



MEETING ROOM CHANGE
CITY OF GRAND RAPIDS HUMAN RIGHTS COMMISSION
FIRE HALL, 420 N. POKEGAMA AVE.
DATE: WEDNESDAY, SEPTEMBER 28, 2016
TIME: 4:00 P.M.

4:00 CALL TO ORDER:

CALL OF ROLL:

	Present	Absent
Commissioner Becky LaPlant	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Jackie Dowell	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Mary Jo Wimmer	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Frieda Hall	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Doug Learmont	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Melissa Weidendorf, Chair	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Karen Noyce, Vice Chair	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner Alice Moren	<input type="checkbox"/>	<input type="checkbox"/>
Commissioner John Schirber	<input type="checkbox"/>	<input type="checkbox"/>

MEETING PROTOCOL POLICY:

Please be aware that the Council has adopted a Meeting Protocol Policy which informs attendees of the Council's desire to conduct meetings in an orderly manner which welcomes all civil input from citizens and interested parties. If you are unaware of the policy, copies (orange color) are available in the wall file by the Council entrance.

SETTING OF REGULAR AGENDA:

This is an opportunity to approve the regular agenda as presented or add/delete an Agenda item by a majority vote of the Commission members present.

APPROVAL OF MINUTES: August 31, 2016 Regular Meeting

FINANCIALS:

CORRESPONDENCE:

PUBLIC COMMENT:

CIRCLE OF HEALING UPDATE:

ITASCA DIVERSITY ALLIANCE:

BIG VIEW UPDATE:

OLD BUSINESS: Indigenous Peoples' Day 2016
Meeting Cancellation Discussion

NEW BUSINESS: Human Rights Placard
Visit With Other GR Boards and Commissions
"Welcoming" Signs, Subcommittee

REPORTS ON CALLS AND INQUIRIES:

PENDING COMPLAINTS:

ADJOURNMENT:

CITY OF GRAND RAPIDS HUMAN RIGHTS COMMISSION

CALL TO ORDER: Pursuant to due notice and call thereof a regular meeting of the Grand Rapids Human Rights Commission was held in Conference Room 2B of City Hall, Grand Rapids, Minnesota, on Wednesday, August 31, 2016 at 4:00 p.m.

CALL OF ROLL: On a Call of Roll, the following members were present: Commissioners Jackie Dowell, Doug Learmont, Frieda Hall, Melissa Weidendorf, John Schirber, Karen Noyce, Mary Jo Wimmer, and Becky LaPlant

Absent Alice Moren

Visitor: Katie Marshall

Staff: Michele Palkki, Administrative Assistant

CALL TO ORDER Commissioner Weidendorf called the meeting to order at 4:10 pm

SETTING AGENDA Add Letter to the Editor

APPROVAL OF MINUTES June 29, 2016
No July Meeting

MOTION BY COMMISSIONER DOWELL, SECOND BY COMMISSIONER HALL TO APPROVE THE MINUTES OF June 29, 2016 as presented. Motion passed by unanimous vote.

FINANCIALS

It was noted that the City still has not received the invoice for those who went to the Anishinaabe Training. Commissioner LaPlant later reported that she would check into.

CORRESPONDENCE There was nothing to report

PUBLIC COMMENT No one in attendance

CIRCLE OF HEALING There was nothing to report

ITASCA DIVERSITY ALLIANCE

Commissioner Hall reported that the group is still working on organizational structure. The group arranged lunches for the ICC football team and worked in conjunction with a few area churches to offer evening meals to them.

BIG VIEW

There was nothing to report

OLD BUSINESS

INDIGENOUS PEOPLE'S DAY

The discussion continues regarding the planning for this event, which will take place the 2nd Monday in October. The sub-committee consists of Commissioners Weidendorf, Noyce, Hall and LaPlant.

Commissioner Hall reported that Language is the focus for Indigenous People's Day 2016. Signs are scheduled for City Hall and the Public Library. In addition, there will be a scheduled reading time with Tracy Kampa at the Library. First Friday will involve a mural being painted on the old Magnatation building.

NEW BUSINESS

ART EXHIBIT AT MACROSTIE ART CENTER

Katie Marshall was present to speak to the Commission about the Wing Young Huie exhibit that will be on display in October.

As you may recall, back in 2015 the Human Rights Commission teamed up with MacRostie for Ms. Marshall to write a grant to the Arrowhead Regional Arts to bring this exhibit to Grand Rapids. Ms. Marshall explained that MacRostie did receive the grant and that the exhibit will be in place beginning October 7. There will be two presentations, one in the morning and one in the evening and one workshop that is called Chalk Talk on October 5 or six.

GROWING ANTI-MUSLIM SENTIMENT/HATE GROUPS IN GRAND RAPIDS

Commissioner Dowell reported that there is another meeting regarding "Act for America!" at the Sawmill on October 10. A discussion was held regarding the growing diversity of the Grand Rapids area.

Arrived at 4:50 pm Commissioner Noyce

The discussion turned toward facing the issue with a positive stand on acceptance of everyone. Using signs people can put in their yards and maybe window clings.

Arrived at 4:55 pm Commissioner Wimmer

Continued discussion regarding **Hate Groups in Grand Rapids**. The idea of a sign campaign was discussed. One idea was "All Are Welcome Here".

Arrived at 5:05 pm Commissioner LaPlant, Commissioner Learmont left at 5:05 pm

It was reported that there would be a communication appearing in today's edition of the Herald Review titled Grand Rapids: The letter was sent around the table for commissioners to read. The Letter is entitled: "Grand Rapids: A Diverse and Welcoming Community". The letter was composed and written by City Councilors Dale Christy and Ed Zabinski and Human Rights Commissioners Frieda Hall and Melissa Weidendorf.

After a lengthy discussion, the Commission decided to set up a sub-committee to work on ideas to proclaim that all are welcome here. They will work out a plan and come back to the Commission to vote on as a whole at a future meeting.

Indigenous People's Day – Commissioner LaPlant reported:

The committee is working on estimates on what it would cost to put welcome signs that would have the language of the Ojibwe along with English. It has not been determined what the signs would say but most likely will begin with Boozhoo, Aaniin, Hello.

Cost to sign City Hall would be approximately \$4,300.00 and the Library about \$9,547. Commissioner LaPlant reported that the committee has met with City Administration Tom Pagel and would bring back more information at the Human Rights September meeting. Commissioner LaPlant stated there is still money in the budget and she would like the Commissioner to consider spending up to \$2,000.00 for signs in these two areas.

MOTION BY COMMISSIONER LAPLANT, SECOND BY COMMISSIONER WEIDENDORF, TO APPROVE SPENDING UP TO \$2,000.00 OUT OF THE HUMAN RIGHTS BUDGET FOR SIGNAGE AT CITY HALL AND THE PUBLIC LIBRARY. Motion passed by unanimous vote.

MEETING CANCELLATIONS

A discussion was held regarding cancelling meetings too far in advance. It becomes very difficult to re-schedule another meeting, especially if issues arise, and then have to wait until the next month. There were a few options noted, however, with postings for open meeting laws etc. it was determined that a meeting would not be cancelled prior to 2 weeks of the upcoming meeting.

The next regular meeting will be held on September 28, 2016.

The meeting adjourned at 5:15 pm

Respectfully submitted, Michele Palkki, Administrative Assistant

You're invited to a showing of
The Doctrine of Discovery
Unmasking the Domination Code

with director Sheldon Wolfchild

www.38plus2productions.com

Thursday, September 29, 2016

6:00 pm snacks and social

6:30 – 8:30 pm film and discussion

Chucker Auditorium

Itasca Community College

Grand Rapids, MN



A little-known story of historical truth, spirituality, and resistance, told on behalf of the original nations and peoples of Great Turtle Island, and elsewhere on Mother Earth. "The Doctrine of Discovery: Unmasking The Domination Code" was created by filmmaker Sheldon Wolfchild, a member and former Tribal Chairman of the Lower Sioux Indian Community. We are still here, and still rightfully free.

Free event **DVD available for purchase**

Hosted by the Circle of Healing

Becky LaPlant

From: Becky LaPlant
Sent: Tuesday, September 27, 2016 5:04 PM
To: 'Kim Gibeau'; mpalkki@ci.grand-rapids.mn.us
Subject: Indigenous People's Day web page

Hi you two,

I was trying to get the following web page request off before Jessica left but between the broadband conference and vacation it just didn't work that way. So, I'm sending it now. I'm requesting to have the Indigenous People's Day page <http://www.cityofgrandrapidsmn.com/2-pages/554-indigenous-people-s-day-celebration> featured on the City's homepage and the language to say:

2016 City of Grand Rapids Indigenous People's Day

In 2014, the Grand Rapids City Council unanimously passed a resolution to recognize the second Monday in October as Indigenous People's Day to "reflect on our history and to celebrate the thriving culture and value that the Anishinaabe (Chippewa and Ojibwe) the Dakota and other Indigenous Nations add to our city." [Here's a link to the resolution.](#) The City's first Indigenous People's Day in October 2015 was celebrated with a mini powwow in downtown Grand Rapids with student drum and dance groups from four area schools and Leech Lake, food, and over 700 people of all ages in attendance.

This year's celebration will focus on language which, to contemporary Indigenous people, is key to cultural preservation. As we learned in Anishinaabe Worldview Training, in the recent past Indigenous culture and language were intentionally subjugated by the US government during decades of forced removal of Native children from their families and placement in boarding schools far from home. Destruction of language by a dominant culture is recognized worldwide as a basic violation of human rights; the interruption of culture and family by the removal of children and the outlawing of indigenous religious practice in this country had profound and lasting impact on the health and vitality of Ojibwe and other indigenous communities across North America. Language, art, and music are the vessels that carry the elements of culture and identity across generations. Indigenous leaders today are focused on revitalizing language as a key element in moving their communities forward. City of Grand Rapids is doing what it can to assist in this effort.

Here's the schedule for this year's events - you're invited to attend what you can and share this invitation with others:

Monday, October 10, 3:30 pm | Indigenous People's Day Celebration | Grand Rapids Area Library

- Welcome - Human Rights Commission Chair Melissa Weixendorf
- Reading of resolution - Mayor Dale Adams
- The importance of Ojibwe language revitalization, Dan Jones, Native American Studies Program, Fond du Lac Tribal and Community College
- Ojibwe Language Signage in the City of Grand Rapids - Tom Pagel
- Refreshments by Friends of the Library

Thursday, October 13, 11:45 am - 1:00 pm | Ojibwe 101 Learning Stations | Grand Rapids Area Library - Grand Rapids and Greenway High School students will be the teachers for this beginning Ojibwe language workshop. Attendees will learn basic words and phrases in a learning station format.

Saturday, October 15, 10:15 am | "Discovering the Little Brothers" | Story time at the Grand Rapids Area Library - Former Grand Rapids resident Chelsea Annette Durand will do a reading of her book, "Discovering the Little Brothers", while her husband and illustrator Luke Durand creates illustrations.

The Poverty & Employment Dynamic

**An in-depth look at public assistance
in Itasca County**

Perspectives on Public Assistance and Employment in Itasca County: An Analysis of Benefits and Barriers to Employment

Executive Summary and Background

By Dane Smith, President, Growth & Justice

From Washington D.C., to the Minnesota Capitol in St. Paul, to Itasca County and Grand Rapids, controversies over the structure of public assistance programs and the costs and value of basic economic security entitlements are often among the most contentious and complex of public policy debates.

One common refrain, for instance, is that “welfare” benefits are so lucrative that they are a primary disincentive to seeking work (www.cato.org/publications/whitepaper/work-versus-welfare-2013-08-19). An opposing view is that basic cash benefits for programs such as the Minnesota Family Investment Program (MFIP, formerly AFDC) have not increased in 30 years and are now so low and difficult to qualify for that they are exacerbating the inequality crisis and contributing further to unemployment and poverty (see **Minnesota Coalition for the Homeless 2016 MFIP initiative and Mid-Minnesota Legal Aid Study**, www.mnhomelesscoalition.org/assets/MN-Legal-Aid-Report-2016.pdf). Still another broader global perspective is that the total number of livable-wage jobs, as well as pay and benefits by the private sector and other employers for most jobs, have declined or stagnated over the last 30 years, particularly in northern Minnesota, and serve as an important barrier to fuller employment. (**EPI Report on Wage Stagnation**, www.epi.org/publication/causes-of-wage-stagnation).

In an effort to sort through some of these issues, Alice Moren, Terri Friesen, and Marian Barcus, current or former administrators of social service programs in Itasca County, undertook an in-depth local analysis of public assistance. Their report anticipates a broader study commissioned by the Blandin Foundation and conducted by Wilder Research specialists to help explain the widening gap between job openings and persons seeking employment in Itasca County. For this report, the authors gathered 2015 data on the use of seven public assistance programs in Itasca County. And because no such report could be complete without its socioeconomic systems context, they included a brief on the psychosocial dynamic of poverty and employment. While the report relies heavily on 2015 data from public assistance and community agencies, the psycho-social dynamics of poverty and employment are timeless. These dynamics are generated less from the value of benefits than from social perceptions of people living in poverty, the system those perceptions generate, and the community’s isolated attempts to structure local economic change.

Both data and systemic aspects are critical to our understanding of the community’s potential to shape change in the region.

Here are some of the key findings:

- Although a plethora of public assistance programs exist in the local area, most do not offer cash flexibility.
- Of the Itasca County residents who are enrolled in public assistance programs, 85-90% are using only 1 to 3 of the 7 major programs described in the CATO study.
- The 'no-frills' cost of living for a family of three in Itasca County is about \$44,000, and the majority of residents on public assistance receive less than \$20,000 in benefit value.
- Itasca County has a high occurrence of disability evidenced in subsidized housing data, fuel assistance data, and medical assistance data. (Though beyond the scope of this report, more study is needed of these indicators.)
- The \$50+ million benefit to local vendors of medical care, fuel, housing and groceries points up the systemic nature of, and community tensions about, public assistance.
- Public assistance is a lesser driving force of unemployment than presumed in the county, and is only one of many influencing factors. However, all of our public assistance programs can and should be continuously improved, with a view to assisting productive adults into sustaining employment.
- Recognize the systemic nature of poverty. As citizens, employers, leaders, we must change our perceptions of persons in poverty. Improve our knowledge of their working conditions, wage levels, and the socioeconomic barriers that result.
- We encourage innovative job training and supports such as DEED's grant to start up a Rural Success Pathway training program, MN Diversified Industries, Northern Opportunities Work, Grand Teen Works, as well as finding ways with local employers to swap the benefit slope for a ramp to employment.

Public Assistance in Itasca County

Marian Barcus	Trustee Emeritus, Blandin Foundation; retired Division Manager, Itasca County Health and Human Services
Alice Moren	Trustee, Blandin Foundation; Director, Circles of Support, Kootasca Community Action Program
Terri Friesen	Supervisor, Income Maintenance Unit, Itasca County Health and Human Services

A list of resources occurs at the end of the report.

Rationale/Method

There is a popular perception in our nation, including Itasca County, Minnesota, that “welfare” or public assistance benefits are lucrative and that they create a disincentive to acquiring employment. Anticipating broader Wilder Foundation research commissioned by the Blandin Foundation to help concerned citizens in this community address the widening gap between available jobs and diminishing job seekers in Itasca County, we gathered 2015 data from seven public assistance programs, some provided by Itasca County Health and Human Services and some by nonprofit agencies. In all cases, to protect client confidentiality, reports were expunged of identifying information by agency personnel before data was compiled by researchers.

As a comparative base, we used CATO Institute’s 2013 “Work versus Welfare”⁽¹⁾ assertions that a Minnesota family of three (parent and two children) are benefiting from the selected seven assistance programs for a worth of \$31,603 per year, or a wage equivalent of \$15.19 per hour.^(1, pp 14-29, 34) Our research shows that, while 2015 Itasca County values for all seven assistance programs overall are 4% lower than the 2013 CATO figures for Minnesota,^(Appendix Table 1) the reality is that the vast majority of persons or families are on three or fewer of these programs, worth less than \$20,000. Other reveals from our research show high levels of disability among program recipients and comparatively large numbers of elderly persons, populations who are not typically job-seekers.

No data study is complete without its socioeconomic systems context. In our report, the psychosocial dynamic of poverty and employment follows the numbers detail. Both data and psychosocial aspects are critical to the integrity of the study and its potential for community growth. To aid in reader understanding, a brief description of the seven public assistance programs referenced in this report and the comparison CATO study prefaces the report detail.

Program Descriptions

MFIP, or Minnesota Family Investment Program, is this state's title for the federal TANF (Temporary Assistance to Needy Families). Itasca County Health and Human Services (ICHHS) served 283 households in September 2015, cash grants averaging \$679 per month, and less than the state average of \$725/month. About 90, or nearly a third of households, serve children only, e.g. children in foster care or living with non-parental relatives.⁽²⁾

SNAP, or Supplemental Nutrition Assistance Program, also ICHHS administered, issues a debit card re-filled monthly for food-only purchases. The average household SNAP payment is \$187/month, lower than the state average of \$199.⁽³⁾

Itasca and Grand Rapids Housing and Redevelopment Authorities (HRA) administer various housing subsidies and in general assure that only one-third of a household's income is spent on rent. The combined average monthly housing subsidy for Itasca and Grand Rapids HRAs is \$408.50. Itasca HRA is \$369 per month and Grand Rapids HRA is \$448 per month.^(4, 5)

MA, or Medical Assistance, is a federal/state funded health care program which has a unique structure in Itasca County, administered by the Itasca Medical Care Division (IMCare) of ICHHS. In the county-based purchasing managed care system, the state pays IMCare a per person 'capitation' rate for the county to pay medical providers who take the risk of managing a patient's care within the given rate. Itasca County's capitations are higher than the state average, and higher than most other counties, due to higher illness and disability rates. The monthly capitation for a parent on MA is \$482.71 and for each child on MA \$240.75. IMCare serves about 8500 persons, up from 6500 with the advent of the Affordable Care Act.⁽⁶⁾

WIC, or Women, Infant, Children, is a federal supplemental nutrition program for pregnant and postpartum women and their children under 5 years of age who are at nutritional risk. WIC is administered by the Public Health Division of ICHHS. In 2014, the average of all food packages equals \$67.27/month/person, so for a mother and two children under 5, the average annual total benefit is \$2421.72, considering that mom is eligible for benefits for only 6 months postpartum unless breastfeeding. Very few eligible women breast-feed infants longer than 6 months.⁽⁷⁾

LIHEAP, or Low Income Home Energy Assistance Program, is a federal fuel assistance program administered locally by Koochiching-Itasca Community Action Program. The average household subsidy in 2014 was \$757 for the heating season, significantly higher than the statewide average of \$500, because the mostly rural service area is more reliant on propane or fuel oil than the less costly natural gas available in urban areas.⁽⁸⁾

TEFAP, or The Emergency Food Assistance Program, is a federal program which supplies about 20% of the product available at Itasca County Food Shelf, which is administered by North Central Minnesota Food Bank. The remainder includes charitable donations. The amount of food given out is based on size of household, and averages about 7 pounds/person/month.⁽⁹⁾

Federal Poverty Guidelines

All of the previous listed programs are targeted for low income persons and require income eligibility (and some require asset eligibility as well), frequently following Federal Poverty Guidelines (FPG) or some multiple of it. Federal Poverty Guidelines are usually updated annually⁽¹⁰⁾, but remain low by most community standards and cost of living:

- Family of 1 is \$11,770 or under
- Family of 2 is \$11,771 to \$15,930
- **Family of 3 is \$15,931 to \$20,090**
- Family of 4 is \$20,091 to \$24,250

Cash versus Value Concept

Early in this report, it must be clarified that public assistance benefits do not all easily translate into “wages” in real life. Cash assistance such as MFIP, is money given directly to the parent to spend on basic needs, so may be considered similar to wages. Other assistance, such as SNAP and WIC must be spent on specific nutritional foods. TEFAP is food directly supplied to the head of household. Furthermore, MA, LIHEAP, and housing subsidies are paid directly to service vendors: the medical provider, fuel supplier, and landlord, respectively.

While the value of the non-cash programs is critical to survival, it is not available, like a wage, to spend at the discretion of the recipient on his/her or family basic needs. An apples-to-apples wage comparison with public assistance benefits would include the value of employee benefits such as health insurance and paid time off rolled into the wage figure.

An alternative would be comparing cash-only public assistance with the hourly wage, adjusted for tax withholdings. **For example:**

An average MFIP grant for a household of three in Itasca County (\$8,136/year) divided by 2080 hours for full-time employment is \$3.91 per hour disposable cash. Compare to full-time employment at \$10 per hour, minus taxes/withholdings (roughly 18%), is \$8.20/hour disposable cash.

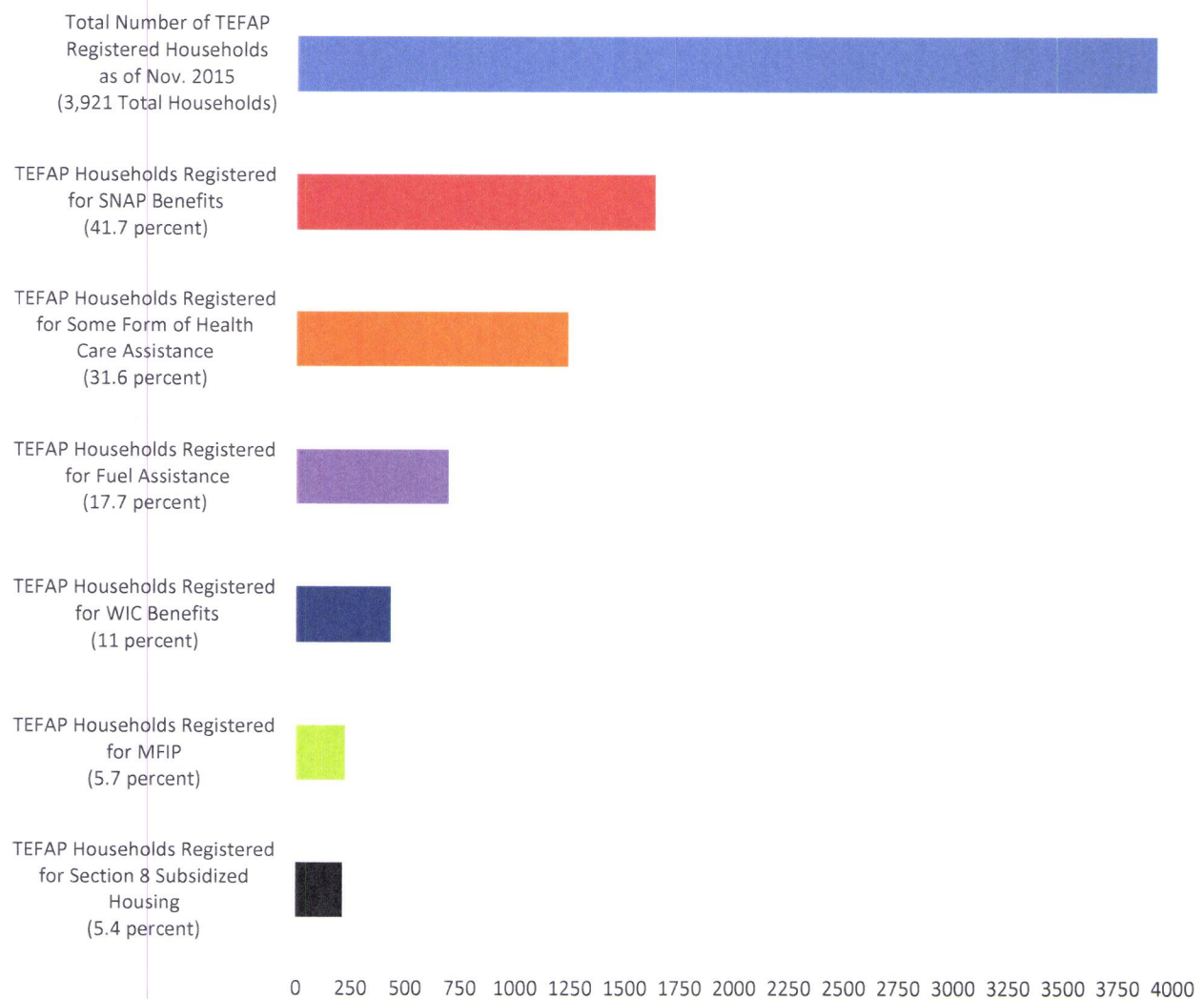
It would appear this difference would be an incentive to work; however, when considering the poverty/employment dynamic discussed in the next section, psychological and sociological barriers come into play, as do financial ones. Realistically, \$3.91/hour is insufficient to pay for needs that public assistance programs do not provide, such as clothing, personal hygiene, cell phone, computer, and reliable transportation to work. Neither would \$8.20/hour (\$10/hour net of withholdings) cover all living costs, including housing, food, utilities, transportation, etc. Because \$10/hour gross is greater than the Federal Poverty Guideline for a family of 3 as indicated above (\$20,800 v \$20,090), it would disqualify this family from many public assistance benefits.

Most Recipients on Few Programs

Local data revealed that the CATO assumption ^(1, p. 34) that public assistance recipients are on all seven programs is not true in Itasca County. A review of the computer intake data collected from Grand Rapids Food Shelf shows that in November 2015, there is a total of 3921 household TEFAP records (some may be inactive). Of these, 5.7% are also receiving MFIP, 17.7% are on fuel assistance, 31.6% receive some form of health care assistance, 11% get WIC benefits, and 5.4% are on Section 8 subsidized housing. ⁽⁹⁾ This suggests that only small numbers of people who receive a public assistance benefit, receive several benefits. The largest overlap of food shelf clients on other programs is with SNAP at 41.7%, an understandably high correlation since Food Shelf actively promotes referral and access to SNAP (what used to be call ‘food stamps’).

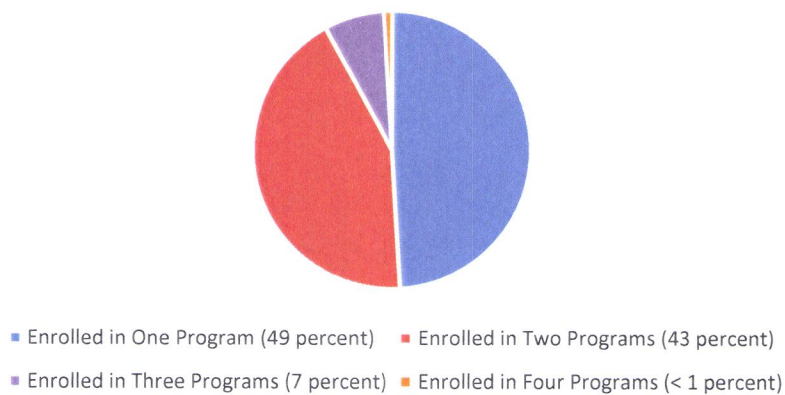
Households on Public Assistance in Itasca County by Program

(Percentages Listed are of Total TEFAP Registered Households)



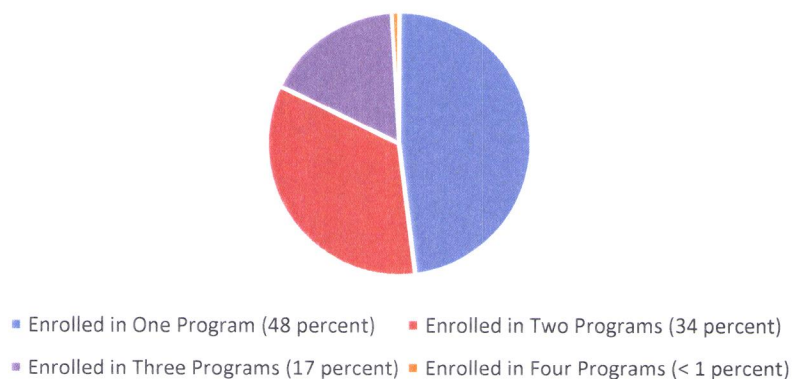
The story is further told in Itasca County Health and Human Services (ICHHS) MAXIS computer reports. As of October 26, 2015, 49% of families receive only one benefit from ICHHS programs (e.g. MFIP, SNAP, GA, Health care, Emergency assistance, or Child care), and 43% receive only two program benefits. Only 7% of public assistance families are on 3 programs, and less than 1% on 4 programs.⁽¹¹⁾ In summer 2015, MN law changed, allowing a \$110 housing allowance for MFIP recipients who are not in subsidized housing. Some recipients are staying on a small MFIP grant just for this reason.⁽¹⁵⁾

Number of Public Assistance Programs Each Registered Itasca County Family is Enrolled in as of October 26, 2015



The picture is only slightly different for adults without children: 48% on one ICHHS program, 34% on 2 programs, 17% on 3 programs, and less than 1% on 4 programs.⁽¹²⁾ It is likely that the number of adults on three programs, though small, is more than double the number for families, because the highest amount of cash assistance for adults without children is \$204 per month, so individuals may be more likely to qualify for other non-cash programs.

Number of Public Assistance Programs Each Adult Without Children in Itasca County is Enrolled in as of October 26, 2015



Demographic statistical reports from Itasca County Housing and Redevelopment Authority (ICHRA) and Grand Rapids Housing and Redevelopment Authority (GRHRA) also bear out low numbers of public assistance recipients on multiple programs:

- Of the 48 GRHRA housing subsidies at Crystal Lake Townhouses, only 10, or less than 25% receive public assistance income, and 4 out of those 10 also have earned income. It should be noted that 93% of these tenants are 23-50 years old, prime employable ages. As we see later, it is also telling that 11 of the 48 subsidized tenants receive social security even though only 3 heads of household at CLT are over 50 years old. ⁽⁵⁾
- Of the 342 households with subsidies from Itasca County HRA, reports show that MFIP is the sole source of income for about 14% of households, even though 42% of households have children. Of working households served by ICHRA, 10% also receive MFIP. ⁽⁴⁾

So in Itasca County, it is possible that a handful of able-bodied persons of working age on public assistance are receiving all seven of the benefits identified in the CATO study. Most, however, are on three or fewer programs, with a total value less than \$20,000 annually.

Cost of Living in Itasca County

So how much benefit or wage is sufficient in Itasca County to meet “no-frills” basic needs for food, housing, health care, clothing, transportation, child care, and taxes? Cost of living research from November 2015 by the Jobs Now Coalition ⁽¹³⁾ for Minnesota’s Region 3 including Itasca County, reveals:

- \$34,000 – Family of two (single parent, one child); \$16.37/hour
- \$44,000 – Family of three (two parents, one child; one parent working full time, one working part time is the most typical family in NE Minnesota); \$14.00/hour
- \$52,000 – Family of four (two parents/two children); \$12.60/hour IF both parents work 40 hours/week

Benefit Cliff or Slope?

As described later in this report, applying for public assistance is psychologically and procedurally difficult, requiring an applicant to visit an office 2-3 times, produce numerous paper documents, and wait for staff to perform verification of income and assets. Efforts to streamline and humanize this process have progressed, but proving eligibility is technical. Eligibility for health care has improved with the Affordable Care Act, but the computer application process is still challenging. The waiting list for housing subsidy in Itasca County is two years on average.

Once acquired, the benefit level of public assistance programs is insufficient to meet all basic needs, particularly since most recipients are on only 1-3 programs. However, if one meets the procedural requirements, even for only a couple of programs, public assistance can provide a thin consistent safety net, theoretically until the recipient finds work that pays enough to replace it. In the past, getting any work usually resulted in total loss of public assistance, hence the reference to the benefit “cliff.” In other words, there could be a substantial financial security gap between acquiring work income and losing the public assistance safety net.

In Minnesota, and Itasca County, most benefits no longer close immediately due to earnings, but gradually taper. MFIP gradually diminishes and closes completely after the total income for a family of three reaches \$2,244 gross monthly earnings, or about \$14/hour.⁽¹⁹⁾ The child care biweekly co-pay and Medical Assistance are allowed for a full year after MFIP closes due to earnings. The one exception is for adults with no children; General Assistance benefits of \$204/month will close completely.

So while sloping public assistance benefits are helpful and available to a working parent, the slope may still be too steep in Itasca County. The cost of living in Itasca County requires a working parent of one child to earn \$16.37/hour to meet basic needs. A single parent of two children would lose MFIP benefits at \$14/hour, shy of amount necessary to meet basic needs.

High Disability Occurrence in Itasca County

One of the important factors to consider going forward with workforce stream impact is the high level of disability as a work barrier in Itasca County. The main cause of the higher cost of Medical Assistance in Itasca County is related to risk. The sicker the population on an aggregated basis, the higher the risk, and therefore the higher the capitation rate.⁽⁶⁾ Furthermore, in October 2014, of 170 total adults in MFIP cases, 102 or 57% were deemed eligible for Family Stabilization Services (FSS). This includes having special medical criteria, most often pending social security disability, illness, or incapacity that interferes with employability.⁽¹⁴⁾

By far, the largest populations served by housing subsidies in Grand Rapids and greater Itasca County are elderly and disabled. In ICHRA subsidized households:

- 14% have heads of household aged 62 and older.
- 54% have heads of household who are disabled.
- Almost 47% receive social security, but another 30% receive wages.⁽⁴⁾
- In the 132 GRHRA subsidized households, 52% have heads of household aged 62 and older and 24% of heads of household are disabled.⁽⁵⁾

While the LIHEAP program serves both Itasca and Koochiching Counties and does not separate statistics by county or collect information on households with multiple services, the demographics are similar to those in housing programs. Of the total 3300 households in both counties with

subsidized fuel costs in 2014, 39% were headed by persons aged 60 or older and another 39% were disabled. Children under 6 years old comprised 17% of household members. ⁽⁸⁾

The CATO study assumes that persons on public assistance for long periods of time are the individuals on the most programs and with the highest work barriers. ^(1 pp. 19, 34) Locally, however, longer term public assistance is much more likely to be related to disability, which begs the question of employability. While the etiology of this high disability rate is beyond the scope of this study, its existence is unmistakable and has a strong impact when considering which recipients of public assistance are job-seeking.

Local Economic Impact of Public Assistance

The local economic impact of public assistance must be acknowledged at an annual total of about \$50 million. Itasca Medical Care and county medical providers have a very positive historic working relationship couched in mutual respect and cost-efficient quality care. Health care public assistance (excluding Medicare) pumps nearly \$40 million to local medical providers. ⁽⁶⁾ While MA capitation rates do not pay the total cost of medical care provided to individuals on public assistance, IMCare pays 10% more than regular state MA plus a managed care fee, and they pay more rapidly than most insurance companies. ⁽⁶⁾ If these county-based purchasing managed care dollars were reduced, uncollectable costs for services providers would surely rise.

Various housing subsidies in Grand Rapids and greater Itasca County are paid directly to landlords, an amount exceeding \$1.3 million per year. ⁽⁴⁾ LIHEAP (fuel assistance) likewise is paid directly to home heating fuel suppliers in the local area, totaling \$4 million in 2014. ⁽⁸⁾ SNAP dollars, issued in the form of prepaid cash cards for food shopping, hover around \$5.2 million per year coursing through the county's grocery stores. ⁽³⁾

Poverty/Employment Dynamic

When examining service use and employment amongst low income people it is important to consider factors beyond unemployment measures that illustrate only quantity of employment rather than qualitative aspects, such as equity, security, and dignity. Job growth in low-wage occupations neither solves poverty nor reduces the need for work support services. Yet the assumption that people are poor simply because they are not trying hard enough negatively influences policy decisions for the poor. The CATO researchers commented that there is no evidence that people on public assistance are lazy or do not wish to work, and they consistently show their desire for a job. ^(1, p.2)

The Role of Stress

To understand the rate at which the poor engage in employment as well as why some choose service use over employment, the role that stress plays in their lives must be carefully examined. Poverty

related stress impedes cognitive functioning.⁽¹⁶⁾ This results from the majority of your time and thought process being spent on managing the condition of poverty.

When humans don't have enough of something, that fact dominates our consciousness.⁽¹⁷⁾ A large portion of the day is spent entertaining thoughts related to the source of your scarcity. If you are hungry or tired, you spend a big part of the day thinking about food and sleep which is actually distracting you from other things. When you need to find food, pay your rent, get your child a birthday or holiday gift, you can't think beyond those things.

Low wage employment with unstable and unpredictable work schedules exacerbate this cognitive taxation. Some examples are workers consumed with thoughts of how much money will they make if they can work an extra hour, how much they will lose because business is slow and they may be sent home early, or will they get off in time to make it to their next job or pick up their child before the daycare charges extra?

Living in a perpetual state of being only one crisis away from losing that job takes an additional toll on cognitive functioning. One car problem, one sick child, one court date, one medical appointment, one death in the family, one accident or the bus being late one more time constitutes absolute crisis for the working poor.

According to author Linda Turado, who writes about what it is like to be working and poor in America, service jobs are as much emotional labor as they are physical. It can be far more demoralizing to work and be poor than to be unemployed and be poor.^(18, pp. 7 & 61) The degradation of working in the food service and retail industry is further outlined in chapter 2 of her book, *Hand to Mouth*.

Judgement and Hope

Furthermore, living in this state of mind creates a fog that impedes hope. Society fosters a belief that hard work will lead to upward mobility yet for many low income people there is no evidence of that being the case.

The poor are often judged for not saving money for the future or not making better financial decisions which leads us to the often false conclusion that poor people are lacking money management skills. Yet traditional financial planning strategies are designed for those who actually have money. Very little of it is actually practicable for people who have no financial cushion whatsoever. When most of your cognitive processing goes to the tasks of survival, you have very little left over to think about what is beyond that day. Saving money and planning for the future is a luxury of those who have today's quality of life covered for themselves and their families.

Public Assistance Stressors

Receiving services adds cognitive tax as well. Service eligibility and reinstatement procedures require appointments and forms that are lengthy, complicated, and require multiple sources of additional documentation. Services are swiftly discontinued if requirements are not met on time.

Receiving cash assistance comes with a host of increased responsibilities. Required job preparedness and search activities are complicated and demanding. Only the most driven and needy people will succeed through all of those requirements to keep their benefits.⁽¹⁷⁾ This system design significantly decreases the risk of cash assistance dollars ending up in the hands of poor people deemed undeserving or fraudulent.

Program requirements do not allow for consideration of quality of job factors that people of all income brackets examine before accepting a position such as rate of pay, room for advancement, distance from home, schedule, and benefits. Any job is deemed acceptable and program participants must accept any job offer regardless of the cognitive tax. Policies and programs designed to help alleviate poverty could be more effective by making resources for the poor more accessible and less cognitively taxing.⁽¹⁶⁾

All things considered, what is the best of the worst options available? The decision to work or to remain on services exclusively encompass more than money. Is it worth it physically, mentally, and emotionally to add this much stress to take a job to make only a few dollars more but not enough to really improve my circumstances? It is understandable why some choose to struggle to get by with services, bartering, and help from friends or family, thus not having to be away from their children. Others will hang on to services as long as possible while seeking a higher wage.

The poor are cognitively taxed on a regular basis. The same things that wreak havoc in the life of the lowest income class may be simple annoyances for people with money. Even if there are as many job openings as job seekers, there are a multitude of reasons why all poor people are not employed and service use remains a vital link to survival.

Barriers and Opportunities for Workforce Stream Problem-Solving

In summary, it is misleading to apply the CATO study findings to Itasca County work stream problem-solving. Understanding the true relationship of public assistance to employment in Itasca County requires shifting assumptions about and perceptions of people in poverty and the working poor. A job-seeker on MFIP will likely be on one, or perhaps two, other public assistance programs. Public assistance is a complex safety net that neither meets all basic needs nor solves poverty, and may lead to work dilemmas for some recipients.

The “work versus welfare” issue is systemic. Blaming people in poverty is the path of least resistance. Blaming employers is unproductive. Coming together with a commitment to change our perceptions, take responsibility, and make our community, including our jobs, more accessible to the people who live here, including persons living at poverty level, can and will make a difference. Create a more productive community.

Time will tell whether an Itasca County task force or initiative will be able to change federal and state public assistance regulations in order to creatively address employment barriers for public assistance recipients. One recommended adjustment is legislation that allows the \$110/month housing grant to follow low wage earners who opt out of MFIP benefits. Another suggestion is to modify the federal

requirements for education and training and job searches, and to resume supported work activities, creating a more individualized approach applicable to rural areas and inclusive of employers.

Other specific opportunities for the Itasca Work Stream Initiative to consider:

- Educate ourselves, employers, and service providers about the issues of equity, security, and dignity that impact persons in poverty and how systemic barriers relate to employment.
- Nearly half of all persons on public assistance programs in Itasca County are seriously ill, disabled, elderly, or caring for someone who is. It is imperative to learn more about how these individuals are or can be productive. Employment options, such as Minnesota Diversified Industries (for persons with all types of disabilities) and Northern Opportunity Works (for persons with serious mental illness) are both effective models working right now in Itasca County.
- As for the remaining persons on public assistance, every non-disabled working age adult on MFIP is assigned a job counselor whose role it is to help recipients prepare for, find, and keep work. Consider broadening innovative individualized training programs, such as those funded by ICHHS in partnership with Itasca Community College and Maven Perspectives. Break down systemic barriers by applying the Circles of Support model to create partnerships between employers and persons in poverty seeking employment.
- Focus on the working age adult (23-50 years old), to learn what training, supports, work conditions, and perspective changes would increase their quality of life and employability.
- Educate ourselves, employers, service providers, and public assistance recipients about the cost of living in Itasca County, how wages and work conditions can be adjusted to increase sufficiency for current and potential employees, and how to swap the benefit slope for an employment ramp.

All things considered, given some reframing of our old thinking about public assistance recipients, a little more research, and a strong dose of community collaboration, there is no doubt that the Workforce Stream Initiative going forward can improve Itasca County's employment rate and, just as importantly, the quality of life for all residents.

Resources/References

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APPENDIX

TABLE 1

Figures shown below are annual totals. MN figures are from CATO Institute, 2013 ^(1, p.36). ITASCA figures are from research for this report, Public Assistance in Itasca County, Fall 2015 or 2014.

	MFIP	SNAP	Housing	MA	WIC	LIHEAP	TEFAP	Total	Hrly Equiv
MN	\$6384	6247	8207	9000	1041	424	300	\$31,603	\$15.19
ITASCA	\$8136	2244	4902	11,568	2422	757	299	\$30,328	\$14.58