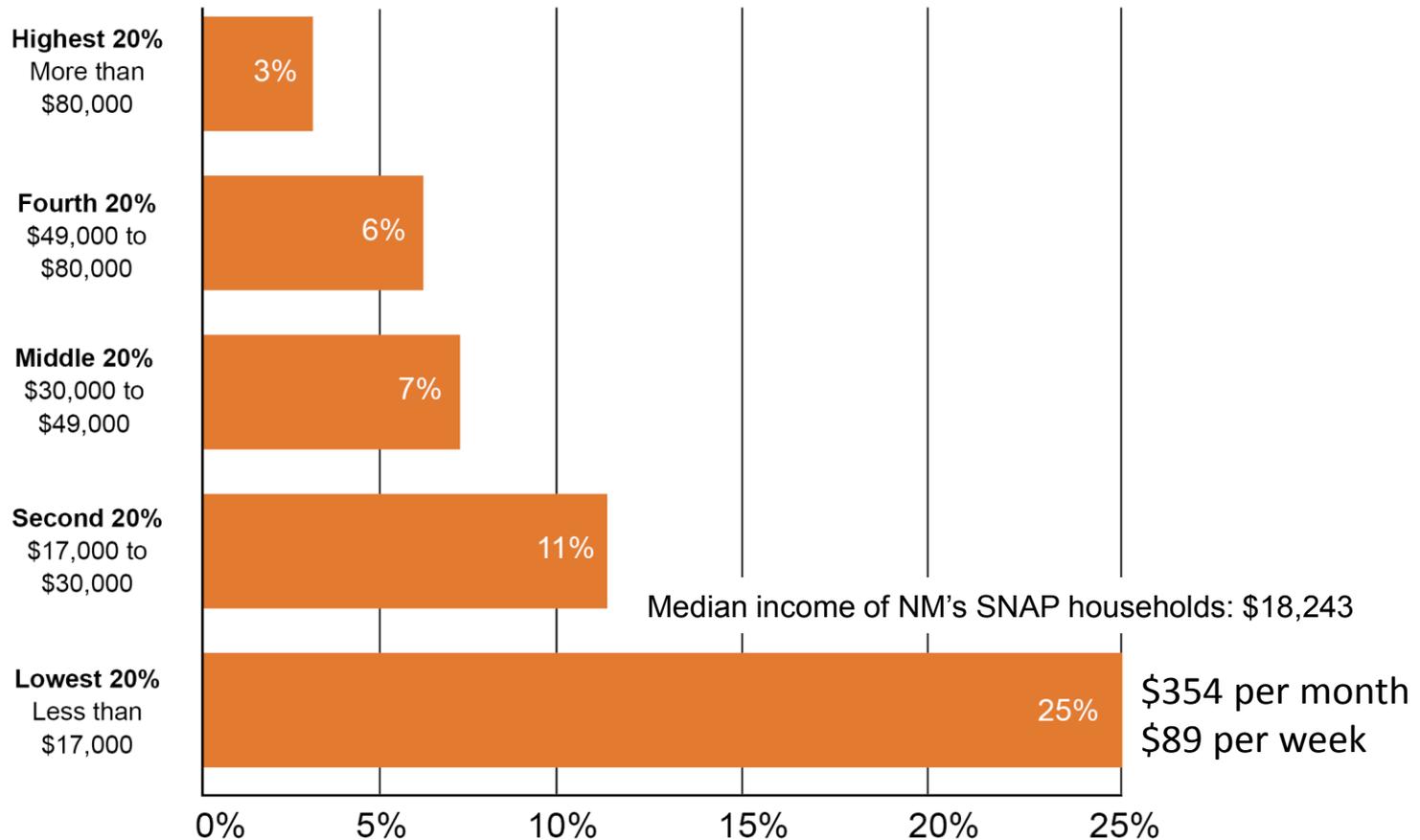
New Mexico tax filers by quintile, 2014



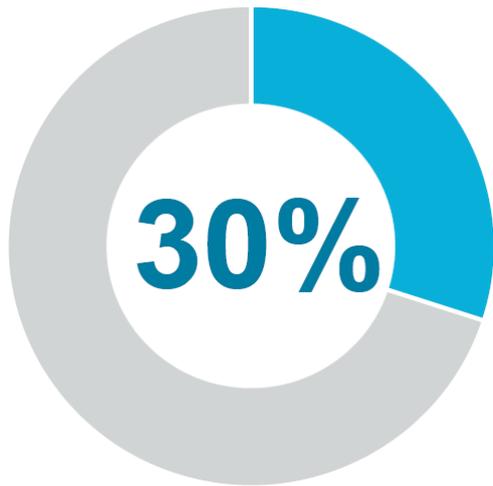
Source: Institute on Taxation and Economic Policy, 2015

# The lower your income, the higher the share that is spent on food

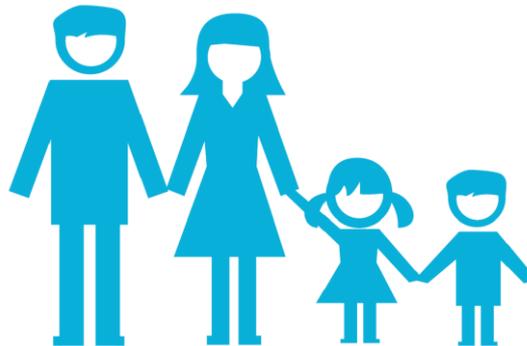
Share of income spent on food by quintile (2013)



# High-quality child care costs more than tuition at UNM

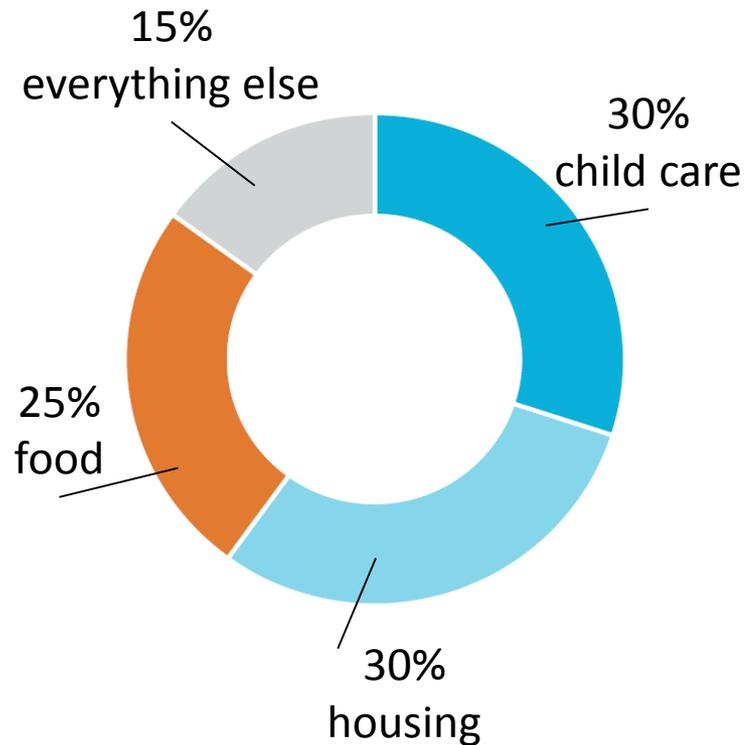


- A family of four spends 30% of their income on child care



Source: *Parents and the High Cost of Child Care*, Child Care Aware, 2014

# Low-income families cannot make ends meet



- 33% of children live in families that spend 30% or more on housing



# Desperate families may turn to predatory lending, which makes matters worse

Total of all title, payday, and installment loans over 175% APR, 2013

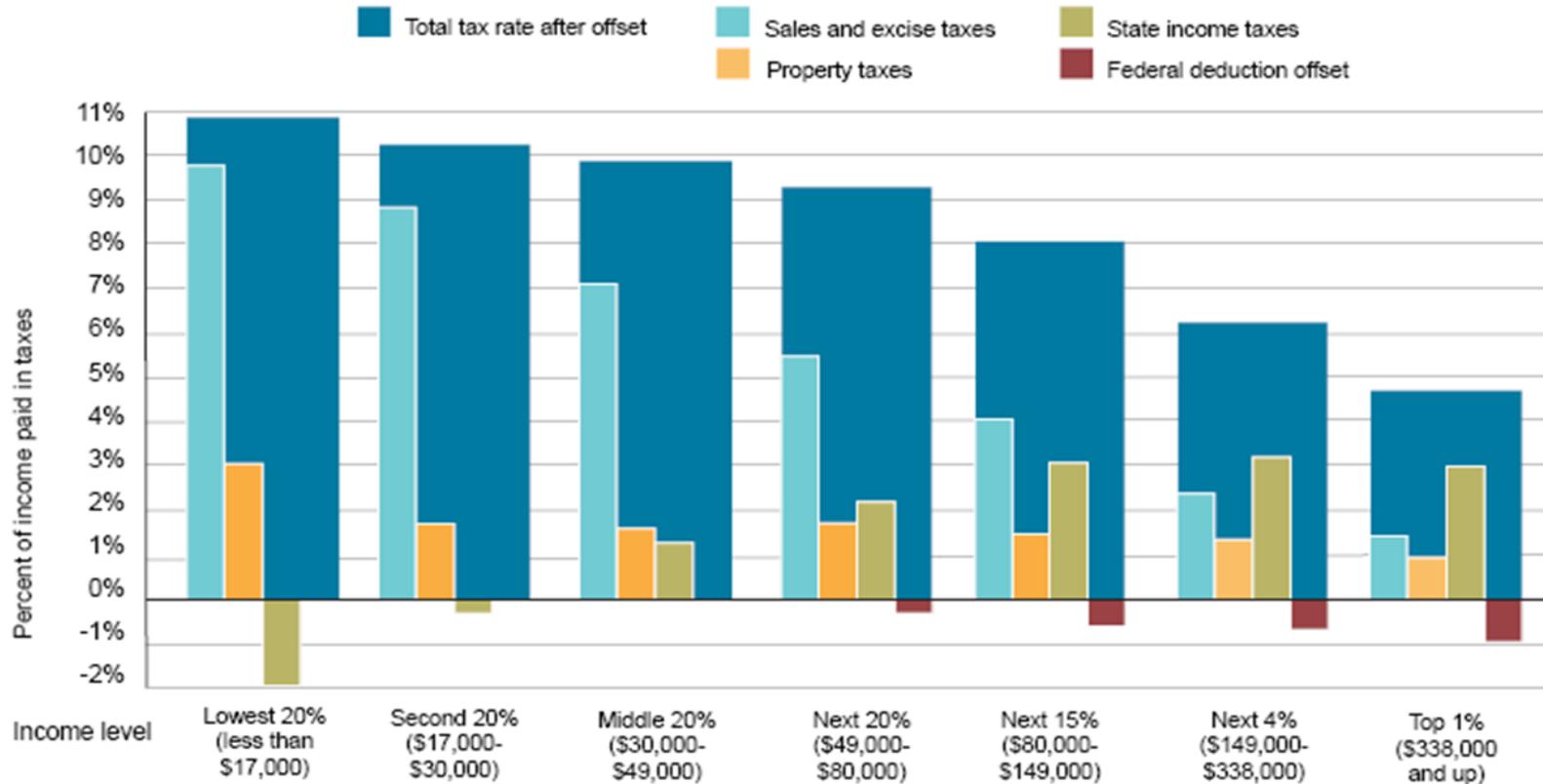
- 164,500 borrowers
- 340% APR
- 4-6 month average loan term
- 40% of loans not fully repaid



Source: New Mexico Department of Regulation and Licensing Statistics, 2013

# The lower your income the higher the share that goes to state and local taxes

State and local tax incidence by quintile (2014)



Source: *Who Pays?*, Institute on Taxation and Economic Policy, 2015



# State policy solutions

**End predatory lending practices like payday, car title, rent-to-own, and tax refund anticipation loans by capping interest rates at 36%**

- Lenders find ways around regulatory practices by simply inventing new products
- Incentivize low-cost loan/credit products





# State policy solutions

## Raise the value of NM's Working Families Tax Credit from 10% of the EITC to 15%

- EITC injects \$500 million into NM economy
- WFTC returns \$50 million to working families
- 97% goes to working families with kids
- Without these 2 credits, 40,000 *more* NM families would be in poverty
- Pay for it by raising taxes on the very rich

Source: NMVC analysis of tax year 2012 Internal Revenue Service data provided by the Brookings Institute

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# State policy solutions

## Increase the statewide minimum wage (including tipped wage) and index it to inflation

- 21% of NM children have at least one parent who would benefit
- Has lost 10% of its purchasing power since 2009

## Expand paid sick leave and family medical leave

- Low-income parents are the least likely to have paid leave, so they lose wages in order to take a sick day to care for themselves or a sick child

Source: Economic Policy Institute analysis of U.S. Census Bureau Current Population Survey data



# State policy solutions

## Restore all the child dependent credit for unemployment benefits

- A small additional benefit for children of unemployed workers was cut in 2011

## Restore eligibility to 200% FPL for child care assistance

- Eligibility for child care assistance is only 150% FPL
- Enrollment has dropped by 30% (8,000 children)
- Funding was cut by \$1 million for FY16

Source: Legislative Finance Committee post session reviews, various years



# State policy solutions

**Allow grandparents raising grandkids access to assistance programs**  
(33,000 children live with their grandparents)

**Fund more local fresh fruits and vegetable for the schools**

**Expand SNAP Double Up Food Bucks program**  
(\$400,000 was appropriated for FY17)

**Require grocers/growers to donate leftover food to pantries**

Source for grandparents caring for grandkids: *The State of America's Children*, Children's Defense Fund, 2014

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# State policy solutions

## Improve the SNAP application and recertification process (for emergency and non-emergency food aid)

- Use eligibility from programs such as Medicaid to enroll families in SNAP

## Do *NOT* cut off SNAP benefits for parents who cannot find work

- NM still has a high unemployment rate





# State policy solutions

## Do *NOT* reinstate the tax on food

- 61% of food insecure NMs report choosing between paying utilities or buying food
- 48% report choosing between paying their rent or mortgage or buying food
- 59% report choosing between paying for medicine or medical care or buying food

Source for food tax: *Hunger in New Mexico*, NM Association of Food Banks, 2014



# State policy solutions

## Fully fund early care and education

- Home visiting and parent coaching
- High-quality child care assistance that allows parents to work
- Pre-K that helps prepare children for school
- One option is to use a fraction of the Land Grant Permanent Fund





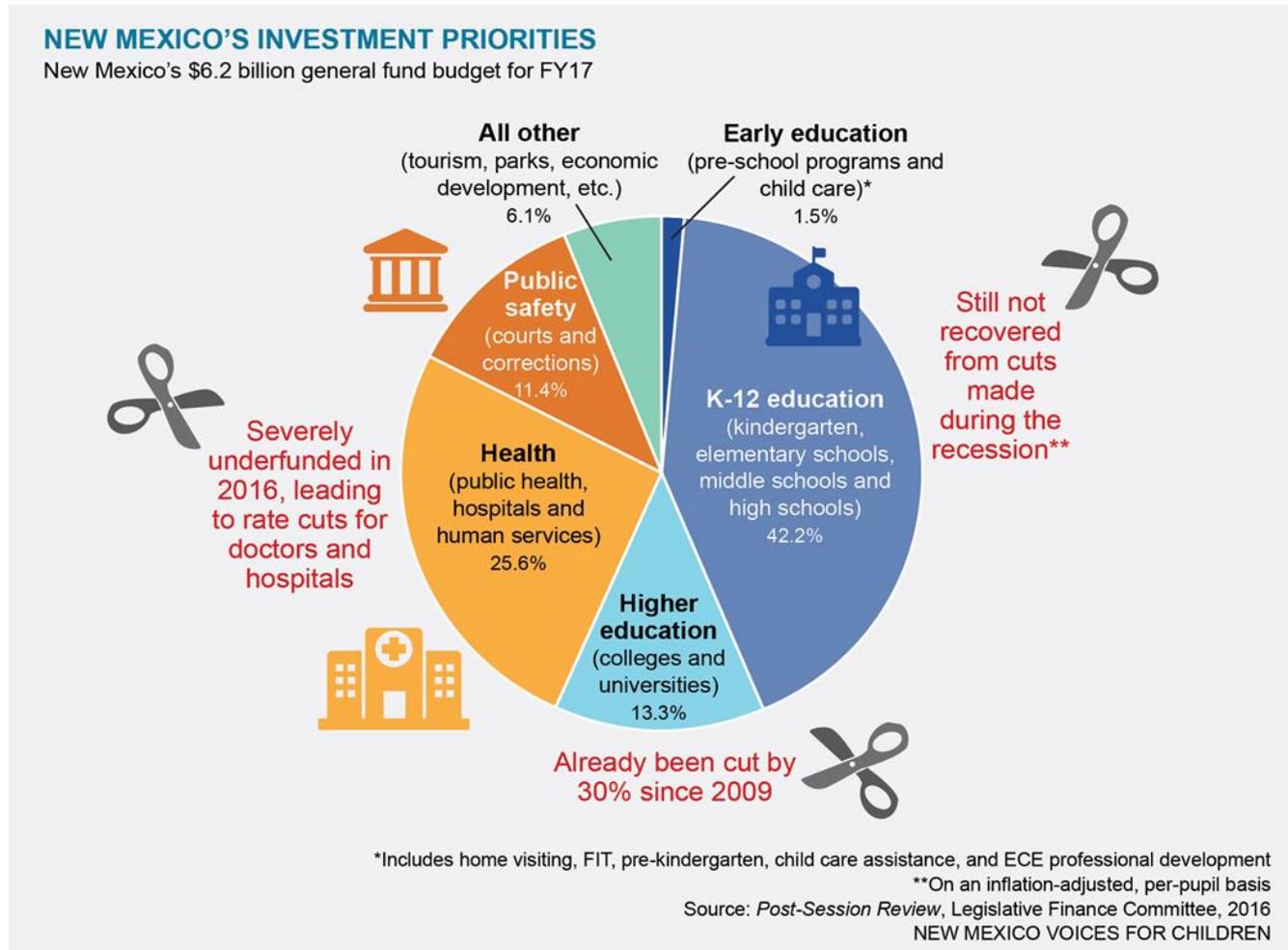
# Federal policy solutions

**Fully fund the SNAP program**

**Pass the Child Nutrition Reauthorization Act**



# NM's revenue crisis will make these policy solutions tough to implement





# What you can do

- Vote
- Contact your elected officials
- Become a member of NM Voices
- Donate to NM Voices to help us continue our work

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Thank you!

