Successes, Challenges, and Opportunities in the Fight Against Poverty

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Half in Ten Campaign
Poverty in America today

- More than 1 in 7 people are living in poverty
- One in 3 of us is living in poverty or on the brink
- More than one out of every four children under 5 lives in poverty
- Millions struggle with hunger, dearth of good jobs, high cost of basic necessities
- Poverty and lack of opportunity impacts all of us; inaction has real human and economic costs
Fact: We CAN cut poverty in America

GRAPH 1
Poverty can be reduced
The U.S. poverty rate: 1949 and 1959-2009

Our plan: cut poverty in half in ten years

- Annual report tracks progress and promotes accountability, examines 20+ indicators of poverty
- Accompanying resources:
  - Interactive website with state-by-state breakdowns and factsheets on key populations

http://halfinten.org/indicators
15.0% of Americans live in poverty.

Poverty Rate (2011)

12% 15% 18% 21%
Minnesota

Lowest indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Poverty</td>
<td>17th</td>
</tr>
<tr>
<td>Equal Wage Gap</td>
<td>14th</td>
</tr>
<tr>
<td>% of Unemployed Receiving UI Benefits</td>
<td>12th</td>
</tr>
</tbody>
</table>

Access stories about the safety net from this state

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CUTTING POVERTY IN HALF

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Rank</th>
<th>BETTER</th>
<th>WORSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty Rate</td>
<td>11.9%</td>
<td>10th</td>
<td></td>
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</tbody>
</table>

Percentage of people in the state who fell below the official poverty line

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CREATING GOOD JOBS

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Rank</th>
<th>BETTER</th>
<th>WORSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment Rate</td>
<td>6.4%</td>
<td>10th</td>
<td></td>
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</table>

Percentage of unemployed workers in the state during an average month
The national child poverty rate has substantially increased since the Great Recession of 2007–2009. As of 2011 more than 20 percent of children under the age of 18 live in poverty, with African American and Latino children having the highest rates. The child food-insecurity rate and the number of children who have lost their homes follow the same disturbing trend. These numbers not only threaten our vulnerable and youngest Americans but also threaten future U.S. competitiveness and long-term economic growth and prosperity.

**a** When parental unemployment is high, more children will be in poverty

12 percent of families with children had at least one parent unemployed in 2011

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
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</thead>
<tbody>
<tr>
<td>Married couples</td>
<td>10.4%</td>
<td>9.6%</td>
</tr>
<tr>
<td>Unmarried couples</td>
<td>27.3%</td>
<td>23.1%</td>
</tr>
<tr>
<td>Unemployment</td>
<td>14.3%</td>
<td>14.7%</td>
</tr>
</tbody>
</table>

**b** Even when parents are working, affording quality child care presents a major challenge

Federal funding for Child Care and Development Fund, FY 1997–2011

Top findings from the 2012 report

- The economy grew, but so did income inequality
- Wage stagnation
- Critical role of safety net programs in fighting poverty and promoting economic security
The bottom line: this is what works

- Strong economy where gains are shared
- Good jobs with higher wages and benefits
- A robust safety net to act as a trampoline
Challenges to family economic security

- Sequestration, focus on austerity
- Lack of political will to make crucial investments
- Even so—state legislators can play a critical role in developing policy to promote family economic security
Policy areas of opportunity for state legislators to promote economic security

1. Ensure access to paid sick leave
2. Boost incomes for low-wage workers
3. Expand early education and childcare
4. Ensure quality, affordable health care
5. Promote asset building and savings
#1: Ensure that working families can access paid sick leave

- Allow workers to earn paid sick days as Connecticut currently does
- Ensure paid leave for all workers to care for a new child or seriously ill family member, or to recover from their own serious illness or pregnancy
#2: Boost incomes for low-wage workers

- Raise min. wage rates above the federal standard
- Index the rate so inaction doesn’t decrease its value
- Expand the min. wage coverage to workers who are allowed to be paid less than minimum wage
- Protect workers from wage theft and discrimination; protect unemployment insurance
#3: Expand early education and child care

- Move to a universal public pre-k model fully integrated into the existing public education system
- Boost the accessibility and affordability of quality infant and child care
- Develop consistent learning standards in early education for academic, social, and emotional skills
- Improve professional development for early childhood educators
#4: Ensure quality, affordable health care

State leaders can play a major role in implementing two provisions of the Affordable Care Act, by:

- Leveraging their knowledge of local health insurance markets by passing legislation or signing executive orders to design and run their own state health insurance exchanges
- Participating in the expansion of state Medicaid programs so that low-income residents will gain needed coverage
#5: Promote asset building and savings

- Ban payday loans and auto title loans that charge extremely high interest rates
- Enhance or adopt state earned income tax credits
- Eliminate asset tests or raise asset cap on public benefits
- Explore matched savings partnerships
“Without federal aid and federal grants, I would not be the woman, I would not be the citizen, I am today.”

—Kayla

In Their Own Words
Concerned citizens on what’s at stake in the budget debate

Click on a state for personal stories and key datapoints
Darker colors indicate higher percentage of people living in poverty (2009).
See all stories.

circled numbers 5 show the stories in a state
Faces of poverty

Working three jobs but still going under

Lyn Grotke, 47
Fayette, Maine

A few years ago, Lyn Grotke was supporting herself and two young children. She owned a house, paid her bills on time.

But her life unraveled in February 2008, when she broke her leg. When she could return to work a year later, she had no job. She lost her home to bankruptcy and lives in a trailer while waiting to be approved for federal housing assistance. She applied more than three years ago.

Grotke, who has a master's degree in outdoor education, is scrambling to stay afloat. She works a few days a month for the city of Augusta, consults for the Muskie School of Public Service and teaches domestic violence prevention. She's also babysat, taken care of the elderly and worked for the Census.

Still, she earns only between $200 and $800 a month. Even adding in $750 in food stamps and death benefits for the children's father, "it's clearly not enough to live on. It won't meet my expenses. There's no chance." The trailer alone costs $700 a month, plus she needs $1,100 for food, insurance, gas and other expenses.
Your state’s hunger bill

California
The hunger bill for California is $19.63 billion. That’s an increase of 47.14 percent since 2007.

Of Californians,
- 15.8 percent are in poverty
- 15.9 percent of households suffer from food insecurity
- 3,238,548 are on food stamps
- 1,459,460 are receiving WIC

Cost of the hunger bill
- less than $2 billion
- $2 to $4 billion
- $4 to $6 billion
- more than $6 billion
SNAP cuts = job losses

<table>
<thead>
<tr>
<th></th>
<th>Direct job losses</th>
<th>Indirect job losses</th>
<th>Induced job losses</th>
<th>Total jobs lost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ryan plan budget cuts ($12.7 billion)</td>
<td>81,893</td>
<td>42,546</td>
<td>49,775</td>
<td>174,214</td>
</tr>
<tr>
<td>$1 billion in cuts to the Supplemental Nutrition Assistance Program</td>
<td>6,448</td>
<td>3,350</td>
<td>3,919</td>
<td>13,718</td>
</tr>
<tr>
<td>10 percent cut to the Supplemental Nutrition Assistance Program</td>
<td>45,138</td>
<td>23,451</td>
<td>27,435</td>
<td>96,023</td>
</tr>
</tbody>
</table>

Source: Authors’ calculations based on IMPLAN 2008. See Methodology section in the Appendix for the description of the calculations.
January 2014 marks the 50th anniversary of the War on Poverty

Seizing the opportunity:

- Cataloging national, state, and local successes and opportunities in our nation’s quest to cut poverty;
- Renewing the push for policies promoting family economic security
Thank you!

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