









March 13, 2024

Representative Pramila Jayapal 2346 Rayburn House Office Building Washington, DC 20515

RE: A Better Way to Measure Poverty

Dear Rep. Jayapal,

As leaders of five state agencies collectively serving over 3 million Washingtonians annually, we urge Congress to adopt a better way to measure poverty. Current use of the official poverty measure (OPM) does not accurately reflect the economic realities faced by Washingtonians and undermines the ability of human service and employment programs to significantly improve their well-being. We recommend Congress adopt the <a href="Sufficiency Standard">Self-Sufficiency Standard</a> (SS Standard) as the primary way of measuring poverty in the states.

The OPM is based on outdated income thresholds established in the 1960s and fails to capture the true cost of what it takes to make ends meet in Washington today. In our rapidly changing economy, in which wages fail to keep pace with rising cost-of-living and advancements in technology are creating increasingly unstable conditions, relying on the OPM limits our understanding of economic hardship and leaves too many struggling individuals and families ineligible for vital public assistance programs.

The University of Washington's <u>SS Standard</u> is a more comprehensive measure that takes into account the economic realities individuals and families face today, including the cost of housing, child care, transportation, health care and other basic necessities. Unlike the OPM, the SS Standard also estimates thresholds for over 700 family types, adjusting for family size, age of children and county of residence.

There are several advantages of the SS Standard over the OPM and how Washingtonians would benefit from its use. The SS Standard provides:

- A realistic understanding of what it takes to make ends meet. According to the OPM, a single parent
  raising an infant and toddler anywhere in Washington is no longer experiencing poverty when their
  annual income exceeds \$25,000. The SS Standard shows the same family actually needs an income of
  at least \$69,000 annually in the most affordable county (Ferry) and up to \$135,000 in the least
  affordable county (King-East) to ensure their most basic needs are consistently met.
- A more accurate estimation of poverty. A critical mass of individuals and families experiencing economic hardship are not captured by the OPM. In 2021, the SS Standard showed there were almost 670,000 households in Washington that struggled to make ends meet, while the OPM only estimated 235,000 households.
- An opportunity to significantly improve the well-being of Washingtonians. With its ability to more
  accurately estimate the extent of economic hardship and the true cost of making ends meet, the SS
  Standard is the minimum threshold we should be aspiring to. It gives federal and state policymakers an
  accurate understanding of what individuals and families in poverty are experiencing so they can
  advance policy and program changes that are more likely to reduce poverty and improve well-being.

The Self-Sufficiency Standard would allow state leaders like us to tailor policies and programs so they more effectively address the needs of the individuals and families we serve. As such, we encourage Congress to consider adopting the SS Standard as an official measure of poverty for use alongside the OPM when measuring economic hardship and determining eligibility and benefit levels for programs.

Sincerely,

WA State Subcabinet on Intergenerational Poverty

ilma Meneses (Chair), Secretary

WA Department of Social & Health Services

Ross Hunter, Secretary

WA Department of Children, Youth & Families

Cami Feek, Commissioner

WA Employment Security Department

The Decom

CC:

Morgan Wilson

Joby Shimomura

Kelly Wicker

**David Schumacher** 

Kathryn Leathers

Jaime Smith

**Rob Duff** 

Pat Sullivan

**Amber Leaders** 

Michael Fong, Director

which =

WA Department of Commerce

**Drew Shirk**, Director

WA Department of Revenue