



## Webinar: How New Data Shows Us the Pathway for Ending Child Poverty

Tuesday, September 28, 2021

## How New Data Shows the Pathway for Ending Child Poverty

Child Poverty Action Group & First Focus
September 2021

Megan A. Curran



## Poverty Measures: US Census Bureau



The official measure uses cash income, such as wages and salaries, Social Security benefits, interest, dividends, pension, or other retirement income.



#### (OPM

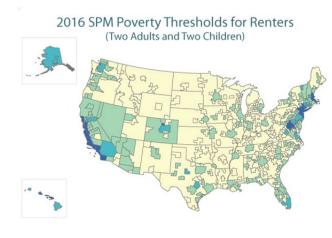


For 2020: \$26,246



The SPM starts with cash income, then...

#### (SPM)



\$30,000 and Over \$27,500-\$29,999 \$24,339-\$27,499 Under \$24,339

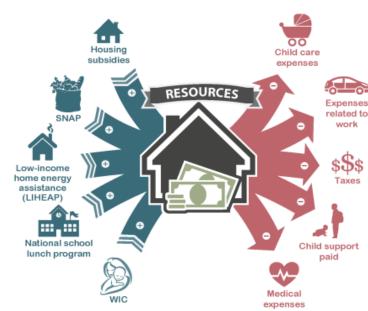
For 2020 (nat'l avg): \$30,150

#### ADDING BENEFITS

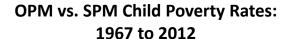
The SPM adds benefits from the government that are not cash but help families meet their basic needs.

#### SUBTRACTING EXPENSES

The SPM subtracts necessary expenses like taxes, health care, commuting costs for all workers, and child care expenses while parents work.



## Child Poverty Trends: OPM vs. SPM





Access our historical SPM data back to 1967 at povertycenter.columbia.edu/historical-spm-data-reg

#### OPM vs. SPM Child Poverty



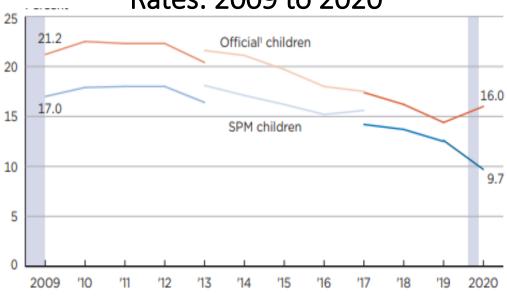
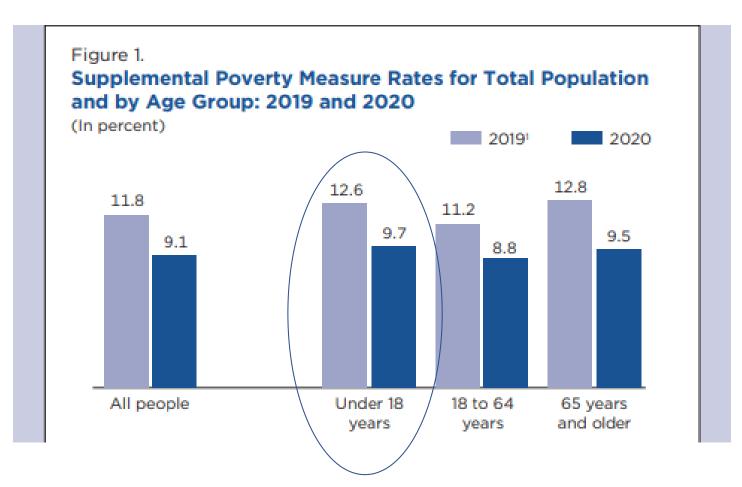


Image from pg. 8 of Census Bureau 2020 SPM report

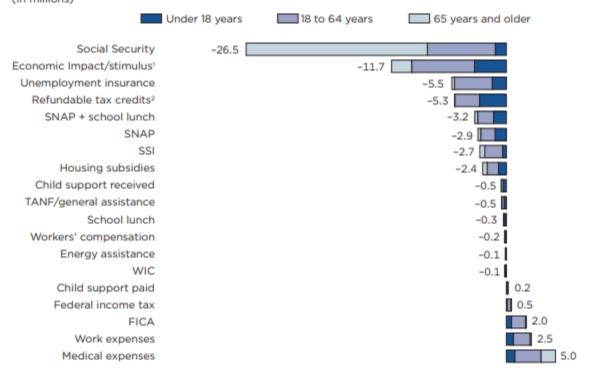
## SPM Child Poverty in 2020

2.2 million <u>fewer</u> children living in SPM poverty in 2020 than in 2019



## Policies and Programs Counted in 2020 SPM

#### Change in Number of People in Poverty After Including Each Element: 2020 (In millions)



¹ Includes the first two rounds of stimulus payments. Additional details available in the report appendix.

Notes: SNAP: Supplemental Nutrition Assistance Program; SSI: Supplemental Security Income; TANF: Temporary Assistance for Needy Families; WIC: Special Supplemental Nutrition Program for Women, Infants, and Children; FICA: Federal Insurance Contributions Act. More information on confidentiality protection, sampling error, nonsampling error, and definitions is available at <a href="https://www2.census.gov/programs-surveys/cps/techdocs/cpsmar21.pdf">https://www2.census.gov/programs-surveys/cps/techdocs/cpsmar21.pdf</a>>.

Source: U.S. Census Bureau, Current Population Survey, 2021 Annual Social and Economic Supplement (CPS ASEC).

#### Examples of Policies Reflected in 2020 **SPM Poverty:**

- ✓ 1<sup>st</sup> two rounds of stimulus checks
- ✓ Expanded unemployment benefits (available in 2020)
- ✓ Pandemic-EBT (aggregated under SNAP or school lunch)
- ✓ SNAP, WIC, LIHEAP increases

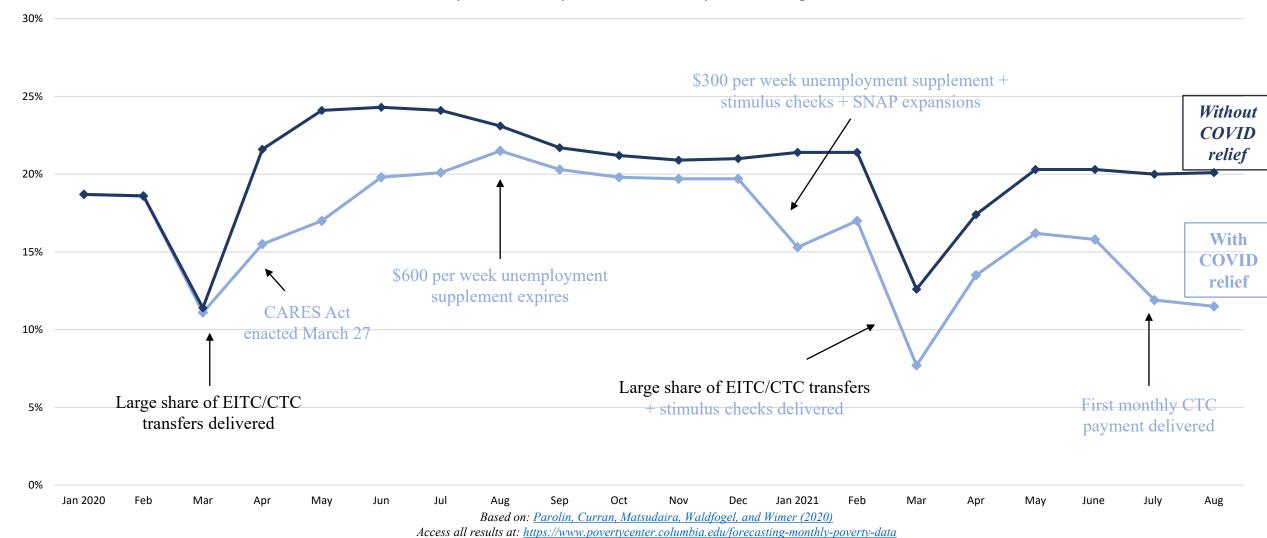
#### Examples of Policies *NOT* Reflected in 2020 SPM Poverty:

- X 3rd round of stimulus checks (2021)
- X SNAP 15% benefit increase (2021)
- X Expanded unemployment benefits (available in  $2021 - e \sigma$  \$300/wk PUC)

Image and data from pg. 12 of Census Bureau 2020 SPM report

<sup>&</sup>lt;sup>2</sup> Refundable tax credits do not include stimulus payments.

#### Monthly Child Poverty Rates, US: January 2020 to August 2021



## Identifying Effects of Ongoing Relief

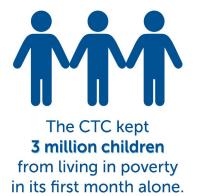
For Children

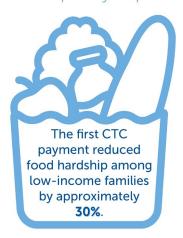


As the new monthly Child Tax Credit rolls-out, food hardship and child poverty drops.

The overall monthly child poverty rate fell.

15.9% JUNE 2021 11.9% JULY 2021







2<sup>nd</sup> CTC payment kept 3.5 million children from poverty in August

(500,000 more children than in July due to expanded coverage)

- Access our monthly poverty tracker (updated regularly) at: <u>www.povertycenter.columbia.edu/forecasting-monthly-poverty-data</u>
- View monthly poverty rates under three scenarios:
   (1) pre-tax/transfer;
   (2) without COVID relief; or
   (3) with COVID relief
- Find breakouts by age (children; working age adults; seniors) and race and ethnicity (Asian, Black, Latino, White)

## Questions



### Keep in touch!



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### Thank you for joining us!

# Contact Cara Baldari at <a href="mailto:carab@firstfocus.org">carab@firstfocus.org</a> with follow-up questions