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CONTACT: Wilma McKay, Wilma@faca.org
850-224-4774

Doris G. Nardelli, dnardelli@cfbhn.org
813-373-1179

David Elliot, delliot@chn.org
202-223-2532

The High Cost of Being Poor in Florida

Anti-Poverty Programs Help Alleviate Costs, But More Must Be Done to Reduce Burdens

TALLAHASSEE -- Despite recent U.S. Census Bureau data showing reductions in the poverty rate and increases in household median income, more than 3 million Floridians still face double jeopardy in today's economy. Not only do they live below the poverty line, they also face high costs in areas such as rent, food, child care and predatory lending.

That's the finding of [*The High Cost of Being Poor in Florida*](#), a new report released today by Central Florida Behavioral Health Network, the Florida Association for Community Action, the Florida Coalition for the Homeless, and the Coalition on Human Needs. Among the report's highlights:

- Two-thirds of Florida's households with annual incomes below \$20,000 spend more than half of their income on rent alone.
- Child care accounts for another exorbitant expense. The average cost in Florida for an infant in a child care center is nearly \$8,700 a year; for an infant and a four-year-old, it's nearly \$16,400. A family at the poverty line with an infant and toddler in child care would have to spend 67 percent of its income on child care, if paying the state average cost. Without a subsidy, low-income families have no choice but to make cheaper and often less reliable arrangements.
- Anti-poverty programs help many. Programs such as low-income refundable tax credits, SNAP, free or reduced-price school lunch and child care subsidies have helped lift tens of millions of Americans out of poverty, including more than one million Florida residents.
- Florida's Community Action Agencies provide anti-poverty services to more than 500,000 individuals with low incomes annually through anti-poverty programs such as the Community Service Block Grant (CSBG), Low-Income Heat and Energy Program (LIHEAP), Head Start, and the Weatherization Assistance Program (WAP).

- But many anti-poverty programs don't reach everyone eligible and other programs would do more good if their benefits were higher or if more people were eligible.

"Any reduction in poverty is a good thing; however in order to effectively wage the war on poverty in this state and country, there will have to be a commitment by all levels of government to focus on major changes in economic policies that adversely impact individuals and families with low incomes as well as support for increased funding of anti-poverty programs," said Wilma McKay, Executive Director of the Florida Association for Community Action. "A good start in Florida would be expanding Medicaid."

Linda McKinnon, President and CEO of Central Florida Behavioral Health Network, said poverty can make things worse for people with mental illness. "When people are mentally ill, they suffer social stigma, have higher health care costs, and are at increased risk of becoming poor," McKinnon said. "A study in *The Lancet* shows that for people who received mental health treatment, their economic status improved, which then improved their mental health status – this creating a 'virtuous cycle of increasing return.' We therefore support lifting people out of poverty and providing for their health needs."

"It is good news that the poverty rate is down, median household income is up, and more Americans are finally benefitting from an improved economy, coupled with federal programs that increase income or reduce expenses," said Deborah Weinstein, Executive Director of the Coalition on Human Needs. "But the more troubling news is that the poor and near-poor live in a precarious situation. The simple fact is, it is expensive to be poor in Florida."

The High Cost of Being Poor in Florida found many ways in which it is expensive to be poor: Rents consuming huge proportions of income, higher food prices because of lack of access to markets, late fees for unpaid rent and evictions, poor housing conditions leading to health issues, which in turn lead to missed days of school or work; lack of paid sick days, paid leave, and unpredictable work schedules; and predatory lending practices such as pay day lending.

The report includes recommendations for reducing poverty further for the 3.1 million adults and children who live at or below the poverty line in Florida. These recommendations include increasing federal funding for housing and child care subsidies; expanding the Earned Income Tax Credit and Child Tax Credit; increasing SNAP benefits and improving Child Nutrition programs while reauthorizing them; increasing federal funding for and reauthorizing the Community Service Block Grant, Weatherization Assistance Program, Head Start and LIHEAP programs; expanding health care coverage to low-income Americans by drawing down federal Medicaid dollars in the 19 states that have not done so; a strong rule finalized from the Consumer Financial Protection Bureau to stop predatory lending; and raising the minimum wage and helping workers get more paid hours through paid sick leave and more predictable hours.

The High Cost of Being Poor in Florida is available at <http://bit.ly/2dTh9tw>

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The Coalition on Human Needs (CHN) is an alliance of national organizations working together to promote public policies which address the needs of low-income and other vulnerable populations. The Coalition's members include service providers and faith groups, civil rights, religious, labor and

professional organizations and those concerned with the well-being of children, women, the elderly and people with disabilities. For more information please visit www.chn.org.

Central Florida Behavioral Health Network (CFBHN) is one of seven Managing Entities in Florida and is a CARF International accredited Services Management Network. The largest and most experienced state ME, CFBHN develops and manages a network of services for a 14 county area on Florida's west coast serving approximately 130,000 individuals annually with a full array of community based substance abuse and mental health services. Additionally, they provide prevention, outreach and advocacy services to over 750,000 persons annually. Services are publicly funded and targeted to those persons without insurance or other sources of payment. More information can be found at www.cfbhn.org.

The Florida Association for Community Action (FACA) serves Florida's network of twenty seven Community Action Agencies, supporting individuals with low-incomes in sixty six of the sixty 67 counties, by providing training, technical assistance, advocacy, and capacity building services as well as working with public and private organizations to assist with the reduction of poverty in Florida. For more information please visit www.faca.org.

Since 1994, Florida Coalition for the Homeless (FCH) has distinguished itself as the state's leading voice on homeless policy. Today, FCH continues to demonstrate an unwavering commitment to addressing homelessness in Florida by working with state and federal stakeholders to develop solution-driven practices. FCH is a membership organization consisting of 26 local Continuum of Cares, Homeless Coalitions, Homeless Advocates, businesses and DCF designated State Lead Agencies representing all 66 Florida counties. For more information visit our website at: www.fchonline.org