

ANTI-POVERTY STRATEGY

Maryland is one of the country's wealthiest states, with a median household income of over \$85,000 per year as of 2009. Still, about 9 percent of Marylanders lived in poverty.

State programs and policies aimed at reducing poverty are driven by several factors:

- A high number of children living in poverty
- High illiteracy rates and dropout rates among inner city students
- High concentrations of poverty in the State's older, distressed neighborhoods
- The movement of jobs away from sites where people in poverty tend to live
- A job market which increasingly demands skilled workers

No single tactic will address the problem of poverty in Maryland. Thus, DHCD, in coordination with other State and local government agencies, Community Action Agencies (CAAs), other nonprofit organizations and advocacy groups has developed a broad strategy to address the complex causes of poverty and needs of low-income families and individuals.

The State's TANF plan is the State's anti-poverty strategy. However, DHCD is also taking efforts to help reduce poverty through the Community Services Block Grant Program (CSBG), as well as using other programs to support community revitalization and renewal (leading to jobs) and providing affordable housing. Key components of DHCD's anti-poverty efforts include:

- Providing quality education and job training
- Focusing economic growth and revitalization on areas where persons in poverty are most likely to reside
- Increasing the supply of affordable housing
- Creating jobs
- Providing supportive services such as transportation, health care, and child care to assist low-income individuals in getting and keeping jobs

Education and Job Training

Investing in education is essential to giving Maryland's low-income residents the tools to lift themselves out of poverty, to support the State's economic development, and to improve the quality of life for all Maryland citizens. Maryland residents will be unable to compete in the labor market without quality education. Similarly, Maryland needs a skilled, well-educated labor force to attract businesses and remain competitive. Recent State initiatives will mean less crowded classrooms, safer schools and improved education. Maryland's capital budget for the current state fiscal year continues to commit resources to renovating and building schools and higher education facilities.

The federally funded Head Start program which provides education to pre-schoolers and is operated by the Community Action Agencies (CAAs) is also an important element in Maryland's Anti-Poverty Strategy. It is designed to increase the ability of disadvantaged three and four year old children by providing comprehensive programs to meet their educational, social, health and nutritional needs. It also assists those families of the enrolled children with social services, educational and training. In federal fiscal year 2004, 8 of Maryland's 17 CAAs operated Head

Start programs, which helped over 2,800 children. This investment in pre-school education by the CAAs is expected to improve the children's ability to learn and, hence, increase high school graduation rates and college enrollment. Such education, in turn, should reduce the rate of crime, welfare dependency, and teenage pregnancy, while raising the participants' lifetime earning potential.

Recent strides in Maryland, and throughout the country, have dramatically reduced the welfare rolls and increased the number of former recipients who are employed. Many of these former recipients are "fragile" members of the labor force. Often they have limited skills and are unable to obtain employment that pays a "living wage." They do not live where most of the best job opportunities are, and often have to take public transportation, if available, to get to work. Public transportation takes an excessive amount of time to get both to and from work. If they own automobiles, often the vehicles are old and not in good condition. Also, child care is difficult to find if a child is sick or odd hours are needed. Many also do not have health insurance. Finally, housing costs can be prohibitive if affordable housing is not available.

The State is and will continue to assist persons living in poverty to reach self-sufficiency. Programs that are available include:

- Health insurance for the children of low-income families who do not have health insurance.
- Benefits for day care and/or transportation assistance through DHR.
- Housing assistance through DHCD.

It may not be realistic to expect that people seeking to get out of poverty can go directly into a job paying a living wage. However, employment situations which enable people to acquire on the job training and skills, as well as confidence in their abilities, and which will lead to promotions to positions that do pay a living wage should be encouraged.

Focusing Economic Growth and Healthy Communities

The State's efforts to reduce sprawl and encourage the revitalization of deteriorating areas are designed to benefit low-income families. This initiative encourages economic growth to occur in existing developed areas and in areas that have already been planned for development. This will result in job opportunities arising closer to where low-income workers live, reducing commuting time. Reversing the deterioration of older communities will also encourage economic development in these revitalization areas and will promote a better income mix among residents as the improvements in an area make it more attractive to higher income families. Creating healthy communities will require coordinated efforts among state agencies, such as the Departments of Housing and Community Development, Economic Development, Education, Human Resources, Juvenile Justice and Public Safety and Corrections. In addition, local government and private sector partners will be requested to help create these healthy communities. Coordination is discussed in more detail in the next section of the Plan. Programs that are directed to helping revitalize communities include:

- The Department of Housing and Community Development's Neighborhood BusinessWorks Program which provides financial assistance to new and expanding small business in Designated Revitalization areas

- The Department of Housing and Community Development's Community Investment Tax Credit Program which provides income tax credits to nonprofit organizations that can be exchanged for contributions from businesses; projects funded by these tax credits help the low income residents of designated revitalization areas.
- The Department of Housing and Community Development's Capital Access Program which will help fund loan guarantee accounts that will enable financial institutions to assist small business development.
- The Department of Housing and Community Development's Community Legacy Program which is designed to assist urban neighborhoods, suburban communities and small towns that are experiencing decline and disinvestment, but have the potential, with modest public and private investment, to be vibrant places to live and work.
- The Department of Housing and Community development's Main Street Maryland Program which is a comprehensive downtown revitalization program that strives to strengthen the economic potential of Maryland's traditional main streets and neighborhoods.

Linking Services

One of DHCD's major partners in the fight against poverty at the local level is its 17 Community Action Agencies. The CAAs use holistic strategies involving both physical and human development to help Maryland's low-income families become self-sufficient. They are instrumental in leveraging private and public (local, State and federal) funds in excess of \$80 million dollars annually to offer comprehensive services to over 175,000 low-income citizens. The CAAs' programs can be grouped into six categories and include employment, housing, education, emergency assistance, nutrition, and linkages/referral.

LOW-INCOME MARYLANDER'S SERVED BY CAAs	
SERVICES	NUMBER OF PEOPLE SERVED
Employment	1,755
Housing	15,787
Education	22,804
Emergency Assistance	78,937
Nutrition	22,804
Linkages/referrals	33,329
TOTAL	175,416

These six categories include numerous programs and activities. CAAs are also providers of emergency assistance through Constant Care Community Health Centers, the Maryland Energy Assistance Program, eviction prevention assistance, emergency shelter programs, and crisis intervention. Along with the Center for Poverty Solutions, the CAAs provide food and activities centered on nutrition. These activities include summer feeding programs, commodity distribution, holiday food distribution, nutrition education, full-service food assistance and Women, Infants and Children (WIC) assistance. In the rural areas, many of the CAAs are the major providers of affordable housing and housing counseling services. Programs and services include: housing development, homeownership programs, new construction of affordable housing, Section 8 rental assistance, self-help housing programs and transitional shelters.

Linkages and referrals CAAs provide include transportation to medical facilities, rural transportation, utility service cutoff protection, credit union management, and volunteer services.