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## A Change Must Come: The Intersection of Intergenerational Poverty and Public Benefits

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## A CHANGE MUST COME: THE INTERSECTION OF INTERGENERATIONAL POVERTY AND PUBLIC BENEFITS

TRICIA YOUNG\*

### I. OVERVIEW

Despite being one of the wealthiest countries in the world, the United States continues on in its trend of passing on a low quality of life from one generation of the poor to the next—thereby exacerbating and perpetuating poverty into the foreseeable future. Intergenerational poverty, as this concept is aptly named, disproportionately impacts people of color. While poverty has many origins, this Article specifically discusses two public benefits that contribute to intergenerational poverty—Medicaid and Social Security Income. These public “benefits” permeate the country while simultaneously and disproportionately impacting communities of color.

### II. WHAT IS INTERGENERATIONAL POVERTY?

*“Poverty is not an abstraction. People wear it on their faces, carry it on their backs as a constant companion, and it is heavy.”<sup>1</sup>*

- Dennis Kucinich

Poverty affects millions of Americans but disproportionately affects people of color. Statistics show that just 8.7 percent of whites are poor, compared to 21.2 percent of Black Americans and 18.3 percent of Hispanics.<sup>2</sup> Being a person of color means you are “more than twice as likely to experience poverty in the United States as [your] white counterpart.”<sup>3</sup> The disparity is further illustrated when evaluating

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\* Tricia Young, J.D. Candidate, May 2021, DePaul University College of Law. Mrs. Young would like to thank Professor Carrie Chapman for her guidance and insight throughout her Poverty Law course, from which this paper was created. She would also like to thank her family and friends for their support, and the editorial board of Volume 14 of the DePaul Journal for Social Justice.

<sup>1</sup> Dennis Kucinich, Our Political Economy is Designed to Create Poverty and Inequality, THE NATION (Mar. 6, 2017), <https://www.thenation.com/article/our-political-economy-isdesigned-to-create-poverty-and-inequality/>.

<sup>2</sup> Stephani Becker, A Closer Look at Poverty Under the Trump Administration: We must continue the fight to end poverty and advance racial justice., SHRIVER CENTER ON POVERTY LAW, <https://www.povertylaw.org/article/a-closer-look-at-poverty-under-thetrump-administration/>.

<sup>3</sup> *Id.*

the alarming rates of intergenerational poverty. Just one-fourth of African American adults whose parents were poor make it to the middle class, while twice as many white adults whose parents were poor make it to the middle class.<sup>4</sup> Further, only six percent of black households are able to inherit wealth in comparison to four times as many white households.<sup>5</sup>

One aspect of intergenerational poverty is that there are few to no advantages a parent can pass on to their children. It means that poverty, and its associated lesser quality of life, is passed on to future generations. Parents who are stuck in a cycle of intergenerational poverty due to their economic and social circumstances are unfortunately doomed to pass those circumstances on to their children.<sup>6</sup> Take for example a lack of assets, which can serve as a long-term cause and effect of intergenerational poverty. Assets can be comprised of physical assets, such as a home, and financial assets, such as money.<sup>7</sup> Assets can serve as a critical element of the perpetuation of poverty because society's "efforts to prevent intergenerational poverty depend on their ability to sustainably increase family economic security and to prevent or ameliorate the adverse social conditions that make it more likely that children from impoverished homes will remain poor as adults."<sup>8</sup> Without assets to pass from one generation to another, poverty is destined to be cyclical.

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<sup>4</sup> Richard Rothstein, *Color of Law: A Forgotten History of How Our Government Segregated America 186*, (Liveright Publishing Corp. 2017).

<sup>5</sup> *Id.* at 186.

<sup>6</sup> On a personal note, the author was a full-time corporate employee and a wife and mother to one daughter prior to law school. She began pursuing her dream of attending law school after her daughter went off to college. As a parent one of the author's goals was and continues to be to provide her daughter with a better quality of life than she had—a sentiment shared by many. The author wants to provide her daughter with all the advantages that her own teenage parents were unable to provide to her growing up, and intergenerational poverty represents the polar opposite of that goal.

<sup>7</sup> Michelle Klampe, Nearly two-thirds of American children live in asset poverty, OSU NEWS AND RESEARCH COMMUNICATIONS (Feb. 21, 2019), <https://synergies.oregonstate.edu/2019/nearly-two-thirds-of-american-children-live-in-asset-poverty/> A physical home is most often an asset that can be passed from one generation to the next. While most people may not have liquid assets that can be passed on to future generations, home ownership is part of achieving the American dream.

<sup>8</sup> Mark J. Van Ryzin et. al, *The Promise of Prevention Science for Addressing Intergenerational Poverty*, PSYCHOLOGY, PUBLIC POLICY, AND LAW (2018).

### III. HOW PUBLIC BENEFITS IMPACT INTERGENERATIONAL POVERTY

Before the 1900s, public benefits were primarily administered by private charitable organizations with some help from the government.<sup>9</sup> The Social Security Act of 1935 was the federal government's first formal step toward providing national public benefits.<sup>10</sup> Public benefits were created to lift people out of poverty and create a path toward equal opportunity.<sup>11</sup> The purpose of public benefits was to eliminate a barrier for those in need to receive government support. Nevertheless, restrictions on public benefits have done just that—created barriers. Thus, it seems that the original goal of addressing and eliminating poverty has been significantly compromised.

Everyone who receives public benefits is subject to restrictions, regardless of how much an individual pays into the system.<sup>12</sup> Public benefits even have restrictions for the retired and elderly—despite these groups having paid into the system that supports the public benefits they receive.<sup>13</sup> In fact, the majority of public benefits are spent on the retired and the elderly.<sup>14</sup>

Some of these restrictions, such as Medicaid's lien and asset recovery restriction and the Supplemental Security Income program's asset limitation,

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<sup>9</sup> John E. Hansan, Ph.D., *Origins of the State and Federal Public Welfare Programs (1932-1935)*, VCU LIBRARIES SOCIAL WELFARE HISTORY PROJECT (Jan. 19, 2011), <https://socialwelfare.library.vcu.edu/public-welfare/origins-of-the-state-federal-publicwelfare-programs/>.

<sup>10</sup> *Id.*

<sup>11</sup> Becker, *supra* note 2; *See also* Economic Opportunity Act of 1964, Pub. L. No. 88-452, § 2, 78 Stat. 508, as amended, 42 U.S.C.A. § 2701“Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is, therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of the chapter to strengthen, supplement, and coordinate efforts in furtherance of that policy.”

<sup>12</sup> Joy Moses, *The Facts About Americans Who Receive Public Benefits: Misperceptions About Poverty In Our Country Complicate Effective Policymaking* CENTER FOR AMERICAN PROGRESS (Dec. 16, 2011), <https://www.americanprogress.org/issues/economy/reports/2011/12/16/10767/the-facts-about-americans-who-receive-public-benefits/>.

<sup>13</sup> *Id.*

<sup>14</sup> *Id.*

impact the assets of the recipient of public benefits.<sup>15</sup> When public benefits programs implement asset restrictions, those restrictions not only impact the people that have spent a lifetime paying into the system, but they also prevent the passage of their assets to future generations.

It is consistently debated in the public discourse and on both sides of the political aisle, how to cut public benefits and which public benefits should be cut.<sup>16</sup> However, the idea that our government will be able to simultaneously cut public benefits to reduce debt and still be able to help lower poverty is not only astoundingly nonsensical, but also oxymoronic. Eliminating or reducing public benefits does the exact opposite of addressing poverty. Rather, a reduction in public benefits increases poverty. Cutting public benefits would see more people go hungry, more people without health insurance, and more people without affordable housing.<sup>17</sup> In short, reducing public benefits increases poverty in general, and so logically, it would reason that it also increases intergenerational poverty specifically.<sup>18</sup>

#### IV. MEDICAID LIENS AND ESTATE RECOVERY

Medicaid was created in 1965 to expand access to healthcare for those living in poverty.<sup>19</sup> Medicaid is a program jointly funded by states and the federal government program that pays for “medically necessary” services for qualified individuals.<sup>20</sup>

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<sup>15</sup> Estate Recovery, <https://www.medicaid.gov/medicaid/eligibility/estater recovery/index.html> (last visited Dec. 16, 2019); C.F.R. § 416.1205 (1985).

<sup>16</sup> *Id.*

<sup>17</sup> *Id.*

<sup>18</sup> Becker, *supra* note 2.

<sup>19</sup> Office of the Assistant Secretary for Planning and Evaluation, Using Medicaid to Support Working Age Adults with Serious Mental Illnesses in the Community: A Handbook. A Brief History of Medicaid, U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES (Jan. 24, 2005). <https://aspe.hhs.gov/report/using-medicaid-support-workingage-adults-serious-mental-illnesses-community-handbook/brief-history-medicaid>.

<sup>20</sup> Carrie Chapman, Professor, DePaul University College of Law, Poverty Law Class Presentation on Medicaid (Oct. 14, 2019). Professor Carrie Chapman oversees litigation, legislation, and administrative advocacy while assisting program directors in supervising legal work. Professor Chapman also uses her experience at building and sustaining medical-legal partnerships to foster new relationships. Additionally, Professor Chapman has extensive experience serving people in poverty through litigation. Prior to her time at the Council, Professor Chapman directed the public benefits practice group at LAF where she supervised a 25-person team working on public benefits advocacy. Currently, Professor Chapman teaches “Poverty Law” at DePaul University School of Law as an adjunct faculty member.

To qualify for Medicaid in the current era, a childless adult between the ages of 19 and 64 must be a United States Citizen (or a non-citizen whose state meets Medicaid qualifiers), a resident of the state in which they are applying, and have income below 138 percent of the Federal Poverty Level (FPL).<sup>21</sup> Qualifying and applying for Medicaid is a cumbersome process.<sup>22</sup> This process is often challenging for administrators to understand.<sup>23</sup> If the process is challenging for the administrators, it begs the question of how applicants and recipients of the program are meant to navigate it.<sup>24</sup> One cannot help but wonder if the true goal in designing such a complex system was to frustrate people in need so much that they give up on pursuing the benefits.<sup>25</sup>

If a recipient is somehow able to navigate the complex process and in turn receives the desired benefits, such a recipient is not free from further frustrations that may lie in wait. For example, if a recipient receives a benefit, and it is later determined the recipient was not eligible for that benefit, the government may then attempt to recover for this error. Often this error is due to no fault of the recipient. States may then impose liens for Medicaid benefits incorrectly paid pursuant to a court judgment.<sup>26</sup>

States may also impose liens on real property during the lifetime of a Medicaid enrollee who is permanently institutionalized.<sup>27</sup> When Medicaid has paid out benefits for services such as nursing home expenses, hospital expenses, and prescription drugs, the state can attempt to recover such expenses by placing a lien against any property the Medicaid recipient may own. The lien will allow the state to receive reimbursement before the home is sold. The purpose of these restrictions or liens is to reduce Medicaid costs. Once a recipient's health has deteriorated to the point of initialization, they have not only lost their health and their freedom of movement, but they also risk losing their property. The purpose of these restrictions is to reduce Medicaid expenses, however, the question we must ask is, at what cost?

Medicaid restrictions on its face are race neutral. However, the restrictions have a discriminatory effect. In 2018, 3.1 million people in Illinois (with 1.4 million

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<sup>21</sup> *Id.*; Federal poverty levels are determined by the Department of Health and Human Services (HHS) and are used to determine eligibility for public benefit programs.

<sup>22</sup> *Id.*

<sup>23</sup> *Id.*

<sup>24</sup> *Id.*

<sup>25</sup> *Id.*

<sup>26</sup> 42 C.F.R. § 433.36(g)(1) (1982).

<sup>27</sup> Medicaid, Estate Recovery and Liens, <https://www.medicaid.gov/medicaid/eligibility/estate-recovery/index.html> (last visited Dec. 16, 2019); C.F.R. § 416.1205.

residing in Cook County alone) were receiving Medicaid.<sup>28</sup> In 2013, approximately 1.5 million of the recipients statewide were people of color.<sup>29</sup> People of color are significantly more likely to need Medicaid. African Americans make up only 14.23% of the population of Illinois, yet they make up 29% of those on Medicaid.<sup>30</sup>

It is not hard to conceive that Medicaid restrictions described herein have impacted the population in Cook County generally, and disparately impacted people of color. When considering that people of color make up a significantly smaller percentage of those who own homes yet make up such a large percentage of those on Medicaid, logically the impact on people of color is destined to carry tremendous weight.

## V. SSI ASSET LIMITS

Along with the Medicaid lien and estate recovery restrictions, asset limit restrictions on Social Security Income (SSI) is another policy that on its face is race-neutral but has a discriminatory effect.<sup>31</sup> SSI was created in 1972 to replace a public benefit system funded by the government but administered by individual states.<sup>32</sup> It provides monthly cash to the recipient.<sup>33</sup>

The SSI program's primary objective is to provide financial support to children, blind, elderly, disabled, or poor individuals with minimal assets.<sup>34</sup> The program's purpose was "to supplement the incomes of individuals who were ineligible for Social Security or whose benefits could not provide a basic living."<sup>35</sup> However,

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<sup>28</sup> Illinois Department of Healthcare and Family Services, Number of Persons Enrolled in the Entire State, <https://www.illinois.gov/hfs/info/factsfigures/Program%20Enrollment/Pages/Statewide.a.spx> (last visited Dec. 16, 2019); Illinois Department of Healthcare and Family Services, Number of Persons Enrolled in Cook County, <https://www.illinois.gov/hfs/info/factsfigures/Program%20Enrollment/Pages/cook.aspx> (last visited Dec. 16, 2019).

<sup>29</sup> KAISER FAMILY FOUNDATION, <https://www.kff.org/medicaid/state-indicator/medicaid-enrollment-by-raceethnicity> (last visited Dec. 18, 2019).

<sup>30</sup> *Id.*

<sup>31</sup> C.F.R. § 416.1205.

<sup>32</sup> *Introduction to the Supplemental Security Income (SSI) Program*, CENTER ON BUDGET AND POLICY PRIORITIES, (Feb. 27, 2014), <https://www.cbpp.org/research/introduction-to-the-supplemental-security-income-ssi-program> (last visited Dec. 19, 2019).

<sup>33</sup> *Id.*

<sup>34</sup> *Id.*

<sup>35</sup> 2012 SSA, SSI Annual Statistical Reportp.1., [https://www.ssa.gov/policy/docs/statcomps/ssi\\_asr/2012/background.pdf](https://www.ssa.gov/policy/docs/statcomps/ssi_asr/2012/background.pdf)

eligibility is based on income and only people below the income threshold qualify.<sup>36</sup> These limits “set up a perverse and counterintuitive structure that compels people to spend down their monthly earnings or risk having their benefits cut.”<sup>37</sup> Additionally, the SSI limits of \$2000 for individuals and \$3000 for married couples has not been updated in 40 years.<sup>38</sup>

Although the purpose and principles<sup>39</sup> of the SSI program appear to be race neutral, African Americans are disparately impacted. For example, African Americans are more likely to be disabled.<sup>40</sup> Fourteen point four percent of African-Americans are disabled in comparison to 12.6 percent in the total population.”<sup>41</sup> In this regard, African Americans are more likely to depend on SSI for disability benefits.<sup>42</sup> Additionally, the median earnings in 2014 “for people who worked full-time, year-round were \$44,000 for all workers, compared to \$31,760 for African Americans and \$30,000 for Hispanics.”<sup>43</sup> Again, with a greater percent of people of color making significantly less, they are more likely to depend on SSI, and thus they are also more likely to be adversely impacted by the restrictions placed on SSI benefits.

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<sup>36</sup> Azza Altiraifi, *A Deadly Poverty Trap: Asset Limits in the Time of Coronavirus*, CENTER FOR AMERICAN PROGRESS (April 7, 2020), <https://www.americanprogress.org/issues/disability/news/2020/04/07/482736/deadly-poverty-trap-asset-limits-time-coronavirus/>.

<sup>37</sup> *Id.*

<sup>38</sup> *Id.*

<sup>39</sup> The following principles were designed by Congress for the SSI program: eligibility requirements and benefit standards that are nationally uniform and eligibility determinations based on objective criteria; an assistance source of last resort for the aged, blind, or disabled whose income and resources are below specified levels; incentives and opportunities for those recipients able to work or to be rehabilitated that would enable them to reduce their dependency on public assistance; an efficient and economical method of providing assistance; inducements to encourage States to provide supplementation of the basic Federal benefit and protection for former recipients of State adult assistance programs who were converted to the SSI program; and appropriate coordination of the SSI program with the food stamp, medical assistance, and other programs. 2011 Annual Report of the SSI Program, <https://www.ssa.gov/oact/ssir/SSI11/ProgramDescription.html>.

<sup>40</sup> Patricia P. Martin and John L. Murphy, *African Americans: Description of Social Security and Supplemental Security Income and Participation and Benefit Levels Using the American Community Survey*, SOCIAL SECURITY OFFICE OF RETIREMENT AND DISABILITY POLICY (January 2014), <https://www.ssa.gov/policy/docs/rsnotes/rsn2014-01.html>.

<sup>41</sup> *Id.*

<sup>42</sup> *Id.*

<sup>43</sup> *Social Security and People of Color*, NATIONAL ACADEMY OF SOCIAL INSURANCE, <https://www.nasi.org/learn/socialsecurity/people-of-color> (last visited Dec. 15, 2019).

## VI. A CHANGE MUST COME

The United States is not absolved from making diligent efforts to address the continued neglect of those most in need. If the U.S. does not make meaningful efforts to reduce poverty, it is doomed to repeat the mistakes of the past, i.e., putting the wants of the rich before the needs of the poor.

This nation is filled with people of varying degrees of economic capability and social circumstance. However, “any government program will affect different Americans differently even if, on its face, the program treats all alike.”<sup>44</sup> Nonetheless, equality and equity should remain the goal. Actions such as “the President’s 2019 proposed budget and the House Budget Committee’s party-line vote” that would “make major cuts to SNAP, TANF, SSI, and Medicaid,”<sup>45</sup> do not align with efforts to provide equity and equality. Rather, these actions reflect an old way of thinking and acting and must be adapted to better fit the country’s needs.

For far too long, and after so much neglect, a remedy for poverty has seemed out of reach. It is imperative that the government’s focus, as well as society’s, must be to develop policies and programs that improve the lives of our most needy and vulnerable. The challenge is and will remain difficult, but not impossible. The difficulty is owed, in part, to a racist system, particularly affecting African Americans who face these programs most often. Meaningfully addressing centuries of racial inequality that have created intergenerational poverty for people of color is critical to ending the cycle.

Historically, “the interest of blacks in achieving racial equality will be accommodated only when it converges with the interests of whites.”<sup>46</sup> This theory of interest convergence can also be applied to public benefits and intergenerational poverty. When the interests of the government (and wealthy) converge with the interests of the poor and oppressed intergenerational poverty truly can be addressed. Thus, to provide a resolution to intergenerational poverty, the United States requires better public benefits policies that do not stunt the acquisition of wealth and assets,

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<sup>44</sup> Rothstein, *supra* note 4, at 188.

<sup>45</sup> Becker, *supra* note 2.

<sup>46</sup> Derek A. Bell, Jr., *Brown v. Board of Education and the Interest-Convergence Dilemma*, 93 *Harv. L. Rev.* 518, 523 (1980). Bell discusses how *Brown v. Board of Ed.* only succeeded because the desire of the US to improve their viewing overseas and the interest of people of color for better education converged. They did not have the same reasons for wanting school integration, however, integration helped them achieve different goals. Additionally, Bell states that “many poorer whites oppose social reform as “welfare programs for blacks” although, ironically, they have employment, education, and social service needs that differ from those of poor blacks by a margin that, without a racial scorecard, is difficult to measure.”

better national health care policies that do not force society to stay poor in an effort to stay healthy, and better employment policies that do not force the living poor to work for wages that cannot sustain an adequate way of life.

We will see progress only when we as a society consider and develop programs to address poverty without ignoring systematic racism. Programs such as Universal Basic Income (UBI) are promising. “A universal basic income, or UBI, is a fixed income that every adult—rich or poor, working or idle—automatically receives from government.”<sup>47</sup> Programs like UBI could begin to address systematic racism and intergenerational poverty. “The ideal is that a society, as a first priority, would look out for its people’s survival; the lesson is that possibly it can do so without unequal redistributive plans.”<sup>48</sup> UBI is not perfect, it is not a one-size-fits-all solution, but it is a start. If the needy do not have an income that can sustain an adequate way of life, the next generation will have very little chance of avoiding intergenerational poverty.

One of the most common misconceptions in the United States about poverty is that we can “pull [ourselves] up by [our] bootstraps.”<sup>49</sup> It is a phrase that says to people that are poor that they should be able to resolve their needs independently, without government help and that their poverty is their fault. Yet, no suggestion is provided on how to accomplish the task of pulling oneself out of poverty. There is little to no acknowledgment that systematic racism has stacked barriers against people of color before they are even born. The perspective often seems to be that poor people should “just do it, just fix it, and just stop asking for something for nothing.” Dialogue about UBI perpetuates this narrative by suggesting, sometimes blatantly, that people are receiving something for nothing. As a result, UBI is often vehemently opposed.<sup>50</sup> However, UBI does not absolve the poor of having to work. In fact, UBI alone does not provide enough to survive, much less to thrive.

Remedies such as UBI are just one example of how our society has tried to address intergenerational poverty. While the challenges in addressing and eventually ending intergenerational poverty remain, there are solutions. A

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<sup>47</sup> Nathan Heller, Who Really Stands to Win from Universal Basic Income? It has enthusiasts on both the left and right. Maybe that’s the giveaway, THE NEW YORKER (Jul. 2018), <https://www.newyorker.com/magazine/2018/07/09/who-really-stands-to-win-from-universal-basic-income>. UBI has advocates and proponents. Some of the advocates are the super-rich.

<sup>48</sup> *Id.*

<sup>49</sup> Sarah Alvarez, Where does the phrase “pull yourself up by your bootstraps” actually come from?, MICHIGAN RADIO WUOM FM (Apr. 7, 2015), <https://stateofopportunity.michiganradio.org/post/where-does-phrase-pull-yourself-your-bootstraps-actually-come>.

<sup>50</sup> However, one of the democratic candidates for president, Andrew Yang, has built his campaign around UBI and the idea seems to be gaining some traction.

discussion of intergenerational poverty, in general, requires an analysis of the restraints created by our current polarizing political climate.<sup>51</sup> Furthermore, intergenerational poverty specifically for people of color requires an understanding of the history of racism and an acknowledgement that white nationalism is growing.<sup>52</sup>

The United States must consider options that prioritize people before profit. If government budget concerns are such a high priority, why are the tax breaks predominantly for the wealthy and corporations?<sup>53</sup> The government should enact tax policies that benefit those who need tax breaks the most. Providing tax breaks for the people that need it the least is counterintuitive. If our leaders, particularly in a bipartisan effort, were to establish tax policies that help the those in need and justify it based on an effort to reduce dependency on public benefits, taxpayers would likely be more inclined to support the policies.

To address intergenerational poverty for people of color, we must consider options that do not obfuscate systematic racism. For example, “in Chicago, 87 percent of voucher holder heads of households are Black, 81 percent of households are headed by women, and 40 percent of households have at least one member with a disability.”<sup>54</sup> Considering that the majority of voucher holders in Chicago are African American, the government should purchase 87 percent of the homes at the current market rate that become available in a neighborhood of their choice and sell the homes to the voucher holder at a price that is affordable based on their current income. A program such as this could and should be established based on a theory of reparations.<sup>55</sup> Considering “the average per capita income of Chicago’s white

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<sup>51</sup> Kucinich, *supra* note 1.

<sup>52</sup> Richard Lord, The Pull of extremism: White nationalism is Growing and Dividing, PITTSBURG GAZETTE (Oct. 21, 2019), <https://www.post-gazette.com/news/crime-courts/2019/10/21/White-nationalism-online-supremacy-Tree-of-life-shooting-Robert-Bowers-screw-your-optics/stories/201910040166>. White nationalists embrace an ideology that nonwhite people are inferior and white people are superior.

<sup>53</sup> Camilo Maldonado, Trump Tax Cuts Helped Billionaires Pay Less Taxes Than the Working Class in 2018, FORBES (Oct. 10, 2019), <https://www.forbes.com/sites/camilomaldonado/2019/10/10/trump-tax-cuts-helped-billionaires-pay-less-taxes-than-the-working-class-in-2018/#3cde39613128>.

<sup>54</sup> Amanda Insalaco, Fifty Years Since Passage of the Fair Housing Act: Rent-To-Income Ratios in the Persistence of Residential Racial Segregation in Chicago, 51 J. Marshall L. Rev. 551, 575 (2018) (citing Chicago Policy

Research Team, Not Welcome: The Uneven Geographies of Housing Choice, U. OF CHI. (2017)). Amanda is a 2019 DePaul University College of Law graduate. Amanda is currently a staff attorney and Borchard Fellow at the Center for Disability & Elder Law in Chicago, Ill.

<sup>55</sup> Ta-Nehisi Coates, The Case for Reparations: Two hundred fifty years of slavery. Ninety years of Jim Crow. Sixty years of separate but equal. Thirty-five years of racist housing policy. Until we reckon with our compounding moral debts, America will never be whole, THE ATLANTIC (June

neighborhoods is almost three times that of its black neighborhoods” and the “income gap between black and white households is roughly the same today as it was in 1970,” reparations could help close the income gap and resolve the housing crisis still prevalent in communities of color.<sup>56</sup>

Finally, and most relevant to this Article, the government should do away with the asset restrictions on public benefits. Penalizing someone in need of help by taking away their assets is, frankly, inhumane. The threat of losing one’s home will only serve to further perpetuate poverty.

## VII. CONCLUSION

For years, the federal government has been waging war on the poor in an effort to reduce the budget. When President Trump proposed to redefine “poverty,” he was unequivocally attempting to reduce the number of people that would be eligible for public benefits.<sup>57</sup> This attempt by President Trump is telling. “An administration genuinely concerned about how best to serve the poor with government assistance programs wouldn’t start with tweaking the inflation rate. It would start with examining years of research examining whether the poverty line itself is adequate, or—as seems to be the case—too low.”<sup>58</sup>

When public policies are guided primarily by a desire to reduce the government budget, as the United States’ public policies undoubtedly are, they are destined to harm the people that need them most. As benevolent as the government may claim its actions to be, in the end, the desire for more and more commerce often contradicts whatever good intentions there may have been. It is easy to see that the government’s decision-making regarding public benefits and, more generally, poverty itself, has at least one glaring problem: the rich continue to get richer and the poor remain poor and even become poorer.

Our federal government’s fundamental failure to put the interests of profit over the genuine pursuit of ending poverty in the United States has been catastrophic and will echo throughout generations. To address and creating lasting solutions to the problem of intergenerational poverty, the United States cannot limit itself

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2014), <https://www.theatlantic.com/magazine/archive/2014/06/the-case-for-reparations/361631/> (“Something more than moral pressure calls America to reparations. We cannot escape our history. All of our solutions to the great problems of health care, education, housing, and economic inequality are troubled by what must go unspoken.”)

<sup>56</sup> *Id.*

<sup>57</sup> Micheal Hiltzik, *Column: Trump proposes to use a sham inflation rate to throw millions off poverty rolls*, LOS ANGELES TIMES (May 7, 2019), <https://www.latimes.com/business/hiltzik/la-fi-hiltzik-trump-poverty-rate-20190507-story.html>.

<sup>58</sup> *Id.*

simply to Medicaid liens, asset recovery, and SSI asset limit restrictions as discussed herein.

It is worth mentioning that the racism and classism deeply rooted in the history of the United States extends far beyond the discussion included here. However, understanding, evaluating, and critically analyzing these public benefits can provide us with a valuable framework for eradicating intergenerational poverty—or at the very least avoid further hampering the transfer of intergenerational wealth.

“The quality of life in U.S. society depends on the personal accumulation of wealth.”<sup>59</sup> But when public benefits act to create a barrier to the accumulation of wealth and prevent the ability to pass on wealth to future generations, society, particularly people of color, suffers. These barriers “continue to play themselves out in the contemporary moment, as Black and white wealth disparities remain entrenched because of their deep roots in a systemically racist and unequal” society.<sup>60</sup> However, society should not be confined to remaining in this moment and repeating the mistakes of the past. A change must come.

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<sup>59</sup> Keeanga-Yamahtta Taylor, *Race for Profit: How Banks and the Real Estate Industry Undermined Black Homeownership* 261 (2019).

<sup>60</sup> *Id.* at 261-62.