



**THE HAMILTON PROJECT POLICY RESPONSE
TO THE PRESIDENT'S 2016 BUDGET PROPOSAL
*February 2, 2015***

In recent years, there has been growing widespread recognition that public policies should be evidence-based, which is a core position of The Hamilton Project and one we have actively promoted. While there has been considerable rhetoric surrounding the need for data-driven policy, the calls are becoming louder for a demonstrable shift toward rigorous evaluation of new and existing programs and of making program funding conditional on demonstrated cost effectiveness.

The 2016 Budget has a number of specific features that embrace this approach. The Budget offers proposals that would strengthen evidence-building capacity in specific policy areas; strengthen evidence-building capacity across government; and create new opportunities for innovative programs, coupled with greater accountability. These efforts would constitute crucial steps in the direction of driving tax dollars toward programs with a track record of success.

In this memo we provide an overview of evidenced-based policy recommendations from recent Hamilton Project papers addressing a range of issues that are specifically mentioned in the 2016 Budget, including: evidence-based policy making; early childhood interventions; apprenticeships and worker training; services for workers with disabilities; college access and affordability; the Earned Income Tax Credit; recidivism; and criminal justice and performance partnerships.

EVIDENCE-BASED POLICYMAKING

[Smarter, Better Faster: The Potential for Predictive Analytics and Rapid-Cycle Evaluation to Improve Program Development and Outcomes](#) *by Scott Cody and Andrew Asher*

June 2014

The authors propose that federal, state, and local agencies conduct thorough needs assessments to determine if predictive analytics and rapid-cycle evaluation can be used to improve the delivery of social services programs. This proposal aims to provide more effective services for individuals living in poverty by targeting services appropriately, and by identifying effective program improvements.

[Building on Recent Advances in Evidence-Based Policymaking](#) *by Jeffrey B. Liebman*

April 2013

The author discusses several of strategies and outlines five steps that policymakers can take to better inform their work with evidence. He also proposes a grant competition that identifies and encourages innovation in ten social policy priority areas as well as federal support for state and local Pay for Success initiatives.

EARLY CHILDHOOD INTERVENTIONS

[Addressing the Parenting Divide to Promote Early Childhood Development for Disadvantaged Children](#) by Ariel Kalil

June 2014

The author proposes that the U.S. Department of Health and Human Services' Administration for Children and Families create a task force supporting the design and evaluation of rigorous experiments to develop more-effective parenting interventions and to promote improved child development in early years. The goal of this proposal is to enhance the knowledge of successful interventions to support parenting and child development in low-income families with young children and more effectively address these families' needs.

APPRENTICESHIPS AND WORKER TRAINING

[Expanding Apprenticeship Opportunities in the United States](#) by Robert I. Lerman

June 2014

The author proposes a series of targeted federal and state-level initiatives to expand access to registered apprenticeship programs by creating marketing initiatives, building on existing youth apprenticeship programs, extending the use of federal subsidies, and designating occupational standards. Targeted toward at-risk youth and middle-skill adults in low-wage jobs, this proposal aims to improve human capital and raise earnings for apprentices.

[Improving Employment Outcomes for Disadvantaged Students](#) by Harry J. Holzer

June 2014

The author proposes to create financial incentives for public colleges and university systems to offer classes in high-return fields and for employers to offer more training to their employees. Targeted at disadvantaged youth who have some academic preparation for higher education, this proposal aims to generate better labor market outcomes and wage gains.

SERVICES FOR WORKERS WITH DISABILITIES

[Supporting Work: A Proposal for Modernizing the U.S. Disability Insurance System](#) by David Autor and Mark Duggan

December 2010

The Social Security Disability Insurance (SSDI) program has failed to support the ongoing employment and economic self-sufficiency of workers with disabilities, leading to rapid growth in program expenditures and declining employment of Americans with disabilities. This proposal offers a blueprint for reversing this employment decline and stemming the dramatic growth of the SSDI program.

COLLEGE ACCESS AND AFFORDABILITY

[Addressing the Academic Barriers to Higher Education](#) by Bridget Terry Long

June 2014

The author proposes that school districts, community colleges, university systems, and state and federal governments reform the college remediation system by improving placement in remediation classes, providing better remediation services, and adopting measures to prevent the need for remediation.

[Simplifying Estimates of College Loans](#) by Philip Levine

October 2013

The lack of clear information about the gap between perceived and actual costs of college can act as an impediment in students' decision-making process. The author proposes a way to simplify and improve the transparency of college cost estimates based on a pilot program currently underway at Wellesley College.

[Loans for Educational Opportunity: Making Borrowing Work for Today's Students](#) by Susan Dynarski and

Daniel Kreisman

October 2013

The current federal student lending system requires students to repay loans during the first decade after college, when their incomes are relatively low and variable. The authors propose a strategy to improve student lending through the adoption of an income-contingent repayment plan.

[Informing Students about Their College Options: A Proposal for Broadening the Expanding College Opportunities Project](#) by Caroline Hoxby and Sarah Turner

June 2013

The authors present a strategy for improving college outcomes for high-achieving, low-income students. Building on previous research showing that most high-achieving, low-income students do not even apply to selective colleges, they propose expanding a recently piloted informational intervention called the Expanding College Opportunities (ECO) Project.

THE EARNED INCOME TAX CREDIT

[Building on the Success of the Earned Income Tax Credit](#) by Hilary Hoynes

June 2014

The author proposes expanding the Earned Income Tax Credit (EITC) by raising the benefits for families with one child to be on par with the benefits for families with two children. This proposal aims to strengthen work incentives for low-income, one-child families; raise 410,000 people—including 131,000 children—out of poverty; and increase after-tax income by about \$1,000 for one-child EITC beneficiaries, leading to improvements in health and children's cognitive skills.

[Employment-Based Tax Credits for Low-Skilled Workers](#) by John Karl Scholz

December 2007

The author proposes an expansion of the Earned Income Tax Credit for low-income, childless taxpayers and a targeted wage subsidy for low-wage workers who live in certain economically depressed areas. These proposals are designed to increase the return to work and help families in low-income communities, where unemployment rates are high, incarceration rates of low-skilled men are high, and a large fraction of children are being raised in single-parent households.

CRIMINAL JUSTICE AND PERFORMANCE PARTNERSHIPS

[From Prison to Work: A Proposal for a National Prisoner Reentry Program](#) by Bruce Western

December 2008

The author proposes a national prisoner reentry program whose core element is up to a year of transitional employment available to all parolees in need of work. Transitional jobs are supplemented by substance-abuse treatment and housing after release, expanded work and educational programs in prison, and the restoration of eligibility for federal benefits for those with felony records.

Think Before You Act: A New Approach to Preventing Youth Violence and Dropout by Jens Ludwig and Anuj

Shah

May 2014

A growing body of research in psychology and behavioral economics suggests that a great deal of everyone's behavior happens intuitively and automatically, with little deliberate thought. The authors propose a five-year strategy for scaling up behaviorally informed interventions—such as the "Becoming a Man" (BAM) program—to help disadvantaged youths recognize high-stakes situations in which their automatic responses could be maladaptive.