



## BARACK OBAMA AND JOE BIDEN: SUPPORTING URBAN PROSPERITY

*"Americans work harder than the people of any other wealthy nation. We are willing to tolerate more economic instability and are willing to take more personal risks to get ahead. But we can only compete if our government makes the investments that give us a fighting chance – and if we know our families have some net beneath which they cannot fall."*

[Barack Obama, The Audacity of Hope]

## BARACK OBAMA AND JOE BIDEN: INVESTING IN AMERICA'S CITIES

Barack Obama has had a lifelong commitment to the people and neighborhoods of America's cities. He understands that cities and metropolitan regions are key drivers of prosperity in the global economy and that opportunities for and contributions from all people and communities are critical to America's long term success. Cities house over 80 percent of the people, businesses, universities, and cultural institutions in America, and produce well over 85 percent of the nation's wealth. Cities enable the concentrated exchange of ideas and resources that generates the nation's innovation and entrepreneurship. Particularly in the knowledge economy, we cannot afford to waste any of the human capital, real estate and business assets of cities. Investing in cities and their residents will keep America competitive, prosperous and strong.

Barack Obama knows this from personal experience – and he also knows the challenges faced by many people living in cities. After graduating from college, Obama moved to the South Side of Chicago to serve as director for the Developing Communities Project, a church-based social action group. Together with a coalition of ministers, Obama set out to help restore and reconnect poor urban neighborhoods by increasing employment and housing investment and improving safety and infrastructure. Obama also helped form a tenants' rights group in the housing projects that successfully organized to clear asbestos from more than 1,200 low-income apartments. After graduating from Harvard Law School in 1991, Obama declined lucrative law firm offers to head Project Vote, a Chicago voter registration effort that registered the largest number of African Americans in a single local effort. His commitment to urban development and renewal continued during his tenure as a civil rights attorney, state senator from Chicago's South Side, and United States Senator. As president, Obama will implement a regional development agenda that utilizes and strengthens the considerable assets of our urban centers. These investments will bolster America's long-term competitiveness in a globalized economy, and ensure long-term prosperity for all Americans.

**Create a White House Office on Urban Policy:** Barack Obama and Joe Biden will take the federal government's role in supporting urban America seriously. Today, government programs aimed at strengthening metropolitan areas are spread across the federal government – including the Department of Housing and Urban Development, Department of Transportation, Department of Labor and Department of Commerce – with insufficient coordination or strategy. Worse, many federal programs inadvertently undermine cities and regions by encouraging inefficient and costly patterns of development and local competition. Obama and Biden will create a White House Office of Urban Policy to develop a strategy for metropolitan America and to ensure that all federal dollars targeted to urban areas are effectively spent on the highest-impact programs. The Director of Urban Policy will report directly to the president and coordinate all federal urban programs.

**Fully Fund the Community Development Block Grant:** In the long run, regions are only as strong as their people and neighborhoods. The Community Development Block Grant (CDBG) program is an important program that helps strengthen cities and towns throughout the nation by providing housing and creating jobs primarily for low- and moderate-income people and places. The Bush administration has consistently attempted to cut funding for CDBG, including by \$1.2 billion next year and \$6.9 billion over the next five years. Barack Obama has fought against these cuts and, as president, he will restore funding for the CDBG program.

**Do No Harm:** Barack Obama does not support imposing unfunded mandates on states and localities. Obama strongly supports providing necessary funding for programs such as No Child Left Behind.

## **ECONOMIC PROSPERITY**

Investing in America's cities is really first and foremost about strengthening the economy because the people, assets and businesses that drive economic prosperity are overwhelmingly housed in cities. Growing the economy entails investing in human capital, entrepreneurship and business growth, innovation, infrastructure and quality of place, and doing it in ways which stimulate economic activity.

**Support Regional Innovation Clusters:** Thriving innovation clusters across the country like the North Carolina Research Triangle Park and Nashville's thriving entertainment cluster prove that local stakeholders can successfully come together and help reshape their local economies. Barack Obama will create a federal program to support "innovation clusters" – regional centers of innovation and next-generation industries. This innovation clusters program will provide \$200 million in planning and matching grants for regional business, government and university leaders to collaborate on leveraging a region's existing assets – from transportation infrastructure to universities – to enhance long-term regional growth. Planning grants will be used to help seed local discussions about developing innovation clusters, and matching grants will help assist states with a variety of activities needed to build successful innovation clusters, including building research parks, workforce attraction efforts, supporting regional transportation projects tied to developing clusters, and bolstering local job training. Barack Obama believes that these efforts to identify and build on regional assets will help strengthen not only urban and regional economies, but also bolster America's international competitiveness by helping our entrepreneurs better work collaboratively and synergistically in their fields.

**Support Job Creation:** The federal government has a role to play to ensure that every American is able to work at his or her highest capacity. Barack Obama and Joe Biden believe that we need to double federal funding for basic research, expand the deployment of broadband technology and make the research and development tax credit permanent so that businesses can invest in innovation and create high-paying, secure jobs. As president, Obama will make long-term investments in education, language training, and workforce development so that Americans can leverage our strengths – our ingenuity and entrepreneurialism – to create new high-wage jobs and prosper in a global economy. A critical part of this process is ensuring that we reauthorize the Workforce Investment Act (WIA) and ensure that it strengthens federal investments needed for success in the 21<sup>st</sup> Century.

**Increase Access to Capital for Underserved Businesses:** Businesses cannot thrive without adequate access to capital, and small, women and minority-owned businesses particularly suffer from imperfections in business capital markets. Less than 1 percent of the \$250 billion in venture capital dollars invested annually nationwide has been directed to the country's 4.4 million minority business owners. A recent study found that minority business owners, even if they have the same characteristics as other business owners, are denied credit much more frequently and are required to pay higher interest rates than white applicants. To compound this problem in recent years, there has been a significant decline in the share of Small Business Investment Company financings that have gone to minority-owned and women-owned businesses. In order to increase their size, capacity, and ability to do business with the federal government and to compete in the open market, these firms need greater access to venture capital investment as well as greater access to business loans. Barack Obama and

Joe Biden will strengthen Small Business Administration programs that provide capital to women and minority-owned businesses, support outreach programs that help business owners apply for loans, and work to encourage the growth and capacity of these firms. Obama and Biden will also strengthen Community Development Financial Institutions (CDFIs), which are engaged in innovative methods to provide capital to urban businesses.

**Create a National Network of Public-Private Business Incubators:** Barack Obama and Joe Biden will support entrepreneurship and spur job growth by creating a national network of public-private business incubators. Business incubators facilitate the critical work of entrepreneurs in creating start-up companies. They offer help designing business plans, provide physical space, identify and address problems affecting small businesses and give advice on a wide range of business practices. Business incubators will engage the expertise and resources of local institutions of higher education and successful private sector businesses to help ensure that small businesses have both a strong plan and the resources for long-term success. Obama and Biden will invest \$250 million per year to increase the number and size of incubators in urban communities throughout the country.

**Convert our Manufacturing Centers into Clean Technology Leaders:** America boasts the highest-skilled manufacturing workforce in the world and advanced manufacturing facilities that have powered economic growth in America for decades. Barack Obama believes that America companies and workers should build the high-demand technologies of the future, and he will help nurture America's success in clean technology manufacturing by establishing a federal investment program to help manufacturing centers modernize and help Americans learn new skills to produce green products. This federal grant program will allocate money to the states to identify and support local manufacturers with the most compelling plans for modernizing existing or closed manufacturing facilities to produce new advanced clean technologies. This investment will help provide the critical up-front capital needed by small and mid-size manufacturers to produce these innovative new technologies. Along with an increased federal investment in the research, development and deployment of advanced technologies, this \$1 billion per year investment will help spur sustainable economic growth in communities across the country.

**Strengthen Core Infrastructure:** As our society becomes more mobile and interconnected, the need for 21<sup>st</sup>-century transportation networks has never been greater. However, too many of our nation's railways, highways, bridges, airports, and neighborhood streets are slowly decaying due to lack of investment and strategic long-term planning. Barack Obama believes that America's long-term competitiveness depends on the stability of our critical infrastructure. As president, Obama will make strengthening our transportation systems, including our roads and bridges, a top priority. As part of this effort, Obama and Biden will create a National Infrastructure Reinvestment Bank to expand and enhance, not supplant, existing federal transportation investments. This independent entity will be directed to invest in our nation's most challenging transportation infrastructure needs. The Bank will receive an infusion of federal money, \$60 billion over 10 years, to provide financing to transportation infrastructure projects across the nation. These projects will create up to two million new direct and indirect jobs and stimulate approximately \$35 billion per year in new economic activity.

**Improve Access to Jobs:** America's families and businesses depend upon workers having reasonable access to their places of employment. Three-quarters of welfare recipients live in areas that are poorly served by public transportation and low-income workers spend up to 36 percent of their incomes on transportation. Barack Obama has spent years working to improve transportation access for low-income Americans. As an Illinois state senator, he was the chief sponsor of the bill that created the Interagency Coordinating Committee on Transportation, a body that was charged with building public-private partnerships to help connect low-income Americans with jobs. As president, Obama will work to eliminate transportation disparities so that all Americans can lead meaningful and productive lives. Obama and Biden will double the federal Jobs Access and Reverse Commute (JARC) program to ensure that additional federal public transportation dollars flow to the highest-need communities and that urban planning initiatives take this aspect of transportation policy into account. JARC funds have been used to connect low-income workers around the

country with job opportunities. The Obama urban agenda will also help facilitate the creation of new jobs in underserved economic areas, so more low-income urban residents can find employment within their home communities.

**Invest in a Skilled Clean Technologies Workforce:** Transitioning to a clean energy economy represents a tremendous opportunity for American workers. Barack Obama and Joe Biden will invest in job training and transition programs to help workers and industries adapt to clean technology development and production. Obama and Biden will increase funding for federal workforce training programs and direct these programs to incorporate green technologies training, such as advanced manufacturing and weatherization training, into their efforts to help Americans find and retain stable jobs.

Barack Obama also believes the transition to a clean energy economy holds special promise for low-income communities and families, which are poised to shoulder a disproportionate share of the burden of global climate change. To combat this problem, Obama and Biden will create an energy-focused youth jobs program to invest in disconnected and disadvantaged youth. This program will provide youth participants with energy efficiency and environmental service opportunities to improve the energy efficiency of homes and buildings in their communities, while also providing them with practical skills and experience in important career fields of expected high-growth employment. The program will engage private sector employers and unions to provide apprenticeship opportunities. Participants will not only be able to use their training to find new jobs, but also build skills that will help them move up the career ladder over time.

**Promote Digital Inclusion:** Getting broadband Internet access into every home and business in urban America at an affordable rate could give low-income people increased opportunities to start businesses and engage actively in our communities. As president, Barack Obama will reform the Telephone Universal Service Program, direct the FCC to better manage the nation's airwaves, and encourage public-private partnership to get more low-income communities connected.

## **HOUSING**

Our economy depends on a stable housing market that ensures all families have access to safe and affordable housing options. Obama and Biden will make stabilizing our housing crisis a top priority so that American families can prosper in the 21<sup>st</sup> century.

**Create a New Mortgage Interest Tax Credit for Those Who Don't Itemize:** Barack Obama and Joe Biden will provide a greater number of Americans with the financial assistance they need to purchase or keep their own home. Many middle class Americans do not receive the existing mortgage interest tax deduction because they do not itemize their taxes. As a result, the benefits of this tax incentive are often greatest for wealthy families with the most expensive homes. Obama and Biden will ensure that middle-class Americans get the financial assistance they need to purchase or keep their own home by creating a 10 percent universal mortgage credit that gives tax relief to all Americans who have a home mortgage. This will, effectively, cut 10 percent off the interest rate paid by 10 million homeowners, most of whom earn under \$50,000 per year. This tax cut will provide direct relief to many homeowners who are struggling to maintain their mortgage payments.

**Combat Mortgage Fraud and Predatory Subprime Loans:** Barack Obama has been closely monitoring the subprime mortgage situation for years, and introduced comprehensive legislation nearly two years ago to fight mortgage fraud and protect consumers against abusive lending practices. Obama's STOP FRAUD Act provides the first federal definition of mortgage fraud, increases funding for federal and state law enforcement programs, creates new criminal penalties for mortgage professionals found guilty of fraud, and requires industry insiders to report suspicious activity. Obama and Biden will also create a Homeowner Obligation Made Explicit (HOME) score, which will provide potential borrowers with a simplified, standardized borrower metric (similar to APR) for home mortgages. The HOME score will allow Americans to easily compare various mortgage products and

understand the full cost of the loan. The HOME score would also help borrowers understand their long-term obligations and would be required to include mandatory taxes and insurance.

**Close the Bankruptcy Loophole for Mortgage Companies:** While investors who own multiple homes and people with vacation homes can renegotiate those mortgages in bankruptcy, current Chapter 13 law prohibits bankruptcy judges from modifying the original terms of home mortgages for ordinary families—regardless of whether the loan was predatory or unfair or is otherwise unaffordable. Barack Obama will repeal this provision so that ordinary families can also get relief that bankruptcy laws were intended to provide. This change could prevent as many as 600,000 homeowners from being foreclosed upon.

**Increase the Supply of Affordable Housing throughout Metropolitan Regions:** Communities prosper when all families have access to affordable housing. It undermines both families and businesses when low-income families are priced out of the housing market. Regions then face a “jobs-housing mismatch” as employees cannot afford to live near where they work. Businesses, in turn, have higher workforce costs, and some local governments cannot attract teachers, firefighters and other public servants who cannot afford to live in their communities. Between 1993 and 2003, the number of units affordable to low-income households fell by 1.2 million. Barack Obama has strongly supported efforts to create an Affordable Housing Trust Fund to develop affordable housing in mixed-income neighborhoods. The Affordable Housing Trust Fund would use a small percentage of the profits of two government-sponsored housing agencies, Fannie Mae and Freddie Mac, to create thousands of new units of affordable housing every year. Barack Obama and Joe Biden will also restore cuts to public housing operating subsidies, and ensure that all Department of Housing and Urban Development (HUD) programs are restored to their original purpose.

## **POVERTY**

Barack Obama and Joe Biden will implement a comprehensive program to both provide poor Americans with a stable bridge to the middle class and ensure that our economy has the human resources necessary to compete in a globalizing economy.

**Establish ‘Promise Neighborhoods’ for Areas of Concentrated Poverty:** Successful strategies to address concentrated, intergenerational poverty are comprehensive in nature and address the full range of obstacles that stand in the way of poor children. One highly-acclaimed model is the Harlem Children’s Zone in New York City, which provides a full network of services to an entire neighborhood from birth to college. Obama will create 20 Promise Neighborhoods in cities that have high levels of poverty and crime and low levels of student academic achievement. The Promise Neighborhoods will model the Harlem Children’s Zone and seek to engage all resident children and their parents in an achievement program based on tangible goals, including college for every participating student, strong physical and mental health outcomes for children as well as retention of meaningful employment and parenting schools for parents. Promise Neighborhood sites will be selected by the federal government after review of applications from cities and their existing non-profit organizations and school districts. Cities and private entities will be required to pay 50 percent of the program costs.

**Increase the Minimum Wage to \$9.50 an Hour:** Barack Obama believes that people who work full time should not live in poverty. Before the Democrats took back Congress, the minimum wage had not changed in 10 years. Even though the minimum wage will rise to \$7.25 an hour by 2009, the minimum wage’s real purchasing power will still be below what it was in 1968. When Obama is president, he and Biden would further raise the minimum wage to \$9.50 an hour by 2011, index it to inflation and increase the Earned Income Tax Credit to make sure that full-time workers can earn a living wage that allows them to raise their families and pay for basic needs such as food, transportation, and housing – things so many people take for granted.

**Expand the Earned Income Tax Credit:** In the Illinois State Senate, Obama led the successful effort to create the \$100 million Illinois Earned Income Tax Credit (EITC). As president, Obama will reward work by

increasing the number of working parents eligible for EITC benefits, increasing the benefit available to noncustodial parents who support their children through child support payments, increasing the benefit for families with three or more children, and reducing the EITC marriage penalty which hurts low-income families. Under the Obama plan, full-time workers making the minimum wage would get an EITC benefit up to \$555, more than three times greater than the \$175 benefit they get today. If the workers are responsibly supporting their children on child support, the Obama plan would give those workers a benefit of \$1,110. The Obama plan would also increase the EITC benefit for those families that are most likely to be in poverty – families with three or more children.

**Help Low-Income Workers Enter the Job Market:** Obama's commitment to helping low-income workers began early in his life. After college, Obama worked for a church-based group in Chicago to improve living conditions in poor neighborhoods plagued by high unemployment. Obama worked with a group that used charitable grants to assess skills of unemployed workers and help them find jobs. As president, Obama will invest \$1 billion over five years in transitional jobs and career pathways programs that implement proven methods of helping low-income Americans succeed in the workforce. This investment will be coupled with other measures to encourage the private sector and state and local governments to increase their support of these effective employment programs.

### **STRENGTHEN LIVABILITY OF CITIES**

**Build More Livable and Sustainable Communities:** Our communities will better serve all of their residents if we are able to leave our cars to walk, bicycle and access other transportation alternatives. As president, Barack Obama will re-evaluate the transportation funding process to ensure that smart growth considerations are taken into account. Obama will build upon his efforts in the Senate to ensure that more Metropolitan Planning Organizations create policies to incentivize greater bicycle and pedestrian usage of roads and sidewalks, and he will also re-commit federal resources to public mass transportation projects across the country. Better transportation alternatives will not only reduce the amount of time individuals spent commuting, but will also have significant benefits to air quality, public health and reducing greenhouse gas emissions.

**Control Superfund Sites and Data:** Barack Obama demanded that the Environmental Protection Agency report on what it is doing to reduce and control human exposure to hazardous contaminants at more than 100 Superfund sites nationwide. As a state senator, he voted to create the Brownfields Rehabilitation and Redevelopment Program, which encourages private sector voluntary remediation of environmentally-distressed and underutilized sites. Obama and Biden will restore the strength of the Superfund program by requiring polluters to pay for the cleanup of contaminated sites they created.

**Use Innovative Measures to Dramatically Improve Efficiency of Buildings:** Buildings account for nearly 40 percent of carbon emissions in the United States today and carbon emissions from buildings are expected to grow faster than emissions from other major parts of our economy. It is expected that 15 million new buildings will be constructed between today and 2015. Barack Obama and Joe Biden will work with cities so that we make our new and existing buildings more efficient consumers of electricity.

- **Set Building Efficiency Goals:** Barack Obama and Joe Biden will establish a goal of making all new buildings carbon neutral, or produce zero emissions, by 2030. They'll also establish a national goal of improving new building efficiency by 50 percent and existing building efficiency by 25 percent over the next decade to help us meet the 2030 goal.
- **Establish a Grant Program for Early Adopters:** Obama and Biden will create a competitive grant program to award those states and localities that take the first steps in implementing new building codes that prioritize energy efficiency, and provide a federal match for those states with leading-edge public benefits funds that support energy efficiency retrofits of existing buildings.

- **Flip Incentives to Energy Utilities:** Obama and Biden will work to “flip” incentives to state and local utilities by ensuring companies get increased profits for improving energy efficiency, rather than higher energy consumption. Currently, utilities make profits when consumers purchase more energy, and when consumers purchase energy at peak times when energy prices are higher because of greater demands on the system. This decoupling of profits from increased energy usage will incentivize utilities to partner with consumers and the federal government to reduce monthly energy bills for families and businesses. Obama and Biden will provide early adopter grants and other financial assistance from the federal government to states that implement this energy efficient policy.
- **Expand Federal Efficiency Grants:** Obama and Biden will also expand federal grant programs to help states and localities build more efficient public buildings, including libraries, schools and police stations that adopt aggressive green building provisions like those provided by the Leadership in Energy and Environmental Design (LEED) program of the U.S. Green Buildings Council. Obama and Biden will also partner with the private sector to ensure that more companies and building contractors are aware of the short-term and long-term benefits of building “green.”

## **HEALTH CARE**

**Lower Health Care Costs and Increase Access:** Barack Obama is committed to signing universal health legislation by the end of his first term in office that ensures all Americans have high-quality, affordable health care coverage. His plan will save a typical American family up to \$2,500 every year on medical expenditures by providing affordable, comprehensive and portable health coverage for every American; modernizing the U.S. health care system to contain spiraling health care costs and improve the quality of patient care; and promoting prevention and strengthening public health to prevent disease and protect against natural and man-made disasters.

**Fight Health Disparities:** Tackling minority health disparities is a top priority for Barack Obama. His universal health care plan expands coverage to all Americans, addressing a major cause of health disparities: insurance coverage. The Obama plan promotes research into combating health care disparities, conducts educational and health outreach to minorities, increases the diversity of healthcare professionals, and improves the delivery of health care to minorities. Finally, the Obama plan also requires health providers to inform the public about disparities and take steps to reduce those disparities. In the U.S. Senate, Obama helped write the Kennedy-Cochran-Obama Minority Health Improvement and Health Disparity Elimination Act. This bill puts new emphasis on disparity research by directing the Department of Health and Human Services to collect and report health care data by race and ethnicity, as well as by geographic and socioeconomic status and level of health literacy.

**Foster Healthy Communities:** How a community is designed – including the layout of its roads, buildings and parks – has a huge impact on the health of its residents. For instance, nearly one-third of Americans live in neighborhoods without sidewalks and less than half of our country’s children have a playground within walking distance of their homes. This lack of a safe place to walk and play is a major contributor to the growing numbers of overweight children. Barack Obama introduced the Healthy Places Act to help local governments assess the health impact of new policies and projects, like highways or shopping centers. Once the health impact is determined, the bill gives grant funding and technical assistance to help address potential health problems.

## **EDUCATION**

**Support Teachers in Urban Schools:** From the moment children step into a classroom, the single most important factor in determining their achievement is their teacher. Barack Obama and Joe Biden value teachers and the central role that they play in education. To ensure competent, effective teachers in schools that are organized for success, Obama’s K-12 plan will expand service scholarships to underwrite high-quality preparation for teachers who commit to working in underserved districts, support ongoing improvements in

teacher education, provide mentoring for beginning teachers, create incentives for shared planning and learning time for teachers, and support career pathways in participating districts that provide ongoing professional development and reward accomplished teachers for their expertise. The Obama Career Ladder initiative will help eliminate teacher shortages in hard-to-staff areas and subjects, improve teacher retention rates, strengthen teacher preparation programs, improve professional development, and better utilize and reward accomplished teachers.

**Expand Early Childhood Education:** Research shows that half of low-income children start school up to two years behind their peers in preschool skills and that these early achievement gaps continue throughout elementary school. Obama has been a champion of early childhood education since his years in the Illinois legislature, where he led the effort to create the Illinois Early Learning Council. Obama has introduced a comprehensive “Zero to Five” plan to provide critical supports to young children and their parents by investing \$10 billion per year to create: Early Learning Challenge Grants to stimulate and help fund state “zero to five” efforts; quadruple the number of eligible children for Early Head Start and increase Head Start funding and improve quality for both; work to ensure all children have access to pre-school; provide affordable and high-quality child care that will promote child development and ease the burden on working families; and create a Presidential Early Learning Council to increase collaboration and program coordination across federal, state, and local levels.

**Reduce the High School Dropout Rate:** Only 70 percent of U.S. high school students graduate with a diploma. African American and Latino students are significantly less likely to graduate than white students. Obama will address this problem by helping at-risk students before they get to high school, because the warning signs often occur well before high school. Obama will sign into law his “Success in the Middle Act,” which will provide federal support to improve the education of middle school students in low-performing schools by requiring states to develop a detailed plan to improve student achievement, develop and utilize early identification data systems to identify those students most at-risk of dropping out and invest in proven strategies that reduce the number of drop outs. Obama and Biden will also establish a competitive grant process open to existing or proposed public/private partnerships or entities that are pursuing evidence-based models that have been proven to reduce dropouts – such as Diploma Plus or Teacher Advisor programs.

**Make College More Affordable:** Barack Obama and Joe Biden will make college affordable for all Americans by creating a new American Opportunity Tax Credit. This fully refundable credit will ensure that the first \$4,000 of a college education is completely free for most Americans and will cover two-thirds of the cost of tuition at the average public college or university. And by making the tax credit fully refundable, Obama’s credit will help low-income families that need it the most. Obama and Biden will also ensure that the tax credit is available to families at the time of enrollment by using prior year’s tax data to deliver the credit at the time that tuition is due, rather than a year or more later when tax returns are filed. Recipients of this credit will be required to conduct 100 hours of public service a year, either during the school year or over the summer months.

## **CRIME AND LAW ENFORCEMENT**

**Support Local Law Enforcement:** The Bush administration has consistently cut funding for Community Oriented Policing Services (COPS). Barack Obama and Joe Biden are committed to fully funding the COPS program to combat crime and help address police brutality and accountability issues in local communities. The COPS program provides local law enforcement funding for: hiring and training law enforcement officers; procuring equipment and support systems; paying officers to perform intelligence, anti-terror or homeland security duties; and developing new technologies, including inter-operable communications and forensic technology. Obama also supports efforts to encourage young people to enter the law enforcement profession, so that our local police departments are not understaffed because of a dearth of qualified applicants.

**Reduce Crime Recidivism by Providing Ex-Offender Supports:** America is facing an incarceration and post-incarceration crisis in urban communities. Today, nearly 2 million children have a parent in a correctional facility. In the U.S. Senate, Obama has worked to provide job training, substance abuse and mental health counseling, and employment opportunities to ex-offenders. In addition to signing these important programs into law, Obama and Biden will create a prison-to-work incentive program, modeled on the successful Welfare-to-Work Partnership, to create ties with employers and third-party agencies that provide training and support services to ex-offenders, and to improve ex-offender employment and job retention rates. Obama and Biden will also work to reform correctional systems to break down barriers for ex-offenders to find employment.

**End the Dangerous Cycle of Youth Violence:** Barack Obama is committed to ending youth violence. As a resident and former community organizer on the South Side of Chicago, Barack Obama has witnessed firsthand the destructive nature of youth violence and gang activity on our children and entire communities. As president, Barack Obama will support innovative local programs, such as the CeaseFire program in Chicago, that have been proven to work. Such programs implement a comprehensive public health approach that investigates the causes of youth violence and implements a community-based strategy to prevent youth violence by addressing both the symptoms and causes of neighborhood violence. Obama and Biden will also double funding for federal afterschool programs and invest in 20 Promise Neighborhoods across the country to ensure that urban youth have safe and meaningful opportunities to keep them off the streets after school.

**Allow Effective Gun-Tracing:** When law enforcement agencies operate in concert at the federal, state, and local levels, the chances of solving a crime increases. Since 2003, the Tiahrt Amendment has restricted the ability of the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) to share gun trace information with members of state and local law enforcement. The ATF has a wide-ranging database of gun information, yet Washington has threatened police officers with time in prison for attempting to access it. As president, Barack Obama would repeal the Tiahrt Amendment and give police officers across the nation the tools they need to solve gun crimes and fight the illegal arms trade. Obama also favors commonsense measures that respect the Second Amendment rights of gun owners, while keeping guns away from children and from criminals who shouldn't have them. He supports closing the gun show loophole and making guns in this country childproof. He also supports making the expired federal Assault Weapons Ban permanent, as such weapons belong on foreign battlefields and not on our streets.

**End Racial Profiling:** Barack Obama cosponsored federal legislation to ban racial profiling and require federal, state and local law enforcement agencies to take steps to eliminate the practice. He introduced and passed a law in the Illinois State Senate requiring the Illinois Department of Transportation to record the race, age, and gender of all drivers stopped for traffic violations so that bias could be detected and addressed.

### **STRENGTHEN HOMELAND SECURITY**

**Allocate Funds Based on Risk:** Barack Obama believes that the president and Congress should direct our precious homeland security dollars according to risk, not as a form of general revenue sharing. These dollars help states and localities prepare for disaster and fund first responder needs. To address this pressing issue, Obama introduced an amendment on the Senate floor to increase risk-based funding in the 9/11 bill. Obama's amendment was supported by the Families of 9/11 and former 9/11 Commissioners Lee Hamilton and Tim Roemer.

**Prepare Effective Emergency Response Plans:** As our nation witnessed in the Hurricane Katrina crisis and its aftermath, too many localities do not have integrated emergency response plans to handle disasters. As an Illinois state legislator, Barack Obama passed legislation to improve Illinois' disaster preparedness for terrorism and public health crises. Obama took his firsthand knowledge of state and local disaster planning to Washington where he has worked to provide greater federal tools and guidance to those responding to emergencies on the ground. Obama passed legislation to provide funding for planning for evacuating individuals with special needs from emergency zones and to create a National Family Locator System to help

families locate loved ones after a disaster. Obama and Biden will further improve coordination between all levels of government, create better evacuation plan guidelines, ensure prompt federal assistance to emergency zones, and increase medical surge capacity.

**Improve Interoperable Communications Systems:** Our nation lost precious time during the 9/11 attacks and Hurricane Katrina because of the lack of a 21<sup>st</sup>-century communications network for first responders, local governments, and federal agencies. In January 2007, the Department of Homeland Security gave only six of 75 metropolitan areas high grades for emergency communications. These systems must enable communications across city, county, and state lines and there must be a system by which the Federal government communicates with local entities. Barack Obama supports efforts to provide greater technical assistance to local and state first responders and dramatically increase funding for reliable, interoperable communications systems. He also supports a more rapid turnover of broadcast spectrum to first responders.

**Safeguard Mass Public Transportation:** Every weekday, Americans take 34 million trips on public transportation systems to get to work, school and beyond. Even though recent attacks have happened on public transit in Madrid, Mumbai and London, the Bush administration has invested only a small fraction of the \$6 billion that transportation officials have said is necessary to implement needed security improvements. Barack Obama believes that this critical hole in our homeland security network must be addressed. He and Joe Biden will fight for greater information-sharing between national intelligence agents and local officials and provide local law enforcement agencies with the everyday tools they need to protect their transportation systems. As a U.S. Senator representing Chicago, Illinois, one of the nation's major rail transportation hubs, Obama has consistently advocated stronger rail and transit security programs.

## **HELPING FAMILIES**

**Provide a Tax Cut for Working Families:** Barack Obama and Joe Biden will restore fairness to the tax code and provide 150 million workers the tax relief they deserve. Obama and Biden will create a new "Making Work Pay" tax credit of up to \$500 per person, or \$1,000 per working family. This refundable income tax credit will provide direct relief to American families who face the regressive payroll tax system. It will offset the payroll tax on the first \$8,100 of their earnings while still preserving the important principle of a dedicated revenue source for Social Security. The "Making Work Pay" tax credit will completely eliminate income taxes for 10 million Americans. The tax credit will also provide relief to self-employed small business owners who struggle to pay both the employee and employer portion of the payroll tax. The "Making Work Pay" tax credit offsets some of this self-employment tax as well.

**Strengthening Fatherhood and Families:** Since 1960, the number of American children without fathers in their lives has quadrupled, from 6 million to more than 24 million. Children without fathers in their lives are five times more likely to live in poverty and commit crime, nine times more likely to drop out of school, and 20 times more likely to end up in prison. Barack Obama has reintroduced the Responsible Fatherhood and Healthy Families Act to remove some of the government penalties on married families, crack down on men avoiding child support payments, ensure that support payments go to families instead of state bureaucracies, fund support services for fathers and their families, and support domestic violence prevention efforts. As president, Obama will sign this bill into law and continue to implement innovative measures to strengthen families.

**Support Parents with Young Children:** Barack Obama and Joe Bidfen would expand the highly successful Nurse-Family Partnership to all low-income, first-time mothers. The Nurse-Family Partnership provides home visits by trained registered nurses to low-income expectant mothers and their families. The trained nurses use proven methods to help improve the mental and physical health of the family by providing counseling on substance abuse, creating and achieving personal goals, and effective methods of nurturing children. Proven benefits of these types of programs include improved women's prenatal health, a reduction in childhood injuries, fewer unintended pregnancies, increased father involvement and women's employment, reduced use of welfare and food stamps, and increased children's school readiness. Researchers at the Federal Reserve Bank

of Minneapolis concluded that these programs produced an average of five dollars in savings for every dollar invested and produced more than \$28,000 in net savings for every high-risk family enrolled in the program. The Obama plan would assist approximately 570,000 first-time mothers each year.

**Expand Paid Sick Days:** Half of all private sector workers have no paid sick days and the problem is worse for employees in low-paying jobs, where less than a quarter receive any paid sick days. Barack Obama and Joe Biden will require that employers provide seven paid sick days per year.

**Expand High-Quality Afterschool Opportunities:** Expanding access to high-quality afterschool programs will help children learn and strengthen a broad range of skills and provide relief to working parents who have to juggle child care and work responsibilities. Barack Obama and Joe Biden will double funding for the main federal support for afterschool programs, the 21st Century Learning Centers program, to serve one million more children. Obama and Biden will include measures to maximize performance and effectiveness across grantees nationwide.

**Expand the Child and Dependent Care Tax Credit:** The Child and Dependent Care Tax Credit provides too little relief to families that struggle to afford child care expenses. Currently, the credit only covers up to 35 percent of the first \$3,000 of child care expenses a family incurs for one child and the first \$6,000 for a family with two or more children. And the credit is not refundable, which means that upper-income families disproportionately benefit while families who make under \$50,000 a year receive less than a third of the tax credit. Barack Obama and Joe Biden will reform the Child and Dependent Care Tax Credit by making it refundable and allowing low-income families to receive up to a 50 percent credit for their child care expenses. Coupled with Obama's "Making Work Pay" tax credit, this proposal will help put more money directly in the pockets of hardworking low and middle-income parents.

**Reform Bankruptcy Laws to Protect Families Facing a Medical Crisis:** More than half of all personal bankruptcies today are caused by medical bills. Barack Obama and Joe Biden will protect workers who fall into personal bankruptcy as a result of a medical crisis. Current law, which Obama opposed in the 2005 bankruptcy bill, provides too many families with inadequate relief when faced by an unforeseen medical crisis. Obama and Biden will create an exemption from the new law's requirement that middle class families extend their debts rather than have them forgiven. If a person can demonstrate to the satisfaction of the bankruptcy court that the reason they filed for bankruptcy was a result of debts incurred through medical expenses, then Obama believes they should be relieved of that debt through a process that lets them get back on their feet.

**Cap Outlandish Interest Rates on Payday Loans and Improve Disclosure:** In the wake of reports that some service members were paying 800 percent interest on payday loans, the U.S. Congress took bipartisan action to limit interest rates charged to service members to 36 percent. Barack Obama believes that we must extend this protection to all Americans, because predatory lending continues to be a major problem for low and middle income families alike. Obama also believes that we need to ensure that all Americans have access to clear and simplified information about loan fees, payments and penalties, which is why he'll require lenders to provide this information during the loan application process. Furthermore, Obama and Biden will work to empower more Americans in the fight against predatory lending by supporting initiatives to improve financial literacy and financial planning.

**Encourage Responsible Lending Institutions to Make Small Consumer Loans:** Some mainstream, responsible lending institutions are beginning to enter the short-term lending market to provide many Americans with fair alternatives to predatory lending institutions. These loans provide a reasonable period of time to be repaid, charge fair interest rates, and often ensure that the borrower has the ability to repay the loan on time. Some of these lending efforts are coupled with enhanced financial literacy training, which can ensure that Americans do not become caught in a never-ending cycle of debt. Barack Obama will work with his Secretary of Treasury and the Federal Deposit Insurance Corporation to encourage banks, credit unions and

Community Development Financial Institutions to provide affordable short-term and small dollar loans – and to drive the sharks out of business.

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