

**REPORT OF
THE
GOVERNOR'S TASK FORCE
ON THE HOMELESS
OCTOBER 1985**



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State of New Jersey
DEPARTMENT OF HUMAN SERVICES

CAPITAL PLACE ONE
222 SOUTH WARREN STREET
TRENTON, NEW JERSEY 08625

GEOFFREY S. PERSELEY
Acting Commissioner

October 21, 1985

Honorable Thomas H. Kean
Governor
State of New Jersey
State House
Trenton, New Jersey 08625

Dear Governor Kean:

We are pleased to submit to you a follow-up report of the second-year activities of the Governor's Task Force on the Homeless, which includes recommendations for further improving and expanding services to our homeless citizens.

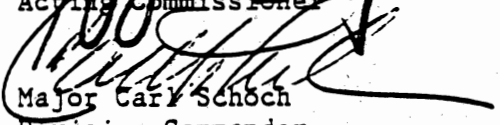
The nineteen member Task Force took a comprehensive approach toward addressing homelessness in New Jersey. Although some of the recommendations made in our October 1983 report were implemented and did result in substantially increased state funding, an urgent need exists to both restructure and expand services provided to the homeless in our state. The critical needs of the homeless demand that this report receive the immediate attention and action of all who develop and administer services to homeless individuals and families. In addition, it is imperative that the legislature and other segments of state government, and county and local governments, in conjunction with civic and charitable organizations, promptly undertake to implement the recommendations of this report.

Immediately after submission of this report, the Task Force wishes to address two additional issues which have not been adequately studied by the Task Force to date - the lack of affordable housing and the relationship between foster home placement and homelessness. Upon completion of this study, the Task Force will submit a separate report on these issues.

We appreciate your continued commitment and support in addressing this important human need.

Sincerely,


Geoffrey S. Perselay
Acting Commissioner


Major Cary Schoch
Division Commander
Salvation Army

**REPORT OF THE GOVERNOR'S
TASK FORCE ON THE HOMELESS**

OCTOBER, 1985

Governor's Executive Level
Task Force on the Homeless

Co-Chairperson:

Geoffrey S. Perselay, Acting Commissioner
Department of Human Services
Capital Place One
222 South Warren Street
Trenton, New Jersey 08625
609-292-3717

John Renna, Commissioner
Department of Community Affairs
363 West State Street
Trenton, NJ 08625
609-292-6420

J. Richard Goldstein, Commissioner
Department of Health
John Fitch Plaza
Trenton, NJ 08625
609-292-7837

Charles Serraino, Commissioner
Department of Labor
John Fitch Plaza
Trenton, NJ 08625
609-292-6550

Alfred A. Slocum, Public Advocate
Department of Public Advocate
520 East State Street
Trenton, NJ 08625
609-292-7087

Carlos Rodriquez
Latin Community Organization of NJ
204 Clifton Avenue
Lakewood, NJ 08701
201-370-0866

Melville D. Miller, Executive Director
NJ Legal Services
78 New Street
New Brunswick, NJ 08910
201-246-0770

Co-Chairperson:

Major Carl Schoch,
Division Commander
Salvation Army
P.O. Box 679
Newark, NJ 07107
201-623-5959

Meyer Fein, Executive Director
Association of Jewish Federations
of New Jersey
60 Glenwood Avenue
E. Orange, NJ 07107
201-673-6800

Ted Freeman, President
Chief Executive Officer
Urban League of Hudson County
779 Bergen Avenue
Jersey City, NJ 07306
201-451-8888

Joseph Gaynor
Atlantic Human Resources, Inc.
27 North Massachusetts Avenue
Atlantic City, NJ 08401
609-348-4131

Mabel Sias, Director
American Red Cross
332 West Front Street
Plainfield, NJ 07060
201-756-6414

Betty Holland
NJ Catholic Conference
211 North Warren Street
Trenton, NJ 08625
609-599-2110

Carol Ann Wilson, President
Mental Health Assoc. of NJ
66 South Fullerton Avenue
Montclair, NJ 07042
201-744-2500

Rev. Don Dudley
Volunteers of America-Camden
408 Cooper Street
Camden, NJ 08102
609-964-5100

Rev. Dudley Sarfaty
NJ Council of Churches
116 N. Oraton Parkway
E. Orange, NJ 07017
201-675-8600

Thomas Cooke, Former Mayor
East Orange
44 City Hall Plaza
E. Orange, NJ 07019
201-266-5151

Lawrence J. Hatton, Staff Director
Carol Reistetter
Donna Astor

John F. Caffney
Atlantic County Freeholder
Stillwater Building
201 Shore Road
Northfield, NJ 08225
609-645-7700

Joseph Lecowitch, Director
Jersey City Red Cross
612 Bergen Avenue
Jersey City, NJ 07304
201-433-3100

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PREFACE

PREFACE

There is a severe and deepening crisis in New Jersey regarding the homeless. Homelessness affects substantial numbers* of all segments of the low-income community - the unemployed, the mentally disabled, families and children. It is beginning to affect moderate income households as well.

Homelessness means that mentally ill persons walk the streets at night, or sleep in abandoned buildings, buses, or cars; that a few individuals die each year in abandoned buildings because of fires set to keep warm. It means that children are removed from their families and placed in foster care. It means that families live in tents in the summer, and motel rooms in the winter. Homelessness means long soup lines in Newark filled with hungry homeless persons, which are reminiscent of the depression era.

Homelessness is fueled by major shortcomings in our society's safety net: the lack of sufficient affordable housing, the low level of public assistance payments, and the lack of a coordinated public and private effort to deal with the problem. The root causes of homelessness lie in poverty, which is largely ignored by society. It is typified by the fact that in 1985 in New Jersey single unemployed individuals on General Assistance received \$127.00 per month to meet their needs, that General Assistance benefits have risen only 7% since 1974, and that AFDC welfare benefits for families are only 52% of the federal poverty guideline.

The crisis of homelessness will deepen and reach epidemic proportions as the multiple problems which cause it - a shrinking of affordable housing, inflation, under and unemployment, special needs of the mentally handicapped, and the grossly inadequate level of public assistance benefits which do not keep pace with inflation - worsen. The situation is alarming and must be addressed urgently by major coordinated private and governmental action. Society can improve the plight of the homeless but it must have the will to do so.

The foundation for confronting the crisis of homelessness in New Jersey was established by the Task Force in its initial report issued on October 7, 1983. In addition to recognizing the severity of the problems of the homeless, the Task Force urged that official recognition be given to a public policy which entitled all homeless persons in New Jersey to emergency shelter without regard to the reasons which caused homelessness in the first instance. This public policy goal toward the homeless was later acknowledged by Governor Thomas H. Kean when he received the report of the Task Force on October 24, 1983:

* In October 1983, The Task Force estimated that there are 20,000 homeless persons in New Jersey. Recently, the City of Newark estimated that it has a homeless population of 8,500 persons. (cite) Application by the city of Newark to the Robert Wood Johnson Foundation/PRW Memorial Trust Grant, June 29, 1984.

I believe that, with these steps, our State and our Society can move toward the goal outlined by the Task Force, namely that "all persons, regardless of fault, are entitled to the basic human needs for shelter and food and it is the obligation of government to ensure that these needs are met."*

The Task Force recognizes and appreciates the action taken by Governor Kean, his administration and the Legislature in implementing some of the recommendations made by the Task Force in its initial report of October 7, 1983. These actions are described in Appendix A.

However, the steps taken thus far are only a beginning. Indeed, much remains to be accomplished in order to achieve the public policy goal for the homeless established by the Task Force and acknowledged by the Governor in 1983. To this end, the Task Force issues this follow-up report which contains detailed and specific proposals designed to establish a more comprehensive program to improve the desperate plight of the homeless in our state.

* State of New Jersey, Statement of Governor Thomas H. Kean, Task Force On The Homeless, page 7 (October 24, 1983).

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

On April 21, 1983 Governor Thomas H. Kean established the Task Force on the Homeless in New Jersey. In the Executive Order creating the Task Force, the Governor requested a concerted, coordinated effort by government and the private sector in the prevention, study, and control of the plight of the homeless.

The Task Force includes Commissioners from the Departments of Human Services, Community Affairs, Health, Labor and the Public Advocate in addition to fourteen public members. Many of the public members represent non-profit organizations of the State that have been concerned with problems of the homeless.

By the Executive Order of the Governor, the Task Force was charged with the following responsibilities:

- Recommend and advise the Governor on policy relating to the homeless.
- Review proposed legislation that would impact upon homeless families and individuals in the State of New Jersey.
- Advise the Governor regarding measures needed to be taken to coordinate State efforts concerning the homeless.
- Advise the Executive Branch concerning its relationship with voluntary agencies and private sector entities involved in activities related to the homeless.
- Develop and distribute information concerning the treatment of specific patterns of homelessness.
- Recommend legislation to the Governor that will enhance the State's ability to respond to the needs of the homeless.

On October 7, 1983, the Task Force issued a report to Governor Kean. In this report a number of recommendations were made supporting a comprehensive policy integrating State, county and local government responsibilities with voluntary agencies as direct service providers. In a public announcement on October 23, the Governor accepted the report and requested that the Task Force remain active as an emergency panel to report back methods and approaches for implementing the recommendations made in that report. (See Appendix A for specific actions.)

The Task Force has continued to operate with five subcommittees, with support provided by the five State Departments as noted below:

- Emergency Food and Shelter (Department of the Public Advocate)
- Public Assistance and Social Services (Department of Human Services)
- Housing (Department of Community Affairs)
- Health Services (Department of Health)
- Employment and Training (Department of Labor)

The subcommittees have again issued specific recommendations. Taken together, the recommendations of the five subcommittees of the Governor's Task Force on the Homeless have strongly supported not only a coherent overall policy to support coordinated services to our homeless citizens, but also a continued effort to greatly expand federal, state and local aid for this population.

Emergency Food and Shelter Recommendations

1. The subcommittee recommends that the Department of Human Services promulgate a regulation which requires county and municipal welfare offices to provide emergency shelter to applicants and recipients of public assistance without regard to fault, immediately upon initial contact and until such time as permanent housing is secured.
2. Each county welfare agency should be required, by regulation, to develop and establish a comprehensive plan for the provision of emergency shelter to applicants for and recipients of AFDC in their respective counties.
3. The subcommittee recommends that an emergency shelter block grant program be established sufficient to meet the need in the Department of Human Services through appropriate enabling legislation.

Public Assistance and Social Services Recommendations

4. Current Aid to Families with Dependent Children (AFDC) and General Assistance (GA) levels of public financial assistance are so grossly inadequate that they actually contribute to homelessness. It is recommended that the levels of assistance in the AFDC and GA programs be immediately raised to 100% of the federal poverty guidelines established by the Office of Management and Budget.
5. Since the federal poverty guidelines also constitute a grossly inadequate level of assistance, it is recommended that other indicators of need be studied, and that a regulation be promulgated for GA and AFDC recipients, establishing a standard of need based on actual living costs, and that the Department of Human Services request, and the Legislature provide, full funding to meet the standard of need established.
6. An ongoing federal program must be developed with necessary appropriations from the federal government to service the needs of the homeless.
7. It is further recommended that a "flat grant" concept be initiated in the GA program.
8. It is further recommended that the administration of GA be a county responsibility.

Housing Recommendations

9. Implement a financing program for the development of safe, decent, affordable housing for low-income and moderate-income households including Rooming, Boarding and Group Homes to increase the supply of safe and adequate housing for the homeless.

10. Establish a Housing Clearinghouse in each county to coordinate referrals for housing services and searches for housing placements among social service providers in the county.
11. Recognize the special housing problems of the elderly and implement a program to prevent homelessness.

Health Services Recommendations

12. An expansion of local health agency program activities should be mandated by the Commissioner of Health, directed toward the special health needs of the homeless, particularly in the urban areas of the state.
13. An expansion of alcoholism shelter and care facilities should be developed to begin to stabilize and treat that segment of the homeless population-chronic debilitated inebriates.

Employment and Training Recommendations

14. A greater emphasis should be given to the Employment Service as the lead agency and clearinghouse for all employment assistance.
15. Intake and certification procedures for the various training and employment programs should be streamlined and coordinated.
16. The General Assistance Employment Program (GAEP) should be the logical conduit through which clients seeking general assistance are introduced to employment and training programs.
17. The New Jersey Division of Vocational Rehabilitation Services should become an integral part of the services directed at meeting the needs of those homeless clients who have a mental or physical handicap.
18. Finally, the Job Training Coordinating Council should continue to maintain its interest and oversight in its planning and coordination efforts to work with the homeless through the Job Training Partnership Act (JTPA).

REPORT
OF THE
EMERGENCY FOOD AND SHELTER SUBCOMMITTEE
TO THE
GOVERNOR'S TASK FORCE
ON THE HOMELESS

I. INTRODUCTION

In August 1983, the Emergency Food and Shelter Subcommittee urged that official recognition be given to a public policy which entitles all homeless persons in New Jersey to emergency shelter regardless of fault. This public policy toward the homeless was later accepted by the Task Force on the Homeless and ultimately acknowledged by Governor Thomas H. Kean. When he received the report of the Task Force on October 24, 1983, the Governor stated:

I believe that, with these steps, our State and our society can move toward the goal outlined by the Task Force, namely that "all persons, regardless of fault, are entitled to the basic human needs for shelter and food and it is the obligation of government to ensure that these needs are met."¹

To achieve the goal of providing emergency shelter to the homeless regardless of fault, the Emergency Food and Shelter Subcommittee, in its report to the Task Force in August 1983, recommended that the Department of Human Services promulgate certain regulations under the General Assistance (GA) and Aid to Families With Dependent Children (AFDC) programs concerning the provision of emergency shelter to homeless persons and families. The recommended regulations specifically sought to require county welfare agencies and municipal welfare departments (a) to develop and establish comprehensive plans for emergency shelter and other services for the homeless, or Comprehensive Emergency Assistance Systems (CEAS), and (b) to provide emergency shelter assistance to homeless persons and families who have applied for or receive AFDC or general assistance, without regard to fault.²

As background, the Subcommittee notes that homeless persons and families who receive or apply for AFDC and General Assistance can receive emergency shelter and other services in the form of emergency assistance. Eligibility for emergency assistance is separate and distinct from regulations which are promulgated by the Department of Human Services.

The current regulations regarding emergency assistance authorize county welfare agencies and municipal welfare directors to provide emergency shelter to the homeless under circumstances which are very limited and far narrower than permitted under the General Assistance and AFDC statutes. Under AFDC regulations, homeless recipients can receive emergency shelter only if homelessness resulted from a natural disaster or from "[a]n emergent situation

¹State of New Jersey, Statement of Governor Thomas H. Kean, Task Force On The Homeless, page 7 (October 24, 1983).

²See State of New Jersey, Report of the Subcommittee on Emergency Food and Shelter to the Governor's Task Force on the Homeless, pages 9-11 and 25-27 (August 12, 1983).

over which the recipient has no control or opportunity to plan in advance."³ Under General Assistance regulations, emergency shelter can be provided to homeless persons as immediate only if (1) they have applied for assistance and have not received a determination as to eligibility, or (2) they have received monthly assistance payment but only when homelessness is caused by a natural disaster or a "[s]ituation beyond the client's control."⁴

In this follow-up report to the Task Force, the Subcommittee renews its recommendation that the Department of Human Services revise the current regulations pertaining to emergency assistance so as to insure that emergency shelter is provided to homeless persons and families who have applied for and who are receiving AFDC and General Assistance without regard to the reasons which caused homelessness in the first instance. The Subcommittee also recommends that the Department adopt regulations which require county welfare agencies and municipal welfare departments to develop and establish comprehensive emergency shelter plans. These proposed regulations are based upon the Subcommittee's continuing belief that the Department of Human Services possesses ample legal authority to promulgate the recommended regulations.⁵

Even with the adoption of regulations which require that emergency shelter be provided to applicants and recipients of General Assistance and AFDC without regard to fault, the Subcommittee believes that additional funds are necessary to ensure that adequate, safe and suitable emergency shelter is available for all homeless persons in need of such shelter throughout the state. Accordingly, the Subcommittee also recommends that the yearly appropriations made by state government in fiscal year 1984 and 1985 be replaced and substantially expanded by an emergency shelter block grant program established in the Department of Human Services through appropriate enabling legislation. Although the primary purpose of the block grant should be to provide direct operating support for emergency shelter facilities and to procure emergency shelter beds for the homeless, funds should also be made available through this program to reimburse municipalities for their 25% share of providing emergency shelter without regard to fault under the General Assistance program, as recommended by the Subcommittee.

³N.J.A.C. 10:81-4.22. See also N.J.A.C. 10:82-5.10.

⁴N.J.A.C. 10:85-3.2(b) and N.J.A.C. 10:85-4.6.

⁵Under the AFDC program, the Commissioner of the Department of Human Services expressly authorized to issue "all necessary rules and regulations" to accomplish the purposes of the program, including "appropriate services which shall be made available by or utilized by county welfare agencies for the purpose of maintaining and strengthening family life for children." N.J.S.A. 44:10-3(g). With regard to General Assistance, the Commissioner of the Department of Human Services is required to promulgate regulations "necessary for the administration of State aid" and to carry out the provisions of the law. N.J.S.A. 44:8-111(d). The Commissioner may also require "the making of such reports" by each municipality in connection with the administration of General Assistance N.J.S.A. 44:8-112(b).

Finally, in order to immediately increase the funds available to care for the homeless, the Subcommittee recommends that the Department of Human Services seek a supplemental appropriation from the Legislature for the fiscal year beginning July 1, 1985 (FY 1986). As the Subcommittee will explain in this report, the Department's budget request for FY 1986 of \$1.35 million for emergency food and shelter is simply inadequate to address the compelling need for emergency shelter throughout the state. However, this recommendation is made only as an immediate measure intended solely to address the deficiencies in the FY 1986 budget now under consideration by the Legislature. Furthermore, the Subcommittee strongly emphasized that it believes that the practice instituted in fiscal year 1984 of providing funds for emergency shelter through yearly appropriations which were completely unrelated to the emergency shelter needs of the homeless should not continue beyond the FY 1986 budget and should be replaced by the comprehensive approach recommended by this report.

In this report, the Subcommittee will discuss the reasons for these recommendations and will provide a detailed description of the proposed general assistance and AFDC regulations and the emergency shelter block grant program.

II. REASONS FOR THE PROPOSED RECOMMENDATIONS

At the outset, the Subcommittee recognized that the Department of Human Services acted to implement the Subcommittee's recommendations for comprehensive emergency shelter plans by a request in November 1983 that county welfare agencies establish committees to prepare emergency services plans or a CEAS for each county. The primary function of these county committees has been to produce information concerning existing emergency food and shelter programs. This information, compiled in a State Services Plan For the Homeless issued by the Department of Human Services in January 1984 and January 1985 has provided, for the first time in New Jersey, a state-wide directory of non-profit, charitable and governmental agencies which provide emergency food, shelter and other services to the homeless.

However, in seeking the preparation of these CEAS plans, the Department of Human Services did not do so through regulations promulgated under the AFDC and General Assistance programs, as recommended by the Subcommittee. Most importantly, municipal welfare departments were not required to participate in CEAS planning activities or to prepare their own emergency shelter plan.⁶

⁶The Department of Human Services did request municipal welfare departments in the 21 major municipalities to prepare an inventory of existing emergency shelter and food services in late 1983. However, the Department did not require a needs assessment or a program for addressing the need for emergency shelter in this shelter survey. The survey was published by the Department in January 1984. See State of New Jersey, Department of Human Services, Index of Available Services And Resources For The Homeless In 21 Major Municipalities (January 1984).

The failure to require CEAS planning by regulation has resulted in homeless planning activities which vary widely from county to county and which lack the active participation of many municipal welfare departments. Furthermore, because county welfare agencies are not required by regulation to address specific elements in the CEAS plans -- such as the need for emergency shelter and a program to address any current need for such shelter -- the plans which were published by the Department of Human Services consist primarily of an inventory of existing emergency shelter and other emergency services, along with a recommendation for distributing the funds for emergency food and shelter which have been allocated to the counties by federal government through the Federal Emergency Management Agency (FEMA) and through the state appropriations in FY 1984 and 1985.⁷ As a result, the CEAS plans have had a limited impact on directly insuring that adequate, safe and suitable emergency shelter is actually available to meet the need for such shelter in municipalities and counties throughout the state.

The limitations on current CEAS planning are underscored by the information contained in the January 1985 State Services Plan.⁸ In the Plan, many counties reported that the supply of existing emergency shelter for the homeless in their areas was inadequate to meet the needs of the homeless for such shelter. Many counties also stated that the appropriations which were made available for emergency shelter and other services to the homeless by the Department of Human Services are unstable, sporadic and insufficient to meet the needs of the homeless. In addition, 16 of the 21 counties reported a specific need for additional emergency shelter to accommodate the homeless. The Subcommittee also notes that, according to the January 1985 State Services Plan, 1139 emergency shelter beds are listed as available for all segments of the homeless population throughout the state. Some of these beds are available for only part of the year. This represents a relatively small increase from the approximately 700 beds in emergency shelter facilities which the Subcommittee estimated were available in August 1983, especially in view of the Task Force estimate of 20,000 homeless persons in New Jersey. Moreover, over 100 of the emergency shelter beds which have been added to the inventory are concentrated in Camden County alone.⁹ Clearly, homeless planning must become a required function for welfare agencies throughout the state if emergency shelter capacity is to be substantially expanded in the future, as recommended by the Subcommittee in its initial report.

Aside from planning to meet the needs of the homeless, no action has been taken on the recommendation by the Subcommittee that regulations be promulgated which require that emergency shelter be provided without regard to fault to homeless persons and families

⁷See State of New Jersey, Department of Human Services, State Services Plan For The Homeless (January 1984 and January 1985).

⁸State of New Jersey, Department of Human Services, State Services Plan For The Homeless (January 1985).

⁹Department of Human Services, Inventory of Emergency Food And Shelter Services In New Jersey, (June 1984) and State Services Plan For The Homeless, page 17 (January 1985).

who have applied for or who receive AFDC and General Assistance. Under current emergency assistance regulations, very few homeless persons and families receive emergency shelter through AFDC or General Assistance because they do not -- and cannot -- meet the "no fault" criteria contained in the current regulations. As a result, many homeless persons and families are unable to obtain safe and suitable emergency shelter.

The lack of emergency shelter to homeless applicants and recipients of General Assistance and AFDC is evident from the amount of emergency assistance provided through these programs in recent years. Under General Assistance there is no separate category of expenditures for emergency assistance in the Department of Human Services' budget for the program. The Department does, however, indicate that approximately \$112,000 was spent for emergency assistance to recipients during the 12 month period from July 1, 1983 to June 30, 1984, or just over \$9,000 per month. This figure includes emergency assistance of all types, not just emergency shelter assistance. Furthermore, no information is available on the number of General Assistance recipients or applicants who receive emergency assistance or emergency shelter under the program.

During this same period, however, there were an average of 30,000 persons receiving General Assistance payments each month. These statistics appear to strongly indicate that virtually no General Assistance applicants or recipients who become homeless receive any emergency shelter or other emergency assistance from municipal welfare departments under the current fault-based regulation.¹⁰

Similarly, under AFDC, the level of emergency assistance provided to recipients is very small when compared to the total number of recipients throughout the state. For example, in fiscal year 1984, emergency assistance was provided to an average of 1,859 recipients per month in all counties and for all emergencies, not just for emergency shelter for the homeless. During this same period, an average of approximately 399,003 AFDC recipients received monthly assistance payments. As a result, only 0.47% of the monthly AFDC population state-wide received emergency assistance of all types under the program.

Furthermore, the funds expended for emergency assistance under AFDC reflect the limited scope of assistance provided to recipients. For example, the total amount of state funds expended for emergency assistance under AFDC for fiscal year 1984 was only \$1,685,970, or 0.95% of the \$177.2 million in state funds expended for the entire AFDC program. In addition, the amounts spent and budgeted for emergency assistance for fiscal years 1984-1986 have remained constant. This has resulted in a negligible increase in the number

¹⁰ State of New Jersey, Budget, Department of Human Services, Division of Public Welfare, page 85 (January 28, 1985); telephone conversation between Barry Jacobson, Department of the Public Advocate, and James Egnor, Department of Human Services (March 14, 1985).

of AFDC recipients who receive emergency assistance in recent years. Clearly, these figures indicate that very few AFDC recipients who become homeless receive emergency shelter through the program.¹¹

The Subcommittee also notes that there are wide disparities among the counties in the amount of emergency assistance provided under the current fault-based regulations in the AFDC program. For example, in August 1984, there were 16,801 AFDC cases in Hudson County but only 20 cases in which emergency assistance was provided. For the same month, there were 34,570 AFDC cases in Essex County and 138 emergency assistance cases. By contrast, there were 5,634 AFDC cases in Middlesex County in August 1984, and 129 emergency assistance cases. In Camden County, there were 14,090 cases of AFDC monthly assistance and 119 emergency assistance cases. It is obvious from this data that the current AFDC emergency assistance regulations are subject to differing applications throughout the state, with some counties granting emergency assistance more liberally, while others grant such assistance only on rare occasions.¹²

Because emergency shelter is rarely provided to the homeless through AFDC and General Assistance, the homeless must continue to obtain emergency shelter from private and non-profit organizations, if available. Moreover, governmental support for these organizations is limited to funds provided through the FEMA program and by yearly state appropriations. As mentioned above, this source of funding is insufficient and unstable. Indeed, the federal government provided no emergency funds to the State for the homeless for fiscal year 1985. Although the state, through the Department of Human Services, appropriated \$1,350,000 to replace the lost federal funds in 1984-1985, the Department has requested that this funding be continued only at the same level for fiscal year 1986.¹³

As noted in the Subcommittee's final report in August 1983, private and charitable organizations cannot begin to address the need for emergency shelter without receiving reimbursement for providing shelter to homeless persons who have applied for or who receive AFDC and General Assistance. The Subcommittee believes, therefore, that clear standards for providing emergency shelter through AFDC and General Assistance are urgently needed to establish a stable and uniform method of caring for the homeless throughout the state.

¹¹State of New Jersey, Budget, Department of Human Services, Division of Public Welfare, p. 84-85 and p. 252-253 (January 28, 1985). A summary of emergency assistance expenditures under AFDC for 1983 to 1986 is attached to this report as Table 1.

¹²State of New Jersey, Department of Human Services, Division of Public Welfare, Public Welfare Statistics For August, 1984, Tables I-A and IV (November, 1984). A summary of emergency assistance under AFDC provided by 6 counties for January to August 1984 is attached to this report as Table II.

¹³State of New Jersey, Budget, Department of Human Services, Division of Youth and Family Services, D259 (January 28, 1985). It should be noted that a limited number of New Jersey counties received some FEMA funds from the federal government in fiscal year 1985 through the United Way.

Finally, the Subcommittee believes that emergency shelter must be provided not only to the homeless who have applied for General Assistance and AFDC, but also to the homeless who are receiving this assistance. First, current monthly levels of assistance to eligible recipients of General Assistance and AFDC are far below the amounts required to obtain basic necessities of life in New Jersey, particularly safe and decent housing in New Jersey for low income households. Given these conditions, persons and families who receive General Assistance and AFDC often become homeless because they can neither afford nor find permanent shelter -- through no direct fault of their own. Emergency shelter must, therefore, be provided to these persons and families, in addition to any monthly assistance which they receive, in order to protect the life, health and safety of these households for temporary periods and to enable them to secure permanent housing.

The Subcommittee acknowledges that the Public Assistance and Housing Subcommittees of the Task Force have made major recommendations to address the inadequacy of current assistance payment levels and the critical and urgent need for additional low-cost housing. The Subcommittee believes that swift action to implement the recommendations made by these Subcommittees, especially the proposal for immediately increasing assistance levels, should result in a marked decline in the incidence of homelessness in New Jersey. A decline in homelessness will, in turn, drastically reduce the amount of emergency shelter assistance provided by county and municipal welfare agencies under the regulations proposed by the Subcommittee in this report.

III. DESCRIPTION OF THE PROPOSED RECOMMENDATIONS

A. Comprehensive Emergency Shelter Plans Through The General Assistance And AFDC Programs

Under the AFDC program, the Subcommittee recommends that each county welfare agency should be required, by regulations, to develop and establish a comprehensive plan for the provision of emergency shelter to applicants for and recipients of AFDC in their respective counties. Similarly, municipal welfare directors and/or local assistance boards should be required, also by regulation, to develop and establish comprehensive emergency shelter plans on the municipal level for applicants for and recipients of General Assistance. The plans required under AFDC and General Assistance, should contain the following elements:

(1) A realistic assessment of the need for safe and suitable emergency shelter for applicants and recipients of AFDC and General Assistance.

(2) A detailed description of the methods that are being used or which will be used by county welfare agencies and municipal welfare departments to provide safe and suitable emergency shelter. The choice of methods, e.g., a system of hotel payments or a contract to utilize a shelter operated by a charitable organization, should be left to the local agency. In addition to emergency shelter for the homeless, this element

of the comprehensive plan should also indicate the manner by which other services -- such as food, medical care, assistance to locate permanent housing and education for school-age children -- will be provided to the homeless.

(3) Appropriate assurances that the methods utilized by county welfare agencies and municipal welfare departments are available or, if not available, the presentation of a timetable as to when the emergency shelter and other services will become available.

In addition to these elements, the regulations should require county welfare agencies to coordinate the plans prepared by all of the municipal welfare departments in the county and compile these plans into one county-wide emergency shelter plan. To accomplish this objective, municipal welfare departments should be required to submit their plans to the county welfare agency and directly participate with the county welfare agency in the preparation of the county-wide plan. In addition, the county welfare agency should be required to submit the comprehensive plan to the Commissioner of the Department of Human Services for approval. The Commissioner should not approve plans unless the plans address all the proper elements and encompass all municipalities in the county. Finally, the Subcommittee recommends that the county welfare agencies and municipal welfare departments update the comprehensive plans on an annual basis for submission each year to the Commissioner for approval.

B. No Fault Emergency Shelter Under the General Assistance And AFDC Programs

The Subcommittee recommends that the current regulations regarding the provisions of emergency assistance under AFDC and General Assistance be revised to substantially enlarge the circumstances under which emergency shelter is provided to the homeless who apply for or who receive AFDC and General Assistance.

1. General Assistance.

The Subcommittee recommends that the Department of Human Services promulgate a regulation which requires municipal welfare departments to provide emergency shelter to applicants and recipients of General Assistance without regard to fault. This regulation should include specific provisions:

(a) That safe and suitable emergency shelter (emergency shelter assistance) be provided immediately on initial contact.

(b) That emergency shelter assistance be provided regardless of fault.

(c) That emergency shelter assistance can be directly provided by the welfare department through payments to hotels, motels or rooming houses, or provided by charitable, non-profit or other organizations under contract with the welfare department, or through any other method chosen by the welfare department

and specified in the comprehensive plan for emergency shelter described at pages 12-13.

(d) That persons provided with emergency shelter be required to actively search for permanent housing and, if they do not, emergency shelter assistance for such persons may be terminated.

(e) That persons be provided with emergency shelter assistance until such time as permanent housing is secured or assistance terminated pursuant to paragraph (d).

(f) That emergency shelter contract requirements and reimbursement rates for charitable and non-profit organizations under contract with municipal welfare departments be established by the Department of Human Services. Reimbursement rates should be set at levels which directly relate to real shelter costs.

(g) That municipal welfare departments provide emergency shelter within their respective municipalities. If shelter must be provided in a facility located in another municipality, it can only be done under an agreement with the other municipality. The agreement should provide that the sending municipality is responsible for payment of the costs of providing emergency shelter and General Assistance payments to homeless persons until such time as the persons secure permanent housing. The form and content of such agreements should be developed and disseminated by the Commissioner of the Department of Human Services.

The Subcommittee recognizes that a certain period of time is necessary to properly prepare the proposed regulations for publication and adoption. At the same time, the Subcommittee also recognizes that applicants and recipients of General Assistance who become homeless each day throughout the state are in critical and immediate need of safe and suitable emergency shelter.

Accordingly, it is recommended that the Department of Human Services, as an interim measure, adopt a revision to the present emergency assistance regulation -- N.J.A.C. 10:85-4.6 -- which removes the existing fault requirement. This action will immediately insure that homeless recipients of General Assistance receive emergency shelter for 30 to 60 days. However, it is also recommended that the Department act to prepare the emergency shelter regulations, which contain the provisions proposed in (a) through (g) above, and publish these regulations by October 31, 1985. Through prompt action, regulations which provide homeless applicants and recipients of General Assistance with emergency shelter regardless of fault and until the person secures permanent housing can be in place for the winter of 1985-1986.

The Subcommittee believes that certain additional steps are necessary to assist the Department of Human Services and municipalities in providing emergency shelter to the homeless without regard to fault. First, the Subcommittee recommends that the state share of funding emergency shelter under General Assistance must be increased from 75% to 100%. To this end, the Subcommittee strongly supports legislation designed to accomplish this objective, which is currently under consideration by the State Senate.¹⁴ It is clear that the financial burden for the General Assistance program falls almost entirely on the state's largest urban areas where nearly all of the General Assistance applicants and recipients reside. For example, in January 1984, 25,286 of the 31,338 general assistance cases were concentrated in only 21 municipalities, all of which are large, older urban communities. Of these 25,286 "urban" cases, 20,182 cases were in six cities -- East Orange, Jersey City, Newark, Trenton, Paterson and Camden. Almost 1/3 of the entire General Assistance caseload statewide, or 9,589 cases, were in Newark alone. While the financial burden placed on these cities is enormous, suburban and rural communities pay little, if any, of the funds needed to support the program. The Subcommittee believes that this is a statewide problem -- a conclusion the Task Force already reached -- and as a result, that all New Jersey citizens, regardless of where they live, should share in the cost of providing public assistance to the homeless and needy. Accordingly, the Subcommittee strongly recommends that the cost of providing emergency shelter without fault under the proposed General Assistance regulations be borne entirely by the State.¹⁵

Second, the Department of Human Services must substantially increase the number of field representatives who monitor the compliance of municipal welfare department with General Assistance regulations. At present, only 5 field representatives are assigned to ensure compliance by the 576 municipalities throughout the state. Needless to say, it is virtually impossible to obtain compliance with General Assistance regulations given these current staffing levels at the Department. Accordingly, the Subcommittee recommends that the Department immediately seek additional funding for personnel to strengthen its efforts to enforce the general assistance laws and regulations.

2. AFDC.

The Subcommittee recommends that the Department of Human Services revise the current AFDC emergency assistance regulation by removing the requirement that a recipient be without fault in order to obtain emergency shelter. Although this action

¹⁴See Assembly Bill 2656, approved by the Assembly on January 8, 1985 and currently pending in the Senate.

¹⁵See State of New Jersey, Department of Human Services, Division of Public Welfare, Public Welfare Statistics for January, 1984, Tables II-A and II-D (November, 1984). A summary of general assistance caseloads and expenditures of 7 cities for January to August 1984 is included in this report as Table III.

will increase the amounts of emergency assistance spent under AFDC, the federal government will bear half of the cost of such assistance. As a result, increasing the provision of emergency shelter to the homeless under AFDC will also increase the level of federal funds made available in New Jersey for emergency shelter for the homeless.

The Subcommittee recognizes that federal matching funds for emergency assistance is available for only one incident per year. An incident covers up to 60 days. Accordingly, the Subcommittee recommends that the no fault requirement be removed from the regulation for at least one incident of homelessness for each AFDC recipient during any 12 month period. As discussed earlier in this report, removal of the fault requirement will enable AFDC recipients who are homeless because of the current low assistance levels or because of a lack of decent and affordable housing to obtain safe and suitable emergency shelter..

C. Emergency Shelter Block Grants

In addition to broadening the circumstances under which emergency shelter is provided to applicants and recipients of General Assistance and AFDC, the Subcommittee recommends that an emergency shelter block grant program be established in the Department of Human Services. This program is intended to replace the yearly appropriations which have been requested by the Department of Human Services for emergency shelter to the homeless with an on-going and adequately funded program established pursuant to appropriate enabling legislation. The legislation authorizing block grant program should contain provisions:

(1) That the program be administered by the Department of Human Services.

(2) That the overall funding for the program be based upon the assessment of the need for emergency shelter established in the comprehensive emergency shelter plans prepared by county welfare agencies and the municipal welfare departments, as recommended earlier in this report.

(3) That the funds be distributed by the Department of Human Services to counties in block grants and in accordance with the need for emergency shelter in the respective counties.

(4) That the block grants funds then be made available by the counties to fund the operation of emergency shelter facilities, duly licensed under the shelter licensing law, and to fund the procurement of emergency shelter space in areas where there are no licensed emergency shelter facilities or where the existing emergency shelters have a limited capacity.¹⁶

¹⁶ See, N.J.S.A. 55:13C-1 et seq. which sets licensing standards for emergency shelters.

(5) That block grant funds also be made available by the counties to reimburse municipalities for their 25% share of providing emergency shelter to homeless applicants and recipients of general assistance, at least until legislation is enacted which would place the obligation for the costs of providing emergency shelter under General Assistance entirely upon the state, as recommended elsewhere in this report.

(6) That block grant funds should not be made available to counties which have not had county-wide emergency shelter plans, as recommended on pages 11-12 of this report, certified by the Commissioner of the Department of Human Services. Moreover, municipalities which do not submit emergency shelter plans to counties or participate with the county in preparing the county-wide plan should not be eligible to receive reimbursement for the costs of providing emergency shelter to the homeless under the general assistance.

The Subcommittee notes that bills have recently been introduced which would authorize state funds to directly reimburse municipalities for the cost of providing emergency shelter to the homeless in licensed emergency shelter facilities.¹⁷ These bills provide a framework for the block grant program recommended by the Subcommittee and action should be taken immediately to prepare appropriate legislation incorporating into these bills the provisions set forth above.

Finally, the Subcommittee recognized that if block grant legislation were enacted which requires that funds be available for emergency shelter according to the need for such shelter throughout the state, the need for emergency shelter to applicants and recipients of General Assistance and AFDC under the regulations proposed in this report would be substantially reduced.

IV. Conclusion

The Subcommittee's recommendations in this report are similar to those recently made by the Department of Community Affairs. In a November 1984 report on emergency shelters operating throughout the state, the DCA concluded that these shelters could not continue to operate properly or expand without reimbursement for providing emergency shelter to homeless recipients and applicants of AFDC and General Assistance and without additional funding directly from the state:

A more consistent and dependable flow of funds is needed to help stabilize the shelters' finances and operations. Reimbursement agreements with the local welfare office, and the contracting or leasing of a fixed number of a shelter's beds are two measures which would provide the shelters with a more predictable source of revenue. Direct oper-

¹⁷ See Senate Bill 2758 and Assembly Bill 3313 (February 28, 1985).

ating subsidies as have been provided through the FEMA funding, however, will continue to be needed.¹⁸

The Subcommittee stresses that the recommendations in this report are not designed to require municipalities or counties to build and operate emergency shelters. Nor are the regulations intended to mandate local welfare agencies to go into the streets, find homeless persons and make these persons stay in shelters. Rather, the purpose of these regulations is to establish a real and meaningful partnership to adequately serve the homeless among local welfare agencies, county and state government, and non-profit organizations.

¹⁸ New Jersey Department of Community Affairs, Report On The Shelter For The Homeless Pilot Improvement Program, p.iii (November 1984). (emphasis added).

TABLE I
A SUMMARY OF AFDC AND
EMERGENCY ASSISTANCE EXPENDITURES*

Emergency Assistance (E/A)	Actual FY 1983	Actual FY 1984	Revised Budget FY 1985	Budget Estimate FY 1986
Average Monthly Recipients	1,964	1,859	2,011	2,065
Average Monthly Grant	\$ 134.40	\$ 150.81	\$ 150.00	\$ 160.00
Net Assistance Expenditure	\$ 3,167,539	\$4,495,920	\$3,619,800	\$3,964,800
Federal Assistance Expenditure	\$ 1,583,770	\$2,247,960	\$1,809,900	\$2,027,520
County Assistance Expenditure	\$ 395,942	\$ 561,990	\$ 452,475	\$ 515,424
State Assistance Expenditure	\$ 1,187,827	\$1,685,970	\$1,357,425	\$1,546,272
<hr/>				
Total State AFDC Expenditure (Including E/A)	\$175,605,165	\$177,233,324	\$179,871,278	\$189,278,493
% of E/A to State Program Expenditure	0.68	0.95	0.75	0.82
Total AFDC Recipients	410,124	399,003	387,573	386,286
% of AFDC Recipients Receiving E/A	0.48	0.47	0.52	0.53

* Emergency Assistance is provided for a variety of emergency needs, including food, furniture, and security deposits for apartments. No figures are given for the amount of emergency assistance spent for emergency shelter for the homeless.

Source: State of New Jersey, Budget, Department of Human Services, Division of Public Welfare, p. 84-85 and D.252-253 (January 28, 1985).

TABLE II

AFDC EMERGENCY ASSISTANCE FOR
6 COUNTIES, JANUARY-AUGUST 1984

<u>COUNTY</u>	<u>AFDC</u>			<u>EMERGENCY ASSISTANCE*</u>			
	Avg. No. Cases	Avg. Total Monthly Payment	Avg. Pay- ment Per Case	Avg.No. Cases	Avg. Total Monthly Payment	Avg. Pay- ment Per Case	Percentag AFDC Case Receiving E/A
Camden	14,034	\$ 4,787,378	\$341.14	123	\$46,036	\$375.42	0.87
Essex	34,789	\$11,953,780	\$343.61	162	\$98,802	\$610.36	0.47
Hudson	17,011	\$ 5,730,792	\$336.89	39	\$16,519	\$424.93	0.23
Mercer	6,811	\$ 2,218,215	\$325.69	25	\$ 6,352	\$256.66	0.36
Middlesex	5,750	\$ 1,867,779	\$324.84	102	\$52,770	\$519.90	1.77
Union	6,968	\$ 2,268,823	\$325.63	39	\$20,441	\$525.80	0.56

*Emergency Assistance is provided for a variety of emergency needs, including food, furniture, security deposits for rental units and emergency shelter. No figures are given for the amount of emergency assistance spent for emergency shelter for the homeless.

Source: State of New Jersey, Department of Human Services, Division of Public Welfare, Public Welfare Statistics for January through August, 1985.

TABLE III

COMPARISON OF G/A POPULATION IN LARGER NJ CITIES
TO TOTAL G/A POPULATION IN STATE*

	Persons Aided				\$ of State Total			Assistance
	Employable	Unemployable	Total	Assistance Payment	Employable	Unemployable	Total	and Payment
Camden	1720	287	2007	\$353,852	9.2	2.5	6.6	6.
Paterson	889	479	1368	\$166,292	4.8	4.1	4.5	2.
Newark	6082	3621	9704	\$2,366,370	32.5	31.1	32.0	41.
Trenton	1521	541	2061	\$286,486	8.1	4.6	6.8	5.
East Orange	377	423	799	\$169,961	2.0	3.6	2.6	2.
Jersey City	2664	1337	4001	\$788,503	14.2	11.5	13.2	13.
Elizabeth	605	465	1070	\$197,958	3.2	4.0	3.5 (69.2)	3. (75.)
Total for 21 Large Cities	16,238	8638	24976	\$4,924,398	87.3	74.1	82.3	85.
All Other Municipalities	2,372	3014	5386	\$846,235	12.7	25.9	17.7	14.
Total For Entire State	18,709	11,652	30,362	\$5,770,633	100	100	100	100

* Figures denote monthly averages for period January-August 1984

** % of state total for G/A recipients and assistance payments of 7 cities listed.

REPORT OF THE
PUBLIC ASSISTANCE AND SOCIAL SERVICES SUBCOMMITTEE
TO THE
GOVERNOR'S TASK FORCE
ON THE HOMELESS

New Jersey State Library

PUBLIC ASSISTANCE AND SOCIAL SERVICES SUBCOMMITTEE

- I. Current Aid to Families with Dependent Children (AFDC) and General Assistance (GA) levels of assistance are so grossly inadequate that they actually contribute to homelessness. (1.) It is therefore recommended that the levels of assistance for the AFDC and GA programs be immediately raised to 100% of the federal poverty guidelines established by the Office of Management and Budget. (2.) Since the federal poverty guidelines also constitute a grossly inadequate level of assistance, it is recommended that other indicators of need be studied, that a regulation be promulgated for GA and AFDC recipients, establishing a standard of need on based actual living costs, and that the Department of Human Services request, and the Legislature provide full funding to meet the standard of need established. (3.) Additionally, the "flat grant" concept should be initiated in the GA program. (4.) Further, the administration of GA should be a county responsibility.

A. At the present time, grants are low to the extent that rather than prevent homelessness they actually contribute to it, since clients in many instances are forced into choosing between paying for shelter and/or utilities or other necessities of life such as food and clothing. As a result, government is, in effect, setting up a new assistance program to provide emergency food and shelter, in order to compensate for the failures of our present system in meeting these needs. Increasing public assistance grants would clearly minimize this movement toward creation of a new welfare system. Any concentrated attack on the problem of homelessness must address this issue.

The Department of Human Services and the State legislature should be commended for the July 1984 7% increase in AFDC and GA standards. Nevertheless, in the AFDC program a 7% increase only raises the standard for a family of four to 52% of the Bureau of Census Poverty Income Guidelines. In the GA program, which has not experienced an increase since 1974, the 7% increase represents a corresponding percentage increase to only 31% of that guideline.

We recommend that the indicator to base increases in grant amounts should be the Bureau of Census Poverty Income Guidelines¹ for both the AFDC and GA programs since those guidelines, or a modification thereof, are used as eligibility criteria for a number of federal programs.

However, we must strongly point out that this indicator is one of the lowest standards in use. For example, the National Social Science and Law Project in its September 1983 update to its original November 1980 study entitled, The Cost of an Adequate Living Standard

¹Source, U.S. Department of Health and Human Services, Annual Revisions of the Poverty Income Guidelines listed in Federal Register publications 1972-1985.

in New Jersey², revealed that the average minimum adequacy budget for a 4 person family in New Jersey was \$14,514. Yearly income based on the federal Poverty Income Guidelines for the same family size is currently \$10,536. It should be noted that even though the \$14,514 amount is somewhat outdated with respect to inflation, it is still significantly higher than the federal indicator we have chosen.

Further, the federal poverty guidelines are incompatible with decency and health.

The results also show clearly that federal poverty-level income will not purchase the marketbasket of goods and services defined as minimally adequate. This is virtually equivalent to saying that the federally defined poverty-level income will not purchase those goods and services which the federal government defines as essential to the maintenance of adequate nutrition, housing, safety, and health. National Social Science and Law Project (NSSLP), "The Cost of an Adequate Living Standard in New Jersey," p.14.

The NSSLP study also noted that:

The federal poverty guidelines methodology is also inappropriate because its food standard, the USDA "Thrifty Food Plan," was designed solely for temporary and emergency conditions, and is acknowledged to be inadequate to sustain life and health for more than a few weeks at a time. NSSLP study, p. 2, fn. 1.

In addition, the AFDC allotments fall far below the needs of AFDC recipients as defined by the Division of Public Welfare.

In September 1979, the Division of Public Welfare of the Department of Human Services published a study entitled "What's Wrong With the AFDC Assistance Standard?" That report concluded that for 1980 an allowance of \$658.00/month (including food stamps) was required "to maintain the purchasing power (of an AFDC family of four) at the FY 1972 standard."

In 1985 an AFDC family of 4 receives a monthly allotment of only \$602.00/month, including food stamps. From January 1980 through December 1984 the Consumer Price Index rose 35% and therefore substantially eroded the purchasing power of the current allotment as it relates to the 1980 standard. Therefore, adjusted for inflation, the 1985 AFDC allotment represents only 67.8% of the 1980 DPW standard.

² National Social Service and Law Project, The Cost of an Adequate Living Standard in New Jersey, An Update (September 1983), Table 1. Minimum Adequacy Budget Component Costs for Different Households: Statewide Averages

While we have decided to recommend the federal poverty guidelines as an indicator to adjust the AFDC and GA standards immediately, we recommend that the Department of Human Services examine other indicators and studies, and establish a standard of need based on actual living costs which should be updated annually and fully funded by legislative action.

Considering that we have chosen such a low indicator of need and considering the substantial State budget surplus of \$500 to \$700 million, we recommend that appropriate immediate action be taken for an increase in AFDC and GA standards to 100% of the federal poverty guidelines. An increase such as this is warranted in light of the percentage increase in the poverty guidelines over the past several years as compared to the corresponding percentage increase in AFDC and GA standards. Specifically, since 1972 the AFDC and GA standards (employable and unemployable) have increased 37% and 30.5%, respectively, while the poverty guidelines have realized a 150% increase over the same period.

The following is an explanation of the budgetary impact of an immediate increase of AFDC and GA standards to 100% of the federal poverty guidelines.

The current AFDC standard for a family of four is \$443 monthly or \$5,316 annually. Utilizing the federal poverty guidelines for that same family would result in a monthly payment of \$878 or \$10,536 annually. This would exceed the highest current payment for a family of four in the country which is Alaska's standard of \$800 per month. The increase in AFDC payment levels would result in a reduction of food stamp benefits for a typical family from the current \$168 to \$37. The estimated cost of increasing AFDC standards to that of the poverty guidelines would be \$835.2 million annually, exclusive of increased Medicaid expenditures for the additional persons who would be added to the AFDC roles. The State share of those increased assistance expenditures would be \$318.7 million.

The current GA standard for an unemployable individual is \$190 per month or \$2,280 annually. The federal poverty guidelines for an individual is \$427 per month (\$5,124 annually). Food stamp benefits for the typical recipient would decrease from the current \$71 to \$10 per month.

For an employable recipient the payment standard would increase from the current \$127 to \$284 monthly or \$3408 annually. This lower standard is based on the expectation that disregarded income from employment will permit employable individuals to have disposable income equal to that of the unemployable recipient. Food stamp benefits would be reduced from the current \$71 to \$24.

The cost of increasing the general assistance standards would be \$112.4 million; the state share would be \$84.3 million.

The increased assistance expenditures required to raise both AFDC and GA payment levels to the respective federal poverty guidelines would be \$947.6 million annually. The state share of that increase would be \$403 million.

Additionally, with respect to the GA program, we recommend that the General Assistance grant become a "flat" grant, varying only by the number of eligibles (similar to AFDC), thus eliminating the penalty suffered by people who share households.

Presently, unrealistically low monthly grants in General Assistance (e.g., \$190 for an unemployable individual and \$127 for an employable person) are reduced even further if that individual or couple is residing with other people who are not in the eligible unit (even though these individual(s) might also be receiving assistance) or if shelter and/or utilities are supplied to the recipient. This change would encourage sharing of households, where possible, thus reducing the incidence of homelessness.

The cost of implementing this recommendation is estimated at \$3.1 million annually in State and local funds. There is no federal financial participation in this program. It should be noted that this would not involve an across-the-board increase in General Assistance payments, but only ensure that each individual would receive the same amount regardless of household size.

Finally, since increases in grant amounts and the change to the flat grant concept are dependent on legislative action and approval, we recommend that a concerted written and vocal lobbying effort be undertaken on the part of charitable provider organizations and any concerned parties, who are interested and committed to alleviating the plight of our State's homeless.

The Legislature must be "educated" and alerted by those concerned so that the State's budget may be adjusted accordingly to accommodate the aforementioned actions as a giant step toward the prevention of potential states of homelessness.

Attempts should also be made on the part of the Legislature to explore the feasibility of utilizing casino revenues as a source of funding to implement these actions.

- B. It is quite obvious that substantially increasing the AFDC and GA standards would not only cause a reduction in the incidence of homeless conditions but also would result in the significant improvement of the overall health and nutritional well-being of our public assistance recipients.

Several studies, including the previously mentioned National Social Science and Law Project's, The Cost of an Adequate Living Standard in New Jersey, and the Newark Pre-School Council and the Association for Children of New Jersey's Study, Not Enough to Live On, emphasize and highlight the harmful effects of inadequate public assistance standards on AFDC recipients with respect to the substandard quality of living conditions, poor nutrition and the resulting health problems encountered.

One study, "Not Enough to Live On," by the Newark Pre-School Council, contains an executive summary of the findings at pp. ii-vi which are attached to this report as Attachment 1.

The report stated:

Preface

While three-quarters of the Head Start families rely on the AFDC allowance, it is the smallest and most inadequate federal benefit of all, so that children spend most of their formative years in families facing continuous economic stress;

Although rents on the free market claim an inordinate amount of the AFDC allowance, there is no mechanism to adjust the benefit so as to provide enough to cover other legitimate family expenses;

Of all Head Start families, it is those renting on the private housing market which face the greatest financial difficulties, and this is compounded when they are responsible for providing their own heat.

While very few families lack heat altogether, almost half use space heaters to augment inadequate heating, an alternative that is both hazardous and unhealthy.

Although public health professionals have long seen the connection between rat and roach infestation and flaking paint on the one hand, and disease and lead poisoning on the other, extremely large numbers of Newark children live in neighborhoods and housing units where these conditions are commonplace and unaddressed;

Since food is the one survival item that is flexible, it is the one which is cut, often below nutritional standards, with possible long-term negative effects upon the cognitive development of children;

Despite the federal food stamp program, hunger is a recurring phenomenon with which these families and children cope;

Although Newark Head Start families have few complaints of Medicaid services, they often cannot afford transportation to doctors and clinics, pointing up problems in access to health care;

Although half of the children recently cut from Medicaid had to forego medical and dental care because parents could not afford the fees, no state health program exists to help youngsters who, no longer eligible because of stringent AFDC guidelines, still fall beneath the poverty line.

More specifically, the study shows that the AFDC families spend an inordinate amount of their income on rent, and that the combined expenses for food, rent and utilities are prohibitive, and leave little room for other expenses. For example, the study found that:

Overall, Head Start families who pay their own heating bills pay 115% of their income which includes the value of food stamps for the expenses of food, rent and utilities. Those who do not pay for heat have expenses of 84% of their average income (including food stamps). Attachment 1, p. iv.

These expenses differ in each type of housing:

In public housing, families pay an average of 75% of their income including the value of food stamps for these expenses. These families do not pay heating costs.

In housing with subsidized rents, families who are responsible for heating pay an average of 115% of their income including the value of food stamps in these expenses. If they do not pay for heat, they have expenses of 84% of their average income (including food stamps).

In housing on the free market, families responsible for heat pay an average of 119% of their income which includes the value of food stamps in these expenses. If they do not pay heating costs, they incur expenses of 88% of their average income (including the value of food stamps). Attachment 1, p. iv.

Further, the study found that AFDC recipients are forced to live in substandard housing:

25% of the families share housing; 77% of these families state that they share to "cut the cost" of renting.

60% of the families live in housing on the free market and 8% live in housing with subsidized rents, where they may incur expenses larger than their income (see above).

32% of the families live in public housing, incurring expenses lower than their income (see above).

36% of the families live in housing with density figures at or over 1.00 persons per room, the "danger point" for crowding.

61% of all the families have rats, either always or sometimes, in their apartments. Almost 25% have rats all the time.

Almost 90% of the families have roaches in their housing, either all or sometimes; over half have roaches in their housing all the time.

40% have housing with leaking roofs or ceilings.

47% of all the families live in housing with peeling, flaking paint. Half of the families in public housing and 63% of families in housing with subsidized rents have this problem, which is related to the existence of lead poisoning in children. Attachment 1, pp. iv-v.

Utilities

Over a third of the families in all types of housing report having heat only some of the time.

40% of the families in free market housing only have heat some of the time.

46% of the families use space heaters, with 30% of them using them always or sometimes.

In both public housing and housing on the free market, 30% of the families report that they always or sometimes use space heaters. Attachment 1, p. v.

In addition, AFDC recipients often run out of food, and do not have enough to eat.

78% of all families, whether they receive food stamps or not, report that they often or sometimes run out of food and have no money to buy more.

Only 20% of the families receiving food stamps report that food stamps last throughout the month.

Almost half (47%) of the families receiving food stamps state that they last three weeks only.

60% of the families add modest amounts to food stamps each month - \$50 or less - although an overwhelming number of the recipients (83%) report that they sometimes or often run out of food and cannot afford to buy more.

The area of food highlights the financial difficulties of these families. 24% wrote that their biggest problem was "running out of food," "making it last the month," and "not being able to buy nutritious food." Attachment 1, p.v.

The National Social Science and Law Project (NSSLP) study found that the low level of assistance in New Jersey does not permit "the purchase of adequate housing and adequate food and other necessities, even at the subsistence level defined by the official U.S. poverty line." NSSLP p. E1.

The NSSLP study found that the AFDC allotments were incompatible with decency and health:

The results very clearly demonstrate that New Jersey's welfare payment standards fall substantially short of their objectives, insofar as they are intended to define and provide for the minimum necessities of life under contemporary standards of decency, health, nutrition, and safety. The results also show clearly that federal poverty-level income will not purchase the marketbasket of goods and services defined as minimally adequate. This is virtually equivalent to saying that federally defined poverty level income will not purchase those goods and services which the federal government defines as essential to the maintenance of adequate nutrition, housing, safety, and health. NSSLP, p. 14 (emphasis added).

The NSSLP study concludes that:

. . . any New Jersey family which is solely dependent on public assistance must either consume the basic necessities at levels of quality and quantity which are substantially lower than what they required under conventional standards of minimum adequacy or make drastic choices among necessities. Some may forego better housing in favor of an adequate diet; others may give up food, clothing, furniture, transportation, and medical attention in order to maintain more habitable shelter. NSSLP, pp. 19-20.

The NSSLP surveyed some of the scientific literature on the consequences of inadequate food and shelter. See Attachment 2 to this report. The literature "includes abundant evidence of the physiological damage, much of it irreversible, incurred as a result of malnutrition, and the social and psychological problems associated with living in substandard housing." NSSLP, p. 20, Exhibit 2, pp. E1 to E5 (emphasis added). The study further found that:

Proper nutrition is one of the most important factors affecting personal well-being, development and functional capacities. Malnutrition on the other hand, is the cause of serious problems in development, growth, and health, as the following research findings demonstrate. Attachment 2, p. E1.

The literature surveyed found that:

1. Malnutrition is traditionally and commonly associated with many serious diseases whose effects are profound and irreversible. This includes obesity, heart disease, hypertension and diabetes in adults. Attachment 2, par. 1-2, pp. E1-E2; par. 8, p. E-4.
2. The effect of malnutrition has serious effect on pregnancy, fetal development and the development of children.
 - (a) Iodine deficiency decreases the intelligence of children as measured by the Stanford Binet IQ test.
 - (b) Fetal malnutrition decreases the size and number of neurons in the brain, an irreversible condition. Attachment 2, par. 3, p. E2.

- (c) Malnutrition, including inadequate protein, causes lower birth weight, and smaller skulls at birth (Attachment 2, par. 4, pp. E2-3); subsequent mental and physical retardation (Attachment 2, par. 5, p. E2); birth defects, difficulties in pregnancy, abnormal fetal development, and stunted growth (Attachment 2, par. 6, pp. E3-4).

Malnutrition stunts the growth of women, which increases the chance of difficulty in labor, Caesarean section, premature birth, prenatal death from birth trauma, increased infant mortality and birth defects. Attachment 2, par. 6, p. E4.

- (d) Protein Energy Malnutrition is a factor in deficiencies in cognitive functions and learning abilities. Attachment 2, par. 4, p. E3.

- 3. Apart from physiological effects, malnutrition adversely affect personality development and behavior, including effects such as alterations in behavior, reduced motor activity, apathy, irritability, loss of interest in social environment, lack of motivation, and sense of defeatism. Attachment 2, par. 9, p. E-4.
- 4. Malnutrition and housing have a direct effect on intellectual functioning and school performance. It causes a relatively low level performance in social situations, such as school, and causes adverse effects on such cognitive processes as attention, vigilance, and memory. Attachment 2, par. 10-11, pp. E4-E5.

In short, the harm caused to recipients by the grossly inadequate level of benefits is severe, long-lasting, and irreversible.

In addition, the low level of assistance harms society as a whole. The NSSLP Report concluded that:

while the above immediate harm may be confined to individuals and families, there are also serious consequences which extend throughout the community and the society, which make this a matter of significant public concern and policy. NSSLP, p. 20.

II. (5.) An ongoing federal program must be developed with necessary appropriations from the federal government to service the needs of the homeless.

We recognize the federal efforts in assisting our State's homeless, e.g., the \$1.4 million Federal Emergency Management Agency Management Agency (FEMA) appropriation in 1984. We also note the State Legislature's \$350,000 and \$1.35 million appropriations in 1984 and 1985, respectively. The latter appropriation was provided to address the loss of federal FEMA funding in 1985. In addition to the aforementioned funding, the State of New Jersey has taken numerous steps to alleviate the plight of its homeless population which include:

- the establishment of the Governor's Task Force on the Homeless
- the development of Comprehensive Emergency Assistance System (CEAS) committees in each county
- the corresponding development of a Statewide CEAS network of service delivery to the homeless
- the compilation of a statewide inventory of available services for the homeless entitled, The State Services Plan For The Homeless
- the implementation of a Homelessness Prevention Program providing rental assistance to certain low-income individuals and families.

Most importantly, however, the Task Force has recognized that the State must replace its current method of providing funds for emergency shelter for the homeless through yearly appropriations with a comprehensive program to provide such shelter on an ongoing basis. To this end, the Emergency Food and Shelter Subcommittee of the Task Force has recommended that a continuing and stable program for the homeless be established through the provision of emergency shelter under New Jersey's Welfare program, and through an emergency shelter block grant program enacted by the Legislature which directly address the actual needs of this population. Accordingly, the Subcommittee strongly believes that the federal government must replace the yearly grants provided by the Federal Emergency Management Agency with an ongoing federal program with necessary appropriations to service the needs of the homeless. We acknowledge recent efforts taken by the Congress in the form of proposed legislation which, if enacted, would benefit the nation's homeless population (see Attachment 3).

Therefore, we recommend that a Homeless Assistance Program should be established at the federal level similar to the already established federal programs such as Home Energy Assistance, Food Stamps, etc. Since the "homeless are always with us", continual stable funding sources should be available to provide core emergency services to the homeless.

As part of that program, an outreach component should be established at the local level. By providing outreach to shelters or other sites known by local authorities as congregating places for the homeless, e.g., railroad stations, churches, etc., the needs of homeless individuals can be assessed and eligibility for public assistance can be determined.

Additionally, a research component should be implemented to find critically needed information concerning this population about which there is little known. A comprehensive, continuing research effort would provide valuable information for shelter and social service providers who handle homeless clients and would also assist in determining appropriate steps which can be taken to prevent homelessness.

Further, the program should provide an audit system at the State level to monitor appropriations and expenditures and thus make certain that homeless monies are being used for their intended purpose.

Federal funds to the states for the costs incurred from the provision of services to the homeless should be appropriated from new and existing sources.

Existing funding sources include but are not limited to, block grant monies, the Jobs Bill, the Job Training Partnership Act of 1982 and other legislation of a similar nature which is being proposed or considered.

Obviously, new funding sources would have to emanate from new legislation. Our committee believes that such legislation should appropriate funding in the federal budget to allow for the creation and implementation of a Homeless Assistance Program.

It is recommended that such a program be funded similar to the Home Energy Assistance program which depends solely on 100% federal block grant monies for its operation.

Finally, we recommend that the Governor, the Commissioner of the Department of Human Services and those concerned with the plight of the homeless petition our congressional delegation to propose and/or support legislation to create a Homeless Assistance Program. The federal government must recognize that addressing the needs of the homeless is a problem nationwide and it must assume a responsible position which adequately assists the states in this area. To that end, the federal government must assure that sufficient resources are provided to the states to help the homeless achieve adequate levels of self-sufficiency.

ATTACHMENTS
to the
Public Assistance and Social Services Subcommittee Report

excerpts from:

NOT ENOUGH TO LIVE ON

a report by
Newark Pre-School Council
Association for Children of New Jersey

PREFACE

This report documents the economic plight and squalid living conditions in which Newark's low-income children live. The statistics paint a picture of a world where the norms are chronic want, recurring periods of hunger and substandard housing. While the year in Head Start provides an oasis of educational, social and health services benefitting the entire family, it is soon over, and the realities of life lived on the economic edge again hinder the physical and social development of these pre-schoolers.

Among the implications that emerge are the following:

- While three-quarters of the Head Start families rely on the AFDC allowance, it is the smallest and most inadequate federal benefit of all, so that children spend their formative years in families facing continuous economic stress;
- Although rents on the free market claim an inordinate amount of the AFDC allowance, there is no mechanism to adjust the benefit so as to provide enough to cover other legitimate family expenses;
- Of all Head Start families, it is those renting on the private housing market which face the greatest financial difficulties, and this is compounded when they are responsible for providing their own heat;
- While very few families lack heat altogether, almost half use space heaters to augment inadequate heating, an alternative that is both hazardous and unhealthy;
- Although public health professionals have long seen the connection between rat and roach infestation and flaking paint on the one hand, and disease and lead poisoning on the other, extremely large numbers of Newark children live in neighborhoods and housing units where these conditions are commonplace and unaddressed;
- Since food is the one survival item that is flexible, it is the one which is cut, often below nutritional standards, with possible long-term negative effects upon the cognitive development of children;
- Despite the federal food stamp program, hunger is a recurring phenomenon with which these families and children cope;
- Attempts at measuring hunger may not be using correct sources when gathering statistics, since few Head Start families resort to food pantries during those periods when they lack food;
- Although Newark Head Start families have few complaints of Medicaid services, they often cannot afford transportation to doctors and clinics, pointing up problems in access to health care;

- Although half of the children recently cut from Medicaid had to forego medical and dental care because parents could not afford the fees, no state health program exists to help youngsters who, no longer eligible because of stringent AFDC guidelines, still fall beneath the poverty line.

Considering these problems, the Head Start families have superbly carried out their involvement in the program, showing their deep commitment to the well-being of their children. Yet the difficulties of daily living in the city are continuous, some the results of local situations and others of conditions applicable to all low-income residents in New Jersey. For although the housing conditions mentioned here may be specific to Newark, the economic conditions are not. Families and children throughout the state face the same difficulties in finding affordable housing, in meeting rental and utility costs and in satisfying survival needs on a woefully inadequate budget. Because of financial pressures they attempt to satisfy food requirements almost wholly through the food stamp allotment. In urban areas where prices are unconscionably high and selection poor,* the consequences are multiplied many times over.

Responsible citizens and government cannot in good conscience allow these conditions to exist. Our state offers great promise and opportunities to some of its children - it must offer a decent living standard to all of its children.

*This information come from responses to open-ended questions on the questionnaire.

EXECUTIVE SUMMARY

INCOME AND EXPENSES

A. INCOME: (10% of the Head Start population may be composed of families with income over the poverty line)

- The average income of all the families, both above and below the poverty line, is \$477 a month, or \$5,724 a year. With the addition of food stamps, the average income is \$595 a month, or \$7,140 a year.
- Three-quarters of the families rely on AFDC, and receive less than any group - an average of \$391 per month or \$4,692 a year. With the addition of food stamps, income is raised to \$531 or \$6,372 a year, still the lowest of all.

B. EXPENSES

1. RENT:

- 33% of income is the generally acceptable ratio of the cost of housing to income. However, Head Start families overall spend an average of 35.2% of their income on rent (39% when the value of food stamps is added to income).
- Families in public housing pay an average of \$128 or 33% of income for rent (26% with the addition of food stamps).
- Families in housing with subsidized rents pay an average of \$187 or 45% of income for rent (36% with the addition of food stamps).
- Families in housing on the free market pay an average of \$249 or 60% of income on rent (45% with the addition of food stamps).
- Excessive rents of 70% or more of income are paid by 31% of the renters in free market housing, 33% of those living in housing with subsidized rents but only by 6% of those living in public housing. (Percentage of declared income, not including the value of food stamps.)

2. UTILITIES

Heat

- Residents of public housing do not pay for their heat.
- Although only 26% of the families pay their own heating bills, the average that was reported was \$183 or 38% of income (31% of income when the value of food stamps is added).

- Half of the families (71) have bills over \$150 and the top 25% (35) have bills from \$221 to over \$680. Some of these bills may be debts accumulated over periods of time and not expenses incurred over a monthly period.

Electricity

- 98% of the families have electricity; the average bill that was reported was \$70 or 15% of income (12% with the addition of food stamps).
- Half of the families (266) have bills over \$50; the over 15% (67) have bills over \$100.

3. FOOD:

- Families receiving food stamps pay an average of \$211 a month (about \$53 a week) or 37% of their income on food. This includes \$157 (average food stamps allotment) plus \$60, average amount added from their own pocket.
- 60% of the population with food stamps added \$50 or less each month to buy food; 75% add \$78 or less.
- Families who do not receive food stamps pay an average of \$253.50 a month (about \$64 a week) on food. This represents 35% of their average income.

4. COMBINED EXPENSES: Food, Rent, Utilities Only. Other normal expenses such as clothing and household items are not included.

- Overall, Head Start families who pay their own heating bills pay 115% of their income which includes the value of food stamps for the expenses of food, rent and utilities. Those who do not pay for heat have expenses of 84% of their average income (including food stamps).

These expenses differ in each type of housing:

- In public housing, families pay an average of 73% of their income including the value of food stamps for these expenses. These families do not pay heating costs.
- In housing with subsidized rents, families who are responsible for heating pay an average of 115% of their income including the value of food stamps in these expenses. If they do not pay for heat, they have expenses of 84% of their average income (including food stamps).
- In housing on the free market, families responsible for heat pay an average of 119% of their income which includes the value of food stamps in these expenses. If they do not pay heating costs, they incur expenses of 88% of their average income (including the value of food stamps).

LIVING CONDITIONS

Housing

- 25% of the families share housing; 77% of these families state that they share to "cut the cost" of renting.
- 60% of the families live in housing on the free market and 8% live in housing with subsidized rents, where they may incur expenses larger than their income (see above).
- 32% of the families live in public housing, incurring expenses lower than their income (see above).
- 36% of the families live in housing with density figures at or over 1.00 persons per room, the "danger point" for crowding.
- 61% of all the families have rats, either always or sometimes, in their apartments. Almost 25% have rats all the time.
- Almost 90% of the families have roaches in their housing, either all or sometimes; over half have roaches in their housing all the time.
- 40% have housing with leaking roofs or ceilings.
- 47% of all the families live in housing with peeling, flaking paint. Half of the families in public housing and 63% of families in housing with subsidized rents have this problem, which is related to the existence of lead poisoning in children.

UTILITIES

- Over a third of the families in all types of housing report having heat only some of the time.
- 40% of the families in free market housing only have heat some of the time.
- 46% of the families use space heaters, with 30% of them using them always or sometimes.
- In both public housing and housing on the free market, 30% of the families report that they always or sometimes use space heaters.

FOOD

- 78% of all families, whether they receive food stamps or not, report that they often or sometimes run out of food and have no money to buy more.
- Only 20% of the families receiving food stamps report that food stamps last throughout the month.

- Almost half (47%) of the families receiving food stamps state that they last three weeks only.
- 60% of the families add modest amounts to food stamps each month - \$50 or less - although an overwhelming number of the recipients (83%) report that they sometimes or often run out of food and cannot afford to buy more.
- The area of food highlights the financial difficulties of these families. 24% wrote that their biggest problem was "running out of food," "making it last the month," and "not being able to buy nutritious food."

HEALTH

- 25% of the families receiving Medicaid state that they have sometimes had a doctor or dentist request an additional payment over and above the Medicaid reimbursement.
- 30% of the families covered by Medicaid who needed orthopedic shoes for their children (prescribed by physicians) were denied reimbursement while 13% received half payment, as opposed to 45% who received Medicaid payment in full.
- Over half of the parents covered by Medicaid state that they have not heard of the Early Periodic Screening and Diagnostic Program (EPSDP), a special program for children in Medicaid.
- 119 families (22%) are not covered by Medicaid. A quarter of the families not now covered by Medicaid had been recipients in the past. Of these, about 50% state that they take their children less often to doctors and dentists.
- Those not receiving Medicaid coverage pay an average of \$23 for each doctor's visit for their child.
- 41% of the families not receiving Medicaid report that in the past year they were kept from taking a sick child to the doctor, because they lacked money.
- Many families wrote in that they have difficulty in getting to the doctor's office, a third specifically stating that they often lack bus fare.

EMERGENCIES IN THE LAST SIX MONTHS:

- Almost half (48%) of the families have had no food near the end of the month.
- 12% have been burglarized.
- 9% have had possessions damaged or destroyed by vandals.

- 7% have been evicted because of non-payment of rent.
- 7% have waited too long to see a doctor because of cost, and their child became very sick.

PERCEPTIONS

- Almost half of the families (47%) state that things have gotten worse for them since 1980.
- Half or more indicated that they have owed money in the past three years.

excerpts from:

THE COST OF AN ADEQUATE
LIVING STANDARD IN N.J.: AN UPDATE

A Report By
NATIONAL SOCIAL SCIENCE
AND LAW PROJECT

September 1983

APPENDIX E: MALNUTRITION AND SUBSTANDARD HOUSING

This report documents the fact that public assistance in New Jersey does not permit the purchase of adequate housing and adequate food and other necessities, even at the subsistence level defined by the official U.S. poverty line. The main object of this appendix is to illustrate the fact that inadequate diet is likely to have serious physiological consequences. There is extensive literature on this matter, only a small part of which is referred to in the following illustrations. However, the bibliography lists a substantial amount of supporting material.

This appendix also includes a bibliography on substandard housing and overcrowding, and their relation to disease, family instability, and other socially and psychologically costly problems.

Proper nutrition is one of the most important factors affecting personal well-being, development, and functional capacities. Malnutrition, on the other hand, is the cause of serious problems in development, growth, and health, as the following research findings demonstrate:

1. Malnutrition in the form of insufficient caloric intake or protein or vitamin deficiency is traditionally and commonly associated with disease such as scurvy, pellegra, rickets, beri-beri, kwashiorkor, dermatitis, marasmus, depigmentation, and night blindness. These diseases and abnormalities are often profound and irreversible [(6), 178],* but they are only a few of the many direct and indirect deleterious consequences of malnutrition.

2. Specific dietary deficiencies tend to have specific consequences.

For example,

--- Vitamin-A deficiency causes abnormalities in tissue metabolism and resultant weight loss, nervous disorders, reduced resistance to infection, and eye lesions that progressively worsen until blindness occurs. The lesions, xerophthalmia and kerotomalacia, are most frequently found in young children and are often accompanied by protein-energy malnutrition. Lesions form on the eyes after the fluids that lubricate the conjunctiva dry up. This process is reversible by treatment with vitamin A. Left untreated, however, the condition worsens until the eyes are irreversibly blind [(42), 34].

And,

Severe iodine deficiency results in hypothyroidism, a pathological state characterized by impairment in synthesizing thyroid hormone. Unless the thyroid gland is nonfunctional or absent, the impairment

*The numbers in parentheses refer to entries in the bibliography on malnutrition at the end of this section; the other numbers within the brackets are page numbers.

is accompanied by goiter, or thyroid gland enlargement, which results from hyperstimulation of the thyroid gland. Severe endemic goiter--which is generally the result of a diet deficient in iodine--has been clearly associated with endemic cretinism in different world regions. A cretin is characterized by severe intellectual retardation, dysarthria, and possibly deafness [(42),33].

One of the effects of iodine deficiency was demonstrated in a comparative matched group experimental study conducted in Ecuador, which found that treatment of pregnant women with iodized oil prior to conception had a positive effect on the intelligence of their children as measured by the Stanford-Binet IQ test, whereas the children of untreated women had significantly lower mean scores [(42),33].

3. Fetal malnutrition is known to decrease the size and number of neurons in the brain. It may impair the development of adequate "fail-safe redundancy" of brain cells by reducing the number of available duplicate cells. Thus, a limited local failure, which would normally be handled by duplicate cells, will not be overcome in a brain cell-deficient person, and may cause mental deficiency [(47), 48]. Since the multiplication of neurons takes place only during pregnancy, this condition is irreversible.

4. Inadequate protein intake has a number of serious effects. A study conducted by Caldwell and Churchill found, for example, that there is a relationship between amount of amino acids in the bloodstream of pregnant women and the birth weight and skull volume of their offspring. Mothers with less than four mg. per cent of amino acids in their blood bore children who weighed less and had smaller skulls than those of mothers whose blood had more than four mg. per cent amino acid [(1), cited in (46)].

4. Protein Energy Malnutrition (PEM) has been cited as being a factor in deficiencies in cognitive functions and learning abilities. Severe PEM occurring throughout most of the first two years of life in children living in populations where malnutrition is endemic generally results in severe cognitive deficits [(41), 32].

5. Malnutrition has been found to be a cause of low birth weight and subsequent mental and physical retardation. Reviewing some of the evidency on this, Sanger observes that

Many health problems are associated with low birth weight. During the first year of life, the risk of death is 30 times greater for such babies than for babies weighing a normal 5.5 pounds; and when they do survive, they are twice as likely to have birth defects (U.S. Senate, 1974). In addition, the effects seem to persist far beyond infancy, appearing as long-term physical or intellectual disabilities. The evidence shows that such children suffer more physical and neurological handicaps, including mental retardation, and that the incidence of blindness is two to three times higher. Schaefer, director of DHEW-funded nutrition survey, found that

70-80% of the children suffering from mental retardation come from economically disadvantaged homes (U.S. Senate 1974). The great majority of researchers consider poor maternal nutrition and low birth weight to be central causal factors for this. Following children over time who had been malnourished at various ages, Graham concluded that those malnourished in their youngest years had the poorest prognosis for full physical and mental recovery and growth . . . [(44), 98].

6. Birth defects, difficulties in pregnancy, and abnormal fetal development are among the consequences of an unsound diet. There is strong evidence that depressed nutritional status is also the most important cause of stunted growth. Malnutrition in pregnancy and in early childhood is especially harmful, since at birth a child has achieved 63 percent of his or her adult head circumference, but only 30 percent of adult height. By age three, head growth is 90 percent completed, but the individual has achieved little more than half of adult height [(6), 182].

Lower class women are more likely to be stunted in their growth than middle class women, and studies have indicated that difficulty in labor increases with decreasing height. Similarly, the incidence of Caesarean section, premature births, and perinatal death from birth trauma increase with decreasing height, suggesting that the incidence of infant mortality and birth defects will be higher in poor households, in which diets are generally inadequate (1).

7. Without adequate nutrition, physical development, and the biomedical development upon which it depends, are restricted. This in turn affects water distribution, fat absorption, and the concentration of blood lipids. It also causes the abnormal retention and excretion of a number of metabolic products. The result is sometimes severe mental retardation similar to that caused by "inborn-error-of metabolism" disease such as phenylketonuria [(46), 41].

8. Obesity is another physiological effect of improper diet that manifests itself in early childhood and continues into adulthood. Obesity has been identified as a risk factor in hypertension, heart disease, and diabetes in adults. Studies on the relationship of obesity in infancy to obesity in adults indicate that one-third of all obese infants are obese as adults. An obese child is at least three times more likely than other children to become an obese adult [(12), 6-9].

9. Apart from its many physiological effects, malnutrition plays a role, both directly and indirectly, in personality development and behavior. According to Cravioto, et al.,

Poor diet not only affects growth, health, and intellectual functioning, but also the personality of the individual. Severe malnutrition is accompanied by alterations in behavior, such as reduced motor activity, apathy and irritability, and loss of interest in the social environment (15).

10. Further, it is well known that the lack of motivation and the sense of defeatism prevalent among economically deprived children stem from inadequate diet. One of the secondary behavioral effects of malnutrition is relatively low-level performance in social situations, notably performance in school. Malnutrition has been observed to have a direct effect on intellectual functioning and school performance through its effects on prenatal and childhood development. Maynard asserts that school performance is directly influenced by the quality of the home environment, particularly housing and nutrition [(35), 1].

One of the important variables intervening between nutrition and school performance is stature--which is adversely affected by malnutrition, as noted above:

Infants and young children of comparatively short stature (an indicator of nutritional history) within populations where malnutrition is endemic are likely to perform less well than children of average height from the same community on tests of intelligence or on tests of specific cognitive processes. Accordingly, their school achievement will probably not be up to the level of their comparatively taller peers from the same populations (42).

11. Such effects have been attributed directly to specific nutritional deficiencies, e.g., iron deficiency. Iron Deficiency Anemia (IDA), which is a common result of malnutrition in the United States, can have serious adverse effects on such cognitive processes as attention, vigilance, and memory. It has been discovered that reversal of these effects may be accomplished by means of iron-repletion therapy (39, 40). Large scale studies, including surveys in all of the states, indicate that persons below the poverty level have a higher rate of deficient hemoglobin level than those above the poverty line [(50), 77-120].

. . . A 1966 study of the Headstart Program . . . reported that 80% of the participating children had high levels of iron-deficiency anemia . . .; there were similar findings in surveys by the Child Development Group of Mississippi in 1967, and in a study of poor children in a Los Angeles County pediatric emergency room . . . Studies of six elementary schools (on the Lower East Side in New York City and in Boston's Roxbury section) led to similar conclusions [(44), 94].

PROPOSED FEDERAL LEGISLATION REGARDING THE HOMELESS

H.R.1	BY GONZALES (D-TX)	--	Housing Act of 1985
H.R.592	BY GONZALES (D-TX)	--	Emergency Housing Assistance Act of 1985
H.R.603	BY LEWIS, JERRY (R-CA)	--	Services, Availability
H.R.770	BY ADDABBO (D-NY)	--	Homeless Assistance Act of 1985
H.R.1422	BY OAKAR (D-OH)	--	Homeless Persons Housing and Supportive Services Act of 1985
H.R.1526	BY WEISS (D-NY)	--	Homeless Emergency Relief Act of 1985
H.R.1669	BY LOWRY (D-WA)	--	National Endowment for the Act of 1985
H.R.1774	BY MCKINNEY (R-CT)	--	Housing for the Handicapped Act of 1985
H.R.1870	BY WYLIE (R-OH)	--	Housing and Community and Neighborhood Development Laws and Programs, Amendments and Extension
H.C.R.87	BY MICA (D-FL)	--	Resolution Concerning Incentives to Encourage Home Ownership
H.C.R.113	BY VENTO (D-MN)	--	Resolution Concerning Homelessness in the United States
S.394	BY GORTON	--	Homeless Housing Assistance Act of 1985
S.667	BY GARN (R-UT)	--	Certain Housing Laws, Amendment
S.739	BY DIXON, ALAN (D-IL)	--	National Endowment for the Homeless Act

**REPORT OF THE
HOUSING SUBCOMMITTEE
TO THE
GOVERNOR'S TASK FORCE ON THE HOMELESS**

HOUSING SUBCOMMITTEE

Status of Those Recommendations Accepted by the Governor

. \$500,000 Pilot Program for Life Safety

The pilot program for life safety was launched with the first grant awards announced in January of 1984. An amount of \$500,000 was allocated from the Housing Demonstration Fund to support the pilot program. An initial inventory found that there were 37 shelters in New Jersey, excluding homes for runaways. It is now estimated that 60 shelters are operating around the State. With the \$500,000 allocation, 15 shelters from all areas of the State were chosen to participate. Repairs are in various stages of completion at this time, and the program is continuing successfully to provide funding for existing shelters.

Based on existing shelters still in need of life safety assistance and other facilities being utilized as temporary shelters which also are in need of assistance, the Division of Housing estimates that less than \$2 million will be needed to support a full-scale life safety program in existing shelters. Priority should be given for life safety measures if additional funding becomes available. Financial assistance will be particularly necessary as the licensing program becomes operational. Assistance for shelters for specific purposes (i.e. battered women, runaway youth) should be provided through existing supporting programs, thereby strengthening the existing funding network.

. Creation of a Rental Assistance Program

A key to the Governor's program in preventing homelessness is the creation of a rental assistance program to aid individuals and families. It was recommended that \$3.3 million be appropriated to assist approximately 1200 households annually. Legislation to authorize the creation of a \$1.6 million rental assistance program was signed by the Governor on November 8, 1984 (A-299 - Chapter 184, Laws of 1984), and regulations were published in the December 17th issue of the New Jersey Register. Since then 1620 households have received financial aid through the Department of Community Affairs Homelessness Prevention Program.

. Centralized Shelter Licensing System and Uniform Shelter Standards

Governor Kean supported legislation to establish a centralized shelter licensing system and uniform shelter standards. A-300, which was signed into law on February 13, 1985 (Chapter 48, Laws of 1985), provides a vehicle for licensing shelters. The law requires DCA to promulgate standards for local enforcement.

Directive for the Housing and Mortgage Finance Agency to Investigate Converting Existing Buildings into Shelters for the Homeless

In February of 1984, the Housing and Mortgage Finance Agency completed its initial investigation of existing buildings for possible conversion to low-cost occupancy of single-room housing. At that time, the Agency analyzed a partially occupied office building, two abandoned hotels, a partially occupied hotel, and an abandoned school building. The estimated cost per bed of converting these structures far exceeded a realistic per unit cost, given existing sources of revenue. Moreover, conversion of available vacant buildings often means creation of very large facilities unacceptable to local neighborhoods. While the tentative conclusions are not intended to dismiss all such possible shelters, satisfactory solutions are generally not to be found in such conversions.

The Subcommittee's second task was to look at the present housing condition of the homeless as well as develop long-range recommendations for a more permanent source of housing for low-income and homeless individuals and families. The consensus of the Subcommittee was that there will frequently be more homeless individuals than temporary shelter space can accommodate and the need remains to build additional rental facilities which would provide more permanent low-cost living space. Building new shelters will not alleviate the long-term housing problem of the homeless. Moreover, while some homeless may require only short-term shelter, most need a longer-term, low-cost solution. Such solutions are likely to be found in congregate living arrangements, such as boarding and rooming houses, or their equivalent.

The Subcommittee, therefore, continues to support its recommendation (as amended) to implement a financing program for the development of rooming, boarding, and group homes in order to increase the supply of safe and adequate housing for the single, very low income individuals among the homeless. (See recommendation #1)

Additionally, the Subcommittee members agreed that there is a need for continued coordination within the counties in the area of housing services and placements. We strongly support the recommendations (as amended) to establish a Housing Clearinghouse in each county to provide the necessary placement coordination. (See recommendations #2.)

One new recommendation offered by the Housing Subcommittee addresses the needs of the elderly. It has become evident that many elderly have a housing problem which, if left unresolved, will result in homelessness or unnecessary institutionalization. The recommendation identifies those elderly in need of assistance and offers potential solutions to their dilemmas.

1. Implement a Financing Program for the Development of Safe, Decent, Affordable Housing for Low-Income and Moderate-Income Households Including Rooming, Boarding and Group Homes to Increase the Supply of Safe and Adequate Housing for the Homeless

The class of homeless least able to utilize existing housing assistance programs are single individuals who may also be elderly, handicapped, deinstitutionalized or otherwise ill-equipped to find suitable accommodations. Often, an apartment with separate bathing and cooking facilities is neither necessary nor appropriate for these individuals, considering the additional expense and lease requirements associated with rental apartments.

The Committee on Residential Alternatives to Institutional Long-Term Care of the Nursing Home Task Force reported the need for the construction of additional boarding homes, residential service facilities and similar facilities. The Subcommittee on Housing affirms this conclusion by recognizing that single room occupancy structures can more directly serve the homeless population than any other housing type, and that there is a critical shortage of space in these facilities in New Jersey.

Development of a program with below-market rate loans, provided through the sale of tax-exempt bonds, may be a feasible method of expanding the supply of boarding homes. Recognizing that even at tax-exempt rate with reinvestment of the bond proceeds, the income-producing potential of boarding homes for the homeless and other vulnerable populations will not be sufficient to cover debt service and operating subsidies, and, therefore, a capital subsidy program will be necessary unless resident incomes are enhanced.

Another financing mechanism is included in A-3117, which is designated the New Jersey Housing Assistance and Shelter for the Homeless Act. This bill would use realty transfer tax proceeds for a revolving fund to assist the homeless or those who would otherwise become homeless, and to increase the supply of apartments affordable to the low and moderate-income population. Up to \$1 million per year may be used to assist in the acquisition, construction, repair, or rehabilitation of any structure that is to be operated as a shelter for homeless persons.

2. Establish a Housing Clearinghouse in Each County to Coordinate Referrals for Housing Services and Searches for Housing Placements Among Social Service Providers in the County

The County Human Services Advisory Councils have been directed by the Department of Human Services to adopt Comprehensive Emergency Assistance System (CEAS) Subcommittees, chaired by County Welfare Agency Directors, to coordinate resources for the homeless and make recommendations on allocations. These Committees provide a forum for all housing programs, including those administered by the Department of Community Affairs, in order to design coordinated systems with lead agencies for various purposes. The Housing Subcommittee recommends that these groups expand efforts beyond emergency shelter and consider the development of a single system to act as a clearinghouse for longer-term housing placements.

The housing-related services offered to homeless people are greatly fragmented. Although many agencies offer placement assistance, it is often geared to clients with specific primary needs. As a result, each agency maintains its own source list of apartments, landlords and project managers. These agencies often compete with other agencies in a manner which is fragmented and frustrating.

An effort to organize this fragmentation must be made through the development of a housing clearinghouse, in which a lead agency in each county would maintain a master list of housing placements, available housing, subsidized housing, and rooming and boarding houses. The lead agency would maintain liaison with housing providers and social service agencies, thereby allowing agencies to make appropriate placements into available housing for particular clients. Resources should include updated information on rooming and boarding houses, residential care facilities, subsidized rental housing, and the private and public agencies serving vulnerable populations.

The clearinghouse would require a variety of funding sources, which the County Human Services Advisory Councils must help to identify, as well as technical assistance from agencies with expertise regarding vulnerable populations (disabled, emotionally disordered, elderly, retarded, and others). The Emergency Rental Assistance Program would be one component. The Housing Subcommittee recommends that all State Departments and County Human Services Advisory Councils develop this type of county-based system in those areas where it does not already exist.

3. Recognize the Special Housing Problems of the Elderly and Implement a Program to Prevent Homelessness

The Division of Aging, within the Department of Community Affairs, has identified those elderly in need of housing alternatives as the following:

- . Renters losing apartments through condominium conversions or excessive rent.
- . Homeowners in tax arrears.
- . Inappropriate institutional placements in either nursing or boarding homes.
- . Older persons inappropriately residing with relatives.
- . Hospitalized (mental institution or hospital) elderly who cannot return to their residence and need a different living arrangement.
- . Housing conditions that are inappropriate due to chronic ailments. (Example: An elderly cardiac patient living in a third floor walkup unit.)

Solutions to the above cited problems are varied and depend on the reason the person is homeless or in jeopardy of becoming homeless. County Housing Clearinghouses; demonstration projects for innovative, less understood concepts; and new legislation can assist in the development of shared housing/match-up programs, accessory apartments, and granny flats.

Match-up programs answer the need for affordable housing in both apartments and private residences. Several programs currently exist in various municipalities and counties. The County Housing Clearinghouses (suggested in recommendation#2) could provide an additional means to match elderly in need of housing with the appropriate source.

Shared living arrangements involve several persons living together in a house that is either owned cooperatively, sponsored by a non-profit organization or owned by a person who continues to reside there. The economic and social benefits have been demonstrated in various models throughout New Jersey. Community Development funds and NJHMFA life safety funds have been used to develop shared living houses. Municipalities and counties should be encouraged to fund these projects.

Innovative concepts, such as "granny flats" and accessory apartments, are available if zoning can be changed to accommodate vulnerable populations. A "granny flat" is a unit placed adjacent to a single-family house on a temporary foundation utilizing services through hook-ups to a single-family existing house. Accessory apartments are units added onto or redesigned within a single-family house.

We need to demonstrate the positive attributes of these housing options within the community. They deter blight, assist elderly in remaining in the area, provide additional taxes, prevent illegal conversions. Small workshops and conferences, as well as demonstrations would be a means to develop these concepts.

The Housing Subcommittee recognizes the needs of the elderly and supports innovative programs to prevent additional homelessness among this vulnerable group. Shared living arrangements have proven successful and should be encouraged. Programs to support the elderly's need for additional services and economic relief are needed. Coordination is essential.

**REPORT OF THE
HEALTH SERVICES SUBCOMMITTEE
TO THE
GOVERNOR'S TASK FORCE ON THE HOMELESS**

HEALTH SERVICES SUBCOMMITTEE

The main concern of this subcommittee was that of access of the homeless to health care.

Health Services Subcommittee Recommendations

1. An expansion of local health agency program activities should be mandated by the Commissioner of Health, directed toward the special health needs of the homeless, particularly in the urban areas of the state. Expanded health agency activities should be made eligible for funding to coordinate the homeless primary and preventive health care needs; to develop inventories of available health services; to schedule appointments; and to develop the homeless health care network through service contracts. These activities should be coordinated with social service providers. Available funds would be distributed on the basis of statewide criteria, but targeted only to those areas where the need is demonstrably greatest. The cost would vary with program size and needs.

- A) Expansion of local health agency program activities to meet the special health needs of the homeless can be facilitated by funding from various sources.

1. Special Funding

Local Health Departments may apply to the State Department of Health for funding for a project where the Homeless population have limited access to health care. The State Department of Health may contract with local health departments to expand local health agency activities, so that the homeless may have access to primary and preventive health care services. To help in solving the medical problems of the Homeless the following provisions could be made in the project.

- a) Knowledge about the existing services in the municipality. Inspection and recommendations for existing shelter and food services. Emphasis on fire safety for shelter and sanitation for food preparation.
- b) Obtaining ambulatory care to treat any acute illness.
- c) Assessment and follow-up on medical needs for non-acute illness (Examples-check for hypertension, diabetes, heart disease, emphysema, etc.). Need to check whether medication is necessary, is it available, and is it being taken.

2. Division of Alcoholism - County Programs

Local health officers will be encouraged to take a leadership role in the local alcoholism programs which services the homeless.

Increased funding will be available through the State Department of Health.

- B) Health Officers can apply to participate in the local education programs for alcoholics, which is being supported by fines received from drunken drivers, through the division of Motor Vehicles. The homeless population could be serviced by this program.
2. An expansion of alcoholism shelter and care facilities should be developed to begin to stabilize and treat that segment of the homeless population - chronic debilitated inebriates. The Department of Health's Division of Alcoholism should establish and develop at least two regional alcoholics' shelter operations based on the successful Trenton licensed health facility model. Funding for alcoholism counselors must be included in these proposals.
- A) Based on the Trenton Rescue Mission model, with existing facilities identified, provided or rehabilitated, and alcoholism care and shelter program should be developed.
 - B) Based on long-term sheltered care facility model, without buildings or related facilities identified or provided, the Division of Alcoholism should develop a program for shelter and treatment of chronic alcoholics.

The Department of Health's Division of Alcoholism is in the process of developing additional programs for shelter and treatment of chronic alcoholics in Jersey City and Secaucus. These facilities are based on the Trenton Rescue Mission model.

**REPORT OF THE EMPLOYMENT AND TRAINING SUBCOMMITTEE
TO THE
GOVERNOR'S TASK FORCE ON THE HOMELESS**

Employment and Training Subcommittee Report Task Force on the Homeless

The following is the final report of the Employment and Training Subcommittee to the Governor's Task Force on the Homeless. The comments and recommendations are the result of a review of the response to last year's recommendations, discussion with subcommittee members, and a review of the past year's experience in working with the homeless.

Background

Last year the Task Force made recommendations, accepted by the Governor, that directly affected employment and training activities. The Division of Employment Services in the State Department of Labor was designated as the clearinghouse to which all agencies could turn for assistance in job development and client placement. Also, the State Job Training Coordinating Council defined the homeless as a group to be considered in each Service Delivery Area's plan.

Findings

1. Our committee contacted the various agencies which have responsibility for the homeless. They were asked about their experiences, with particular attention to their employment and training needs. In addition our survey included the Job Training Partnership Act (JTPA) offices. Service Delivery Areas have complied with the requirement to consider the homeless in their planning and all are available to serve those referred who are ready for training.

All agencies surveyed indicated a willingness and ability to serve the homeless. Many agencies observed that employment and training was a part of the solution, but, only after the more immediate needs of shelter, food, and medical care were met. Of course, if training and employment efforts are successful and people enter the labor market, they become economically self-sufficient and homelessness would be precluded. Successful employment enhances the standard of living and the ranks of the homeless thereby are lessened.

Because the needs of the homeless vary, there are numerous agencies called upon to try to address those needs. Once immediate needs are met and clients have achieved more evidence of stability, they would be referred to a training and employment program, if needed.

2. The Division of Employment Services is the major labor exchange agency in New Jersey. The Employment Service not only assists the job-ready client in finding a job, but also serves as the main intake point for JTPA programs and has developed extensive linkages with other employment and training programs. In addition, the Employment Service administers the General Assistance Employment Program (GAEP), which provides employment services to persons receiving general assistance.

Recommendations

1. It is recommended that greater emphasis be given to the Employment Service as the lead agency and clearinghouse for all employment assistance. Further, that more publicity be conducted by the local Employment Service offices with the community agencies serving the homeless. The local agencies and community-based organizations can provide the outreach and referrals to the Employment Service. It should be encouraged that agencies making referrals follow through to ensure clients are not discouraged by the system or lost through the cracks.
2. Intake and certification procedures for the various training and employment programs should be streamlined and coordinated so registration need not be a repetitive, discouraging task. Registration or certification for programs such as GAEP, WIN, JTPA, etc., can and should be accomplished at one time.
3. The General Assistance Employment Program (GAEP) should be the logical conduit through which clients seeking General Assistance are introduced to employment and training programs. This program should maintain a close working relationship through coordination agreements with local employment and training offices. The New Jersey Employment Service administers the GAEP. Working with municipal welfare departments, the Employment Service meets many of the homeless clients.
4. The New Jersey Division of Vocational Rehabilitation Services should become an integral part of the services directed at meeting the needs of those homeless clients who have a mental or physical handicap. Their services can directly affect the positive outcomes of many homeless clients. The Division of Vocational Rehabilitation and the network of programs represented in the Association of Rehabilitation Facilities already serve many clients who would meet the definition of homeless and, therefore, should become involved in any further task force addressing the needs of those clients.
5. Finally, the Job Training Coordinating Council should continue to maintain its interest and oversight in its planning and coordination efforts to work with the homeless through JTPA.

A description of the Job Training Partnership Act, the General Assistance Employment Program, and the Division of Vocational Rehabilitation Services is included in the Attachments to this report.

JTPA: A THUMBNAIL SKETCH BY TITLES

The Job Training Partnership Act (P.L. 97-300) replaces the Comprehensive Employment and Training Act and was signed into law by the President on October 13, 1982. The new law provides for training and related employment services to disadvantaged individuals, services for dislocated workers and amends the Wagner-Peyser Act in order to closely align the planning of Employment Services with JTPA. The legislation embodies five essentials: (1) a diminished federal role and a corresponding wider one for the Governor; (2) an increased role for the private sector; (3) greater emphasis on training for private sector jobs rather than income support or job creation; (4) stress on performance standards; and (5) reduced reporting and paperwork requirements.

The following is a title by title summary of the Act.

Title I - Job Training Partnership

Describes the principal roles, authority, and duties of the Governor and local elected officials. Describes the establishment and duties of the Private Industry Councils and the State Job Training Coordinating Council.

Contains provisions covering the Governor's designation of Service Delivery Areas (SDA's). Areas with 200,000 population may request and automatically be designated SDA.

Lists contents of the Job Training Plans and Governor's Coordination and Special Services Plan. Allows Governor to establish criteria for the coordination of JTPA and other state agencies' activities.

Plan developed at local level on agreement between PIC and elected officials. Grant recipient and Administrative Entity are identified. Plan jointly approved and sent to the Governor for final approval. Two-year planning cycle.

Also contains general program and administrative provisions governing all titles and provides for an orderly transition from CETA to JTPA during FY'83.

Prohibits Public Service Employment (PSE).

Title II - Training Services for the Disadvantaged

Allocates funds to states and SDA's to provide services to the economically disadvantaged. Ten percent of the participants may be non-disadvantaged facing barriers to employment. Allowable services include training, education, supportive services, work experience and job development. Also allows exemplary youth programs: education for employment, pre-employment skills training, entry employment experiences, and school-to-work transition.

Requires 40% of the funds to be expended on youth. Limits amount of funds for administration, supportive services, wages and allowances to 30%. Only 15% of the funds can be spent on administration 70% for training and training related services.

Authorizes the Governor to receive 3% of the funds for Older Workers Program, 8% for Education Coordination Grants 6% for Incentive Awards and 5% for other Governor's responsibilities, such as administration, coordination, SJTCC support technical assistance, and special needs.

Authorizes a Summer Youth Employment and Training Program to be administered at the SDA level.

Title III - Employment and Training Assistance for Dislocated Workers

A state administered training and employment program for three categories of dislocated workers, which requires state consultation with local PIC's and unions. Allowable services include: early intervention, relocation, retraining, and related services. Subject to same administrative provisions as Title II programs. Requires a state match equal to federal allocation. Twenty-five percent of the allocation held by the Secretary for special needs, to be used by states upon application.

Title IV - Federal Administered Programs

Describes federally administered activities and programs including programs for Native Americans, Migrant and Seasonal Farmworkers, and other groups whose needs are best met at the national level. Authorizes the Job Corps and Veterans Employment Programs. Other activities described include research and demonstration projects, technical assistance and training activities, evaluation of programs, provision of labor market information.

Establish and describes the duties of the National Occupation Information Coordinating Committee (NOICC) and the National Commission for Employment Policy.

Title V - Miscellaneous Provisions

Amends Wagner-eyser to require Employment Service plans to be developed jointly with PIC's and CEO's. Also provides for a needs-based allocation formula, coordination of Employment Service Programs with Unemployment Insurance Programs. Ten percent of the funds to be used by the Governor for incentive grants.

Also amends Part IV of the Social Security Act to effectuate coordination between the Work Incentive Program with JTPA Programs.

For further information contact:

Director
Division of Employment & Training
CN 055
Trenton, New Jersey 08625-0055
(609) 292-5005

GENERAL ASSISTANCE EMPLOYABILITY PROGRAM (GAEP)

The General Assistance Employability Program is a workfare program administered by the New Jersey Division of Employment Services and municipal welfare departments. The program was developed in response to Public Law 1977, Chapter 286 (revised in Public Law 1979, Chapter 267), which mandates that employable persons receiving Public Assistance shall be required, except when good cause exists, to perform such public work as shall be assigned to them by the New Jersey Employment Service or by the director of welfare of the municipality providing public assistance.

GAEP couples the placement of municipal welfare recipients onto public worksites with offering training in job finding techniques and aid in finding permanent unsubsidized employment to lessen, if not end, the recipients' dependency on public assistance. For recipients with definite barriers to employment due to psychological, educational and/or substance abuse problems, a training/rehabilitation activity was established to increase the recipients employability potential.

The General Assistance Employability Program (GAEP) has implemented the recommendations of the subcommittee on Employment and Training through the Job Training Partnership Act. Homeless persons qualify for assistance through the General Assistance Program and the Job Training Partnership Act. They can be "excused" from working off their General Assistance Grant if a job or paid training (OJT) is available. During the training period, their grants are not reduced. In fact, the grant is not reduced at all until full-time employment is found.

Also available is a 12 week supported work/training opportunity called "worksite training." A financial assistance plan is activated for the 12 weeks which encompasses a General Assistance Grant plus training related expenses developed through a JTPA sponsor and processed through the Employment Service.

VOCATIONAL REHABILITATION SERVICES

The New Jersey Division of Vocational Rehabilitation Services is the state public agency charged with the responsibility, under law, of providing vocational rehabilitation services to eligible disabled persons in need of assistance in preparing for and securing employment.

To be eligible for vocational rehabilitation services, a person must:

1. Be at or near working age.
2. Have a physical or mental disability that is or will be a substantial handicap to employment.
3. Have a capacity for benefiting from services of the Rehabilitation Program to the extent of becoming employable in a competitive or sheltered situation.

Physical and mental impairment which may qualify for services include mental retardation, emotional and social maladjustments, brain injury, hearing, speech, cosmetic and heart defects, diabetes, epilepsy and orthopedic disabilities which are categorically denied. Each person is evaluated individually for eligibility and needed services.

APPENDIX A
STATE GOVERNMENT INITIATIVES/HOMELESS
SERVICES, 1985

STATE GOVERNMENT INITIATIVES/HOMELESS SERVICES 1985

The following is an outline of initiatives which were implemented by Governor Kean in response to specific recommendations made in the October 7 report of the Task Force:

Comprehensive Emergency Assistance System (CEAS)

Statewide implementation of a county based network of public and private agencies which coordinate planning and services to the homeless.

State Appropriation for the Homeless

In FY'84 the Department of Human Services administered a \$1.4 million Federal Emergency Food and Shelter Program (FEMA I). In FY'85, these funds were not reauthorized by Congress; the Department requested and received a \$1.35 million State appropriation to continue services. In FY'86, the Legislature appropriated \$2.85 million to continue and expand these services. These funds will be allocated to the counties and disbursed through recommendations of CEAS committees.

Social Services Block Grant Fund (SSBG)

The \$4.9 million FY'85 SSBG funds were made available to county governments with the provision of services to the homeless as a designated priority. Of the \$4.9 million, \$1.9 million was State Fair Funding Formula monies which could be used for the provision of emergency food and shelter.

Increases in the Aid to Families of Dependent Children (AFDC) and General Assistance (GA) Programs

In FY'85 the Department was successful in securing 7% increases in our AFDC and GA Programs. 5% increases were requested for FY'86.

DYFS Regional Shelters

The Human Services Bond Issue makes available \$600,000 to establish four regional shelters for DYFS families in immediate need of shelter. Instead of breaking up a homeless family by placing a child(ren) in foster care, the temporary shelters will enable the Division to maintain the family unit until more permanent housing can be secured.

Rental Assistance Program

Legislation to authorize the creation of a rental assistance program including a supplemental appropriation of \$1.6 million was signed by the Governor on November 8, 1984 (A-299 - Chapter 184, Laws of 1984), and regulations were published in the December 17th issue of the New Jersey Register. It was recommended that \$3.3 million be appropriated in FY'86.

. Centralized Shelter Licensing System and Uniform Shelter Standards

Governor Kean supported legislation to establish a centralized shelter licensing system and uniform shelter standards. A-300, which was signed into law on February 13, 1985 (Chapter 48, Laws of 1985), provides a vehicle for licensing shelters. The law requires DCA to promulgate standards for local enforcement.

. Study of New Jersey Homeless

The Department of Human Services has undertaken a study of homelessness. The study will focus on why families and individuals are rendered homeless, and provide us with a better understanding about how our programs and services in the area of housing, public assistance, social services, health, employment and training, etc., affect these individuals.

The Task Force commends the Governor for beginning a comprehensive program to coordinate services to the homeless and increase funding levels. However, an urgent need still exists as the complexities underlying the problems of homelessness are manifest. The Task Force strongly urges continuing increases in funding, services and planning activities.

APPENDIX B
Minority Positions

Minority Position of the
Department of Human Services on
Task Force Recommendation #1

Recommendation #1 of the Governor's Task Force on the Homeless proposes the implementation of a "no fault" system for providing shelter to homeless individuals and families. The Department of Human Services supports the basic concept of "no fault" however, we are in disagreement with the specific approach outlined in this report. In fact, the State Appropriation for the homeless, which provides funding to public and private providers through the county Human Services Advisory Councils, is intended for use without regard to the reason(s) an individual, or family has become homeless. These funds are to be directed toward providing emergency shelter, emergency food, 24-hour response, and case management. The concept of delivering services to homeless individuals and families without regard to fault can be accomplished in a variety of ways. It is the approach advocated in this recommendation with which the Department disagrees for the reasons outlined below.

First, this recommendation creates a second entitlement program for food and shelter. Under this recommendation if any individual on General Assistance (GA) or a family receiving Aid to Families with Dependent Children (AFDC) becomes homeless, the municipal or county welfare agency would be obligated to provide emergency food and shelter upon demand and until such time as permanent housing is secured. This provides benefits to clients in addition to the food, shelter, and other necessities of life incorporated in the current welfare grant levels. Therefore, this "no fault" proposal creates a second level of entitled support with much higher potential benefits. This approach does not address the broader issue of the adequacy of the current levels of assistance.

Second, any entitlement program, by its broad nature, is subject to rules and regulations that often render it inflexible. Entitlement programs cannot allow for adjustments in food and shelter provision to individuals and families with unique and legitimate needs. In contrast, our current emergency food and shelter program provides flexibility by allowing the public and private sectors to tailor the provision of services to local need.

Third, there is no limit to an individual's eligibility and length of service. Consequently, there is a potential for runaway costs due to the fact that there are no fiscal or administrative controls attached to this recommendation. Additionally, there is an inherent incentive for welfare clients to utilize this entitlement.

In summary, this recommendation for providing emergency shelter to homeless individuals and families is an overly complicated solution to an already complex problem. Additionally, it does not promote the goal of assisting individuals and families toward self sufficiency. The Department advocates continued direct funding to counties to ensure the availability of shelter, while attempting to address the broad range of needs particular to the homeless population.

Recommendation #4

The recommendation that the current levels of public assistance be increased to 100% of the federal poverty guidelines is a laudable one. The Department strongly supports increases in assistance toward this goal, however, it is the recommendation that public assistance levels be increased immediately with which we take exception. Such an increase would place an enormous burden on the state, counties, and municipalities resulting in an additional \$403 million now expended for both the AFDC and GA programs. In addition, the counties' share for AFDC program would be increased by \$106.2 million over current expenditures, and the municipal share for GA would be increased by \$28.1 million. In light of current resources available to state and local governments as well as the need to address the varied needs of the homeless population, we suggest that a timetable of incremental increases be developed to raise public assistance to a more adequate level.

Again, this recommendation focuses on a single issue contributing to homelessness and does not address other factors that limit an individual or family's movement toward self-sufficiency. The Task Force is suggesting that enormous expenditures be made by the state with the result that those individuals will continue to live in poverty. Rather, the Department suggests, with incremental increases in public assistance grants, simultaneous expansion of other programs that decrease welfare dependency. Continued support should be marshalled for creation and expansion of other services that would address the myriad of problems of the unemployed, substance abusers, the elderly, the deinstitutionalized, families, and single parent units who face enormous barriers in securing adequate housing. In short, the Department supports approaches which focus on ending the causes of poverty.

Minority Position of the
Department of Community Affairs

The Department of Community Affairs has reviewed the proposed second report of the Governor's Task Force on the Homeless. We believe this report will be a valuable resource and further public understanding of the need for services to the homeless in New Jersey. Since the first report, there has been a remarkable response by private and public agencies to the apparent growth of this population in recent years. This second report should provide guidance for years to come as to additional measures which will be needed.

We have served on the Task Force since its inception in 1983. Incorporated in this statement is a series of observations which I would like to summarize by way of a minority report.

First, there is barely recognition of the substantial role in aiding the homeless in this State by the private, nonprofit sector. While Task Force members previously saw their role as strengthening the private-public partnership which existed and increasing State support in order to maintain an essentially private, charitable system, we now seem to be relying predominantly on public agencies and State appropriations to meet the needs identified. Despite the appointment of the Task Force with broad representation from both sectors and the awareness that nonprofit, charitable agencies had long records of service to the homeless, the second report suggests an almost complete reliance on governmental solutions in the future. The Department of Community Affairs questions the proposition that State and local governments will best provide for the homeless regardless of substantial increases in public funding. This same question is raised wherever the text suggests the root causes of homelessness are solely a lack of government programs.

Secondly, for all large social problems, proposals for solution need to be more modestly recommended than the report suggests. For example, in various parts of the document, references to "solving" or even "comprehensively solving" the problem of homelessness should be tempered based on our experience in working with such a diverse population of people we have already identified as often having multiple problems stemming from a variety of causes. We should recognize that absolute solutions are a very long term proposition. Previous over-statements of the anticipated results of increased appropriations or expanded programs have too often been the basis for discontinuing such measures because they have not proven to wholly resolve the problem.

Thirdly, too much is being made of the words "entitled without regard to fault." We have always understood these terms to refer to a basic goal. However, it appears these words have specific meaning in the regulations of the Department of Human Services and in their implementation by municipalities. While all agree that the basic requirements of food, clothing and emergency shelter are the goal of public assistance, this Department relies upon the expertise of the Department of Human Services in determining workable and practical methods for achieving these goals.

We are particularly sympathetic with the Department of Human Services' position with regard to existing litigation over the specifics of the use of such terminology. Thus, we support that department as to the appropriateness of language which could suitably be published in the report as reflective of the opinions of the State government on these issues.

Fourthly, we object to the recommendation that New Jersey can achieve benefits equal to 100% of federal poverty guidelines immediately. We do endorse the goal, but the timetable for achieving it must be reflective of the resources available to State and local governments and competing demands for governmental services from all sectors of the population. The setting of a timetable, in our view, is a Legislative process for which the goal established by the Task Force will be a useful target.

Besides the suggestions above, we should like to express a view of the report which should be reflected somewhere in its Preface. The several reports of the subcommittees were accepted by vote of the Task Force at various times during its proceedings. However, we did not view that acceptance as agreement to every word in the subcommittee reports. Indeed, as time has elapsed, supplementary material has been added with which total agreement cannot be expected. Moreover, during lengthy proceedings and over the course of the last year, attendance at full Task Force meetings has been sporadic at best.

As a result, we recommend that the recommendations section of the Preface be treated as a convenient compilation of the subcommittee recommendations rather than as endorsed by the full Task Force in every respect and that the Preface so reflect that view. Subcommittee reports can accordingly be presented as background and expansion on the recommendations being forwarded at this time to the Governor for his consideration.

Finally, with these present findings it is appropriate now to bring the proceedings of the Task Force to a conclusion. Within the various planning committees established in each county and in ongoing inter-departmental cooperative efforts stimulated by the Task Force, future refinement and enhancement of the Governor's purposes in establishing a Task Force on the Homeless can continue. A permanent interdepartmental committee may be needed and the Department of Community Affairs recommends its establishment. Experience suggests that extraordinary commissions and task forces established to generate renewed interest and cooperation should come to an orderly conclusion on a note of success and accomplishment. The Task Force on the Homeless has done its work and should now be permitted to disband. Affected State departments should continue the enhanced communication and coordination which the Task Force initially recommended and has largely seen achieved.

Letter received from former Mayor Thomas H. Cooke, Jr., dated May 2, 1985.

Dear Chairman:

I am in receipt of the second report of the Emergency Food and Shelter Committee to the Governor's Task Force on the Homeless submitted by David C. Sciarra, Assistant Deputy Public Advocate on April 3, 1985. As a member of the Task Force, I have some thoughts which I wish to share with you.

My concern relates to changing the current provision in both the AFDC and General Assistance Program which would radically alter the concept of these programs; i.e. Public Assistance without regard to fault. It is my opinion that the removal of this provision from the Administrative regulations of the two above mentioned programs would drastically alter the entire meaning of service. I would allow for the programs to be interpreted too broadly and not serve in any way to more adequately meet the needs of shelter and food for the homeless. There would be no way either Quality Assurance or client "fraud" could be controlled should the State take over the complete administration of this service.

I also have a concern with the recommendation to require formal shelter and or emergency plans to be re-written to all large municipalities. It is one thing to require a municipality to have an emergency needs plan well defined and realistically managed, however, the recommendation in the report would limit a municipality in its ability to develop creative use of its resources towards meeting the emergency food and shelter needs of its homeless. An example can be seen in my community, where we have not encouraged a shelter facility to be opened. In spite of this, our local welfare office uses the unique resources of our community, namely "boarding homes", in seeing that nobody goes without shelter and food.

Each community has special needs that simply mandating a shelter would not address. I support the concept that the municipality must prepare an emergency plan that the State Department of Human Services both regulate and monitor. Local government, however, should be allowed the latitude and creativity to develop a plan unique to its characteristics.

APPENDIX C

**Remarks of Governor Thomas Kean
October 24, 1983**

Statement of Governor Thomas H. Kean
Task Force on the Homeless
Monday, October 24, 1983

First of all, I would like to extend my thanks and appreciation to all the members of the Governor's Task Force on the Homeless for their tireless and unselfish hard work, coming to grips with a problem which does not lend itself to a simple one-step solution.

The problem of the homeless in New Jersey is quite similar to the problem in surrounding states.

Individuals who, through no fault of their own, find themselves in severe economic difficulty, unable to find productive employment, and in many cases unable to provide for their families, either have no place to turn or simply do not know where to turn.

Of times, they take to the streets of our urban areas, barely subsisting on the generosity of others and exposing themselves to health as well as life threatening situations.

To even begin to solve this problem, it is essential that all levels of government --- state, county and municipal --- coordinate their activities and programs to assure that those in need of help receive that help.

There is no single solution to the problem of the homeless. There is a tendency to simply address the immediate difficulty; namely, a place to live.

Our efforts, however, cannot stop there.

In many cases, homeless individuals suffer from alcoholism or other illnesses. Many have lost jobs and are unable to find others, either due to lack of skills or a limited education.

These areas must be addressed in our efforts to help the homeless or they will never be able to break out of the cycle which rendered them homeless in the first instance.

The steps which I will outline today will, I feel, put New Jersey on the path toward facing up to and meeting government's and society's obligation to extend aid to the less fortunate.

These proposals were developed by the Task Force and accepted by me.

Several of them can be implemented without further delay while others will require some time. Consequently, I have asked the Task Force to remain active as an emergency panel and report back to me as soon as possible with methods to put into place their recommendations.

I use the word "emergency" because there is a need for rapid action. Winter is but a few weeks away and the problem of the homeless will become even more acute during cold weather months.

I am today recommending the creation of a rental assistance program to be utilized on an emergency basis to aid families or individual who stand in peril of eviction because of an inability to meet monthly rental payments.

It has been estimated that 750 families and 600 individuals could be served under this program --- an estimated total of 3,200 persons --- at a cost of \$3.3 million.

It defies all logic to place an evicted family in a hotel or motel at a monthly cost of \$1,000 or more, simply because of an inability to meet a \$400 per month rental on an apartment.

The assistance program I have recommended is to be used on an emergency basis only, for a limited time period, and as a supplement to rental payments, not the entire rental cost.

Tied closely to this aid program will be a directive that local or county welfare agencies be notified 30 days in advance when a family or individual is to be evicted.

Too often, persons made homeless via eviction simply appear at a governmental or social service agency seeking shelter and other assistance. The 30-day notification requirement would permit the appropriate agencies to determine whether a family or individual qualifies for the rental aid program as well as giving officials adequate lead time to locate alternate shelter.

This notification process would be a part of my proposal to establish a Comprehensive Emergency Assistance System (CEAS) in each county under the jurisdiction of the Department of Human Services.

Under this program, county welfare agencies would be required to develop a coordinated system of emergency food and shelter services and medical and social services.

Among the recommendations which I am asking to be implemented through this CEAS program would be creation of a 24-hour hotline to county welfare offices, along with a requirement that all local welfare offices maintain a system of on-call personnel.

In many instances, police find homeless individuals in the late evening or early morning hours and are unable to locate the appropriate official as a referral person.

There have been instances in which homeless shelters have been shut down by local officials because of health or safety violations, thus turning the homeless back into the streets. In many cases, these shelters require only a minimum of work or rehabilitation to comply with building codes and standards and it is senseless to deny needed shelter or bed space because of a lack of relatively minor repair work. It is my strong conviction that there is simply no excuse for a municipality to turn its back on the homeless and force them back onto the streets.

*I am recommending that the Department of Community Affairs undertake a \$500,000 pilot program to help agencies now operating shelters for the homeless to meet minimum life safety and health standards.

*I am also directing the Housing Finance Agency to investigate the possibility of converting existing buildings --- such as abandoned hotels, boarding homes, or other multiple dwelling units --- into shelters for the homeless.

*One of the Task Force's major recommendations has already been implemented with the expending by the Department of Human Services of 1.4 million dollars in Federal aid to oversee and monitor the activities of local social service agencies. An additional \$350,000 is available and I am today directing that those funds be allocated with an eye toward expanding the shelter capacity for emergency housing for the homeless.

Currently there are 54 shelters with approximately 700 beds in New Jersey, a number which, by all accounts, is inadequate.

*Because many of the homeless are persons suffering from alcoholism, I am recommending a \$75,000 appropriation from the Department of Health to establish a 68-bed detoxification and treatment center.

Treatment of alcoholism and stabilizing those who suffer from it will impact in a major and beneficial fashion on the problem of the homeless.

*Another step which will be taken in an effort to expand our shelter capacity will be a statewide review of governmental facilities which could be utilized on a short-term, emergency basis as housing for the homeless. Such facilities as armories, for instance, could be used for temporary shelter until more permanent housing is located.

I have also accepted the following Task Force recommendations:

- *An immediate updating of the current draft inventory of emergency food and shelter services in the state.

- *A major fund raising effort, principally through the private sector, to provide expanded financial support for voluntary agencies, such as the Salvation Army, which currently operate shelters.

- *My support, in concept, for legislation currently pending in the Senate, to establish a centralized shelter licensing system and uniform shelter standards.

- *Vigorous pursuit of a change in Federal law to permit Federal matching funds for emergency aid granted by the State and municipalities to Social Security or welfare recipients. Federal matching funds would save New Jersey some \$80,000.

- *Designation of the Division of Employment Services in the State Department of Labor as the clearing house to which all agencies can turn for assistance in job development and client placement.

*A requirement that the State Job Training Coordinating Council define the homeless as a group to be considered for a specified portion of training positions.

*Including shelters for the homeless on the distribution list for Federal surplus commodities.

I believe that, with these steps, our state and our society can move toward the goal outlined by the Task Force, namely that "all persons, regardless of fault, are entitled to the basic human needs for shelter and food and it is the obligation of government to ensure that these needs are met."

While that obligation shall remain permanent in the sense that one of the most basic functions of government is to provide help for those who cannot help themselves, our long term goal must be restoring those individuals to a meaningful and productive place in our communities.