



Testimony of Joel Berg, CEO, Hunger Free America
Before the New York State Joint Legislative Budget Hearing on Taxes
February 23, 2021

Introduction

Good afternoon. I am Joel Berg, CEO of Hunger Free America, a nationwide direct service and advocacy organization. We are headquartered in Manhattan and have a field office in the Bronx, and I personally live in Brooklyn. We work state-wide in New York as well as nationwide. Thank you for holding this hearing and for the opportunity to testify on behalf of the 4.5 million state residents now struggling against hunger.

I'll cut to the chase – it's simply obscene that, as literally millions of state residents are suffering from hunger during the worst joint public health and economic crisis of modern times, billionaire wealth in the state is skyrocketing, and their over tax burden has decreased. As reported by the Murdoch-owned [New York Post](#) and by [Forbes](#) – not exactly Marxist outlets – “Big Apple billionaires are booming — with a collective wealth that ballooned by \$81 billion to more than \$600 billion during the pandemic.” Billionaire wealth in the rest of the state soared too. At the same time, they have benefitted from massive federal tax cuts. It is the right thing to do – both morally and economically – to ensure that the wealthiest again pay their fair share of taxes by passing the Invest in Our NY Act, which would make sure the State has more money to properly fund vital public health, education, public transportation, affordable housing, and anti-poverty and anti-hunger measures.

Hunger in New York State Pre-Pandemic

To understand where we are now, permit me to provide some background on how we got to the current crisis. Some in the media and in public office have implied that the pandemic and its accompanying economic collapse created the current poverty and hunger crises. They focus almost exclusively on the plight of those newly poor and hungry, as if the multitudes who were impoverished and hungry before these crises just did not matter. That is a misleading and troubling narrative.

The reality is that in 2018, when the overall economy was theoretically in great shape, New York faced hunger and poverty crises, primarily because too many people were working but earned too little to pay for the high costs of housing, utilities, childcare, health care, education, clothing, gas, transportation, and, yes, food.

According to [Hunger Free America's analysis of federal data](#), in 2016- 2018, when the economy was still theoretically strong – 10.7 percent of the state's residents overall, 15.2 percent of the state's children, 6.9 percent of the state's employed adults, and 6.5 percent of the state's older adults (ages 60+) struggled against hunger. That means that, in supposedly great economic times, one in seven of the state's children and one in 14 of the state's workers struggled against hunger.

The Bronx remained, per capita, New York hungriest county in every category, with more than one in five Bronx residents (23.1 percent) experiencing food insecurity. That included 30.5 percent of all children, nearly 15 percent of working adults, and more than 20 percent of older residents (ages 60+).

Brooklyn contained the highest number of individuals living in food insecure households, reaching 377,475 people in the 2016-18 time period. This number included 12.6 percent of children, 8.6 percent of employed adults, and 11.4 percent of older residents (ages 60+).

But hunger was a serious problem in every rural, suburban, and urban county of the state.

That was all when the economy was still theoretically in “great shape.”

Hunger in New York State During the Pandemic

Then the pandemic hit and the economy collapsed. Millions of low- and middle-income workers lost jobs and income, and with it, lost their ability to buy all the food their family needed. With most schools physically closed, many of the 1,391,496 low-income K-12 students in the state who previously received school lunches – as well many of 720,114 low-income K-12 students in the state who previously received school breakfasts – failed to receive them daily.

Tens of thousands of older New Yorkers lost senior center meals when those closed. While food pantries and soup kitchens, many of which are run by older New Yorkers, provide far less food than government safety net programs – even in the best of times – they too were harmed by the pandemic and many were forced to shut down.

At the same time, as a result of both market forces and illegal price gouging, New York's food prices soared. Families who relied on meager wages and/or federal nutrition benefits, as well as food charities, found that their food-buying dollars bought less.

Since the pandemic started, the number of New Yorkers unable to afford sufficient food more than doubled, with [U.S. Census pulse data](#) showing that 22.9 percent (one in four) of state residents, equaling 4.5million New Yorkers, now facing food hardship.

[Hunger Free America's annual hunger survey in 2020](#) found that the state's food charities were unable to keep up with the skyrocketing need. New York City food pantries and soup kitchens fed 65.1 percent more people in 2020 than the previous year, compared to annual increases of ten

percent in 2019, five percent in 2018, six percent in 2017, nine percent in 2016, and five percent in 2015. In 2020, 36.6 percent of pantries and kitchens in New York City were forced to turn people away, reduce their portion sizes, and/or limit their hours of operation due to a lack of resources. In contrast, the proportion of feeding agencies that were forced to reduce food distribution due to lack of resources was 15.9 percent in 2019.

Statewide, outside of New York City, 14.8 percent of food pantries and soup kitchens reported having to turn people away, reduce the amount of food distributed per person, or limit their hours of operation because they lacked enough resources in 2020.

[Hunger Free America, along with leading physicians, has documented how the hunger crisis makes it even harder to keep COVID-19 in check.](#) Malnourished older adults are more likely to require institutionalization, which further increases their odds of contracting and spreading COVID-19. A large body of scientific evidence has shown the connection between malnourishment and compromised immunity. The [World Health Organization](#) acknowledges: “the combination of communicable diseases and malnutrition (as) a major public health problem, particularly among infants and children... Both undernutrition and micronutrient deficiencies increase the morbidity and mortality from communicable diseases. The relationship is synergistic; malnutrition compromises natural immunity leading to increased susceptibility to infection and more frequent and severe episodes of communicable diseases.” Even in “normal” times, hunger and obesity are related. Healthy food is often more costly and less readily available in low-income neighborhoods. Heavily processed food, which tends to have more sugar and sodium, is cheaper and easier to ship and store in this crisis. Therefore, impoverished Americans who increasingly rely on these foods also face greater likelihood of developing diabetes and heart disease, adding to their risk of dying from COVID-19. Simply put, hunger makes it more likely for people to catch, transmit, and die from COVID-19.

The States’ Hunger Spending Needs

The State desperately needs more revenues to fund vital public health, education, public transportation, affordable housing, and anti-poverty and anti-hunger measures.

The most cost-efficient way, by far, for the State of New York to reduce hunger is to fund more community-based outreach increase participation in federal-funded nutrition assistance programs such as SNAP and WIC. Every dollar of SNAP outreach funds is matched by the federal government, and then generates at least \$20 in federal food benefits for every dollar spent on outreach. Thus the State should increase funds for both [SNAP outreach](#) and [WIC outreach](#), sub-granted to community-based organizations state-wide by the organization Hunger Solutions New York.

The State must also increase funding for the direct distribution of food from the state’s farmers to hungry New Yorkers through [Nourish New York](#) and the state [Hunger Prevention and Nutrition Assistance Program](#) (HPNAP.)

These extra investments in food outreach and food distribution should be at least an additional \$50 million this year.

The State should also set up a separate program to provide extra food benefits on EBT cards, like those used by the SNAP program now, to aid hungry New Yorkers who are ineligible for SNAP due to their immigration status or because they earn slightly too much to qualify. If 500,000 economically-struggling New Yorkers who are ineligible for SNAP received \$100 in such nutrition aid per month, that would equal \$600 million over the next year,

Taken together, those vital investments in slashing hunger in New York State would cost \$650 million over the next year.

Why the Wealthiest Need to Pay Their Fair Share of Taxes

It is imperative for both our economy and basic fairness that the wealthy pay their fair share of taxes again. Patriots – and good neighbors – pay their fair share of taxes.

Please keep in mind that the wealthiest Americans in the “Greatest Generation,” those who reached adulthood during the Depression and World War II, paid far, far more in taxes than the wealthiest Americans do today. When Dwight D. Eisenhower was president in the 1950s, the top marginal federal income tax rate for the wealthiest was 91 percent. Yes, when a Republican military man was in charge of the nation, the richest Americans were required to give nine out of every 10 dollars they earned to Uncle Sam—and, by and large, they complied as part of their loyal duty to the nation. As of 2015, the wealthiest only paid only about a third of their total income to the US government in all forms of taxes. This low rate of taxation on the top earners is the single greatest reason why both our state deficit is so high and our state investments on social programs and infrastructure are so inadequate.

In 1927, fabled Supreme Court Justice Oliver Wendell Holmes wrote, “Taxes are what we pay for civilized society.” We seem to have forgotten what it’s like to be civilized.

Its vital to note that no wealthy New Yorker got wealthy without the help of government. Many of their workers went to public schools. The goods that their companies sell are transported over government roads and rail lines, and through government seaports and airports. They make money over the Internet, which was invented by the government. Their multiple homes and business locations are protected by government police officers, fire fighters, and EMTs. They get free or highly subsidized drinking water due to the government. They receive all sorts of government corporate welfare and tax breaks for their businesses. Government tax credits for the working poor subsidize their low-wage workforces.

We tend to buy into the myth that low-income citizens get much more help from the government than do low-income ones, when the opposite is often true. For example, when wealthy people ride alone in a private jet, taxpayer-funded air traffic controllers protect them. The lowest income Americans rarely or never fly so they don’t add to that government expense. If a middle-class Americans traveled in a commercial 747, with 365 other people on board, they would each be getting one 365th of the taxpayer funded air traffic help than would a billionaire riding alone in a private jet.

Even I don't think we should go back to the full 91 percent rate; a level that phenomenally high could discourage some investment and entrepreneurship. But all the revenue increases in the Invest in Our NY Act are still, even taken together, have a microscopically small impact on the net worth of the wealthiest New Yorkers. Their over tax burden would still be a tiny fraction of what they were under Ike.

Even if all parts of the Invest in Our NY Act become law, virtually all – or perhaps all – of the state's current billionaires and millionaires would remain billionaires and millionaires.

To put this in perspective, the \$650 million that Hunger Free America proposes in new anti-hunger funding equals only one 923rd of the net worth of just a few dozen Big Apple billionaires. Surely, they should find it to be their patriotic, moral duty to chip in one out of every 923 of the dollars in their fortunes to dramatically reduce hunger among their neighbors.

It is naïve to think that they would all do so, voluntarily, if they weren't required to do so by new tax laws. The raw reality is that middle class people tend to donate a far higher percentage of their incomes to anti-hunger charities than do billionaires. Frankly, not a single billionaire has donated a single penny to Hunger Free America in at least the last decade. James Madison wrote in the *Federalist Papers*: "If all men were angels, we wouldn't need government." That's why we need New York State government to require that the wealthiest pay their fair share of taxes to ensure that their neighbors don't starve.