

UNDER EMBARGO UNTIL: Tuesday, April 30, 2019, 10AM ET

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New Report: U.S. Can Lift 5.5 Million Children Out of Poverty Right Now

Children's Defense Fund study shows child poverty in Texas would be reduced by 57.1 percent through federal investments in modest policy improvements

Austin, Texas — America can immediately lift millions of children out of poverty and reduce child poverty by 57 percent by making modest investments in policies that work, according to a new report released today by the Children's Defense Fund. *Ending Child Poverty Now*, the second edition of a groundbreaking report first released in 2015, details the devastating impacts of poverty on children and our nation. It outlines nine policy improvements that, enacted together, would benefit 95 percent of all poor children, lifting 5.5 million of them out of poverty entirely. In Texas, which is home to 1.5 million poor children, the child poverty rate would be reduced by 57.1 percent. The report also shows how our nation can easily pay for the \$52.3 billion it would take to implement these changes with modest tradeoffs, including adjustments to the \$1.9 trillion tax reform package passed in 2017.

Facts on the Child Poverty Crisis*:

- 1 in 5 children in Texas lives in poverty.
- Nearly 1 in 10 Texas children lives in extreme poverty.
- Nearly one-quarter of Texas children don't have enough food to support a healthy life.
- Children of color and our youngest children are the poorest children in Texas.
- More than 90 percent of poor children in Texas are children of color.
- Nearly 11 percent of Texas children are uninsured.

"We know that economic deprivation has devastating and long-lasting impacts on child development. But we also know what can be done to change that reality for Texas children living in poverty," noted Patrick Bresette, Executive Director of the Texas office of the Children's Defense Fund. "What we need to do is act, and act now."

In the report, the Children's Defense Fund identifies improvements to nine existing policies and programs that could be made immediately to meet more children's basic needs, increase employment and make work pay more for adults with children. The policy recommendations in the report are designed not only to lift children out of poverty but also to help keep them of poverty. The nine policy recommendations are included below.

The Children's Defense Fund contracted with the Urban Institute to analyze the impacts and costs of the policy improvements for the United States and in Texas, home to 1.5 million poor children based on the Official Poverty Measure (OPM). The study found child poverty would be cut by 57 percent nationwide and in Texas if all policies were in enacted together.

The report finds that the combined policy improvements would cost about \$52.3 billion per year, slightly more than 1 percent of the federal budget. The report offers examples of how unwinding specific provisions of the 2017 tax bill or reducing other federal spending could cover these costs, including:

- Repealing the 2017 tax bill, which would save \$280 billion in 2019 alone; or
- Taxing the accumulated wealth of the richest 0.1 percent of Americans by one percent more per year, which would increase federal revenues by about \$190 billion a year; or
- Repatriating offshore profits of the nation’s wealthiest corporations, which would increase federal revenue by almost \$200 billion; or

One action Texas lawmakers can take right now to support children is to pass HB 342, which would stop the monthly purging of 4,100 children a month from Medicaid due to paperwork issues. The current process causes children who are eligible for either Medicaid or CHIP to periodically lose their coverage, creating damaging gaps in coverage so they go without preventative care, regular check-ups, and access to medicine.

“It is a moral disgrace and profound economic threat that nearly 1 in 5 children are poor in the wealthiest nation on earth,” said Marian Wright Edelman, Founder and President Emerita of the Children’s Defense Fund. “Permitting more than 12.8 million of our children to live in poverty when we have the means to prevent it is unjust and unacceptable.”

The Children’s Defense Fund is urging Congress to act now to implement the federal policy improvements outlined in the report to lift millions of children out of poverty now and make a substantial down payment on ending child poverty for all children.

To read the full report, [click here](#).

To read the six-page overview of the report, [click here](#).

To learn more about the Children’s Defense Fund’s work to end child poverty and how you can get involved, [click here](#).

Policy Improvements to Reduce Child Poverty at Least 57 Percent

Increasing Employment and Making Work Pay More for Adults with Children

- Create transitional jobs for unemployed and underemployed individuals ages 16-64 in families with children.
- Increase the minimum wage from \$7.25 to \$15.00 by 2024.
- Increase the Earned Income Tax Credit for lower-income families with children.
- Make the Child Tax Credit fully refundable with additional benefits for families with young children.
- Make child care subsidies available to all eligible families below 150 percent of poverty with no co-pays.
- Make the Child and Dependent Care Tax Credit refundable with a higher reimbursement rate

Meeting Children's Basic Needs

- Determine Supplemental Nutrition Assistance Program (SNAP) benefits based on USDA's Low-Cost Food Plan for families with children and increase benefits by 31 percent.
- Make housing vouchers available to all households with children below 150 percent of poverty for whom fair market rent exceeds 50 percent of their income.
- Require child support to be fully passed through to families receiving Temporary Assistance or Needy Families (TANF), fully disregarded for TANF benefits and partially disregarded for SNAP benefits.

*Source: KIDS Count Data Center

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The Children's Defense Fund (CDF) is a 501(c)(3) non-profit child advocacy organization that has worked relentlessly for more than 40 years to ensure a level playing field for all children. We provide a strong, effective and independent voice for all the children of America who cannot vote, lobby or speak for themselves. We pay particular attention to the needs of poor children, children of color and those with disabilities. CDF educates the nation about the needs of children and encourages preventive investments before they get sick, drop out of school, get into trouble or suffer family breakdown.