

Child Poverty Reduction in New York State



American Academy of Pediatrics

DEDICATED TO THE HEALTH OF ALL CHILDREN®



NYS AAP

The NYS AAP is a Coalition of AAP NY Chapters 1, 2 & 3



children's
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new york



Prevent Child Abuse
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The Education Trust—New York

TheChildren'sAgenda
Smart Choices. Bold Voices.

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Loris Toribio

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What is Child Poverty?

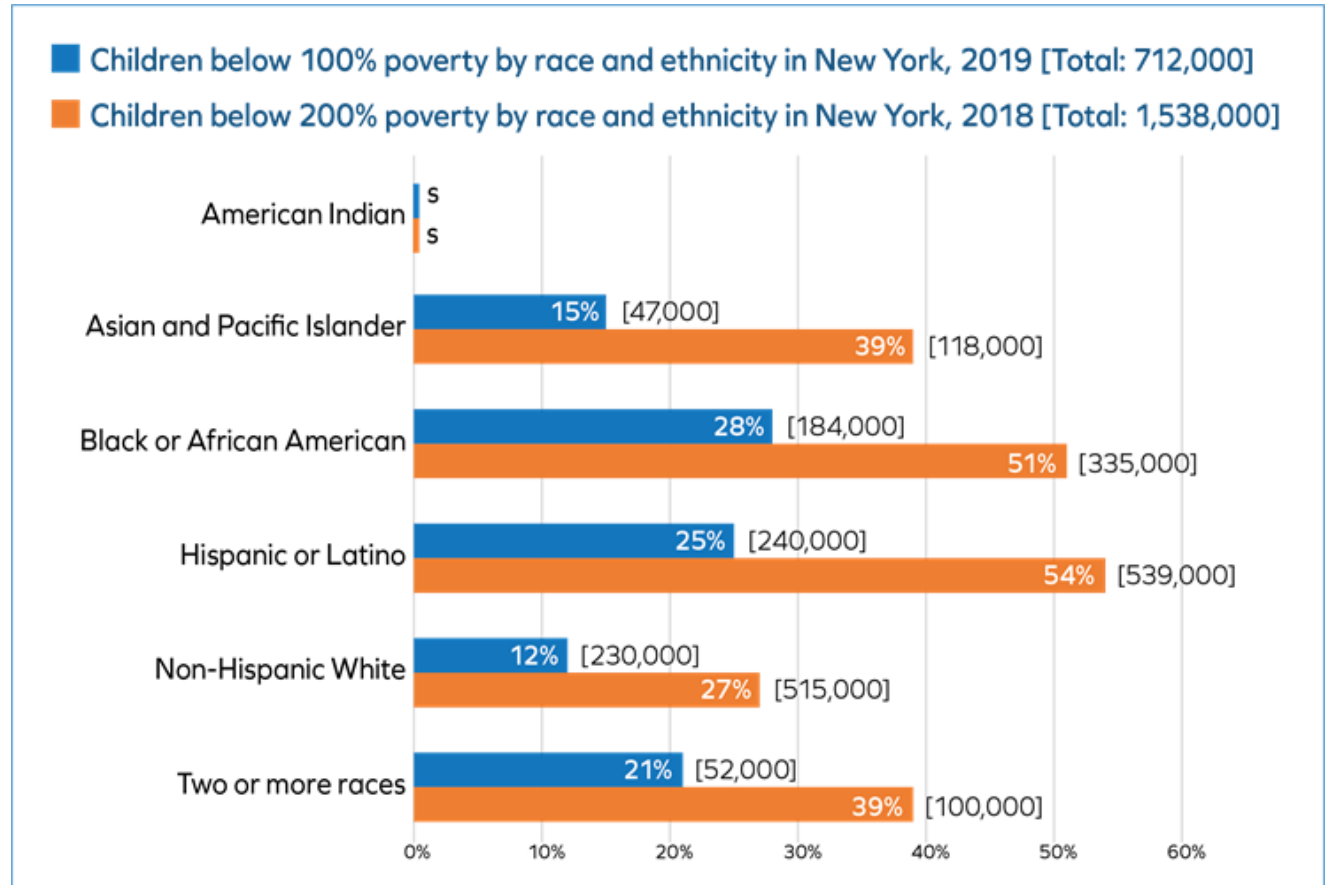
- Over [2 million New Yorkers](#), including [712,000 children](#), lived in poverty in 2019.
- New York children are more likely to live in poverty than in [32 other states](#), with 18% (nearly 1 in 5) experiencing poverty in 2019.
- In 2020, a family (2 adults, 2 children) fell below the [poverty threshold](#) if their annual income fell below \$26,246 (\$2,187/month).



New York State's Constitution says "The aid, care and support of the needy are public concerns and shall be provided by the state."

What is Child Poverty?

- The poverty rate approaches 1 in 3 among [children of color](#) and in [some communities](#).
- Due to structural and systemic racism, child poverty among New York State children of color [approaches 30%](#).
- Black or African American children are more than twice as likely to live in poverty than their Non-Hispanic White peers.
- Research shows that this unacceptable level of **child poverty costs New York over \$60 billion a year.**



The Impacts of Poverty

- **The younger the New York child, the more likely the child is to live in poverty.**
 - [Twenty percent](#) of New York children under the age of five live below the federal poverty level – a point in their development when they are most vulnerable to poverty’s devastating impacts.
 - Families with young children face poverty at [greater rates than other families](#) and the [birth of a child is the leading trigger](#) of “poverty spells” experienced by families.
 - Stress and hunger can impair brain development, which occurs most rapidly when children are very young, and lead to [lifelong deficits](#).
 - Strengthening family economic security benefits not only the current generation of children, but the next, because [poor children are much more likely to grow up to be poor adults](#).
-

The Impacts of Poverty

- **There is a relationship between poverty and poor health.**
 - [Children in poor families](#) are approximately four times as likely to be in poor or fair health as children in families with incomes at or above 400% of the federal poverty level.
 - Lower-income children experience higher rates of asthma, heart conditions, hearing problems, digestive disorders, and elevated blood lead levels.
 - **Income is strongly associated with [morbidity and mortality](#) across the income distribution.**
 - Income-related health disparities appear to be growing over time.
 - At the same time, poor health contributes to reduced income, creating a negative feedback loop sometimes referred to as the health-poverty trap.
 - **The [American Academy of Pediatrics reports](#) poverty is damaging to children's health.**
 - Children living in poverty are at a significant health disadvantage because of what being poor does to a variety of developing physiological systems.
 - Childhood poverty is associated with lifelong hardship and linked to multiple health problems that can be costly to treat and cause outcomes that can limit economic potential.
-

New York State

NEW YORK STATE OVERVIEW

4,028,299

NUMBER OF CHILDREN
UNDER AGE 18, 2019

21%

CHILDREN AS A
PERCENTAGE OF NEW YORK'S
POPULATION, 2019



1,127,001

NUMBER OF CHILDREN
UNDER AGE 5, 2019

36%

[1,474,000]



CHILDREN IN IMMIGRANT FAMILIES, 2018

New York State

More than one-third of New York children in 2019 lived in and just above poverty.



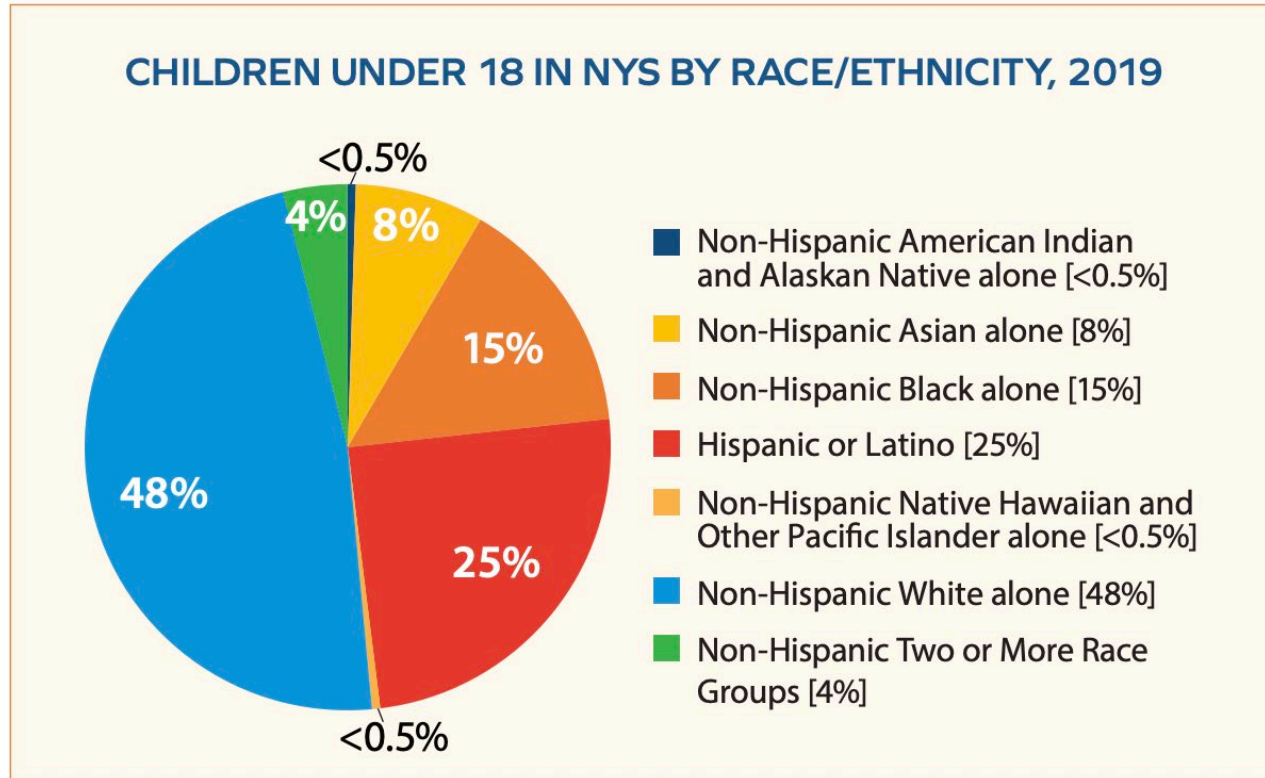
37% Children under 18 living below 200% of the Federal Poverty Level, 2019

Even in the midst of a strong pre-pandemic economy, 332,000 (8%) of New York children lived in extreme poverty.



8% Children under 18 in extreme poverty, below 50% of the Federal Poverty Level, 2019

New York State



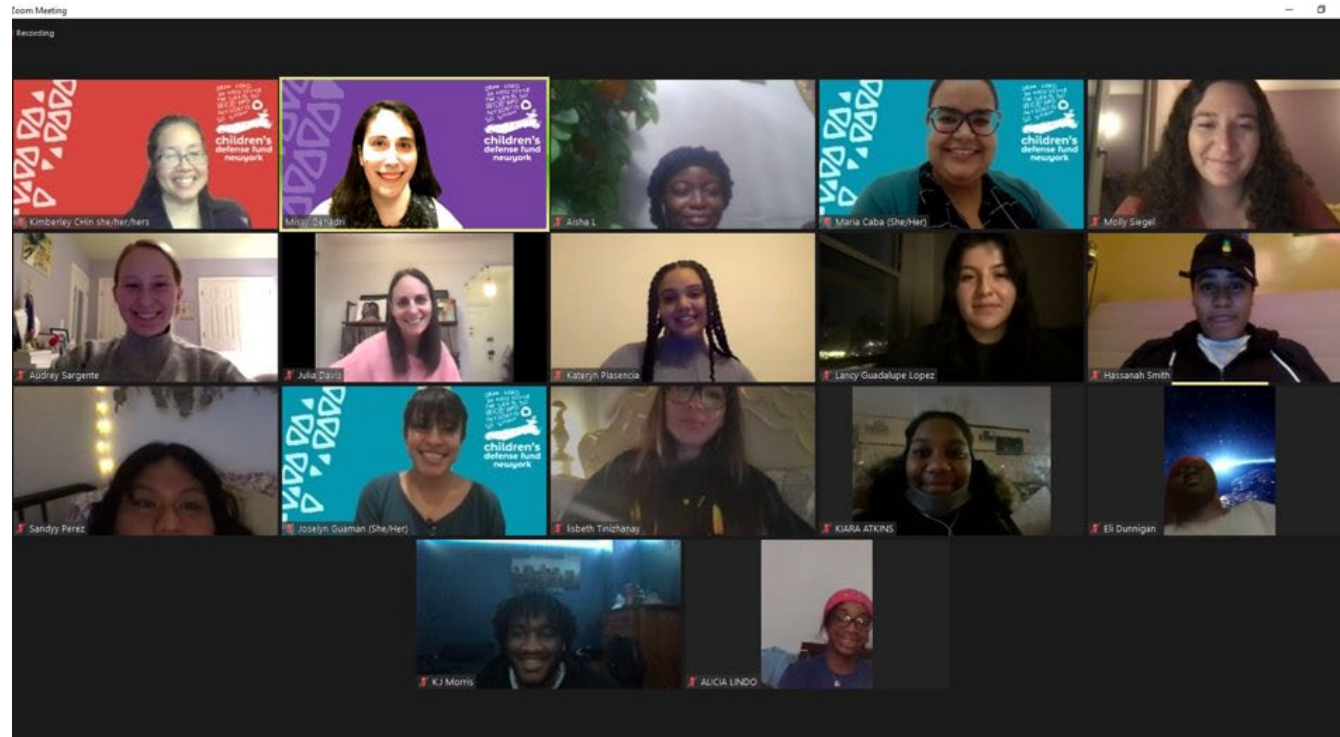
Quick Facts:

- 325,000 pushed into poverty
- 4,200 children lost a caregiver
- 3.9M New Yorkers applied for unemployment
- 143,000 students homeless
- Food Insecurity
- 1.1M Housing >30% monthly income

New York City



Storytelling: *CDF-NY Student Advocates met with elected officials and told their Stories*



Norma's Story

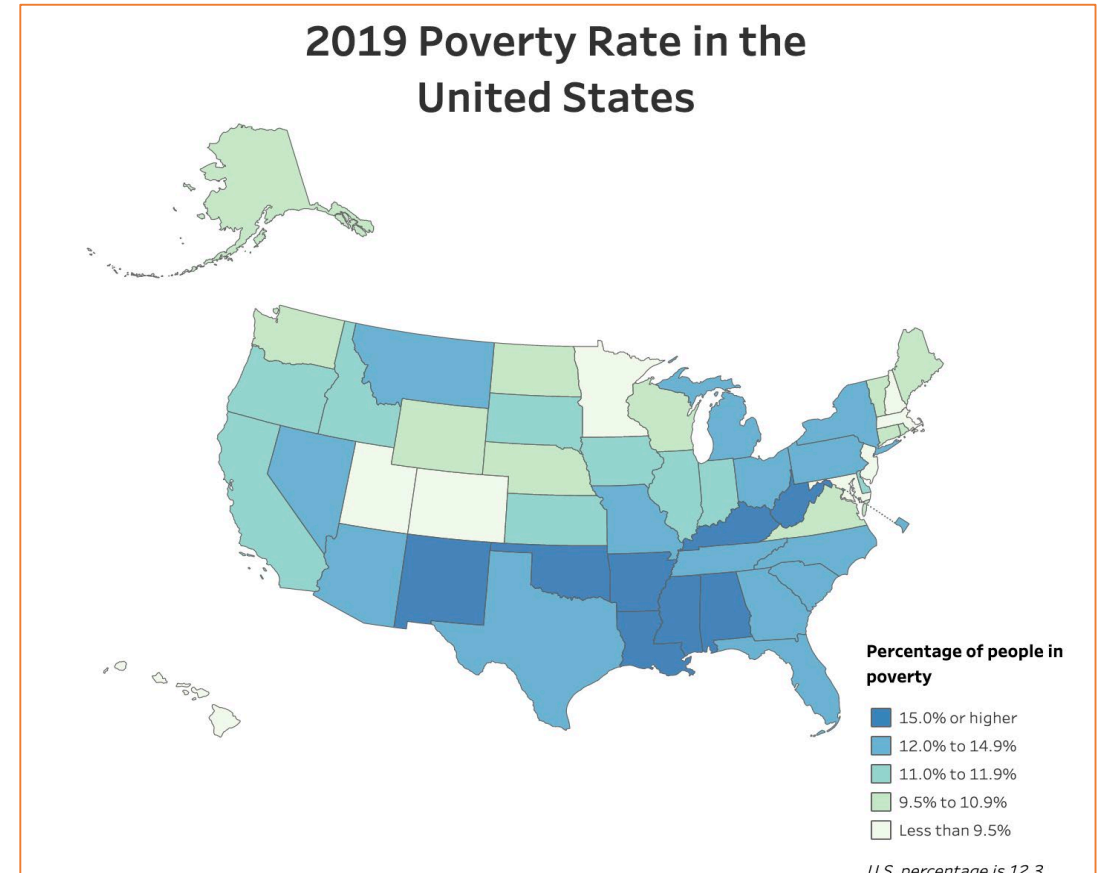


Norma Degante, CDF-NY Beat the Odds Alumna & Advocate
Virtual Rally for New York's Children
February 24, 2021

National Context

Pre-pandemic 2019:

- 10.5 million children living in poverty (14.4%)
- Black children 2.9 million (26.4%)
- Hispanic children 3.9 million (20.9%)
- White children 3 million (8.3%)
- Asian children 330 thousand (6.3%)



U.S. Census Bureau, 2019

There is a consistent underinvestment in children

In the News: The Child Tax Credit

Current Federal Policy

Tax Cuts and Jobs Act (TCJA)

- Provides a credit of up to \$2,000 per child under age 17. Only \$1,400 is refundable.
- Nearly **27 million** children do not receive the full credit because their family earnings are too low.
- More than **half** of Black and Hispanic children do not receive the full credit
- 1 in 3 New York children do not receive the full credit

New Child Tax Credit Proposals

American Rescue Plan

- Increase the credit to \$3,000 per child (\$3,600 for a child under age 6) and make 17 year-olds qualifying children for the year. Makes it fully refundable.
- Modeled after the **American Family Act**

WSJ The Wall Street Journal

Child Tax Credit Poised for Expansion in Stimulus Bill

Families with children could get monthly payments from the government under a plan advancing through Congress.

2 weeks ago



The New York Times

Democrats to Unveil Up to \$3,600 Child Tax Credit as Part of Stimulus Bill

The credit would send monthly payments to millions of Americans under certain income thresholds for a year starting in July.



NPR

Proposed Child Tax Credit Could Cut Child Poverty Nearly In Half

Lawmakers are weighing a proposal to give families with kids a monthly cash benefit to help ease the lifelong pull of poverty. Experts say it ...



American Family Act: Child Poverty Impact

New Child Tax Credit Proposals

American Family Act (AFA)

- Provides a fully refundable \$3,000 credit per child for children ages 6-17 and \$3,600 credit for children under 6 years old
- Would move **4 million** children out of poverty and **cut deep child poverty in half**
- Would decrease child poverty among Black, Hispanic, and Asian children by 52%, 45%, and 37% (respectively)
- **In New York**, child poverty would decrease 37% and deep child poverty 44%

The American Family Act would substantially raise the child tax credit for low-income families

Child tax credit under the American Family Act compared with the current Tax Cuts and Jobs Act (TCJA)

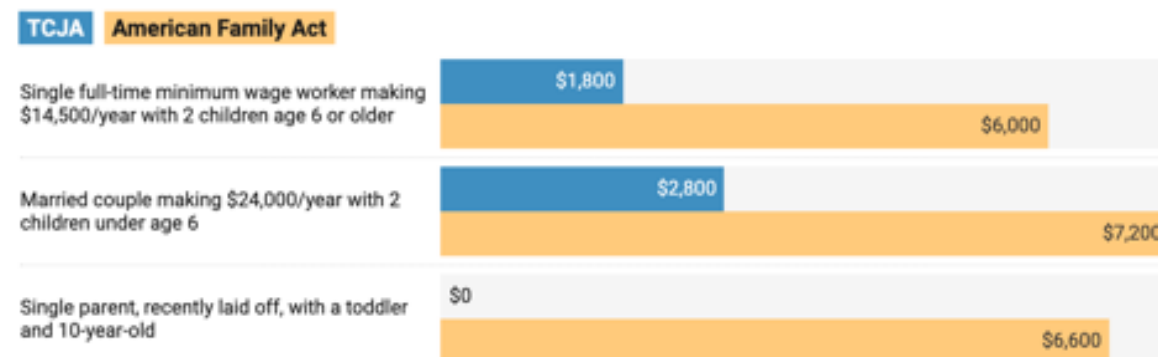


Chart: Center for American Progress •
Source: Authors' calculations using the American Family Act of 2019, S. 690 116th Cong., 1st sess. (March 6, 2019), available at <https://www.congress.gov/bills/116th-congress/senate-bill/690>.

Cost-Benefit Analysis

Enacting the AFA would **cost about \$100 billion** and **would generate about \$800 billion in benefits to society**. The value to society that flows from these impacts is equal to over eight times the annual costs.

The Child Tax Credit: New York State

Current New York State Policy

Empire State Child Credit (ESCC)

- Provides New York State taxpayers with a credit equal to 33% of the pre-Tax Cuts and Jobs Act federal child tax credit (up to a maximum of \$330) or \$100 per qualifying child (whichever is greater).
- Children under 4 years old **not** eligible to receive the credit.

Equity Impact of the ESCC

Young Children Excluded

- 23% of children ineligible because they are under 4 years old

Poorest Families Get Smallest Share

- Only 17% of benefits go to families earning less than \$22,000

Racial Disparities

- Nearly half of Black (47%) and Hispanic (46%) receive partial or no credit

Policy Recommendations

Cash support for children is critical and can yield tremendous benefits.

Improving the ESCC is a crucial step toward cutting child poverty in New York. To make the credit more equitable it must:

1. Include children under 4 years old
2. Decouple from earnings
3. Increase the maximum amount to at least \$1,000 per child

Cost Benefit Analysis: Increasing the ESCC to \$1,000 per child (excluding high income families) would **cost about \$2.7 billion and would generate nearly \$27 billion in benefits to society.** The value to society that flows from these impacts is equal to over ten times the annual costs.

Programs that alleviate poverty
improve child well-being.

They should be strengthened
and expanded.



- **Earned Income Tax Credit** programs improve child educational and health outcomes.
- **Supplemental Nutrition Assistance Program (SNAP)** improves birth outcomes and child and adult health outcomes.
- Expansions of **public health insurance – Medicaid, Child Health Plus --** for pregnant women, infants, and children lead to substantial improvements in child and adult health, educational attainment, employment, and earnings.
- Children who were young when their families received **housing benefits** that allowed them to move to lower-poverty neighborhoods had improved educational and adult outcomes.

Policy that can make a difference

- Expanding the Earned Income Tax Credit (EITC) and child tax credit
- Expanding child care subsidies
- Raising the minimum wage
- Expanding SNAP
- Expanding the housing choice voucher program
- Expanding the Supplemental Security Income (SSI) program.



Policy that can make a difference

- A universal child allowance
- A child support assurance program that sets guaranteed minimum child support amounts per child per month.
- Increasing immigrants' access to safety net programs



Child Poverty Reduction Act

S.2755-A(Ramos)/A.1160(Bronson)

This legislation establishes the Child Poverty Reduction Advisory Council tasked with developing a plan to cut New York's child poverty rate in half over 10 years.

- The Council will explore expanding specific policies, making new recommendations with benchmarks and timelines, and releasing reports to make sure that New York meets its goal.
- Specifically, a timeline, inclusive of yearly benchmarks, will be developed and published by the Advisory Council. Policy proposals reviewed by the Advisory Council will include, but will not be limited to:
 - Strengthening and expanding New York's Earned Income Tax Credit to align with the state's minimum wage; cover filers using Individual Taxpayer Identification Numbers (ITINs) and young, childless adults; and distribute quarterly payments
 - Expanding and strengthening New York's child tax credit to include young children and eliminate the minimum income threshold
 - Expanding work training and employment programs
 - Increasing access to subsidized housing vouchers
 - Expanding access to subsidized child care

This legislation also would require an evaluation of the effects that any adjustment or reduction by the director of the budget will have on child poverty and requires the evaluation to be made available to the public.

What can you
do on behalf of
our Children
and young
people?

- Thank you to Legislators who have co-sponsored **Child Poverty Reduction Act (S2755-A/A1160)**!
- If you haven't yet, make sure to co-sponsor the bill
- If you're in a position to influence the one-house budget bills, we ask that you advocate for inclusion of the Act in the bills
- Contact your elected official and ask them to co-sponsor the **Child Poverty Reduction Act (S2755-A/A1160)**

Thank you



Contact us

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Questions?



Resources

- Reducing Child Poverty Workgroup and [Resources](#)
 - National Academy of Sciences [Report](#): A Roadmap to Reducing Child Poverty
 - Schuyler Center for Analysis and Advocacy: State of New York's Children [Data](#)
 - Children's Defense Fund-New York—Reducing Child Poverty in New York: [A Moral Imperative](#)
 - [Poverty Tracker](#)
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