



Women In Government Family Economic Success Task Force State Policy Recommendations

The following policy recommendations were developed by Women In Government's Family Economic Success Task Force and approved by the Board of Directors. The Task Force was first formed in 2003, and consists of a national, bipartisan group of state legislators.

Task Force Mission Statement

The role of the Family Economic Success Task Force is to identify, address and remedy economic, social and academic barriers to family self sufficiency with the goal of creating financial literacy and reducing poverty by 50 percent within 10 years. By collaborating with stakeholders, the Task Force will also enable and promote effective state and federal policies, create public awareness and educate policymakers, identify problems and move toward innovative solutions.

Family Economic Success, Asset Building & Financial Literacy

States should enact policies that allow families to earn an adequate level of income and benefits to build financial assets. States should require K-12 financial literacy programs in schools, and promote financial and job training, workforce development, affordable housing, and access to higher education for adults. Federal, state, and local governments should consider support for tax policies that minimize the burden on low-income families as they work their way out of poverty.

Predatory Lending

States should protect working families from abusive lending practices by enacting and enforcing consumer protection laws, regulating consumer credit counseling and how credit agencies calculate and use credit scores. States should prohibit abusive lending practices in home ownership by eliminating negative penalties, capping interest rates, requiring the licensure of individual mortgage brokers and the identification of lenders on all delinquency and foreclosure actions, and expanding foreclosure deferment periods. States should prohibit payday loans through small-loan interest rate caps and anti-usury laws.

Earned Income Tax Credit (EITC)

States should create new or expand existing state Earned Income Tax Credits, and exempt the credits from TANF, Medicaid and food stamp programs. States should make this state tax credit refundable, increasing tax refunds for low-wage working families, protecting them against tax refund anticipation loans. States should consider other tax incentives or credits for families to aid in asset building and long-term financial stability, and provide low-income families with free tax preparation services, including programs at State Employee Credit Unions.

Collaboration of Stakeholders

The Family Economic Success Task Force will take a comprehensive approach, engaging the entire community, to support low-income families, including the involvement of federal, state, and local governments. A myriad of stakeholders should be included in these efforts such as: state housing authorities, human resource agencies, K-12, community colleges and postsecondary institutions, unemployment services, community organizations, and the private sector. States should create formal entities, such as Task Forces, Study Commissions or Caucuses on Family Economic Success and/or Anti-Poverty, to address the needs of low-income families, and to develop state strategies to bring them out of poverty.