



Urgent Priority #4: The Hidden Developmental Threat of Unstable Housing

A safe, stable, affordable home provides more than just shelter: it is the emotional and social center of family life. The security and quality of a baby's earliest relationships and experiences, which their surroundings can acutely affect, molds young children's brain architecture. When babies have the security and predictability of safe places, they are better able to sleep, eat, crawl, play and develop bonds with caregivers.¹ When this central family place becomes unstable, overcrowded, unaffordable or threatened by unsafe neighborhood conditions, babies' rapid brain development is put at risk, leaving them susceptible to long-term developmental and health problems.²

State of Babies Yearbook data show a significant proportion of infants and toddlers live in housing conditions—particularly crowded housing—that pose a hidden threat to their early development that policymakers may not recognize. Living in crowded housing places infants and toddlers at risk for developmental and health consequences and, when coupled with poverty, early mortality. Housing costs create additional stress for families, associated with concerns about being able to afford other basic needs such as food, utilities, and safety. Racial disparities in access to adequate housing reflect the generations of segregation and racism in housing policy that continue to have major consequences for families of color. The nation’s history of racist policies such as redlining, in which discriminatory policies and practices prevented investments in neighborhoods with Black families and other families of color, have reinforced the unequal distribution of property ownership and wealth.

Despite understanding that the earliest years have the largest impact on long-term health and well-being, policymakers do not place enough national attention on the importance of housing for families with young children. Housing assistance remains woefully inadequate, and only one in four families eligible for rental assistance receive this support,³ which could help them provide the physical and psychological environment their babies need to thrive. During the pandemic, families felt some relief with the issuance of necessary emergency provisions like the eviction moratorium and expanded emergency rental assistance. These temporary supports kept more than 1 million people stably housed,⁴ but they have since expired, despite the fact that housing costs continue to skyrocket; this remains a major expense for most families with young children. Housing programs need to be expanded, with a special view to ensuring that families with young children are stably housed in recognition that housing is a crucial developmental support.

Neighborhood, Built Environment and Climate Change: Housing and neighborhoods play critical roles in creating a healthy living environment for babies and women and pregnant/birthing people. Even during the prenatal period, babies are exposed to environmental stressors and pollutants, which are exacerbated by climate change. Although fewer *Yearbook* indicators are related to this domain, indirectly connected health indicators (e.g., preventive medical visits) suggest some states have considerable work to do to ensure children are being screened for health hazards such as lead and air pollution. And basic need indicators (e.g., crowded housing) suggest quality, affordable, healthy housing options may not be available to many families with babies. With the record-breaking temperatures experienced during the summer of 2023, families have revealed to us that they are often forced to stay indoors, with marked impacts on the stress levels and emotional health of themselves and their babies and toddlers. Several have likened the experience of extreme heat to the isolation of COVID: they feel trapped, isolated from community and worried about keeping their children safe.

RAPID Survey data underscore parents’ concerns about climate change and the environment around their homes:

- 79 percent of parents of infants and toddlers expressed worry about climate change’s impact on their young children, including 88 percent of Latine parents.
- 57 percent of parents said their families had been exposed to an extreme weather event.
- One-third of parents reported experiencing abnormally warm weather, by far the most prevalent extreme weather event.
- Latine parents are the most worried about the environment in which their young children are growing up (70% of latine parents, compared to 55 percent overall).
- Parents with low income worry more about the environment (61 percent, compared with 51 percent of parents above low income).

FAMILY STORY

There are six people in our family, under our roof: mom, dad and four boys. We love to be outside hiking, exploring and going to the park and the beach. My three older boys watch out for and love to play with their smaller brother. The older boys love to play soccer, basketball and video games. Our youngest, barely 3 years old, loves the playground.

Twelve years ago, when I was pregnant with our second-oldest, we moved to an apartment in our city. The rent was affordable and it was close to family. I grew up a few streets away, riding bikes and playing basketball outside all summer with the other children in my neighborhood. I imagined that kind of childhood for my children too. But the last several years have been tough for our home and our neighborhood.

Our rent is cheap, but it means that the landlords do not feel they need to maintain the property. There is a crack in the tub where mold comes out if it is submerged. I cannot give my baby a bath. I've asked for two years for it to be fixed, but nothing ever gets fixed. There are pests everywhere, so I have to watch our little one closely inside. And even so, every year for the past five years, our rent has gone up \$100 a month.

Gangs have taken over our area. Last year, a few gang members—brothers—got shot down our block. One was 17 and the other one was 15. I watched them grow up. They lived close to us, and I worry about retaliation. Our children sleep just one wall away from people who might be dangerous to them. I have to teach them to be careful, that you can't trust people, that even when some kids are nice to you, it's because they will want something from you later on. Those brothers were such nice kids, but they got cruel quick. When I take our youngest to the playground, I have to keep an eye out. I watch for unfamiliar cars and wonder why they are slowing down as they pass. I feel terrible. I want my children, all of my children, to be able to be outside, to have a place to explore and play.

All babies and toddlers deserve somewhere safe and clean to live. We have tried to move, but rents are expensive and the security deposits are impossible when we live paycheck to paycheck. If we still had the enhanced Child Tax Credit, I could move my family to a safer area with that extra \$500 a month. I wish our policymakers knew that we need affordable housing. Our city's nickname is "The Caring City," but it sure seems like they don't care about families who earn low income—or our kids.

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Data Raise Concern About Housing and Early Development

The *Yearbook* shows that a concerning proportion of families with babies face housing challenges (most notably crowded housing), which create instability and hardship in the earliest years, with potentially negative long-term consequences for children's development and well-being.

Racial disparities are pronounced in data on adequacy of and worries about housing. Lacking a stable home creates greater risk of food insecurity and poor health outcomes, such as developmental delays, behavioral problems and difficulty maintaining a healthy weight.⁵ Housing concerns are closely linked to poverty and income, compounding the risks for developmental consequences and even early mortality.

Crowded Housing. Crowded housing is a critical issue for infants, toddlers and their families, with nearly one in seven babies (15.2 percent) nationally experiencing overcrowded housing. Living in overcrowded housing out of necessity due to a lack of affordable housing can create stress and have a profound impact on young children’s health and well-being. The stock of affordable housing is inadequate, and thousands of public housing units are lost each year to disrepair. Crowded housing due to the inability to secure safe and affordable housing has been associated with children’s health problems, including respiratory conditions, injuries and infectious diseases, as well as with children’s food insecurity.^{6, 7} In homes where families are crowded, parents may also have fewer opportunities to be adequately responsive to infants and toddlers, and they may be more likely to use punitive discipline.⁸ Most alarming, when children experience poverty and crowded housing, which can go hand in hand, there is an increased likelihood of early mortality.⁹

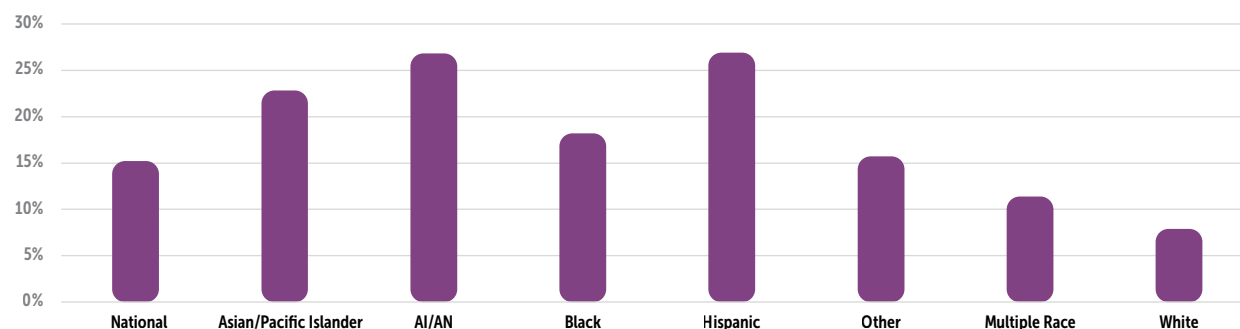
Crowded housing disproportionately affects families of color, with 26.9 percent of Hispanic and 26.8 percent of American Indian/Alaskan Native infants and toddlers living in crowded housing—nearly twice the rate of the national average of 15.2 percent. (See Figure 4-1). It is important to note that this *Yearbook* indicator

refers specifically to overcrowding out of necessity, rather than multiple generations of a family living together as a cultural choice and with adequate space (which can promote cultural well-being and safety).

Unsafe Neighborhoods. Housing and neighborhoods play critical roles in creating a healthy living environment for babies and pregnant people. A family’s neighborhood determines the opportunities available to them, including proximity to grocery stores, libraries, schools, child care options, doctors’ offices and other services vital to a family’s well-being. Families are deeply influenced by the broader communities in which they live, and unsafe neighborhoods are a significant source of stress for families. Living in unsafe neighborhoods is associated with higher rates of infant mortality, low birth weight, child abuse and neglect, and poor motor and social development among young children.¹⁰ Further, parents living in unsafe neighborhoods may restrict children’s opportunities for outdoor play out of concern for their safety.¹¹

While, nationally, a relatively low percentage of parents with babies report living in unsafe neighborhoods (5 percent), disparities by race and ethnicity are evident, with 6.9 percent of Black families and 7.2 percent of Latine/Hispanic families reporting living in unsafe neighborhoods. Among families with low income, 7.5 percent report living in unsafe neighborhoods—more than twice the rate of families above low income (3.3 percent). RAPID Survey data show that about one-third of parents with income below the poverty threshold report neighborhood concerns such as trash, poorly maintained housing, a lack of parks and neighborhood crime, compared with one-fifth or less of parents with income above poverty

INFANTS AND TODDLERS IN CROWDED HOUSING BY RACE AND ETHNICITY Figure 4-1



level. Families in poverty are also more likely to have concerns about air and water quality, with approximately one in four citing these issues

compared with about one in seven families living above poverty level.

Recent Housing Challenges

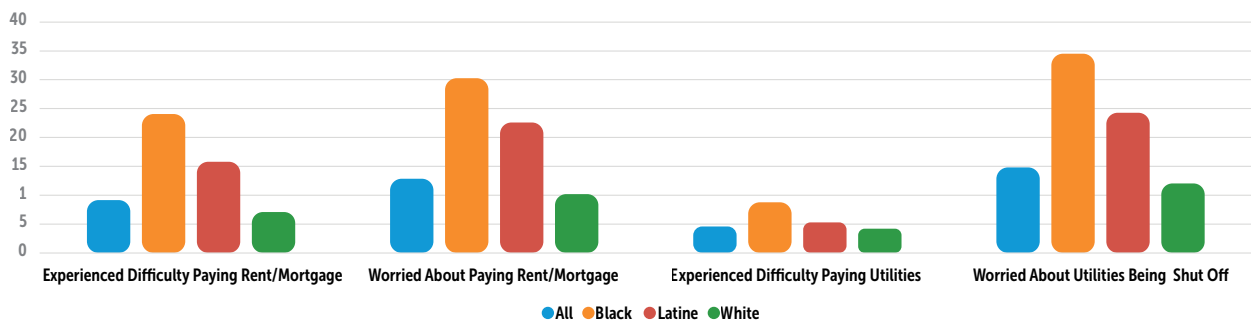
Rapid survey data show Black and Latine in particular, feel the pinch of housing costs (see Figure 4-2). Nationally, 9 percent of families reported difficulty paying their rent or mortgage, while 24 percent of Black families and 16 percent of Latine families reported difficulty meeting these expenses. But families' *worries* about whether they can meet housing and utility costs loom larger and thus are a considerable source of family stress. Nationally, 13 percent of families said they worry about paying their rent or mortgage, while 15 percent said they worry that their utilities will be cut off. Comparatively, 30 percent of Black families and 23 percent of Latine families said they worry about their housing costs. While relatively few Black or Latine families reported actually having problems paying their utility bills, a much higher percentage of these families reported worrying

about the status of their utilities (35 percent of Black families and 24 percent of Latine families).

Racial and ethnic disparities in housing and neighborhood safety demonstrate the major consequences of generations of segregation and racism, especially in housing policy for families of color. Our nation's history of systemic racism illustrated by policies such as redlining reinforce the unequal distribution of property ownership and wealth. One study found that Black residents are less likely to own homes, and when they do successfully obtain a home, it is often devalued.¹² This devaluation includes discrimination in individual appraisals, and homes located in majority-Black neighborhoods that have been chronically undervalued, exacerbating the racial wealth gap.¹³

EXPERIENCES AND WORRIES ABOUT HOUSING-RELATED HARDSHIPS BY RACE AND ETHNICITY

Figure 4-2



The Link Between Poverty and Housing Challenges

Maintaining secure housing is often a family's largest monthly expense, with extremely low-income households "hyper-allocating" spending on housing,¹⁴ meaning they spend more than 50% of their income on housing. Households with children are even more likely to be cost-burdened by housing than single individuals and couples without children.¹⁵ A growing number of families with young children, particularly those with low and moderate incomes, struggle to afford adequate housing despite working multiple jobs. *Yearbook* data show that 35 percent of babies in poverty have at least one parent working full time, further complicating the relationship between housing and income.

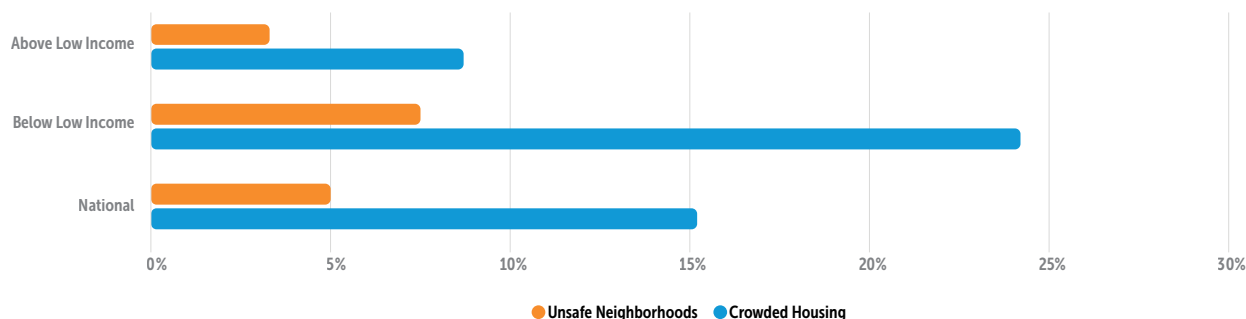
Nearly one in five babies lives in poverty (18.6 percent) while 78 percent of babies live below 150 percent of their state's median income. As noted above, *Yearbook* data show that infants and toddlers living in families with low income

(24.2 percent) are significantly more likely to live in crowded housing than babies in families above low income (8.7 percent). *Yearbook* data also reveal that 7.5 percent of parents in families with low income reported living in unsafe neighborhoods, nearly twice the rate of parents above low income (3.3 percent). (See Figure 4-3).

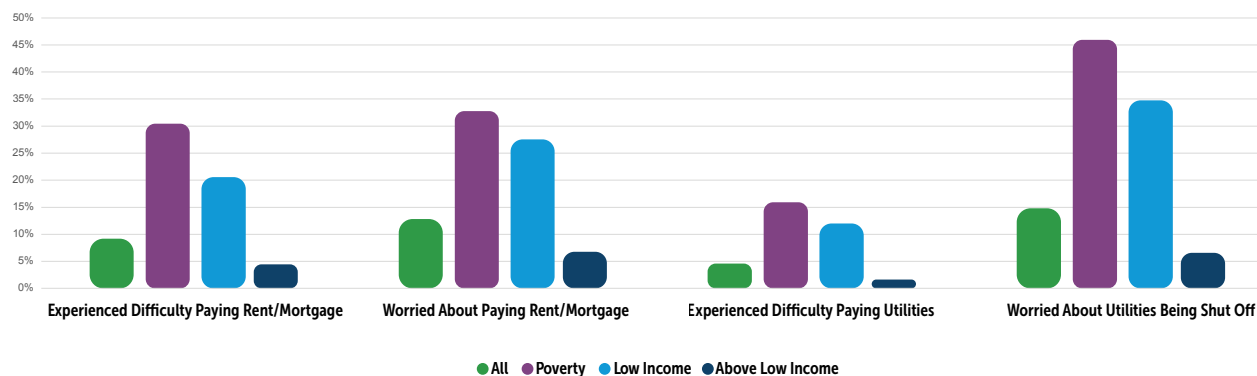
RAPID Survey data reflected a similar pattern, with 30 percent of families in poverty and 21 percent of families with low income reporting difficulty paying their rent or mortgage. And while 16 percent of families in poverty reported difficulty paying for their utilities, close to one-half (46 percent) expressed worrying about having their utilities shut off. (See Figure 4-4).

Crossover between poverty and housing is especially concerning given that one in four postpartum people experience poverty the month after giving birth.¹⁶ Increased cash assistance for

ADVERSE HOUSING EXPERIENCES BY INCOME Figure 4-3



EXPERIENCES & WORRIES ABOUT HOUSING-RELATED HARDSHIPS BY INCOME Figure 4-4



families can provide financial relief from housing costs. Housing accounted for the largest use of the expanded federal Child Tax Credit (CTC) made available through the American Rescue Plan Act (ARPA),¹⁷ but with that version of the CTC expiring in 2022, families are no longer receiving the expanded level of benefits that were so helpful in meeting their basic needs. Cash assistance provided through the Temporary Assistance for Needy Families (TANF) program can be used for basic needs such as housing costs, but this benefit only reaches a small percentage (19 percent) of

families with infants and toddlers living in poverty, according to *Yearbook* data. Direct assistance in paying for housing could alleviate the conditions that threaten to undermine the development of many infants and toddlers, yet not enough federal housing supports are targeted at families with children. An alarming 75 percent of low-income renters who are caring for a child at home and are in need of federal rental assistance do not receive such support.¹⁸

Housing and the Child Welfare System

Living in poverty or being unstably housed does not go hand in hand with child abuse or neglect, but studies have shown that housing challenges are common among families involved in the child welfare system and can become a barrier to the reunification of children who have been placed in out-of-home care. Research has shown that families experiencing homelessness or those unstably housed, as well as families experiencing poverty, are more likely to be involved with the child welfare system.¹⁹ This might be true for a variety of reasons. Families can come to the attention of child protective services because their homelessness or housing conditions pose a risk to the health and safety of their children.

While some states include a poverty exemption in their statutory definition of neglect, the circumstances under which experiencing homelessness or inadequate housing should be attributed to neglect versus poverty are not always well defined. Another connection between poverty and the child welfare system can be found when analyzing the increased surveillance of people living in poverty. For example, families living in poverty are more likely to come into contact with mandated reporters through over-policing and reliance on public supports.²⁰

Family stability, including maintaining safe and stable housing, is secured by having enough income to meet family needs. The underlying issue of inadequate or unstable housing as it relates to the child welfare system is one that requires multifaceted solutions. Housing assistance falls far short of this need, and thus

cannot reliably function as a preventive service or facilitate reunification.

The Family First Prevention Services Act (Family First) is one potential source that could help prevent families from entering the child welfare system due to housing challenges, but Family First does not currently allow use of funds for material needs such as housing or home appliances such as washing machines to avoid placement in foster care. The Safe Babies™ approach prioritizes addressing the root cause of families' entry into the child welfare system, with reliance on both a statewide coordinator and community coordinator to ensure that families are connected to necessary supports



such as mental health services, housing and other material needs. Employing a Safe Babies framework could enhance the use of Family First funds for both currently allowed services and any potential assistance such as material supports. This approach focuses on the whole family, understanding the interrelatedness of various needs, while using the community team to identify gaps in community services and strategies for filling any gaps. This type of approach could help communities work together to problem-solve in finding stable housing for families.

Homelessness

Although the *Yearbook* does not include an indicator of the number of infants and toddlers experiencing homelessness, a SchoolHouse Connection report on 20 states estimates that between 2020 and 2021, 311,961 infants and toddlers (3 percent of the infant-toddler population in those states) experienced homelessness.²¹ Experiencing homelessness can have a considerable impact on the well-being and development of a young child. Children who experience homelessness are more likely to suffer developmental delays and poor health. As with most traumatic occurrences a child endures, longer periods of experiencing homelessness are associated with more negative outcomes.²²

Many of the services to address infant well-being that are discussed in other sections of

this year's *State of Babies' Yearbook* (e.g., home visiting, locales for parent-child bonding as fostered by paid family leave and paid sick leave, and early developmental support) are difficult to provide to families facing homelessness.²³ Babies experiencing homelessness have difficulty accessing early care and learning services such as Early Head Start or child care.²⁴ However, when home visiting services are provided to families experiencing homelessness, children's social and emotional health and parents' parenting knowledge and comfort increase, suggesting that expanded and flexible home visiting services for families experiencing homelessness may help reduce some of the challenges their babies face.²⁵

Washington State's Child Welfare Housing Assistance Pilot Program

In May 2023, Washington State legislators passed Senate Bill 5256, making permanent and expanding the Child Welfare Housing Assistance Pilot Program.²⁶ The program provides services to eligible families with dependent children in foster care whose primary remaining barrier to reunification is a lack of appropriate housing. These services include housing vouchers, rental assistance, navigation and other supports.





Policies to Improve Families' Access to Stable Housing

Expand Federal Housing Programs

Increase investments in housing vouchers. The U.S. Department of Housing and Urban Development's largest rental assistance program—Housing Choice Vouchers, or tenant-based Section 8 housing—helps households with low income find housing.²⁷

Research shows that receiving a voucher can have benefits for children’s mental and physical health and their later educational success. Vouchers are also powerful in the way that they allow families to choose housing in the private market, including neighborhoods that best suit their needs and those of their children. Despite research pointing to the success of vouchers, the program does not serve a significant percentage of eligible households due to funding constraints. Further investment is required to fully realize the utility of this program.

Pass the Family Stability and Opportunity Vouchers Act. This program would create 250,000 new housing vouchers specifically targeted to families with young children living with low income and provide mobility-related services (including mobility counseling) to help families move to communities of their choice, including neighborhoods with high-performing schools and/or high-quality child care and early education programs.

Increase investments in public housing operation and repairs. Congress has disinvested in public housing for decades, resulting in a backlog of capital repair needs of up to \$70 billion. This is worrisome for families with young children, as nearly one-half of tenants living in public housing have at least one child residing in the home. Nearly three-quarters of households are considered very low income or extremely low income, making less than 50 percent of the area median income, with an average annual tenant income of about \$13,400.²⁸

Invest in rental assistance programs to prevent family evictions. The economic crisis of the pandemic increased eviction risks, but even before that time tenants with children were at greater risk of an eviction judgment, and neighborhoods with more children experienced more evictions.²⁹ Emergency housing funds could prevent the disruptions in a young child’s life created by losing stable housing. Enacted during COVID-19, Emergency Rental Assistance (ERA) reached the lowest-income and most marginalized



renters. The Treasury ERA program included an unprecedented amount of funding for emergency rental assistance to help renters stay stably housed. These emergency resources are being depleted, yet renters with low income continue to face high rents and increasing housing instability, with eviction filing rates reaching or surpassing pre-pandemic levels in many cities and states.³⁰ Greater access to short-term emergency funding could prevent families from experiencing homelessness and keep families together if their children are at risk of or in foster care placements.

Expand Other Supports to Assist Families with Stable Housing

Reinstate the enhanced, fully refundable Child Tax Credit (CTC). Congress allowed the enhanced CTC to expire in December 2021, including the boosted credit for young children and full refundability. Before it expired, the credit was lifting more than 3 million out of poverty every month, particularly assisting families with housing costs. Congress should restore the full value of the enhanced credit, dispensed through monthly

payments particularly helpful with housing costs and ensure that all families with children can benefit through full refundability and child eligibility. As was the case prior to the 2017 Tax Cuts and Jobs Act, the federal CTC should not exclude immigrant families who file taxes with Individual Taxpayer Identification Numbers (ITINs). States should continue the trend of adopting tax credits or other forms of allowances, including Baby Bonds, for young children.

Allow Family First Prevention Services Act programs to pay for basic needs. Given the developmental implications of child welfare involvement as discussed in Urgent Priority #2: Seizing the Opportunity to Promote Positive Infant and Early Childhood Mental Health on infant and early childhood mental health, using this source of prevention funding to keep families housed on a short-term basis and out of the child welfare system would be an impactful use of this unique funding stream. However, particularly when used for families already involved in the child welfare system, basic needs support may need to be accompanied by a holistic approach to an array of family services, such as that provided through Safe Babies.

Is Housing Health Care?

As the connection between housing and health becomes clearer, how can housing and health policy be more integrated? Action is demanded when so many babies are living in unstable housing, with a potentially detrimental impact on their early development and long-term health. One avenue would be a concerted effort to use Medicaid to help stabilize families with young children experiencing homelessness, including being doubled up with other families. Currently, Medicaid cannot be used to pay rent, and most efforts to use it for housing-related support services seem to focus on individual adults with disabilities and/or transitioning from institutions or homeless shelters.

States currently have flexibility to provide supportive services within proscribed bounds, including helping with one-time transition costs such as security deposits and essential household furnishings, assisting with housing searches and moving expenses, and providing individualized case management.³¹ Such services would be a boon for many families with young children struggling with navigating the housing market. California is pushing the federal government to go further and allow Medicaid to fund a transitional rent program of six months for people experiencing homelessness. Early health and developmental problems can lead to a lifetime of higher health and educational costs, estimated at \$110 billion over just 10 years.³² Packaging supportive services with transitional rent could go a long way toward ensuring that babies now in precarious housing situations have the security of place that helps them thrive—and likely save money in the long run.

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³² Poblacion, A., Bovell-Ammon, A., Sheward, R., Sandel, M., Ettinger de Cuba, S., Cutts, D. & Cook, J. (2017, July). *Stable homes make healthy families*. Children's HealthWatch. <https://childrenshealthwatch.org/stablehomeshealthyfamilies/>



Urgent Priority #5: The Economic Insecurity That Engulfs Many Babies

In the United States, poverty and disparities in access to resources along racial and ethnic lines are defining features of a baby's experience. Two million infants and toddlers in America—nearly one in five—currently live in poverty. Poverty and low income are not only the most striking demographic of babies in the United States, but also the greatest indicator of risk undermining their healthy development and the nation's future. Poverty literally gets under the skin, affecting biological systems as well as neural development, with implications for future health and success in school and in life.¹

The impact of past and present systemic racism is readily apparent in the intersectionality of race/ethnicity and income. Income inequality has grown out of a long history of systems of oppression and discriminatory practices that have limited individual liberties, access to resources and opportunity, and wealth building. *The State of Babies Yearbook* finds that two-thirds of Black and Native American babies and more than one-half of Hispanic babies live in families with low income. So many babies engulfed in poverty and economic insecurity calls for urgent policy action. Earlier sections of this report examine issues such as housing, child care, maternal health, and mental health, all of which are exacerbated by economic challenges. In short, these sections illustrate disparities by income and race in access to fundamental supports and services. Moreover, the stress from inadequate housing, food insecurity and even involvement with the child welfare system can negatively impact early development. Stress that becomes chronic and unrelenting can be toxic to the developing brain, leading to delays in cognitive, social-emotional, physical and language development.

But poverty is not destiny. Strong supportive relationships with close caregivers can buffer young children from its damaging effects. Public investments can supply needed resources to mitigate material hardship at the time of development when they matter most, and work toward the creation of solutions that reduce stress for parents and other caregivers.

The most effective solution is the simplest and most direct: give families an income boost they can spend on their families' needs. The recent evidence is clear—the vast majority will spend cash aid wisely. During the pandemic, Congress temporarily enhanced the Child Tax Credit (CTC) with impressive results, dramatically reducing child poverty and helping families meet basic needs—the area where they concentrated their spending.^{2,3} The American Rescue Plan raised the CTC to \$3,000 for older children and \$3,600 for young children and allowed families to receive the credit on a monthly basis. Congress also made the CTC fully refundable so that the lowest-income families were eligible to receive the maximum credit, precisely targeting the children who could most benefit from an income increase. These aspirational reforms lifted 2.9 million children out of poverty.⁴

Ultimately, the economic hardship experienced by so many babies has implications not only for their own development, but also for our country's long-term economic well-being, underscoring the urgency for policymakers to increase available income for families with young children when it matters most. The evidence discussed below points to prime strategies such as restoring the enhanced CTC, boosting the minimum wage and making the Temporary Assistance Program for Needy Families (TANF) a true cash backstop for those families most in need. Policies should also take innovative steps toward helping close the wealth gap for babies and guaranteeing paid leave with job protection for parents. As previous sections of this report demonstrate, economic security policies are fundamental to building strong families, promoting positive development and ensuring racial equity.



FAMILY STORY

When my husband's pizza business shut down during COVID, we moved to land we owned in a rural community in Arkansas with our two children and Belgian Malinois dogs. We love the culture, peacefulness and beauty of the Ozark Mountains. First-generation college graduates, Kurtis and I both work full time, making a modest income. Our older son has autism. Unable to find appropriate services for him, I am grateful for the flexible, family-friendly job that allows me to work from home as I homeschool my son and care for my toddler.

We want our children to have the same opportunities as those in higher-income brackets and urban areas. But despite our best efforts, we live paycheck to paycheck. We don't have financial support from our family, and we are trying to scratch our way out of poverty. We don't qualify for any assistance because we make slightly too much money, including child care assistance. The closest child care program is 40 minutes from our home. It would be incredibly expensive to drive Cypress to child care every day and also have to pay \$120 a week just to attend. As gas prices have risen, we have to plan for when and how often to drive into town. In addition, our grocery budget is super-tight every month. Having a son with autism who will only eat specific foods, we do not have many options to lower that cost.

The expanded Child Tax Credit (CTC) was a huge support to us. Without that support, we had to reassess our budget. My husband had to take on an extra job. He's been working six or sometimes seven days a week to help provide for our family. Even with him doing so, we're still struggling every month. We worry about surprise costs, like a necessary car repair or a health emergency. We are trying hard to make a better future for our kids, and the CTC helped make that possible.

We want to let Members of Congress know that babies thrive best when their caregivers can nurture their children instead of stressing over meeting their basic needs. The rising costs of housing, food and other basic necessities have placed a significant strain on families like mine. The expanded CTC relieved so much stress from our household, while allowing us to thrive and focus on our children's education and development. Our families need economic security to do what's best for their babies and to ensure the success of the youngest generation of Americans.

Brandy S.
Big Flat, Arkansas

State of Babies Yearbook

Data Underscore Racial Disparities in Economic Security

Infants, toddlers and young children are at the greatest risk of experiencing poverty and low income. Economic challenges often start at the beginning: one in four mothers experience poverty the month after giving birth.⁵ And these risks are not shared equally.



Black, Native American, and Hispanic infants and toddlers are much more likely to live in poverty (100 percent of Federal Poverty Level, or FPL) and with low income (200 percent FPL) compared with compared with the national average. (See Figure 5-1). As was clear during the pandemic, these families are more vulnerable to income loss. Real hardships, such as inadequate housing and

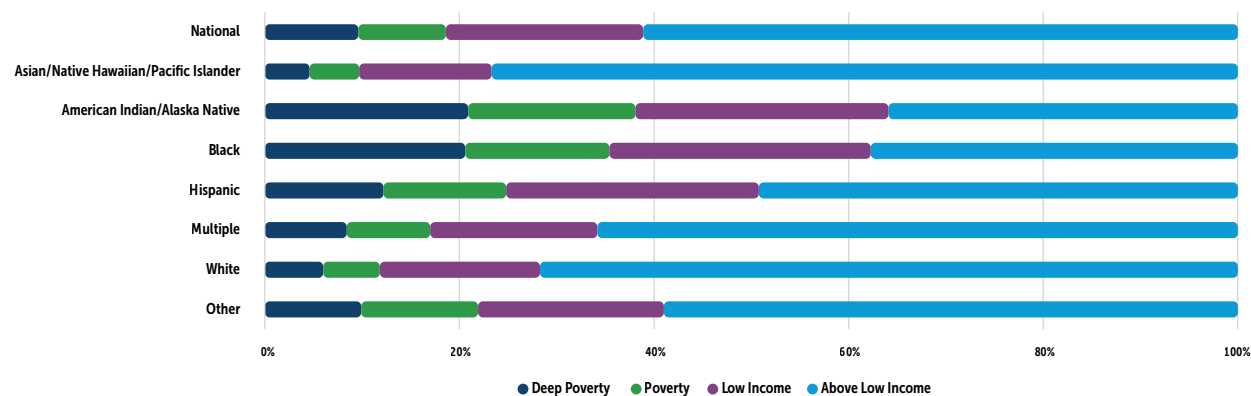
food insecurity, accompany economic insecurity, posing a risk to babies' rapidly developing brains. Families of color and those with low income are more likely to experience financial problems and strains paying for basic needs. Poverty has also become intertwined with child welfare involvement, as the lack of supports for families with few resources can lead to charges of neglect.

Disparities in Poverty and Income

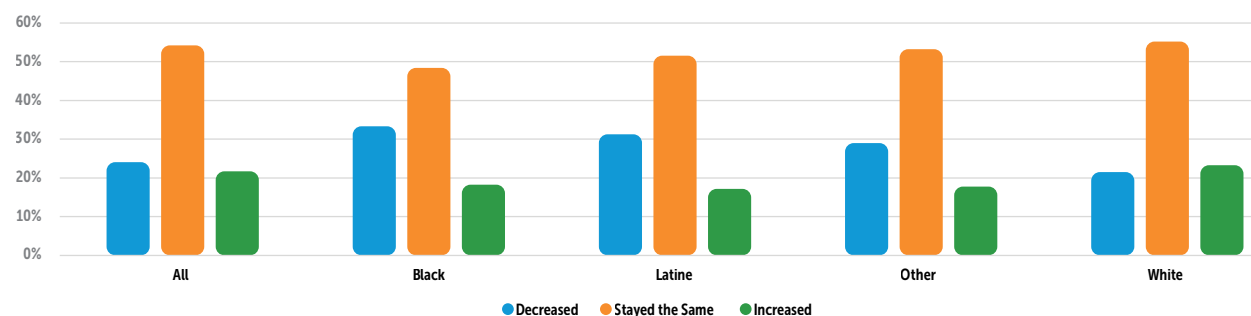
Yearbook data show that poverty and income are defining factors for the nation's babies. Nearly one in five infants and toddlers (18.6 percent) live in poverty, while one in ten (9.6 percent) live in deep poverty (defined as 50 percent below the federal poverty threshold). Poverty and low income disproportionately affect families of color, making economic insecurity the norm for many babies. This fact underscores the pernicious nature of systemic racism, as income inequality has grown

out of a long history of racial discrimination, in large part built on the legacy of slavery. The majority of Black (62.3 percent) and Native American (64.1 percent) infants and toddlers, and about one-half of Hispanic/Latine (50.8 percent) infants and toddlers, live in families with low income. Most startling, one-fifth of Black and Native American babies live in deep poverty. In 17 states, a fifth or more of Black infants and toddlers live in deep poverty.

BABIES BY FAMILY INCOME AND RACE AND ETHNICITY Figure 5-1



INCOME CHANGES BY RACE AND ETHNICITY Figure 5-2



Black and Latine families with babies, as well as all families with low income, remain the most vulnerable to economic shifts. They have been more likely to experience income decreases, as was true throughout the pandemic. RAPID Survey data for the past year show that Black and Latine families and families of other races were more likely to see an income decrease than an increase. White families were slightly more likely to see an income increase or have stable income. (See Figure 5-2). Reflecting their economic vulnerability, families with, families with low income and in poverty were much more likely to see an income decrease.

Low Income Affects Families' Experiences of Hardship

Families with low income often struggle to provide basic needs, particularly utilities, housing and food. The addition of a new family member, while a joyous occasion, can be riddled with difficulty given the added strain on previously set income, causing additional complications in meeting basic needs. For instance, half of renters with very low income spend more than half of their income on housing.¹⁰ Urgent Priority #4: The Hidden Developmental Threat of Unstable Housing, discussed in this report, illustrates this crisis, with *Yearbook* data showing that families with low income are more likely to live in crowded housing, an experience that can undermine development.

RAPID Survey data provides an extensive contemporary picture of the financial strain that families with babies have experienced in purchasing the basics for their children. More than one-third of Black (34 percent) and one-quarter of Latine (27 percent) families experienced major or extreme financial problems during 2022 and early 2023, as did almost one-half (45 percent) of families in poverty. These rates compare with 17 percent for all families participating in the survey. Families with low income and in poverty struggled the most to pay for basics like food, housing, medical care and heating, with 41 percent of families in poverty finding it hard or very hard to do so, compared with the average of all survey respondents at 15 percent. More than one-quarter of Black (28 percent) and Latine (27 percent) families found it hard or very hard to pay for the basics. (See Figure 5-3).

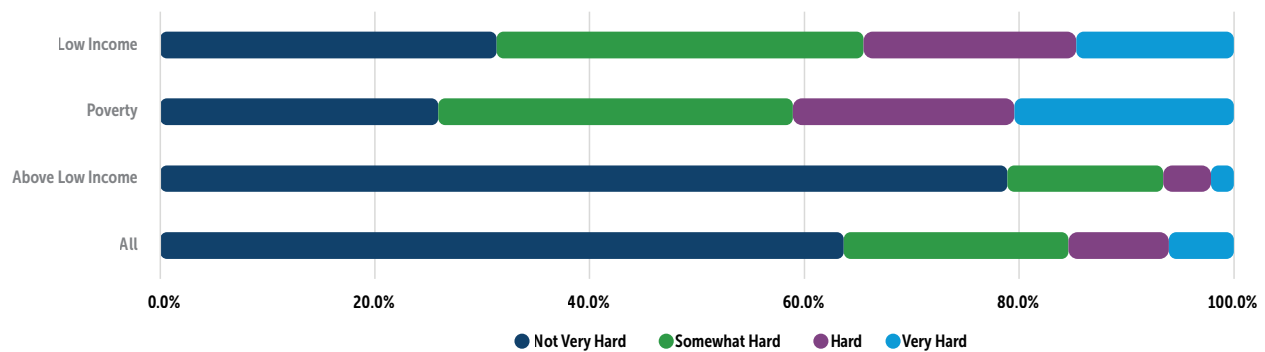
Impact of Poverty in the Early Years

Poverty experienced in the earliest years of children's lives has a greater impact on developmental trajectories than poverty experienced later in life. Early childhood poverty, especially absent the buffering effects of support from strong relationships with parents and other trusted caregivers, is associated with increased risk of toxic stress among young children (which can disrupt brain development) and increased long-term cognitive risks over the course of a child's life.⁶ These effects extend to the brain's physical structure. For example, one study found that poverty in early childhood and its associated chronic stressors decreased gray matter volume in the regions of the brain associated with school readiness and achievement by 8 to 9 percent below developmental norms.⁷ Longitudinal analyses have clearly illustrated that the negative impacts of early childhood poverty can persist well into adulthood, impacting educational attainment, later earnings, adult health, reliance on public benefits and even arrest rates.⁸

Early poverty in conjunction with adverse childhood experiences (ACEs) leads to more maladaptive child outcomes. *Yearbook* data show that 18.6 percent of babies have at least one ACE while 7.2 percent experience at least two ACEs, with higher rates for Black and Hispanic infants and toddlers and those in families with low income. Children who experience both poverty and higher levels of ACEs are more likely to suffer premature mortality or adverse adult outcomes. For instance, children who experience both poverty and parental mental illness are linked with higher rates of poor health in adulthood.⁹

Overall, paying for utilities was the most reported source of financial strain and the item that ranked first by far for families in poverty. Families with low income and in poverty also frequently reported

FINANCIAL STRAIN PAYING FOR BASICS BY POVERTY AND INCOME STATUS Figure 5-3

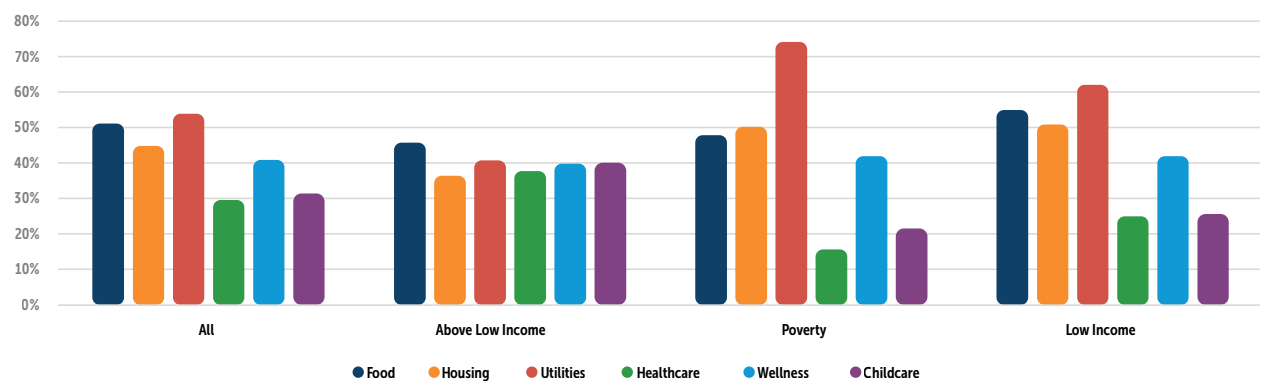


paying for food and housing as a source of strain. Black and Latine families were slightly more likely to cite utilities and housing as strains. Families of all races and ethnicities and across income levels cited food cost as a strain at somewhat similar levels, likely reflecting increased food costs from January 2022 through April 2023. Forty percent of families above low income cited child care as a financial strain, compared with 22 percent of families in poverty and 26 percent for families with low income (a figure that includes families in poverty). (See Figure 5-4). These differences could reflect a greater likelihood of families above low income using nonparental care (as discussed in Urgent Priority #3: A Commitment to Early Care and Education as a Public Good), as well as a lack of subsidies for families with moderate incomes but living above state eligibility levels.

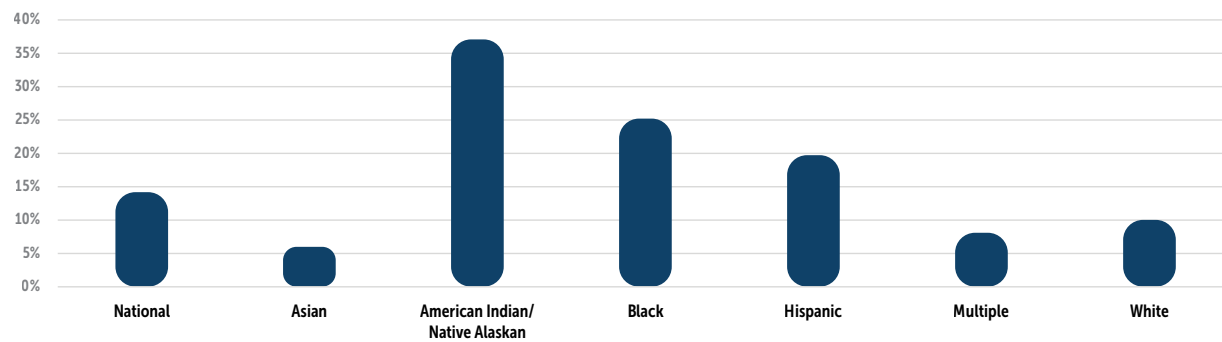
Poverty Affects Families' Ability to Provide Healthy Meals

While many families are feeling the pinch of higher food costs, actual food insecurity—where households lack sufficient nutritious food—is more prevalent among families of color and those with low income. Access to healthy and nutritious food is vital during the prenatal period and the first years of life to ensure that babies receive the nourishment they need for growth and development. A lack of sufficient nutritious food is associated with a number of serious health, behavior, and cognitive deficits in children. For infants and toddlers, even mild levels of food insecurity may result in developmental deficits during their sensitive period of rapid brain growth,¹¹ and infants who experience food insecurity are more likely to perform poorly on tests of cognitive development.¹²

SOURCES OF FINANCIAL STRAIN BY POVERTY AND INCOME STATUS Figure 5-4



HOUSEHOLDS WITH BABIES WITH HIGH OR VERY HIGH FOOD INSECURITY BY RACE/ETHNICITY Figure 5-5



The *Yearbook* shows that as many as one in six (15.9 percent) of the nation’s households with babies experienced food insecurity before and during the early part of the pandemic. Most alarming were food insecurity levels among Native American and Black households with infants and toddlers (37.1 percent, although small numbers mean caution in interpreting, and 25.2 percent, respectively), compared with the national average of 14.2 percent. Hispanic households were also above the average, at a rate of 19.7 percent, while White, Asian and multiple race households with babies experienced food insecurity at rates below the average (10 percent, 6 percent and 8.1 percent, respectively). (See Figure 5-5).

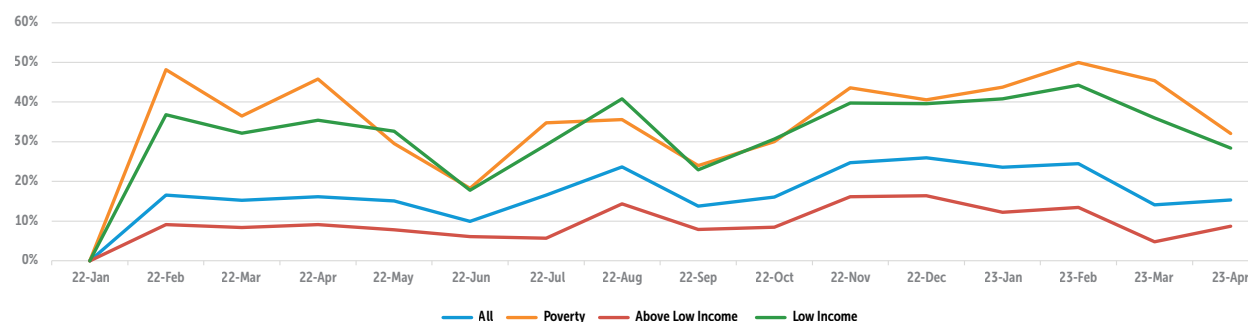
RAPID Survey data shows that families with infants and toddlers and with low income or in poverty experienced high food insecurity throughout 2022 and early 2023. These families were consistently well above both the survey average for high food insecurity and the rate reported by families with

higher incomes. On average, about one-quarter of families with low income (25 percent) and in poverty (26 percent) reported household food insecurity. (See Figure 5-6). Congress must be mindful of these high levels of food insecurity in addressing food programs in the upcoming reauthorization of the major farm and food support programs, including the Supplemental Nutrition Assistance Program.

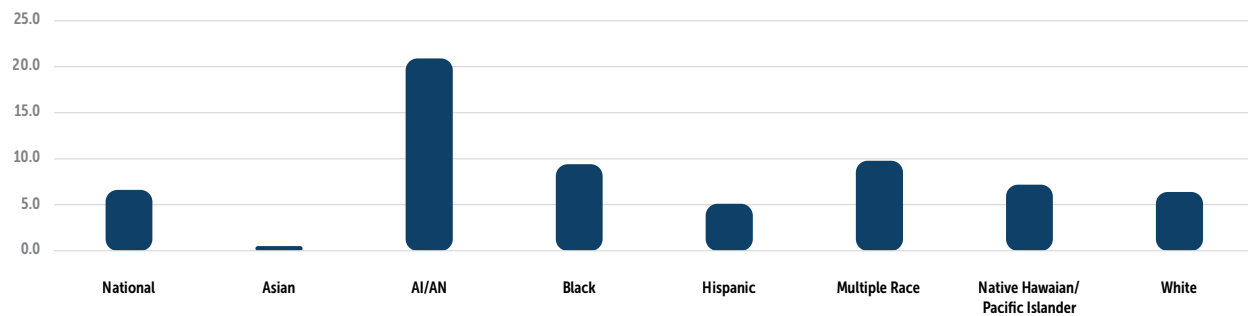
Child Welfare and Poverty

Poverty does not equal child neglect, although its accompanying hardships can create risks for neglect. Yet, living in poverty increases the risk for surveillance and involvement with the child welfare system (e.g., tripling the likelihood of substantiated maltreatment).¹³ As the *Yearbook* shows, babies of color are more likely to live in households below the poverty line. They are also disproportionately more likely to be investigated

HIGH FOOD INSECURITY TRENDS BY INCOME LEVEL Figure 5-6



INFANTS AND TODDLERS REMOVED FROM HOME & PLACED IN FOSTER CARE BY RACE AND ETHNICITY (PER 1,000 CHILDREN) Figure 5-7

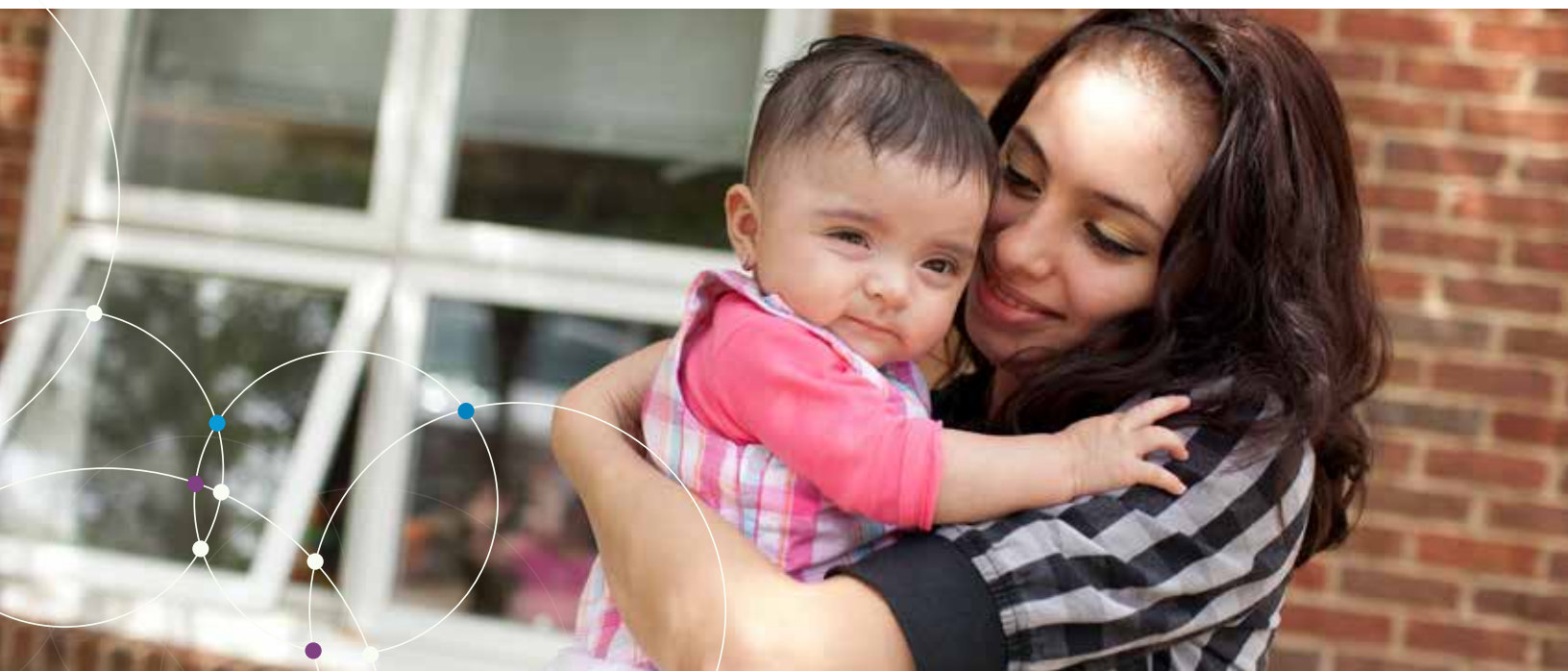


by Child Protective Services and to be placed in out-of-home care.¹⁴ American Indian/Alaska Native babies are removed from home and placed in foster care at more than three times the national rate (20.9 per 1,000 children compared with 6.6 per 1,000 children). (See Figure 5-7).

The relationship between poverty and neglect is complex: A family's inability to feed, clothe or house their children is often perceived as child neglect, even though this inability may be a result of the family experiencing poverty due to systemic factors. These needs certainly could be addressed through more concrete assistance, especially if support were available earlier. Often, the child welfare system conflates poverty and neglect, punishing families experiencing poverty

and thereby contributing to the high rates of child neglect cases and child welfare involvement for families experiencing poverty—and, therefore, for families of color.

For example, some states do not exempt financial inability to provide for a child from their definitions of maltreatment, which research has found contributes to the overrepresentation of babies of color being removed from their homes and placed in foster care.¹⁵ As discussed below, the Temporary Assistance for Needy Families program, which could help provide funds for families to meet basic needs, reaches very few families with babies in poverty, and many states transfer funds from the program to the child welfare system that may charge families with neglect.



Strategies to Increase Income and Wealth

The economic insecurity experienced by infants and toddlers in the United States—especially Black, Latine, American Indian/Alaska Native and Asian babies—has far-reaching implications for their success in life and, therefore, the country's future. The nation cannot eliminate disparities without equitable access to financial resources that help keep other hardships at bay and provide the opportunity for enriching experiences, including more time for parents to interact with their babies.



A range of strategies can help increase income and help families remain economically stable while attending to family responsibilities. Approaches to increasing cash income available to families include augmenting basic income from wages and making cash transfers available to families with young children to meet basic needs. Because of the significant wealth gap along racial

and ethnic lines, a baby-focused strategy to build wealth could help give more babies opportunities as they become young adults. Employment-related policies could also prove helpful, ensuring that employees do not lose earnings and that they maintain connection to their employment while attending to family needs, such as the birth or adoption of a child.

Increasing Basic Income and Generating Wealth

Increasing household income from wages and building generational wealth are key ways to address adverse outcomes related to poverty. Past and present systemic racism has contributed to income disparities through the overrepresentation of people of color in jobs paying low wages as well as in accruing wealth—the assets that enable families to have a cushion in times of need and to draw on for major purchases in life, such as education or homes.

Poverty among working families is both caused and exacerbated by an inadequate federal minimum wage that has failed to keep up with inflation, undermining the idea that increasing

work hours will lead to an adequate household income. The federal minimum wage was most recently increased in 2009 to \$7.25 an hour. And when adjusted for inflation, the value of the minimum wage reached a 66-year low in 2022, down 27 percent from 2009 and 40 percent from 1968.¹⁶

The *Yearbook* found that 35 percent of babies living below the poverty threshold had at least one parent working full time. Mothers in the low-wage workforce who are raising very young children (ages 3 and under) are especially economically vulnerable: one-third live in poverty, compared with about 12 percent of mothers with very young



children in the workforce overall.¹⁷ Simply raising the federal minimum wage to \$15 per hour would help low-wage working families, particularly mothers (who represent a quarter of those in the lowest-paying jobs in the U.S.¹⁸), exit poverty.

In addition to income gaps, “wealth gaps”—or a difference in family assets such as savings accounts or home equity—dramatically impact families, especially families of color. Historical and systemic racism has resulted in a higher concentration of people of color in low-paying jobs, affecting their ability to save. Further, policies such as “redlining,” which has kept people of color from certain neighborhoods, and discrimination in the valuation of homes owned by people of color have impacted families’ ability to accumulate wealth.¹⁹

The ability or inability to accumulate wealth has an intergenerational effect, as seen in the difference in ability to transfer even relatively modest amounts of money from one generation to the next. While 38 percent of White adults report receiving \$10,000 or more from a parent or other relative, only 14 percent of Black adults, 16 percent of Latine adults and 19 percent of Native American adults report such gifts and inheritances.²⁰ In 2019, the median Black family had approximately 13 percent of the wealth of the median White family (\$24,100 compared with \$188,200). For Latine families, the median wealth was \$36,100.²¹ Lack of wealth impacts families’ ability to access opportunities for their children as they grow, including enriching activities and higher education. It can also affect the ability to take unpaid family and medical leave, as families may lack reserves to tide them over and therefore miss out on meeting critical needs.

One solution to building wealth for babies as they grow is the institution of “baby bonds,” which would involve the state or federal government placing funds in an account to start a nest egg for infants that would grow into an asset they can use later in life. While not included in *Yearbook* indicators, Connecticut is the first state to implement baby bonds. California and Washington, DC have both passed baby bond proposals, with additional proposals currently pending in eight other states and at the federal level.

Augmenting Income with Cash Transfers

Cash aid is shown to increase families’ spending on children and help them meet material needs.²²

²³ Researchers involved in the Baby’s First Years study of how unconditional cash transfers support family and infant development during the first year of life have found that with higher cash transfers, parents spend more on child-specific goods and early learning activities for their infants.²⁴ Studies of child and family tax credits show similar spending patterns. Research further shows that cash transfers made available through the Earned Income Tax Credit and Child Tax Credit have helped lower family stress, improve mental health and even promote better birth outcomes.²⁵



As the primary federal program that can provide cash assistance to eligible families during times of need, Temporary Assistance for Needy Families (TANF) is potentially a valuable resource to help overcome economic hardships and even reduce maltreatment and placement in foster care.²⁶ Overall, however, states currently use a small proportion of TANF funding for cash payments, with a corresponding shallow reach in helping families in poverty. The *Yearbook* shows that just 19 percent of families with babies in poverty

receive TANF cash assistance. States set their own income thresholds, benefit levels and other implementation policies, leading to stark differences in the utilization rate of TANF for cash assistance across states. The *Yearbook* shows that three-quarters of states reach 22.2 percent or less of infants and toddlers in poverty, suggesting that they use the majority of their funds for other allowable purposes, including funding their child welfare systems. (See Text Box on TANF and Child Welfare.)

TANF and Child Welfare

TANF cash assistance could serve as a potential backstop to help support child well-being, as well as disrupt the intersection of poverty and the child welfare system. Yet, restrictive policies and flexibility in states' use of TANF funds may place more children in jeopardy of being considered neglected and becoming entangled in the child welfare system:

- Policies implemented to restrict access to TANF, such as loss of benefits due to sanctions and time limits of less than 60 months, increase child welfare involvement, including the number of foster care placements.²⁷
- Allocation of TANF funds to cash assistance and monthly assistance payments are lowest in states with a long history of policy choices that limit access to Black families,^{28, 29} which is particularly troubling when considering that one-fifth of all Black infants and toddlers live in deep poverty.
- Child Trends reported that only about one-fifth of TANF dollars spent in fiscal year 2020 were used to provide cash assistance for families, with the remaining amount supporting other activities such as child care, work supports, refundable tax credits and administrative activities.³⁰
- Sixteen states transfer more than 20 percent of their TANF funds to child welfare services, with three states dedicating more than 40 percent of TANF funds in this manner. Arizona transfers 67 percent of TANF funds to child welfare services,³¹ but *Yearbook* data shows that only 7.9 percent of families in poverty with babies in that state receive cash assistance.

The most common reason for families coming into contact with the child welfare system continues to be neglect,³² which is frequently defined as the failure of a parent or other person with responsibility for a child to provide needed food, clothing, shelter, medical care or supervision to the degree that the child's health, safety and well-being are threatened.³³ But rather than directing TANF funds to help families meet their basic needs, many states are implementing restrictive policies that hamper families' ability to meet their babies' basic needs or even using TANF to fund a system that penalizes families for not being able to do just that.

Using Tax Credits to Provide Child Allowances

Tax benefits like the Child Tax Credit (CTC) and the Earned Income Tax Credit (EITC) are perhaps the most powerful way to augment the disposable income of families with young children. Using this avenue is well-aligned with research showing positive impacts of increasing available income and can support improved short- and long-term outcomes for young children by enhancing their families' earnings during the critical early years. For example, policies such as the CTC are linked to increased spending on basic needs (e.g., housing and food) and higher spending on children. In fact, 54 percent of both Black and low-income families who received unconditional aid through this credit reported being able to meet all their basic household expenses with the funds.³⁴

The federal CTC currently provides eligible families with children up to age 17 up to \$2,000 a year, an amount that would need to be enhanced to have real impact. Due to the lack of full refundability, families with little to no income—those whose young children could benefit most—cannot claim the full value of the credit under current law or are not eligible at all. During the pandemic, Congress made temporary changes

to the CTC to enhance its value, allowing families to receive the credit monthly, and making the credit fully refundable so that the lowest-income families could receive the maximum credit. An analysis by the U.S. Census Bureau found that more than one-third of the nearly 3 million children lifted out of poverty with help from the CTC were under age 6, with Black and Hispanic children experiencing particularly large drops in poverty. When the enhanced CTC ended, RAPID Survey data show that families lapsed back into material hardship.³⁵

The federal EITC is a refundable credit available to families with incomes up to approximately \$63,000 per year (with three or more children) that helps supplement wages for low-income workers. Research has found that people supported by the EITC during childhood are less reliant on public assistance in adulthood and less likely to experience poverty.³⁶ An analysis by the Center on Budget and Policy Priorities found that the EITC lifted nearly 3 million children out of poverty in 2018 and lessened the impact of poverty for an additional 6 million children.³⁷

In addition to federal credits, many states offer a form of a CTC or EITC. The *State of Babies Yearbook: 2023* found that 13 states offered some form of CTC, up from just six states in the 2022



Yearbook. Further, 2023 *Yearbook* data reveal that more than half of states (32) currently offer an EITC, up from 31 in the 2022 *Yearbook*. State credits can supplement or enhance the value of federal credits, further boosting family income during the years of critical brain development and helping reach additional populations who fall through the cracks in the federal system.

Instituting Employment-Related Policies: Paid Leave

Paid family and medical leave (when long-term time off is needed) and paid sick days (for short-term health needs) help ensure that employees do not face economic instability when they must attend to family needs and responsibilities, or care for themselves. These protections are particularly important for families of color, who are more likely to work in jobs where such benefits are not offered, and who are less likely to have the financial reserves to take needed time off.

Paid family and medical leave replaces wages and provides job protection to enable employees to take time off for the birth or adoption of a child, prevent financial hardship and maintain connection with their employer. Research shows

the impact of this benefit on early development and maternal health. Maternal paid leave is associated with higher infant brain function at 3 months,³⁸ as well as with increased maternal and infant physical and mental well-being,³⁹ including reduced infant mortality. Research on California's paid family leave program illustrates how paid leave promotes equity, as the program has not only increased the amount of time off taken by all women, but also has resulted in parity in the number of weeks taken by Black and White mothers/birthing parents.⁴⁰ *Yearbook* data show that only 11 states and the District of Columbia have enacted paid family medical leave. Since the *Yearbook* data were gathered, Illinois, Maine and Minnesota also have enacted paid family medical leave, bringing the total to 15.

Paid sick leave guarantees a few days for employees to use when they have a short-term illness or must attend to the health needs of their children, such as treating brief illnesses or attending health-related visits. Paid sick day policies are associated with higher job stability,⁴¹ overall population health increases⁴² and better child health.^{43, 44} The *Yearbook* shows that only 14 states currently have policies providing paid sick days that include caring for a sick child.





Policies to Improve Economic Security

Economic security—or the lack of it—has a profound influence on babies’ early development. It affects the home and neighborhood in which they live, their access to quality health care, the food they eat, their early learning opportunities, the unhurried time they are able to spend with their parents and caregivers and the family stress levels that can erode the emotional security needed for all aspects of their development.

The proportion of infants and toddlers who lack these ingredients—who live with low income, in poverty or in deep poverty—should be a source of national shame. It’s not complicated: families want to give their children the basics (and more), and policies should take the most direct path to ensuring they can do just that by including key strategies for boosting income and building wealth. Policymakers at the national and state levels should do all they can to ensure the equity of opportunities that comes with financial resources.

Reinstate the Enhanced, Fully Refundable Child Tax Credit

Congress allowed the enhanced CTC to expire in December 2021, including the larger credit for young children and full refundability. While in effect, the credit was lifting more than 3 million children out of poverty every month. Congress should restore the full value of the enhanced credit (\$3,600 a year for children under age 6 and \$3,000 a year for children ages 6 and older); restore full refundability to ensure all families can benefit; and provide monthly installments. As was the case prior to the 2017 tax reform law, the federal CTC should not exclude immigrant families who file taxes with Individual Taxpayer Identification Numbers (ITINs).

Expand State Tax Credits

States should also move to enact their own CTCs and EITCs and take steps to enhance refundability and expand access to children of immigrant families.



States Implement Tax Measures for Families

Across the country, an increasing number of states are implementing legislative measures to enhance tax credits, with the goal of supporting families and mitigating poverty. For example, Maine is making its \$300 dependent exemption tax credit refundable and adjusted for inflation. New Mexico recently passed pivotal family economic security bills, including an income-based CTC increase of up to \$600 per child. Meanwhile, South Carolina commissioned a benefit-cost analysis for a refundable EITC that demonstrated a beneficial return on investment. Minnesota established a statewide CTC of \$1,750 per child in 2023. And Maryland took steps to permanently strengthen its CTC and state EITC, which advocates estimate could benefit more than 400,000 Maryland taxpayers, with the CTC alone estimated to lift 40,000 children out of poverty. These are just a few examples highlighting the growing recognition of the power of the CTC and EITC as effective tools in the fight against poverty.

Reform TANF to Direct More Cash Assistance to Families

TANF has the potential to help promote the well-being of young children most at risk for poverty’s adverse developmental impacts. To achieve this potential, Congress must reverse policies that have led to great inequities in access to support (especially for Black infants and toddlers), including allowing states to divert funds to pay for other government functions, and move to allocating funds according to children’s economic needs. Reforms oriented around child well-being include requiring states to spend a majority of their allocations on direct cash assistance, prioritizing assistance to families most in need and revising the formula to allocate funds according to states’ proportion of children in poverty.

Adopt Baby Bonds to Build Long-term Wealth for Young Children

States and Congress should establish policies that build long-term wealth for families with young children such as the adoption of “baby bonds,” which provide savings accounts at birth that can be used once a child reaches adulthood for such investments as education, homeownership or starting a business. Policies should prioritize increased resources for children in families with low income to help reverse wealth inequity that disproportionately impacts families of color.

Connecticut: First in Implementing Baby Bonds

On July 1, 2023 Connecticut became the first state in the nation to create trusts, or “baby bonds,” for children born in the state who live in families with low income.⁴⁵ Every baby enrolled in HUSKY—Connecticut’s Medicaid program—will have \$3,200 deposited into an account at the State Treasurer’s office, creating a trust for each child to help build wealth once they become adults. These children will be able to withdraw funds between the ages of 18 and 30 for specific uses, such as to attend college or buy a home—critical steps toward ending generational poverty. The baby bonds system is designed so that eligible babies are enrolled automatically, reducing any barriers to access.

Increase the Minimum Wage

Congress should raise the federal minimum wage to at least \$15 an hour, with adjustments for inflation. Absent Congressional action, states can and do set their own minimum wages higher than the federal level, and they should strive to do so at levels that ensure working families make a living wage—at least at \$15 per hour.^{46, 47}



Institute Paid Sick Leave and Paid Family Leave

Comprehensive paid family and medical leave promotes bonding between parents and babies and enables workers to care for their family members' short-term and extended health needs. To meet the needs of all families and their young children, Congress should enact a paid family and medical leave policy (such as the FAMILY Act) that is open and accessible to all working people, offers a meaningful length of leave, is affordable and cost-effective for workers and employers, is inclusive in its definition of "family" and offers protection from employer retaliation when employees exercise their right to take leave. In addition, Congress should enact legislation such as the Healthy Families Act to provide a minimum of seven sick days for employees for short-term illnesses, including caring for family members.

Expand Food and Housing Assistance

Food/nutrition and housing assistance can be critical in helping families meet basic needs and stretch tight cash budgets. The Supplemental Nutrition Assistance Program (SNAP) automatically expands during economic downturns to accommodate more families experiencing financial hardships. During the Great Recession, as well as the pandemic, Congress authorized more generous benefits, which can boost the program's impact for young children. As the first line of defense against food insecurity, SNAP must be strengthened and protected with enhanced benefit levels to reflect today's food prices. Simultaneously, access to affordable housing must be increased, as only one in four families who are eligible for rental assistance receive it. (Policies to expand access to affordable housing are discussed in more detail in Urgent Policy Priority #4 of the *Yearbook*.)



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