
Partner Discussion Presentation

September 2016
WHY POVERTY? WHY OPPORTUNITY?
$672 billion/year

- lost potential earnings
- involvement with the criminal justice system, and
- costs associated with poor health outcomes
As both Robert Putnam, author of *Our Kids: The American Dream in Crisis* and Michael Gerson point out, the opportunity and mobility gap is an even bigger worry.

- “The central tenant of the American Dream— that all children regardless of family and social background, should have a decent chance to improve their lot in life- is no longer ‘self-evident.’”

  —Michael Gerson

Robert Putnam
A Focus on Poverty and Opportunity

- 43% of children who start in the bottom quintile are likely to stay there as adults.
- Growing up in poverty is a barrier to opportunity and mobility.

Americans Raised at the Top and Bottom Are Likely to Stay There as Adults

- 43% of children who start in the bottom quintile are likely to stay there as adults.
- Growing up in poverty is a barrier to opportunity and mobility.

Policy Can Make A Difference

Millions of People Lifted Above the Poverty Line by Program

Note: Figures show the number of people lifted above the poverty line using the federal government’s Supplemental Poverty Measure (SPM) with corrections for underreporting.

FOUNDATION AND GRANTEE LEADERSHIP HAS PAVED THE WAY
Convened discussion on poverty at the Council on Foundations 2007 meeting

Multiple funders began more intentional focus on building public and policymaker support for addressing poverty and opportunity

Grantmakers for Income Security Taskforce, Council on Foundations and other efforts continue to raise profile of work

Funders have included the Ford, Kellogg, Wyss, JPB, Annie E. Casey Foundations, and Wellspring Advisors among others
Using a Diverse Set of Strategies

- Support communications and advocacy to build public and political will for common-sense, bipartisan policy ideas
- Provide better data, compelling research and analysis on poverty and opportunity
- Develop new policies and strategies to address poverty and opportunity
Voices on Opportunity: Left, Right and Center
WHY NOW?
Opportunity 2017: Time for Action

• Opportunity 2017 takes advantage of the unique convergence of two trends to advance Congressional action on an “opportunity agenda”:

1. Momentum that has been building over the last 8 years, as poverty and opportunity have moved up in the national domestic policy agenda as an issue ripe for action; and

2. Historic fact that the first year of a new President and new Congress are very often the most productive in passing major domestic policy legislation and investments.
2007 The Great Recession

2011-12 Occupy Wall Street

2012 Inequality becomes an election theme

2013 New Pope focuses on the poor

2014 50th Anniversary of the War on Poverty; Piketty book published

2015 Paul Ryan elected Speaker

2016 Inequality and opportunity are an election focus

Momentum to Address Poverty and Increase Opportunity
Building Momentum in 2015

- Publication in March 2015 of Robert Putnam’s *Our Kids* (Supported by Spencer, Rockefeller Brothers, Kellogg, Ford, Legatum Institute, Markle, William T. Grant, Casey, Gates, and Carnegie)

- Georgetown’s Catholic-Evangelical Leadership Summit on Overcoming Poverty

May 12, 2015- Georgetown University’s Summit on Overcoming Poverty
• Pope visits the U.S. and addresses families and the poor

• In December, 2015 AEI/Brookings/NYU publish Opportunity, Responsibility, and Security (Casey, Ford)

September 24, 2015- Pope Francis attends Catholic Charities lunch with low-income DC residents
Speaker Paul Ryan and Senator Scott hosted six GOP Presidential candidates at the Kemp Forum on Expanding Opportunities with Jack Kemp Foundation and American Enterprise Institute.

January 9, 2016- Kemp Forum on Expanding Opportunity in South Carolina
Elections 2016: Poverty And Opportunity Hit Center Stage

- Poverty and Opportunity are now a central theme of the campaign
- Launch of the Task Force on Poverty, Opportunity and Upward Mobility by House Republicans
- Given the public mood and focus of the campaign, those newly elected to Congress and a new Administration will have a mandate to get something done
Historic Lessons: Moving Policy In First Year of Administration

President Reagan passed sweeping tax reforms focused on cuts to income tax rates.

President Clinton passed Family Medical Leave Act and budget with significant EITC expansion.

President Bush’s tax cut package included refundable credits to help the working poor with prompting from partners.

President Obama passed ARRA: $240 billion targeted to low-income families, informed by partners efforts.
“Doing nothing—the preferred solution of the last half decade—won’t be an acceptable answer.

The possible result: A grand bipartisan compromise that pairs support for American workers—an expanded earned income tax credit, improved worker training programs, new infrastructure investment...”

Glenn Hubbard
Economist and Former Chairman of the Council of Economic Advisors under President George W. Bush
“And what politicians in our system might carry on an adult conversation about the goal of ensuring that all Americans are prepared for the new economy? The answer... would probably be President Hillary Clinton working with House Speaker Paul Ryan and an emerging Republican anti-poverty caucus (think Sens. Tim Scott of South Carolina and Mike Lee of Utah) in the Senate.... if the goal is addressing working-class struggles, the real revolution might come from a divided government.”

Michael Gerson
*Washington Post* Columnist and
Former Speechwriter to President George W. Bush
March 23, 2016
OPPORTUNITY 2017: VISION AND COMPONENTS
Opportunity 2017: Components

- Engage a core set of partners to begin to identify a short list of policy solutions to prioritize for advocacy
- Identify strategies, pathways and needs for each key issue to move
- Target what might move alone and what, if anything, should be in a “package” with likely legislative vehicles, timelines, and public support in mind
- Loosely coordinate efforts across grantees and foundation partners – more intentional coordination/campaigns possible for some issues
Opportunity 2017: Developing the Agenda

• Identify key areas for consensus building that meet three key criteria for 2017 action:

  - Ripe for Policy Action in 2017
  - Affordable
  - Possibility for Bipartisan Consensus

Opportunity
A chance to meet your potential regardless of where you start

Security
Protections against the vicissitudes of life

Responsibility
Work hard and play by the rules
Potential Policy Ideas

- Increase the child tax credit (targeting low income families and young children)
- Expand and increase the EITC for low-wage workers
- Enact national paid family leave
- Expand early childhood, pre-k and child care
- Fund new demonstration projects on strengthening families, including healthy marriage, responsible childbearing and engaged fatherhood
Potential Policy Ideas

- Increase and index the federal minimum wage
- Expand availability of housing vouchers as a means to improve mobility
- Increase access to, and success in, college
- Expand subsidized employment for disadvantaged workers, especially youth and young adults, veterans, and the formerly incarcerated
Potential Policy Ideas

- Expand youth employment, apprenticeships, and career pathways
- Increase government efficiency and effectiveness and support of evidence based policymaking
- Establish a White House “Office of Opportunity”
- Pass Criminal Justice Reform
- Support efforts to target funding to disadvantaged communities to create more opportunity (e.g. 10/20/30 proposal)
Opportunity 2017: A Chance to Strengthen the Safety Net

- Expanded EITC and Child Tax Credit
- Expanded Housing Subsidies
- Subsidized employment
Example: Wyss Foundation’s Coordinated Effort to Extend Tax Credits in 2015

- Recovery Act improvements to low income refundable tax credits were made permanent in 2015, led by campaign supported by Wyss Foundation
- Largest anti-poverty expansion in a generation, aside from the Affordable Care Act

**Tax Deal: Making EITC and CTC Provisions Permanent Has Powerful Anti-Poverty Effect**

- 16.4 million people
  - Lifted out of poverty: 1.8
  - Lifted closer to poverty line: 14.6

- 7.7 million children
  - Lifted out of poverty: 1.0
  - Lifted closer to poverty line: 6.7

Note: These figures are based on the Supplemental Poverty Measure which, unlike the official measure, counts the effect of government benefit programs and tax credits. Provisions are a lower earnings threshold for the low-income Child Tax Credit, marriage-penalty relief in the Earned Income Tax Credit, and an EITC boost for larger families.

Example: Wyss Foundation’s Coordinated Effort to Extend Tax Credits in 2015

- Funding to CBPP, United Way of America, and National Council of La Raza- among others -- helped advance core campaign that involved:

  Recruiting new and diverse voices

  Deeper coordination with national partners & their field networks

  Robust state infrastructure to leverage each partner’s strengths

  Conservative strategists and increased communications capacity

Resulted in tax expansions of $150 billion over 10 years for low-income families
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<th>Opportunity 2017: Key Activities</th>
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<td><strong>May - July</strong></td>
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<tr>
<td>• Transition teams forming</td>
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<td>• Explore interest of grantees and other funders</td>
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<td><strong>June - November</strong></td>
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<td>• Identify a set of bipartisan policies for alternative scenarios</td>
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<td>• Leverage foundations’ relationships; grantee connections</td>
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<td>• Work with Congressional leaders behind the scenes</td>
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<td><strong>November — Q1 2017</strong></td>
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<td>• Share top policy ideas with new Administration officials supplemented by targeted grantee outreach</td>
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<td>• Engage full range of grantees</td>
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<td>• Messaging, communications, and coalition building with broad range of grantees on public push for policy ideas</td>
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<td><strong>Q1 2017-ongoing</strong></td>
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<tr>
<td>• Legislative efforts on core policy goals</td>
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<td>• Additional work to advance new ideas on poverty and opportunity</td>
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Longer Term Work Continues, Even as 2017 Agenda is Pursued

- Work towards expanded consensus policy areas after the first year
- Gates Foundation’s new Partnership on Mobility from Poverty
- Continue to cultivate new funding partners
- Continue to look for new solutions to address poverty for families and children
• Please be in touch if you are interested in coordinating or see alignment with your plans for 2017

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