

# Wisconsin Community Action Program Association



June 17, 2019

Nancy Potok, Chief Statistician  
Office of Management and Budget  
fax number (202) 395-7245  
Re: Estimation of the Official Poverty Measure (OPM)

Ms. Potok:

The Wisconsin Community Action Program Association (WISCAP) is deeply concerned by the Administration's proposed rule change (OMB Directive No. 14) to the way in which the official poverty threshold is annually adjusted. As outlined in the *May 7, 2019 Request for Comment on the Consumer Inflation Measures Produced by Federal Statistical Agencies* circular, we believe the revised calculation would essentially result in fewer people being defined as poor while these same households continue to struggle to access programs and services needed to stabilize their families.

This proposal represents misguided policy at a time when so many households in our nation and state are confronted with great economic challenges. In Wisconsin, more than 1 in 10 people live in poverty, including 17% of all children, and while unemployment remains low, housing costs have increased out of proportion to income. More than 306,000 low-income Wisconsin renters pay more than half their income for housing and, in 2018, the Department of Public Instruction identified more than 19,000 homeless children and youth throughout the state. In total, 37.5% of Wisconsinites struggle to afford the necessities of housing, child care, health care, food, and transportation.

Moreover, the Official Poverty Measure is already artificially low, and the proposed change would further exacerbate these grim numbers, making it more difficult for desperate families to meet eligibility requirements while worsening conditions for people living in severe poverty. The proposed change, therefore, amounts to an especially cynical attempt to redefine people out of poverty. We urge the Administration to abandon the proposed changes and instead work to address the full realities of who is poor and the many obstacles these households face such as lack of affordable housing, lack of transportation, limited access to affordable child care, and the skills training needed to access well-paying jobs.

Thank you for considering our response.

Brad Paul, Ph.D.  
Executive Director

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*WISCAP is a statewide association of Wisconsin's 16 Community Action Agencies and two single purpose agencies working to fight poverty in Wisconsin. WISCAP and its members are committed to creating economic opportunity and supporting community-based solutions to poverty. As a leader in efforts to address poverty in Wisconsin, we keenly understand the need for policies that enable economic equality and that provide pathways for the Community Action network and its many partners to address needs of Wisconsinites with low income. Community Action Agencies work in urban, rural, and suburban communities alike.*