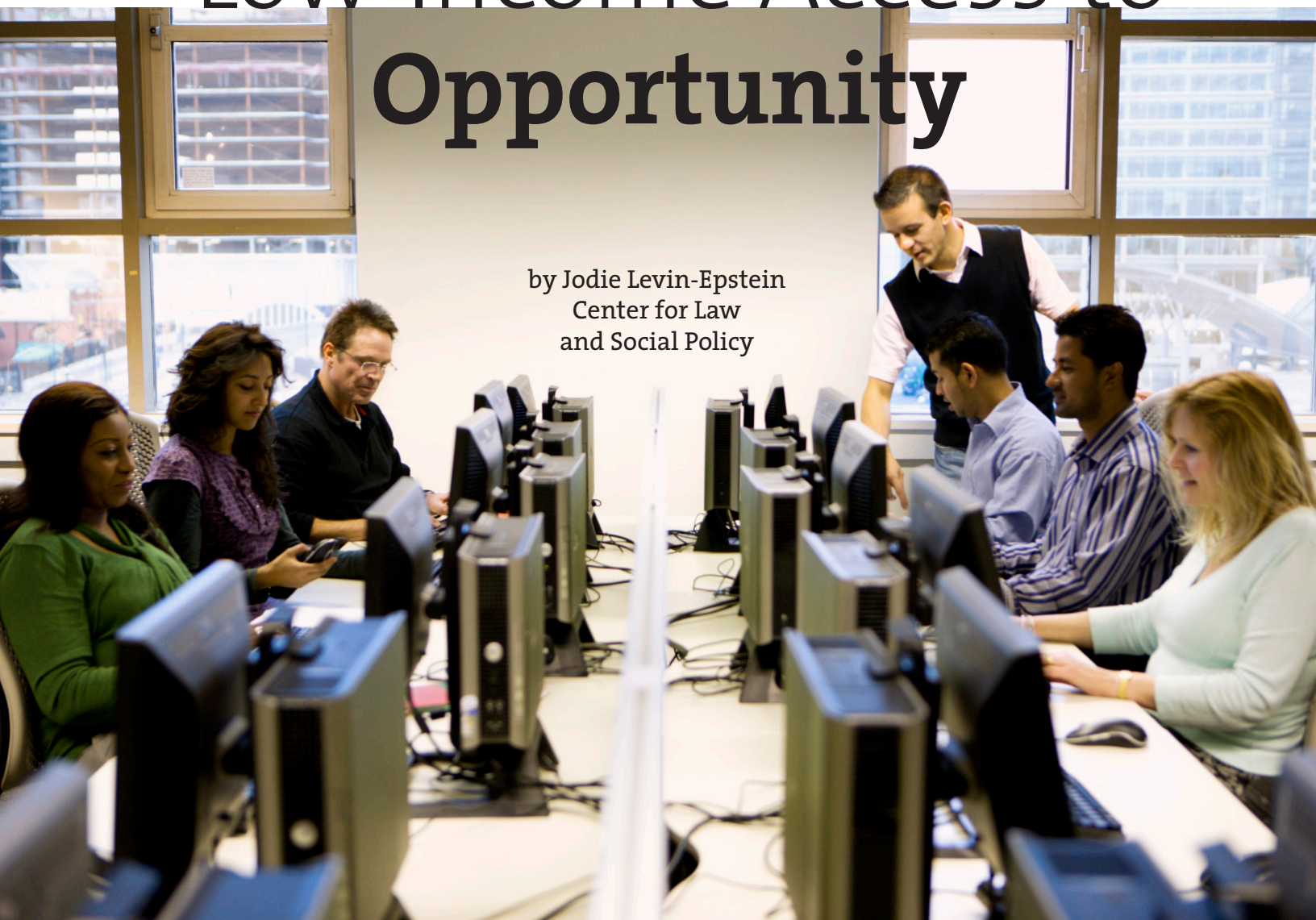


# Increasing Low-Income Access to Opportunity

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**In** the United States, where one in seven people lives in poverty, political discourse about the importance of addressing poverty and its harmful effects—on children, families, communities, and government—has been almost taboo in recent decades.<sup>1</sup> Now a shift is taking place, with state and city governments giving visibility to both

poverty and opportunity through task-force initiatives, summits, state poverty targets, and more. In New England, where state poverty rates range from 7 percent to 12 percent, there are more initiatives than in any other region. All six states (Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut) have poverty rates that are lower than the national average. (See “Population in Poverty, 2007.”) New Hampshire’s is the lowest nationwide; Connecticut’s is second lowest.

Even so, the poverty in those states is cause for concern. A state rate can mask local variations. In relatively rich Connecticut, the city of Hartford has the second-highest poverty rate of U.S. cities with populations more than 100,000.<sup>2</sup> And according to the 2000 Census, New Hampshire had eight tracts with more than 20 percent poverty, two with more than 40 percent.<sup>3</sup> The worsening economic situation and the increased numbers of children living in poverty—with more hunger, homelessness, and education disruption—has intensified the sense of urgency. (See “Share of Children in Poverty, 2007.”)

### Stakeholders and Initiatives

Nationwide at least 20 state governments have decided to take a fresh, comprehensive look at poverty in order to identify workable strategies.<sup>4</sup> Two examples, Vermont and Maine, were among 10 states receiving National Governors Association grants for poverty summits.

Cities are undertaking comprehensive examinations of poverty-reduction options, too. Some emerging urban strategies appear in the National League of Cities’ “Combating Poverty.”<sup>5</sup> In one example, an anti-poverty task force housed at the Savannah, Georgia, Chamber of Commerce analyzed the demographics of poverty and its implications for Savannah. The U.S. Conference of Mayors is also on the case, with its Poverty, Opportunity and Work Task Force issuing recommendations and a call to the Obama administration to design a “comprehensive national plan to eliminate poverty.”<sup>6</sup>

In addition to states’ and cities’ initiatives, national nonprofit campaigns such as Catholic Charities’ “Cut Poverty in Half; Make the Nation Whole,” the National Community Action Partnership’s “Rooting Out Poverty,” and the “Half in Ten” partnership (which includes the Center for American Progress, the Coalition on Human Needs, ACORN, and the Lead-

ership Conference on Civil Rights) are all aimed at promoting increased opportunity by dramatically reducing poverty.<sup>7</sup> The campaigns seek to build public support, and to varying degrees they advocate policy solutions.

Another initiative, “Spotlight on Poverty and Opportunity: The Source for News, Ideas, and Action,” gives policymakers and advocates a place to find the latest developments nationwide and a platform for debating ideas. For example, both Nancy Pelosi, a Democrat, and Newt Gingrich, a Republican, have written commentaries for Spotlight.<sup>8</sup>

Perhaps most significantly, voters themselves are raising the visibility of the topic. A McLaughlin Associates poll that Spotlight

sponsored during the 2008 presidential campaign found that most voters favored more discussion of poverty.<sup>9</sup>

Among other reasons for poverty’s increased visibility is its cost. Persistent childhood poverty, as the Center for American Progress reports, costs the nation about half a trillion dollars annually.

But it doesn’t have to be that way. As the Center for American Progress report “From Poverty to Prosperity: A National Strategy to Cut Poverty In Half” states, increasing the minimum wage, Earned Income Tax Credits, Child Tax Credits, and child-care subsidies could cut poverty by more than 25 percent in a decade and, with additional steps, by 50 percent.<sup>10</sup>

The recession deepened the challenge,

### Population in Poverty, 2007

Rank (where 1 indicates lowest poverty)

United States		13%
2	Connecticut	8%
20	Maine	12%
8	Massachusetts	10%
1	New Hampshire (lowest)	7%
20	Rhode Island	12%
8	Vermont	10%

Source: Kids Count, Updated September 2008. Showing the share of all people who live in families with incomes below the federal poverty level, as defined by the U.S. Office of Management and Budget.

### Share of Children in Poverty, 2007

Rank (where 1 indicates lowest poverty)

United States		18%
4	Connecticut	11%
16	Maine	15%
11	Massachusetts	13%
1	New Hampshire (lowest)	9%
25	Rhode Island	17%
7	Vermont	12%

Source: Kids Count, updated September 2008. Showing the share of children under age 18 who live in families with incomes below the federal poverty level, as defined by the U.S. Office of Management and Budget.

though. At one point analysts calculated that if unemployment rose to 9 percent by the fourth quarter of 2009 and policies failed to create enough jobs or provide an adequate safety net, 10.3 million more people could join the ranks of the poor.<sup>11</sup> Unemployment reached 9.5 percent in June.

## New England Efforts

Most New England states have created a task force to produce a clear picture of poverty among their residents and to identify policy solutions and priorities. Connecticut, Maine, Rhode Island, and Vermont have legislated such efforts. Massachusetts has an Asset Development Commission focused on how asset-building strategies can enhance the financial stability of low-income people.

So far, task-force policy recommendations have been issued in Connecticut and Vermont. Connecticut released 67 recommendations and subsequently invited a national panel to winnow the list down on the basis of several criteria, including evidence of impact. The 13 final priorities included income supports such as the Earned Income Tax Credit, child-care subsidies available to families with incomes up to 200 percent of the poverty level, investments in education, and family-structure support (such as teen-pregnancy prevention).

Among Vermont's holistic recommendations were "safety net" priorities such as food, fuel, and housing; education priorities (such as eliminating the income disparity in test scores and graduation rates by 2015); and employment priorities (including enhancing career pathways and retaining child-care support for a period of time after incomes increase).

Nine states around the nation have established a poverty-reduction target as a way to provide a common focus for varied policy options.<sup>12</sup> A target sets a numerical goal and a timeline. It does not take a stand on which policies are best, but if wielded effectively, it can keep stakeholders' eyes on the prize. Although such targets are relatively new, experience with other targets—for example, those for reducing homelessness or gas emissions—can provide helpful lessons.<sup>13</sup>

In 2004, Connecticut became the first state to legislate a poverty-reduction target. The law calls for child poverty to be cut in half by 2014. Advocates are frustrated that the state has not yet moved poverty back to earlier levels and that a helpful strategy—a

state earned-income tax credit—passed in the legislature but was vetoed. With Maine and Vermont setting goals more recently, New England has more poverty-reduction targets than any other region.<sup>14</sup>

Fortunately for the region, many municipal authorities, nonprofits, and individuals are stepping up to the plate. A few of their initiatives follow:

**City government:** In Providence, Mayor David N. Cicilline has convened the Poverty, Work & Opportunity Task Force. Its 2007 recommendations are now being prioritized and implemented with metrics to measure progress.<sup>15</sup>

**City philanthropy:** In Boston, the Eos Foundation has pledged \$15 million over five years—and is seeking matching funds—for a poverty-alleviation program featuring proven business techniques and investment in nonprofits.

**Regional child advocacy:** The New England Region Poverty Consortium of state child advocacy organizations works to identify common issues and swap policy ideas and winning strategies among the six states.<sup>16</sup>

**Individual volunteers:** Examples abound. In Hartford, volunteer budget advisers coach volunteer low-income workers through a program operated by Co-opportunity Inc. A bonus is that the professionals gain a better understanding of how little some workers earn and how much they struggle to survive.

Through these and other efforts, New England is succeeding in making the issues of poverty and opportunity more visible. As measured by government decisions to establish commissions, set poverty targets, and convene governor-level summits, the region actually leads the country. It is tempting to speculate why. One possible answer might be that states with both high rates of poverty and high rates of wealth find the issue more pressing. Although recession and budget realities will impact investment in poverty reduction, leaders need to remember that those same forces will be adding to the ranks of the poor and that postponing potential solutions will only make the problems more intractable in the future.

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## Endnotes

<sup>1</sup> See <http://www.clasp.org/publicationskeepaneyontheprize.pdf>.

<sup>2</sup> See [http://www.cga.ct.gov/coc/PDFs/poverty/2005\\_poverty\\_report.pdf](http://www.cga.ct.gov/coc/PDFs/poverty/2005_poverty_report.pdf).

<sup>3</sup> See <http://www.census.gov/hhes/www/poverty/20percent/20percent.html>.

<sup>4</sup> See [http://www.clasp.org/publications/clasp\\_report\\_0418.pdf](http://www.clasp.org/publications/clasp_report_0418.pdf).

<sup>5</sup> See <http://usmayors.org/chhs/uploads/ActionAgendaPoverty.pdf>.

<sup>6</sup> See [http://www.nlc.org/ASSETS/492F291196434AA590778DC4361670B8/08\\_YEF\\_CombatingPoverty.pdf](http://www.nlc.org/ASSETS/492F291196434AA590778DC4361670B8/08_YEF_CombatingPoverty.pdf) and <http://usmayors.org/chhs/poverty.asp>.

<sup>7</sup> See [http://www.communityactionpartnership.com/index.php?option=com\\_content&task=view&id=44&Itemid=73](http://www.communityactionpartnership.com/index.php?option=com_content&task=view&id=44&Itemid=73).

<sup>8</sup> New England funders include the Endowment for Health, based in Concord, New Hampshire, and the Boston-based Eos Foundation. See <http://www.spotlightonpoverty.org>.

<sup>9</sup> See <http://www.spotlightonpoverty.org/news.aspx?id=b823e55f-77bc-4b14-a78a-74d5f1de67c4>.

<sup>10</sup> See [http://www.americanprogress.org/issues/2007/04/poverty\\_report.html](http://www.americanprogress.org/issues/2007/04/poverty_report.html).

<sup>11</sup> See <http://www.cbpp.org/11-24-08pov.htm>.

<sup>12</sup> Colorado, Connecticut, Delaware, Illinois, Louisiana, Maine, Minnesota, and Vermont have set targets; Oregon's government performance measures include a poverty reduction goal.

<sup>13</sup> Jodie Levin-Epstein and Webb Lyons, "Target Practice: Lessons for Poverty Reduction," [www.clasp.org](http://www.clasp.org).

<sup>14</sup> Vermont's Council oversees a target to cut child poverty in half by 2017. See <http://www.leg.state.vt.us/workgroups/ChildPoverty>. Maine's commission will set numerical targets for an assigned time frame. See <http://www.mainelegislature.org/legis/statutes/5/title5ch391.pdf>.

<sup>15</sup> See [http://www.providenceri.com/press/docs/prosperity\\_in\\_providence.pdf](http://www.providenceri.com/press/docs/prosperity_in_providence.pdf).

<sup>16</sup> See [www.clasp.org/publications/seizing\\_the\\_moment\\_1.\\_overview\\_\\_\\_snapshot.pdf](http://www.clasp.org/publications/seizing_the_moment_1._overview___snapshot.pdf).

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