



## **POVERTY**

**WHEREAS**, mayors from cities across the nation met in Los Angeles September 23 and 24 to develop an action agenda on poverty to present to the next President of the United States; and

**WHEREAS**, the Los Angeles meeting culminated two years of work by the Conference of Mayors Task Force on Poverty, Work and Opportunity on this national action agenda on poverty; and

**WHEREAS**, the mayors agreed that:

- The problems surrounding reducing poverty are inextricably linked and require a multifaceted approach to breaking the cycle of poverty: Where you find one entrenched problem, you likely will find another; and
- Poor housing opportunities are related to poor education opportunities; and
- Poor schools contribute to poor employment opportunities; and
- The nation's dropout crisis is a particularly troubling aspect of the poverty problem; and
- A dead-end, low wage job makes it impossible for families to build assets and financial security: Even full-time work can fail to lift workers out of poverty; and
- It is time for a significant paradigm shift in federal policy, one that empowers mayors and other local leaders to set priorities in their areas with greater accountability for specific outcomes,

**NOW, THEREFORE, BE IT RESOLVED**, that The United States Conference of Mayors adopts as its policy the actions called for by the mayors in the National Action Agenda on Poverty:

- A cabinet-rank position to direct, coordinate and promote poverty reduction programs - with special emphasis on universal pre-K education across federal

executive agencies and departments - should be created;and

- Funding for universal pre-K and other early childhood programs should be increased to reach all eligible participants. Mayors recognize that student achievement is inextricably linked to early childhood education, health and nutrition, social service supports, and parental involvement; and
- Universal healthcare for children and families -- a comprehensive health insurance benefits package that will provide quality medical, dental, and mental health services for all people - should be established; and
- The federal government should greatly expand financial literacy programs to meet a critical need in this particularly difficult economic climate. The current turmoil in the housing and credit markets underscores the growing need for local financial literacy strategies to educate city residents, at every stage of life, about financial issues; and
- A significant portion of revenues from federally imposed fines, penalties and fees on financial institutions should be used to fund local financial education programs and initiatives.

[Return to Table of Contents](#)



## **AMERICAN INVESTMENTS TO COMBAT POVERTY**

**WHEREAS**, mayors from cities across the nation met in Los Angeles September 23 and 24, 2008 to develop an action agenda on poverty to present to the next President of the United States; and

**WHEREAS**, the Los Angeles meeting culminated two years of work by the Conference of Mayors Task Force on Poverty, Work and Opportunity on this national action agenda on poverty; and

**WHEREAS**, the mayors agreed that:

- A growing and resilient middle class is the foundation of a prosperous city; and
- Good schools, a strong economy which provides well-paying jobs, responsive city services, and safe and supporting neighborhoods are more likely to exist, or are more easily attainable, in cities which have a large or growing middle class; and
- Poverty and the socioeconomic fragmentation it creates are inextricably linked to the ability of the U.S. to remain economically competitive; and
- A comprehensive and multifaceted approach to policy making will have the greatest effect on eliminating poverty in this country,

**NOW, THEREFORE, BE IT RESOLVED** that The United States Conference of Mayors adopts as its policy the investments called for by the mayors in the National Action Agenda on Poverty:

- For the Earned Income Tax Credit, which has lifted nearly five million people out of poverty each year, the tax benefit should be tripled, the

eligibility age should be reduced to 21, the benefits to childless adults should be expanded, and the application process should be simplified by making the credit automatic, i.e., by requiring that the Internal Revenue Service automatically generate the credit for all who qualify for it; and

- Funding for the Community Development Block Grant (CDBG) should be doubled to \$8 billion, allowing mayors to continue to address the critical affordable housing and neighborhood revitalization needs of their cities; and
- Funding for the Section 8 housing voucher program should be increased.

[Return to Table of Contents](#)



## **EXECUTIVE ORDERS AND ADMINISTRATIVE ACTIONS TO COMBAT POVERTY**

**WHEREAS**, mayors from cities across the nation met in Los Angeles September 23 and 24 to develop an action agenda on poverty to present to the next President of the United States; and

**WHEREAS**, the Los Angeles meeting culminated two years of work by the Conference of Mayors Task Force on Poverty, Work and Opportunity on this national action agenda on poverty; and

**WHEREAS**, this national action agenda includes a series of findings and recommendations that can be accomplished through executive orders and administrative actions that would have an immediate impact on crime and violence in cities,

**NOW, THEREFORE, BE IT RESOLVED**, that The United States Conference of Mayors adopts as its policy the executive orders and administrative actions called for by the mayors in the National Action Agenda on Poverty:

- The Administration should create a cabinet-level position to direct, coordinate and promote poverty reduction programs across federal executive agencies and departments with special emphasis on universal pre-K education and universal health care. Responsibilities of this position would include; and
- Developing a new federal poverty measure based on the research recommendations of the National Academy of Sciences; this calls for the measure to account for the effect of tax liabilities and credits along with the cash value of in-kind benefits such as Food Stamps and housing subsidies; and
- Ensuring that the poor and economically

challenged are fully accounted for in the Census, to guarantee the success of anti-poverty programs; and

- Increasing community-wide awareness and utilization of existing tax credits and programs that benefit the working poor, including Food Stamps and housing tax credits, and increasing opportunities for financial literacy education and asset building; and
- The Administration should appoint to departmental and agency positions key policy-makers with expertise on local poverty issues who can help develop a comprehensive national anti-poverty strategy.

[Return to Table of Contents](#)



## **REVISING THE FEDERAL MEASURE OF POVERTY**

**WHEREAS**, the federal poverty threshold, was established in 1963-1964 based on the cost of only one of life's necessities, food; and

**WHEREAS**, in the 1960's families spent about one-third of their income on food, while today food accounts for about one-seventh of an average household's total expenditures while other necessities, particularly housing, account for a larger proportion of family income; and

**WHEREAS**, the federal poverty threshold has only been adjusted for inflation and is the uniform standard for cities and rural areas alike throughout the nation; and

**WHEREAS**, a single federal standard does not address the different cost of living for families across our Nation; and

**WHEREAS**, the current federal poverty line no longer represents the income that families must earn to meet the basic costs of daily life; and

**WHEREAS**, the current poverty measure only counts pre-tax cash as the income available to families to meet their needs, thus ignoring the value of tax credits and in-kind benefits; and

**WHEREAS**, at the request of Congress, the National Academy of Sciences has made specific recommendations for an improved poverty measure that have created a wide consensus for change; and

**WHEREAS**, an accurate calculation of the federal poverty rate is important to understanding the dimensions

of the nation's economic needs; and

**NOW, THEREFORE, BE IT RESOLVED**, that The United States Conference of Mayors urges the federal government to revise the formula for calculating the federal poverty line so that it better reflects the amount that families must earn to meet the basic costs of daily life across America, and that it include non-cash resources that help families meet those needs in its measure of family resources, and

**BE IT FURTHER RESOLVED**, that the U.S. Bureau of the Census revamp its American Community Survey so that it can provide an improved measure of poverty for cities across the nation.

[Return to Table of Contents](#)





## **SUPPORTING THE CREATION OF THE WHITE HOUSE TASK FORCE ON MIDDLE CLASS WORKING FAMILIES**

**WHEREAS**, middle-class working families are the backbone of our nation and the stronghold of our economy; and

**WHEREAS**, as local elected officials it is our responsibility to address the growing economic and social concerns of the middle-class, including education, access to health care, jobs and workforce housing; and

**WHEREAS**, every American deserves a quality and affordable education, access to quality healthcare, a stable job where they can succeed and affordable housing options; and

**WHEREAS**, the Obama Administration has launched a White House Task Force on Middle-Class Working Families, a major initiative targeted at raising the living-standards of American middle-class working families; and

**WHEREAS**, the Task Force will be chaired by Vice President Joe Biden, comprised of top-level administration policy makers, and will conduct outreach sessions with representatives of labor, business and advocacy communities in addition to its regular meetings; and

**WHEREAS**, the Task Force will work with a wide-array of federal agencies that have responsibility for key issues facing middle-class working families and will expedite administrative reform, propose Executive orders, and develop legislative and policy proposals that will be of

special importance to working families; and

**WHEREAS**, our nation's middle class working families are facing significant challenges and barriers to the American dream and as local elected leaders it is imperative that we work with federal officials to adopt initiatives that ensure the American dream is still achievable; and

**NOW, THEREFORE, BE IT RESOLVED**, that the U.S. Conference of Mayors supports the creation of the White House Task Force on Middle-Class Working Families and we support the Task Force's efforts to work throughout the federal government to develop policies to expand education and workforce training, improve work and family balance, restore labor standards and protect working families income and retirement security, and

**BE IT FURTHER RESOLVED**, that the U.S. Conference of Mayors encourages the White House to include Mayors in the Task Force's outreach sessions.

[Return to Table of Contents](#)



## **SUPPORT FOR MAYORS' NATIONAL DOLLAR Wi\$E CAMPAIGN**

**WHEREAS,** The United States Conference of Mayors' Council for the New American City established the Mayors' National Dollar Wi\$e Campaign: Financial Education for America in 2004 to invite the nation's mayors to make their citizens' financial literacy a top priority; and

**WHEREAS,** Dollar Wi\$e encourages and helps mayors strengthen existing financial education efforts in their cities and to forge these efforts into a more effective, year-round coalition of organizations supported by the mayor's office; and

**WHEREAS,** each year mayors and cities across America participate in Dollar Wi\$e Week, which provides them an opportunity to highlight their ongoing financial education programs through outreach to the public and to local media; and

**WHEREAS,** the growing complexity and rapid change in the financial environment since the Conference of Mayors launched Dollar Wi\$e, coupled with the global economic crisis, have made financial education more important than ever; and

**WHEREAS,** the economic crisis has highlighted the necessity of making wise financial decisions from an early age to ensure a secure future; and

**WHEREAS,** the American Recovery and Reinvestment Act provided \$1.2 billion in additional federal funding for local summer youth employment programs; and

**WHEREAS,** these programs, where many youth are employed, earning a paycheck, and making financial decisions for the first time in their lives, provide an

opportune teachable moment to offer financial education to participating youth; and

**WHEREAS,** The United States Conference of Mayors invites the nation's mayors to take advantage of this teachable moment by incorporating a financial education component into summer youth employment programs through the Dollar Wi\$e Summer Youth Campaign;

**THEREFORE, BE IT RESOLVED,** that The United States Conference of Mayors reiterates its position that helping every American become financially literate should be a priority for federal, state, and local governments;

**BE IT FURTHER RESOLVED,** that every mayor and city in the United States is invited and encouraged to join the Mayors' National Dollar Wi\$e Campaign and make a commitment to increasing their citizens' financial literacy;

**BE IT FURTHER RESOLVED,** that all mayors and cities are invited to participate in the sixth-annual Dollar Wi\$e Week, September 26-October 3, 2009, by organizing public events and outreach efforts that bolster existing local financial education efforts, provide venues for families to open bank and savings accounts for themselves and their children, and build community-wide financial education strategies for youth and other audiences;

**BE IT FURTHER RESOLVED,** that all cities with a summer youth employment program are invited to participate in the Dollar Wi\$e Summer Youth Campaign and incorporate a component on financial education into these programs; and we encourage the federal government to make financial education an eligible expense for the funds it appropriates for these programs;

**BE IT FURTHER RESOLVED,** that we once again call upon the federal government to set aside a portion of the fees levied against financial institutions for the support of local financial education initiatives;

**BE IT FURTHER RESOLVED,** that we commend those state governments that have made economics and

financial education a requirement for graduation from high school and call upon remaining states to do the same.

[Return to Table of Contents](#)



**REQUIRE THE EARNED INCOME TAX CREDIT  
TO BE CALCULATED BY THE INTERNAL  
REVENUE SERVICE TO BETTER  
ACCOMMODATE WORKING FAMILIES AND  
INDIVIDUALS**

**WHEREAS**, the Earned Income Tax Credit (EITC) is a refundable federal income tax credit for low to moderate income working individuals and families, originally approved by Congress in 1975 to offset the burden of social security taxes and to provide an incentive to work; and

**WHEREAS**, the Earned Income Tax Credit is the nation's largest wage support for low-income workers; and

**WHEREAS**, cities are the economic engines of this country, and mayors are responsible for leading local and regional economic growth and the Earned Income Tax Credit provides working families who struggle to stay above the poverty line with a tax credit that makes a difference to their quality of life; and

**WHEREAS**, when the EITC exceeds the amount of taxes owed, it results in a tax refund to those who claim and qualify for the credit, creating household revenue for low-income heads of families; and

**WHEREAS**, to qualify for EITC, taxpayers must meet certain requirements and file a tax return, even if they did not earn enough money to be obligated to file a tax return, and must either seek community tax preparation services, or pay for a tax preparation service, creating a disincentive to requesting the EITC; and

**WHEREAS**, the website of the Internal Revenue is sufficiently complicated and requires up to 30 minutes to utilize the online tool to calculate EITC, thereby reducing

its effectiveness to families who do not have access to broadband; and

**WHEREAS**, tens of thousands of households fail to see revenue from the EITC to which they would be otherwise entitled, if access to EITC were made easier,

**NOW, THEREFORE, BE IT RESOLVED**, that The United States Conference of Mayors calls on Congress to reform the process of applying for the Earned Income Tax Credit by requiring the Internal Revenue Service to provide the calculation for EITC, so that the benefits available to lower income families and individuals will be increased, simplified, and easier to access.

[Return to Table of Contents](#)