



Presentation to the 2023 Joint Ways and Means Subcommittee on Human Services

Reducing Child Poverty

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**What's at stake
and how we can
make a difference**



When our children thrive, our state thrives



Oregon's future prosperity depends on our ability to nurture the **well-being of our youngest generation.**

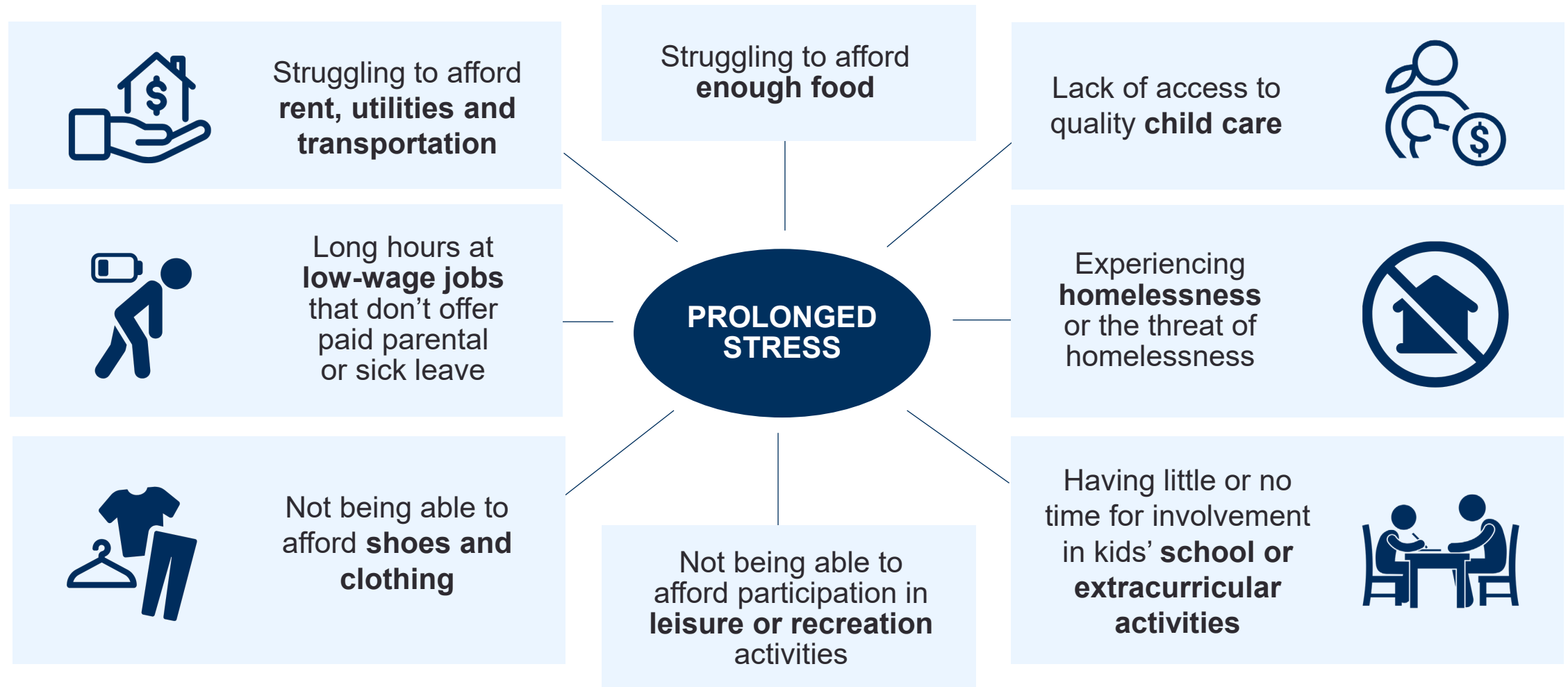


By investing wisely in Oregon families today, we can help them build nurturing home environments that **support children's healthy development.**



Research tells us that these nurturing environments help us grow into **healthy, successful adults** who can lend strength to our communities and contribute to our shared prosperity.

Poverty undermines opportunities to thrive



Overburdened families

Just as a truck can only bear so much weight before it stops moving forward, **the stresses of poverty can overburden parents**, making it hard for them to provide optimal care and support to their children.

- Income loss and economic hardship are among the most reliable predictors of involvement with the **child welfare system**.*
- Children in families experiencing poverty are seven times **more likely to experience neglect** than economically secure children.**



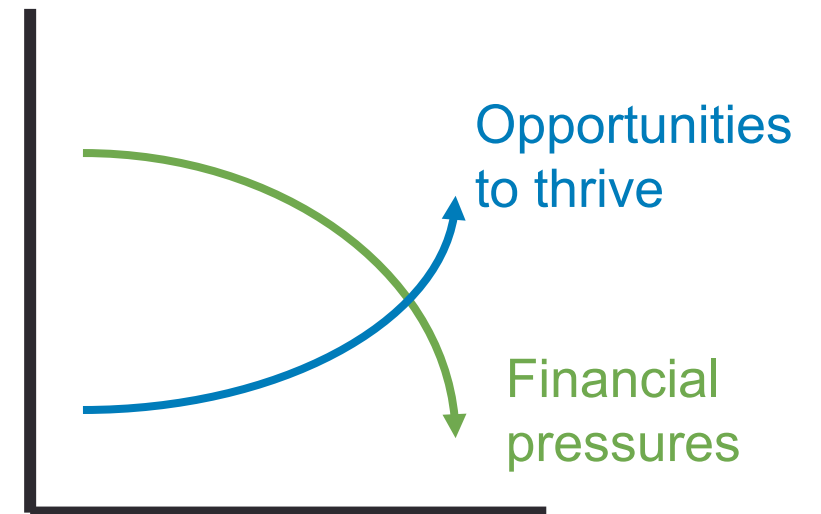
**The temporal impact of economic insecurity on child maltreatment: A systematic review. Trauma, Violence, & Abuse, 21(1), 157-178 (2020)*

***Sedlak, A.J., Mettenburg. K., Basena, M., Petta. I., McPherson. K., Greene. A., & Li S. (2010)*

There are solutions

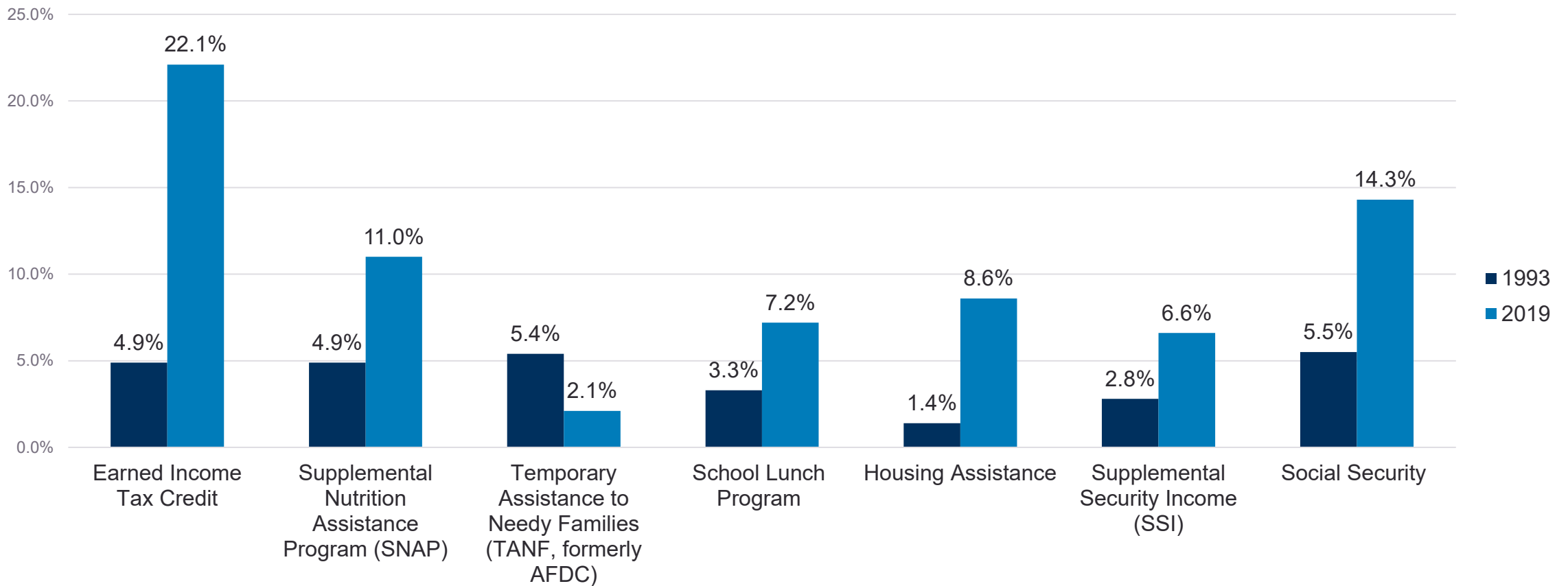
We know that by **reducing financial pressures on families**, we can help maximize their time and capacity for the supportive relationships that children need to thrive.

And we have proven strategies for doing that.



National lessons: Reducing child poverty

Percent Decreases in Child Poverty Rates Based on the Federal Supplemental Poverty Measure, Attributable to Social Safety Net Programs (1993 to 2019)



Getting better outcomes for kids: Housing and cash supports



Housing supports can positively impact later earning power.

- Living in subsidized housing has been shown to **increase adult earnings** for children in families with low incomes, with the most significant positive impact on Black and Latinx children ([Urban Institute](#)).



Cash supports may positively affect early childhood brain development.

- A 2021 large-scale U.S. randomized controlled trial found that one year-old children whose mothers received a \$333 monthly cash payment had **brain activity associated with higher cognitive functioning** compared to infants in the control group ([Chapin Hall](#)).

Getting better outcomes for kids: Food and child care supports



Food assistance is associated with improved current and long-term health.

- Access to SNAP among pregnant mothers and in early childhood improved birth outcomes and children's **long-term health as adults** ([Center for Budget and Policy Priorities](#)).



Quality **early child care** can mitigate the consequences of poverty into adulthood.

- Children from low-income backgrounds who had access to 24 months or more of quality early childhood education in their first five years were **more likely to graduate from college and had higher salaries** at age 26 ([Bustamante, 2021](#)).

Getting better outcomes for kids: Reducing child welfare involvement



Family preservation and concrete supports can make a difference.

- Providing child welfare-involved families concrete supports – like SNAP, child care, or clothing – along with in-home family preservation services can **reduce the risk of a subsequent maltreatment report by almost 17 percent** ([Rostad](#), 2017).



Getting cash into families' pockets through **tax credits**

- A \$1,000 increase in income via EITC is associated with an **eight to 10 percent reduction in self-reported Child Protective Services (CPS) involvement** for low-income single-mother households ([Berger](#), 2017).

Child poverty in Oregon



Background: How poverty is defined

The U.S. uses a **formula developed in the 1960s** to determine if people are living in poverty.

Other than adjustments for inflation, **the formula has remained the same since its inception** and is out of step with today's economic realities.

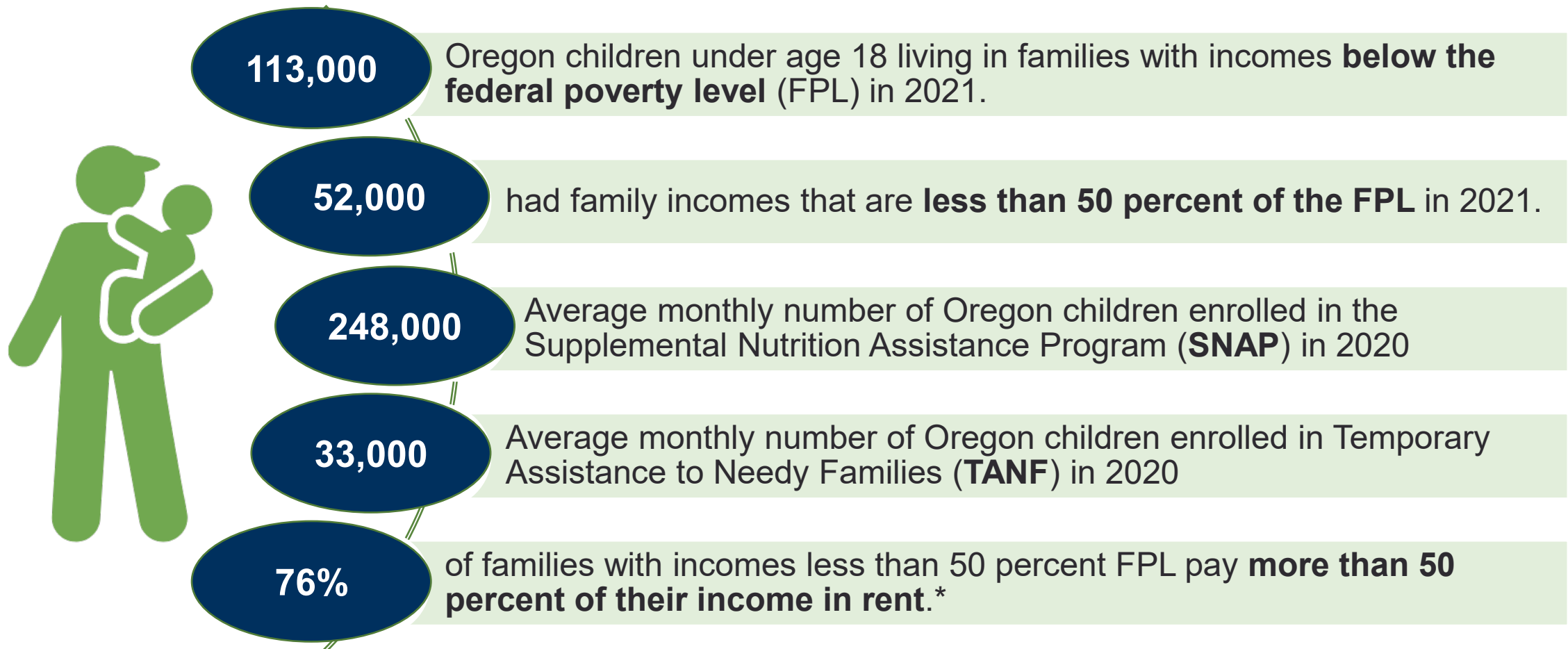
The FPL formula **doesn't take into account** housing, health care, child care or transportation costs, nor does it factor in geographic differences in cost of living.

What is the federal poverty line (FPL)?

For a family of three in 2022:

25%	50%	75%	100%
\$5,758	\$11,515	\$17,273	\$23,030

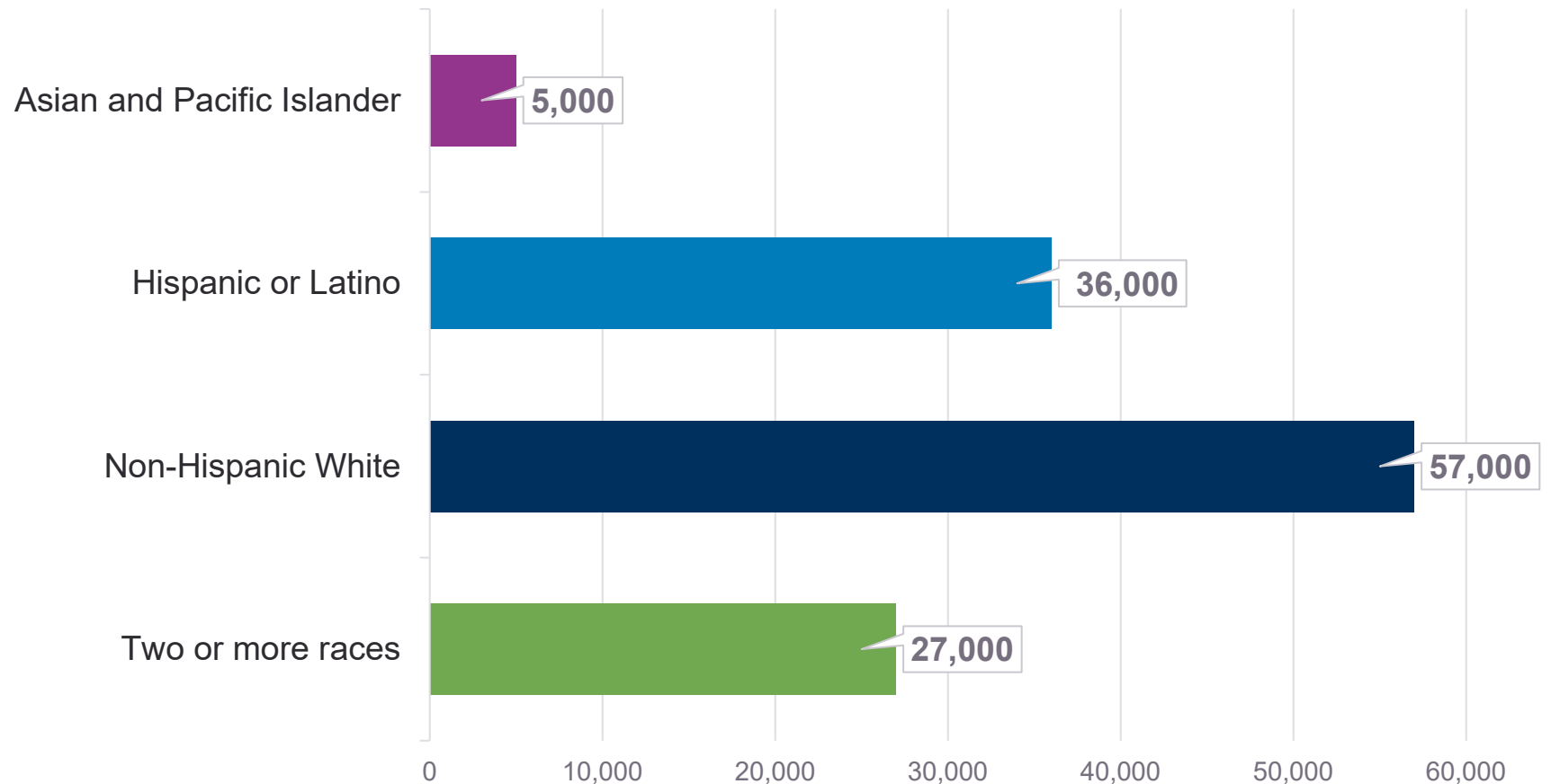
A snapshot of child poverty in Oregon



*National Equity Atlas Rent Debt Dashboard, 2022. All other data from The Annie E. Casey Foundation [KIDS COUNT Data Center, 2022](#).

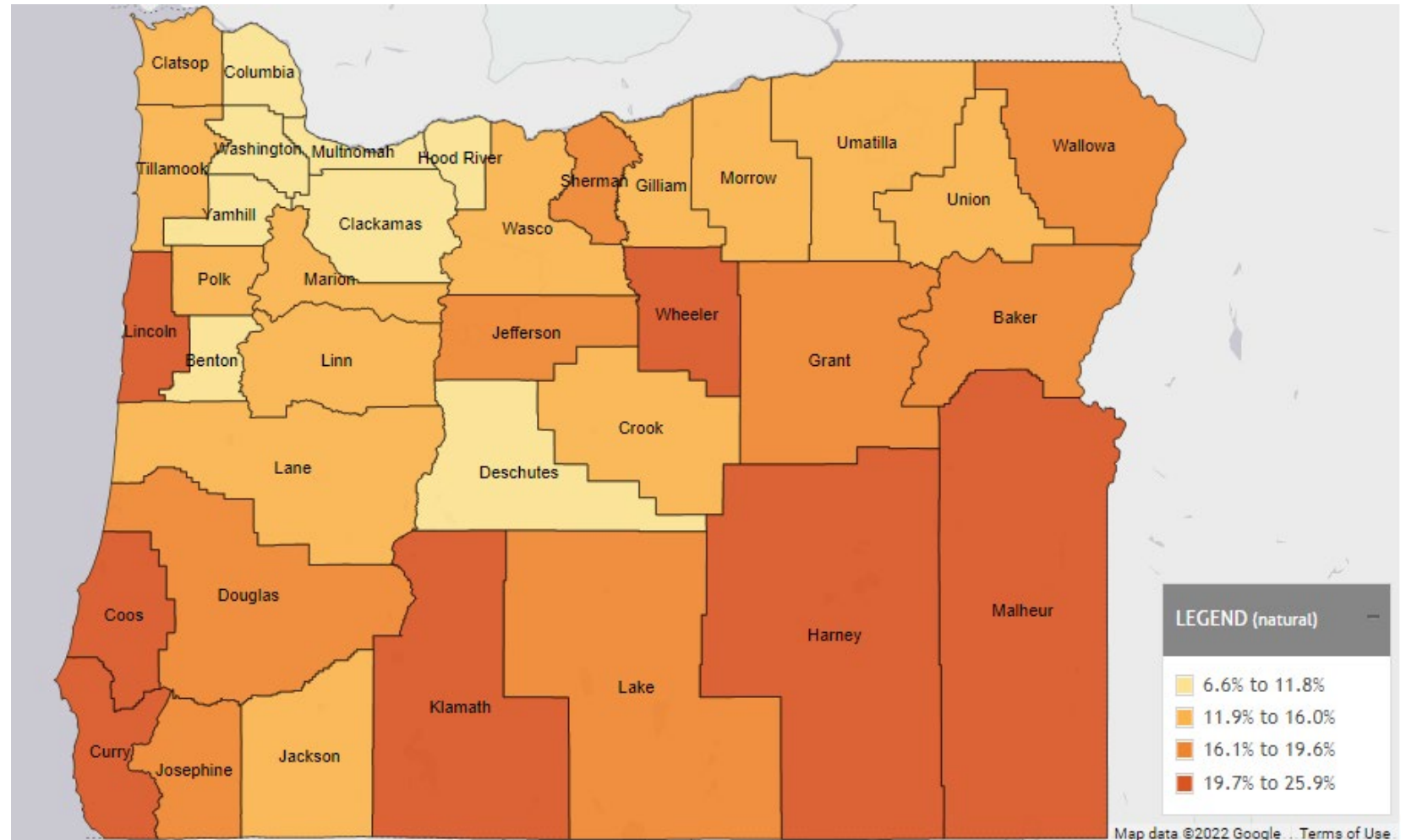
Child poverty by race and ethnicity

Oregon children living in families with incomes below FPL in 2021



The geography of child poverty

Child poverty rates are higher in Oregon's rural counties.



Challenges ahead:

Expiring benefits, rising housing costs and more

Child Tax Credit

- The expiration of the Child Tax Credit expansion meant an end to this benefit for **192,000 Oregon children**.

[Oregon Center for Public Policy, 2022](#)

Housing Crisis

- Oregon is nearly 98,000 rental homes shy of meeting the current need for affordable rentals,* and **housing costs are rising faster than wages.****
- **84,000 children** in Oregon reside in households that are behind on rent.***

Expiring Emergency Allotments

- The federal Omnibus bill, signed in December 2022, will cause a minimum **loss of \$95 a month** for households receiving SNAP benefits.

ODHS roles in reducing child poverty



ODHS programs serving families in poverty

ODHS administers programs that present important opportunities for reducing child poverty in our state, including:

- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income (SSI)
- Youth Experiencing Homelessness Program (YEHP)
- Earned Income Tax Credit partnership



TANF: Helping families get basic needs met

Enacted in 1996, TANF is a federal block grant administered by states. Its chief components are cash assistance, employment and training supports, domestic violence grants, disability benefit application assistance, and the Family Support & Connections program.

19,142

families receiving
TANF*

34,731

Children on TANF
caseload*

**in June 2022*

SSI: Helping families access benefits

Supplemental Security Income provides cash benefits to people with disabilities and older adults who are experiencing low or no income and is an important resource for families that include children with disabilities.

The ODHS Collaborative Disability Determination Unit **assists families in applying for SSI benefits.**



YEHP: Improving housing supports for youth

The **Youth Experiencing Homelessness Program** (YEHP) is funded through the federal Social Services Block Grant as well as General Fund dollars. YEHP annually serves:



Ongoing priority YEHP initiatives include:

- Continuing a **Direct Cash Transfer pilot project** for youth experiencing homelessness
- Supporting the **Statewide Youth Advisory Board**
- Providing **paid internships for youth** with lived experience in homelessness

*Yearly [estimate](#) of young people experiencing homelessness in need of safe housing and services in Oregon

EITC: Reducing barriers to a key benefit



Refundable tax credits are a proven strategy for reducing family poverty, but **Oregon has one of the lowest tax credit utilization rates in the country.**



Analysis of a 2021 national Child Tax Credit outreach campaign revealed that **direct outreach by benefits agencies and client-serving organizations effectively reached families who don't usually file tax returns**, likely generating as much as 40 percent of the returns filed through that campaign.*



ODHS' Tax-Filing Assistance Grant Program offers support to culturally specific, Tribal, rural and other organizations to increase their communities' tax credit awareness and provide free filing assistance to Oregonians eligible for the **Earned Income Tax Credit (EITC).**

Disaster case management

In March 2021, ODHS was awarded Oregon's first **Federal Emergency Management Agency (FEMA) grant** – \$6.3 million to provide Disaster Case Management services to Oregonians affected by the 2020 wildfires.

The grant allowed the state to launch a Disaster Case Management (DCM) Program. In Jackson and other impacted counties, DCMs have been providing services through **community-based organizations** supported by federal grant as well as state funds.



Meet the Gomez Family



“We were at a point we had nothing but so many people helped us.”

Beatriz and Julio Gomez and their four children lost their Medford home in the wildfires that engulfed the Rogue Valley in 2020.

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With support from their disaster case manager, Griselda Rodriguez Medina, ODHS Office of Resilience and Emergency Management (OREM) and a variety of community partners, the Gomez family was able to find food, shelter and a range of other services to help them meet immediate needs and eventually get back on their feet.

A month and a half after the fire, the family got connected to the financial help they needed to purchase a new RV and live at an OREM-supported RV park while preparing to buy land for their permanent home. Today, they are settling into their new home on a lot in Medford and running their business, Padre e Hijo Reparación de Autos.

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“Beatriz knows I’m here for her for emotional support, Griselda said. “We have brought forward resources to ensure that she and her family are feeling supported.”



Questions?
