



A BETTER WAY

OUR VISION FOR A CONFIDENT AMERICA

A Better Way to Fight Poverty

Frequently Asked Questions

Q: Why do we need a new approach to fighting poverty?

A: Washington has spent trillions of dollars in the War on Poverty. Yet today in America, if you are born poor, you are just as likely to stay poor as you were 50 years ago. There is a better way, and it starts with expanding opportunity, not government. We want to get people working so they can get on the ladder of opportunity and make the most of their lives.

Q: How will your plan help people find work?

A: A good job is the surest way out of poverty. But the vast majority of welfare programs don't require or even encourage work. And, believe it or not, the system actually discourages work because some people lose more money than they gain by taking a job. We encourage more people to work or prepare for work. In addition, we will improve job training so that it's easier for you to get the necessary skills. And we will tailor benefits to your needs, so that it pays to take a job, get a raise, and keep working.

Q: How much will this plan cost? How much will it cut?

A: This plan does not cut or increase spending for the poor by a penny. Our approach is to take what we spend now and give more authority to states and communities so they can invest in what's working on the front lines. And we focus on getting more people working, so they can break free from poverty altogether. That will mean less strain on the safety net. This isn't about saving money. It's about saving lives.

Q: How many people will lose their benefits under this plan?

A: This plan does not call for any cuts to anyone's benefits. Don't minimize; customize. The way things work now, the system makes it so that you may lose more than you gain by taking a job or getting married. That's because Washington's approach is one-size-fits-all. Our plan tailors benefits to your needs, so that poverty-fighting programs make it easier—not harder—for you to make the most of your life.

Q: Why do you include things like Dodd-Frank and 401(k)s in your plan? What does that have to do with poverty?

A: Poverty is about more than just low incomes. For example, millions of Americans do not have basic checking accounts. So they're paying thousands of dollars in fees because they have to cash checks. Our plan expands access to basic banking services and makes it easier for people to put away money and save for the future. In many ways, this is the last step on the path from dependence to independence.

Q: How can you be serious about rewarding work if you're against raising the minimum wage?

A: Arbitrarily raising the minimum wage is an example of the kind of one-size-fits-all mandate that does more harm than good. For example, CBO found that the president's latest proposal to raise the minimum wage would destroy more than 500,000 jobs. We shouldn't do something that will make it harder for more people to get on the ladder of opportunity.

Q: Doesn't the House budget call for significant cuts to welfare programs?

A: This plan does not cut spending for the poor by a penny. This plan is focused on reforming our welfare system so that it works better and helps more people get on the ladder of opportunity.

Q: Does the plan include a block grant for the states?

A: No. Our approach is to take what we spend now and give more authority to states and communities so they can invest in what's working on the front lines. At the same time, we add more accountability—so we can make sure we're getting results. That's a balanced approach, and it's a better way to fight poverty.

Q: Why doesn't the plan include an expansion of the Earned Income Tax Credit?

A: The task force identifies expanding the EITC as a potential solution for future Congresses to consider.