

Marc Elrich County Executive

Tiffany Ward, Director Office of Racial Equity and Social Justice

### **MEMORANDUM**

November 3, 2021

To: Jennifer Bryant, Director

Office of Management and Budget

From: Tiffany Ward, Director

Tiffany Ward, Director
Office of Racial Equity and Social Justice

Supplemental Appropriation #22-27: Food Security Bridge Funding Proposal Re:

updated REIA

On July 7, 2021 the Office of Racial Equity and Social Justice (ORESJ) submitted to the Office of Management and Budget (OMB) a Racial Equity Impact Assessment (REIA) for a supplemental appropriation related to bridge funding of the Montgomery County Food Security Taskforce. Available information about Supplemental #22-27 indicates that the funding will be used to continue the efforts that began under the July 2021 supplemental appropriation and will use funds from both the Federal Emergency Management Agency and American Rescue Plan Act. Because there are no significant differences between Supplemental #22-27 and a similar July 2021 funding request, ORESJ's finding statement, background, and data analysis remain unchanged. ORESJ, therefore, recommends that those considering supplemental #22-27 do so by reviewing the REIA that ORESJ submitted in July 2021 (copied below).

To supplement information provided in the July 2021 REIA, ORESJ would like to recommend continued application of a racial equity lens to the utilization of ARPA funds. Below are principles shared by the Groundwork Collaborative<sup>1</sup> and PolicyLink<sup>2</sup>.

1. Center marginalized and disproportionately affected communities in this crisis.

<sup>&</sup>lt;sup>1</sup> Presentation delivered by Azza Altiraifi of the Groundwork Collaborative during the Government Alliance on Race and Equity's (GARE) virtual launch of a webinar series focused on American Rescue Plan. September 24, 2021.

<sup>&</sup>lt;sup>2</sup> PolicyLink. 10 Priorities for Advancing Racial Equity Through the American Rescue Plan. A Guide for City and County Policymakers. May 2021. Available at: https://www.policylink.org/sites/default/files/RecoveryGuide-LJ-2021 050621c.pdf.

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- 2. Prioritize public engagement, and practice transparency and accountability in determining funding priorities.
- 3. Recognize that threats, risks, and traumas are daily conditions experienced in low-income and communities of color; deploy resources in ways that begin to address root causes.
- 4. Invest with the goal of stronger, more equitable economies than we had before Covid-19 and the recession it triggered.
- 5. Track disaggregated data to ensure accountability to equity goals.
- I. **FINDING:** The Bridge Funding Proposal for Montgomery County Food Security Task Force is intended to stabilize food access and minimize food insecurity during the recovery phase of the pandemic. While the proposal documents increased demand and pressure on the County food system during the pandemic, it does not call attention to how particular communities hardest hit by the pandemic will be prioritized in the design and implementation of the bridge phase. It is for these reasons that the Office of Racial Equity and Social Justice (ORESJ) finds that while the funding proposal universally addresses food security needs in the County, it is unlikely (as written) to advance racial equity or the underlying inequities that most consistently affect communities of color.
- II. **BACKGROUND:** The Bridge Funding Proposal for the Montgomery County Food Security Task Force has two main goals:
  - 1. Support the continued response as the economy reopens and food insecurity levels return to pre COVID-19 levels
  - 2. Support long-term planning and transition to a more unified food system

In the Bridge Funding Proposal, the Food Security Task Force described the importance of intra government and community collaboration and leveraging the scale of government's resources, procurement, and coordination capabilities. The proposal described the value of a systemwide lens and local coordination in reaching equity and efficiency goals outlined in the latest Montgomery County Food Security Strategic Plan (due to be updated in 2022).

The five-year Montgomery County Food Security Strategic Plan (released in 2017) called *Food Secure Montgomery*, gives insights into the state of food insecurity in the County prior to the pandemic. It explains poverty rates, incomes that are below the County's self-sufficiency standard<sup>3</sup>, and transportation barriers as root causes of food insecurity in Montgomery County. According to Feeding America's Map the Meal Gap project and projections from *The Impact of Coronavirus on Local Food Insecurity in 2020 &* 

<sup>&</sup>lt;sup>3</sup> The amount of income required to afford necessities in the County. In 2016, this was \$91,252 for a family of four.

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2021, overall food insecurity was on the rise in Montgomery County between 2017 and 2019 and is projected to have risen again during the pandemic in 2020.

A range of housing, health and labor market inequities in addition to residential segregation have influenced who over time has faced the greatest risk of food insecurity in the US. Using the Statistical Supplement to Household Food Security in the United States in 2019, Feeding America reported that 8.1% of white, non-Hispanic individuals lived in a food-insecure household compared to 15.8% of Latino individuals, 19.3% of Black, non-Hispanic individuals, and 23.5% of Native American individuals.

Feeding America Meal Gap Project estimates that in 2019, 8.6% of Montgomery County residents (89,270) were food insecure<sup>4</sup>. In 2017, the Montgomery County Food Council identified residents with incomes below the County's self-sufficiency standard (\$91,252) and the following populations as those facing the greatest risk of food insecurity<sup>5</sup>:

- Residents lacking access to personal vehicles and adequate transit options; eligible but not enrolled in benefits programs; working multiple jobs and/or experiencing homelessness
- Children in school, on weekends, and/or in single parent households
- Seniors aging in place and/or with medical dietary restrictions
- Foreign born residents with limited English proficiency in mixed immigration status families, with lack of knowledge of or access to culturally appropriate services
- People with disabilities with limited mobility and/or waiting for case management

In addition to the populations identified above, and because of the root causes identified in the strategic plan, there are racial disparities in who is most at risk of experiencing food insecurity in the County. The 2021 Capital Area Food Bank Hunger Report explains the web of inequities that underly financial instability and the role racism and oppression—historical and contemporary—play in perpetuating challenges like food insecurity, including their outsized impact on communities of color<sup>6</sup>.

In Montgomery County before the pandemic, median household income for Black and Latino households was about 60% of the median household income of white households. Poverty rates follow a similar pattern. Larger percentages of Black and

<sup>&</sup>lt;sup>4</sup> Feeding America. Map the Meal Project. Food Insecurity in Montgomery County before COVID-19. https://map.feedingamerica.org/county/2019/overall/maryland/county/montgomery

<sup>&</sup>lt;sup>5</sup> Montgomery County Food Council. Montgomery County Food Security Plan. 2017. https://communityfoodrescue.org/wp-content/uploads/2017/08/moco food plan.pdf

<sup>&</sup>lt;sup>6</sup> The Capital Area Foodbank. Hunger Report 2021: Insights on Food Insecurity, Inequity, and Economic Opportunity in the Greater Washington Region. <a href="https://hunger-report.capitalareafoodbank.org/">https://hunger-report.capitalareafoodbank.org/</a>

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Latino households experienced poverty<sup>7</sup> compared to White households; and the rates of child poverty show an even more stark disparity. *See page 13, 24, 25 of 2018 Montgomery County Racial Equity Profile.* 

To understand racial disparities in median household income, we must look closely at inequities in labor market outcomes in Montgomery County and understand that there is an often-tenuous relationship between work and economic security. The MIT Living Wage Calculator is a tool to help explain this relationship and does so by combining information about minimum, poverty and living wage data with occupation and cost of living data in a particular locality. In Montgomery County, there are several notable observations from the MIT Living Wage Calculator. A family of four (two children and two working adults), would need to an annual income of \$109, 606 dollars per year to afford necessities in Montgomery County, this is an hourly wage of \$26.35 per adult, which is well below the newly instated minimum wage of \$15/hr. In fact, for all family types provided in the calculator, the living wage is higher than both the poverty wage and minimum wage in Montgomery County. This means that regardless of family type, even when an individual is working full-time, making minimum wage, they are likely unable to afford necessities to live in Montgomery County. The County's food security strategic plan explains that there are several communities within the County where people are employed and still live below the poverty line. The strategic plan highlights some census tracts near Silver Spring, Aspen Hill, and Gaithersburg where more than 10% of employed people are living below the poverty line.

Based on available wage data, there are only a handful of occupations in Montgomery County that would allow the above family of four to meet their basic living expenses. These occupations are in management, business, science, and arts professions. See Montgomery County MIT Living Wage Calculator for details. Data found in the 2018 Montgomery County racial equity profile illustrates racial disparities in who fills these higher-paying jobs. Black and Latino workers are less likely to be in these occupations than White and Asian workers and are more likely to fill lower wage jobs, meaning that they are at a higher risk of not being able to afford basic necessities and make tradeoffs between food and other expenses. See page 14, 61, and 80 of 2018 Montgomery County Racial Equity Profile.

Because of this described preexisting financial precarity and given the concentration of Black and Latino workers in industries with lower wages and greater exposure to pandemic related job losses and health risks, instances of food insecurity are more likely

<sup>&</sup>lt;sup>7</sup> A Food Secure Montgomery. What we know now and what we can do: A 5-year Strategic Plan. https://www.montgomerycountymd.gov/exec/Resources/Files/pdf/MoCo Food-Security-Plan 2017.pdf

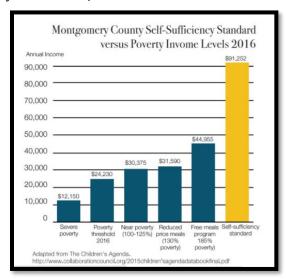
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to be experienced by communities of color, in addition to low-income communities in Montgomery County.

These disparities add nuance to another dynamic at play in Montgomery county related to who is eligible to receive federal food-related assistance compared to—because of the inequities described above—who needs food-related assistance. Looking at median household income and the self-sufficiency standard in Montgomery County, and comparing those to the federally determined poverty threshold (and federal food

assistance eligibility based on that threshold), it is clear that there are many families in Montgomery County who are ineligible to receive food-related federal assistance but still do not have sufficient incomes for meeting all their basic needs, putting these residents at higher risk of experiencing food insecurity. The chart<sup>8</sup> to the right illustrates this gap in 2016.

It's important to note that racial disparities in employment outcomes, median household incomes, and rates of household and child poverty are the consequence of long-standing structural inequities linked to residential and



occupational segregation and employment discrimination, putting communities of color and low-income communities at higher risk of experiencing food insecurity.

These disparities preceded and were made worse by the pandemic as evidenced by the lessons learned section of the Bridge Funding Proposal and analysis from the Capital Area Food Bank Hunger Report for 2021. Prior to the pandemic, food assistance providers in Montgomery County were serving over 75,000 residents. During COVID that number increased to over 125,000 residence. The Bridge Funding proposal outlines an approach to meet this increased demand by supplying bulk, shelf stable food and fresh produce to providers in the community and Service Consolidation Hubs. The proposal also recommends using bridge funding to seed the creation of a new Office of Food System Resilience within County government and increase coordination, capacity and partnership capabilities across and in tandem with the nonprofit food sector.

III. **ANALYSIS OF DATA:** Data on income and employment disparities is referenced throughout the background section of this memo.

<sup>&</sup>lt;sup>8</sup> A Food Secure Montgomery. What we know now and what we can do: A 5-year Strategic Plan. https://www.montgomerycountymd.gov/exec/Resources/Files/pdf/MoCo Food-Security-Plan 2017.pdf

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Using data from Feeding America's Map the Meal Gap project and projections from *The Impact of Coronavirus on Local Food Insecurity in 2020 & 2021*, below are the rates of overall and child food insecurity.

Food Insecurity rate in Montgomery County				
Year	2020	2019	2018	2017
Overall	11.1%	8.6%	8.0%	6.1%
Child	Not available	9.5%	11.1%	12.3%

cc: Ken Hartman, Director, Strategic Partnership, Office of the County Executive