



Promising Antipoverty Strategies for Families

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Outline

- A focus on *Families*: motivation and limitations
- Strategies to help parents balance work and family responsibilities
- Strategies to support and require nonresident parents to contribute



Why focus on families?

- Single-mother families are about 5 times more likely to be poor than married couple families with children
- Single-parent families particularly vulnerable to recession, economic uncertainty
- Most children will spend some time living in a family that does not include both bio parents
 - 40% of children born to unmarried parents in 2007
 - Many married parents will divorce while they have children at home



Limitations of family focus

- Limited effectiveness of policy in changing family structure
- Changes in marriage, childbearing and work have mixed effects
 - Less marriage *increases* poverty
 - More mothers working *reduces* poverty
 - Fewer children per mother *reduces* poverty
- Changes in marriage, childbearing and work are interrelated; family change isn't separable
 - Fewer/shorter marriages \Leftrightarrow more women working
 - More women working \Leftrightarrow increasing relative earnings
 - Less marriage, more work \Leftrightarrow fewer children



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Balancing work and family responsibilities a central challenge

- Work-based safety net means avoiding poverty requires at least one consistent worker
- Working mothers key to income growth for low and middle income families
- Few children, even preschoolers, have a parent at home full time
- Support for work/family balance critical, especially in single parent families



Key policies for working parents*building on ARRA*

- Child care: access to affordable quality care
- Family-friendly workplace policies
- Earnings supplements
- Jobs of last resort



Child care: access to affordable quality care

- ARRA:
 - Child Care and Development Block Grant (\$2B)
 - Head Start and Early Head Start (\$2.1B)
- Fiscal pressures nonetheless led to cuts to child care in many states
- Additional support for subsidized child care critical if parents with lower earnings are to work their way out of poverty, and still meet their responsibilities as parents
- These investments also critical for child well-being (see Aber & Chaudrey)



Family-friendly workplace policies

- Paid sick leave, family leave, and accommodations for part-time or flexible schedules needed for working parents to meet dual responsibilities
- Especially important, but often unavailable, for lower-earning single parents who have fewer alternative resources
- ARRA, as part of UI Modernization:
 - Benefits for those seeking part-time work
 - Benefits for quits related to compelling family reasons



Earnings supplements and jobs of last resort

- EITC helps make work pay for low-earnings families
- Access to health insurance for low-earnings workers has been important
- ARRA
 - increased the maximum EITC for families with 3+ children (from \$5028 to \$5657) and increased threshold for taxpayers filing jointly
 - Provided additional support for Medicaid and SCHIP
- Jobs of last resort are a challenging, but important building block given work-based safety net (see Johnson, Rynell & Young)



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Even disadvantaged fathers should work and pay child support, but...

- The child support enforcement system should focus on improving child well-being, not government cost recovery
- Policies need to provide support for contributing fathers and address barriers to work and child support payment



Child well-being not cost recovery

- Child support paid by fathers should directly benefit their children:
 - Allow TANF families to keep all CS paid on their behalf
 - DRA already allows states to increase pass-through
 - Eliminate assignment of past-due support
 - Recent reforms already eliminated assignment for former TANF participants
 - Eliminate Medicaid birth cost charges for unmarried fathers
- Variations of all these proposals included in “Responsible Fatherhood and Healthy Families Act”
- Requires additional funding— especially given current state fiscal pressures— building on ARRA funding for enforcement

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Supporting fathers' work and contributions

- Support fathers' ability to support their children
 - EITC for nonresident parents
 - Expand nonresident parents' access to benefits available to resident parents (health care, employment services, housing)
 - Jobs of last resort, especially important for formerly incarcerated
- Benefits tied to parental status should be contingent on paying child support

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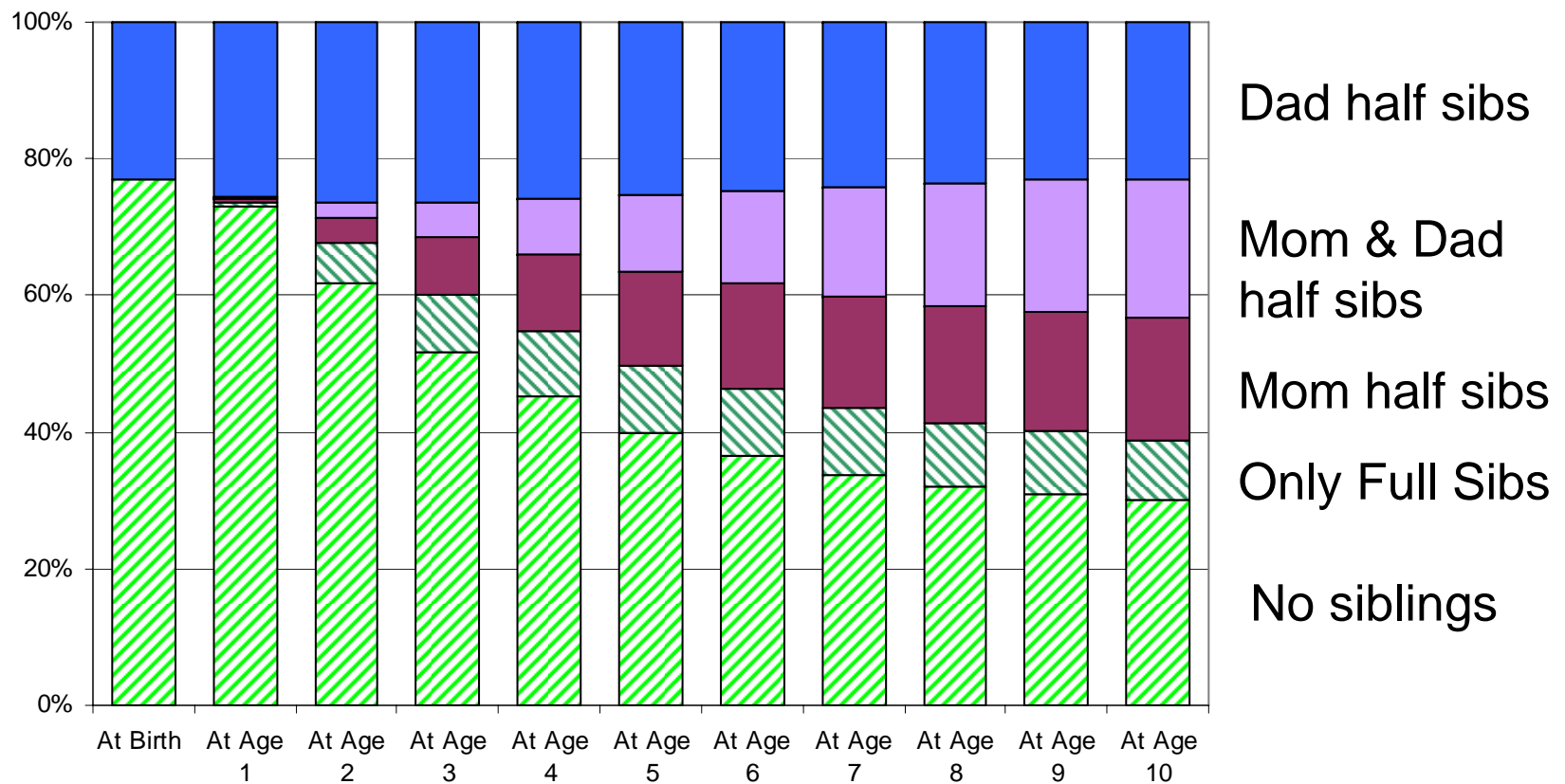


Confronting barriers

- Less stable employment and earnings requires a more flexible child support system
 - CSE system able to appropriately enforce and modify orders for payers with unstable earnings, cyclical unemployment, incarceration
- Complex families
 - Most children of unmarried parents will be part of complex families, in which their mother and/or father has children with other partners
 - Current child support system not structured to balance needs of children and fathers' ability to pay– a tough but important problem given high rates



Family Complexity for a cohort of nonmarital first births to mother, Wisconsin 1997

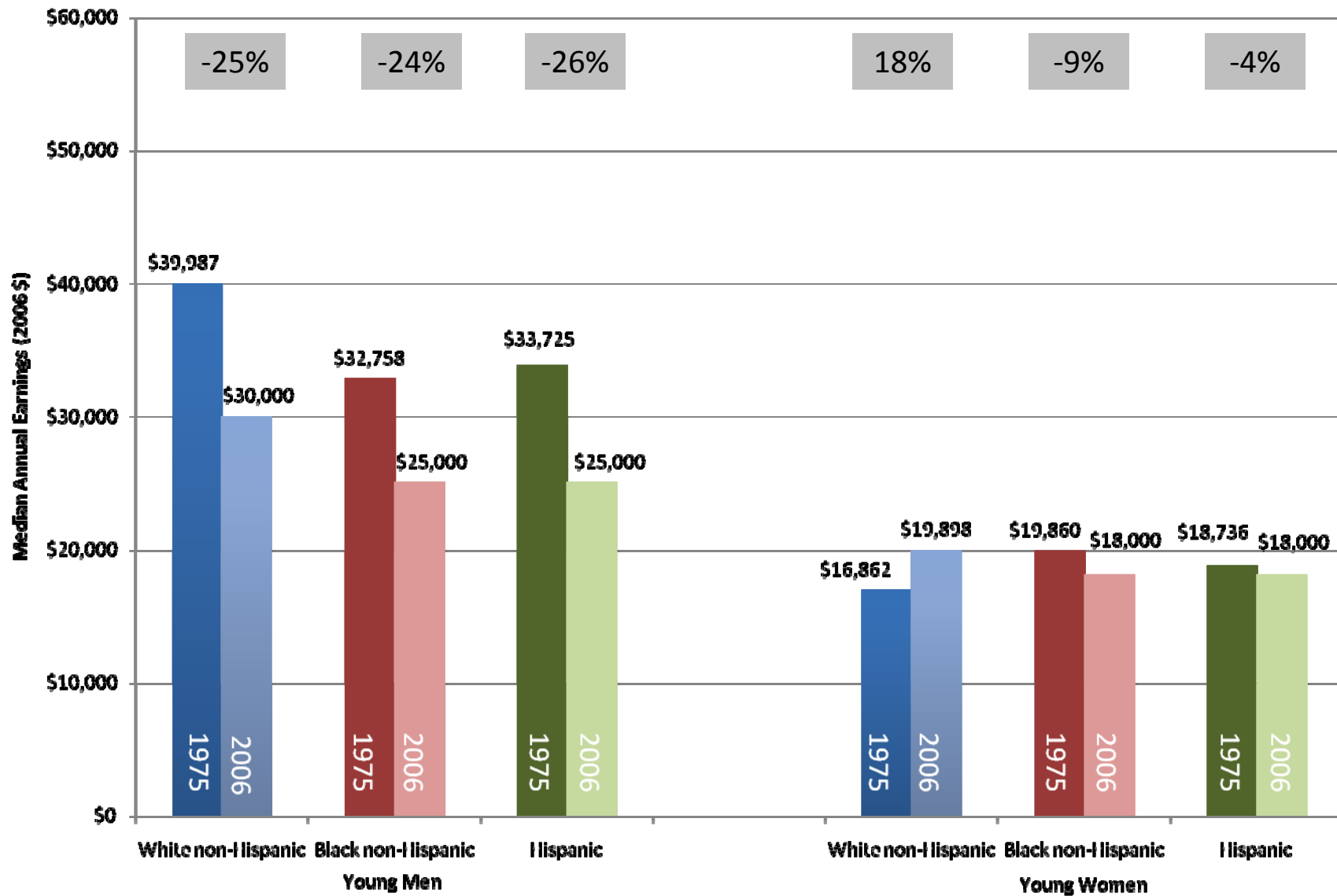




Successful working parents: key to current anti-poverty policy for families

- Most parents work, and must meet responsibilities to employers and children
- Building on ARRA, resident parents need affordable child care, family-friendly workplace policies, EITC and jobs of last resort
- Supporting and enforcing effective contributions from nonresident parents requires:
 - Child support system focused on child wellbeing not cost recovery, and responsive to unstable earnings and complex families
 - Work supports for nonresident fathers paying support

Median Annual Earnings, Employed High School Graduates, 1975 and 2006



Note: Young men and women are ages 25 - 34.

Source: Danziger & Ratner, forthcoming