

## OPINION: Poor Utah: The story we don't want to read

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by Paul Toscano

The local economy is improving. There's a surplus in the state coffers. Still, poverty remains one of Utah's most intractable social problems.

The number of Utah's poor depends on the poverty measurement applied to an average Utah household of 3.12 persons. The federal poverty level standard, which has not been changed since 1964, counts as poor an average Utah household with an annual gross income of \$15,670.

But economists don't use this standard because it doesn't come close to covering basic necessities. The usual measure of poverty is 200 percent of the poverty level. By this measurement, 10.6 percent of Utah's population, or 203,000 Utahns, lived in poverty in 2004 -- up from 9.4 percent in 2003.

These 203,000 people lived on less than a person with an average income in Poland, Hungary, the Czech Republic, Mexico, Trinidad and Tobago or Oman..

The best measure of poverty is the **self-sufficiency standard** because it uses the actual income needed to purchase a household's shelter, food, transportation and clothing. By this standard, in 2005 an average Utah household was poor if its combined annual gross income was \$40,443 or less (that's \$1,123 per person per month), a measurement that doesn't cover education or health care.

That means 42 percent of Utah's population -- 916,959 individuals -- live in functional poverty.

Despite this, Utah's congressional delegation voted in favor of the new

bankruptcy amendments that make access to bankruptcy more difficult. Once at an all-time high in Utah, bankruptcy filings are now at an all-time low. This is not because poverty has decreased, but because access to the only effective form of debt relief has been restricted.

A Chapter 7 is not allowed if a person's income exceeds the median income in Utah for a household of the debtor's size. Debtors who cannot qualify for Chapter 7 must file a three- to five-year Chapter 13 repayment plan regardless of the nature of or reasons for the debt. If ineligible for Chapter 7 and Chapter 13, debtors may be forced to file expensive individual Chapter 11 cases or remain at the mercy of collectors and creditors who are able to charge any rate of interest they choose.

Chapter 13 debtors who encounter emergencies and must file a second Chapter 13 case within a year to cure mortgage arrearages will no longer receive the full protections of the automatic stay that traditionally stopped collections. In such cases, homes, cars and scant incomes will be exposed to foreclosures, repossessions and garnishments.

More disquieting has been the absence of outrage about the treatment of the poor in both nation and state. Where are the religious and secular action groups? Why don't our moral leaders see poverty as a threat to family values greater and more immediate than abortion, drug abuse or same-sex marriage?

And what of the secular concept of fundamental fairness? The promise implicit in the foundational documents of this country that power should be enumerated,

limited, divided and balanced, and that the playing fields of power and money should, by law, be rendered as level as possible?

What of the notion that governmental power be applied to protect life, liberty and property and not to oppress, deceive, disenfranchise or plunder?

Individual benevolence toward the have-nots (and there is much generosity of this kind in Utah) can be subverted by institutional favoritism toward the haves. We can strain at gnats by doing good service to the few while swallowing camels by supporting policies that do harm to the many.

We can allow ourselves to be offended more by sins of lust in plain sight than by sins of greed hidden from view. It is possible for the rich to ignore the poor. And sometimes, when the have-nots become impossible to ignore (as they do when they file petitions in bankruptcy), it is possible for poverty to be dismissed as the fruit of irresponsibility, inefficiency, self-indulgence, laziness, stupidity or sin. This, however, is prejudice, not unlike racism, misogyny, homophobia or religious intolerance.

This is true for America, whose pilgrim founders idealized it for the world as a City on the Hill. It is true for Utah, whose Mormon founders envisioned it as the American Zion. But with 42 percent of its citizens in functional poverty, clearly Utah is not Zion for everyone.

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