

Expanding the Earned Income Tax Credit for Former Foster Youth

THE PROBLEM

Across the United States, approximately 25,000 to 30,000 youth between ages 18 and 21 age out of foster care each year.¹ Young people exiting the foster care system experience a range of poor outcomes including higher rates of unemployment and lower income levels than other youth. By age 24, former foster youth earn between half and a quarter of the earnings of their non-foster peers.²

The primary income support for working adults, the Earned Income Tax Credit (EITC), is not currently offered to adults under age 25 unless they are parenting. Congress' rationale for this policy choice assumes that many adults ages 18-24 earn little income but continue to rely on their parents for financial support. While this may be true for some young adults, this is almost never true for former

By age 24, nearly 30% of former foster youth have experienced at least one night of homelessness.

(Source: Chapin Hall Issue Brief, Partners for Our Children)

At 21, only 13.2% of former foster youth report living with a biological or foster parent.

(Source: Chapin Hall Center for Children, University of Chicago)

foster youth. Expanding the EITC would provide a benefit to former foster youth that could help reduce poverty and increase labor market participation with very little additional cost to the taxpayer. Former foster youth are a particularly vulnerable group that deserve the benefits associated with poverty programs for adults.

¹ Housing for Youth Aging Out of Foster Care, A Review of the Literature and Program Typology, U.S. Department of Housing and Urban Development. April 2012.

<http://www.huduser.org/publications/pdf/HousingFosterCare_LiteratureReview_0412_v2.pdf>

² Chapin Hall Issue Brief, Partners for Our Children, University of Chicago, 2012.

<http://www.chapinhall.org/sites/default/files/publications/Midwest_IB3_Employment.pdf>

THE MISSION

The President and Members of Congress on both sides of the aisle have expressed an interest in reforming the tax code and expanding the EITC. Despite the broader disagreements, this Congress presents a moment of opportunity to incorporate an expansion of the EITC for former foster youth ages 18-25 into the overall tax reform efforts.

THE WORK

The Annie E. Casey Foundation and the Jim Casey Youth Opportunities Initiative have already funded Phase I, a comprehensive policy development and advocacy strategy planning phase, for this project. The Sheridan Group (TSG) and Gilchrist & Company are now actively identifying funders for a Phase II to develop a comprehensive political and legislative strategy, and Phase III, a plan to implement that strategy. The specific elements to this work are outlined below.

Phase II: Developing a Legislative Strategy

TSG and Gilchrist & Company will convene strategic planning sessions to develop goals, strategies, tactics, and classify allies and opposition to identify clear opportunities to ensure the EITC expansion policy is incorporated into the tax reform efforts.

Stakeholder Research

A smart policy often requires engaging partners with similar goals. Validation from a cross section of organizations will increase visibility and credibility with a larger audience of policymakers. To inform this strategy, TSG and Gilchrist & Company will review relevant coalitions and advocacy groups to assess opportunities to partner and leverage the work of these groups to help advance the policy. The inclusion and input of key allies and stakeholders in the field is desired, but it will need to be measured against how quickly such input and consensus can be facilitated. Some of these working partnerships may include:

- Alliance for Children's Rights
- American Enterprise Institute
- Casey Family Programs
- Cato Institute
- Children's Defense Fund
- Christian Alliance for Orphans
- CLASP
- Stewart Foundation

Congressional Research

TSG and Gilchrist & Company will also build on the research already conducted in Phase I to identify key Members of Congress to champion the policy. Targets for the research may include:

- Members of the U.S. Senate Finance Committee
- Members of the U.S. House Ways and Means Committee
- Members of the Congressional Caucus on Foster Youth

Administration Research

TSG and Gilchrist & Company will build on the research already conducted in Phase I to identify possible allies in the Administration. Targets for this outreach may include:

- The U.S. Department of Health and Human Services' Administration of Child and Families
- U.S. Department of Labor
- The Internal Revenue Service (IRS)

Legislative Outline

After getting feedback and buy-in from relevant policymakers and stakeholders about the ideas laid out in the Policy White Paper developed in Phase I, TSG and Gilchrist & Company will write a specific legislative outline that could be introduced in Congress with bipartisan support.

Phase III: Implementation

Based on the information gleaned in the legislative strategy development phase described above, the project would then enter into an implementation phase (Phase III) to effectively target and educate relevant policymakers and partners in an effort to attach and move the EITC expansion legislation.

Below are some of the strategies and tactics we would employ to ensure the policy's success:

- Cultivate and broaden relationships with relevant Administration officials, Congressional officials, their senior staff and circles of influence and other allies and stakeholders in support of the policy.
- Identify appropriate vehicles, including legislation related to tax reform, to attach and move the EITC expansion proposal.
- Provide advice based on intelligence gathering and situational and political analysis regarding committee dynamics and their legislative agendas.
- Provide follow up action and communications to congressional offices after policymaker visits.

Funding

Operationalizing this work will require funding at \$150,000 to \$160,000 annually depending on the overall tax reform efforts. This money could come from one funding source or multiple funding sources.

BIOGRAPHIES

The following individuals will be working together on this project.

Tom Sheridan

President, The Sheridan Group

Once again named a “Top Lobbyist” by *The Hill* newspaper for 2014, Tom Sheridan is described as a “powerbroker for those without a voice.” A social worker by training and an advocate by trade, Tom brings a unique perspective to his work as one of Washington’s most senior political and public policy strategists. Tom is known on Capitol Hill and in the West Wing for using his deep understanding of the political process and decades-long relationships with senior Members of Congress and top Administration officials to help organizations achieve scalable, positive social change.

From designing and leading the country’s most well-known issue campaigns, including his work for Bono’s ONE Campaign to create PEPFAR and his more recent role as lead strategist in Save the Children’s effort to form a new 501(c)(4) political arm, Tom is a seasoned operative who brings a unique approach to advocacy. This senior level experience helping top-notch organizations achieve success makes Tom a highly sought-after political tactician for organizations determined to challenge the status quo and create meaningful change in our country and around the world.

In 1991, Tom founded The Sheridan Group where he and his team work to craft effective strategies for socially responsible public policy initiatives to “help the good do better.” Over the years, The Sheridan Group has become the go-to firm in the nation’s capital for grassroots advocacy, issue campaign management and coalition-building for non-profit organizations, social entrepreneurs and socially conscious corporations.

Tom was the lead political strategist for the America Forward campaign, a two-year bipartisan initiative to engage the 2008 Democratic and Republican Presidential candidates in adopting policy proposals to increase innovation, strategic investment and accountability in public problem solving. This work led to the eventual creation of the White House Office of Social Innovation and Civic Participation, which promotes engagement and collaboration between the business and social sectors to help solve community problems.

Tom began his career at the National Association of Social Workers and the Child Welfare League before joining the AIDS Action Council in the late 1980s, where he became the chief architect and strategist behind the enactment of the Ryan White CARE Act, landmark legislation for the HIV/AIDS community, as well as the lead lobbyist for the historic Americans with Disabilities Act (ADA).

Tom is a frequent speaker on how to use the levers of politics and policy to effect social change.

Community Engagement

Tom is a founding Board Member of AIDSPAC and the Matthew 25 Project and has served on the Advisory Council for WAMU National Public Radio in Washington, DC. He has been a volunteer for and benefactor of numerous community charities and is proud to have participated in seven AIDS Life Cycles, pedaling more than 3,000 miles.

Lindsay Gilchrist

Founder, Gilchrist & Company

Lindsay Gilchrist is the founder of Gilchrist & Company based in Los Angeles, California providing policy expertise, advocacy strategies and fundraising and communications support for non-profit organizations, foundations and policy-makers. Some of her clients include international non-profits like The Global Health Technologies Coalition and Management Sciences for Health and domestic organizations like Step Up on Second.

In 2012, Lindsay worked for mothers2mothers (m2m), an international non-profit that prevents mother-to-child transmission of HIV. As the Senior Advocacy Officer, she led m2m's efforts to improve knowledge about maternal and child health in Africa. Lindsay represented mothers2mothers with members of Congress, the Executive branch and other NGOs. She also organized advocacy events, including Congressional briefings and a press conference.

Prior to mothers2mothers, Lindsay worked for the U.S. House of Representatives' Subcommittee on Africa and Global Health. As a Professional Staff Member she advised Subcommittee Chairman Donald Payne on global health, security and humanitarian issues in Africa. In addition, she collaborated with the Foreign Affairs Committee staff on the successful passage of the Conflict Minerals Bill, which requires companies to disclose the sources of minerals used in their products. She organized a Congressional hearing on the status of the President's Emergency Plan for AIDS Relief (PEPFAR), and she served as the staff person on the Congressional Sudan Caucus.

Lindsay also worked as a Special Assistant to Senator Edward M. Kennedy, providing recommendations for legislative and communications issues. While working for Senator Kennedy, she played a role in several critical pieces of legislation: the Iraqi Refugee Bill, the Lilly Ledbetter Fair Pay Act, the Edward M. Kennedy Serve America Act and healthcare reform.

Lindsay currently volunteers as a CASA (Court Appointed Special Advocate) advocating for abused and neglected children in the foster care system. She was born and raised in Denver, Colorado, and she holds a Bachelor of the Arts in Political Science and Spanish from the University of San Diego and a Masters in Public Policy from UCLA.

Greg Srolestar

Child Welfare Policy Analyst

Greg Srolestar is a policy analyst and program evaluator who focuses on the interconnected challenges facing American youth, including educational barriers, the child welfare system, mental health, housing instability, and other impediments to success. He has written about Title I tutoring and the free provision of glasses in schools, spoken to a range of audiences about the child welfare system, and appeared on KPCC to discuss the need for specialized foster care families. Recent projects include consultation on a program re-design with the Coalition for Engaged Education and coordinating data-use agreements for a county-wide evaluation of a mental health program on behalf of Seedling Consulting Group. He is a graduate of UCLA's Master of Public Policy Program and holds a B.A. from Vassar College.