

## AN OKLAHOMA AGENDA FOR BROAD-BASED PROSPERITY

### OKLAHOMANS NEED BETTER JOBS & OPPORTUNITIES

Even in times when the overall economy grows, many Oklahomans are left out of economic opportunity. Oklahoma's relatively low unemployment rate has not changed our state's high poverty rate. Oklahoma's growing economy is accompanied by record-high food insecurity. Families are living in an economy marked by growing inequality and lack of upward mobility, even before a weakening oil and gas industry made the situation worse.

At the same time, many of our policy choices have increased the struggle for regular families. But we can make better policy choices to turn Oklahoma around. The following key facts and policy proposals outline a better agenda for Oklahoma that would help to restore America's basic bargain — that if you work hard, you have a chance to get ahead.

#### Key Jobs & Opportunities Facts

- ➔ ***A large percentage of Oklahoma families are living in poverty.*** One in six Oklahomans (16.6 percent) — and nearly one in four Oklahoma children (22.4 percent) — live in poverty. Poverty rates are especially high for people of color in Oklahoma, with 29.9 percent of African-Americans, 27.2 percent of Hispanics and Latinos, and 21.4 percent of Native Americans living in poverty. More than one in four Oklahoma children do not have reliable access to nutritious food.
- ➔ ***A large share of the jobs in Oklahoma do not pay a living wage or accommodate the needs of families.*** The median wage in Oklahoma trails the national median wage by more than 10 percent. Three of every ten jobs in Oklahoma pay are in occupations where the median pay is below the poverty threshold for a family of four (\$23,624). Nearly four of every ten families in Oklahoma are low-income, making less than 200 percent of the poverty threshold. Safe, affordable child care is out of reach for many Oklahoma working families, and workers have few protections if they need a workplace that accommodates family obligations.
- ➔ ***Wealth gaps and predatory lending are perpetuating poverty.*** Half of all Oklahoma households do not have the savings to subsist at the poverty level for three months if an emergency takes away their income. One in five Oklahoma households use alternative and often costly financial services for basic transaction and credit needs.
- ➔ ***High incarceration rates and barriers to Oklahomans with felonies in their past trap many in poverty.*** Oklahoma locks up more of our citizens and charges more offenses as felonies than most other states. The estimated 1 in 12 Oklahomans who have a felony conviction in their past face daunting barriers to rebuild their lives after completing prison and probation. Job restrictions, excessive fines and fees, and restrictions on basic aid leave many trapped in a cycle of incarceration and poverty.

**Oklahoma can do so much better! Turn the page for policy solutions.**

## POLICY SOLUTIONS: BETTER JOBS & OPPORTUNITIES

- ➔ **Strengthen broad-based tax credits.** Last session, lawmakers cut the state Earned Income Tax Credit by close to \$30 million, taking an important tax benefit away from many low-income working families who have received little or nothing from recent tax cuts. To help support working families, the state should either restore the Earned Income Tax Credit or boost the Sales Tax Relief Credit, which helps offset the sales tax paid on groceries and other household items.
- ➔ **Bring health care to the working poor by accepting federal funds.** Expanding the state's Medicaid program or Insure Oklahoma would extend insurance coverage to roughly 150,000 people – approximately 1 in 4 of the state's uninsured. The successful track record of expansions in states similar to Oklahoma shows that we are making the wrong choice in rejecting health coverage.
- ➔ **Give parents the freedom to work by expanding child care subsidies and passing family-friendly worker protections.** Lawmakers should expand access to child care subsidies, which are currently available only to families making very low incomes. Oklahoma should also increase workplace protections for pregnant workers who may be pushed out of their jobs, for working parents who may be required to work odd hours at short notice and not be allowed paid leave to care for a sick child or elder, and for women who are frequently paid less for doing the same job as men.
- ➔ **Provide reasonable protections against predatory high-interest loans.** Aggressive marketing by predatory lenders convince many families that high-interest loans are their best option, but in fact these loans strip wealth from families and throw them into a cycle of debt that can be impossible to break. Oklahoma can follow the lead of numerous states that have put much stricter rate caps and other regulations on payday loans. Oklahoma should support alternative strategies for families to cover expenses without getting caught in a debt trap.
- ➔ **Increase the state minimum wage so that all Oklahomans holding a job will not live in poverty.** The minimum wage has been stuck at \$7.25 per hour for seven years, and has eroded in value for even longer, falling by 30 percent in real (inflation-adjusted) terms since 1979. That's left a growing number of working families unable to afford their basic needs. Most Oklahomans working minimum wage jobs full-time are supporting or helping to support an entire household on their wages.
- ➔ **Stop debtors' prisons, economically ruinous fees and fines, and job restrictions that keep low-income Oklahomans trapped in the justice system.** Oklahomans involved in the justice system are charged dozens of fines and fees totaling thousands of dollars and often end up in jail for nonpayment. Oklahoma needs to reduce courts' reliance on fines and fees for their basic funding, as well as expand options and improve the enforcement of existing options to defer or waive court costs for those who can't afford to pay. Oklahoma should also eliminate unnecessary job licensing restrictions that prevent many Oklahomans with felonies in their past from building a career, no matter how long ago was their felony or what they've done to rehabilitate since then.

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