

Transcript of *Fed Listens*: Transitioning to the Post-pandemic Economy Part 2

VICE CHAIR BRAINARD. And how they are experiencing the economy. And we've got representatives from four different community organizations. And so we'll have a chance to ask related questions to hear about the people that you work with. You know, just by stepping back for a second, if I think a little bit about the cross currents that are hitting the economy on the one hand, we've got Americans back to school, back to work, even if they're not in workplaces, they're back to work. And the economy really did come out of the pandemic with some strength. We recently saw a report suggesting unprecedented declines in child -- children's poverty, even with the pandemic over the last few decades, and of course, that's looking to the future. When I look more towards our retired populations, we've seen two and a quarter million people retire early, associated with the pandemic. And they don't seem to be coming back to the workforce. We have seen high wage growth among the lowest income workers. But looking overall, wages haven't kept up with inflation and inflation is very high. And if we look at who bears the burden, everybody is affected by high inflation. But of course, it puts special burdens on lower income families as well as on people with fixed incomes. And if we look at lower income families, they spend three quarters of their incomes on necessities, more than twice what higher income people do. And of course, that's really concentrated in food, prices at the pump associated with the war against Ukraine, not obvious that we're going to see a lot of relief there. And we heard a little bit about drought as well. So what I'd like to do is just drill into how the people that you're serving are experiencing some of those crosscurrents. So I'm going to start with Derrick Chubbs. Derrick is President and CEO of Second Harvest Food Bank in Orlando, Florida, which is the region's largest hunger relief agency. It distributes more than 250,000 meals per day, is that right, in central -- in six central Florida counties. Derrick previously led the Central Texas Food Bank in

Austin. And he's held senior leadership positions at the American Red Cross, and companies such as IBM, Pervasive Software, and Dell. So Derrick, welcome. We're really glad that you could be here with us. I do want to just hone in on this issue of food security. And just ask you how high inflation, particularly in food, is affecting the communities you serve, and your organization's ability to serve them?

DERRICK CHUBBS. Thank you. First of all, thank you for the opportunity to sit amongst you and advocate for those individuals who aren't able to advocate for themselves. This is extremely important. It doesn't happen often, so I cannot thank you enough for this opportunity and your willingness to listen. We -- you know, we've all had a couple of difficult years and so have those we've served. And we were all ready to believe that post-pandemic life was going to be back to normal. But as it turns out, for those who experience hunger or are concerned about hunger, that's not necessarily the case. Second Harvest Food Bank of Central Florida is one of a couple of hundred food banks that make up the Feeding America Network across the country, also one of 14 food banks that span across the state of Florida. And while my story, or our story in many cases, is going to be central to Central Florida, around 65 percent to 70 percent of my peer CEOs and executive directors across the country would sit here and tell a very similar story. You know, during the pandemic we had a strong national response. We had strong government response. We had strong charity responses. And we couldn't be more excited about that. But that enhanced support with unemployment assistance, stimulus checks, childcare, you know, assistance, homeowner assistance, was wonderful. But now that we've combined it with inflation, that means that the problems are cropping up all over again. What's different this time is that the level of support that we received during the pandemic is on the decline. Feeding America itself estimates that there were probably, during the pandemic, around 53 million

Americans across the country who weren't really sure where their next meal is coming from. Let's wrap our heads around that number. That's a lot of people. It's a lot of children. One in five of our babies don't know where their next meal is coming from. In central Florida we estimate around a half million are food insecure and aren't really sure of where their next meal is coming from. And most of those individuals are suffering from a recovery period. I once heard a stat that was around the fact that most of Americans only had around \$400 bucks set aside for a rainy day. So think of that rainy day fund pre-pandemic. Think of that rainy day period through unemployment and the challenges that we saw during the pandemic. Think of how long it will take to recover when you've lost a job or someone in the family has lost a job. And that basically brings us to today. In central Florida, before the pandemic, we were distributing around 150,000 meals a day. During the pandemic that number went up to 300,000 meals a day. And today we're leveling off at around 250,000 meals a day. Now let me add a little additional context to that. In 2019, around January, a gallon of milk was around \$2.90, today it's over \$4. Now if I'm someone who was struggling with food insecurity, at the \$2.90 mark, the likelihood of my being able to recover from that today is somewhat slim. And I don't know about you, but very rarely do we go back to the grocery store and see those prices return back to where they were two years ago. So we hear so many stories from our clients. We distribute our food through a group of about 500 partner agencies. These are soup kitchens, food pantries, and the like. Some of them specialize in focusing on seniors, some of them focus on providing food for those who are experiencing homelessness. And we're hearing a variety of different kinds of stories. They range from, I'm having to sell my food stamps in order to get my rent paid. That's today. From, you know, the script has flipped, you know, first there was the shutdown and lack of income and funds. Now two years later we're paying back everything and it's hurting more than ever before, \$40,000 or

\$50,000 used to really matter. And now I'm making \$40,000 to \$50,000, I can barely get my rent paid in central Florida. It -- that's what we're looking at today. And I'm going to probably answer both of your questions that I have with this, if you don't mind. Something that we like to say frequently, and I might have been faced this myself when I first started, is the face of hunger really isn't what we think. We automatically default to this preconceived notion that you're either homeless, you're unemployed, or you just don't want to work. When a significant portion of those that depend on our services day in and day out are working families. Some of them working multiple jobs. And they range from seniors, they range from -- who were on a fixed income, or now that the pandemic has passed and we're seeing heightened inflation, that they may be taking care of one of their own children or taking care of their grandchildren. So it's that same fixed income, but the cost is even more. You know, in addition to that, just the normal family that's -- we're seeing families bring in other families and families combining themselves, just so they can make ends meet. And particularly when we're talking about the rising cost of housing that we continue to see. So that's what our clients are seeing, or those who depend on us are seeing, day in and day out. But those challenges, our food banks are not immune to those challenges either. You know, we're still businesses running day in and day out trying to provide these services. And we are seeing challenges from a food sourcing perspective. Tom and I were talking outside when we mentioned the drought that's taking place. We source a significant amount of food from farmers. And if that food isn't there then we're going to have problems sourcing it. We typically would -- we get food, or most food banks get food in three ways, primarily. There's the food that is donated to us throughout -- from the retail channels. There's food that's provided to us from the government, from the USDA. And then there's the food that we purchase. On the average, Second Harvest of Central Florida, we would spend around \$2.5

million on an annualized basis pre-pandemic. This past July we had already spent \$6 million. So that's then 25 percent increase in transportation costs. We put 22 trucks on the road every single morning. That's the cost of food that we're having to see and trying to procure that food. And that's also with the increased demand that we're seeing for that food as well. So those are some of the issues that we're -- you're starting to see day in and day out. It's short, but it's very to the point. We don't see anything ending any time soon. In fact, we're about to go into the holiday season and every single one of us in the room probably associates food and family with the holiday season. But there'll be millions of Americans who won't be able to do that. Millions of children who will not be able to do that, based on the economic situation that we're seeing today, because so many of them simply have not recovered. And that's what we're seeing. And again, thank you, again for the opportunity to just bring this issue to the surface, on behalf of myself, as well as my other 199 peers across the country.

VICE CHAIR BRAINARD. Let me ask my colleagues if they have questions, if not, I do have one follow up. So I'm still struggling a little bit, we got this hot jobs market and wages have grown a lot, and food security is really fragile, and it sounds like no relief in sight. So how do I reconcile those things?

DERRICK CHUBBS. I'm not entirely sure how you reconcile those things, Governor. We're asking ourselves the same question. When the need increases we've been able to scale so far. Again, the challenge is simply around those that we provide services to are struggling to recover. We're also seeing the demographics change a bit as well. We used to automatically associate hunger with low income. We're starting to see middle class be a part of that as well, whether it's based on the long recovery period because of the pandemic, or it's just simply challenges that they're seeing. Forty percent of our new -- we've seen a 40 percent increase in

people who are seeking out our services for the first time. I wish you could hear some of those stories. I never ever thought I would be here. We were doing fine a couple of years ago and now we're literally struggling to make ends meet. Whatever little money we have runs out around the third week of the month. And thank goodness, we have food banks that we can depend on. But there's only so much that even we can do because the gap really didn't narrow from what we are distributing on a daily basis. We don't -- we're not seeing that gap today, Governor. In fact, we're seeing that number increase.

GOVERNOR WALLER. Can I ask, this is just kind of a data question. So of all the people you serve, is what fraction would be say, elderly, retired, working poor, not working?

DERRICK CHUBBS. We are not capturing a significant -- and I have to give you, I can give you dated information on that. We don't have that information as of today.

GOVERNOR WALLER. Oh. All right.

DERRICK CHUBBS. But what we would typically see is, let's go back to that -- those experiencing homelessness. That's a less than -- that was a less than 10 percent number. What we saw with those that were working, that was in the high 60 percentile range, pushing 70 percent, working at least one job, and in so many cases even more than that. So those are the numbers that we're starting to see. We'll get new data probably toward the end of this year. But based on the fact that we're still 40 to 60 percent higher than we were pre-pandemic, the likelihood of those numbers changing very radically is pretty slim.

GOVERNOR WALLER. Yeah. So I guess this goes back to Governor Brainard's question. You have people who are working they're in a hot labor market, but they're not earning enough to even have food security.

DERRICK CHUBBS. Absolutely. That is the challenge that we're seeing.

GOVERNOR BOWMAN. Could I just ask -- if you've spent, or if you're using up \$6 million by July, how do you expect to be able to continue to provide the same level of service throughout the rest of this year and then into next year? What are -- how are you thinking about how you'll be able to continue providing this vital service to these people in need?

DERRICK CHUBBS. That's a good question, Governor, and thank you. We were very fortunate during the pandemic the community rolled out in ways that were unimaginable. But we -- but now is the time that we're spending down on those dollars. We expect, at the current rate, we expect that to last maybe about another couple of years max. However, we don't see the need decreasing, you know, we don't see the need to decreasing next year, nor do we see the need decreasing into 2024. We're hoping toward the end of 2024 we may start to see things level off of a bit.

CHAIR POWELL. Your funding comes mostly from government, mostly from private donations, from long term foundations, or where does it tend to come from?

DERRICK CHUBBS. From a central Florida perspective, the majority of our donations come from individuals.

CHAIR POWELL. Individuals.

DERRICK CHUBBS. Which is very comforting. Around, you know, over 60 percent comes from individuals. So we're hoping that that will continue even though it's starting to decline, not a steep decline, but I think a significant portion of that is the thought process that, or the misconception that this thing is over, and it's not.

VICE CHAIR BRAINARD. All right. Well thanks Derrick. We're going to move next to Dr. Brenda Hellyer. Brenda is the fifth Chancellor of San Jacinto College, which is the eighth largest community college in Texas, and a national top five community college as recognized by

the Aspen Institute. Before becoming Chancellor in 2009, Brenda served in a variety of roles, including Executive Vice Chancellor, Vice Chancellor for Fiscal Affairs, and Executive Vice President for Resource Development, and previously was in the corporate world and a small business owner. So Brenda, thank you so much for being with us. You know, it'd be great to hear a little bit about what jobs you are preparing your students from -- for, whether those jobs and skills have shifted in this post-pandemic economy. And as a result, whether you've made changes to your educational offerings to help prepare your students for the job market that we're seeing today?

BRENDA HELLYER. Thank you and thank you for having me here today. I'm absolutely delighted. So San Jacinto College is in the Gulf Coast Region, we're outside of Houston. We have this fall about 31,000 students. We are down about 2,000 students or 6 percent since Fall of '19, which is our prior pre-COVID numbers. We serve about 65 percent of our students are Hispanic, about 10 percent are black, and our white population is declining, that's 17 percent right now. Forty two percent of our students are first generation to college. And if I look by demographics, about 48 percent of our Hispanic students are first generation to college. Our high schools are our school districts in the area, they are about 75 percent on free and reduced lunch. And so pretty high economic needs there. From a standpoint of breakdown males to females, we lost a lot of males during COVID from that enrollment standpoint. Our males had been at 41 percent through COVID, then they were down to 38 percent of our enrollment. They -- was almost all the decline were in our male students. We are back on a percentage right now. Where we are seeing a decline still is with our black males coming back to school and really reaching out into them. When I -- our enrollment -- when I look at the pieces of it, our first time in college students are kind of flat right now. We had lost quite a few from those

May 2020 graduates, they didn't go anywhere. When we can see that the college going rate in our community was 52 percent before COVID, that -- those May 2020 graduates it was only 45 percent. So I'm really concerned. Where are they? How do we bring them back? We've seen increases in first time in college students since then. But we've also seen a decline in our over 25 year old students. And so that's an area that we're really reaching into to understand what's going on. So of our offerings, about 35 percent are directly tied to workforce training. And so getting into the jobs. We're in the heart of petrochemical. We're in the heart of maritime, aerospace, and then the health sciences. And so those are the major jobs we're training for. And we're very lucky for the relationships we have in our community. And when I say that, in Petrochem there's 133 petrochemical companies in our region. And so these are great paying jobs. One of our graduates will come out and make \$65,000 the first year and that's with an associate degree. The other thing that was really important is before COVID, before the pandemic, we had very strong relationships with industry. All community colleges have advisory committees made up of industry people who serve on them and working on curriculum. We also, at my college, have an advisory council. It's a Chancellor's Advisory Council and it's C suite. I mean it's our plant managers, our VPs, and our CEOs, meeting with me and members of my team, and we're really focused strategically on workforce needs. So with petrochemical, right before COVID, we had opened a \$60 million new training facility. And it was a facility, if you talk to industry they'll this is a facility designed by industry for industry. It is a day in the life of an operator. It takes students all the way through what really is going to happen out at a plant. Even to a point they're last semester with us, they're doing shift work. They're doing 24 hour shift work, eight hour shifts, so that they can climb the stack. It's a two story, 8,000 square foot training facility, but they're doing it just like they would at a plant. And it was a total redesign of curriculum. Industry

wanted to read the brand in our community, because you had asked the question, Governor Cook, about people living in these areas that -- these jobs weren't sexy to them. It's what was happening with our youth, we didn't have a pipeline. And so we really worked with industry to redesign how we trained and how we recruited together, going into high schools, going into eighth grade and trying to build, these are the jobs. And they're not the jobs that you had -- that your parents had where it didn't take a credential. So that was -- that's been important work.

We've done the same thing with maritime. We're the number one port in the country. And I heard all the logistics problems. That's exactly what we were trying to train for. Deckhands, tow boat operators, tug operators, and so, again, a program designed by industry. U.S. Coast Guard approved courses. We're right there on the ship channel, people didn't even know about these jobs. So the demand is definitely there. How it's changed is, through COVID, our partners were nervous that we weren't doing the technical hands on training because there was so much remote. And so we made it really clear how we were doing hybrid. A lot of the lecture piece can be online, the hands on you got to come into class and you get that hands on. You can't learn to run a control room remotely. You can't learn to run a tug if you're not on the simulator there where you're getting that. Another area where we really saw changes is in the health sciences, nursing. And so we have always prepared licensed vocational nurses, associate degree nurses, and we had just gotten approved from the State of Texas to do a Bachelor of Science in Nursing because so many of our hospitals were going to BSN. Through COVID that's all changed. What we're doing right now is we're working on a pipeline from CNAs, certified nursing assistants, LVNs to associate degree, to bachelor, so that our hospitals have that team approach. And it has really been -- when I called them they were like, no Brenda, don't stop those LVN programs at CNA, we need you to help build that pipeline. In the state of Texas, something that's been very creative

that's just starting, is our Texas Workforce Commissioner, Julian Alvarez, has set aside \$15 million so that we can have apprenticeships in nursing programs. So before, students were doing clinicals unpaid, that was part of the whole training perimeters. Right now that's being redesigned so that our hospitals will have state resources to help do apprenticeships to move them into these fields. So it has really been all relationship building. Tell us how it's changed and let's figure out how we're going to redesign this together. And it has really, I think, served us well. We had a big industry forum yesterday, about 800 people, and it was focused on Petrochem and maritime. The demand for those jobs are there. The biggest thing is how do we make sure they've got the aptitude and the skills. And then how do we help build the attitude. Really building a safety culture, time management. All those soft skills that you hear about, we're building those into the curriculum. And that's what we keep hearing about from our industry partners. When I hear about the demand, same thing I heard on that side, the retirements, our companies have about 20 percent to 25 percent of their production people are ready to retire. They want our pipeline to continue. They said don't pull back, we're hiring. And so they are pretty much hiring every recruit that we can put out of the Petrochem. It's about 95 percent placement. And again, at a \$65,000 a year starting wage it's pretty impressive. Challenges. Do you want -- I can move to the second question, the barriers. The higher education emergency relief fund that was provided to colleges has been amazing. What we were able to do with that, we had received about \$78 million of that, about \$40 million went directly into students hands, and so that they could finish courses. We wrote off of the debt. You know, we had them retake classes if they failed that first semester of COVID. We had them retake classes for free. We got additional training funds from the -- from Texas so that we could take people who had some college but hadn't completed, and we could pay for that. So we've been able to put a lot of

resources into getting people trained and really help support them. That's all running out. And so as you heard about the food needs, we put -- I have food pantries on every one of my campuses, we're distributing food. We have free cafe meals for our students coming from our high schools, who are on free and economic reduced lunches, we provide that food. Mental health counseling, huge resource that we're putting into place. And our community partners are so important for us making sure we've got those resources. But so much of that is running out. And from a budgeting standpoint, we receive funds, some funds from the state about 24 percent, and then the rest of our budget is split between taxes and tuition and fees. We haven't had a tuition and fee increase in five years: we will need to have one next year. I can't sustain the salaries I'm having to pay and just the costs of operating without that. Property taxes have been our sustaining. I mean, our property tax revenues are really increasing. We are very -- we operate very much from a conservative standpoint, trying to be -- we realized that the taxpayers are huge supporters of us and we need a great partnership. But I see tuition and fees having to increase next year. And just so you know, we're pretty economical. Our tuition rates are \$78 a semester credit hour and \$135 a semester credit hour. So you can go full time with us for less than \$1,300 a semester. And we also have put in place, and we had started it before COVID, but we've kept it in place and we're expanding it, is open educational resources. So we've saved our students \$26 million in costs related to books because we've gone all online. And so everything we're focused on is how do we reduce costs to students but deliver an excellent product. So that's kind of the summary. There's a lot happening. And I see incredible potential, but it really is how do we make -- help people see they've got to get the skill sets to get into these jobs.

VICE CHAIR BRAINARD. Questions from my colleagues?

CHAIR POWELL. So the partnership with industry sounds really interesting and very important. Do they -- does industry help at all with tuition or apprenticeships or things like that. It sounds like they're quite involved in.

BRENDA HELLYER. They do. On -- so one of the things is in our industries like Petrochem and maritime, I hire people from those fields. The person running my petrochemical was a plant manager, retired. He's got those relationships, and he's building those apprenticeships and those internships. Sometimes we don't use apprenticeships because it's got some, you know, baggage with it at times because there's some reporting requirements and things. But we get creative in the model they're going to set up. So they do pay those. They are on our campus. They're observing our courses. They're helping -- so one of the things also -- I need faculty who are up to date on practices. So our faculty write a paper on what they need assistance with and they go out and do an externship and industry pays for them to be back out at their plant so that they're keeping up. So the support from industry's amazing. We had a job fair last week for Petrochem, 33 companies came out. They're helping our students write resumes, helping them interview.

GOVERNOR JEFFERSON. So what is your organization's hypothesis about the gender differential with respect to men and women returning to school or your campuses or not?

BRENDA HELLYER. So one of the things that -- there's always a hypothesis, right. So that first year -- so one of the things we did through COVID is we had SanJac cares calls. And we had 600 employees calling out to our students. Those who have come back, just checking on them. Since that time those two years we've made over 60,000 calls. And it's really -- they started out, we just want to check on you, what do you need from us? And at first, the males, it was more I need to work and I can't juggle all of this. And right now it seems to be the more the

women, and it is more, I need to take care of the family. So it's all over the place. But I've been concerned about our male enrollment for a long time. And so even, I mean, that's been just one of those trends that we've seen. And so it is really how do we look at how do we better serve the male students also. Is there something they need from us? And those are the conversations we're having from them. From our parenting students, and about 40 percent of our students our parenting students, they needed childcare support. So we've used funds from HEERF. We've used Perkins Funds and we're paying childcare for them now. We used to make it where we were paying it after the fact. Well they couldn't upfront the money, so we're paying directly to the facility. So the reasons are all over the place. And everything we keep doing is, OK, how do we put a holistic student service support in place?

GOVERNOR JEFFERSON. Thank you.

VICE CHAIR BRAINARD. All right. I'm going to move now to Nancy LeaMond. Nancy Lamond is responsible for advancing AARP's social mission on behalf of Americans over 50 and their families. She leads the federal and state advocacy work. And she also oversees public education programs, community engagement, volunteer efforts, and multicultural outreach. And we have benefited greatly from Nancy's insights. I think she's participated in Fed Listens, this will be her third. So welcome back. And we really appreciate your insights. So my first question, I think is relates to our earlier discussion, where are these two million early retirees? And what is it that led them to retire that might be different than pre-pandemic? And are any of them coming back?

NANCY LEAMOND. Well let me join the chorus of people, thanking you all for inviting me. As you said, I've been here before, and I appreciate coming back. But I want to add to it, the importance of these listening sessions. And you were one of the first to do them. And I applaud

you. You know, when you get to be my age, you've been to a lot of focus groups. And you've been to a lot of sessions where you listen to people. And we had some of our four months ago, and I kind of tuned in thinking well, more of the same. And it wasn't. Women over the age of 50, women between 50 and 60. And their message was, we're just invisible. We're invisible to elected officials, we're invisible to you people in Washington. And I wish they all would just walk in my shoes. And to the extent we can, I think it's hugely important. And we don't acknowledge that enough. We've just launched an effort called In My Shoes, where we invited people to send a message. We got 31,000 stories within a few days. And I just mentioned this, because sometimes we kind of think of these sessions as not having an impact and I know they do. And I appreciate that very much, but onto the topic you want to talk about. So first off, it's hard to overstate how important COVID was to older Americans. We turned on the news every night and heard we were the most vulnerable. We turned on the news and saw that the majority of deaths were people who looked like me and were about my age. And so all of the surveys about everybody wanting to get back to work, getting back to restaurants, etcetera, we were a little farther behind with that. And now it's a little different, but it depends on where you live. And I can't stress that too much. I have a cadre of 20,000 volunteers who work with us across the country. And you get on the phone and people from some parts of the country said why don't you just fly out here and do some events with us? We need to be out in person. And I sit there and say I can't get my staff to come into 601 E Street, Washington, D.C., you know, let alone sending them out to South Dakota or North Dakota. So I mention this because it is the environment in which we're operating. And it's the environment that, to your question, I think produced -- we were a good part of the great resignation. More people in the older age cohort retired early into the pandemic. There were a number of reasons for that. Some was that jobs disappeared in

industry, especially where older women were working. And so that was part of it. Second, were health -- direct health concerns and health risks, and I don't think that would surprise anyone.

Third, caregiving needs. Before the pandemic there were 48 million people in the United States who were family caregivers. And almost overnight that number grew. And not just for the person you might have been caring for before the pandemic, but all of a sudden, especially older Americans, were taking care of their kids and their grandkids. They were teaching as part of the remote school operation. And so all of that I think accelerated what we've called the great early retirement boom. The fact of the matter is, and I hesitate to say this because I know you read data more carefully than I do, we did not see a dramatic increase in claims for Social Security. A little bit of an increase, not as dramatic as you would have thought, given the numbers. So what we took from that was this notion that, that this may not be permanent. That it may not be a permanent step back. But it's going to be very important I think, to watch. There is an increase of older people going back to work. Data shows that is not to the pre-pandemic level, but it's moving in that direction. And there are several reasons for that. First is, like everyone, people have been cooped up in their homes, they're anxious to get back out. By the way we're seeing an uptick in volunteers as well. So not just going back to work but trying to get back to the volunteer workforce. An awful lot of people looking to food banks and opportunities to serve our constituency. So we're seeing kind of more interest in in going back to work. And, of course, another factor in that is, if you're on a fixed income or you're not working at all, you need to go back. And, you know, there have been a huge number of stories about how we older boomers are sitting around with all of these resources trying to decide on our favorite alma mater and our favorite child to give them to. But the fact of the matter is that isn't the dominant group. About half of people over the age of 65 are living on Social Security. The average benefit's about what

\$1,700 a month, or some of their savings. So about half of people are in a situation where, particularly in the current economy, they have to think about work. And so thinking about work, either going back full time, or more likely part time. We all think the gig economy was invented for millennials. But the truth of it is, even before the pandemic you saw an awful lot of older, so called retirees, as Uber drivers. The fastest growing cohort of Airbnb hosts were women over the age of 55. And we'll probably see that as the pandemic recedes. Airbnb is starting to see more older people putting homes up. And I think that will continue. And I guess the question is the great imponderable, is will businesses turn to older workers. We know age discrimination is real. We do surveys all the time. We do so many surveys that I'm convinced we shouldn't do any more, because they show us that most people over the age of 50 believe there's age discrimination, because there is age discrimination. And kind of looking for opportunities. We're meeting later this week AARP with the Secretary of Labor, Secretary Walsh, with the leader as the Mayor of Boston, in working on behalf of older Bostonians. To look at the programs that are being put in place. Look at apprenticeship programs to make sure that there are opportunities for older workers. And again, by older workers, we don't just mean people over 65, but over 50. Now believing popular culture is always far ahead of us, you may have seen this, it circulated rather widely. King Charles, 73 year old man finally gets the job. It was very popular in my network. I don't know about you. But we really do have to continue to slug away at age discrimination. Ironically, the pandemic made organizations like ours and others work towards digital literacy among older Americans. It became necessarily -- necessary if you wanted to get a COVID shot. And now if you've got those kinds of skills, I think it's easier to move back into the labor force. And then finally, when I think about how people think about retirement, I always remember a New Yorker cartoon, I may have mentioned it in a previous session. Which is, a

husband and wife standing there looking at each other and one says to the other, you know we'll just squeak by if we take a late retirement and an early death.

VICE CHAIR BRAINARD. So a second question -- Yeah. Is last time you were here we were talking about, you know, the difficulty of living, you know, on savings with low interest rates in a low inflation environment. Here we are. A lot of the folks here with are on fixed incomes. But, you know, you have a high inflation environment but also a higher interest rate environment. So just interested in hearing how are seniors dealing with this new environment of high inflation, higher interest rates?

NANCY LEAMOND. Well it won't surprise you. Certainly older Americans, people on fixed incomes, are very sensitive right now to costs. In terms of, as we talk to our members, food prices are probably the highest. Gas prices are still high, even though our folks probably aren't driving as much as others. And then the third area is medical costs. And we've just worked for a number of years on prescription drug costs, because it's what our members told us was terribly important to them. And we used a graphic of, if milk and bread have risen as much as prescription drug prices, a loaf of bread would be \$13. And it was very effective. I'm glad we got the bill through before anybody's doing graphics on what things cost now. But it really cemented for us this notion that, particularly if you're older, health care costs, medical costs, are a far more dominant factor in what you're focused on. And I would say one of the things I've taken from this period, as we've talked to our members, is the ongoing concern, which will go well beyond this period we're in now. How are people going to pay for long term care? How are people -- you know, with the nursing home situation everybody focused on care in the home. And as if that's so much easier and so much cheaper. And I think we all know it's not. And that is I think the abiding question for, particularly older Americans and their families, as we move ahead.

VICE CHAIR BRAINARD. All right. So we're going to forego a question this time round to get Wendy in and then we'll come back if we have an extra minute at the end. I want to know just move to Wendy Veliz. Wendy is Board President for Farmworker Housing Development Corporation, which is a nonprofit in Woodburn, Oregon. FHDC provides leadership for stronger and more secure families and communities through affordable housing, social services, education, and economic development. And Wendy is a third generation Latina Oregonian, and received her B.A. in Business Administration from Eastern Oregon University. So Wendy, welcome. And I want to just start with asking you what you're seeing in terms of lower income household's ability to keep up with housing, rent payments, and other financial obligations? And what are the obstacles these families are facing in terms of establishing some amount of financial security?

WENDY VELIZ. Well thank you. Thank you for having me here. I'm very pleased to be here and share the voice of our low income residents across this country and certainly in Oregon and farmworkers. So it is a similar story that to what you're hearing. Folks are struggling. And when we talk about those that before the pandemic that were barely making ends meet, then you compress the pandemic, they just got further and further behind. And so we're seeing very difficult choices being made by families that for a portion of the residents that we serve, about half of their income is dedicated to housing. And this is a -- we provide affordable housing. So they are having to make very difficult choices about what they do with the rest of their wages. And we're -- what we consider critical, essential items in our lives, medical care, prescriptions, education for our children, whether that's the trades, or going to community college, these are all very difficult decisions. It is in a place where families are working, their children are working. And so it's become increasingly difficult for them. In terms of the barriers. One of the key

barriers is certainly language. And we learned in the pandemic that communities of color were disproportionately impacted by COVID. And so part of the work that we did at FHDC, we took a little bit of a pause in looking for land acquisition and projects. What we had to do is really provide a tremendous amount of education around health care, and certainly COVID, and resources. And so language was key to that. A lot of -- we were unprepared in that way, as much as we would have wished that that were different. But I think it was a good lesson. And I think going forward those are lessons that we'll use. Another factor is, and I'm going to expand a little bit about what people have been saying. We're seeing low income and middle income families struggling. So when we talk about it, I think that's really important that these are working families, families with young children, multi-generational families, seniors, and we're seeing that struggle. And one of the struggles is when we think about, ultimately, in the FHDC and I think in many aspects -- I was at a groundbreaking less than a month ago, it was for our Colonia Paz Community of Peace in the Willamette Valley. And one of the residents, new residents, spoke. And what he said is, what is your dream, as he just moved in with his family of three. And he said, the dream is to own a home, right. And that's where we want our residents to be in. We provide -- we take a holistic approach and we provide education, and financial literacy education, what it takes to get a mortgage, how to maintain that. And part of that is being driven because if language is a barrier, we really don't want them taking their kids out of school to go to the bank with them. We want them to have the information and be informed. And so when he said that, it really touched me because part of the programs that are provided today have a cap on how much you can make. And that's a struggle for working families and saving, but then recognizing that there is so much that you can make, and anything above that then disqualifies you for some really excellent loan programs. So I think that's a real opportunity for us to revisit. So access to

down payments, loan programs. And the other two that, because of the pandemic, that we're also seeing our barriers is, and we've heard a little bit about it today, is we're really working to -- part of the program has always been to provide them connections for workforce development. Because they do want to move out of these very minimum wage jobs. And they want to certainly earn more. And so really working towards stronger partnerships that serves this specific community. Because it's a little bit different. And so I think that's one of the other areas that we'd like to see. And then of course, health, healthcare, healthcare services. One of the other lessons that we learned during the pandemic was that the children of the families came to us and said, we have a serious problem with mental health. And that was something that was new to us, new to I think across the country. And so really playing, working strongly with our school districts and with other community partners to bring in the right resources for our children. And I think that was now an area that I think we're -- looking forward, we're going to -- that's an important area for us that we will continue to partner with.

VICE CHAIR BRAINARD. Let me just ask, the ability of your organization to provide housing security for the families in your community, I'm sure there were challenges before the pandemic. How have those challenges changed as a result of the pandemic? Are there new challenges, or do you have to face these challenges differently as a result of the pandemic?

WENDY VELIZ. Well they certainly have changed. One, I am deeply humbled that the Federal Reserve Board of Governors wants to hear our voice. And as Nancy alluded to, you were one of the first, and we now have a seat at many tables that we've didn't have before. And so to me, there's been an increase in two way communication with lots of new partners. We had strong community partnerships. We -- there's many of us that have been doing this work for many, many years. And I'm a volunteer. But many of us have been advocating and sharing our voice,

but we had new partners come to the table and new invitations. And I think that's one of the, what I would call silver linings of the pandemic. The challenge will be to maintain that. There was tremendous generosity during the pandemic. And I think, echoing some of the comments earlier, is how do we maintain those relationships? How do we maintain those direct channels with generous donors, with key partners? How do we develop new relationships that will serve our community? Because I think one of the lessons that we learn is when we provide the right resources and the right tools that people will -- we give them a hand and they will lift themselves up. And that is one of the things that came out of the pandemic. So communication, the two way communication partnerships, and I mentioned that. The other real challenge, and I mention this, is we took a pause on land acquisition. We were so focused on responding that we took pause. We have the same challenges in the nonprofit world in retaining and recruiting. And so it is a thread that is, I think fits within all of our organizations. We have dedicated passionate individuals. However, as a nonprofit with cannot compete with -- in the private sector, and we certainly support our employees that want to move on that have a better paying job and better benefits, they have family. So that was a challenge for us, as well. But when we're going through this kind of pause, and we're refocusing on that, we're now competing. And I believe someone else mentioned it. The construction never stopped. And it has really picked up. And so as a nonprofit we're now competing with private developers for limited space. And that is real. That's very challenging for us in terms of the barrier that we need to overcome. In particular, because we have an organization like FHDC that provides -- is a culturally specific organization where we're very sensitive to the residents. We hear from them, we provide these services. They have their own leadership council. There's a very holistic approach versus a private developer. And what they're trying to accomplish is slight -- looks slightly different than what we're trying to

accomplish. So I think that's a -- that's another very significant barrier that we're going to -- we are dealing with today and will continue. I think the key to that will be the partnerships. We've gained really wonderful partnerships with cities, with counties, and the state, community based organizations, school districts, utilities. I mean there's been new partners, but there's still work to be done.

VICE CHAIR BRAINARD. All right. We might have time for one question, if any of my colleagues have a question. All right. Otherwise, thank you so much. And I'm going to hand it back over to the Chair.

CHAIR POWELL. Thank you. Thank you to both of our panels. This has been enormously informative. And, you know, we get to spend a lot of time with data here at the Fed. But I personally, I will say I need to hear narratives, I need to hear stories about what's really going on out there for it all to sort of make sense. And so I think in that sense we all learned a lot from you today, and we appreciate your time and your input is very, very important to the work that we all do. So we're very grateful to your contribution. Thank you.