



# Federal Policy Recommendations

For 2010 and Beyond

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January 2010

## Introduction

*The country is in crisis. Far too many children are not safe and well-cared for and fail to receive the tools that will help them grow to be successful adults. Further, the nation's prosperity is not being adequately shared with working families. Many workers earn wages that leave their families near or below the federal poverty line. The deepest recession in decades has exacerbated these problems. One in five Americans is unemployed, underemployed or out of work. Nearly one in seven lives in poverty, and the child poverty rate is expected to reach nearly 25 percent by 2011. If current trends continue, virtually all progress made since 1975 in family economic well-being will be eliminated. To make matters worse, fewer state and local resources are available to help struggling families meet their basic needs, let alone equip them with skills that will help them move out of poverty. As a result, the situation facing low-income families is far worse than in prior years and is now a crisis that threatens our nation's short- and long-term stability.*

### By the CLASP staff

We know that poverty and unemployment have adverse consequences for children and families. Children in low-income families face multiple risk factors that can threaten their healthy development and make it difficult for them to thrive. Research shows that they achieve lower levels of education, earn less and are less likely to be gainfully employed over their lifetimes compared with children who don't grow up poor. For young people, their long-term career prospects diminish when they enter the labor market during times when no jobs are available. And adults who are unemployed or lack the education and skills necessary to move out of poverty aren't able to provide for their families and contribute to the nation's economic engine. These problems disproportionately affect communities of color. Far more minority children grow up poor than their white counterparts. And black and Hispanic workers have unemployment rates 30 to 50 percent higher than the national average. Too many people are being left behind.

Last year, lawmakers took action through the American Recovery and Reinvestment Act and other legislation to save and create jobs and provide fiscal relief and economic assistance. But to ensure all Americans share in the economic recovery, more needs to be done. Short-term solutions must create jobs that target low-income families and youth, provide assistance to the unemployed and vulnerable families, and provide continuing aid to states to prevent severe cuts and additional job loss. Long-term solutions are necessary to help families thrive and improve the situation in distressed communities. Thoughtful and sustained federal investments are necessary to upgrade the education skills of low-income workers, create pathways to good jobs, and provide the supports that workers, children and their families need to meet basic needs and develop their full potential. Further,

policy solutions must also focus on the unique needs of communities of color where a disproportionate number of people lack access to tools to move out of poverty.

Our nation faces many domestic challenges, including issues critical to low-income families such as health care, education improvements, and debt and foreclosure relief. The actions that CLASP recommends are equally essential to achieving healthy and thriving families and improving the nation's prosperity.

## Cut Poverty

**Commit to cutting poverty by 50 percent within 10 years, overhaul the federal poverty measure, and create measures to address issues of well-being beyond income status.**

The United States is a powerful and wealthy nation, yet one in seven—39.8 million—lives below the federal poverty threshold, and millions more hover near poverty and struggle to make ends meet. Census data from 2008 puts the national poverty rate at 13.2 percent, the highest level since 1997. For racial and ethnic minorities, the poverty rate is significantly worse: for blacks, the rate is 24.7 percent and for Latinos, the rate is 23.2 percent. As the recession and long-term unemployment take their toll, poverty is expected to climb. Solutions to cut poverty must be far-reaching and not only ameliorate immediate distress but also address long-term structural issues such as the need to build pathways to education and good jobs. To achieve the goal of cutting poverty, Congress and the Obama Administration should:

**Establish a poverty target.** A poverty target is a numerical goal with a deadline that creates a shared vision that tackling poverty is a priority. An effective target draws ongoing political and public attention to whether, and how much, progress has been made at different points before the deadline. Thus, a poverty target serves as a tool to propel policy solutions and investments that reduce poverty. For example, analysis by the Center for American Progress (CAP) demonstrates that the nation's poverty rate could fall 26 percent through improvements in four areas: minimum wage, the Earned Income Tax

Credit, child tax credits, and child care subsidies. Other policies such as asset building, access to sound financial services, and a modernized unemployment insurance program could help achieve a 50 percent reduction according to the analysis.

### **Overhaul the federal poverty measure.**

The federal government should overhaul the official poverty measure to truly capture the extent of poverty in the United States. The current federal measure is antiquated, set too low and, fails to account for millions more families who seriously struggle to meet their basic needs. The poverty measure is based on a 1960s formula that considers how much American families spend on food. The measure has been updated to reflect inflation but not to capture how family expenses have changed. Food accounts for a smaller part of family budgets today, but other costs such as housing, health care, child care and transportation have risen. In addition, the formula doesn't consider policies and other sources of income that can help move people out of poverty such as the Earned Income Tax Credit and child care subsidies. The measure should be updated to more accurately reflect today's economic realities. At the same time, new types of measures, including those that provide relative income poverty status and those that measure families above poverty who struggle to make ends meet, are also needed to fully capture the extent and nature of poverty in the U.S.

### **Identify and create measures to address issues of well-being beyond income status.**

Poverty in the United States is typically considered to be synonymous with income. Progress on outcomes such as adult literacy or barriers such as high dropout rates within communities should be measured. Efforts are underway to develop mixes of measures and ways to understand complex data. As an integral part of poverty reduction efforts, the Obama administration should provide technical assistance to states to identify such measures and provide leadership to assess new measures. This assistance would enable states and the nation to capture improvements that build prosperity but do not immediately translate into income gains.

## Reconnect Disconnected Youth

**Increase federal investments targeted to communities of high youth distress to reconnect disconnected youth.**

Each year nearly half a million youth drop out and join the approximately 3.8 million young people between ages 16 and 24 who are out of school and out of work. This problem disproportionately affects low-income minority communities where high school dropout rates exceed 50 percent, where youth unemployment is extremely high, where gang participation and youth violence is on the rise, and where approximately one-third of all young black men are connected to the criminal justice system.

According to analysis by the Center for Labor Market Studies at Northeastern University, the teen employment population ratio has fallen from 45 percent at the start of the decade to just 25 percent in October 2009 for all teens and 14 percent for black teens. Youth employment is at the lowest level in more than 60 years. This extended period of joblessness and idleness during these years that youth should be learning, earning, and developing their work skills and work ethic should be a cause for concern, not just because it fuels the inter-generational cycle of poverty, but because the nation's future economic competitiveness cannot afford the loss of such a substantial proportion of its young talent.

We have learned from previous recoveries that as the economy rebounds, young people in economically distressed communities—especially young black males—will fall further behind in a labor market where academic credentials and occupational skills are the prerequisite for success. Addressing this issue will require comprehensive, systemic, and sustained interventions at a scale to produce significant outcomes. Several opportunities are on the legislative horizon for the Obama Administration and Congress to act:

**Include youth opportunities in job creation legislation.** Include specific language requiring the creation of subsidized jobs and paid training opportunities

to prepare youth for opportunities that emerge as a result of economic recovery or other infrastructure or economic development activities. This will assure that employment prospects for youth in distressed communities and disadvantaged situations are improved as the economy rebounds.

**Ensure WIA Reauthorization focuses on disadvantaged youth.** Increase focus on out-of-school youth and youth in high-risk situations, including funding Youth Opportunity Grants or a similar legislative vehicle that would provide federal funding to help build the youth service delivery capacity in communities of high youth distress; help communities align their education and youth-serving systems; and allow communities to establish programs that connect youth to alternative education, training, work experience, postsecondary opportunities and jobs. Build a permanent funding stream to support summer jobs, year-round work experience, internships, and transitional jobs for youth.

**Use the Elementary and Secondary Education Act (ESEA) reauthorization as an opportunity to increase graduation rates.** ESEA can serve as a vehicle for: increasing accountability at the secondary level to increase graduation rates; providing incentives to states and local districts to engage community and business in structuring educational pathways that align with 21st Century workforce needs; expanding resources and incentives for dropout recovery; and expanding supplemental supports and afterschool interventions, especially at the middle school level, to create a community-based continuum to support student success.

**Make disadvantaged youth a priority population in pending education bills.**

The American Graduation Initiative within the Student Aid and Financial Responsibility Act (SAFRA) should make youth without a high school diploma among the priority populations for service, as well as encourage local collaborations among community colleges, workforce, business and community to develop pathways to put youth on track to postsecondary success.

## Improve Workforce Education and Training

### Build supportive education and training pathways to good jobs that sustain families and communities

A strong workforce and education system is critical for economic recovery. Low-skill, low-income individuals must gain the skills necessary to secure employment in industries and occupations anticipated to grow as the economy emerges from recession. And American businesses need access to skilled workers to compete in the global economy. Even before the recession, postsecondary education had increasingly become the gateway to family sustaining employment. Many good paying jobs that required only a high school education are unlikely to return as we emerge from recession. Although record numbers of people are looking for work, employers report having trouble finding people with the right skills to fill current job openings.

This is due in part to insufficient focus on skill development in workforce development programs; weak connections between the workforce development, adult education, and postsecondary education systems; and the failure to ensure more students succeed in the postsecondary education system.

Therefore, the Obama Administration and Congress should foster federal policies that will drive systemic change in the nation's workforce education and training systems to better serve the needs of low-income workers and their families.

**Enact and fully fund the Student Aid and Fiscal Responsibility Act (SAFRA).** This measure passed the U.S. House in fall 2009 and is pending in the Senate. SAFRA would index the Pell Grant to inflation, and further simplify financial aid access. It also would increase the federal commitment to ensure students complete a degree or credential, especially students from groups underrepresented in higher education and those attending community colleges.

Congress should focus SAFRA's competitive grant programs on prioritizing the needs of underserved communities, dedicating funds to statewide innovation community colleges and facilitating the alignment of postsecondary education with the adult education and workforce systems.

**Reauthorize the Workforce Investment Act (WIA) and increase funding for programs supported under the Act.** WIA reauthorization presents an important opportunity to refocus the workforce investment system authorized under Title I on providing high quality education, training and related services and better connecting workforce investment services with adult education, career and technical education, postsecondary and other education and training and work supports. Such services can create multiple pathways to postsecondary and career success for low-income adults, dislocated workers and disadvantaged youth. WIA reauthorization also should revise the Adult Education and Family Literacy Act of 1998 (WIA Title II) to focus on increasing the rate at which all students attain career and postsecondary success. Federal funding for Title II should be devoted solely to this purpose. Congress should also substantially improve WIA Title II by encouraging state innovation in the development of bridge programs and career pathways, requiring states to enroll more students in concurrent literacy and occupational training programs, and overhauling the system that measures students' literacy gains. In addition, Congress should enact and fund state policy leadership grants to support system alignment and developing a shared system of accountability for Title I and Title II that supports workforce and adult education policy goals.

**Promote targeted strategies to create employment opportunities for low-skill, low-income workers in areas of high unemployment.** Among other strategies, Congress should expand Transitional Jobs programs that combine work and learning and help individuals address barriers to employment and get connected to jobs. Congress also should authorize and fund initiatives to enhance the capacity of educational institutions and providers; to foster community partnerships; and to promote

connections between education and training programs and necessary income and work supports that enable low-income youth and adults to succeed in education, training, and work.

## Improve Job Quality

**Provide government leadership to improve job quality through wages, benefits, paid leave, and predictable and responsive schedules so that workers can meet both work and family responsibilities and advance to meet new challenges.**

While skills development is essential for advancing the prospects of low-skill individuals, it alone is insufficient to expand economic opportunity for low-wage workers and their families. Our jobs need to be modernized to match the realities of today in which both parents are typically in the workforce and in which the care of elders often falls to adult children. Today's reality is one in which the minimum wage has less value than it did at its peak in 1968. Then, the full time minimum wage worker brought home today's equivalent of \$20,000. Today, such workers earn much less over the year—just \$15,000. And our minimum working standards have not kept pace with other developed nations, not only in terms of health care for workers but also in relation to paid time off and responsive workplaces. The prevalence of poor quality jobs is a critical issue that deserves government attention.

The recession and high unemployment pose a particular challenge to fostering jobs that match our values.

The Obama Administration should make it a top priority to improve the quality of work for all workers, with a special focus on low-wage workers since poor quality jobs are especially prevalent in the low wage labor market. The administration has taken a number of steps including: attention to wage theft by employers who fail to follow laws such as overtime payments; official statements in support of paid sick days legislation; and supporting paid family medical leave for military families. More needs to be done, however. In 2005, one in four workers was working in a poverty level job.

### **Pass legislation aimed at improving jobs.**

Congress needs to pass legislation aimed at improving jobs, which would include a minimum labor standard that mandates paid sick days, paid family and medical leave, and expanding the Family Medical Leave Act to include employers with fewer than 50 employees and broader purposes for which paid leave may be used. The administration's FY 2011 budget includes a \$50 million fund for those states that launch paid family leave insurance programs and this should move expeditiously. Congress should pass the Employee Free Choice Act, index the minimum wage to median wages, and modernize laws around tipped wages. In addition, jobs created through federal investment in infrastructure, the environment and other areas should meet certain job quality standards and be subject to targeted hiring requirements.

**Ensure job quality by taking executive action.** A high road economic growth strategy will keep America competitive. The administration should establish a presidential commission aimed at recommending policies that would ensure equitable treatment of part-time workers regarding pay, benefits, advancement, workplace flexibility, and improvements in low-wage work. Further, the administration should call upon its Middle Class Task Force and its Commission on Women and Girls to use their cross-agency mandates to create an interagency effort to identify what can be accomplished through executive action, make recommendations for policy makers about further legislative action to improve job quality, and issue a report about the progress made by the administration.

## Improve TANF and Expand Work Support

**Strengthen income- and work-support programs with a renewed focus on alleviating poverty, preventing material hardship, and creating effective pathways to economic opportunity.**

The current deep recession has exposed gaping holes in our country's safety net for individuals and families that are unemployed, underemployed or temporarily unable to work. By September 30, 2010, Congress must take action to reauthorize the Temporary Assistance for Needy Families (TANF) block grant. This provides an opportunity to revitalize a flawed, but essential part of the safety net for very low-income families with children. In most states, TANF has been strikingly non-responsive to the increased poverty and hardship caused by the recession, with only modest increases in assistance caseloads. This comes after a historic decline in the share of poor children receiving cash assistance from the program, from 62 percent in 1996 to 27 percent in 2008.

**Reauthorize—and improve—TANF in a timely fashion.** The goals of TANF reauthorization should be: a renewed focus on poverty alleviation and preventing material hardship among children and families, especially those who are particularly vulnerable due to circumstances such as disability, domestic violence, or homelessness. Reauthorization should also create effective pathways to economic opportunity, including access to mainstream education and training and individualized services for those with barriers to employment.

To achieve these goals, federal funding must be increased to make up for the erosion of purchasing power due to inflation since 1996, and the “maintenance of effort” (MOE) requirement must be revisited so that it serves its original purpose of ensuring that states continue to invest their own funds in serving low-income families as they did under AFDC.

State flexibility has been a major feature of TANF since its creation, and a reauthorized TANF program should continue to give states room to innovate, to respond to state and local variation in economic conditions, and to provide low-income families with the range of benefits and services they need to succeed. In return for state flexibility, the federal government should hold states accountable for the outcomes experienced by low-income families.

TANF was created at a time when the economy was booming, and many of its policies were based on the assumption that jobs would be plentiful. The work participation rate must be revised to give states flexibility to serve recipients with individualized work activities, including education and training, and to make appropriate accommodations for individuals with disabilities. The caseload reduction credit, which rewards states for reducing their welfare rolls, whether or not parents are employed or receiving other supports, must be replaced with a system that rewards successful outcomes. States that are willing to be held accountable for the outcomes they achieve in their programs, including both employment and child well-being, should have the ability to opt out of the process-focused participation rate entirely.

**Examine how the full range of income- and work-support programs fit together.**

President Obama should appoint a commission to evaluate the full range of work-support/safety net programs, identify the gaps, and find ways to improve the programs. Because many of the “disconnected” appear to be falling in the gap between a work-focused TANF program and the requirement that individuals be completely and permanently unable to work in order to qualify for SSI, a subgroup should focus on specific needs of individuals with disabilities. A group should also look at low-income workers who do not qualify for unemployment insurance benefits when they are out of work.

**Support efforts to make it easier and less time consuming for low-income families to apply for and maintain enrollment in the programs for which they qualify.** Too many low-income families who are eligible for income- and work-supports do not receive them, thus weakening their effectiveness in reducing poverty. AFDC was once the entry point into a range of programs, but TANF does not fill that role for most low-income families. A key reason is unnecessarily time-consuming and complicated procedures that create barriers to application and enrollment.

## Support Public Investments and Progressive Taxation

Continue the Recovery Act improvements in tax supports for low-income individuals and families, replace deductions with refundable tax credits, and maintain the revenue base needed to support key public investments

Over the past two decades, there has been a significant shift toward achieving policy goals through the tax system. This has included an expansion of refundable tax credits, such as the Earned Income Tax Credit (EITC) and the refundable portion of the child tax credit. However, the tax system still includes large numbers of incentives provided through tax deductions, which provide a greater benefit to higher income households and no benefit at all to households who do not owe federal income taxes. This is both morally unjustified and economically inefficient; whenever possible, deductions and non-refundable credits should be replaced by refundable credits. Congress should:

### **Make permanent tax provisions in the recovery act that helped low-income families.**

The American Recovery and Reinvestment Act of 2009 (ARRA) created a new refundable Making Work Pay tax credit, and lowered the income threshold at which families begin to benefit from the child tax credit to \$3,000. President Obama's FY 2010 budget called for an extension of these improvements, which have been estimated to have lifted more than 3 million Americans out of poverty in 2009. Congress should make these improvements permanent.

**Make more tax credits refundable.** Most tax credits that are not targeted to low-income workers are not refundable, meaning that individuals and families who do not owe federal income taxes are not eligible for them. This makes these credits regressive, and denies their incentives to low-income workers and families. Tax credits including the Dependent Care Tax Credit, the Savers Credit, and the higher education tax credits should be made refundable.

**Adopt tax policies that provide a sustainable revenue base for the nation's shared priorities.** Next year, the large tax cuts enacted in 2001 and 2003 are scheduled to expire. These cuts mostly benefited high income households, and deeply undermined the nation's budgetary stability, resulting in significant deficits even before the current economic crisis. To ensure the government's ability to make the short- and long-term investments that are critical to ensuring all Americans have economic opportunities, it is necessary to adopt tax policies that provide for a realistic revenue base. Congress should allow the tax giveaways to the highest income households to expire, including the existing reductions in the taxation of capital gains, dividends, and estates.

## Improve Access to High Quality Child Care

Ensure that families living in low-income communities have access to affordable, high quality child care settings that promote healthy development and school success and help parents work.

With four out of 10 children under age 6 living in low-income households (under 200 percent of poverty) and facing multiple risk factors that affect their chances for success in later life, investments in young children are increasingly important. Decades of research confirm that high-quality child care and early education can improve outcomes for children, particularly low-income children. High-quality early learning experiences, which support the full range of children's development, promote child well-being and help build solid foundations for future learning and success. Parents also benefit when they have access to reliable, affordable, quality child care that allows them to work to support their families. Research shows that investments in child care assistance make a significant difference in the economic health and security of families by helping families move out of poverty, sustain their participation in the workforce, and limit instability in care arrangements that can impact work.

Few children have access to the help they need: in the last decade, only one in seven federally eligible children received child care assistance, and even fewer eligible children may receive assistance today. About half of eligible children are receiving Head Start services, and only 3 percent of eligible children participate in Early Head Start. While additional ARRA investments began to address the gaps between eligibility and actual usage, the gap remains huge. Current state rules make it difficult for families to get and keep child care assistance—some studies suggest that many families maintain their assistance for as few as three months at a time. Even when families get help paying for child care, there is very little high quality care available, especially for infants and toddlers, children with special needs, and families living in rural areas, very poor communities, and language minority communities.

The following components of high quality early childhood programs can be promoted through federal policy:

- Sufficient funding to attract and retain well-trained and qualified teachers in formal settings.
- Training and information for all providers, whether informal or formal, to address the developmental needs of all children, particularly those who may be more likely to experience the risk factors associated with poverty.
- Availability of and access to comprehensive services for families needing them, including: developmental screenings and follow-up treatment; child health, mental health, and nutrition services; and access to continuous and ongoing medical care, family support, and home visiting.
- Parental involvement opportunities for all parents, including those working full-time and those who may not speak English as their first language.
- Infrastructure supports to ensure ongoing monitoring and quality improvement, technical assistance in all aspects of the program, and program assessment in formal settings.

- Strategies to help children manage transitions to other classrooms or programs, including kindergarten.
- Inclusion of children with special needs in settings with typically developing children, along with supports to teachers and parents to help all children reach their full potential.
- Appropriately serving culturally and linguistically diverse children with bilingual and bicultural teachers and caregivers, and increasing training opportunities for all caregivers, including cultural competency and strategies for teaching English language learners.
- Responsiveness to the needs of working parents, ensuring that full workday options are available to families needing them—through planning, coordination, and collaboration with other community, state, and federal programs.

The administration should work with Congress to:

### **Reauthorize the Child Care and Development Block Grant to support access to high quality early childhood programs.**

Reauthorization should support increased access to high quality child care for low-income families. To do so, Congress should create a guarantee for child care assistance for all working families at or below 200 percent of the federal poverty level. This will guarantee a stable funding stream for states and will eliminate long waiting lists in many states, as well as eliminate the many different eligibility rules and requirements that exist. It also will make it easier for families to access and maintain the child care assistance they need to work.

Reauthorization can promote improved quality of child care settings through innovative investments, especially for underserved groups, including infants and toddlers and children in households that speak languages other than English, and through incentives to states and local programs. Specifically, changes to the law should help states expand investments in quality initiatives, expand licensing requirements and increase monitoring to ensure that all children in care are safe, and target assistance to children and child care providers who are limited English



proficient. Finally, reauthorization should ensure that TANF families do not face barriers to access to quality care.

### **Reauthorize the Elementary and Secondary Education Act to expand access to quality early childhood settings and improve linkages and transition to the early elementary grades.**

The flexibility that is currently in the ESEA law should be maintained to enable the use of funds for early childhood programs. In addition, language may be included to increase flexibility at the state level to promote use of Title I and other ESEA funding for children before the age of school entry and their teachers. Reauthorization can encourage focused investment by school districts on early childhood programs that are high quality and coordinated with the state and local early childhood systems. Finally, reauthorization should improve data collection to identify and evaluate program models that can meet the full-day and full-year needs of working families using a variety of funding streams.

### **Pass the Early Learning Challenge Fund.**

Early Learning Challenge Fund legislation is included in the Student Aid and Fiscal Responsibility Act (SAFRA), which has passed the House and is pending in the Senate. If passed, this fund would provide vital resources to states to increase the number of low-income children served in high-quality early childhood settings and challenge states to work toward comprehensive, high quality early education systems for children from birth to age 5 that include coordinated access to screening and developmental assessments, coordinated professional development systems, and the use of comprehensive data for assessing and improving children's access to high quality settings and school readiness.

### **Increase investments in Head Start and Early Head Start.**

The Obama Administration has noted the importance of Head Start and Early Head Start for poor children and the Departments of Health and Human Services and Education have announced plans to strengthen the program and align quality across early childhood settings. Increased resources will be vital to

ensuring the program continues to provide high quality, comprehensive services to the most vulnerable children.

### **Help families offset child care costs through improvements to the Child and Dependent Care Tax Credit.**

The Child and Dependent Care Tax Credit (CDCTC) makes child care more affordable for millions of families who are not eligible for child care assistance. Yet the structure of the credit, and the amount that families can claim, does not reflect costs to families, and ensures that the lowest income families cannot use the credit. Changes to the credit are needed to increase the amount of expenses families can claim, index the credit to inflation so that the amount available to families increases as the cost of care increases, and make the credit fully refundable.

## **Improve the Child Welfare System**

**Prioritize the prevention of child abuse and neglect equally with efforts to ameliorate the harm of such maltreatment.**

Over the last decade, nearly 1 million children in the U.S. have been substantiated as abused or neglected each year, and research suggests this number is a significant underestimate of actual maltreatment.

Children who experience abuse or neglect are at greater risk of alcohol and drug abuse, depression, suicide attempts, unintended pregnancy, intimate partner violence, sexually transmitted diseases, fetal deaths, smoking, ischemic heart disease, liver disease, and chronic obstructive pulmonary disease. Children who have been in foster care, including those who "age out" of foster care upon turning 18, typically attain fewer years of education and have less steady employment. Not surprisingly, they are more likely to experience homelessness and poverty and to be involved with the criminal justice system. These outcomes are problematic not just for the individuals who experience them, but for the nation as a whole. The United States spends more than \$100 billion *annually* on the direct and indirect costs

of child maltreatment – the costs of long-term health problems, incarceration and lost productivity. We can and must do better.

Ensuring that all children are safe and well cared for will require federal investment and leadership. The Obama Administration and Congress should:

**Reform child welfare financing to adequately invest in preventing abuse and neglect.** Rather than waiting to treat abuse and neglect after children have suffered, the nation must invest in services and supports that strengthen families and allow them to meet the needs of their children and help the children grow into their full potential. Some families neglect their children because they lack adequate resources or mistreat their children due to the stress they experience when they lose a job or a home. These families can be helped with many of the job creation and economic support initiatives discussed in other sections of this paper. Still, other families neglect or abuse their children because they face personal struggles that interfere both with their parenting and with their ability to succeed in the workplace. Home visiting programs, family-based substance abuse treatment, effective mental health treatment and domestic violence services can all intervene early to help such families before they fall into a crisis that leads to maltreatment and the need to separate children from their families. The vast majority of federal child welfare expenditures provide out-of-home care rather than prevention and early intervention services. Congress and the Obama Administration should enact and implement legislation that realigns our investments to keep children safely in their own homes whenever possible.

**Promote policies that facilitate communities where families can successfully raise their children.** Parents do not raise their children in a vacuum. They are influenced by the communities around them. If they live in neighborhoods with child care providers and schools that promote healthy development and provide quality education, with multiple pathways to family-sustaining jobs, with enriching community spaces and places (parks,

libraries, grocery stores etc.) the job of parenting is much easier. The Obama Administration’s Promise Neighborhood initiative is an exciting step toward understanding what it takes to facilitate such communities. The initiative should be fully funded and carefully monitored so that we can understand what it takes to support and strengthen struggling communities.

**Strengthen supports children and their families receive when maltreatment occurs to better mitigate the harm that occurs.**

The investment in prevention and early intervention cannot come at the expense of caring for children who are maltreated because the nation is currently not adequately intervening once abuse or neglect occur. Forty percent of children whom we know have been maltreated (whose abuse is reported and substantiated) get *no services*—not foster care, not counseling, not family supports. Of the children who are placed in foster care, only about half receive federal foster care payments. Only a quarter of them receive mental health services, despite the fact that at least half have clinically significant emotional or behavioral problems. The typical child welfare worker has less than two years experience and often carries twice the recommended caseload, preventing even the most dedicated worker from spending sufficient time with children and families to identify and address the challenges they face. To ensure children get the services they need to heal, Congress and the Obama Administration should:

- Increase access to specialized treatment services
- Enact and implement legislation that enhances the quality of the workforce providing services to children and families.
- Effectively implement and monitor the Fostering Connections to Success and Increasing Adoptions Act of 2008 (FCSIAA).
- Integrate and align policies across programs and departments to provide holistic services for families, particularly those facing the most complex challenges.

**Enhance services and supports to children and families after a crisis has stabilized.**

Besides preventing maltreatment whenever possible and effectively addressing the harm when it does occur, the nation must do more to support families once the crisis is resolved so that abuse and neglect do not reoccur. The FCSIAA took several steps toward increasing support for some children who move from foster care to kinship and adoptive families. Congress and the Obama Administration should enact and implement child welfare financing legislation that assists all children and families (kinship, adoptive and birth families) who need help after a crisis. In addition, the recommended investments in prevention both through specific programs and through strengthening communities will help to support families after a crisis has stabilized.

**Improve accountability both for dollars spent and outcomes achieved by increasing the transparency of federal spending and ensuring that expenditures support programs, approaches and initiatives that are grounded in research.**

There are many steps Congress and the Obama Administration should take to improve the lives of children who are at risk of or have experienced abuse and neglect. In calling for greater investments and new policy approaches, CLASP believes that we must all be accountable for the outcomes of these investments and policies. We agree that it makes little sense to spend precious resources and energy on things that do not work. At the same time, families in which maltreatment occurs often face longstanding, complex challenges, and it will take time for the recommended investments and policy approaches to produce desired effects. The child welfare community must be willing to monitor progress, tweak and adapt approaches as necessary and be prepared to abandon approaches when they have been sufficiently funded, tested and modified over time and still do not produce expected results. Congress and the Obama Administration have a critical leadership role in finding the delicate balance of testing promising ideas and encouraging innovation while ensuring that our expenditures are wisely made.

## Expand and Improve Civil Legal Assistance

**Increase LSC appropriations in FY 2011 and subsequent years, eliminate the 1996 restrictions imposed on LSC grantees, and appoint a new Board of Directors for LSC that supports these priorities and improves the quality of civil legal assistance.**

Civil legal assistance for low-income people is crucial to ensure our nation's promise of "equal justice under the law." Legal aid helps to ensure fundamental fairness as well as to deal with the specific legal issues faced by low-income people in areas including family stability and domestic violence, housing, consumer health, employment and income supports, and racial equity. For example, studies have shown that of all the support services available to victims of domestic violence, only access to legal assistance decreases the likelihood that women will be battered again.

The Legal Services Corporation (LSC) is the principal funder for civil legal aid programs throughout the country. Funding for LSC reached \$400 million in 1995, but later that year it was cut by 30 percent. At the same time, Congress imposed significant new restrictions on programs that received LSC funding. These restrictions, which placed severe limits on the ability of LSC grantees to fully serve the legal needs of the low-income community, have remained over the last 14 years. Funding has stagnated or risen only slightly, reaching just \$420 million in FY 2010. If appropriations had just kept pace with inflation, based on its 1980 level of \$300 million, LSC funding would have now reached \$750 million.

In 2005, LSC conducted a groundbreaking study demonstrating a huge "Justice Gap" between resources available to support legal assistance and the need for legal services. A second study using the same methodology was done in 2009. Both "Justice Gap" studies showed that due to lack of funding, legal services grantees turned away more than 50 percent of eligible applicants who sought services. More than 80 percent of the low-income people in this country who experienced legal needs were

unable to access services necessary to resolve their problems.

**Appropriate \$530 million, the amount recommended by the American Bar Association, for LSC for FY 2011.**

**For FY 2010,** The Obama Administration proposed a \$45 million increase for LSC to \$435 million and proposed eliminating the restrictions on non-LSC funds, class actions and attorneys' fees. Congress appropriated \$420 million, \$15 million less than the amount the administration sought. The Obama Administration and the supporters of LSC in Congress must work together to insure that over the next several years, LSC funding levels will continue to increase significantly to close the "Justice Gap."

**Eliminate the restrictions on LSC recipients.**

Despite significant efforts by the Obama Administration and supporters of legal services to eliminate the restrictions on LSC grantees, for FY 2010 Congress eliminated only the restriction on attorneys' fees, leaving in place all other restrictions. The Obama Administration should continue to lead the effort to eliminate the restrictions imposed in 1996 on LSC grantees to enable them to fully serve the legal needs of their clients.

**Appoint a new LSC board.** The Obama Administration should complete the appointment of the bi-partisan LSC Board all of whose members will support these priorities and continue to improve the quality and effectiveness of LSC-funded programs.

## Conclusion

We need an America where children grow up safe, healthy, nurtured, and prepared to succeed; where young people and adults have the skills and supports they need to fulfill their potential and to contribute to society and the economy; where jobs provide decent wages and family friendly policies; where poverty is rare; where there is justice for all; and where all people can participate equally and their communities can prosper. To achieve such an America will not be easy, but it can and must be

done. Therefore, CLASP calls upon the Obama Administration and Congress to reduce poverty, invest in effective programs and funding streams that help children, youth and families thrive, create a strong and modernized safety net, and build supportive pathways to good jobs for low-income youths and adults.