

# Child Poverty and the Social Safety Net in California

Sarah Bohn



# The stakes are high for reducing child poverty

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- Economic hardship has a big effect on children
- About one-quarter of California's children live in poverty
- Rates of child poverty are higher than among working-age and older Californians



# Policymakers need an accurate picture of need among the state's children

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- Official poverty measure was devised in 1960s and has not been modified
- California Poverty Measure is more comprehensive and up-to-date
  - Measures how children are faring across state regions
  - Accounts for impact of safety net programs



# How the California Poverty Measure works

**Resources** — **Expenses** < > **Poverty threshold\***

**Earnings**  
**Safety net benefits**  
**Other income**

**Medical**  
**Commuting**  
**Child care**

**Varies by:**  
**Family size**  
**Region**  
**Homeownership status**

\* **Average threshold**  
**\$30,063 in 2011**



# Outline

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- Children in or near poverty
- Regional variations in child poverty
- Factors that drive child poverty
- Conclusions



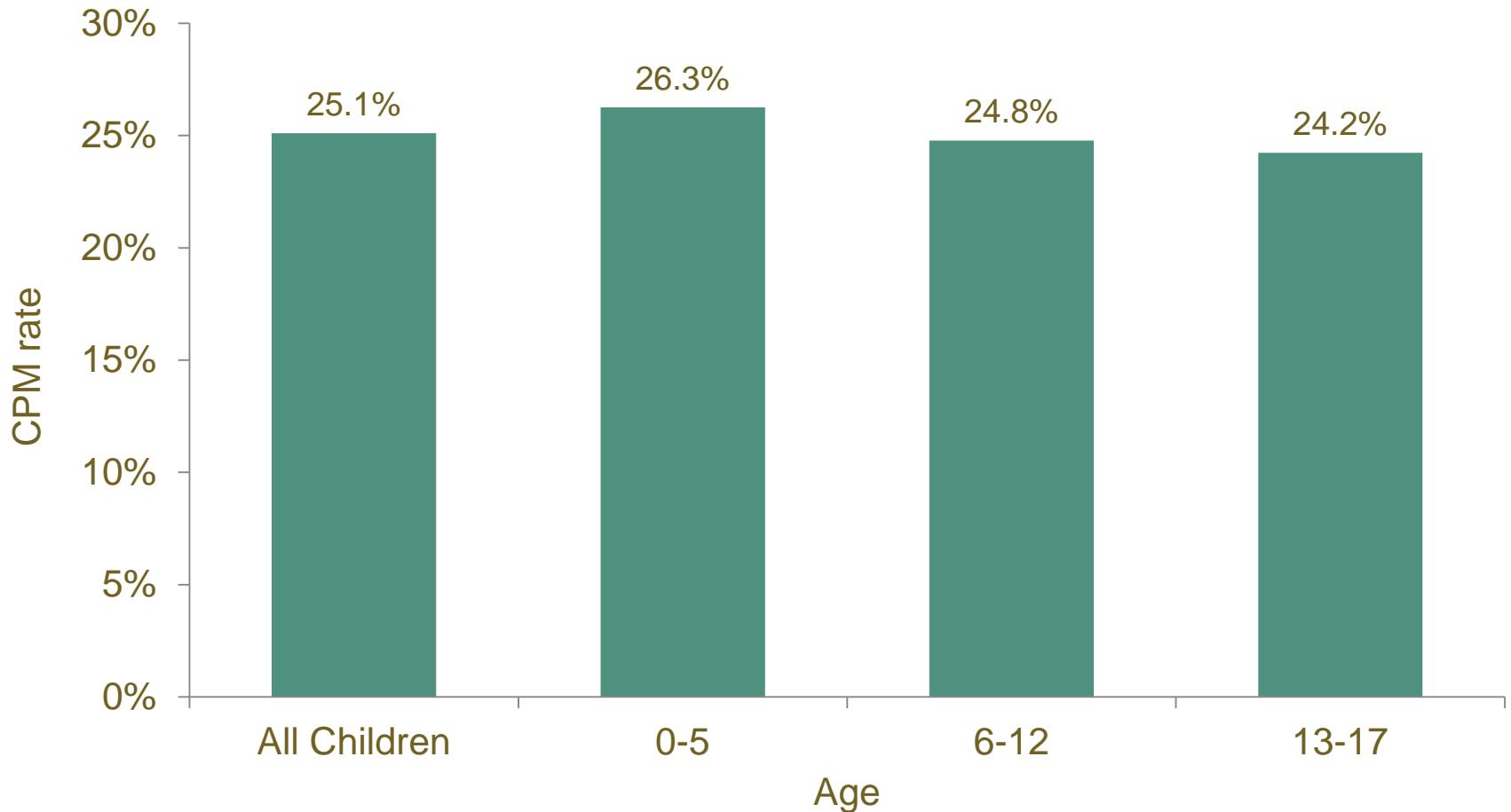
# Our findings are sobering

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- 2.3 million children in poverty in 2011
  - 25.1% of population age 17 and under
- Our estimate is slightly higher than the official poverty rate
- Rates are declining, but still high



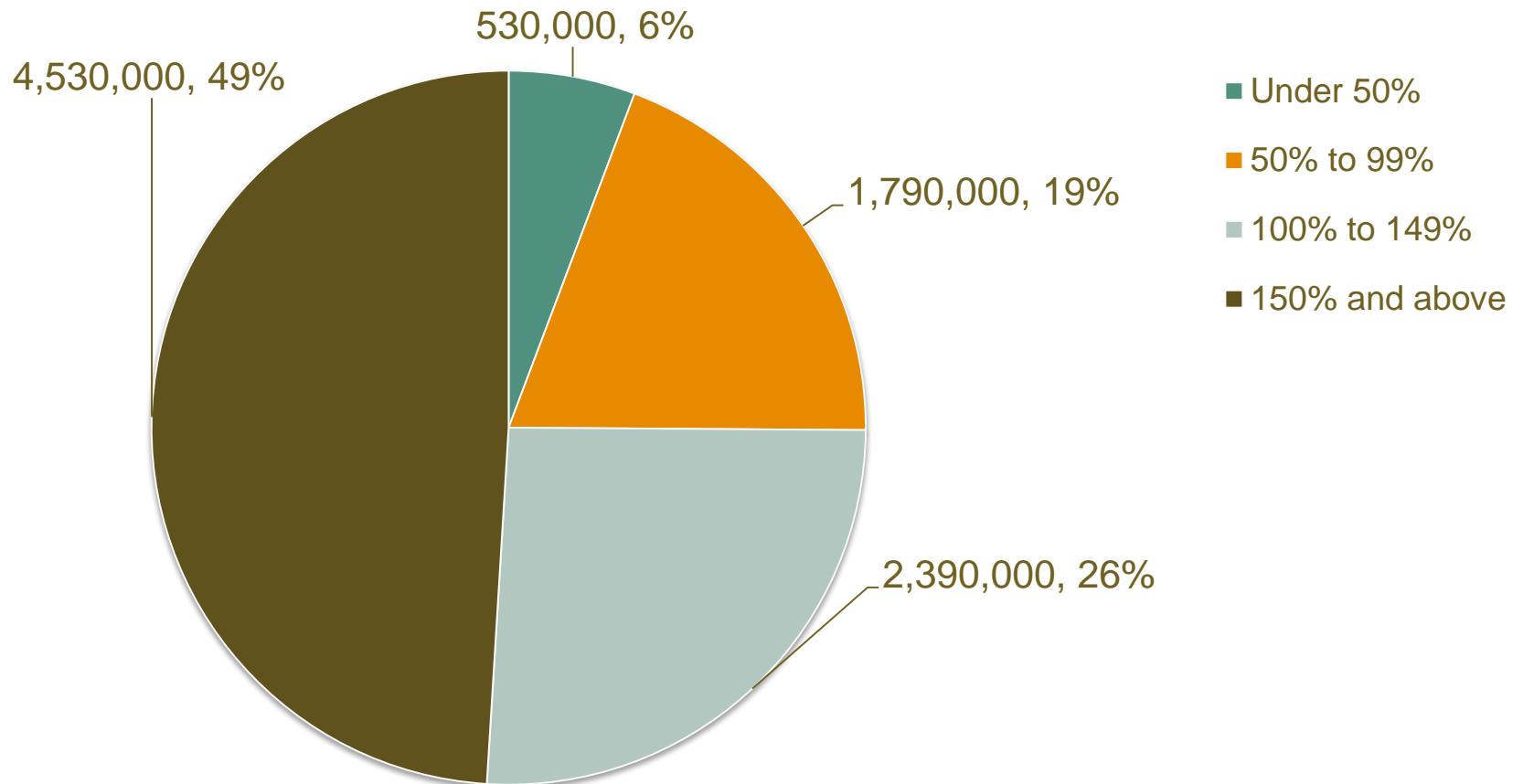
# Poverty rates are roughly similar for children of different ages



SOURCE: California Poverty Measure estimates for 2011.



# “Deep” poverty is relatively low, but “near” poverty is high



SOURCE: California Poverty Measure estimates for 2011.



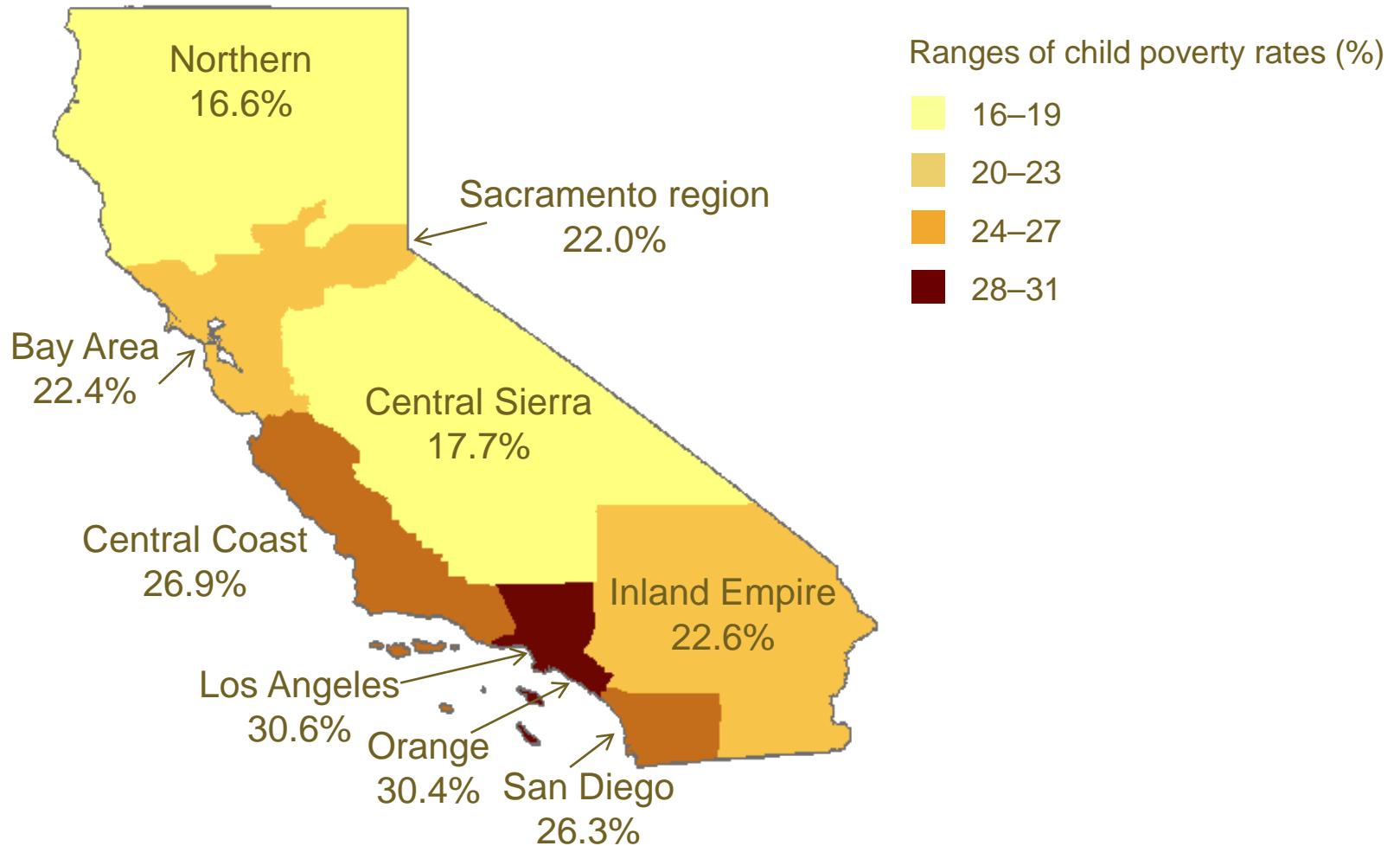
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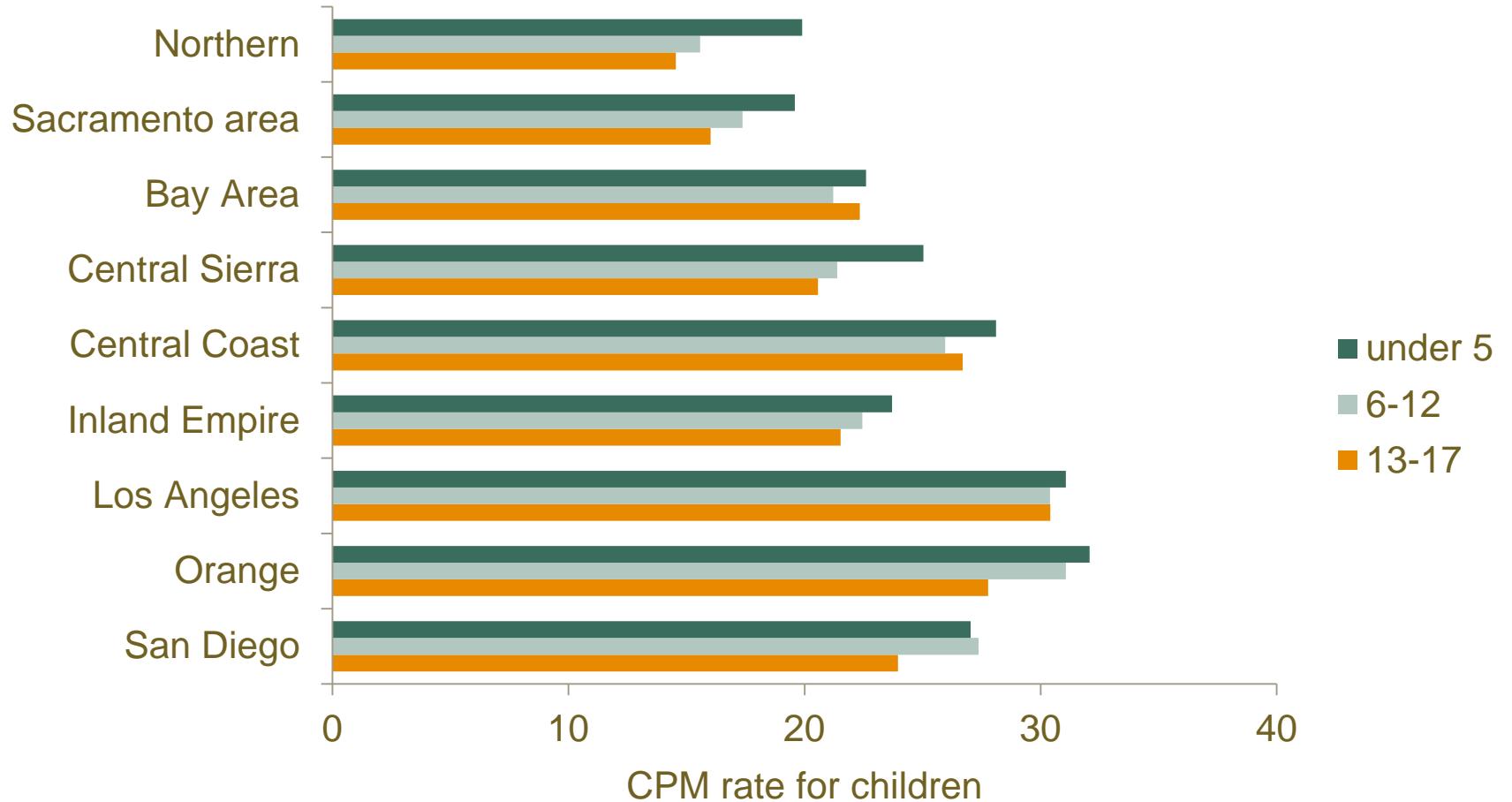
# Child poverty rates are higher in southern counties, especially Los Angeles



SOURCE: California Poverty Measure estimates for 2011.



# In most areas, rates are higher among younger children



SOURCE: California Poverty Measure estimates for 2011.



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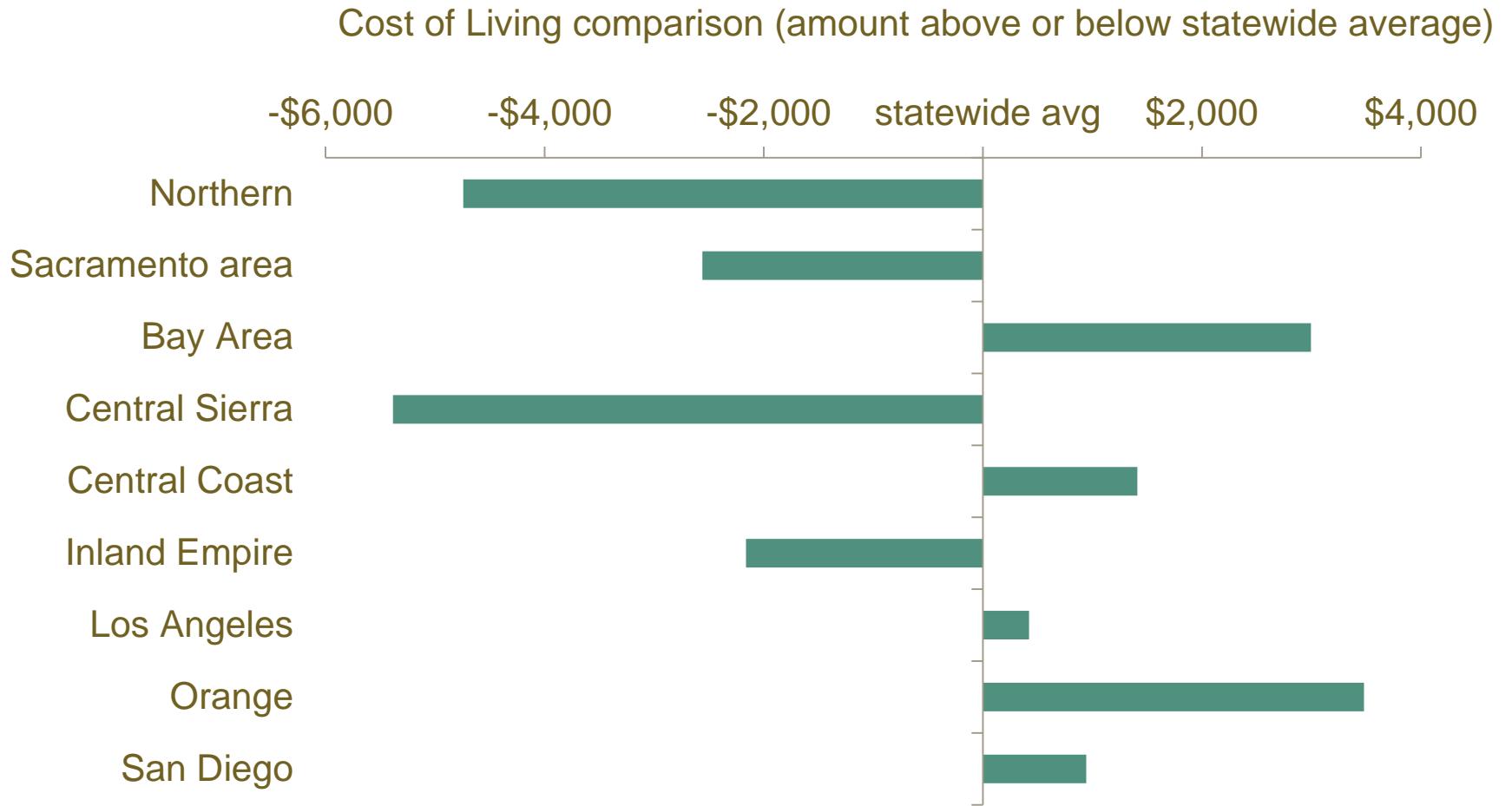
# Three major factors drive child poverty

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- Cost of living
- Family earnings
- Safety net resources



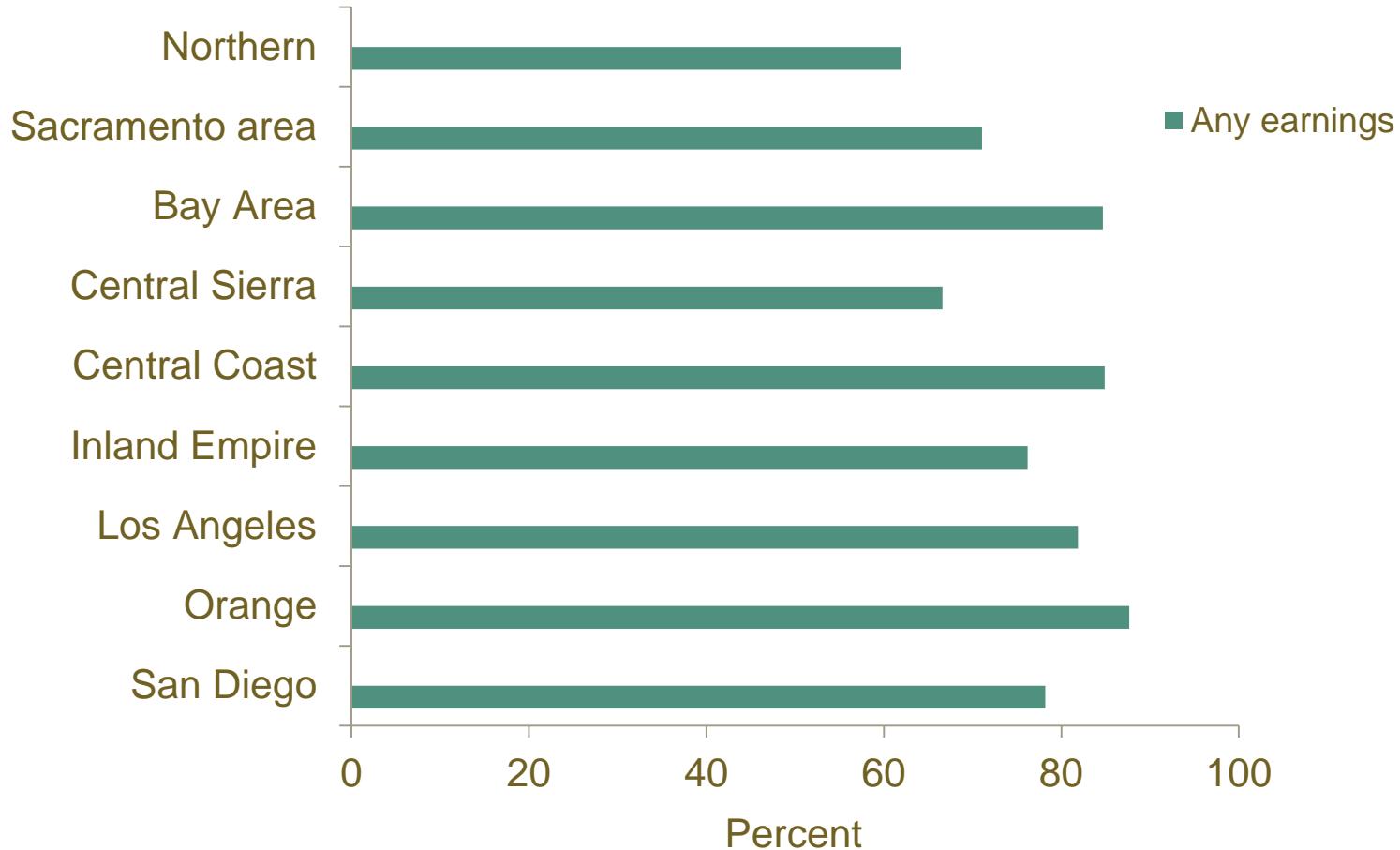
# Cost of living is higher in populous parts of the state



SOURCE: California Poverty Measure estimates for 2011.



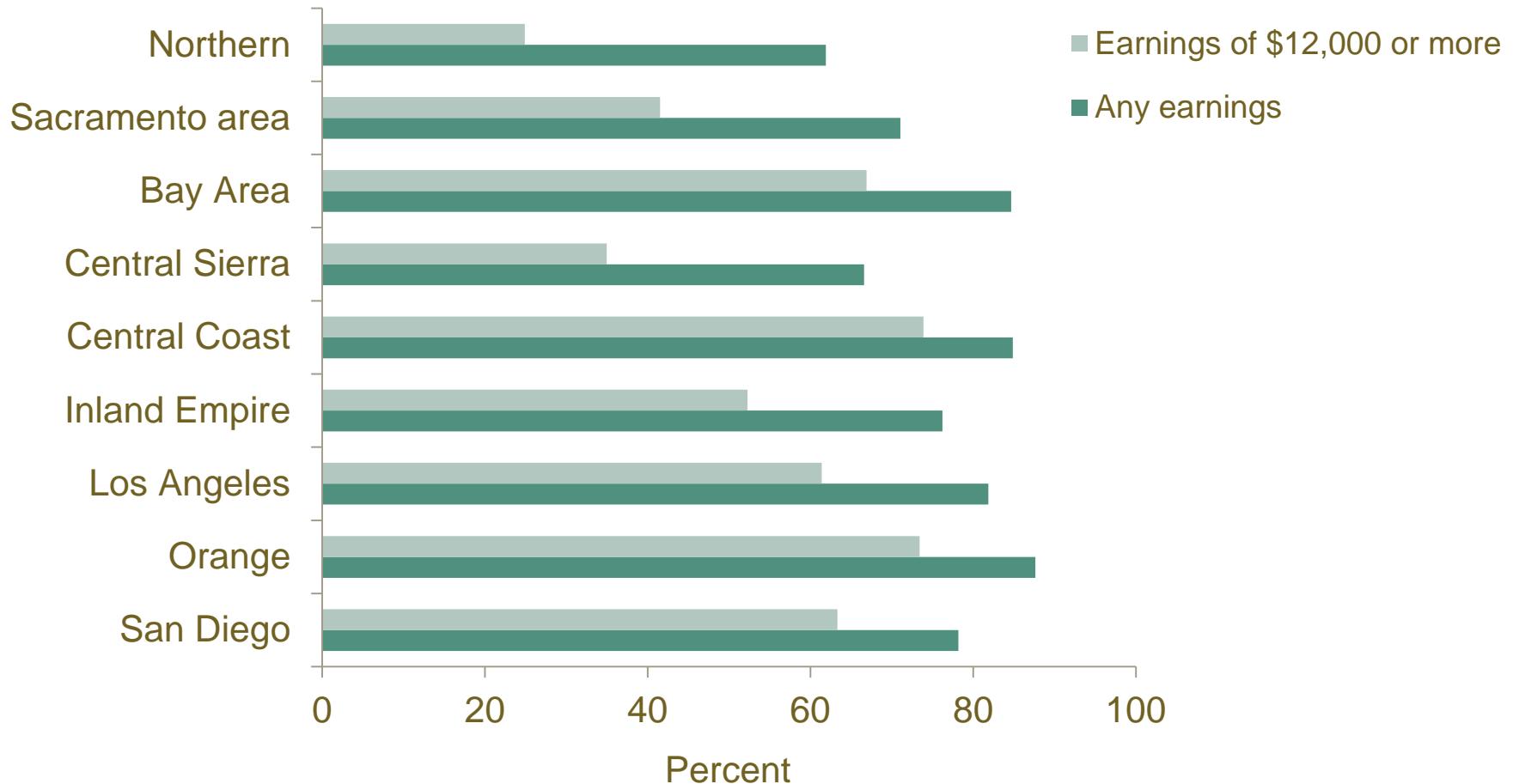
# Most children in poverty live in working families...



SOURCE: California Poverty Measure estimates for 2011.



# ...but family earnings are often below a minimum-wage level



SOURCE: California Poverty Measure estimates for 2011.



# The social safety net includes many programs with diverse aims

	Recipients (millions)	Federal, state, and local expenditures (billions)
CalWORKs	1.47	\$3.44
General Assistance	0.15	\$0.40
Supplemental Security Income	1.27	\$9.14
CalFresh	3.64	\$6.73
Child Tax Credit	2.91 (filers)	\$4.14
Earned Income Tax Credit	3.27 (filers)	\$7.25
Federal housing subsidies	0.48 (units)	\$3.60
School breakfast and lunch	2.18	\$2.04



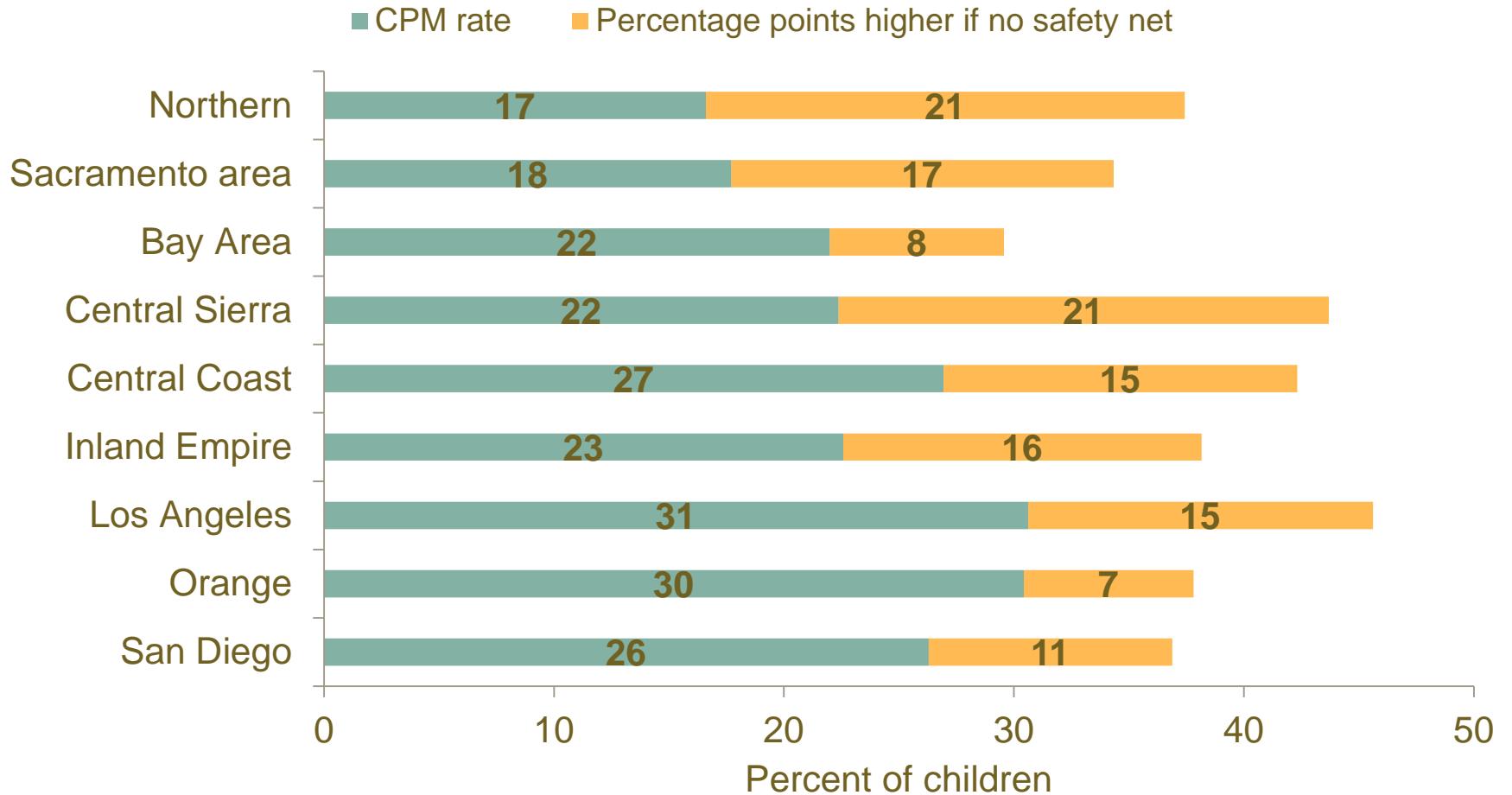
# The safety net plays a major role in mitigating need

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- Without major safety net program benefits, 1.3 million *more* children would be poor
  - 420,000 age 5 and under
  - 510,000 ages 6 to 12
  - 360,000 ages 13 to 17
- In other words, nearly 40 percent of California's children would be poor



# Safety net resources moderate child poverty across the state



SOURCE: California Poverty Measure estimates for 2011.



# Disentangling the factors that drive child poverty

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- Variation in housing costs means that families need substantially more resources in some regions
  - Poor families in high-cost areas do earn more
- Safety net benefits are not tied to the cost of living
  - Contributes to regional differences in the impact of the safety net
- Eligibility for, accessibility of, and willingness to enroll in safety net programs also play a role



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# Poverty is a reality for a quarter of California's children

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- 2.3 million of California's children in poverty
- More than official estimates suggest
- Rates vary by region but there are high levels of need across the state's diverse areas
- Rates would be universally and substantially higher were it not for safety net program resources



# Can policy make a deeper impact on child poverty?

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- Policies to increase the safety net's impact are routinely debated
- The economic context in the state – high costs of living and access to good-paying work – looms large
- Enduring complexities deserve debate
  - Variation in cost of living and equity of programs
  - Balancing poverty-reduction with other program goals



# Notes on the use of these slides

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These slides were created to accompany a presentation. They do not include full documentation of sources, data samples, methods, and interpretations. To avoid misinterpretations, please contact:

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Thank you for your interest in this work.



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