



February 5, 2010

Representative Jim Davnie
Labor and Consumer Protection Division
545 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, Minnesota 55155

Re: Ladder Out of Poverty Task Force (House File 2062)

Dear Chairman Davnie and Members of the Division:

On behalf of the Minnesota Catholic Conference (MCC), I am writing you in support of House File 2062 – the **Ladder Out of Poverty Task Force**. This bill, which is based on the work and final recommendations of the Legislative Commission to End Poverty in Minnesota by 2020 (LCEP), establishes the **Ladder Out of Poverty Task Force** to identify best practices for helping low-income Minnesotans build and maintain financial assets.

In order to end poverty in Minnesota by 2020, the LCEP focused its work on three primary objectives: (1) helping Minnesotans become more financially self-sufficient; (2) building individual and community assets; and (3) eliminating barriers to employment. The LCEP outlined six strategies to meet its primary objectives. The following strategy provides the impetus for House File 2062:

To become fully self-sufficient financially, Minnesotans must be able to move beyond mere survival to the point where they are building and maintaining assets. That means that their already inadequate resources must not be further depleted through predatory financial practices. Greater financial literacy is needed to reduce vulnerability to such practices.

The **Ladder Out of Poverty Task Force** will bring together, during the interim, four members of the Minnesota Senate, four members of the Minnesota House of Representatives, the Commissioner of the Minnesota Department of Commerce, and the Minnesota Attorney General to discuss and recommend:

- wealth building opportunities for low-income families;
- alternatives to predatory financial products;
- private financial institution incentives; and
- financial literacy options.

More than nine percent of our neighbors are living in poverty. More than 491,000 Minnesotans are living below the poverty line. To be living below the poverty line, an individual must be living on less than \$10,830 per year, and a family of four must be living on less than \$22,050 per year. With our state's current budget deficit and our growing rate of unemployment, the number of us living in poverty is likely to increase. Now is *not* the time to set aside the work of the LCEP and its long-term visionary plan of ending poverty in Minnesota. Now is the time to cultivate the ingenuity that will help Minnesotans: become more financially self-sufficient; protect their resources from predatory lending practices; build and maintain financial assets; and gain greater financial literacy.

Not only will the creation of the **Ladder Out of Poverty Task Force** build upon the recommendations of the LCEP, but it will serve to strengthen our State by helping Minnesotans and their families build and maintain financial assets. Thank you for your time and consideration. Please call or e-mail me with any questions. I can be reached at (651) 256-7579 or afitzsimmons@mncc.org. I look forward to talking and working with you.

Very Truly Yours,



Alexandra C. Fitzsimmons
Policy Director