

Poverty and The New York Budget

Ethical Perspective

- Treatment of the poor is a consistent and pervasive Biblical measure of governmental justice.
- The state has a responsibility to address human needs, protect the least of its citizens and provide for its most vulnerable members. (NY Constitution Article XVII, Section 1 and 3)
- Caring for vulnerable people benefits all of society.
- Budgets show how money is expected to be collected and spent and so show what and who we care about. As a moral document it should reflect values of equality, opportunity & justice.

Background

- With the recession, disparity between rich and poor has grown. The wealthiest 1% of NY households pay a smaller share of income in local and state taxes than other New Yorkers. (FPI)
- Widespread unemployment and foreclosures have created increased demand for government services.
- When not enough taxes are collected, it reduces the state's capacity to provide services for its most vulnerable citizens.
- Assistance given to those in need directly helps the economy because it is immediately spent.
- Budget cuts and cancelled contracts cost jobs and will exacerbate the recession
 - cuts in infrastructure means labor job loss

- cuts in social services means service provider job loss
- loss of labor and service provider jobs means less buying power and leads to retail sector job loss.

Current Situation

New York must balance its budget but has a multi-billion dollar deficit. Lack of resources is not what causes much of the deficit but how they are distributed. Further, it is a problem not only of spending but of raising revenue. Proposed cuts in the following would result in services being unable to keep up with existing use, much less rising need

- homeless programs
- health care
- welfare jobs programs
- phase in of basic welfare grant.
- education (when NY is under court order to increase school funding).

What Would Help

- Maintain programs that help people become productive members of society.
- Make spending decisions based on long term benefits
- Build on, expand on efforts to promote New York's natural resources.
- Have Wall Street help Main Street by taxing on profits.
- Continue to restore income tax rates to pre-1995 levels, by taxing those making over \$1 million dollars a year.
- Fully phase in basic assistance grant increase to help families and stimulate the economy.

(4/2010)

Member Denominations

American Baptist Churches, Episcopal Church, Evangelical Lutheran Church in America, Presbyterian Church (USA), Reformed Church in America, Religious Society of Friends, United Church of Christ, The United Methodist Church.