

ACORN: A Summary of Recent Accomplishments

May 2009

ACORN, the Association of Community Organizations for Reform Now, is one of the nation's largest and most successful community organization of lower income families. Since 1970 ACORN has been building solidly rooted and powerful community organizations that are committed to social and economic justice, and have taken action and won victories on thousands of issues of concern to our members. Our priorities include living wages for low income workers; an end to predatory financial practices and foreclosures; decent and affordable housing, for first time homebuyers and tenants; public schools that work for all students; voting rights, and full participation in our electoral system; a path to citizenship for new immigrants to this country; and an equitable response to natural disasters such as Katrina. ACORN achieves these goals by building community organizations that have the power to win changes – through direct action, negotiation, legislation, and voter participation.

The following report describes some of ACORN's major accomplishments in these areas over the past decade. In addition, every day local ACORN chapters are taking action and winning on issues as diverse as getting traffic lights at dangerous intersections, increasing police protection in their neighborhoods, and forcing landlords to make necessary repairs. These activities are the building blocks that help the organization recruit new members, teach the skills of public engagement, and build the power that allows ACORN to take action and win on the critical issues that face our constituency:

More Income for Poor Americans: In 2003 ACORN initiated and led a successful 2004 statewide ballot initiative campaign in Florida that increased the minimum wage and, most critically, indexed it to inflation, winning in every Florida county and garnering more votes than President Bush. This overwhelming success propelled a multi-state minimum wage ballot initiative movement in 2006 that raised the minimum wage in 6 more states. ACORN initiated and helped lead these campaigns in OH, AZ, CO, and MO. This helped make raising the minimum wage a major part of the narrative of the 2006 Congressional elections, which in turn led to the first national increase in the minimum wage in 10 years as the lead element of Pelosi & Reid's First Hundred Days. ACORN also played in leading role in raising the minimum wage through state legislatures over the past five years, including in NY, CA, MI, PA, MA, NC, and AR. Before that ACORN acted as the organizer or technical advisor for dozens of living wage campaigns at the city level across the country. Starting in 1995, these campaigns helped build the alliances that have led to, for example, labor-community partnerships and the statewide minimum wage ballot initiatives, while eventually leading to over 150 living wage ordinances in the United States. Robert Kuttner called the living wage movement, “the most interesting (and underreported) grassroots enterprise to emerge since the civil rights movement ... signaling a resurgence of local activism around pocketbook issues.”

ACORN has also led efforts to create state-level Earned Income Tax Credits in numerous states. In 2008, Washington ACORN led a successful campaign to create the state's “Working Families

Credit”, the first EITC match in a state without an income tax. (In a related measure, CT ACORN is very close to winning final legislative passage of the nation’s first statewide paid sick days bill – although it is likely that Connecticut’s Republican Governor will exercise her veto, killing the bill for this year.)

Taking on the Predatory Lenders: Through its campaigns against lenders, ACORN helped homeowners save \$6.2 billion in fees and interest. ACORN targeted Ameriquest, The Money Store, NationsCredit, SkyCorp, New Century, Wells Fargo, First Franklin, and many others, with our biggest wins against Citifinancial and Household Beneficial. In 2001, Citigroup agreed to stop selling single-premium credit insurance in response to pressure by ACORN and others. Citifinancial later agreed to cap points and fees at 3% for loans made through its branches and to limit prepayment penalties. ACORN also waged a multi-year campaign from 1999-2002 to win reforms from Household, through protests, shareholder resolutions, and pushing regulators to hold Household accountable for its predatory practices. ACORN filed a class action lawsuit on behalf of aggrieved Household borrowers, and we were joined in litigation by numerous state attorneys general. Household eventually settled with both parties, agreeing to some reforms and to pay out \$484 million in an agreement with all 50 state attorneys general. At the time this was the largest consumer rights settlement in American history. In settling with ACORN, Household agreed to further changes in practice, and an additional \$150 million for borrowers, which funds the Foreclosure Avoidance Program.

Legislating Against Predatory Lending: ACORN recognized the threat of predatory lending in our low-income communities early on. In 2001, ACORN initiated city-wide predatory lending campaigns that succeeded in passing ordinances outlawing predatory practices in Philadelphia, Oakland, New York City, and Los Angeles. We also helped, working with others, pass a hugely important predatory lending bill in California, at the time the second strongest bill in the nation. Despite rampant federal preemption of state consumer protections, ACORN kept at it, passing landmark predatory lending bills in Illinois and Minnesota in 2006. By 2008, ACORN (again working with coalitions) had passed further predatory lending legislation in Connecticut, New York State, Florida, Maryland, Massachusetts, and Washington.

In a related campaign, in 2005 Texas ACORN won passage of a law which created protections for home buyers purchasing property with Contract for Deed agreements. Unscrupulous actors in the real estate industry have widely abused this sort of contract, taking advantage of unsuspecting homebuyers by never allowing a buyer to complete the contract, and then evicting them from the property after years of paying the investor and making repairs to the home. Under this law, the purchaser has new rights which essentially force the seller to transfer title to the buyer immediately. As a result of this campaign, the use of such contracts in Texas has decreased dramatically and hundreds of ACORN members and other low income families now hold legal title to their homes.

Passing Laws to Stop Foreclosures: With the full-blown onset of the foreclosure crisis fueled by the reckless lending ACORN warned against (see “The Impending Rake Shock” from June 2006 at http://www.acorn.org/fileadmin/HMDA/2006/Rate_Shock_Report.pdf) our eyes turned to improving the foreclosure process to prevent unnecessary foreclosures. Perhaps most notably, the Foreclosure Diversion Program we have pioneered in Philadelphia is now a national

model, with numerous states and other jurisdictions looking to mimic its successes, in which 78% of owner-occupants who enter the program remain in their homes. ACORN also pushed successful state legislation like California's SB 1167 which created fairness for tenants impacted by foreclosure, set minimum code standards for foreclosed properties, and instituted new notice requirements. An ACORN-sponsored bill in MN outlawed foreclosure rescue scams. In Connecticut, ACORN passed a bill to give homeowners the right to a face-to-face mediation session, in Maryland we extended the foreclosure process from 15 to 105 days, and in Colorado we passed legislation in 2009 that slows its foreclosure process and institutes fair notice requirements.

Preserving and Creating Affordable Housing: Many ACORN campaigns have succeeded in preserving and creating affordable housing. Recent examples from CA and NY demonstrate the range of these efforts: In 2003, CA ACORN wrote and led a campaign to pass a bill to help renters combat severe slum housing conditions. Among other provisions, this law blocks rent increases or evictions for non-payment of rent when landlord has failed to address substantial habitability problems with the unit. Also earlier this decade, ACORN was the major community-based organization helping to lead the Housing LA Coalition, which was successful in getting the City of Los Angeles to create an affordable housing trust fund, whose funds are used primarily for the development of affordable housing for home ownership. Several years since its inception it has been funded at the level of \$100 million. And earlier this year in Oakland, ACORN led a campaign to establish the Oakland Community Land Trust, which has city funding to acquire vacant foreclosed homes, rehab them, and create a pool of permanently affordable housing in several low-income communities of Oakland.

In just the last four years in New York, NY ACORN has run a series of campaigns that a) won a binding commitment that half of the 6000 units of housing built in downtown Brooklyn as part of a major new development would be reserved as affordable units for low and moderate income renters and owners; b) won inclusionary zoning commitments in connection with three major residential rezonings that require that 35% of what otherwise would have been 15-20,000 units of market-rate housing be reserved for low and moderate income families; c) prevented the largest rent-stabilized apartment complex in the country, Starrett City with over 5,000 apartments, from being sold to developers who would have eliminated rent protections, and won new state regulations that would prevent such conversions from ever happening again; and d) passed a city law that prohibits landlords from discriminating against Section 8 recipients.

Bringing New Voters Into Elections: ACORN's non-partisan voter registration drives have successfully helped build an American electorate that is beginning to look more like America — with more African Americans, Latinos and young people voting in 2008 than ever before. ACORN has collected and submitted nearly 3 million voter registration applications since 2003: 1.152 million in 2003-4, 540,000 in 2006, and close to 1.3 million in 2007-8. Based on our knowledge of voter registration drives, we estimate that 70%—more than 2 million—of these applications resulted in a successfully registered new voter or a necessary address change to keep a voter on the rolls. Our best estimates indicate that ACORN's 2008 voter registration and GOTV work, combined with the continuing impact of ACORN's registration drives from 2003 through 2006, helped bring approximately one million voters to the polls last year.

In 2008, ACORN's Get Out the Vote and voter education programs made more than 470,000 contacts with voters, mostly African American and Latino infrequent voters, with strong programs in states including NC, OH, NM, and MN. ACORN also ran a successful Get Out the Vote program as part of the We Are America Alliance, targeting immigrant voters in CO, AZ, NM, FL, and WA. In 2004 ACORN's Get Out the Vote program made an estimated 2.3 million face to face contacts in low income and minority communities, and in 2006 made and well over a million voter contacts, speaking to a universe of 580,000 people one to three times.

Finally, ACORN's voter mobilization methodology has been scientifically tested – and it works! Yale Professor Donald Green and team conducted a controlled experiment to evaluate ACORN's person-to-person voter mobilization program and concluded: "ACORN's campaign ranks as the most successful voter mobilization experiment involving more than 1,000 voters. Among Latinos in the targeted precincts, voter turnout more than doubled when voters were mobilized by ACORN canvassers. This campaign illustrates the powerful effects of an intensive, personal approach to voter mobilization."

Promoting and Protecting the Right to Vote: ACORN has worked to improve enforcement of the NVRA's public agency voter registration requirements throughout the country. The greatest success to date has come in Missouri, where, after research by ACORN and Project Vote indicated that the state was failing to implement the NVRA, ACORN successfully sued Missouri to force the Department of Social Services (DSS) to live up to its obligation to help register low-income residents. As a direct result of that suit, more than 100,000 Missourians will register to vote at the DSS by the fall or winter of 2009.

Throughout the 2008 election season ACORN played a leading role in protecting voting rights: In New Mexico, ACORN joined the ACLU and other partners and filed suit to stop partisan operatives from intimidating minority voters in direct violation of the Voting Rights Act. In Pennsylvania, the Commonwealth Court in Harrisburg ruled in favor of ACORN, denying the GOP's attempt to stop ACORN's voter mobilization in the state. And ACORN played a part in other 2008 voting rights victories in AZ, FL, GA, MD, MO, and OH, which blocked voter caging schemes or otherwise protected the right of all citizens to register and vote.

Rebuilding After Katrina: With a deeply rooted base of members in the Lower 9th Ward and other devastated parts of New Orleans, ACORN has played a leading role in the bricks and mortar rebuilding of the gulf coast and in the political advocacy to ensure the cause is not forgotten.. ACORN's "home clean-out" program gutted and cleaned over 6000 homes in lower income neighborhoods in New Orleans, providing a needed service to homeowners and sending a critical message in support of rebuilding. ACORN has led lobbying delegations with members of the Katrina diaspora on Capitol Hill, winning an additional \$19.8 billion in CDBG funding on top of the \$6.2 billion that the Bush Administration had said was enough. ACORN has also led community-based planning efforts, culminating in the "People's Plan for Rebuilding the 9th Ward", and advocating for a universal "Right to Return" for displaced families. In 2006, ACORN won passage of a referendum to stop eminent domain from being used to prevent redevelopment of flooded communities, and passage of a key city ordinance to create due process for homeowners seeking to rebuild. In late 2006, ACORN won a landmark legal victory on behalf of Katrina survivors when a federal judge ruled that FEMA must immediately resume providing housing benefits to an estimated 4,200 families who had been unfairly denied aid.

ACORN's work at the local and national level recently led to a federal decision to move Katrina housing assistance out of FEMA to HUD control.

Improving Schools in our Communities: Dozens of campaigns throughout the country have tackled low-performing schools in our communities. In Chicago, ACORN developed and won implementation of the unique Grow-Your-Own (GYO) program, which encourages nontraditional candidates from low-income communities to become teachers in their own neighborhood schools by providing them with mentoring and other support from community organizations. ACORN has worked to secure more than \$7.5 million in funding from the state for this program, which provides financial aid and loan forgiveness for candidates who will work in a hard-to-staff school upon completing the program. In New York, ACORN, working with other community groups, the teachers union, and the City Department of Education, helped develop a model Lead Teacher program, which places experienced teachers in low-performing schools to provide training and mentoring to newer teachers. NY ACORN also won a commitment for additional professional development for teachers in the 50 lowest performing middle schools in the city. And a NY ACORN-led coalition won billions of dollars in additional support for urban schools throughout the state as a result of a legislative campaign to implement a longstanding lawsuit on funding inequities. Finally, in 2000 ACORN convinced the Oakland school district to open a new school in an abandoned building in East Oakland. The ACORN Woodland School became the first "small school" in Oakland, and was (and still is) seen as a model for how small schools can increase student achievement. ACORN Woodland is a public school with significant school site control by a council made up of community representatives, parents, teachers, other school staff and the Principal.

Stopping RAL Rip-offs and Providing Free Tax Prep: ACORN has fought to end the predatory Refund Anticipation Loans that tax preparation companies foist upon clients, through both legislation to cap RAL interest rates at 36% and direct action against the 3 largest tax prep companies. Through negotiations, ACORN won agreements increasing disclosure and reducing abusive RAL sales tactics with H&R Block, Jackson Hewitt, and Liberty. To proactively offer an alternative to expensive tax preparation companies, ACORN Centers offer the nation's third-largest Volunteer Income Tax Assistance program, which in the last three years has helped over 152,000 tax filers claim over \$177 million in total refunds, including \$87.2 million in Earned Income Tax Credits.

Putting a Dollar Value on these Victories: In 2006, an independent consultant studied ACORN campaigns in the 10 years from 1995-2004, and attempted to determine the monetary impact of these victories. Her analysis, concluded that "a conservative estimate puts the total monetary value of ACORN victories for the last decade at \$15 billion, or an average of \$1.5 billion per year since 1995. In some instances, these are one-time gains, but in many cases – as with long-term systemic changes to lending practices and wage structures – benefits will accrue to homeowners, workers and their families for years to come". The full report is available at: http://www.acorn.org/fileadmin/Reports/ACORN_Wins_Report.pdf

A Note on Collaboration: In many of these campaigns, ACORN worked closely with critical allies, including other community organizations, research and public policy groups, labor unions, churches, and elected officials. Credit for these victories should be shared with our partners: social change is a joint venture, dependent on a dense infrastructure of progressive organizations. What makes ACORN unique, however, and a critical actor in these important campaigns, is the organization's base of low and moderate income members in cities throughout the country, and its ability to mobilize that base in a coordinated, strategic set of activities. ACORN often provided the "juice" that helped convince policymakers to enact these reforms.