

SUPPORTING CHILD WELL-BEING THROUGH ELIMINATING CHILDHOOD POVERTY

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WHY THIS MATTERS

Growing up in poverty is detrimental to a child's overall well-being, affecting virtually every area of their life. Compared to a child growing up in wealth, impoverished children have worse physical health outcomes, experience more mental health challenges, and achieve lower educational success. Also, economic instability increases the likelihood of addiction and incarceration. When we stop the cycle of intergenerational poverty, children have an increased opportunity to attend a post-secondary program, achieve higher incomes, live in stable housing, and have better quality and length of life.

WHAT THE RESEARCH SAYS¹

The effects of poverty in early childhood are especially damaging to physical and mental health. Structural barriers that prevent parents from investing in their child's well-being puts children at risk of:

- ▶ Behavior, emotional, and physical **health problems**
- ▶ Poor academic success and school **dropout**
- ▶ Exposure to **lead** in unsafe homes
- ▶ Engaging in **criminal activities**
- ▶ Unstable **housing**
- ▶ Chronic **stress**
- ▶ **Abuse and neglect**
- ▶ **Addiction**

Nationally raising the minimum wage to

\$15/HOUR

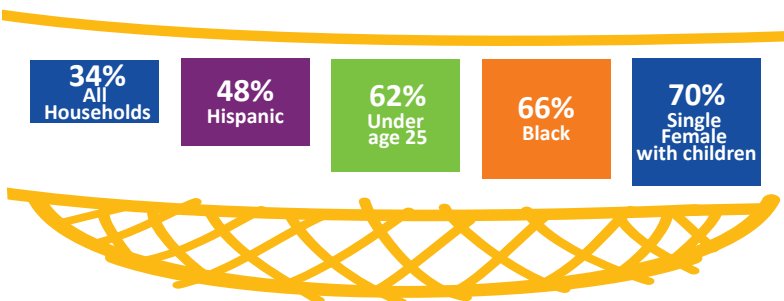
is estimated to move

1.3 MILLION FAMILIES OUT OF POVERTY by 2025.

To date, 29 states have raised the wage, with little negative impact on job growth.^{2,3}

WHAT'S HAPPENING IN WISCONSIN?

PERCENTAGE OF HOUSEHOLDS THAT DON'T HAVE ENOUGH INCOME TO MAKE ENDS MEET, BUT EARN TOO MUCH FOR SAFETY NET PROGRAMS⁵



Adults in households that are struggling often work as cashiers, nursing assistants, laborers, and security guards. Any change in expenses may push them into poverty.

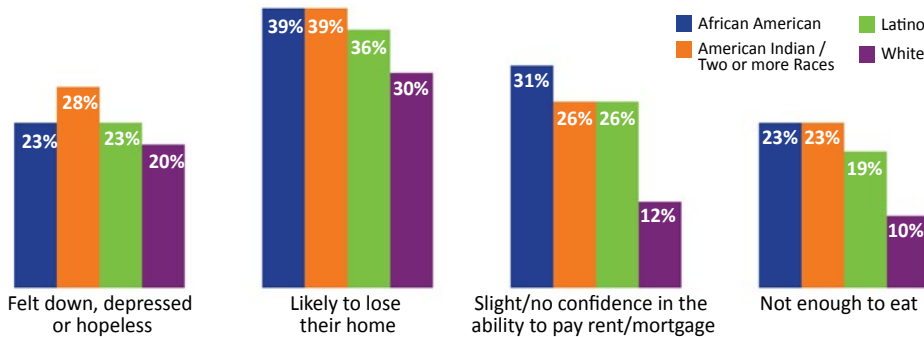
According to the Census Bureau measurement, the percentage of children living in poverty has decreased in Wisconsin over the last ten years. However, it doesn't take into account other pressures of household income. Safety net supports have not risen at the same pace as family expenses. When considering the cost of childcare, economic safety net programs, and tax burdens placed on low-income workers, the percentage of families living in poverty has been increasing since 2015.⁴



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COVID-19 AND FAMILY POVERTY

DISPARITIES IN RACIAL/ETHNIC GROUPS EXPERIENCING HOUSEHOLD CHALLENGES DUE TO COVID-19*⁶



Food insecurity and housing instability plague children in poverty, but the pandemic makes it more difficult for families to provide basic needs. Racial and ethnic groups experience the challenges associated with COVID-19 differently.

*The Household Pulse is a weekly federal experimental survey launched in April 2020 to measure the effects of the pandemic on American families.

WHAT WE CAN DO^{7,8}

➔ POLICY MAKERS:

- Use disaggregated data when making policy decisions to meet the needs of those who have the worst health outcomes.
- Modify policies tied to work and safety net programs such as child-care subsidies, raising the minimum wage and Earned Income Tax Credits, and investing in housing assistance programs.
- Adopt a nonrefundable credit equal to 50% of the federal credit for child and dependent care expenses.

➔ PARENTS:

- Encourage and support children to complete high school and avoid risk factors for poverty.
- Find out if you qualify for the Wisconsin Shares Child Care Subsidy Program to help with childcare expenses.

➔ SCHOOL:

- Teach children how to build strong relationship skills to ensure successful school and employment outcomes.
- Early in the school year, identify children who may need extra academic support to ensure high school completion.

➔ COMMUNITIES:

- Support the basic needs for children experiencing food insecurity and housing instability.
- Remove barriers to child-care and transportation so adults have access to more job opportunities.
- Recruit and support employers who pay living wages.
- Support housing stability by connecting people to the [Wisconsin Rental Assistance Program](#).

➔ The cost to society by investing in programs to reduce childhood poverty is significantly less than future healthcare expenditures.

REFERENCES:

¹ American Psychological Association. (2009, December 28). Effects of Poverty, Hunger and Homelessness on Children and Youth. Retrieved from: www.apa.org/pi/families/poverty

² Congressional Budget Office. Non-Partisan Analysis for the US Congress: Effects on Employment and Family Income of Increasing the Federal Minimum Wage. July 8, 2019. Retrieved from: <https://www.cbo.gov/publication/55410>

³ Wisconsin Budget Project, an Initiative of Kids Forward. Give Wisconsin a Raise. February 2021. Retrieved from: www.wisconsinbudgetproject.org/wp-content/uploads/2021/02/min_wage_15.pdf

⁴ Smeeding, T., Thornton, K., Wisconsin Poverty Report 2018. University of Wisconsin, Institute on Poverty Research. 2020. Retrieved from: <https://www.irp.wisc.edu/wp-content/uploads/2020/10/WI-PovertyReport2020-Summary.pdf>

⁵ United Way. ALICE in Wisconsin: A financial hardship study. 2020. Retrieved from: <https://www.unitedwaywi.org/page/ALICE>

⁶ The Annie E. Casey Foundation. 2020. Kids, Families and COVID-19. Baltimore, MD: Kids Count Policy Report. Population Reference Bureau's analysis of the U.S. Census Bureau's Household Pulse Survey (week 15 and week 16). Retrieved from: <https://www.aecf.org/resources/kids-families-and-covid-19/>

⁷ National Academies of Sciences, Engineering, and Medicine 2019. A Roadmap to Reducing Child Poverty. Washington, DC: The National Academies Press.

⁸ State of Wisconsin, Department of Administration, Bureau of Executive Budget and Finance. Budget in Brief. Feb. 2021(p. 22) Retrieved from: <https://doa.wi.gov/budget/SBO/2021-23%20Budget%20in%20Brief.pdf>