

MEMORANDUM

To: Regional Steering Committee on Homelessness and Housing

From: HomeBase

Date: October 17, 2008

Re: Half in Ten: From Poverty to Prosperity

Brief Summary

The present memorandum provides background information on the organization Half in Ten¹. As the name might suggest, Half in Ten seeks to reduce poverty in the United States by half over the next ten years. Half in Ten is a collaboration of organizations including the Association of Community Organizations for Reform Now (ACORN)², the Center for American Progress Action Fund (CAPAF)³, the Coalition on Human Needs (CHN)⁴ and the Leadership Conference on Civil Rights (LCCR)⁵. Half in Ten is spearheaded by former candidate for President and Senator – John Edwards, and is committed to reducing poverty in America. The campaign promotes a 12-step plan to cut

¹ For more see: <http://www.halfinten.org/>.

² ACORN is the nation's largest grassroots community organization of low- and moderate-income people with over 400,000 member families organized into more than 1,200 neighborhood chapters in 110 cities across the country. Since 1970, ACORN has been building community organizations that are committed to social and economic justice, and won victories on thousands of issues of concern to our members, through direct action, negotiation, legislative advocacy and voter participation. ACORN helps those who have historically been locked out become powerful players in our democratic system. <http://www.acorn.org/index.php?id=12342>.

³ The Center for American Progress Action Fund is a progressive think-tank dedicated to improving the lives of Americans through ideas and action. We are creating a long-term, progressive vision for America—a vision that policy makers, thought-leaders and activists can use to shape the national debate and pass laws that make a difference. <http://www.americanprogressaction.org/aboutus>.

⁴ The Coalition on Human Needs (CHN) is an alliance of national organizations working together to promote public policies which address the needs of low-income and other vulnerable populations. The Coalition's members include civil rights, religious, labor and professional organizations and those concerned with the well being of children, women, the elderly and people with disabilities. <http://www.chn.org/about/index.html>.

⁵ The Leadership Conference on Civil Rights (LCCR) was founded in 1950 by three giants of the civil rights movement: A. Philip Randolph, founder of the Brotherhood of Sleeping Car Porters; Roy Wilkins, Executive Secretary of the NAACP; and Arnold Aronson, a leader of the National Jewish Community Relations Advisory Council. It is the nation's premier civil rights coalition, and has coordinated the national legislative campaign on behalf of every major civil rights law since 1957. <http://www.civilrights.org/about/>.

poverty based on a report by the Center for American Progress Task Force on Poverty titled *From Poverty to Prosperity: A National Strategy to Cut Poverty in Half*.⁶

Principles and Key Steps to Reduce Poverty

In compiling the report *From Poverty to Prosperity*, the Center for American Progress convened a diverse group of national experts and leaders to examine the causes and consequences of poverty in America and make recommendations for national action. This report calls for a national goal of cutting poverty in half in the next ten years and proposes a strategy to reach the goal and offers 12 recommendations as real policy solutions. Half in Ten is an effort to promote and implement the principles and recommendations articulated in *From Poverty to Prosperity*.

Strategy and Four Fundamental Principles

The report states that the overall strategy to reduce poverty should be guided by the following four principles:

1. Promote Decent Work

Work should pay enough to ensure that workers and their families can avoid poverty, meet basic needs, and save for the future. Decent work is a fundamental cornerstone of prosperity, and work should pay enough to ensure that workers and their families can avoid poverty, meet basic needs, and save for the future.

2. Provide Opportunity for All

Opportunities throughout their lives to connect to work, get more education, live in a good neighborhood, and move up in the workforce. Children should grow up in conditions that maximize their opportunities for success; adults should have opportunities throughout their lives to connect to work, get more education, live in a good neighborhood, and move up in the workforce or create businesses of their own.

3. Ensure Economic Security

Americans should not fall into poverty when they cannot work or work is unavailable, unstable, or pays so little that they cannot make ends meet.

4. Help People Build Wealth

All Americans should have assets that allow them to weather periods of flux and volatility and provide the resources that are essential to upward economic mobility.

⁶ The complete report can be found at:
http://www.americanprogress.org/issues/2007/04/poverty_report.html.

12 Task Force Recommendations

The report details the 12-steps program to cut poverty in half, as recommended by the task force, which includes:

1. Raise and index the minimum wage to half the average hourly wage.

Currently at \$5.15 per hour (\$7.25 effective July 24, 2009), the federal minimum wage is at its lowest level in real terms since 1956. The federal minimum wage was once 50 percent of the average wage but is now 30 percent of that wage. Congress should restore the minimum wage to 50 percent of the average wage, about \$9.00 an hour in 2008. Doing so would help over 4.5 million poor workers and nearly 9 million other low-income workers.

2. Expand the Earned Income Tax Credit and Child Tax Credit.

As an earnings supplement for low-income working families, the EITC raises incomes and helps families build assets. EITC expansions during the 1990s helped increase employment and reduce poverty. But the current EITC does little to help workers without children. We recommend tripling the EITC for childless workers, and expanding help to larger working families. Doing so would cut the number of people in poverty by over two million. The Child Tax Credit provides a tax credit of up to \$1,000 per child, but provides no help to the poorest families. We recommend making it available to all low- and moderate-income families. Doing so would move two million children and one million parents out of poverty.

3. Promote unionization by enacting the Employee Free Choice Act.

The Employee Free Choice Act would require employers to recognize a union after a majority of workers signs cards authorizing union representation and establish stronger penalties for violation of employee rights. The increased union representation made possible by the Act would lead to better jobs and less poverty for American workers.

4. Guarantee child care assistance to low-income families and promote early education for all.

We propose that the federal and state governments guarantee child care help to families with incomes below about \$40,000 a year, and also expand the child care tax credit. At the same time, states should be encouraged to improve the quality of early education and broaden access for all children. Our child care expansion would raise employment among low-income parents and help nearly three million parents and children escape poverty.

5. Create two million new “opportunity” housing vouchers, and promote equitable development in and around central cities.

Nearly 8 million Americans live in neighborhoods of concentrated poverty where at least 40 percent of residents are poor. Our nation should seek to end concentrated poverty and economic segregation, and promote regional equity and inner-city revitalization. We propose that over the next 10 years the federal government fund 2 million new “opportunity vouchers” designed to help people live in opportunity-rich areas. New

affordable housing should be in communities with employment opportunities and high-quality public services, or in gentrifying communities. These housing policies should be part of a broader effort to pursue equitable development strategies in regional and local planning efforts, including efforts to improve schools, create affordable housing, assure physical security, and enhance neighborhood amenities.

6. Connect disadvantaged and disconnected youth with school and work.

About 1.7 million poor youth ages 16 to 24 were out of school and out of work in 2005. We recommend that the federal government restore Youth Opportunity Grants to help the most disadvantaged communities and expand funding for effective and promising youth programs – with the goal of reaching 600,000 poor disadvantaged youth through these efforts. We propose a new Upward Pathway program to offer low-income youth opportunities to participate in service and training in fields that are in high-demand and provide needed public services.

7. Simplify and expand Pell Grants and make higher education accessible to residents of each state.

Low-income youth are much less likely to attend college than their higher-income peers, even among those of comparable abilities. Pell Grants play a crucial role for lower-income students. We propose to simplify the Pell grant application process, gradually raise Pell Grants to reach 70 percent of the average costs of attending a four-year public institution, and encourage institutions to do more to raise student completion rates. As the federal government does its part, states should develop strategies to make post-secondary education affordable for all residents, following promising models already underway in a number of states.

8. Help former prisoners find stable employment and reintegrate into their communities.

The United States has the highest incarceration rate in the world. We urge all states to develop comprehensive reentry services aimed at reintegrating former prisoners into their communities with full-time, consistent employment.

9. Ensure equity for low-wage workers in the unemployment insurance system.

Only about 35 percent of the unemployed, and a smaller share of unemployed low-wage workers, receive unemployment insurance benefits. We recommend that states (with federal help) reform “monetary eligibility” rules that screen out low-wage workers, broaden eligibility for part-time workers and workers who have lost employment as a result of compelling family circumstances, and allow unemployed workers to use periods of unemployment as a time to upgrade their skills and qualifications.

10. Modernize means-tested benefits programs to develop a coordinated system that helps workers and families.

A well-functioning safety net should help people get into or return to work and ensure a decent level of living for those who cannot work or are temporarily between jobs. Our current system fails to do so. We recommend that governments at all levels simplify and improve benefits access for working families and improve services to individuals with

disabilities. The Food Stamp Program should be strengthened to improve benefits, eligibility, and access. And the Temporary Assistance for Needy Families Programs should be reformed to shift its focus from cutting caseloads to helping needy families find sustainable employment.

11. Reduce the high costs of being poor and increase access to financial services.

Despite having less income, lower-income families often pay more than middle and high-income families for the same consumer products. We recommend that the federal and state governments should address the foreclosure crisis through expanded mortgage assistance programs and by new federal legislation to curb unscrupulous practices. And we propose that the federal government establish a \$50 million Financial Fairness Innovation Fund to support state efforts to broaden access to mainstream goods and financial services in predominantly low-income communities.

12. Expand and simplify the Saver’s Credit to encourage saving for education, homeownership and retirement.

For many families, saving for purposes such as education, a home, or a small business is key to making economic progress. We propose that the federal “Saver’s Credit” be reformed to make it fully refundable. This Credit should also be broadened to apply to other appropriate vehicles intended to foster asset accumulation, with consideration given to including individual development accounts, children’s saving accounts, and college savings plans.⁷

Spreading the Message of Half in Ten

NOW

In July, John Edwards was interviewed on NOW - a PBS news program.⁸ Mr. Edwards was in San Francisco at the Tides Momentum Conference⁹ spreading the message of Half in Ten. During his interview with NOW, he emphasized the following points related to poverty in America and how Half in Ten can act as a solution:

- New Orleans is a symptom of problems in US
- The fight for fairness is a cause not just for “activists”

⁷ See: <http://halfintention.org/full-list-of-poverty-task-force-policy-solutions>.

⁸ NOW is a Emmy-winning PBS weekly newsmagazine that engages viewers with documentary segments and insightful interviews that probe the most important issues facing democracy, including media policy, corporate accountability, civil liberties, the environment, politics, social responsibility, and foreign affairs. More can be found at: <http://www.pbs.org/now/>.

⁹ An invitational forum where some of the most creative minds in the progressive movement come together to challenge, inspire and energize each other. For over thirty years, Tides has provided a constellation of services to support progressive social change. As a convener and connector of people, ideas and resources Tides manages grantmaking for more than 400 individual and institutional donors, provides sophisticated financial and management tools to more than 200 nonprofit projects and activities and supports the development of green nonprofit centers nationwide. More can be found at: <http://www.tides.org/momentum/about>.

- Political leaders generally afraid of poverty issues because the poor don't vote as frequently or consistently as other classes in this country
 - However, this fight is the "right thing to do" so the politics will follow
- Federal statistics indicate 35 million people are living in poverty
 - Family of four earning less than \$25,000/year
 - No change in this formula in about 40 years
- Actual poverty figure, as estimated by one analyst, is twice the official level
 - \$41,000/year for family of four
 - Approximately 90 million people
- Half in Ten organization brings
 - Proven methods
 - ♣ 12-Steps to cut poverty
 - ♣ Work-centric methods
 - ♣ Encourage people to live in places where the jobs are
 - ♣ Coalition of non-profits working together to meet goals
 - Cost of doing nothing is too high.

For more information, please feel free to contact Michael Land, HomeBase Staff Lawyer, via email at Michael@homebaseccc.org, or by phone at 415.788.7961 x310.