

“A Better Way” Poverty Plan: Better Spin on a Bad Deal for Low-Income Americans

A Look at How Speaker Ryan’s Plan is the Wrong Way to Address Poverty

Last week, Speaker Ryan released the first plank of his “A Better Way” platform. While Speaker Ryan says it is meant to address poverty, he misrepresents the facts about poverty and has repackaged the same discredited policy proposals Republicans have put forward in the past.

Misrepresenting the Facts About Poverty

In laying out his plan to address poverty, Speaker Ryan claims that the War on Poverty has been a failure. House Republicans cite the official poverty measure, which calculates income before the benefits of programs that have been created to alleviate poverty, such as nutrition assistance, the Earned Income Tax Credit, and rental assistance.

- According to the Center on Budget and Policy Priorities (CBPP), using a broader measure of income, taking into account the impact of these programs, the poverty rate has fallen by two-fifths since the late 1960s – from 26 percent in 1967 to 16 percent in 2014, and anti-poverty programs lift about 36 million people above the poverty line each year.
- And according to a recent Center for American Progress (CAP) report, without anti-poverty tools, such as nutrition assistance, our nation’s poverty rate would be nearly twice as high as it is today. Not only do these programs reduce poverty, but they boost economic mobility over the long term. [Center for American Progress, [6/2016](#)]

Putting Forward New Rhetoric for the Same Bad Policies

While Speaker Ryan may be using different rhetoric, the ideas are not new and they won’t address poverty:

Speaker Ryan says:	What he means:
“Reward Work”	<p><u>Work Requirements</u>: The GOP plan would require those suffering economic distress to find work – even if no jobs are available – in order to access safety net programs, such as low-income housing. Evidence shows that, in many cases, this would make poverty worse.</p> <p><u>According to CBPP</u>, “these requirements have proven problematic for many of the poorest parents with the most serious barriers to employment, which can include physical and mental health problems and very limited skills or capacity.”</p>

Speaker Ryan says:	What he means:
“Tailor Benefits to People’s Needs”	<u>Block grants:</u> The GOP plan would remove federal standards that protect those struggling to get out of poverty from being cut off from programs like nutrition assistance, housing assistance, and child care after they are consolidated into misguided block grants.
“Improve Skills and Schools”	<p><u>Disinvestment in students:</u> The GOP plan would increase student loan debt by rolling back federal Pell Grants, which significantly benefit low-income students and students of color.</p> <p>The plan would disinvest in early childhood education by cutting Head Start, which harms children’s school readiness and educational attainment.</p> <p>The plan also places restrictions on school nutrition programs, which would cause more children to go hungry and hurt educational outcomes among the most vulnerable kids.</p>
“Plan and Save for the Future”	<u>Rolls back consumer protections:</u> The GOP plan continues their efforts to undermine the consumer protections included in the Wall Street Reform law, which are meant to prevent another financial crisis. It would also legalize bad financial advice by abolishing the Department of Labor’s recently released “fiduciary rule.”
“Demand Results”	<u>Ignores the proven track record of anti-poverty programs:</u> The GOP plan ignores the most recent and data driven analysis on the effectiveness of many of the same programs Speaker Ryan proposes to undermine.

The Republican proposal isn’t “A Better Way” to address poverty in America. It is the wrong way to reduce poverty, and just an attempt to put a better spin on a bad deal for Americans living in poverty.