

## Stories Behind the Statistics



What the 2009 Poverty and Income Data Mean for Your Community



## Debbie Weinstein

- Debbie is the Executive Director of the Coalition on Human Needs
- Prior to coming to CHN, Weinstein served for nine years as director of the Family Income division of the Children's Defense Fund. At CDF, she worked on policy strategies to lift children and their families out of poverty, including TANF, child support, and housing.



## Senator Chris Dodd (D-CT)

- Connecticut's Chris Dodd is a senior Democratic leader in the United States Senate. A respected legislator who works in a bipartisan fashion to better peoples' lives, Chris Dodd is perhaps best known for bringing much-needed attention to children's issues.
- Senator Dodd formed the first children's caucus in the Senate and also authored and enacted legislation to ensure that our nation provides better access to safe and affordable childcare.



## Harry J. Holzer, Ph.D.

- Harry J. Holzer is a Professor of Public Policy at Georgetown University and a Visiting Fellow at the Urban Institute in Washington DC.
- He is a former Chief Economist for the U.S. Department of Labor and a former Professor of Economics at Michigan State University. He received his A.B. from Harvard in 1978 and his Ph.D. in Economics from Harvard in 1983.



## Angela Sutton

- Angela Sutton has worked for the past two years as a photographer and advocate with Witnesses to Hunger in Philadelphia.
- She has her associate's degree in health education and is working on her B.A. from Drexel University.



## Robert Miller

- Robert Miller is the Director of Books, a global book digitization project, at the Internet Archive.
- Prior to the Archive, Robert co-founded 5 consumer product start up companies bringing over 85 products to market in the US, Europe and Australia.
- Robert holds a B.S. in Industrial Engineering from Lehigh University.



## Melissa Boteach

- Melissa Boteach is the Half in Ten Manager at the Center for American Progress Action Fund.
- Prior to joining Half in Ten, Melissa worked as a senior policy associate and the Poverty Campaign Coordinator at the Jewish Council for Public Affairs.



## Child Poverty in the United States in 2009



Senator Chris Dodd (D-CT)

Chairman of the Health,  
Education, Labor and Pensions  
(HELP) Subcommittee on  
Children and Families

Prepared by the Staff of Senator Dodd's HELP Subcommittee on Children and Families



## Child Poverty in the United States in 2009



Senator Dodd's State of the American Child Hearings at <http://help.senate.gov/hearings/>

Prepared by the Staff of Senator Dodd's HELP Subcommittee on Children and Families



## Child Poverty in the United States in 2009

- The overall poverty rate rose to **14.3%** in 2009, the largest percentage increase in 15 years
  - **43.6 million** Americans lived in poverty in 2009, an increase of **3.6 million** from 2008
- Child poverty in 2009 rose to **20.7%**
  - **2.1 million** additional children fell into poverty in 2009.
- In 2009, **15.5 million American children** lived in poverty

Prepared by the Staff of Senator Dodd's HELP Subcommittee on Children and Families



## Child Poverty in the United States in 2009

- Overall child poverty rate of **20.7%** in 2009
- Child poverty rates by race in 2009
  - African-American: **35.7%**
  - Hispanic: **33.1%**
  - Asian: **14.0%**
  - White: **11.9%**

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Prepared by the Staff of Senator Dodd's HELP Subcommittee on Children and Families



## Child Poverty in the United States in 2009

- Key policies that Senator Dodd has fought for to help low income children and families:
  - **Family and Medical Leave Act (FMLA)**  
The FMLA which Senator Dodd authored and passed in 1993 allows millions of Americans to take job-protected time off to work to care for their own health, that of a loved one, or for the arrival of a new child.
  - **Child Care and Development Block Grant (CCDBG)**  
The CCDBG which Senator Dodd wrote and which was enacted in 1990 gives families access to much needed and increasingly expensive child care, giving parents the ability to go to work and provide for their families.
  - **Children's Health Insurance Program (CHIP)**  
In 1997, Senator Dodd worked with Senator Kennedy to enact SCHIP to provide health insurance coverage for children not eligible for Medicaid.

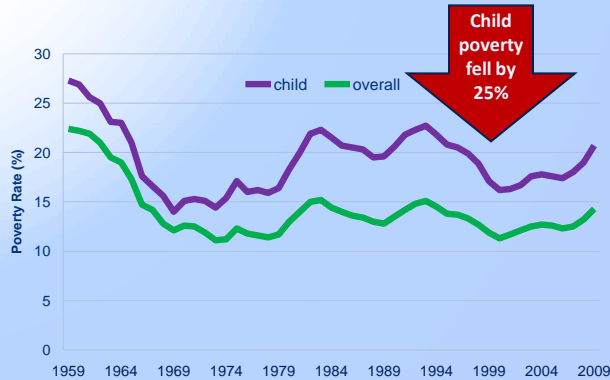
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Prepared by the Staff of Senator Dodd's HELP Subcommittee on Children and Families



## Child Poverty in the United States in 2009

Child Poverty Rate: 1959-2009



Prepared by the Staff of Senator Dodd's HELP Subcommittee on Children and Families



## Child Poverty in the United States in 2009

- The TANF Emergency Contingency Fun (ECF) has been used to subsidize 250,000 public and private sector jobs since its creation last year as part of the Recovery Act
- TANF ECF is set to expire on September 30
- Senator Dodd along with Senator Kerry and other Senators have urged extension of TANF ECF to be included in upcoming jobs legislation

As you continue your efforts to bolster the economy and create jobs, we ask that you include a one-year extension of the Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund in any upcoming legislative packages. We further request \$2.5 billion to ensure the TANF Emergency Contingency Fund is adequately funded through fiscal year 2011; the original \$5 billion appropriated for 2009 and 2010 is nearly exhausted.

United States Senate  
WASHINGTON, DC 20510

September 16, 2010

The Honorable Harry Reid  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Max Baucus  
Chairman  
Senate Finance Committee  
United States Senate  
Washington, DC 20510

Dear Majority Leader Reid and Chairman Baucus:

We appreciate the many months you have spent working to pass legislation that would provide critical tax cuts and support for American workers. Thanks to your leadership, the United States Senate has passed key provisions from the American Jobs and Closing Tax Loopholes Act of 2010, including an extension of expiring unemployment insurance benefits, an extension of expiring FMAP assistance, and an extension of the Medicare physician payment rates.

As you continue your efforts to bolster the economy and create jobs, we ask that you include a one-year extension of the Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund in any upcoming legislative packages. We further request \$2.5 billion to ensure the TANF Emergency Contingency Fund is adequately funded through fiscal year 2011; the original \$5 billion appropriated for 2009 and 2010 is nearly exhausted.

As you know, the American Recovery and Reinvestment Act of 2009 (ARRA) created a new Emergency Contingency Fund under the TANF block grant. States have used this fund to create subsidized jobs in the private and public sectors. By the time it expires at the end of September, the fund will have created approximately 250,000 jobs for low-income individuals (parents and other youth) who would otherwise be unemployed. States are also using this fund to provide basic cash assistance and short-term benefits to increasing numbers of poor families with children as unemployment remains high and more workers exhaust their unemployment benefits.

Prepared by the Staff of Senator Dodd's HELP Subcommittee on Children and Families

## Penny Wise, Pound Foolish: Why Tackling Child Poverty during the Great Recession Makes Economic Sense

HARRY J. HOLZER  
GEORGETOWN UNIVERSITY  
URBAN INSTITUTE  
SEPTEMBER 16, 2010

## The Economic Costs of Child Poverty

- CAP report, January 2007: “The Economic Costs of Poverty in the U.S.” by Holzer et al.
- Children Who Grow Up in Poverty Generate Costs for the U.S. Economy when they are older



## The Economic Costs of Child Poverty

- Why? Lower Education, Employment and Earnings; Poor Health, Crime and Incarceration
- Estimates: Cost is \$500B/yr., or 4% of GDP (Conservative estimate)
- Based on average poverty rates of past few decades



Photography: news@spreadit.org

## The Great Recession and the Long-Term Costs of Child Poverty:

- Temporary Increase in Poverty
- But Large and Persists for Several Years
- Long-Term Effects Beyond the Recession? "Scarring"



Photography: Mary Ellen Mark

## Evidence of Scarring



- Greg Duncan et al. – Even temporary spells of poverty can have negative long-term effects on child development
- Michael Linden – Poverty During the Early 1980s
- Marianne Page et al. – Effects of Parental Job Loss on Child Education and Earnings
- Lisa Kahn and T. von Wachter – Scars of Youth Unemployment

## Bottom Line: Scarring will Occur



- Poor Children and Youth Non-Poor Children and Youth whose parents or themselves suffer from lengthy, involuntary unemployment
- Will likely hurt educational attainment, earnings, and health in the future (maybe crime as well)
- Long-Term Costs of Poverty will rise...How Much?

## Fiscal Effects

- Reduced Earnings Over Time will have negative fiscal impacts: Lower Revenues, Higher Expenditures
- Estimate: Every 1-percentage point rise in dropout rate per year costs the federal government \$5B over time (Belfield and Levin)
- Other sources: Poor Health, Crime, etc.



Photography: AP Photo/J. Scott Applewhite

## Policy Implications

- Make Cost-Effective Investments in Poverty Reduction
- Long-Term: Education and Workforce Development; EITC
- Short-Term: Income Support and Job Creation – Private and Public
- Not to Do So: Penny-Wise and Pound Foolish

## What About the Deficit?

- These expenditures will not much affect long-term Debt/GDP
- Honest Conversation Needed About the Sources of the Deficit: Revenues, Retirement Expenditures (Health Care), and Defense/Homeland Security....not Non-Defense Discretionary Spending!



*Angela Sutton*

Witnesses  
to Hunger

[www.witnessestohunger.org](http://www.witnessestohunger.org)





## *Effects of poverty: crowding and poor housing*



## *Last year*



# Impact of recovery programs

This year



# Witnesses to Hunger: advocacy

**The Washington Post**  
**She turns cameras on American hunger**  
 By PAULINE ARRILLAGA  
 The Associated Press  
 Saturday, February 28, 2009, 3:43 PM

PHILADELPHIA -- An office party goes on without her, across town in an affluen world vastly different from the one where Mariana Chilton now finds herself. Her husband's tried calling. Twice.

And still she sits in dress slacks and stocking feet, gray suede shoes tossed aside, on the drab carpet of a row house in the Philadelphia projects, playing with someone else's children while her own three kids wait for Mom to come home.

A mouse scurries by, but Chilton doesn't flinch.

**The Philadelphia Inquirer**  
 Posted on Thu, May 7, 2009

**Philadelphia poverty rivets D.C. eyes**  
**"Witnesses to Hunger" women take their photos to Capitol Hill.**  
 By Alfred Lubrano  
 Inquirer Staff Writer

WASHINGTON - On a bus trip that was part field trip, part mission, 21 poor and working poor women from North Philadelphia rode to the Capitol yesterday to let the country about the rough life above Spring Garden Street.

In the fall, Drexel University's School of Public Health gave the women, along with 21 others, cameras to chronicle their lives and hard times in a project known as "Witnesses to Hunger." Since The Inquirer published an article about them in November, the women and their photos have been featured in newspapers and on Web sites in Japan, the Middle East, and Europe.

**Ending Childhood Hunger**  
 June 5, 2009 5:15 PM

**Marywood University**  
 CBS NEWS  
 BREAKING NEWS DISGRACED FINANCIER R. ALLEN STANFORD AS

## *Recommendations*

- Ensure that safety net programs, such as SNAP, do not get cut to fund other legislative priorities
- Make sure programs that exist on paper actually work, and are available to the people who need them most
- Work with low income families and individuals: they are experts with important voices that need to be heard

Thank you!



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Robert Miller,

Director of Books,  
Internet Archive

[robert@archive.org](mailto:robert@archive.org)



Keep Main Street Working!





## TANF – great for both employers and employees



## Who are we?



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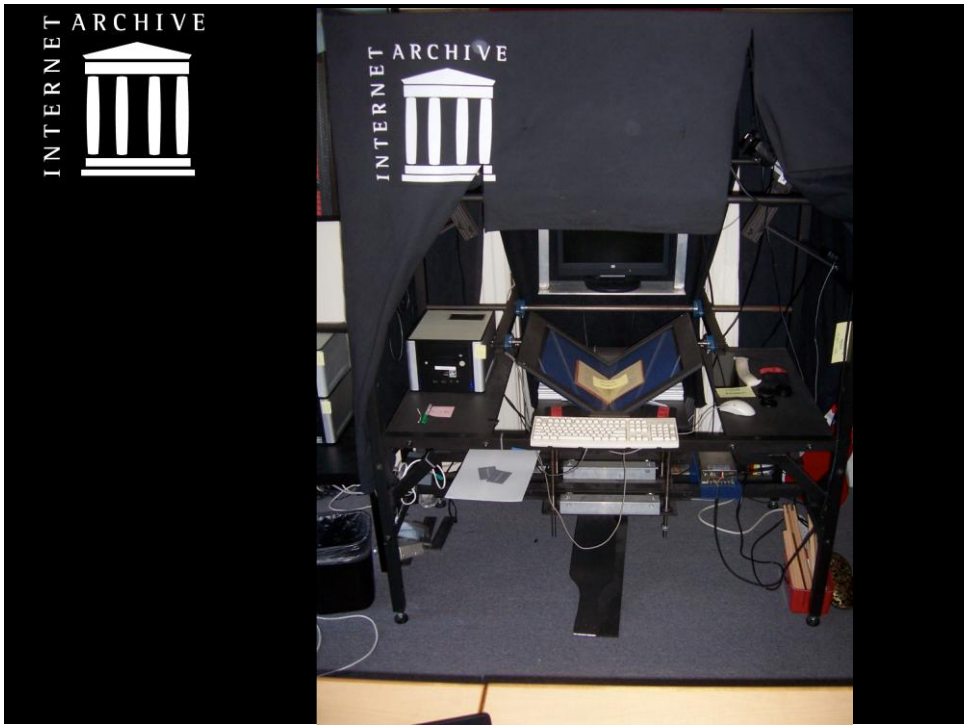


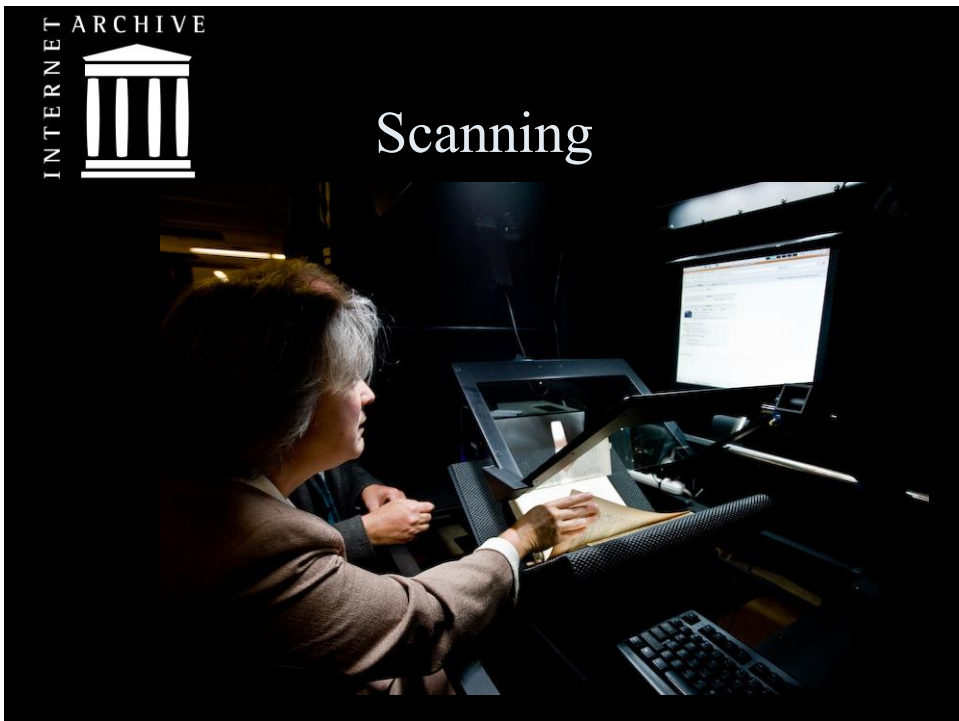
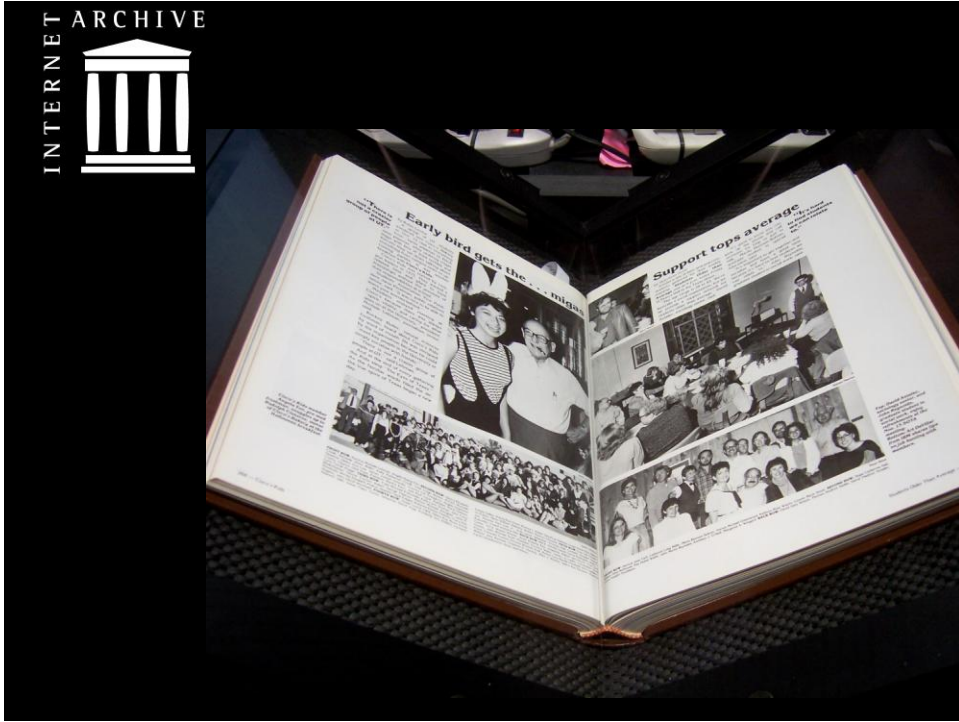
Imagine...having on line access to the best of the best libraries...



INTERNET ARCHIVE








Open Library: Details: An international episode

http://www.openlibrary.org/details/inteepisode00jamearch

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At this point Percy Beaumont certainly looked straight at his kinsman; he tried to catch his eye. But Lord Lambeth would not look at him; his own eyes were better occupied. "I shall be very happy," cried Bessie Alden. "I am only going to some shops. But I will drive you about and show you the place."

"An American woman who respects herself," said Mrs. Westgate, turning to Beaumont with her bright expository air, "must buy something every day of her life. If she cannot do it herself, she must send out some member of her family for the purpose. So Bessie goes forth to fulfil my mission." The young girl had



walked away, with Lord Lambeth by her side, to whom she was talking still; and Percy Beaumont watched them as they passed towards the house. "She fulfils her own mission," he presently said; "that of being a very attractive young lady."

"I don't know that I should say very attractive," Mrs. Westgate rejoined. "She is not so much, that as she is charming, when you really know her. She is very sly."


"Oh, indeed!" said Percy Beaumont. "Extremely sly," Mrs. Westgate repeated. "But she is a dear, good girl; she is a charming species of a girl. She is not in the least a flirt; that isn't at all her line; she doesn't know the alphabet of that sort of thing. She is very simple, very serious. She has lived a great deal in Boston, with another sister of mine—the eldest of us—who married a Bostonian. She is very cultivated—not at all like me; I am not in the least cultivated. She has studied immensely and read everything; she is what they call in Boston 'thoughtful!'"

"A run sort of girl for Lambeth to get hold of!" his lordship's kinsman privately reflected.

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Done

INTERNET ARCHIVE



# TANF!

## Why then?

High unemployment  
Economy struggling



# TANF! Why now?

High unemployment  
Economy struggling

The recovery has not reached down to most of  
America



# Benefit to the employer... confidence





## Benefit to our TANF staff... confidence

- Ginger
- Venus
- Tracey/Reno



### KEEP MAIN STREET WORKING

**"Jobs Now and Internet Archive are helping me restart my life, catch up on bills, hold my head up within a working society where I can earn my salary." -Venus J.**





## KEEP MAIN STREET WORKING



"Not only am I off EDD and the Cal-Works program, but I am now a tax paying citizen." -Tracey G.



For the employer –  
what does TANF mean?





For the employees-  
What does TANF mean?



Please extend TANF one more year

## Timely policy solutions: What you can do to fight poverty



Melissa Boteach  
Half in Ten Campaign Manager



## To Sum Up:

- **The situation:** Largest number of people in poverty on the record, more than 1 in 5 kids in poverty last year;
- **Could have been worse...** The Recovery Act was extremely effective in keeping more people from falling into poverty
  - SNAP/Food Stamps
  - EITC
  - Unemployment Insurance
- But.....



## We Must Do More to Combat Poverty

- Timely Policy Solutions
  - TANF Emergency Fund
  - Making the tax code work for working families
  - Building the political and public will to cut poverty in half in ten years



## TANF Emergency Fund

- ARRA created a \$5 billion TANF Emergency Contingency Fund, set to expire on September 30th this year – Just 9 days away!
- The Fund is designed to help states meet the growing need for assistance during the downturn and to help more families find employment opportunities.
- At least 33 states have already used the program to create more than 250,000 subsidized jobs for low-income workers (Robert's business among them!)
- If the fund's authorization is not extended past September 30th, states will shortly begin winding down successful subsidized jobs programs

## Making the Tax Code Work for Working Families

- Last year Congress made important reforms to two tax credits that help working families struggling to make ends meet: the earned income tax credit, or EITC, and the child tax credit, or CTC. Congress:
  - reformed an EITC provision that penalized low-wage workers who got married
  - allowed families with 3 or more children to earn a larger credit
  - made the Child Tax Credit more widely available to low-income working parents
- These reforms reward work, enable low-wage families to move up the economic ladder, and improve child outcomes.

## Status of tax credits

- Likely to be included in upcoming tax debate (and paid for):
  - Reforms to the child tax credit
  - Reducing marriage penalty in the EITC.
- Still up the air:
  - larger credit to families with 3 or more kids
  - allowing families to count *all* earnings toward determining their child tax credit.

These reforms are a far more cost-effective use of resources than extending tax cuts that only benefit the top 2 percent of Americans (which ranks dead last among different ways to spur economic growth). ...




## ACTION!

Steps you can take:

- Call or write your members of Congress and urge them to:
    - Extend the TANF Emergency Fund for another year
    - Make the tax code work for working families (EITC/CTC)
  - Spread the word about these policy solutions on twitter and facebook? Use the hashtag #poverty
  - Attend Candidate Forums to ask about poverty
- \*Half in Ten will circulate an email to all registrants with all the resources you need to take action**

## Become a long-term partner

Pledge your support for to cut poverty in half in ten years as:

- An organization: <http://halfinten.org/organization-pledge-form>
- An individual: <http://halfinten.org/oindividual-pledge-form>
- Urge your networks & coalition partners to do the same and reach out to elected officials at the local, state, and federal level to endorse: <http://halfinten.org/elected-official-pledge-form>
- A widget  is also available so that you can indicate your support on your own webpage and urge others to sign on (available at [www.halfinten.org](http://www.halfinten.org))

## Contact Information

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