

Left Behind: Poverty & the Federal Budget



1 in 5

U. S. children
lives in poverty.

*Learn what the federal
budget can do to help.*

October 1, 2015

**Lindsay Koshgarian
National Priorities Project**

Poverty is too high.
And it doesn't strike at random.

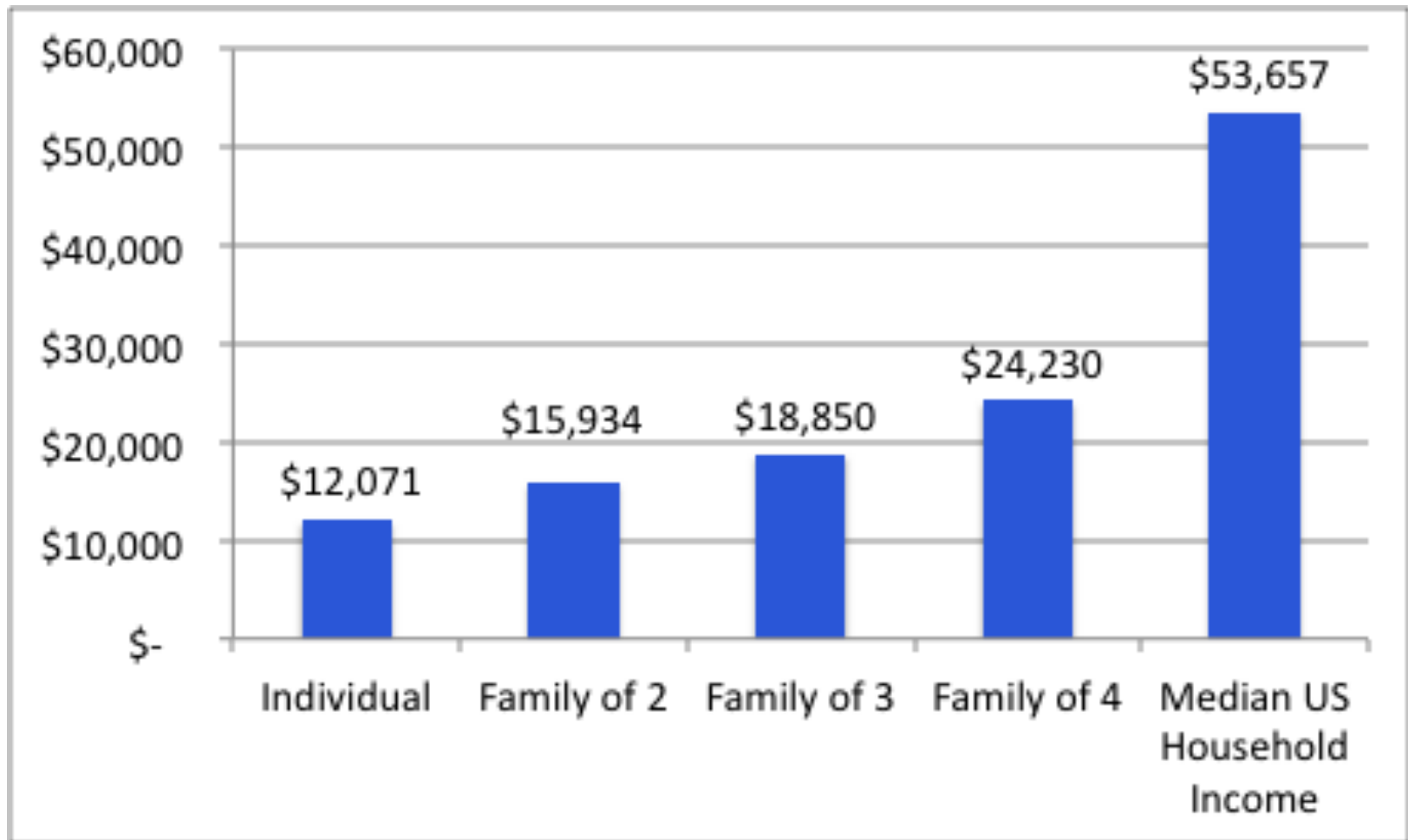


Photo by Mike Licht
<https://flic.kr/p/7ui153>

Poverty in 2014

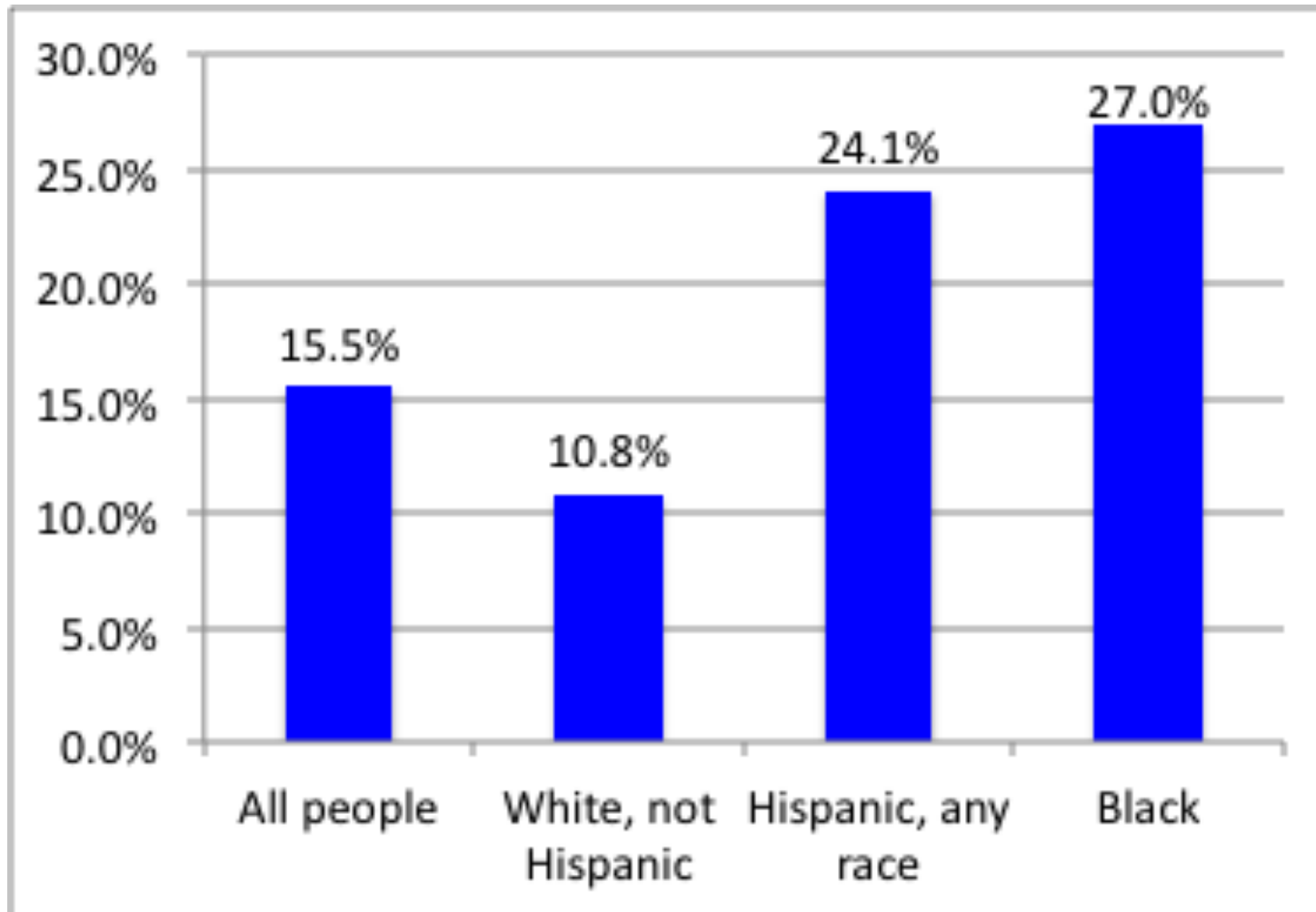
- ◆ 14.8 percent, or 1 in 6
- ◆ 46.7 million people
- ◆ Among children:
 - 21.7 percent, or 1 in 5
 - ◆ 15.7 million children

What is the “poverty level”?



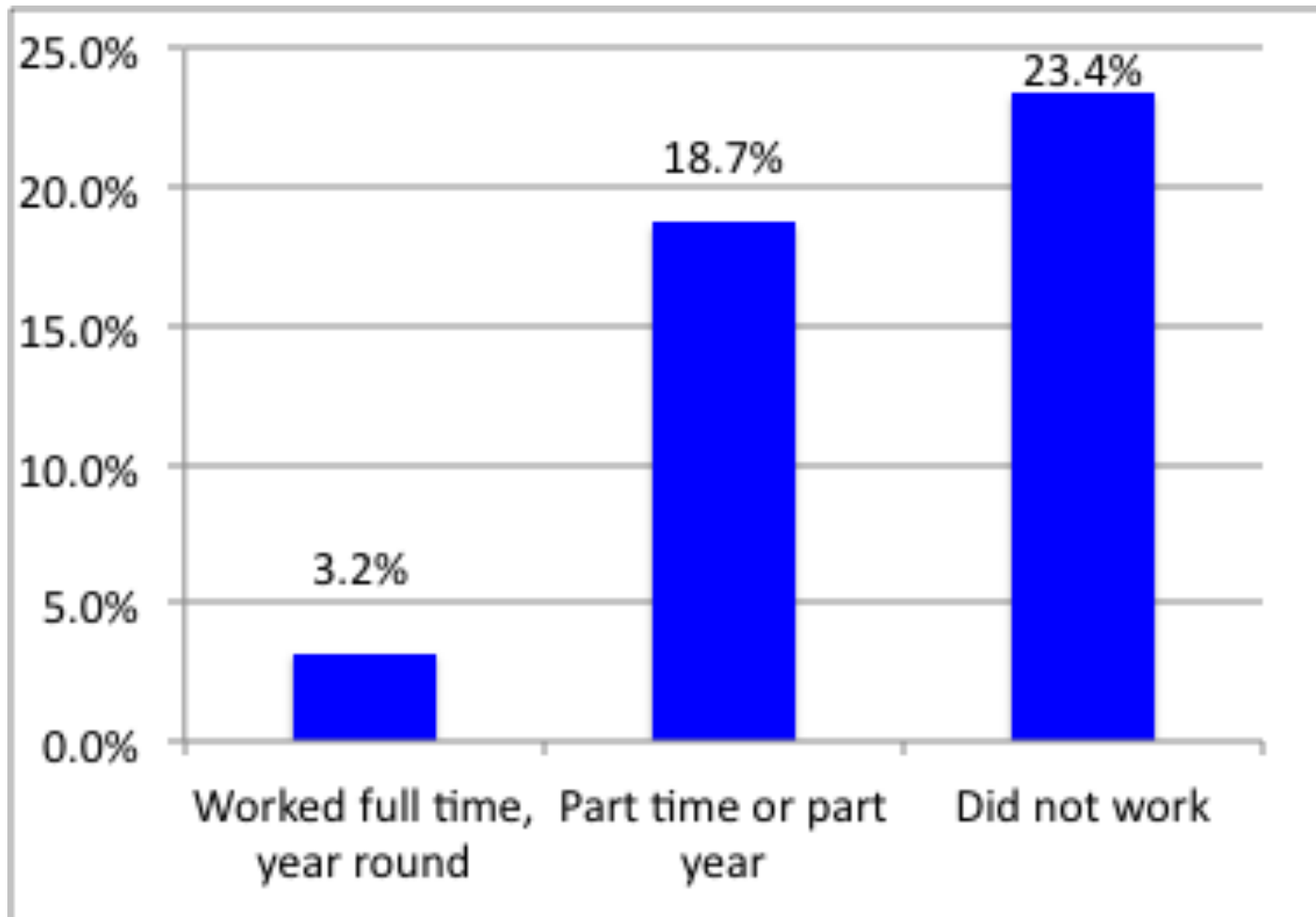
Sources: U.S. Census Bureau, Historical Poverty Tables & American Community Survey, 2014

Poverty doesn't strike equally



Source: American Community Survey 2014

The Economy is not enough



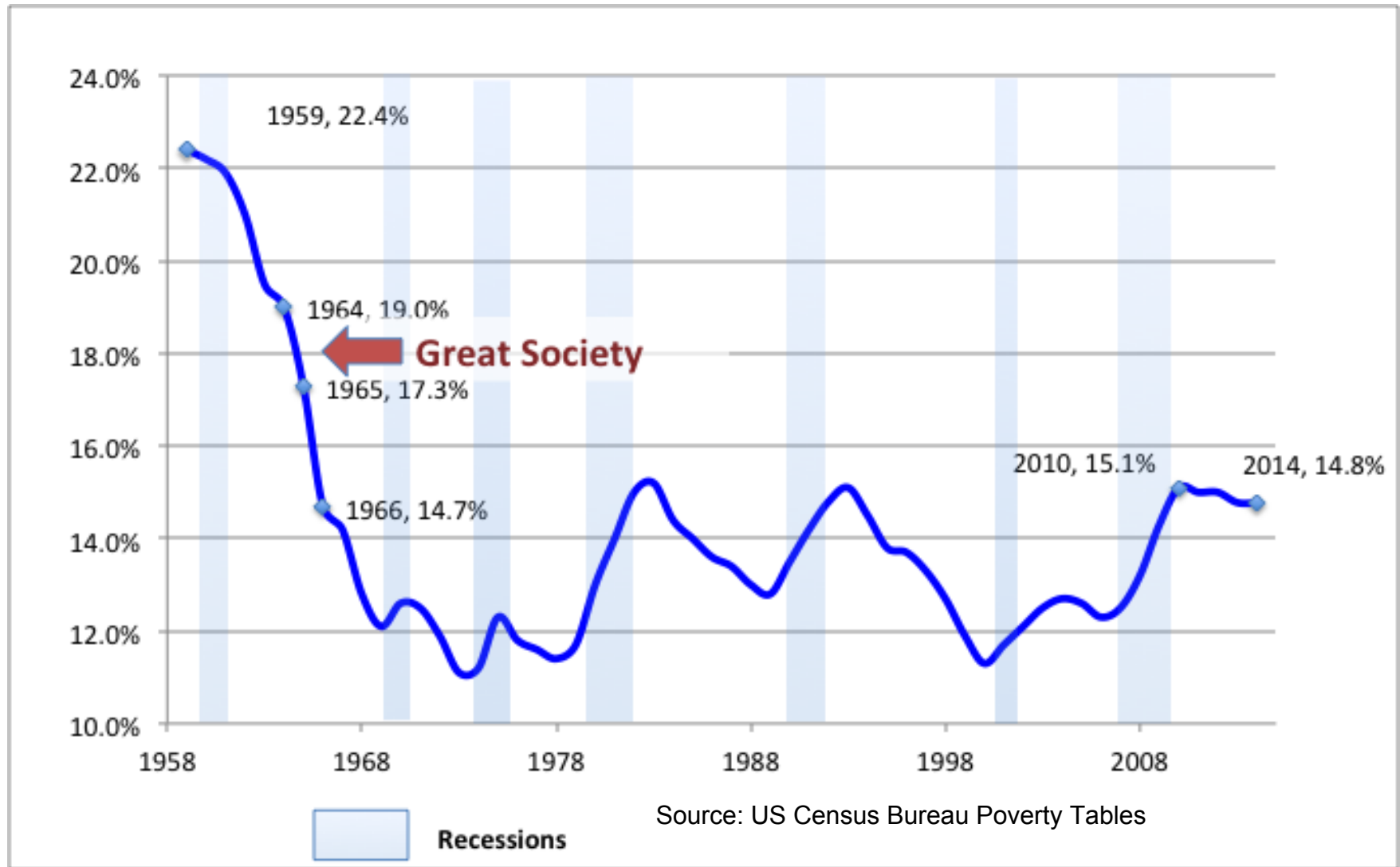
Source: American Community Survey 2014

Anti-poverty programs work.



Photo by Lance Nishihira
<https://flic.kr/p/m9aSQ>

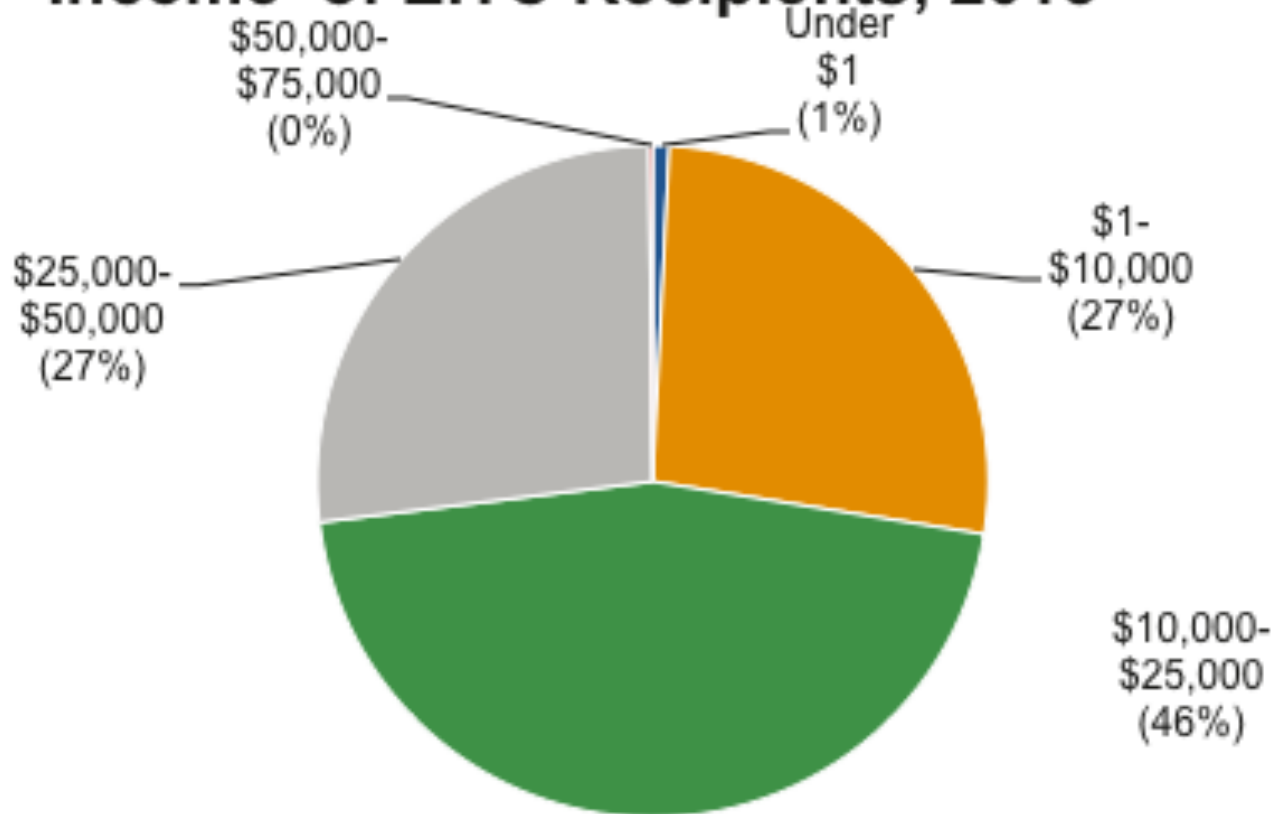
Anti-Poverty Programs Work!



Earned Income Tax Credit:

\$67 Billion in 2013

Income of EITC Recipients, 2013

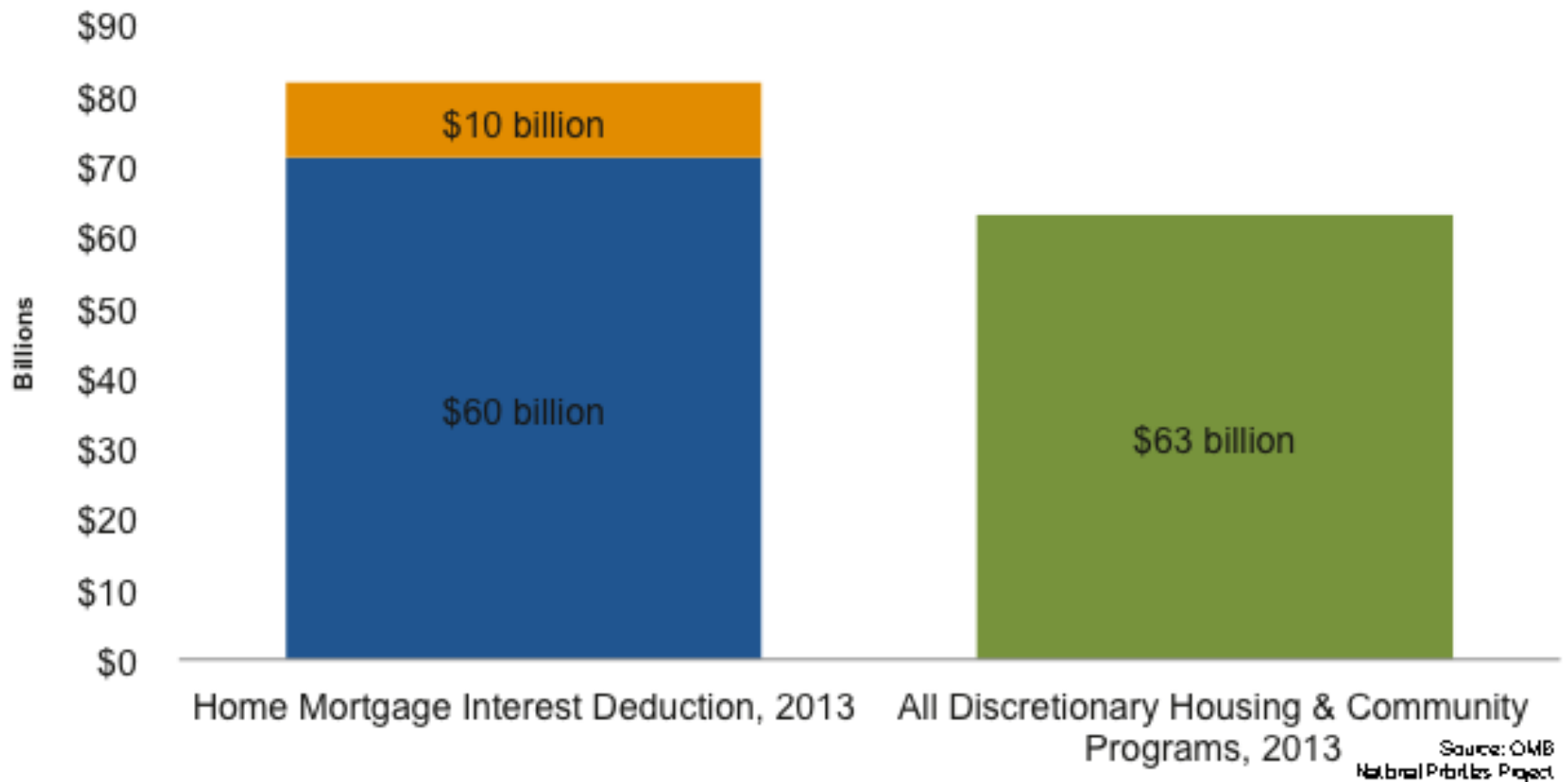


Source: IRS Income Tax Stats
National Priorities Project

Where does your tax dollar go?

\$12,922 Average Tax Paid	
\$3,505	for Pentagon and related
• \$759	for military personnel
• \$88	for nuclear weapons
\$1,537	for Medicaid
\$756	for veterans' benefits
\$389	for SNAP (food stamps)
\$329	for Education
\$83	for TANF (welfare)
\$47	for CHIP (children's health insurance)
\$43	for Diplomatic and consular programs
\$34	for Federal Prison System
\$11	for Energy efficiency and renewable energy

15% of the home mortgage interest deduction went to the top 1% of earners in 2013



The time to do something is now.



Photo by Storm Crypt
<https://flic.kr/p/3VGtmE>

New Budget Deadline:
December 11, 2015

70 Days Left

Find out More

www.nationalpriorities.org

Contact:

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Economic Growth Leaves the Poorest Americans Behind

Deborah Weinstein

October 1, 2015



**At the current rate, cutting poverty in half would take until the year 2040.
Getting child poverty to the same level would take until 2049.**

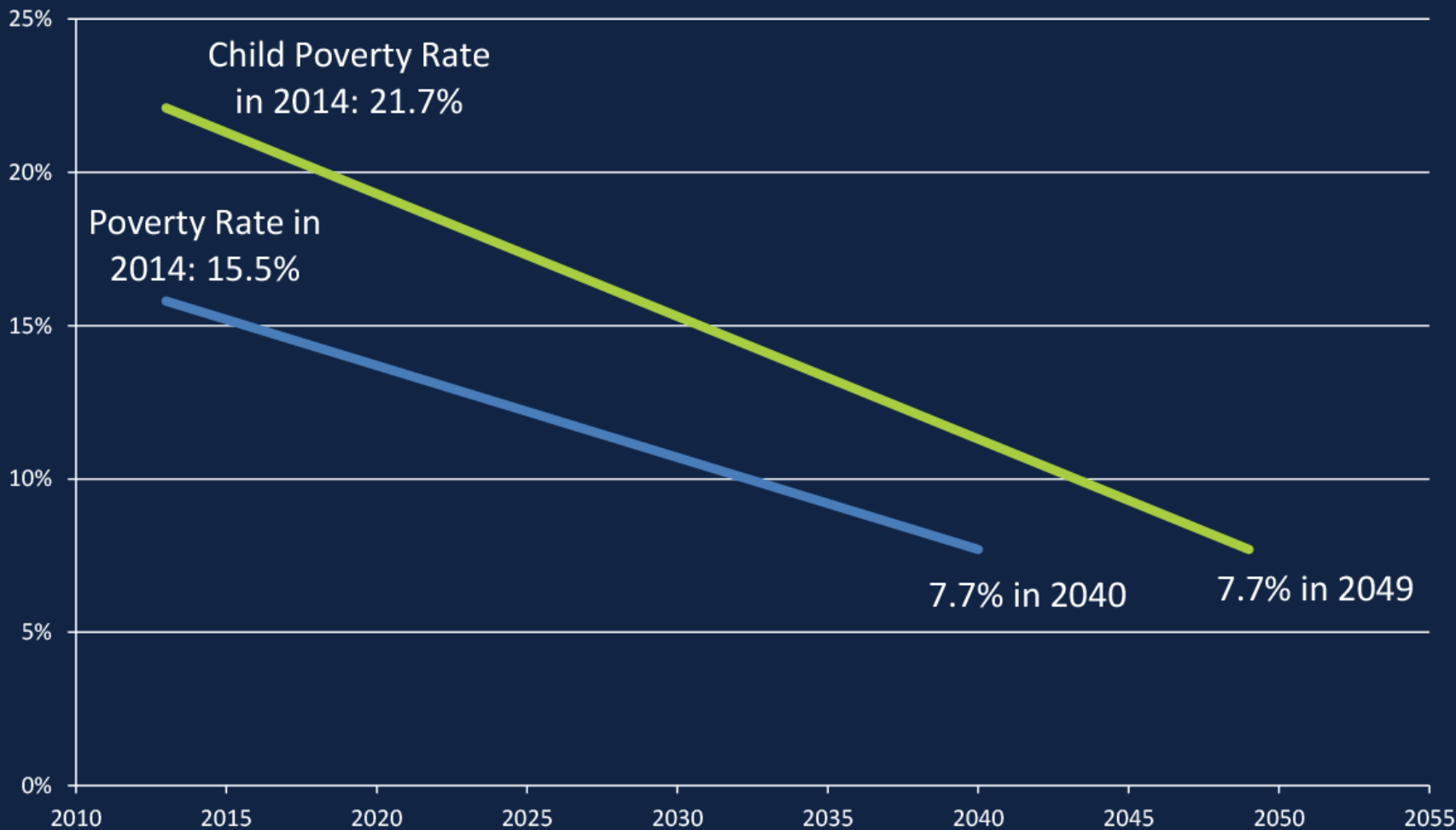


image by National Priorities Project



COALITION ON HUMAN NEEDS

The
economy
alone won't
lift enough
people out
of poverty.

But effective
public
programs
work.

In 2014, government programs lifted
millions of Americans out of poverty:



EITC/CTC (tax credits)
roughly 10 million Americans



EITC/CTC (tax credits)
including 5 million children



Housing subsidies
2.8 million Americans



COALITION ON HUMAN NEEDS

image by National Priorities Project

What the economy does...



Top 5%: Average incomes rose from \$325,000 in 2010 to \$346,000 in 2014.



Bottom Fifth: Average incomes dropped from \$12,280 to \$11,900.

22
million

*How many fewer poor
people if we cut
poverty in half by 2020*

2
million

*How many fewer poor
people if we keep
reducing poverty at the
current rate*

20 million needlessly poor

Poverty costs too much

Children who have

- Head Start
- Nutritious food
- Secure housing
- Health care

Families who have

- Stable jobs
- Secure income

***contribute to
shared economic growth***

- After the SNAP cut in 2013, households with babies and toddlers were 23% more likely to be “food insecure”
(thus more subject to bad health, falling behind in school)

-- Children's HealthWatch

And yet...

Instead of investing, we've been cutting
(FY's '10-'15):

- ↓ Job training for adults, youth: - **18%**
- ↓ K-12 low-income school aid: - **10%**
- ↓ Juvenile Justice state grants: - **45%**
- ↓ Substance abuse treatment: - **28%**
- ↓ Public housing capital funds: - **32%**
- ↓ Home heating aid: - **40%**

Still Deeper, in 2013

Sequestration:

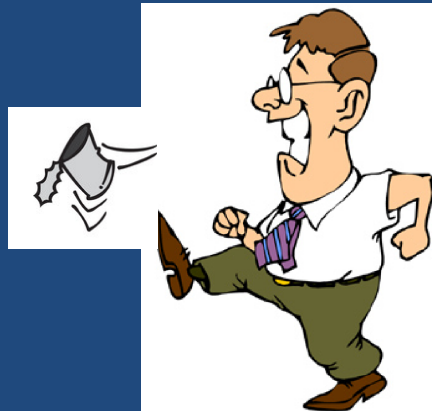
- 67,000 rental vouchers still lost
- 57,000 children denied Head Start
- Millions of meals to home-bound seniors not delivered

SNAP (food stamps) cut:

Amount per meal dropped from **\$1.70** to **\$1.40**

Is another round of cuts coming?

Stopgap spending now in effect through Dec. 11.



Congress may let sequestration and other bad choices cut Head Start, housing, nutrition programs, job training, public health, education, tax credits...

Will Congress make a deal to raise spending above sequester caps, so there can be modest investments?

Or...



The wrong direction:

Under Congress's proposed budget, the Earned Income Tax Credit and the Child Tax Credit improvements will be allowed to expire, pushing

16 million people,
including
8 million children
into, or deeper into
poverty.



Congress will also cut as many as
50,000
existing Housing
Choice vouchers.



Even today, only **1 in 4** qualifying renters receive rental assistance due to lack of government funds.



Tell Congress to Stop Cutting

They've agreed to stop cuts before – and now President Obama has said over and over he will veto bills that stick with sequester cuts.

If they hear from constituents now, We may get a better deal.

*There are **15.7 million** children living in poverty in America.*



Ending extra tax breaks for hedge fund managers would save about **\$1.4 billion** per year...



...nearly enough to fund the **\$1.5 billion** to cover full day, full year program for all children in Head Start.

image by National Priorities Project



COALITION ON HUMAN NEEDS

Ways to Weigh in:

Reports in these states:

Arkansas (October 12)
Colorado (October 2)
Connecticut
Florida
Illinois
Kentucky (October 7)
Maine (October 7)
Michigan
Nevada
New Hampshire (Sept. 25)
Ohio
Pennsylvania (October 22)
Tennessee
Washington (October 7)
Wisconsin
Virginia

How Congress will make New Hampshire poorer:

nearly **1** out of **10**
Granite Staters is
living in poverty



For children, it's

1 out of **8**

In 2014, tax credits lifted millions of
Americans out of poverty.

In New Hampshire, that's:



16,000 people



incl. 8,000 children

Under Congress's proposed budget,
the Earned Income Tax Credit and
the Child Tax Credit improvements
will be allowed to expire, pushing

37,000
people in New
Hampshire,
including

17,000
children,
into or deeper into
poverty.



Congress will also
cut as many as
230
existing Housing
Choice vouchers.

Even today, more than **1 in 5** low-income
renters in New Hampshire are paying more
than **50%** of their income on rent.



Networks in those states?

Share the report by

- Tweeting, emailing about it
- Using and sharing your Reps' and Senators' Twitter handles to send them the report
- Writing letters to the editor or blogging about it

Contact Kelly Wilkins,
kwilkins@chn.org, for
all the info you'll need.

And wherever you are:

**Let your Rep and
Senators know you
want them to stop the
cuts and start investing:**

- **Easy email at www.chn.org**
- **Write your own blog, op-ed, letter**
- **Attend town meeting, forum...**

Thanks!

Please sign up to get our
emails at

www.chn.org

Or contact

Debbie Weinstein

dweinstein@chn.org



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