

STRENGTHENING FAMILIES-AGENDA NEW JERSEY

The Fund for New Jersey Issue Report

Key Points from Program and Fund for New Jersey Report

“Families are the basic building block for society, and their well being will ultimately determine how we fare as a nation.” NJ needs to reform the way families are served from both an economic and social service perspective. To that end it proposes three programs:

1. **New Jersey Works**-a comprehensive package of policies that include income support.
 - Expand State Earned Income Tax Credit.
 - Raise minimum wage to \$6.50/hour, and then indexed to annual inflation.
 - Expand unemployment insurance and temporary disability Insurance for short-term and part-time workers.

2. **Security First**-provides comprehensive economic protection for vulnerable New Jerseyans by:
 - Establish and annually update a realistic standard of need to lift people out of actual poverty.
 - Provide ongoing cash assistance to persons unable to work and not otherwise qualifying for federal disability assistance
 - NJ should provide an adequate cash assistance grant, tied to the standard of need, for those determined unable to work.

2. **Families First**-would create a group of family support initiatives. A key aspect would be economic supports for parents to help them care for their children through:
 - The state instituting a paid family leave for low-wage workers and expand to six months from 12 weeks the period during which a new parent is excused from TANF or GA work requirements, in order to provide direct care for a new baby during the critical early attachment following birth.
 - Child support enforcement should be improved, and the creation of a Child Support Assurance program in cases where efforts are unsuccessful.

- Full funding should be provided so that the State's Family Care medical insurance program reaches are eligible individuals and immigrants.

POVERTY: (MILLER) Too many NJ families have too little income to meet their most basic needs.

- Over the past decade our economy has produced unprecedented wealth, but children in poverty have not felt any relief.
- 1/3 of all New Jerseyans in poverty are children.
- 1998-99 Poverty Rates in NJ:
 - Blacks: 17.8%
 - Hispanics: 16.9%
 - White: 6.3%
- Persons living on incomes just above the low official poverty line actually *doubled* in NJ during the "roaring 90's"
 - In recent study (1999) by Legal Services of NJ (Miller's organization) entitled the "Real Cost of Living" it notes that for a household with one adult and two children below the school age –the annual income needed is \$39,984.
 - But the official poverty line for the same family in 2000 in NJ was just \$17,016.
 - Of NJ's single female-headed families-more than one in five live in poverty.
- While tens of thousands have left welfare in New Jersey, they have not necessarily moved out of poverty.
- New Jerseyans receiving benefits from Temporary Assistance to Needy Families (TANF-Formerly known as AFDC) and General Assistance (GA) cash grants face a five-year lifetime limit on receipt of benefits-that five year limit hits "the wall" at the end of April 2002.

- **Poverty continues to cripple successive generations of New Jersey children, and the consequent social costs of poverty: malnutrition and retardation of development, crime and prison, addiction and treatment, poor health and costly medical care-continue to mount.**

FAMILY SERVICES: (ZALKIND) Services for families in crisis are disjointed and they rarely prevent families from being wrenched apart.

- **Agencies that are charged with serving families are under funded and overworked.**
- **These agencies struggle to address headline-grabbing crises that leave no time or attention for systems reform. Reform is needed to detect and prevent future crises.**
- **NJ should develop a needs-based system of care, with a formal assessment of each family's need and a way to identify and track family needs on an ongoing basis.**
- **A streamlined application process is needed for families to improve access to serves.**
- **The state must mandate and enforce coordination among the divisions within the Department of Human Services.**
- **Creative ideas should be explored, including vouchers to empower consumers and other flexible funding approaches.**
- **Expand supports for low-income working families including child care subsidies and expanding the Earned Income Tax Credit.**
- **Invest in transitional services and comprehensive services for 18-22 year –old homeless youth.**