# Growing Up Poor in America









## Supporting Families and Youth Experiencing Poverty with PREP Programming

Hannah Lantos and Jenita Parekh September 2021 Child Trends



## Measuring Poverty

- In the United States, poverty is measured by comparing a person's or family's income to a minimum amount of income needed to cover basic needs.
- People whose income falls under that threshold—the poverty line—are considered poor.
- The poverty line in 2021 is \$26,500 for a family of four.
- The U.S. Census Bureau has two methods to calculate the poverty line:
  - Official Poverty Measure (OPM)
  - Supplemental Poverty Measure (SPM)









## "Evicted"

by Matthew Desmond

## Unstable Employment

Congressional
Testimony
by Kathryn Edin











## Poverty Rates Pre- & Post—COVID-19

Poverty rates declined slowly following the 2008 recession. By 2018, poverty rates were lower than they had been in 50 years.

Official rates for 2020/21 have not been calculated yet, but COVID-19 had a strong negative impact on poverty rates.

Public policies reduced this number.

Young children are less likely to be in deep poverty than the elderly but more likely to be low income.

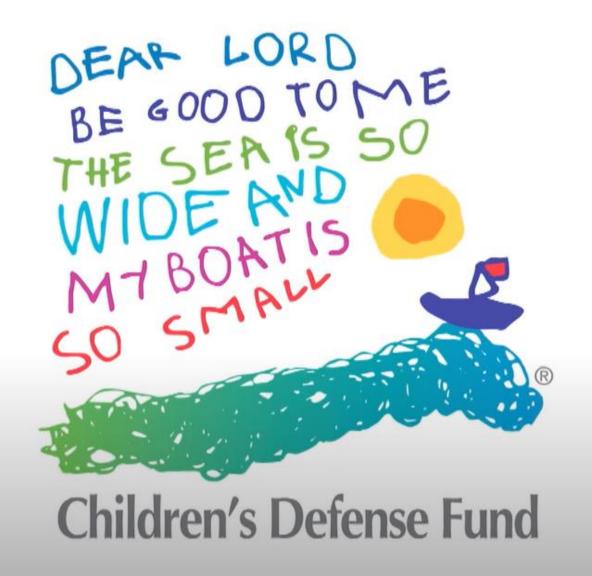
Source: https://www.urban.org/sites/default/files/publication/103656/2021-poverty-projections 1.pdf

## Poverty Rates Disaggregated

Poverty is not evenly, or randomly, distributed:

- American Indian and Black American families are more likely to be poor than White or Asian families.
- Families headed by single women are more likely to be poor than families headed by single men or by two-person headed households.
- Children (aged 0–18) are more likely than working-age adults or the elderly to be poor (16.6% vs. 11.5% vs. 9.5%, respectively).
- Urban families are less likely to be poor than rural ones.

Poverty is multidimensional.



## Poverty can look like...

- Not having enough to eat
- Couch surfing
- Not being able to put in a full tank of gas
- Holding back on medical care
- Not being able to save for unexpected bills

- Not being able to take off work after the birth of a child or when one is sick
- Knowing that college is unaffordable even though one could get in
- Being responsible for younger siblings in significant ways (e.g., feeding them, caring for them, putting them to bed)

Families of different races and ethnicities also have different experiences

Black and Hispanic individuals are more likely to live in concentrated poverty than White individuals.

Multigenerational poverty is much more common in Black families than in White families.

In 2020, 1 in 5 Black individuals may have experienced food insecurity—more than twice the rate of White households.

70% of Black and 60% of Hispanic families making ≤\$40,000 are denied or not approved for as much as credit as requested.

## Anti-Poverty Measures in the last 20 Months

#### The CARES Act

- Cash payments (stimulus)
- Job assistance measures
- Eviction protections
- Payroll tax delay
- Allowed early use of retirement funds
- Unemployment benefits

## Consolidated Appropriations Act (CAA)

- Cash payments (stimulus)
- Unemployment benefits
- Relief for small businesses
- Funding for childcare
- Rental assistance

### The American Rescue Plan

- Cash payments (stimulus)
- Homeowner assistance fund
- Rental assistance
- Paid leave
- Unemployment compensation
- Child Tax Credit

**March 2020** 

**December 2020** 

March 2021

## Child Tax Credit Information

The American Rescue Plan expanded the Child Tax Credit to \$3,600 for each child <6 and \$3,000 for each child 6—17.

The credit is available to married couples making under \$150,000 and to individuals making under \$75,000. It gradually phases out based on income level.

Child Tax Credit payments are refundable and distributed monthly.

If you have direct deposit, checks will be deposited. Families can update their direct deposit information on the <a href="Child Tax Credit Update Portal">Child Tax Credit Update Portal</a>.

Even families with no earned income are eligible. Checks will be mailed if not direct deposited.

Impacts of COVID-19 on PREP youth and their parents & caregivers



# Shifts in work status or location because of COVID-19

Parents/caregivers may be more likely to be unemployed

Some parents/caregivers may be required to work outside of the home during COVID-19

Some parents/caregivers may be working from home

Reaching out to parents & caregivers to identify what needs they have may impact families overall and your participants



# Strategies to Support Youth: Referrals

**Employment support** 

Physical and mental health

Housing stability

Financial stability

Food security

Healthy relationships

Stepping in to support their child

Applying for the EITC or Child Tax Credit

Applying for health insurance subsidies through the ACA

# Strategies to Support Youth: Creative Outlets



Create opportunities for written projects for youth to share



Create opportunities for expression through activities like drawing, collage, photography, or painting



Create a joint music video or lip sync that could be recorded individually



Choreograph a dance together and stitch together the video pieces



Paint a mural on a wall where youth come in small groups, maintaining social distance



Put on a play over zoom (<a href="https://www.woollymammoth.net/events/play-at-home">https://www.woollymammoth.net/events/play-at-home</a>)



Small Break-Out Group Discussions



What challenges are your participants and their families facing right now?



What resources have you found or created to support them?

## Discussion Questions:



Are there other strategies you have used to help families?



What kinds of resources would be useful to you as you support families?



Are there ways your participants or their families are supporting one another?



What kinds of partnerships would support your work around poverty that you do not already have?

## Come Back Together

Report Back—what were some of the interesting topics you discussed in your small groups?

Questions?

Comments?

## Resources for Programs Around Poverty

Tips for Virtually Engaging Parents and Caregivers During Social Distancing

**Closing the Loop:** Developing Effective Referral Networks for Youth (Webinar)

Parent-Child Communication <u>Tip Sheet</u>

Working with Parents of Teens <u>Tip Sheet</u>

Using Social Media to Engage Youth <u>Tip Sheet</u>

Healthy Relationships: Assess, Improve, Take Action infographic (for youth)

Building on the Strengths of Young People: A Relationship-focus, Trauma Sensitive Approach webinar

## References

\*\*See handout with citations for full list of references used in this presentation.

## Presenters' Contact Information

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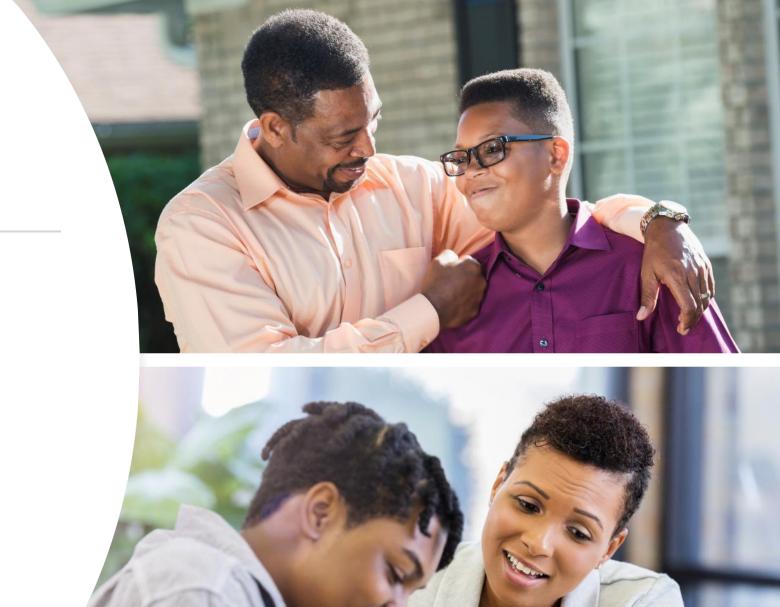
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