

CHILD POVERTY



THE STATE OF AMERICA'S CHILDREN® 2014

DEAR LORD
BE GOOD TO ME
THE SEA IS SO
WIDE AND
MY BOAT IS
SO SMALL



Children's Defense Fund

CHILD POVERTY

5.3 million

THE NUMBER OF CHILDREN LIFTED OUT OF POVERTY IN 2012 BY THE EARNED INCOME TAX CREDIT AND THE CHILD TAX CREDIT.

Despite great wealth, the U.S. has one of the highest rates of child poverty among industrialized countries. Poverty impairs all aspects of a child's development and can have lifelong detrimental consequences. Poor children are more likely to go hungry and are less likely to be read to during their early years. They are less likely to have health insurance and receive needed care. Poor children are more likely to start school behind their more affluent peers and less likely to graduate from high school. They are more likely to be poor as adults and become involved in the criminal justice system. Together these impacts cost the nation an estimated \$500 billion dollars yearly.¹

Child poverty, defined as an annual income below \$23,492 for a family of four (\$1,958 per month, \$452 per week), increased 36 percent from 2000 to 2010. Most of the increase came after the Great Recession.²

Three years after the official end of the recession, child poverty remained at record-high levels in 2012, with the youngest children most affected:³

- Children are the poorest age group in the nation. In 2012, children were 60 percent more likely to be poor than adults ages 18-64, and nearly two-and-a-half times more likely to be poor than seniors.
- Nearly 3 million more children were poor in 2012 than in 2007 before the recession began.
- Over 16 million children were poor in 2012 — more than 1 in 5 children. Over 40 percent of them lived in extreme poverty, at less than half the poverty level of \$11,746 a year for a family of four.
- The youngest children are the poorest: over 1 in 4 children under age 5 were poor — nearly 5 million. Almost half of them — 2.4 million — were extremely poor.

Employment does not guarantee an income above the poverty level:

- In 2012, more than two-thirds of poor children lived in families with at least one working family member.

The largest group of poor children is Hispanic (5.8 million) followed by White, non-Hispanic (5.2 million) and Black (4.1 million).⁴ Children of color are disproportionately poor, with the youngest children of color most at risk.

- Nearly 1 in 3 children of color was poor in 2012 — 11.2 million — and more than 1 in 3 children of color under age 5 were poor — 3.5 million.
- Black children were the poorest (39.6 percent) followed by American Indian/Native Alaskan children (36.8 percent) and Hispanic children (33.7 percent).
- Approximately 1 in 5 Black and 1 in 7 Hispanic children were living in extreme poverty in 2012, compared to more than 1 in 18 White, non-Hispanic children.
- Nearly half of Black children under age 5 and more than 1 in 3 Hispanic children the same age were poor.
- In six states (Kentucky, Michigan, Mississippi, Ohio, Oregon, and Wisconsin) half or more of Black children were poor. Nearly half the states had Black child poverty rates of 40 percent or more (see Table B-4).



For children the likelihood of being in a poor family was a lottery of geography in 2012:⁵

- The child poverty rate was more than twice as high in Mississippi, the state with the highest rate, than in North Dakota, the state with the lowest rate (*see Table B-2*).
- More than half of all poor children lived in just eight states: California, Florida, Georgia, Illinois, New York, North Carolina, Ohio and Texas.
- Twelve states (10 in the South) and the District of Columbia had a quarter or more poor children.
- The South was home to 42.1 percent of the nation's poor children, and had the highest child poverty rate at 24.2 percent.
- Child poverty rates were highest in cities (29.1 percent) followed by rural areas and small towns (26.7 percent). However, nearly 40 percent of the nation's poor children lived in suburbs.

Federal safety net programs and tax credits play a crucial role for poor families:⁶

- Nearly 9 million children were lifted out of poverty by the safety net and tax credits in 2012.
- The Earned Income Tax Credit (EITC) and the Child Tax Credit lifted 5.3 million children out of poverty.
- The Supplemental Nutrition Assistance Program (SNAP) lifted 2.2 million children out of poverty.
- One-and-a-half million children were lifted out of poverty by Social Security benefits.
- One million children were lifted out of poverty with the aid of housing subsidies.

Find additional data, including state data, in Poverty tables in Appendix.

We slept in the car. We had to, because we had no home.
 I slept in the back seat. My sister laid in the front. My mom laid in the front.
 Her head was back. My sister's head was on the side. I laid flat. . .
 We went to IHOP and we only got one pancake and we shared it.
 That was our breakfast.

— Jasmine, age 7