



DENVER
THE MILE HIGH CITY

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Human Rights & Community Relations

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ENDING POVERTY

What if poverty were the latest thing? What if people were shocked to learn that 10.6% of their fellow Coloradans lived in poverty, with a family of four, for example, earning less than \$21,200? And that's not counting another 10% of Colorado households who earn above the poverty level, but don't earn enough to pay for basic needs--who are below self-sufficiency. Now that even the middle class feels like they are falling in poverty, perhaps we can get a fresh view of this issue.

Ending poverty is not impossible. We even know how. It is first and foremost a matter of political will and priorities. What if claiming the title to "the State with the Biggest Increase in the Childhood Poverty Rate" could shame us into action? In 2000, 9.2% of Colorado's children lived in poverty. In 2006, 15.7% of Colorado kids lived in poverty. In 2000, in Denver County, 14.9% of our children lived in poverty. In 2006, 29.4% of Denver kids lived in poverty.

Two new blueprints for how to end poverty have been released recently. "*From Poverty to Prosperity: A National Strategy to Cut Poverty in Half*" by the Center for American Progress is a compilation of national strategies to reduce poverty. Former Denver Mayor Wellington Webb served on their advisory committee. In May 2008 the national Campaign to Cut Poverty in Half in Ten Years kicked off. Their 12 strategies include:

- Raise and index the **minimum wage** to half the average hourly wage.
- Expand the **Earned Income Tax Credit** and **Child Tax Credit**
- **Promote unionization** by enacting the Employee Free Choice Act
- Guarantee **child care assistance** to low-income families and promote **early childhood education** for all.
- Create two million new "opportunity" **housing vouchers**, and promote equitable development in and around central cities.
- Connect disadvantaged and disconnected **youth** with school and work
- Simplify and expand Pell Grants and make **higher education accessible** to all residents of each state.
- Help former **prisoners** find stable employment and reintegrate into their communities
- Ensure equity for low-wage workers in the **unemployment insurance** system
- **Modernize means-tested benefits** programs to develop a coordinated system that helps workers and families
- Reduce the **high costs of being poor** and increase access to financial services
- Expand and simplify the Saver's Credit to encourage **saving** for education, homeownership and retirement.

Childhood poverty alone currently costs the nation an estimated \$500 billion per year. The total cost of implementing these recommendations is about \$90 Billion, or about 1/4 of the costs of the tax cuts enacted in 2001 and 2003. It would cost less to end poverty than to continue current practice.

Looking at state level policies, the National Governors' Association Center for Best Practices issued their briefing "*State Strategies to Reduce Child and Family Poverty*" in June 2008. Recommended policy options include:

- **Expand safety-net** options for families in crisis- including family and medical leave, unemployment insurance, and welfare diversion
- **Increase the returns on work**- including creating or expanding state Earned Income Tax Credits
- **Promote savings and asset accumulation**- including Individual Development Accounts, and mainstream banking opportunities
- **Improve the consumer environment in poor neighborhoods** including curtailing predatory lending.
- **Increase access to education and training**, including financial aid and training opportunities for TANF and other low income clients.
- **Improve access to work supports**- including TANF, Child Care, the EITC, Child Health Plan, Medicaid and Food stamps.
- **Invest in programs for young children**- including pre-school and Nurse Home Visitation
- **Strengthen family relationships**- including teen pregnancy prevention and responsible fatherhood programs.

Some States are beginning to act—forming anti-poverty task forces or commissions and establishing specific poverty reduction goals. In Colorado, Rep. John Kefalas formed the “Common Good Caucus” of legislators concerned about poverty and self-sufficiency. The Colorado Children’s Campaign published *Childhood Poverty in Colorado*. The “Pay Check Away” Tour documented the interrelationship of many issues throughout Colorado- housing, energy and food costs, health care, tax policies, etc. The All Families Deserve a Chance (AFDC) Coalition is questioning whether the TANF program (Temporary Assistance for Needy Families) with its federal block grant to Colorado of \$140 million per year and its large reserves (exceeding \$100 million dollars) can be used to reduce the number living in poverty. The EITC Coalition is fighting for restoration of the State Earned Income Tax Credit which benefits low wage families in poverty. All these efforts and others are linked.

If you are interested in helping to end poverty, there is a community effort to match your interests. If you don't know where to begin, email me at chaer.robert@denvergov.org .

For more information:

Childhood Poverty in Colorado by Colorado Children’s Campaign at www.Coloradokids.org

From Poverty to Prosperity: A National Strategy to Cut Poverty in Half at www.americanprogress.org Also, the Half in Ten Campaign at www.halfinten.org

State Strategies to Reduce Child and Family Poverty at National Governors’ Association Center for Best Practices. www.nga.org/center