

Why Tackle Poverty?

“Poverty Reduction Strategies”



Center for State Innovation
December 3, 2008

Jodie Levin-Epstein

CLASP
CENTER FOR LAW AND SOCIAL POLICY

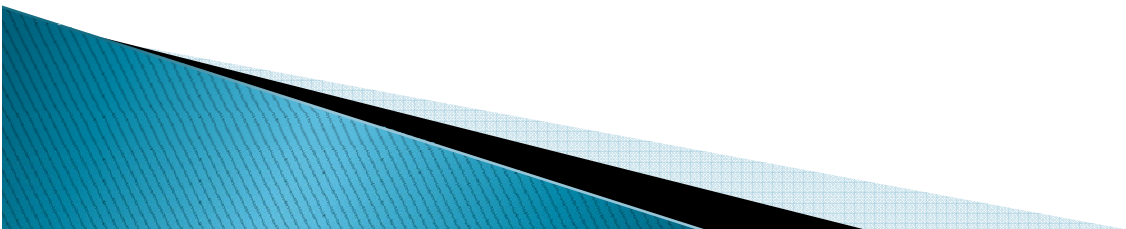
Mark Greenberg

Center for American Progress

Why Tackle Poverty?

- Moral and economic issue
 - Cost to economy - \$500 billion per year
 - Global competitiveness
 - Achievable mission - U.S. rates reduced earlier

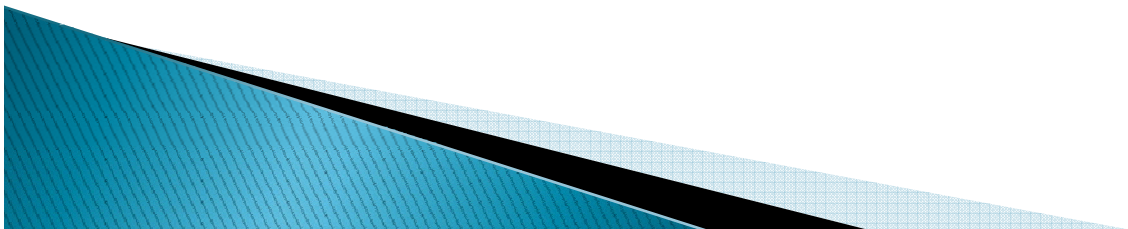
- Economic recession drives urgency and opportunity
 - Growth in poverty even before recession
 - Growth in extreme poverty
 - Growth projected due to recession
 - Opportunities within recovery strategies



What Role for State v. Federal Government?

- Some parts of poverty reduction strategy are necessarily federal:
 - Single biggest program reducing poverty is social security
 - Federal tax and other benefits programs play key roles
 - Federal government can be countercyclical, provide more help to states with least resources

- Crucial role for states:
 - Incubator for new ideas
 - Organize service delivery for key populations – unemployed workers and families, youth, others
 - Regulate and enforce on many business standards
 - Coordinate, facilitate access to benefits



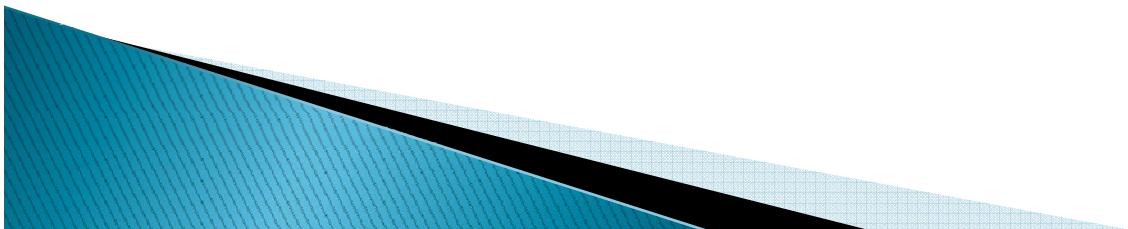
What is Federal Role in the Obama Administration?

- Committed to goal of cutting poverty in half in ten years
- Staff indicate commitment to new poverty measure
- Multiple proposals for initiatives, including:
 - Raising minimum wage to \$9.50 in 2011, indexing it for inflation
 - \$1 billion over five years to transitional jobs and career pathways
 - Green Jobs Corps to engage disadvantaged youth
 - Doubling transportation funding to help low-income communities connect with available jobs
 - Expanded services and prison-to-work incentive program for ex-offenders
 - Expand the earned income tax credit, create or expand 5 other refundable tax credits
 - 20 replications of the Harlem Children's Zone
 - Affordable housing trust fund
 - Early Learning Challenge Grants for state "zero to five" efforts; Head Start, pre-school, child care expansions
 - 7 days paid sick leave, expand Family and Medical Leave Act



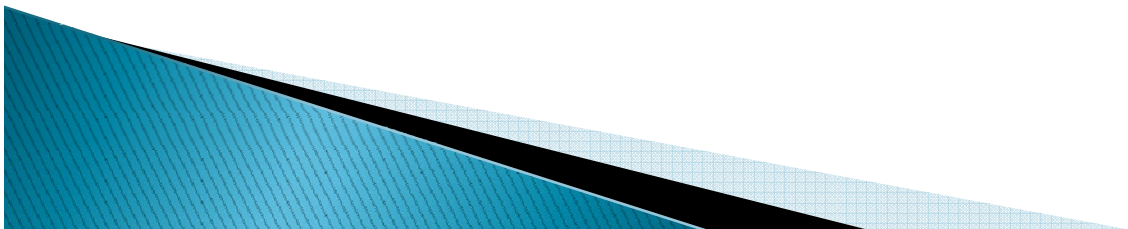
What Processes Promote a Comprehensive Review?

- Commission and Task Forces
 - AL, CN, DC, DE, IL, LA, ME, MN, MT, OH, RI, VT, WA, NM
- Poverty Reduction Targets
 - CN, DE, IL, LA, ME, MN, OR*, VT
- Legislative Caucus
 - CO, IA, MS
- Governor's Summits
 - NGA grants: AZ, DE, IL, ME, MI, OH, VT, VA, V.I., and WI
 - Iowa Summit



What are Poverty Reduction Strategies During the Downturn?

- Adequacy of UI Coverage
- Outreach for federal benefits programs (e.g., EITC, food stamps)
- Expansion of subsidized jobs/TANF coverage
- Protections on foreclosure and payday lending
- Implementation of federal recovery funds




What are Poverty Reduction Strategies for the Long Run?

- Making Work Pay
 - Minimum wage
 - Earned income tax credits/tax liabilities for low-income workers
 - Wage enforcement strategies
 - Child care expansion
 - Child support

 - Promoting Employment
 - Coordination with Green Jobs Strategies
 - Youth
 - Formerly Incarcerated Individuals

 - Lifelong Education
 - Early Education (0-5), integrating/coordinating efforts
 - Education reform efforts
 - Broadening higher ed access
 - Educational opportunities for low-earning adults

 - Stable Housing
 - Renter Assistance
 - Sustainable Homeownership strategies
- 

What Are Some Resources?

Jodie Levin-Epstein, Center for Law and Social Policy

jodie@clasp.org

202-906-8003

Resources:

- [Seizing the Moment: State Governments and the New Commitment to Reduce Poverty in America](#)
- [Recover, Renew, Rebuild: Workforce Policies for a Strong and Fair Economy](#)

Mark Greenberg, Georgetown Center on Poverty, Inequality and Public Policy,

mhg22@law.georgetown.edu, 202-662-4221; Center for American Progress,

mgreenberg@americanprogress.org, 202-481-8160

Resources:

- [From Poverty to Prosperity](#)
- [Ways and Means testimony on Measuring Poverty in American](#)

