Opening Statement Rep. Elijah E. Cummings, Ranking Member Committee on Oversight and Government Reform

Middle Class Prosperity Project Forum on "The Effects Of Poverty On Children's Opportunities"

December 3, 2015

I am deeply honored to join Senator Warren for this, the seventh forum we have convened as part of the Middle Class Prosperity Project we launched back in February.

Over the course of the past year, we have been able to shine a light on some of the most significant challenges facing our nation's middle class and those who aspire to it.

I am so proud of the work we have done and I look forward to expanding our efforts in 2016.

Today, we convene to examine what it is like to live in poverty in the richest nation on earth.

Toward the middle of the last century, my parents left South Carolina and came to Baltimore to raise their family. They came with only elementary educations to a city where it was possible for them to earn enough to raise seven children and buy a home - a home where my mother still lives.

When I walk the streets of Baltimore today, I see a city where the kinds of jobs that enabled men and women like my parents to move ahead and provide for their families are gone.

The loss of these jobs has left a city where approximately one-third of all children live in poverty – and where, in some neighborhoods, half or more of all residents have incomes below the poverty level.

Earlier this year, our nation's eyes turned to Baltimore when 25-year old Freddie Gray died in police custody. As I said at his funeral, our nation saw Mr. Gray only after he was dead.

They did not see the profound and systemic economic disparities he faced in his lifetime, including not only poverty, but all the challenges that too often accompany it, like underperforming schools, exposure to lead paint common in an old and dilapidated housing stock, and high rates of crime and incarceration among local residents.

And our nation doesn't appear to see the millions – millions – of American children who have faced the same kind of despair and privation Freddie Gray faced. These children are likely to confront potentially insurmountable hurdles *their entire lives* just because they grew up in poor communities.

Attempting to quantify these hurdles, Dr. Raj Chetty and his colleagues have calculated that every year spent growing up in the city of Baltimore, quote, "*reduces* a child's earnings by 0.86% per year of exposure."

According to the Census Bureau, in 2014, nearly 47 million Americans lived in poverty, including just over 21% of children under the age of 18.

The Census Bureau also found that more than half of children under the age of 6 living with a female householder to whom they were related were in poverty in 2014.

Perhaps even more shocking is the level of extreme poverty in this nation.

The Census Bureau found that in 2014, approximately 45% of all the people living in poverty reported family income that was below one-half of their poverty threshold, including 6.8 million children. In other words, nearly half of those living in poverty in the United States are living in what can only be described as deprivation.

There is no question that we should make permanent the expanded Earned Income Tax Credit (EITC) and the Child Tax Credit (CTC).

In 2013, according to the Center on Budget and Policy Priorities, the EITC raised 6.2 million people out of poverty, including 3.2 million children.

As we speak, Republicans in Congress are considering spending billions of dollars on dozens of tax breaks for businesses, including one give-away to Wall Street that costs \$13.4 billion alone.

If big business gets tax breaks, low-income Americans deserve a break as well.

In fact, making the expanded EITC and CTC permanent is the very minimum we should be doing.

As my family's experience demonstrates, we have the ability to create jobs that enable a man or woman working full-time to lift his or her family out of poverty. We used to do this all the time - and we used to ensure that workers benefited when their productivity increased and their labor grew their employers' profits.

Across the United States, tens of millions of Americans – including millions of children – living in poverty dream of a society where "opportunity for all" includes them too. They dream of a future where they can go to college, buy a house, raise their own families, and fulfill the potential they feel in themselves.

We owe it to these families to make sure the American dream is still within reach for ALL Americans.#####