



PROFILE REPORT SEP 2024

# Delivering Climate Benefits to Disadvantaged Communities: Lessons Learned from Social Policy



## KEY REPORT FINDINGS

Increasing the capacity of frontline communities – households with low income, disadvantaged people, and Black, Indigenous, and People of Color (BIPOC) people and families who are most affected by climate change – to meet the current and future challenges brought about by climate change will require a significant future expansion of assistance programs and resources. There are decades worth of lessons to be learned from the design and implementation of past laws and policies that are intended to improve the lives of those with lower income levels, in particular social benefit and anti-poverty programs. Climate justice policymaking can build upon the precedent of what has worked in the past. In the same way, the mistakes and injustices of the past can be avoided and rectified. This paper examines some of the strengths and weaknesses of U.S. social benefit policies and programs that can support advocates and policy makers in ensuring that future climate-related policymaking effectively delivers for frontline communities.

## ABOUT JUST SOLUTIONS

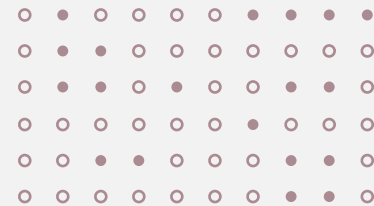
Just Solutions is a national organization that drives innovative, equitable solutions to the climate crisis in support of healthy, resilient communities, and accountable democratic institutions. Our work is grounded in the broader movement for racial and economic justice and the guiding principle that frontline communities most harmed by climate change should lead in designing and implementing solutions. We have seen the most innovative and impactful climate policies created and passed when frontline organizations and coalitions bring their vision, strategy, and political power to win and implement climate policies that reduce greenhouse gas emissions and strengthen their communities' health, economic security, and resiliency. As a movement partner organization, we target our research and policy expertise, capacity, and resources to support frontline leaders and work across states, issues, and sectors to advance long-term goals.

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# Table of Contents

- 2 **About Just Solutions**
- 4 **Introduction**
- 5 **Foundational Principles**
- 6 **Grounding Assumptions**
  - 6 Build on What Works
  - 6 Set Meaningful Goals
  - 7 Measure What You Care About
    - 7 *Defining a Federal Poverty Measure*
    - 8 *Defining “Affordable Housing”*
- 9 **Anti-Poverty Policy Fundamentals That Work**
  - 9 Protect People and Public Resources
    - 10 *Safeguard Consumers, Workers, and the Environment*
    - 11 *Create Alternatives to Private Markets*
    - 11 *Invest in People and Infrastructure*
  - 12 Provide Security in Times of Hardship
    - 12 Focus on Prevention
      - 13 *Address the Social and Environmental Determinants of Health*
      - 14 *Reduce the Effects of Trauma*
      - 14 *Support Social Network Formation and Preservation*
- 15 **Anti-Poverty Policy Design Features That Work**
  - 15 Entitlement Programs
    - 16 *Social Security*
    - 16 *Medicare, Medicaid, and the Affordable Care Act (ACA)*
    - 17 *Unemployment Insurance (UI)*
    - 17 *Supplemental Nutrition Assistance Program (SNAP)*
  - 17 Targeted Universalism
  - 18 Streamlining Access and Reducing the Knowledge Gap
    - 18 *Opt Out vs. Opt In*
    - 19 *Reducing Administrative Burdens*
    - 19 *Outreach and Education*
  - 20 Direct Access to Benefits
    - 20 *Direct Cash Transfers*
    - 20 *Tax Credits*
  - 21 Expanding to Meet the Need
- 24 **Policies That Fail to Deliver**
  - 24 *“Trickle Down” Economics*
  - 24 *Block Grants*
  - 27 *Regressive Tax Policies*
  - 27 *Restricting Benefits to Only Citizens*
  - 27 *Creating Benefits That Sound Good But Are Inaccessible*
  - 28 *Linking the Desirable with the Undesirable*
- 30 **Conclusion**



# Introduction

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The Inflation Reduction Act (IRA) launched a historic first step in addressing the climate crisis, making significant investments to reduce greenhouse gas emissions and including provisions designed to benefit frontline communities – those households with low income, disadvantaged people, and Black, Indigenous, People of Color (BIPOC) people and families who are disproportionately impacted by climate change. The degree to which the legislation brings about meaningful change for these populations remains to be seen, and these investments should be regarded as a down payment, as they fall far short of the need. Increasing the capacity of frontline communities to meet the current and future challenges brought about by climate change will require a significant future expansion of assistance programs and resources. This includes social benefits (e.g., financial assistance, affordable housing, accessible transportation), employment, education, and economic development supports, infrastructure investment, and disaster relief and recovery assistance. Among the many challenges in meeting this objective is identifying how to get assistance and resources into the hands of these communities in an efficient and timely manner and to monitor outcomes to ensure goals are being met. Without such assistance, those most at risk will experience worsening economic conditions, displacement, and loss of life.

*Increasing the capacity of frontline communities to meet the current and future challenges brought about by climate change will require a significant future expansion of assistance programs and resources. Without such assistance, those most at risk will experience worsening economic conditions, displacement, and loss of life.*

In considering the next steps for future climate policymaking, there are decades worth of lessons to be learned from the design and implementation of past laws and policies that are intended to improve the lives of those with lower income levels, in particular social benefit and anti-poverty programs.<sup>1</sup> The U.S. has a long history of developing and implementing policies to deliver financial assistance and supportive services to those in need. In many cases, social policies have brought about meaningful change and measurably improved outcomes for recipients. At the same time, social policymaking has frequently, whether inadvertently or by design, excluded certain populations, including BIPOC people and households, from accessing the assistance and services that they need and for which they are eligible.

*Climate justice policymaking can build upon the precedent of what has worked in the past. In the same way, the mistakes and injustices of the past can be avoided and rectified. Climate justice advocates can forge alliances with anti-poverty groups to address the underlying conditions associated with greater climate risk and ensure policymaking meets both climate and economic justice goals.*

This paper examines some of the strengths and weaknesses of U.S. social benefit policies and programs that can support advocates and policymakers in ensuring that future climate-related policymaking effectively delivers for frontline communities.

<sup>1</sup> Anti-poverty programs include those that prevent or respond to homelessness, support housing affordability, deliver early childhood education services, offer employment and training opportunities, distribute food assistance, and provide public health interventions.

# Foundational Principles

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This justice-centered analysis begins with a set of foundational principles for policy setting. Legislation affecting the conditions in which frontline communities cope with, prepare for, and respond to climate change must protect and foster:

- **Health and safety:** Policies must result in measurable improvements in the health and safety of communities to preserve and extend life and ensure that these communities have the capacity to respond to the effects of climate change, recover from climate disasters, and participate equitably in the transition to a clean energy future.
- **Civil and human rights:** Such rights include not only equal protection under the law and equal opportunity to participate in civil society and democratic government but also the equal right to safe housing and quality education, a clean and safe environment, access to public services, public facilities, and healthcare, and freedom from discrimination, harassment, and harm.
- **Self-determination:** Individuals, households, and communities must be free to voice their needs and concerns, claim the space needed to use their collective knowledge and expertise to identify solutions, and use their power to see those solutions translated into meaningful change.
- **Basic human needs:** Creating the conditions under which all communities can meet their basic human needs, including shelter, food, healthcare, education, and clean air, water, and energy, is the foundation of good governance. Communities that lack safe, affordable housing, clean drinking water, reliable and affordable energy, and adequate sanitation services and are exposed to environmental hazards must be prioritized in policymaking.
- **Collective action and the common good:** A culture of radical independence must be defused to ensure that the interests, health, and welfare of all, particularly those with a history of marginalization, are respected and protected and that democratic governance is strengthened with inclusion, enfranchisement, and representation of marginalized peoples.

# Grounding Assumptions

With these foundational principles in mind, the following core assumptions ground our approach:

## BUILD ON WHAT WORKS

Many of the programs and policy approaches described in this report as beneficial are certainly not without their problems. Over the past century, U.S. social policy has been developed and applied in ways that disadvantage, exclude, or discriminate against particular populations, most notably Black and Indigenous people, as well as immigrant and low-income populations. The combination of inadequate funding and restrictive eligibility requirements means that even the best-designed programs have rarely met the need. Measurable improvements in overall outcomes frequently do not translate into an equitable distribution of benefits. While the strengths of various policies and programs might be cited in one section of this report, shortcomings are examined in others.

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The objective here is to focus on characteristics or elements of various policy approaches that have successfully delivered benefit while simultaneously pointing to known shortcomings so as to avoid repeating past failures.

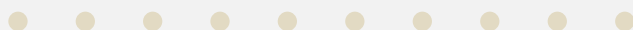
## SET MEANINGFUL GOALS

Just and equitable policies must be at the heart of the transition to a clean energy future.<sup>2</sup> This requires shifting and democratizing power and transforming economic systems from extractive to regenerative. Frontline communities must be at the forefront of efforts to identify and implement environmental and climate solutions that result in shared prosperity and foster community and environmental resilience. Among the outcomes we seek to achieve are:

- Increasing the capacity of frontline communities to adapt to climate change and participate equitably in the decision-making to improve the country's overall ability to address and meet the climate crisis.
- Ensuring that frontline communities equitably receive the financial, environmental, and social benefits of the transition to a clean energy economy in order to be better off, with increased opportunity, security, and health.
- Reducing the risk frontline communities face from climate disasters.

To achieve these goals, these communities must be prioritized for investments affecting health and welfare at the local, state, and federal levels.

<sup>2</sup> For a discussion of Just Solutions' approach to this transformative work, see "[Comprehensive Building Blocks for a Regenerative & Just 100% Policy](#)," January 2020.



## MEASURE WHAT YOU CARE ABOUT

Ultimately, the success or failure of particular policies and programs to improve outcomes is measured by data, both quantitative and qualitative. Assessing whether or not a measurable impact is being made requires that data are collected and analyzed. Too often, relevant data, including race and ethnicity, are not captured. For example, prior to 2023, the Low Income Home Energy Assistance Program (LIHEAP), a primary means of delivering energy assistance funds to communities across the country, did not require grantees to collect and report racial data. If data are not collected, it is difficult to assess whether benefits are being distributed equitably and whether policies are making a difference, as well as to identify barriers and opportunities to make improvements and to hold policymakers accountable. Data availability and data integrity will be key priorities moving forward.

## PAY ATTENTION TO DEFINITIONS

Definitions frequently set the parameters for policy implementation, determining who benefits and where and how resources are distributed. In some cases, definitions that may have made sense at one time have become outdated and in need of revision. In others, definitions have changed over time to restrict access or to increase the challenges faced by frontline communities. Here are a few examples of definitions that have had a profound effect on the delivery of public assistance and the lives of people with low and moderate income:

### Defining a Federal Poverty Measure

The federal poverty measure is used as a guidepost for much social policy-making. The federal poverty guidelines are the basis for program eligibility in many cases. Federal poverty rates inform resource allocation decisions and serve as the measure of success or failure in reducing poverty. The federal poverty measurement framework is an example of a policy that met an administrative need at a particular point in time but is outdated and fails to reflect current U.S. living standards.

In the early 1960s, there was no defined poverty measure in the U.S. As the War on Poverty launched in 1964, policymakers realized that if they were going to try to reduce poverty, they would first need to define what it was. The work of a statistician and economist working in the Social Security Administration (SSA) named Mollie Orshansky came to their attention. Orshansky's work drew on her previous experience at the U.S. Department of Agriculture studying food budgets and costs, as well as her work at SSA estimating income needs for older adults. She had developed a means of measuring poverty based on the cost of a minimum food plan multiplied by three. The assumption behind the measure was that a family of three spent about a third of their after-tax income on basic food expenditures. A family would need an income of at least three times a basic food budget to have an adequate household income. By 1969, Orshansky's measure had become the official means of defining poverty.<sup>3</sup>

<sup>3</sup> Social Security Administration, "[Remembering Mollie Orshansky -Developer of the Poverty Threshold](#)," Social Security Bulletin (68:3, 2008); U.S. Census Bureau, "[Measuring America: Poverty: The History of a Measure](#)," January 2014; U.S. Census Bureau, "[The History of the Official Poverty Measure](#)"; Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, "[The Development and History of the U.S. Poverty Thresholds — A Brief Overview](#)," 1997.

Today, the federal poverty measurement framework is quite outdated and fails as a measurement of need. The official poverty measure is defined as three times the cost of a basic diet in 1963, adjusted annually for inflation and calculated based on household size. This is the case despite the fact that other household costs, such as housing, healthcare, transportation, and child care, frequently comprise a larger proportion of household budgets today than what is spent on food. It also applies thresholds that, with the exception of different standards for Alaska and Hawaii, are constant across the country. The poverty guidelines are the same in California as they are in South Dakota, regardless of differences in the cost of living. Using an alternative approach, the Poor People’s Campaign estimates that 140 million Americans, or over 40% of the population, are poor or low-income. Other alternative poverty measures exist, such as the Supplemental Poverty Measure, but the Orshansky-developed measure remains the basic framework for defining and measuring poverty and the effects of anti-poverty policymaking in the U.S.<sup>4</sup>

### Defining “Affordable Housing”

Another example is the definition of “affordable” housing. Today, advocates and policymakers alike routinely accept that it is a threshold where no more than 30% of household income is directed to housing costs, which include rent or mortgage payments and utilities. Costs higher than 30% are considered a “housing cost burden.”

The threshold was not always set at 30% though. For several decades, it was lower than that, based on an idea originating in the late 1800s that a month’s rent should not cost more than a week’s wages. In the 1940s, maximum rental costs in public housing units were determined to be 20% of a household’s income. In 1969, an affordability threshold of 25% was set by Congress. In 1981, the threshold rose again to 30% through the Omnibus Budget Reconciliation Act of 1981.<sup>5</sup>

According to the Joint Center for Housing Studies of Harvard University, cost burdened households have increased by more than 40% in the past two decades. In 2022, half of all renters – over 22 million people – were estimated to have a housing cost burden of 30% or more, the highest rate ever.<sup>6</sup> If the 25% threshold had remained in place, this figure would have been far higher. According to 2022 data from the American Community Survey, 37.4% of homeowners with a mortgage (more than 18 million people) and 61.4% of renters (over 25 million people) had a housing cost burden of 25% or higher.<sup>7</sup>

4 Dahlia K. Remler, Sanders D. Korenman, and Rosemary T. Hyson, “[Estimating The Effects Of Health Insurance And Other Social Programs On Poverty Under The Affordable Care Act](#),” *Health Affairs* (36:10, 2017), pp. 1828-1837; The American Prospect, “[Rethinking the Poverty Measure](#),” December 3, 2020; Institute for Research on Poverty, University of Wisconsin-Madison, “[How Is Poverty Measured?](#)”

5 U.S. Department of Housing and Urban Development, “[Defining Housing Affordability](#)”; Joint Center for Housing Studies of Harvard University, “[Measuring Housing Affordability: Assessing the 30 Percent of Income Standard](#),” September 2018; National Low Income Housing Coalition, “[A Brief Historical Overview of Affordable Rental Housing](#)”; Congressional Research Service, “[Introduction to Public Housing](#),” February 13, 2014; National Low Income Housing Coalition, “[Getting to the Heart of Housing’s Fundamental Question: How Much Can a Family Afford?](#),” 2008.

6 Joint Center for Housing Studies of Harvard University, “[Measuring Housing Affordability: Assessing the 30 Percent of Income Standard](#),” September 2018; Joint Center for Housing Studies of Harvard University, “[America’s Rental Housing 2024](#),” January 2024; U.S. Census Bureau, “[More than 19 Million Renters Burdened by Housing Costs](#),” December 8, 2022.

7 U.S. Census Bureau, “[More Than 19 Million Renters Burdened by Housing Costs](#),” December 8, 2022; U.S. Census Bureau, American Community Survey 2017-2021 5-year estimates.



Definitions matter. As seen with the implementation of the Justice40 Initiative and the Inflation Reduction Act, how terms like “disadvantaged,” “underserved,” and “overburdened” are defined determine who receives benefits and who does not.<sup>8</sup>

## Anti-Poverty Policy Fundamentals That Work

Policy discussions about poverty are typically defined in terms of where household income falls relative to the Federal Poverty Level. The experience of living in poverty, however, is more than an economic guidepost. It has implications for social relationships, health, educational opportunity, and well-being. While a primary objective of anti-poverty work is to advocate for and support the development of policies that focus on reductions in the number of individuals and families whose incomes fall below the Federal Poverty Level, it can be more than that. It can encompass a holistic look at the ordering of society – how inequities resulting from unfettered capitalism and from centuries of extraction, exploitation, and economic and racial oppression can be rectified through policymaking to prevent poverty, hardship, and dislocation in the first place or, at the very least, prevent them from getting worse.

*Policies can be designed to put people on a pathway to prosperity, stability, and health. The objectives, design, and implementation of public policy shape the scope of the problem of poverty, either for better or for worse.*

Keeping the following set of anti-poverty fundamentals at the forefront of both social and climate justice advocacy and policymaking can improve outcomes and ensure that needed resources reach those communities most in need.

### PROTECT PEOPLE AND PUBLIC RESOURCES

A leading contributor to the poor health and social conditions found across the country is a failure to address the historical and current collateral damage created by unfettered capitalism, and the desire for cheap, available, and expendable labor and resources. Social programs are, to one extent or another, the response to needs resulting from the excesses of capitalism, whether it is an unsafe working or living environment, low wages and benefits, predatory financial practices, non-compensation of caretaking, or the like.

There are numerous examples throughout U.S. history where public policies and governmental actions have attempted to rein in such excesses and “even the playing field.” Some of these efforts have been more successful than others, but taken together, they have improved health, safety, and well-being through greater worker protections, increased consumer product safety and financial security, and a cleaner environment. The challenge today, in an era of renewed efforts to dismantle regulatory policies and practices in order to reduce impediments to profit making, is to re-assert fundamental rights to a clean, safe, and

<sup>8</sup> See, for example, Initiative for Energy Justice, “[Justice 40 and Community Definition: U.S. State Approaches to Defining Disadvantaged Communities and Benefits Allocation](#),” May 17, 2023.

healthy physical and social environment and wield the power of the regulatory and administrative framework in a way that protects and works for all Americans, particularly those who have been disadvantaged or stripped of their power in the past.<sup>9</sup>

## Safeguard Consumers, Workers, and the Environment

The modern-day regulatory infrastructure in the U.S. generally dates to the creation of the Interstate Commerce Commission, created in 1887 to prevent exorbitant railroad rates. Checks on corporate power expanded during three periods in particular: during the Progressive era of the late 19th and early 20th centuries, the New Deal, the 1960s and 1970s. Such checks were enacted for numerous purposes, primarily to regulate economic activity, protect consumers and workers, and ensure environmental quality. Some of the actions that have been taken include:

- **Ensuring food and drug safety**
  - Meat Inspection Act, 1906
  - Food and Drugs Act, 1906
  - Food, Drug, and Cosmetic Act, 1938
  - Food Additives Amendment, 1958<sup>10</sup>
- **Controlling banking and markets**
  - Glass Steagall Act, 1933
  - Securities and Exchange Commission, 1934
  - Consumer Financial Protection Bureau, 2011
  - Truth in Lending Act, 1968<sup>11</sup>
- **Improving environmental quality**
  - Water Pollution Control Act, 1948
  - Air Pollution Control Act, 1955
  - Clean Air Act, 1963, 1970
  - Clean Water Act, 1972
- **Toxic Substances Control Act, 1976**
  - Protecting worker rights and workplace safety
  - National Labor Relations Act, 1935
  - Fair Labor Standards Act, 1938
  - Occupational Safety and Health Act, 1970<sup>12</sup>

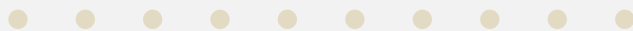
Such laws provided increased economic and financial security for millions of Americans and improved health and safety. Although regulatory actions over time have improved conditions for many, they have by no means been perfect. Some have been better protected through regulatory action than others. Over time, corporate interests learned how to use the regulatory system to their advantage. Then, in the 1970s and 1980s, much of the U.S. regulatory infrastructure, especially in the financial and commercial sectors, began to be dismantled under both Republican and Democratic administrations. Although the repercussions of the Supreme Court's recent *Chevron* ruling are still being assessed, it undoubtedly represents yet another effort to disrupt the regulatory framework that was first created over a century ago.

9 For examples of work being done to reform, revitalize, and democratize the regulatory system, see Demos, "[Deconcentrating Corporate Power](#)," April 2023; Roosevelt Institute, "[Rethinking Regulation: Preventing capture and pioneering democracy through regulatory reform](#)," April 2016. For a discussion of the impacts of the Supreme Court's recent *Chevron* decision on health and environmental protections, see The Guardian, "[Chevron doctrine ruling a 'gut-punch' for US health and environment – experts](#)," July 6, 2024.

10 U.S. Food and Drug Administration, [Milestones in Food and Drug Law](#).

11 Federal Reserve Bank of Atlanta, "[Summing It Up: A Brief History of the Economy, Regulations, and Bank Data](#)," December 6, 2016.

12 For more discussion of worker protection legislation, see Bureau of Labor Statistics, "[Labor law highlights, 1915-2015](#)."



## Create Alternatives to Private Markets

In addition to checking capitalist excess through a robust regulatory framework, alternatives to private enterprise can tame the market, responding to and/or preventing market failure. The housing and banking industries provide good examples of both the consequences of market failure and how market alternatives can provide safety and security and promote health and welfare.

- **Housing:** At a time when housing prices and rents are increasing across many parts of the country, it is clear that the private housing market is leaving many people behind. Increasing housing costs stress household budgets, leaving too many with the choice of whether they will forgo needed medications or healthcare, food, or other basic needs – including heating and cooling – in order to pay the rent or mortgage.

Expansion and innovation in alternative ownership models, including community land trusts, co-ops, resident-owned manufactured home communities, and social housing, can expand access to affordable housing.<sup>13</sup>

- **Banking:** When the financial crisis of 2007-2008 shook the economy and the banking industry, the Bank of North Dakota fared far better than others. The Bank of North Dakota, established in 1919 and still the only public bank in the U.S., is owned and operated by the state government. It serves as the depository for all state funds. Revenue generated through the operation of the bank is directed to the general fund or to other public uses. Public banks are owned and managed by public entities, delivering benefits to residents of a state or area rather than to corporate shareholders. Green banks and other forms of inclusive financing could similarly offer alternatives to the private market to meet broader societal goals.

## Invest in People and Infrastructure

The New Deal demonstrated the value of public investment and public works in stimulating the U.S. economy to emerge from the Great Depression. Programs such as the Civilian Conservation Corps, the Civil Works Administration, and the Works Progress Administration put millions of unemployed Americans to work.

The recently enacted Infrastructure Investment and Jobs Act, the Inflation Reduction Act, and the CHIPS and Science Act provide an opportunity to follow in the footsteps of these programs. In implementing this legislation, we can take steps to remedy the injustices of New Deal programs which frequently failed to deliver benefits to BIPOC people and women, ensuring that workers are paid livable wages and benefits, work in a safe and healthy environment, and receive adequate education and training, and that disadvantaged communities are prioritized for economic development opportunities.

<sup>13</sup> For discussions of social housing, see, for example, Jacobin, “[Social Housing is Becoming a Mainstream Policy Goal in the US](#),” February 21, 2021 and OECD (2020), “[Social housing: A key part of past and future housing policy](#),” Employment, Labour and Social Affairs Policy Briefs, OECD, Paris, 2020.

## PROVIDE SECURITY IN TIMES OF HARDSHIP

For those who do find themselves at-risk of or living in poverty, social insurance – publicly-funded, government-administered protection against risks of various kinds – is the most obvious form of anti-poverty policy, providing a “safety net” that either assists those experiencing economic hardship or prevents people from falling into poverty.

1935

The Social Security, Aid to Families with Dependent Children, and Unemployment Insurance programs established during the Great Depression.

1964-1972

The addition of Medicare and Medicaid, Supplemental Social Insurance (SSI), the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program), Head Start, and the Women, Infant, and Children’s Program.

1997

The creation of the Children’s Health Insurance Program (CHIP) and Child Tax Credit.

2010

The passage of the Affordable Care Act (ACA).

### These programs generally fall into five categories of social support:

- Education and workforce development
- Health
- Income support
- Nutrition
- Shelter

A key feature of many of these programs in their inception is that they were designed to expand during economic downturns and contract during periods when the economy is stronger. One study found that assistance programs cut white poverty in 2017 by more than 50%, Black poverty by about 44%, and Latine poverty by 37%.<sup>14</sup>

## FOCUS ON PREVENTION

As the saying goes, “An ounce of prevention is worth a pound of cure.” Preventing people from experiencing poverty is the most effective anti-poverty strategy. While the strategies described above, if fully and effectively implemented, can

<sup>14</sup> The effectiveness of these programs in reducing white poverty underscores the racial differences in poverty rates. White populations living in poverty tend to have household incomes closer to the Federal Poverty Level, whereas BIPOC populations experience deeper levels of poverty. Therefore, it takes less assistance to lift white households out of poverty compared to BIPOC households. (Brookings Institution, “[The social insurance system in the US: Policies to protect workers and families](#),” June 23, 2021.)

be a part of what is needed, programs focused on the prevention of socioeconomic and environmental harm from existing threats have been shown to lead to improved socioeconomic, health, and well-being.

Preventive healthcare is commonly understood to lead to better outcomes. The same is true when thinking about poverty reduction – and to improving resilience to climate change.

**Among prevention strategies that have been shown to be effective are:**

- Addressing the social and environmental determinants of health.
- Reducing the effects of trauma.
- Supporting the formation and preservation of social networks.

These strategies help create healthy humans who have a lower risk of experiencing adversity and who stand a better chance of responding with resilience when they do experience adverse events or conditions.

### Address the Social and Environmental Determinants of Health

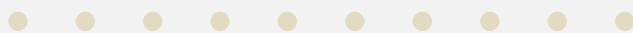
Numerous studies have established a strong causal link between the social and environmental determinants of health and health outcomes. These determinants of health include factors such as educational opportunities, income level, housing stability, food security, the physical environment and environmental quality, and access to healthcare.

For example, participation in quality early childhood education programs has been shown to significantly improve kindergarten readiness. Longitudinal studies of early childhood education have also found that children who participate in quality early childhood education programs have improved socioeconomic, educational, and health outcomes as adults. These programs also support parental employment rates, with positive effects on family outcomes overall.<sup>15</sup>

Research has linked poor outcomes related to the social determinants of health to more than a third of total deaths in the U.S. annually. Thirteen percent of deaths have been linked to environmental hazards, such as air pollution, inadequate sanitation, and environmental pollutants. Chronic health conditions that often result from a poor state of health affect quality of life and life expectancy, drive healthcare costs, and limit economic prosperity among individuals and across communities. Data shows that BIPOC communities are disproportionately affected by poor socioeconomic and environmental conditions.<sup>16</sup> Systemic failures to address the social and environmental determinants of health are deadly.

<sup>15</sup> For a discussion of outcomes associated with early childhood education, see, for example, Health Affairs, [“The Effects of Early Care and Education on Children’s Health,”](#) April 25, 2019.

<sup>16</sup> Maximum, [“The social determinants of health: why they matter to improving health outcomes,”](#) October 14, 2021; Kaiser Family Foundation, [“Disparities in Health and Health Care: 5 Key Questions and Answers,”](#) April 21, 2023. For a recent discussion of race and the social determinants of health, see Centers for Disease Control and Prevention, [“Racial and Ethnic Differences in Social Determinants of Health and Health-Related Social Needs Among Adults — Behavioral Risk Factor Surveillance System, United States, 2022,”](#) *Morbidity and Mortality Weekly Report*, 73(9):204–208, March 7, 2024.



## Reduce the Effects of Trauma

There is a considerable body of research regarding the relationship between childhood trauma and future health and socioeconomic outcomes. The seminal Adverse Childhood Experiences Study (ACES) conducted in California by Kaiser Permanente and the U.S. Centers for Disease Control and Prevention (CDC) in the 1990s studied the relationship between the experience of trauma and outcomes as adults. The study found that several risk factors were linked to the higher incidence of poor health and socioeconomic outcomes later in life, such as chronic disease, behavioral health problems, and unemployment.

### The risk factors include things like:

- Living in a low-income household.
- Having parents or caregivers who have low levels of education.
- Having parents or caregivers who are experiencing high levels of economic stress.
- Living in a community with limited educational and economic opportunity, with high levels of unemployment.
- Experiencing displacement or housing instability.
- Living in a community that is socially or environmentally unsafe.<sup>17</sup>

The practice of screening for ACES in healthcare and community settings has improved early intervention efforts related to the experience of trauma across the country.

These same factors, which already affect many frontline communities, will be exacerbated by the hardship and displacement brought about by climate change and climate disasters. While preventing trauma is clearly preferable, reducing the experience of trauma among children while addressing the trauma that parents and caregivers might be experiencing can dramatically improve outcomes for children and families and foster resilience.

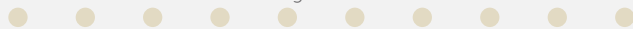
## Support Social Network Formation and Preservation

There are also protective factors that promote health and well-being among both children and adults. In addition to factors like economic and housing security, employment opportunity, and a safe and healthy environment, other factors include nurturing relationships and social ties to peers and community members. There is a growing body of research detailing the relationship between social isolation, loneliness, and various health risks, prompting several countries to tackle loneliness as a public health problem.<sup>18</sup> Isolation and displacement not only generate parental stress (which has been shown to have an impact on early childhood brain development) but also interrupts those community relationships upon which parents rely for support and that foster healthy youth development.

*When these networks are disrupted by relocation or displacement – whether the result of choice, necessity, or a climate disaster – individuals and families can experience harm in the absence of tools and resources to reconnect or rebuild social networks.*

<sup>17</sup> U.S. Centers for Disease Control and Prevention, “[Risk and Protective Factors](#)”; Prevent Child Abuse America, “[The Adverse Childhood Experiences Study: Child Abuse and Public Health](#).”

<sup>18</sup> U.S. Centers for Disease Control and Prevention, “[Risk and Protective Factors](#)”; Center on the Developing Child, Harvard University, “[Young Children Develop in an Environment of Relationships](#),” October 2009; American Psychological Association, “[The Risks of Social Isolation](#),” May 2019. See also Center for American Progress, “[Social Cohesion: The Secret Weapon in the Fight for Equitable Climate Resilience](#),” May 11, 2015 for a discussion of social resilience as a means of increasing climate resilience.



# Anti-Poverty Policy Design Features That Work

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The strategies described above can prevent poverty, improve health and well-being, and foster resilience to life challenges of all kinds, including climate change. As a country, we have chosen not to implement such strategies on the scale needed to correct historic injustices and meet current needs, let alone as we face growing challenges due to climate change. Public assistance programs fill some of the gaps left by policy failures. When public assistance programs are required, design features, such as those described below, can support the effective delivery of assistance to those in need.

## ENTITLEMENT PROGRAMS

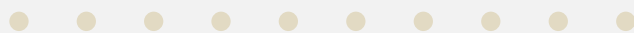
Some of the most effective anti-poverty strategies have been the result of legislation at the federal level. In developing and implementing strategies to alleviate hardship, federal protections provide a floor that can be expanded upon through state innovation. This is certainly the case with entitlement programs. If the goal is to get assistance to those who need it, there is no more effective means to do so than through entitlement programs. Entitlement programs have the following characteristics:

*If the goal is to get assistance to those who need it, there is no more effective means to do so than through entitlement programs. Eligibility criteria are legislatively determined, expenditures rise or fall according to the needs of the eligible population, and program access is legally enforceable.*

- **Eligibility criteria are set in legislation.** Whether at the state or federal level, authorizing legislation defines who is eligible. Other governmental bodies lack the authority to alter eligibility criteria or to introduce additional requirements for accessing benefits. There is little room for state discretion in the case of federal entitlement programs or local discretion in the case of state entitlement policies..
- **All eligible recipients receive benefits.** There are no program budget caps, and expenditures rise or fall according to the size of the eligible population. Whether at the state or federal level, funds needed to cover program expenses are outside either the Congressional or state legislative budgeting processes.
- **Recipients have a legal right.** Those who meet defined eligibility criteria can legally enforce their right to benefits.

The benefits of social assistance entitlement programs include reducing stigma and increasing accessibility to benefits in times of need, as well as continuity and the ability to depend on benefit receipt. Entitlement programs have very high levels of participation within the eligible population. They also have a documented record of success in meeting their goal of poverty reduction.

Some of the most notable examples of entitlement programs are described below.



## Social Security

Social Security has reduced poverty levels more than any other program. According to the Center for Budget and Policy Priorities (CBPP), 21.7 million elderly and disabled Americans would have been living in poverty in 2022 in the absence of Social Security. This includes nearly 38% of older adults over the age of 65. In about a quarter of the states, CBPP estimates that the poverty rate would have been 40% or higher. With Social Security, the poverty rate among older Americans was approximately 10%.

The program is particularly beneficial to older women and BIPOC communities, as Social Security benefits can be a sole source of retirement income for many. CBPP estimates that Social Security prevents nearly 9 million older women from living in poverty. Without Social Security, nearly 45% of older Latine adults and about 50% of older Black adults would have incomes below the poverty line<sup>19</sup>.

## Medicare, Medicaid, and the Affordable Care Act (ACA)

The relationship between poverty and health is well-established. Poverty has a negative effect on health outcomes, and poor health increases the risk of living in poverty. Like Social Security, Medicare has a significant positive effect on poverty reduction. One of the advantages of Medicare is that coverage is the same regardless of the state in which someone lives.<sup>20</sup> Although Medicare coverage still leaves beneficiaries with out-of-pocket costs and does not cover all healthcare needs, those older adults living in or near poverty can be eligible for Medicaid coverage in addition to traditional Medicare.

One study estimates that public health insurance programs (i.e. Medicare, Medicaid, and the Affordable Care Act) make up approximately one-third of the poverty reducing effects of public benefit programs.<sup>21</sup> Like Medicare, Medicaid is another effective anti-poverty program. According to one analysis, Medicaid reduces child poverty by 5.3%, Latine poverty rates by 6.1%, and Black poverty rates by nearly 5%.<sup>22</sup>

The effect of the Affordable Care Act has been to reduce uninsured rates and limit out-of-pocket healthcare costs. Provisions of the American Rescue Plan passed during the COVID-19 pandemic provided additional Affordable Care Act subsidies, delivering even greater benefit. The IRA extended these additional subsidies through 2025. As a result of these acts, the uninsured rate was at an all-time low at 8% of all U.S. residents in 2022. This is attributed to the combination of Affordable Care Act subsidies, ACA outreach efforts, and Medicaid expansion. Prior to enactment of the ACA, the uninsured rate averaged about 15%.<sup>23</sup> Ensuring affordable access to healthcare services improves health outcomes while controlling medical debt.

19 Center for Budget and Policy Priorities, "[Social Security Lifts More People Above the Poverty Line Than Any Other Program](#)," June 2, 2023.

20 This is not the case with Medicaid. Medicaid policies can vary by state, and healthcare providers often do not accept Medicaid in part due to reimbursement rates.

21 Dahlia K. Remler, Sanders D. Korenman, and Rosemary T. Hyson, "[Estimating The Effects Of Health Insurance And Other Social Programs On Poverty Under The Affordable Care Act](#)," *Health Affairs* (36:10, 2017), pp. 1828-1837.

22 Center for Children and Families, Georgetown University Health Policy Institute, "[Research Update: Medicaid Pulls Americans Out of Poverty. Updated Edition](#)," March 18, 2018.

23 Office of Health Policy, Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, "[National Uninsured Rate Reaches All-Time Low in Early 2022](#)," August 2022; Kaiser Family Foundation, "[The Uninsured and the ACA: A Primer - Key Facts about Health Insurance and the Uninsured amidst Changes to the Affordable Care Act](#)," January 25, 2019.



## Unemployment Insurance (UI)

Studies have shown that unemployment insurance has clear anti-poverty effects, particularly during economic downturns and when expanded benefits are provided. Examining the effects of expanded benefits during the financial crisis in the late 2000s, the Congressional Research Service found that the American Recovery and Reinvestment Act of 2009 and the Emergency Unemployment Compensation Program had a measurable effect on poverty rates. Among those who received benefits (about 56% of all unemployed workers), 26.5% would have had incomes below the federal poverty rate without UI benefits. With UI benefits, the poverty rate among these individuals was cut to 13.8%.<sup>24</sup> These figures do not include the additional benefit to family members of the recipient.

The expansion of UI benefits through the Coronavirus Aid, Relief, and Security (CARES) Act has been linked to a 1.4% decline in the 2020 poverty rate. Through the expansion of UI benefits by \$600 a week, the inclusion of low-wage, part-time, and self-employed people within the eligible population, and the extension of the number of weeks benefits could be received, 4.7 million people were kept out of poverty. Among Black, Latine, and Asian UI recipients, the effects were even greater. UI benefits reduced poverty among these populations by 2.5%, 1.9%, and 2.1% respectively.<sup>25</sup>

## Supplemental Nutrition Assistance Program (SNAP)

Like unemployment insurance, SNAP (formerly known as the Food Stamp Program) is particularly effective in providing needed food assistance to low-income people during economic downturns. SNAP is the largest food assistance program in the U.S. Eligibility and benefits are to a large extent set at the federal level, although states have some discretion in determining eligibility rules. The Urban Institute estimates that SNAP reduced the poverty rate by 17% in 2015.<sup>26</sup>

Despite a number of beneficial policy design features, entitlement programs can be made more or less accessible through legislation and administrative practices. Proposals to add work requirements to Medicaid or to increase existing work requirements for food stamp recipients are examples of efforts to limit access to these benefit programs. Documentation requirements and other administrative barriers can present challenges in gaining timely access to benefits. Nonetheless, they offer a high level of access to the eligible population that is legally enforceable.

## TARGETED UNIVERSALISM

Two concepts have governed the distribution of assistance for decades – either aid is “targeted” to a particular area or population or it is “universal,” meaning that all benefit. An example of a universal approach is Medicare. Eligibility includes anyone over the age of 65 who is a citizen or permanent legal resident and is also receiving or eligible for Social Security. An example of a

<sup>24</sup> Congressional Research Service, “[Antipoverty Effects of Unemployment Insurance](#),” October 16, 2012.

<sup>25</sup> U.S. Census Bureau, “[Expanded Unemployment Insurance Benefits During Pandemic Lowered Poverty Rates Across All Racial Groups](#),” September 14, 2021. It should be noted that the number of BIPOC UI beneficiaries was lower than the number of white beneficiaries.

<sup>26</sup> Center for Budget and Policy Priorities, “[Policy Basics: The Supplemental Nutrition Assistance Program \(SNAP\)](#),” June 9, 2022; Urban Institute, “[The Antipoverty Effects of the Supplemental Nutrition Assistance Program](#),” February 16, 2018.

targeted benefit is the Special Supplemental Nutrition Program for Women, Infants, and Children, otherwise known as WIC. It provides food assistance and nutrition education to low-income pregnant and postpartum women who are at nutritional risk and have children under age 5.

While both strategies can be effective in reducing poverty, it could be argued that universal approaches can sometimes mean that those who do not necessarily need assistance benefit nonetheless. Targeted approaches too often lead to the stigmatization of beneficiaries.

**Targeted universalism is outcome-driven with a foundation in equity. It sets universal goals around delivering the resources that people need to thrive while targeting implementation.**

It looks at the entire population relative to identified goals and assesses populations or groups that fall short of the goal or the extent to which they fall short. Strategies are then developed to more effectively reach those particular groups or populations to ensure that the entire population reaches the goal.<sup>27</sup> Targeted universalism can direct resources to those most in need while reducing the stigma that frequently accompanies public assistance.

## STREAMLINING ACCESS AND REDUCING THE KNOWLEDGE GAP

Even entitlement programs require someone seeking benefits to submit an application. Access to and utilization of needed programs, services, and benefits is frequently reduced because the eligible population is unaware of available assistance and because of onerous paperwork requirements. As seen recently with the disenrollment of millions of Medicaid beneficiaries following the end of COVID-19 continuous coverage requirements, failing to submit required paperwork can result in otherwise eligible people losing their benefits.<sup>28</sup> There are, however, ways to reduce these barriers, even within structures designed to limit participation.

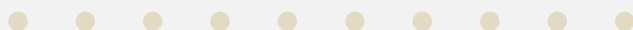
### Opt Out vs. Opt In

While most programs require the eligible population to apply in order to participate, there are administrative mechanisms that automatically enroll eligible people in programs unless they take action *to not participate*.

There are several examples of **automatic enrollment** approaches that regularly benefit higher-income groups. For example, employees are often automatically enrolled in employer-based health insurance. There may be forms to complete to specify covered family members and possibly a choice of plan, but paperwork is generally minimal. With some employer-based 401(k) retirement plans, employees are automatically enrolled at a threshold level unless they opt out. Using these same approaches to reach vulnerable populations is an effective way to increase participation.

<sup>27</sup> Nonprofit Quarterly, "[Beyond Equity: Targeted Universalism and the Closing of the Racial Wealth Gap](#)," January 19, 2022; Other & Belonging Institute, University of California Berkeley, "[Targeted Universalism: Policy and Practice](#)," May 2019.

<sup>28</sup> Roll Call, "[HHS has limited options as millions lose Medicaid](#)," June 28, 2023.



Some public assistance programs include **categorical enrollment** provisions. For example, if a household is eligible for and enrolled in the Temporary Assistance for Needy Families (TANF) program, they are automatically eligible to receive food assistance through SNAP. The High-Efficiency Electric Home Rebate Program authorized under the IRA also includes categorical eligibility provisions.

**Direct certification** even removes the barrier of enrolling in programs for which an individual is automatically eligible. With direct certification, a state or government agency uses its own records to determine eligibility and enroll the individual. For example, data matching from the SNAP program is used to enroll low-income students in the National School Lunch Program.

### Reducing Administrative Burdens

Participation rates can be increased through administrative policies and practices that reduce the burdens placed on applicants. Such policies and practices can include:

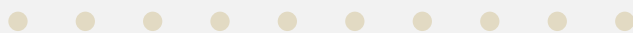
- Providing in-person and virtual application assistance.
- Offering language access and transportation services.
- Reducing documentation requirements, such as multiple forms of identification or verification.
- Allowing for self-attestation of income and other requirements.
- Streamlining application processes to avoid multiple visits.
- Reducing the frequency of recertification and associated paperwork requirements.
- Offering online and paper applications at a variety of locations.<sup>29</sup>

### Outreach and Education

Those eligible for assistance cannot access benefits if they do not know about them. Public education campaigns, robust outreach, and “navigators” can increase public awareness of available assistance and facilitate access. Passage of the Affordable Care Act in 2010 spurred one of the most significant outreach efforts in U.S. history. Between 2013 and 2016, 18.5 million Americans enrolled in health insurance. This was the result of intensive advertising and public outreach. A key feature of ACA implementation was the use of navigators who provided direct enrollment assistance. During the first open enrollment period under the ACA, navigators assisted an estimated 10.6 million people to enroll in health insurance coverage.<sup>30</sup>

29 Center on Budget and Policy Priorities, “[Using Administrative Advocacy to Improve Access to Public Benefits](#),” November 30, 2018; Center for American Progress, “[How to Address the Administrative Burdens of Accessing the Safety Net](#),” May 5, 2022.

30 Robert Wood Johnson Foundation, “[Changes in Health Insurance Coverage 2013–2016: Medicaid Expansion States Lead the Way](#),” September 2018; KFF, “[Survey of Health Insurance Marketplace Assister Programs](#),” July 15, 2014.



## DIRECT ACCESS TO BENEFITS

### Direct Cash Transfers

Cutting checks, directly depositing funds to bank accounts, and electronic benefit transfers without fees for withdrawals, transfers, or use are all means of getting assistance to those in need quickly and effectively. During the COVID-19 pandemic, such strategies were implemented to relieve the economic effects of the crisis, and similar efforts have been undertaken as an economic stimulus. The stimulus payments made during the COVID-19 pandemic prevented an estimated 11.7 million people from living in poverty.<sup>31</sup>

A growing body of research points to the benefits of direct cash transfers. They are increasingly being considered as a strategy for reducing homelessness among young people.<sup>32</sup> A study by the Urban Institute found that direct cash transfers can deliver assistance more quickly, more inclusively, and more equitably.<sup>33</sup> Studies of cash transfer policies in other countries are also demonstrating that they can be an effective means of poverty reduction. For example, a review of international efforts since 2010 found positive effects on infant and child mortality, poverty, and women's savings.<sup>34</sup>

### Tax Credits

Millions of middle- and upper-income Americans who take advantage of tax credits like the mortgage interest deduction can testify to the ease and efficiency of delivering benefits via the tax code and income tax filing process. It takes just a few lines of information provided by them or their accountant.<sup>35</sup> Yet tax credits cannot be utilized by those without tax liability, such as those with lower incomes. Refundable tax credits, on the other hand, such as the Earned Income Tax Credit or the Child Tax Credit (a partially refundable tax credit which was fully refundable under the American Rescue Plan), provide meaningful benefit to many lower-income households. Together, they lifted over 10 million Americans out of poverty in 2018 and increased the incomes of another 17.5 million who remained in poverty. This included 5.5 million children who were prevented from living in poverty, and 6.4 million children whose family incomes increased. Similar tax credit policies have been replicated in 29 states.<sup>36</sup>

31 U.S. Census Bureau, "[Two Rounds of Stimulus Payments Lifted 11.7 Million People Out of Poverty During the Pandemic of 2020](#)," September 14, 2021.

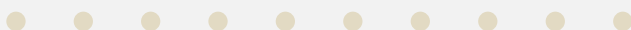
32 Chapin Hall at the University of Chicago and Youth Accelerator, "[Maximizing the Impacts of Direct Cash Transfers to Young People: Policy Toolkit](#)," 2022.

33 Urban Institute, "[Direct Cash Transfer as a Vehicle for Speed, Inclusivity, and Equity: The Greater Washington Community Foundation's Response to COVID-19](#)," August 2021.

34 World Bank, "[What have we learned about cash transfers?](#)," May 10, 2021; World Bank, "[Cash Transfers: What Does the Evidence Say?](#)," July 2026.

35 Center for American Progress, "[How to Address the Administrative Burdens of Accessing the Safety Net](#)," May 5, 2022.

36 Center on Budget and Policy Priorities, "[Policy Basics: The Earned Income Tax Credit](#)," April 28, 2023.



## EXPANDING TO MEET THE NEED

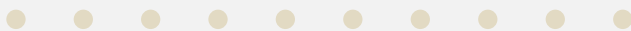
The National School Lunch Program is one of the rare instances in which program benefits have expanded, access to those benefits has improved, administrative barriers have been reduced, safety provisions have been enhanced, and assistance has been directed toward areas of higher need. The National School Lunch Program is one of the largest food assistance programs in the U.S., second only to SNAP. The program was created in 1946 with the intention not only of addressing food insecurity but also of increasing the demand for U.S. agricultural products.

In 1962, the program was altered significantly through an amendment to the National School Lunch Act. The program's funding mechanism was changed from a grant to states to a guaranteed meal reimbursement. The 1962 legislation went further to specify that additional funding be directed to schools with high percentages of low-income children. In 1968, the program was expanded to include breakfast services.

In 2004, the Child Nutrition Reauthorization Act again revised the program by expanding eligibility to a full year without recertification. Previously, children had churned in and out of the program based on income volatility and changing eligibility determinations. With a full year of certification, children would be assured of receiving benefits throughout the school year. The 2004 legislation also provided for direct certification, which ensured that children living in households receiving Food Stamps, TANF, or Food Distribution Program on Indian Reservations benefits would be automatically eligible.

Today, the School Lunch program serves millions of children and is offered in nearly all U.S. schools.<sup>37</sup>

37 U.S. Department of Agriculture, "[The National School Lunch Program: Background, Trends, and Issues](#)," July 2008.



**Table 1: Effective Anti-Poverty Design Features**

STRATEGIES	EXAMPLES	DESIGN FEATURES	BENEFITS
Entitlement Programs	<ul style="list-style-type: none"> <li>• Social Security</li> <li>• Medicare</li> <li>• Medicaid</li> <li>• Affordable Care Act</li> <li>• Supplemental Nutrition Assistance Program</li> <li>• Unemployment Insurance</li> </ul>	<ul style="list-style-type: none"> <li>• Eligibility criteria set forth in legislation</li> <li>• Outside the budget authorization process; no caps on spending</li> <li>• Administered by federal and state governments according to specific regulatory requirements</li> <li>• Little room for state discretion</li> <li>• Legally enforceable right to benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Ensures broad access to benefits in times of need</li> <li>• Reduces stigma</li> <li>• Limits ability of state and federal governments to impose administrative barriers</li> <li>• Prevents benefit denials due to claims of lack of funds</li> <li>• Improved health and welfare outcomes</li> </ul>
Targeted Universalism Framework	<ul style="list-style-type: none"> <li>• Setting a goal of increased mobility for all residents; identifying the areas where those living with mobility challenges live and investing in transportation or mobility improvements (e.g., curb cuts) in those locations</li> <li>• Setting a goal of improved school air quality; identifying schools with fossil fuel-based heating systems and high asthma rates and prioritizing those schools for retrofits</li> </ul>	<ul style="list-style-type: none"> <li>• Based on universal goals and broadly desired outcomes</li> <li>• Population based, while directing higher levels of assistance to areas or populations that need greater resources to achieve identified outcomes</li> </ul>	<ul style="list-style-type: none"> <li>• Reduces stigma</li> <li>• Advances equity by delivering benefits to those most in need</li> <li>• Leads to measurable improvements in universal and targeted health and welfare outcomes</li> </ul>
Streamlining Access and Reducing the Knowledge Gap	<ul style="list-style-type: none"> <li>• LIHEAP application processes in some states that offer categorical eligibility or automatic enrollment</li> <li>• Direct certification practices within the National School Lunch Program</li> <li>• Navigator services that help connect uninsured individuals to Affordable Care Act coverage</li> </ul>	<ul style="list-style-type: none"> <li>• Program enrollment offered on an opt-out basis (e.g., categorical eligibility, automatic enrollment direct certification)</li> <li>• Application materials that are available in multiple languages, at multiple locations, and in print and online</li> <li>• Robust outreach and education about the availability of assistance</li> <li>• Removal of barriers such as transportation for applications and recertification, citizenship requirements, lengthy documentation requirements, and overly burdensome recertification requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Increases levels of access and participation</li> <li>• Reduces costs of participation for beneficiaries</li> <li>• Improves health and welfare outcomes</li> </ul>

<p>Direct Access to Benefits</p>	<ul style="list-style-type: none"> <li>• COVID-19 relief payments</li> <li>• Child Tax Credit</li> <li>• Earned Income Tax Credit</li> </ul>	<ul style="list-style-type: none"> <li>• Direct cash transfers that provide a check, bank deposit, prepaid debit card, or electronic mobile payment</li> <li>• Refundable tax credits</li> </ul>	<ul style="list-style-type: none"> <li>• Results in more progressive tax policy</li> <li>• Lowers administrative burden</li> <li>• Reduces stigma</li> <li>• Increases health and welfare outcomes</li> </ul>
<p>Expanding to Meet the Need</p>	<ul style="list-style-type: none"> <li>• National School Lunch Program</li> </ul>	<ul style="list-style-type: none"> <li>• Program benefits and administrative safeguards are added as new needs emerge</li> <li>• Increased assistance levels directed to areas of highest need</li> <li>• Responsive to urgent needs in disasters and health crises</li> </ul>	<ul style="list-style-type: none"> <li>• Adapts to changing circumstance</li> <li>• Increases health and welfare outcomes</li> </ul>



# Policies That Fail to Deliver

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While policy features such as those described above increase the capacity to effectively get resources and assistance into the hands of those in need in a timely and equitable fashion, other policies fail to deliver. Whether inadvertently or by design, these policies fail to advance the health and welfare needs of millions of Americans and work at cross-purposes to the anti-poverty fundamentals and policy design features highlighted in this report.

## “TRICKLE DOWN” ECONOMICS

Despite the persistent refrain that tax cuts spur economic growth, it should be clear by now that “trickle down economics” has done nothing more than widen the chasm of income equality. The “supply side” neoliberal experiment undertaken during the Reagan Administration resulted in cuts to marginal tax rates for the highest income Americans from 70% to 28%. Cutting taxes for the rich, Americans were told, would spur economic growth, create jobs, and reduce inequality by “lifting all boats.” When that did not happen, neoliberals either denied that inequality was, in fact, rising or alternatively claimed that inequality would create an incentive to work harder, thereby creating the economic growth that had failed to transpire.

Although tax rates have fluctuated over the past several decades, they remain considerably lower than in 1980. The resulting increase in inequality is now well documented, particularly among BIPOC people. Lower tax revenues has led to reduced public investment in education, social services, and other public services. The concentration of wealth at the top has weakened economic vitality and led to wage stagnation.<sup>38</sup>

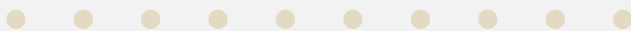
## BLOCK GRANTS

The policy feature that is the source of many of the access barriers advocates and eligible populations complain about most frequently is the block grant. For several decades, block grants have been presented by their proponents as a way to more effectively tailor federal assistance to local conditions and needs. They grew out of the devolution movement, initiated by conservatives and embraced by both mainstream political parties, which promised to shrink the size of the federal government and “return power to the states.” They would simultaneously reduce federal deficits by delinking demonstrated public need from expanded funding in favor of specified appropriations from Congress. They introduced an era of benefit cuts, eligibility restrictions, and waiting lists.

As a mechanism for delivering public assistance either based on need or the ability to reach intended populations, block grants fall far short. The first block grant programs were developed in the 1960s. Unlike categorical grants, which are typically awarded through a competitive process for a defined purpose with specific administrative requirements, block grants allow flexibility in the use of funds with fewer administrative requirements.

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<sup>38</sup> Roosevelt Institute, “[The Trickle-down Tax Code Failed. In 2025, We Have an Opportunity to Think Bigger.](#)” April 15, 2024; Pew Research Center, “[Trends in income and wealth inequality.](#)” January 9, 2020; Center for American Progress, “[Trickle-Down Economics and Broken Promises: How Inequality Is Holding Back Our Economy.](#)” December 4, 2013; United for a Fair Economy, “[Trickle-Down Economics: Four Reasons Why It Just Doesn’t Work.](#)” July 17, 2003.





The following four characteristics of block grants deepen inequities, making them a poor tool for meeting the needs of frontline communities:

**1. Block grant funding levels are static.**

Unlike entitlement programs that enable funding levels to expand during periods of increased need when more people become eligible, block grants are funded through Congressional allocation with no direct relationship to need. Funding levels are set entirely at Congressional discretion. In fact, there is no requirement that Congress fund them at all. The Department of Education’s Innovative Education Program Strategies Block Grant, for instance, was not funded in Federal Fiscal Year 2022.<sup>39</sup>

*Block grants can deepen inequities through static fundings levels that do not fluctuate with the size of the eligible population, broad discretion in determining program eligibility, considerable barriers to access, and lack of recourse for those denied benefits.*

Entitlement programs expand and contract based on need, serving all of those who are eligible and who seek assistance. With block grants, when the money runs out for the funding period, there are no more benefits for anyone.

Not surprisingly, this is one reason why the block granting of public assistance programs has become the norm. According to a 2022 Congressional Research Service analysis, the vast majority of federal block grant programs funded education, human services, or low-income housing.<sup>40</sup> These are areas where need increases during economic downturns. By block granting these services, expenditures can be capped regardless of need. Areas of human services that were not historically capped now are. All of the social services block grant programs were created in the 1980s and 1990s. Most well-known is the case of the Temporary Assistance for Needy Families program.

The TANF program was created in 1996 to “end welfare as we know it.”<sup>41</sup> TANF replaced the New Deal-era Aid to Families with Dependent Children (AFDC) program. While AFDC was an entitlement program that distributed assistance to all eligible families who applied, TANF – a block grant program – restricts benefits, imposes work requirements, and limits lifetime assistance to five years, provisions that led to the near dismantling of income support for women and children.

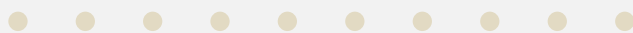
**2. Block grants authorize grantees to determine who receives assistance and how they get it.**

Because funding levels are, by design, never sufficient to meet the needs of all eligible people, grantees have broad discretion in determining who gets served. Eligibility might be limited to particular categories among the eligible population, such as children, seniors, or those living with disabilities.

39 Congressional Research Service, “[Block Grants: Perspectives and Controversies](#),” updated November 4, 2022.

40 Congressional Research Service, “[Block Grants: Perspectives and Controversies](#),” updated November 4, 2022.

41 The Atlantic, “[20 Years Since Welfare ‘Reform’ America’s poorest are still dealing with the consequences of the legislation that Bill Clinton signed into law two decades ago today](#),” August 22, 2016.



### 3. Block grants are rife with administrative hurdles for applicants.

Another intended or unintended consequence of inadequate funding is that incentives are created to make application and recertification processes more onerous for applicants, which can drive caseload reduction. Applications might only be accepted during specific times of the year or in particular locations. Applications might need to be presented in person rather than through an online or remote process. Appointment wait times may be long, more than one appointment may be required to complete the process, and translation services may not be available. For those without either reliable transportation or internet access, including many older applicants, barriers are even more daunting.

Applications often have onerous documentation requirements. Initial eligibility and recertification may involve work requirements, asset tests, or even substance use screenings. Recertification is the process by which someone eligible for and receiving benefits is required to re-apply for eligibility. Recertification processes can vary dramatically across states or even counties and can result in “churn,” with beneficiaries cycling between periods in which they are and are not able to successfully access benefits. The frequency of recertification can vary by program, with some programs, for example, requiring an eligibility assessment every six months while others recertify on an annual basis. The process by which someone re-applies also varies between programs, requiring that the applicant is familiar with varying eligibility and recertification requirements and the various documentation requirements pertaining to each. The lack of alignment between and across programs is a significant burden.<sup>42</sup>

The administrative hurdles created have the practical effect of raising the bar for applicants. They have to a) know about the program and its eligibility requirements, b) have the knowledge and capacity needed to complete the application process, and c) be able to monitor their compliance with program and recertification requirements so as not to lose access to benefits. If they happen to be displaced or move to another state, they need to be able to do all of the above again to access benefits in their new home.

### 4. Block grants facilitate discrimination.

Block grants create the opportunity to discriminate among the eligible population in the ways described above. This is facilitated by the latitude state or local officials receive in determining the administration of funds. It becomes much easier to perpetuate systemic inequities with little to no recourse for eligible populations.

Block grants add insult to injury by making it more difficult to uncover and report on such inequities. With program discretion comes a considerable degree of reporting discretion. Federal reporting requirements are typically much more extensive for categorical grant programs than they are for block grant programs. Data collected in a uniform manner at the national level may be very limited.<sup>43</sup>

42 Center on Budget and Policy Priorities, “[Using Administrative Advocacy to Improve Access to Public Benefits](#),” November 30, 2018; Center for American Progress, “[How to Address the Administrative Burdens of Accessing the Safety Net](#),” May 5, 2022.

43 Center on Budget and Policy Priorities, “[The Problems with Block-Granting Entitlement Programs](#)”; Congressional Priorities, “[Block-Granting Low-Income Programs Leads to Large Funding Declines Over Time, History Shows](#),” February 22, 2017.

## REGRESSIVE TAX POLICIES

Regressive tax policies increase inequality by requiring households with lower incomes to pay a greater proportion of their household incomes for taxes compared to wealthier households. Regressive taxes include flat taxes, such as proposals for a 10% federal income tax rate for all taxpayers, excise or consumption taxes, or sales taxes. Such taxes apply the same rate to everyone, regardless of income level. State tax policies that rely more heavily on sales or property taxes than on income taxes are regressive.

Progressive tax policies, in contrast, apply higher percentage rates of taxation to those with higher incomes. Progressive taxes include graduated income taxes, capital gains taxes, estate taxes, and other taxes on wealth.<sup>44</sup>

## RESTRICTING BENEFITS TO ONLY CITIZENS

It is quite common at both the state and federal levels for policymakers to restrict access to assistance to U.S. citizens, despite the fact that immigrants pay income, payroll, property, and sales taxes, regardless of immigration status. Examples of access restrictions include the Temporary Assistance for Needy Families program, the Supplemental Nutrition Assistance Program, and non-emergency Medicaid coverage. Beginning in 1996 with the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), federal restrictions on access to benefits for non-citizens were strengthened.

*In order to access most public assistance programs, most qualified non-citizens are now required to wait for a period of five years to access benefits for which they are otherwise entitled. Even in cases where such restrictions have since been lifted, confusion about program accessibility, stigma, and fears related to immigration status are significant barriers to participation.*

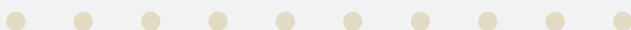
Not only are such restrictions profoundly unjust, they are also very short-sighted. Restricting access to needed healthcare services, for example, poses significant public health risks to everyone. Children and families have a much higher likelihood of living in poverty, with all the socioeconomic and health effects that entails. These policies make it very difficult for individuals and families to make ends meet, actively participate in community life, and become a part of the social fabric.<sup>45</sup>

## CREATING BENEFITS THAT SOUND GOOD BUT ARE INACCESSIBLE

Benefit programs often promise to bring about meaningful change for those in need but fail to deliver on their promise because of design flaws or a host of barriers that are thrown up to prevent access. Many of these barriers derive from the challenges highlighted above, including application and administrative requirements that are so onerous that those eligible are unable to access benefits. Alternatively, administrative requirements for the community programs

44 Institute on Taxation and Economic Policy, "[Who Pays? 7th Edition](#)," January 2024.

45 National Immigration Law Center, "[Overview of Immigrant Eligibility for Federal Programs](#)," October 2023; National Low Income Housing Coalition, "[Eligibility for Assistance Based on Immigration Status](#)," October 2023; Georgetown Journal on Poverty Law & Policy, "[The Cruel Restrictions on Immigrants' Eligibility for Public Benefits in the United States](#)," November 5, 2023; Tax Policy Center, "[Briefing Book: Do Immigrants Pay Taxes](#)."



that might manage programs and distribute benefits are so challenging to navigate that they choose not to participate or face challenges in doing so, if there are even such programs in the community. In many cases, programs that are so underfunded that it is impossible to meet anything but a small portion of the need. Frequently, the underfunding of programs goes hand-in-hand with a lack of public awareness, as the scarce resources are not publicized.

Program requirements and design flaws, whether intentional or unintentional, create other challenges. Work requirements, for example, can prevent some of the very people who need assistance – because they are unable to work – from accessing benefits. Non-refundable federal tax credits, which require a tax obligation in order to access the credits, are of no value to those whose income is so low that they are not required to file taxes or who do not owe taxes. Programs that create “benefit cliffs” – where assistance ceases when a certain income level is reached – or offer benefits that reduce or count against the ability to receive other benefits are counterproductive. Weatherization programs require that the home being weatherized be structurally sound, but resources to get buildings rehabilitated to the place where they can be weatherized are scarce.

***Finally, any programs where the disincentives associated with assistance are greater than the incentives, due to stigma, immigration status concerns, the cost of applications, harassment, waiting lists, or accusations and investigations related to fraud, close the door to benefits for many.***

## LINKING THE DESIRABLE WITH THE UNDESIRABLE

In order to sidestep difficult conversations about tax policy or societal obligations, lawmakers frequently link funding for public benefit programs to sectors of the economy that are deemed undesirable or have higher levels of public opposition, or alternatively, to things that seem necessary to satisfy a public or private interest. The effect is to either create incentives to continue the undesirable policies in order to maintain funding for the desirable policy or to reduce funding over time for the desirable policy as public support for the undesirable policy wanes. Examples include linking:

- Utility assistance with continued reliance on fossil fuels.
- Public school construction with tree harvesting, lotteries, oil and gas revenue, or taxes on alcohol or marijuana.
- Public transportation construction with a gas tax.

**Table 2: Flawed and Inequitable Social Policy Design Features**

STRATEGIES	EXAMPLES	DESIGN FEATURES	BENEFITS
Block Grants	<ul style="list-style-type: none"> <li>• Temporary Assistance for Needy Families</li> <li>• Low Income Home Energy Assistance Program (LIHEAP)</li> <li>• Maternal and Child Health Services</li> <li>• Preventive Health and Health Services</li> </ul>	<ul style="list-style-type: none"> <li>• Funding levels rely upon Congressional appropriations and are static (i.e. do not expand as need expands)</li> <li>• Limited federal administrative oversight</li> <li>• Provides considerable latitude for states to decide who receives assistance and how they receive it</li> </ul>	<ul style="list-style-type: none"> <li>• Increases barriers to accessing benefits for which one is otherwise eligible</li> <li>• Increases stigma</li> <li>• No legal right to assistance</li> <li>• Impedes better health and welfare outcomes</li> </ul>
Regressive Tax Policies	<ul style="list-style-type: none"> <li>• Sales taxes</li> <li>• Excise or consumption taxes</li> <li>• “Flat” taxes</li> </ul>	<ul style="list-style-type: none"> <li>• Applies the same rate of taxation regardless of income</li> </ul>	<ul style="list-style-type: none"> <li>• Results in individuals and households with lower incomes paying a larger share of their income for taxes</li> <li>• Impedes better health and welfare outcomes</li> </ul>
Restricting Benefits to Only Citizens	<ul style="list-style-type: none"> <li>• Medicaid (other than some non-emergency care)</li> <li>• Temporary Assistance for Needy Families</li> <li>• Supplemental Nutrition Assistance Program</li> <li>• Low Income Home Energy Assistance Program (LIHEAP)</li> </ul>	<ul style="list-style-type: none"> <li>• Makes many non-citizens ineligible for benefits</li> <li>• Applies waiting period for benefits to qualified non-citizens</li> </ul>	<ul style="list-style-type: none"> <li>• Degrades public health and safety</li> <li>• Impedes better health and welfare outcomes</li> <li>• Increases precarity of already marginalized residents and households</li> </ul>
Creating Benefits That Sound Good But Are Inaccessible	<ul style="list-style-type: none"> <li>• Non-refundable tax credits</li> <li>• Weatherization programs in communities with significant home rehabilitation needs or a high percentage of older mobile homes</li> <li>• Energy efficiency rebates and/or assistance that exclude renters who must rely on participation or approval of landlords to benefit</li> </ul>	<p>Programs that:</p> <ul style="list-style-type: none"> <li>• Are underfunded</li> <li>• Are only available at certain places, at certain times of the year, or on certain days, until funding runs out</li> <li>• Lack the availability and/or participation of local administrative entities to manage or distribute benefits</li> <li>• Require resources, assets, or sufficient income to meet the prerequisites of participation</li> <li>• Limit the ability to access other needed benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Fosters skepticism and distrust of benefit programs</li> <li>• Reduces participation rates</li> <li>• Impedes better health and welfare outcomes</li> </ul>

<p>Linking the Desirable with the Undesirable</p>	<ul style="list-style-type: none"> <li>• Utility assistance programs that are only available to households that continue to be reliant on fossil fuels</li> <li>• School construction projects that rely on funds resulting from oil/gas investments, tree harvesting, alcohol or marijuana sales, or lotteries</li> <li>• Public transportation projects funded through gas taxes</li> </ul>	<ul style="list-style-type: none"> <li>• Creates a benefit for households with low incomes, disadvantaged people, and BIPOC people by facilitating policies that perpetuate harm for the same people and/or the general public</li> </ul>	<ul style="list-style-type: none"> <li>• Leads to the perpetuation of undesirable policies or practices</li> <li>• Alternatively, defunds desirable programs as undesirable policies or practices are abandoned</li> <li>• Feeds cynicism about government</li> <li>• Impedes better health and welfare outcomes</li> </ul>
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## Conclusion

As climate justice policies are created, considered, passed and implemented, the successes and failures of U.S. social policy provide clear lessons. There are features of public policy that advance justice and improve health and welfare, while other aspects of public policy do the opposite. Moving forward, effective anti-poverty policy features can be woven into public policy while avoiding those features that present obstacles and barriers to eligible beneficiaries.

With so many common interests, there are opportunities for climate justice and anti-poverty advocates to join forces on behalf of frontline communities. The expertise of social policy experts can add tremendous value to the work of those in the climate justice movement, resulting in stronger outcomes, broader public will, and sound policy. Communities with lived experience struggling with and navigating the complexities of social assistance programs – which are now being introduced in the climate space – need to be at the head of the table to inform and shape policy proposals going forward.

Ensuring that frontline communities have the resources they need to cope with and prepare for both current and future climate impacts – and to respond to climate disasters – will take a significant investment and mobilization of resources. The incorporation of best practices into future social and climate-related policymaking can ensure that assistance is delivered in a timely, efficient, and equitable manner to those most in need.

*Moving forward, effective anti-poverty policy features can be woven into public policy while avoiding those features that present obstacles and barriers to eligible beneficiaries. With so many common interests, there are opportunities for climate justice and anti-poverty advocates to join forces on behalf of frontline communities.*



**Delivering Climate Benefits to Disadvantaged Communities:**  
Lessons Learned from Social Policy

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