



# FROM A *WELFARE* TO A WEALTHFAIR™ NATION!

*A Just and Equitable Approach to Eliminating Poverty*

In Progress...

*Can I Live, Inc takes the position that all Americans are created equal and possessed of inalienable rights to life, liberty, the pursuit of happiness—and to justice under the law. Yet the entitlements provided to millions of families living at or below poverty are structured to keep them poor while entitlements offered to wealthier Americans and corporations assist in wealth creation and enhanced prosperity.*

***“Data compiled by the staff of Can I Live, CDC, has illustrated that if 1 million women are removed OFF welfare, the savings at the end of 10 years could be as much as \$101,750,000,000, if not more.”***

### **What does Poverty Look Like?**

According to the 2010 U.S. Census, the new face of poverty is comprised of households headed by single African American women between the ages of 18 to 35. Many of these women live in public housing. According to the National Center for Law and Economic Justice (2012), “overall, 21.8% of children under 18—or some 16.1 million American youth—were living below the poverty line”. Also, according to the National Women’s Law Center (2014), more than one in seven women – nearly 18 million, lived in poverty in 2013. At Can I Live, Inc our mission is to help these single mothers, and single mothers of all races and nationalities, particularly those living in public housing, to advance their abilities as earners, and eliminate their need for public assistance.

*According to the U.S. Census Bureau, in 2013, the official poverty rate was 14.5% of the U.S. population, or 45.3 million people.*

The only way to address the problem of poverty and government dependency is through research, education, career training, and policy changes that incentivize efforts to increase one’s self-sufficiency. And while the solution to reducing poverty is an elusive one, the literature is clear that this approach is an effective strategy to break the cycle of generational poverty.

*To eradicate poverty requires partnerships between public and private sectors.*

### **Need for Policy Change**

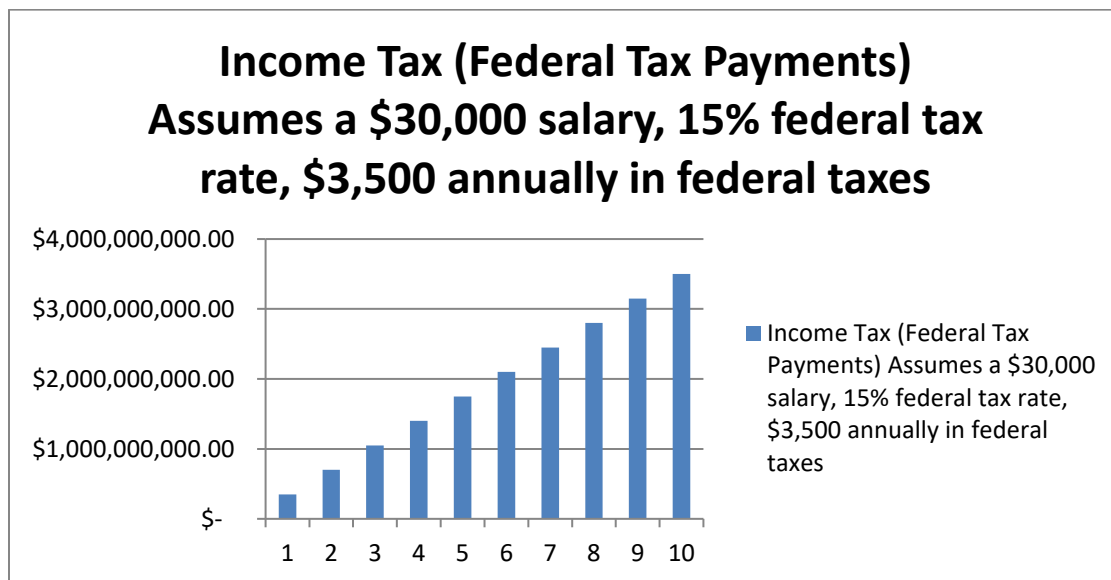
It is a widely held view that current public housing policies contribute to an addictive reliance on government assistance, making it difficult for the poor to change their circumstances for the better. Changing these policies will help provide affordable housing, while at the same time, place more emphasis on helping public housing residents earn more and break their dependence on governmental assistance.

Often public housing residents make a very simple decision not to work. Why? Because it costs more to work than it does to do nothing and sit at home. Outdated policies continue to contribute to complacency and dependency, thus contributing to the growth of poverty.

Public housing serves millions of economically disadvantaged citizens who do not have to be employed nor seek work or educational opportunities to continue receiving housing subsidies. As long as a resident is compliant with their lease agreement, he or she may reside in public housing for life which contributes to dependency and abuse of the system.

Imagine if at least 1 million women, who currently receive welfare, were no longer being provided these subsidies. What if these women were properly educated and trained to find jobs that moved them out of poverty? The results would not only benefit the lives of the women who have been able to lift themselves out of poverty and government reliance, but it would also add new revenue to local and national economies. Data collected by the staff of Can I Live, Inc illustrates that if 1 million women, who are currently on welfare, are removed from its rolls over a 10-year period, as a result of gainful employment, would pay an additional \$19 billion in federal income taxes. See **Table 1** for an explanation.

**Table 1: Savings Over 10-Years: 2016-2025 (Additional Federal Income Taxes)**



**To that end, we recommend the following policy changes as related to Public Housing Authorities and Public Housing Residents:**

## Return Resident Satisfaction and Place Section 3 to Housing Authority Performance Scores:

Public Housing Authorities are frequently evaluated using a system called the Public Housing Assessment System (PHAS). In past years resident satisfaction was a measure on the performance score. However, in recent years resident satisfaction was taken off the performance score. Now, housing authorities are not held accountable to the manner in which they serve residents.

- Can I Live, Inc advocates for the return of the resident satisfaction measure to the PHAS scoring system with a score of no less than 10 on a 100 point scale.
- Can I Live, Inc advocates for adding Section 3 compliance to the PHAS score with a value of 5.
- Can I Live, Inc believes that housing authorities should be evaluated on the quality and variety of services they provide residents and their degree of compliance with Section 3.
- Section 3 is not optional for HUD financially assisted agencies such as housing authorities. PHA's often fail meeting their numerical goals, good faith efforts and or providing training that ensures residents are prepared for future economic opportunities. Can I Live advocates for greater compliance and oversight to the Section 3 federal regulation.

## Benefit Disallowance while engaged in Family Self Sufficiency (FSS) Program:

Rather than penalize public housing residents for work and education efforts, we propose that residents who are enrolled in HUD's grant funded Family Self-Sufficiency (FSS) program experience what we call a *Benefit Disallowance*, which allows residents who return to work not have their benefits (i.e. SNAP) decrease right away. It supports self-sufficiency by rewarding residents who work to continue in their self-sufficiency endeavors.

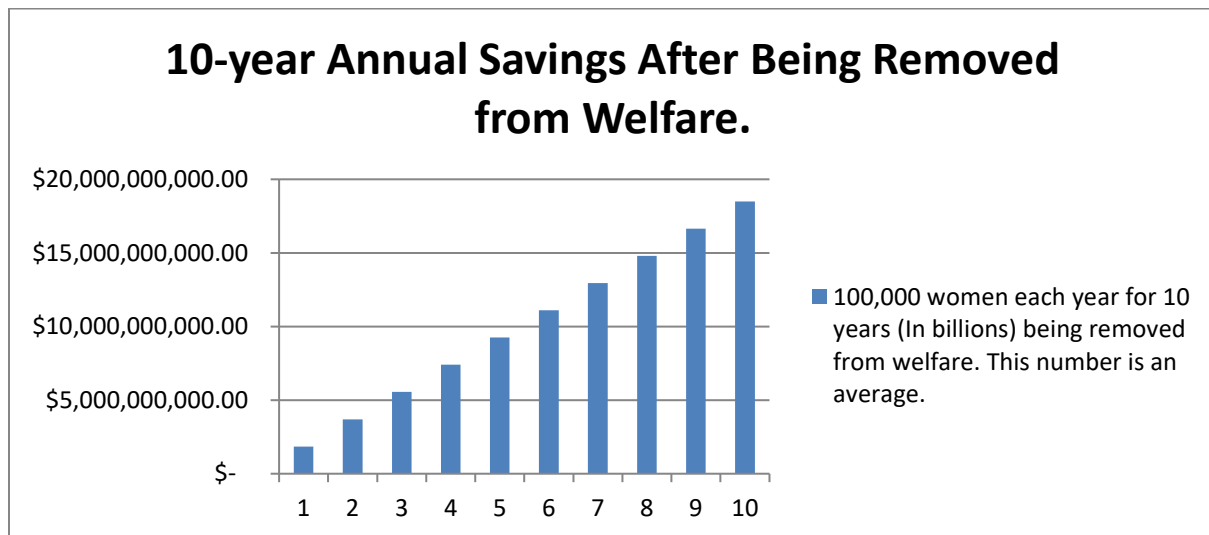
We propose a 100% disregard of a qualified resident's benefits (i.e. SNAP) for 12 months; disregard 50% of the benefits for another 12 months and then count all income on the 3<sup>rd</sup> year. Incremental deductions increases families self-sufficiency success.

## Uniformed Welfare Calculations:

A uniformed calculation of income and deductions across social welfare platforms allows low income families to easily qualify for programs that they are eligible for without hassle or deceit. This decreases government overhead and brings continuity between agencies and the policies that run their programs. It also allows for agencies to better decrease families benefits in the Benefit Disallowance model.

Data compiled by the staff of Can I Live, Inc has illustrated that if 1 million women are removed off of welfare, the savings at the end of 10 years could be as much as \$101.7 billion, if not more. See **Table 2** for details.

**Table 2**



## Criminal Justice Reform:

### Educate NOT Incarcerate Fathers for Failure to Pay Child Support:

A Need for Fatherhood Training and Support Services

One of the most important factors in terms of the degree to which a single-parent household, headed by a female who lives in poverty, is the level of child support the female receives.

In the debate about how to fight poverty, men are often forgotten in terms of their roles as supportive fathers. Struggling fathers need support services just as well as struggling women to help put them on a path of self-sufficiency. By

investing in the personal and economic vitality of struggling fathers, single moms and their children are greatly impacted. When fathers are able to support their children financially, families become more self-sufficient and less reliant on public assistance for survival. Supporting struggling fathers is central to fighting poverty.

*The level of support single mothers receive from the fathers of their children is one of the most important factors in determining whether they and their children will live in poverty.*

- Can I Live proposes to mandate fatherhood training and workforce development assistance for poor and indigent fathers charged with nonpayment of child support as an alternative to incarceration.
- Can I Live also proposes to eliminate incarceration for poor and indigent fathers unless individuals demonstrate willful intent to avoid supporting children by not participating in workforce development or parenting programs provided through Family Court.

### Freeze Child Support for Parents who are considered Wards of the State:

With criminal justice reform on the rise and the need for appropriate and just sentencing, there is no reason why a person charged with illegal possession of a controlled substance should continue to accrue child support when he or she has absolutely no ability to pay from behind bars. This is an unfair burden placed on those who are incarcerated.

### Pay for Stay: As long as they have to stay, states should be forced to pay:

In the event, the state believes incarcerated men and women should continue to accrue child support payments, then Can I Live proposes a pay to stay. For as long as incarcerated men and women are forced to stay and carry out unjust sentences, then both state and federal prisons should make Child Support Payments for those hired in work industry/correction enterprise programs who develop products for private industry such as (i.e. Victoria Secret, lens crafters, etc.) If families can work and violate labor laws within the prison walls simply because they are indentured servants of that state, then states should therefore acquire their servant's responsibilities (i.e. their families).

According to the Thirteenth Report to Congress presented by the U.S. Department of Health and Human Services, when discussing welfare indicators and risk factors—Child Support was the number one indicator in predicting welfare dependency. Families with fewer economic resources were more likely to rely on welfare programs for their support.

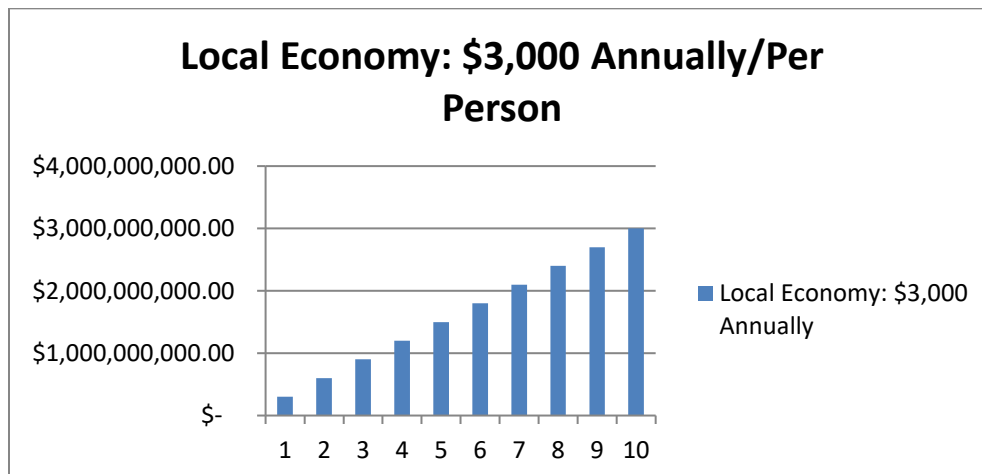
## Establish A Step-Up Housing Demonstration:

Can I Live, Inc urges policy makers to seek “step-up” housing as a viable alternative to traditional public housing. Similar to what is happening in Winston-Salem, NC, the idea is to “grow people out of poverty” by providing incentives and rewards that keep residents motivated. Step-Up housing is an upgrade from the traditional “no thrills” public housing with a work requirement stipulation, where residents move in and gradually progress through the affordable housing process as follows: No thrills–Project Based–Section 8–Market Rate or Homeownership. Residents then can decide to move into a home or townhouse owned by the housing authority as the final steps of growth. Can I Live, Inc recommends that the Section 8 voucher program be utilized at this stage of the affordable housing paradigm. Research is very clear that families who live in homes/townhomes tend to contribute more to the local economy than families who live in public housing.

The Step-up housing brings forth a more responsible conversation for promoting upward mobility as well as recycle the nations affordable housing stock.

As an example, consider the impact on the local economies of an additional 1 million working women, who are no longer living in government housing as a result of becoming self-sufficient. Research conducted by the staff of Can I Live, Inc illustrates that the impact to these local communities can be as high as \$16.5 billion after 10 years. See **Table 3** for more details.

**Table 3: Savings Over 10-Years: 2016-2025 (Dollars Enhancing Local Economy)**



## Increased Funding for Capital Improvements and Infrastructure

Can I Live, Inc advocates for the full funding of capital improvements and infrastructure developments for large housing agencies in major metropolitan cities. This housing stock is among the most valuable in the nation and should be preserved and utilized to its fullest potential.

*Many of the buildings in large housing agencies are dilapidated and present eminent health and safety risks. They are simply substandard for living purposes and desperately need renovations.*

Proper investment in renovation and infrastructure, housing agencies can continue to provide quality public housing in areas where affordable housing falls far short of demand, bolster the local economy, and contribute to urban renewal.

Without making this investment, agencies will continue to provide substandard housing that contributes to urban decay and unhealthy, unsafe living environments. Residents will be forced into homelessness or to areas away from employment centers, family resources, and inadequate public transportation.

We believe the time is now to invest in a new paradigm for large metropolitan public housing agencies. This investment will immediately create new jobs and bolster economic activity, while building a new public housing infrastructure that contributes to the economic viability of the inner city and preserves quality public housing capacity into the next century. A substantial investment in the renovation and renewal of large metropolitan housing complexes will more than pay for itself in windfall benefits over the life cycle of the housing stock.

The One Million Moms OFF Welfare by 2025 Initiative of Can I Live, Inc will work to: increase jobs and job opportunities for women on public assistance, while fostering self-reliance and self-sufficiency in them; reduce dependency on public social welfare and increase tax budgets for local, state and federal governments. The initiative will spur economic growth for local communities and produce more than \$300 billion dollars into our national economy.

- *Can I Live, Inc believes that if tax dollars were used more efficiently, covering the \$26+ billion dollar capital improvement back log that Public Housing currently faces will no longer be a problem that policy makers are faced with, but a social remedy ready to provide an adequate solution to the problems faced by those living in poverty.*



## Increase Resident Council Tenant Participation Funds:

Can I Live, Inc proposes that Residents Councils receive the full \$25 allotment for the carrying out of resident services and programs. If there are no councils, the agency shall help to start a council. Can I Live is opposed to the disinvestment of resident services and support for Resident Management Corporations which are proven best practices for reducing poverty and increasing self-sufficiency.

- Can I Live, Inc proposes that monies allotted for the purposes of resident councils, be accrued from year to year, with a 5-year maximum accrual.
- Can I Live, Inc is opposed to returning those funds to the agency to be used at its discretion.
- Can I Live advocates for additional monies to be invested into the Resident Management Corporation (RMC's) infrastructure, whereby residents who call public housing home are the primary beneficiaries of redevelopment opportunities.

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