

“If we are serious about solving this problem, then we're going to not only have to help the police, we're going to have to think about what can we do -- the rest of us -- to make sure that we're providing early education to these kids; to make sure that we're reforming our criminal justice system so it's not just a pipeline from schools to prisons; so that we're not rendering men in these communities unemployable because of a felony record for a nonviolent drug offense; that we're making investments so that they can get the training they need to find jobs. That's hard. That requires more than just the occasional news report or task force. And there's a bunch of my agenda that would make a difference right now in that.” - **President Barack Obama, Tuesday, April 28, 2015 in the Rose Garden**

### **Building Ladders of Opportunity in Underserved Communities**

President Obama's agenda has focused on building ladders of opportunity and creating economic mobility since he came into office. As the President has said, a child's future should not be determined by the zip code he and she is born in but by their talent, drive and work ethic. By denying young people that chance, not only do they lose, but our nation as a whole loses. When children grow up in poverty, it costs our nation half a trillion dollars in lost wages, productivity and other costs each year – roughly the equivalent of four percent of GDP. In 2012, 49.7 million Americans, including 13.4 million children lived below the poverty line.

That's why the Administration acted during the Great Recession to institute a number of measures to strengthen the economy and support American families, including creating the Making Work Pay tax credit worth up to \$800 for working families, strengthening unemployment and SNAP benefits, and launching an innovative rapid re-housing program that helped more than one million Americans avoid homelessness. These efforts helped reduce the recession's impact on poverty while shoring up the economy at the same time. SNAP reduced poverty in 2012 by 1.6 percentage points among all individuals and by 3.0 percentage points among children. The Administration also significantly expanded the Child Tax Credit and Earned Income Tax Credit (EITC), proven to be among the most effective tools for reducing inequality. Given that success, the President's Budget would make important improvements to these credits permanent, averting a tax increase on millions of families after 2017, and the President has also called on Congress to make the EITC work better for childless workers.

These actions, and the rest of the Administration's early response, markedly reduced the impact of the Great Recession on America's families. In total, between 3.9 and 5.7 million people a year were kept out of poverty by these programs from 2009 to 2012. Importantly, the strengthening economy is helping families climb out of poverty. In fact, in 2013, more than 1.1 million Americans were lifted out of poverty, led by **the largest one-year drop in child poverty since 1966**. This reduced the poverty rate significantly, by a half a percentage point.

**Building Stronger Neighborhoods and Communities:** President Obama has strengthened neighborhoods and communities, particularly in America's inner-cities.

- **Transforming Distressed Housing:** The Choice Neighborhoods program has provided over \$300 million to plan and implement the transformation of high-poverty areas, where distressed HUD-assisted housing is located, into sustainable, mixed-income neighborhoods by linking housing improvements with services, schools, transportation and access to jobs. It also expanded the Neighborhood Stabilization Program which has provided \$7 billion in

funding to communities to manage the vacant and foreclosed properties. For every federal dollar spent, Choice Neighborhoods has attracted seven dollars of private and other investment and has developed nearly 10,000 units of mixed housing in 12 communities.

- **Transforming Distressed Communities:** In April 2015, the Obama Administration announced eight new **Promise Zones**, as part of the President’s initiative to partner with local leaders and build stronger ladders of opportunity in revitalizing urban, rural, and tribal communities. The Promise Zones initiative, launched by the President last year, works in partnership with local leaders in high-poverty communities, leveraging private investment **to create jobs, increase economic activity, improve educational opportunities, and reduce violent crime**. Each of these communities has built strong partnerships between business, civic, and government leaders committed to shared goals and strategies with strong evidence for expanding educational and economic opportunity. We will work alongside those leaders, providing on-the-ground partnership and access to the resources they need to carry out their plans.
- **Helping Americans Stay in Their Homes:** Families in distressed communities were particularly hard-hit by the housing crisis. The President has taken action to help homeowners, including expanding access to refinancing – allowing responsible borrowers to save an average of \$3,000 per year. The Administration has also taken measures to allow homeowners behind on their payments to modify their mortgages to avoid foreclosure – with nearly 1.5 million borrowers having received permanent modifications through the Home Affordable Modification Program (HAMP), the Administration’s foreclosure prevention program, and millions more receiving private modifications that were modeled off of HAMP.
- **Making Owning a Home More Affordable by Cutting Mortgage Premiums.** The Federal Housing Administration (FHA) has long been an important source of financing for middle class families seeking to buy their first home. Recently, the President announced a major new step to make buying a home more affordable and accessible for creditworthy families. The FHA has reduced its annual mortgage insurance premiums by 0.5 percentage point from 1.35 percent to 0.85 percent. For the typical first-time homebuyer, this reduction will translate into a \$900 reduction in their annual mortgage payment. Existing homeowners who refinance into an FHA mortgage will see similar reductions to their mortgage payments as well.

**Ensuring Young People Have the Opportunity to Reach Their Full Potential:** The President is expanding opportunities for all young people to succeed.

- **My Brother’s Keeper:** In February 2014, the President launched the “My Brother’s Keeper” (MBK) initiative to address persistent opportunity gaps faced by boys and young men of color and ensure that all young people can reach their full potential. Through the My Brother’s Keeper Community Challenge, more than 150 city, county, and tribal leaders are joining with diverse stakeholders to implement their own cradle-to-college-and-career strategies to ensure all youth in their communities can achieve their full potential. And businesses and philanthropies have made nearly \$300 million in commitments in response to the President’s call-to-action. The six goals of the Challenge are: ensuring all children enter school cognitively, physically, socially and emotionally ready; ensuring all children read at grade level by 3rd grade; ensuring all youth graduate from high school; ensuring all youth

complete post-secondary education or training; ensuring all youth out of school are employed; and, ensuring all youth remain safe from violent crime.

- **Expanding access to evidence-based, voluntary home visiting.** The Home Visiting program enables nurses, social workers, and other professionals to connect low-income families with young kids to key health and social services. The program has a strong record of success: studies have found that home visiting improves child and family outcomes, including child health and development, school readiness, and improved family economic self-sufficiency. President Obama has called for an expansion of the Maternal, Infant and Early Childhood Home Visiting program beyond the tens of thousands of children already reached, to support additional families in need.
- **Turning Around Low-Performing Schools:** Since 2010, the Department of Education has invested more than \$2 billion in School Improvement Grants to target resources in schools and districts with the greatest need. These grants have provided up to \$6 million per school for 1,500 schools to substantially raise student achievement in persistently low-performing schools. These investments, coupled with other investments to improve student achievement and close opportunity gaps, such as the Investing in Innovation program and Race to the Top, have helped ensure students graduate high school ready for college, careers and life. These investments have helped **boost the graduation rate to 81 percent, the highest in history.**
- **Connecting students to high-speed broadband and high-quality digital content:** Recently, as part of the ConnectED initiative, the President announced commitments from publishers to make over \$250 million in free eBooks available to low-income students. Nonprofits and libraries are partnering with each other to create an app that can deliver this content and materials from the public domain. Complementing that effort, the ConnectED Library Challenge is a commitment by more than 30 communities to put a library card into every student's hand so they will have access to the learning resources and books they can read for pleasure, all available in America's libraries. Combined with the \$2 billion in private-sector commitments, and Federal Communications Commission (FCC) funding for school and library connectivity that includes \$2 billion specifically for Wi-Fi, and \$1.5 billion more in annual funding — that announcement brought the total value delivered as part of the ConnectED five-year transformation in American education to over \$10 billion. And as a result of these commitments, we are on track to meet the President's goal of connecting 99 percent of students to high-speed broadband in their classrooms and libraries.
- **Reforming and Expanding Head Start:** Head Start provides comprehensive child development services that foster children's healthy development and prepare them for school. The Obama Administration has taken important steps to expand access to Head Start and improve the quality of the program, including through the launch of a new process designed to ensure that only the most capable and highest quality programs receive Head Start grants. The President's FY 2016 Budget builds on these efforts by expanding the Early Head Start-Child Care Partnerships, which will provide high-quality care for tens of thousands of additional infants and toddlers, and providing over \$1 billion in additional funding for Head Start to make sure children are served in full-day, full-year programs that research shows lead to better outcomes for children.
- **Improving Preschool Programs:** The Departments of Education and Health and Human Services launched a \$250 million Preschool Development Grants competition to support

states in building, developing, and expanding voluntary, high-quality preschool programs in high-need communities for children from low- and moderate-income families. The Administration has also pushed to make preschool universally available through the President's Preschool for All initiative, which would provide all four-year-olds from low- and moderate-income families with access to high-quality preschool, while encouraging States to expand those programs to reach additional children from middle-class families and establish full-day kindergarten policies.

- **Expanding access to quality, affordable child care.** Building off the Administration's work to improve the quality of child care, the Budget proposes a historic investment in child care to ensure that quality, affordable care is available to all eligible low- and moderate-income working families with young children, as opposed to the small share of children who receive this help today.

**Building stronger cradle-to-career supports.** The Department of Education's Promise Neighborhoods program, building on the innovative work of the Harlem Children's Zone, supports local leaders implementing evidence-based cradle-to-career supports for educational success, including both family and community supports. Some high-poverty communities pursuing these strategies are already seeing marked improvement in kindergarten readiness, school attendance, high school graduation rates, and college preparedness.

- **Combatting the School to Prison Pipeline and Improving School Discipline Practices:** In 2014, ED and DOJ jointly released a School Discipline Guidance Package to clarify schools' civil rights obligations to not discriminate in the administration of school discipline and provide a set of principles to help schools improve climate and discipline practice. In 2015, ED and DOJ issued guidance that identifies high-quality practices to improve education programs in juvenile justice facilities. DOJ has entered into agreements to address racial disparities in education systems across the country.

**Expanding Access to College:** President Obama has expanded access to college because every American deserves an education that equips them with the skills to find and succeed in a well-paid job.

- **Helping Students Pay For College:** By re-directing subsidies from banks to students, the Administration made key investments in students and families that raised the maximum Pell Grant award to \$5,775 for the 2015-16 award year — a more than \$1,000 increase since 2008. To make student debt affordable, the President enacted 'Pay As You Earn' so that struggling borrowers can limit their monthly payments to 10 percent of their discretionary income, and the Department of Education will soon expand this option to as many as 5 million more borrowers. Also, to help families cover the cost of college, the President enacted the American Opportunity Tax Credit—which is worth up to \$10,000 over four years of college, and will provide a tax cut to 10 million families in 2016. The President has proposed enhancing the American Opportunity Tax Credit as part of his plan to simplify and better target education tax benefits, making the credit available for up to five years of college and increasing the refundable portion available to low-income students from \$1,000 to \$1,500, among other reforms.
- **Tuition-Free Community College for Responsible Students:** The President's America's College Promise proposal makes community college free for responsible students, enabling

them to earn a certificate, an associate's degree, or up to two years' worth of credits towards a bachelor's degree without paying any tuition or fees. Everyone will be required to do their part: 1) states must invest more in higher education and training 2) community colleges must strengthen their programs and increase the number of students who graduate, and 3) students must take responsibility for their education, earn good grades, and stay on track to graduate. Students would continue to qualify for federal student aid (including Pell grants), which could help cover other costs of attendance, such as books, supplies, housing, and transportation. If all states participate, an estimated 9 million students could benefit. A full-time community college student could save an average of \$3,800 in tuition annually.

- **Helping Students Succeed in College:** For a college education to fulfill its promise, students need to persist and complete their degrees and programs. Too many students, particularly low income students, struggle to succeed in college. That is why the Administration started the First in the World Program, which provides grants to colleges and universities to test new approaches to fostering success among disadvantaged students. The goal is both to improve student outcomes today, but also to build a stronger evidence base of what works so that all colleges and universities can better shape their programs. The first \$75 million in grants were awarded in 2014 to 24 colleges and universities. This year, the President has proposed increasing First in the World to \$200 million.
- **Improving College Opportunity:** The President, Vice President, and First Lady have convened leaders from higher education institutions, as well as the business, research, and philanthropy communities, in support of new efforts to help students prepare for and graduate college. At two national 'Days of Action' and regional events throughout the country, institutions and organizations have made over 600 commitments to increase the number of career-ready college graduates by 2025, hire counselors and advisors in schools most in need of additional college access, and strengthen STEM education by increasing the number of STEM teachers and graduates.

**Protecting and Defending the Civil Rights of All Americans:** The Administration has taken steps to protect and defend civil rights because every American deserves equal justice under the law. In the past six years DOJ's Civil Rights Division has had significant accomplishments.

- **Expanding Equal Housing Opportunity:** The recent housing crisis has adversely impacted countless communities across the nation, and underserved and predominantly minority areas have been particularly affected. DOJ's Civil Rights Division's strengthened relationships with governmental and community partners have resulted in record-breaking fair lending cases over the past four years. Since 2010, the Division has filed or resolved 35 lending discrimination matters under the Fair Housing Act, Equal Credit Opportunity Act, and Servicemembers Civil Relief Act. The settlements in these matters provide for over \$1 billion in monetary relief for impacted communities and individual borrowers.
- **21<sup>st</sup> Century Policing:** In December 2014, the President signed an Executive Order to create the Task Force on 21<sup>st</sup> Century Policing. The Task Force is part of the Administration's efforts to strengthen trust between law enforcement officers and the communities they serve and protect while enhancing public safety. In March, the Task Force released a report with over 50 concrete recommendations, based around six pillars: Building Trust and Legitimacy, Policy and Oversight, Technology and Social Media, Community Policing and Crime

Reduction, Training and Education, Officer Wellness and Safety. The Administration is working to promote adoption of these recommendations by state and local law enforcement agencies across the country.

- **Community Policing and Body-Worn Cameras:** Also in December 2014, the President announced a \$263 million commitment to expand funding and training to law enforcement agencies to advance community policing initiatives. The proposal includes a \$75 million investment over three years that could help purchase 50,000 body worn cameras. In May 2015, the Office of Community Oriented Policing Services announced a \$20 million solicitation to help law enforcement agencies purchase Body-Worn Cameras.
- **Federal Equipment Working Group:** In response to concerns about the militarization of law enforcement agencies, in January 2015, the President issued an Executive Order creating an interagency working group to improve the provision of Federal support for the acquisition of equipment by law enforcement agencies. In May, the working group will provide the President with its recommendations for ensuring improved policies, training, protocols and accountability for agencies that acquire equipment through the federal government to ensure that equipment is used in a way that enhances safety and community trust.
- **Civil Rights Investigations:** In addition, DOJ's Civil Rights Division has opened more than 20 pattern or practice investigations of law enforcement agencies in the last six fiscal years, which is more than double the previous five years, and has reached 15 settlement agreements to reform law enforcement practices (compared to none in the previous five years).

**Restoring Economic Security to Hard-Hit Communities:** Businesses have added 12.1 million jobs over 61 straight months of job growth. Putting Americans back to work, spurring economic growth, and restoring security for middle class families remain the President's top priorities.

- **Providing Tax Relief for Working Families:** Recognizing the importance of tax relief for working families, the President enacted – and Congress extended with bipartisan support through 2017 – significant improvements to tax credits for working families. These include expansions to the Earned Income Tax Credit (EITC), and Child Tax Credit, which strengthen work incentives and help parents afford the costs of raising a family, augmenting wages for 16 million families with 29 million children each year. Because of these improvements, a single parent working full time at the minimum wage gets an additional tax cut of about \$1,700. The President also enacted the American Opportunity Tax Credit, which helps working and middle-class families pay for college. The President's Budget proposes to make these improvements permanent. The President's proposal to expand the EITC for workers without children, including non-custodial parents, would promote and reward work for those who experience difficulty connecting to the labor force, helping 13.2 million low-income workers. The President's Budget would also eliminate the biggest loopholes that let the wealthy avoid paying their fair share and reinvest those savings into new tax reforms to help the paychecks of middle-class and working families go further to cover the cost of child care, college, and a secure retirement.
- **Making Federal Job Training Programs More Job-Driven:** Last year, the President announced that Vice President Biden would lead a review of federal training programs in order to identify and implement steps to make these programs more “job-driven”—to be responsive to the needs of employers in order to effectively place ready-to-work Americans

in jobs that are available now or train them in the skills needed for better jobs. The President and Vice President announced the results of the review, including a commitment for all competitive grants to include job-driven criteria. Over \$700 million in job-driven grants were awarded last year to over 100 job-driven industry partnerships, including the Department of Labor's CareerConnect grants to create career academies for youth, *Ready to Work Partnership Grants* for the long-term unemployed and the *Community College Job-Driven Training Grants* to support industry-education partnerships.

- **Leading the Effort to Raise the Wage.** The President has called for Congress to act to raise the minimum wage, while working with states, cities and businesses to take action on their own. Since the President called for a minimum wage increase during his State of the Union remarks in February 2013, 17 states and the District of Columbia have passed increases to their minimum wage – including four states where voters approved minimum wage increases on Election Day in 2014. According to new estimates from the Council of Economic Advisers, about 7 million workers will benefit from these increases as of 2017.
- **Creating the First-Ever Consumer Watchdog:** As part of Wall Street Reform, President Obama signed into law the creation of the Consumer Financial Protection Bureau. Since its creation as an independent agency, the CFPB has taken bold action in a number of important areas, providing a total of \$5.3 billion in relief through enforcement actions to more than 15 million consumers who were harmed, and setting stronger rules of the road that prevent abuse in credit card, debt collection, student loan servicing, and mortgage lending markets. CFPB recently took an important step toward writing the first-ever federal rules to prevent payday loan debt traps.
- **Helping the Long-Term Unemployed Get Back to Work:** The Administration has taken a number of steps to help more of the long-term unemployed get back to work. In January 2014, the President unveiled a set of “best practices” adopted by leading employers — including over 80 members of the Fortune 500 and over 20 members of the Fortune 50 — around recruiting and hiring the long-term unemployed, to remove some of the barriers that make it harder for them to navigate the hiring process. In October, the Administration released toolkits developed by Deloitte Consulting in collaboration with the Rockefeller Foundation that help employers implement these best practices and announced progress from companies in hiring the long-term unemployed. The Department of Labor awarded nearly \$170 million in “Ready to Work Partnership” grants to support the best models for partnerships between employers, non-profits, and the job training system to help train and connect the long-term unemployed to work.

**Expanding Access to Affordable, Quality Health Care:** After five years of the Affordable Care Act, more than 16 million uninsured people have gained health insurance coverage and the uninsured rate now stands at the lowest level ever. Affordable health coverage not only improves access to health care services, but also protects families against financial hardship in the case of illness.

- **Improving Preventive Care:** As a result of the ACA, tens of millions of Americans with private insurance now have access to expanded preventive services with no cost sharing. The ACA will also help to address disparities that Americans in underserved communities currently face both in their health and in their health care by improving the data collection and tools needed to address health disparities.

- Since the Marketplaces opened and Medicaid expansion began, **the uninsured rate among African Americans has dropped 41% and Latinos declined 29%**, with an estimated 2.3 million African American adults gaining coverage, and about 4.2 million Latino adults gaining coverage.
- The Administration has made significant investments in community health centers, which are important sources of primary and preventive care. As a result of investments through the ACA and the Recovery Act, nearly **5 million more patients are being served by community health centers** compared to the beginning of 2009.
- The Affordable Care Act has more than doubled the size of the National Health Service Corps, which provides scholarships and loan repayment to health care providers who commit to providing care in the communities that need them most.