



SPOTLIGHT ON CHILD POVERTY IN THE UNITED STATES



**A UNICEF USA Supplement to the
UNICEF Innocenti Report Card**

ABOUT THE UNICEF USA REPORT CARD SUPPLEMENT

Each year, UNICEF's Innocenti - Global Office of Research and Foresight monitors, measures and compares progress toward securing the rights of children across high-income countries in the Innocenti Report Card Series. In keeping with UNICEF's universal mandate for children in every country, the Innocenti Report Card series focuses on the well-being of children in high-income countries.

This UNICEF USA Supplement accompanies the UNICEF Innocenti Report Card 18 and provides a detailed domestic examination of child poverty in the United States.

UNICEF USA's Supplemental report, *Spotlight on Child Poverty in the United States*, was written by Kim Eckhart, Anne Day Leong and Tracy Nájera.

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About UNICEF USA

Over eight decades, the United Nations Children's Fund (UNICEF) has built an unprecedented global support system for the world's children. UNICEF relentlessly works day in and day out to deliver the essentials that give every child an equitable chance in life: health care and immunizations, safe water and sanitation, nutrition, education, emergency relief and more. UNICEF USA advances the global mission of UNICEF by rallying the American public to support the world's most vulnerable children.

Publications produced by UNICEF USA are contributions to scholarship and debate on the state of children in the United States. UNICEF USA publications are not endorsed by UNICEF or the UNICEF Innocenti - Global Office of Research and Foresight.

UNICEF USA
125 Maiden Lane,
New York, NY, USA, 10038
unicefusa.org

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To learn more, contact:

[Anne Day Leong, PhD, MSW](#)
Senior Director of Research, Evaluation and Research Partnerships
aleong@unicefusa.org
UNICEF USA

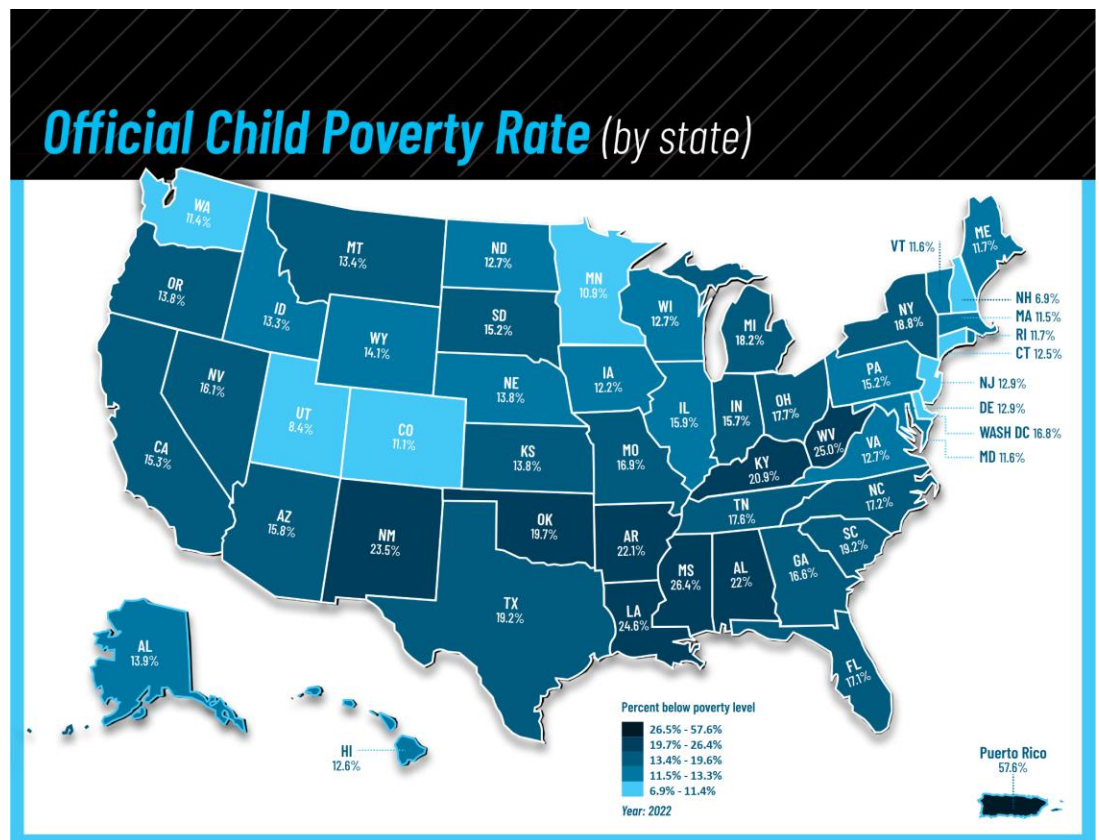
EXECUTIVE SUMMARY

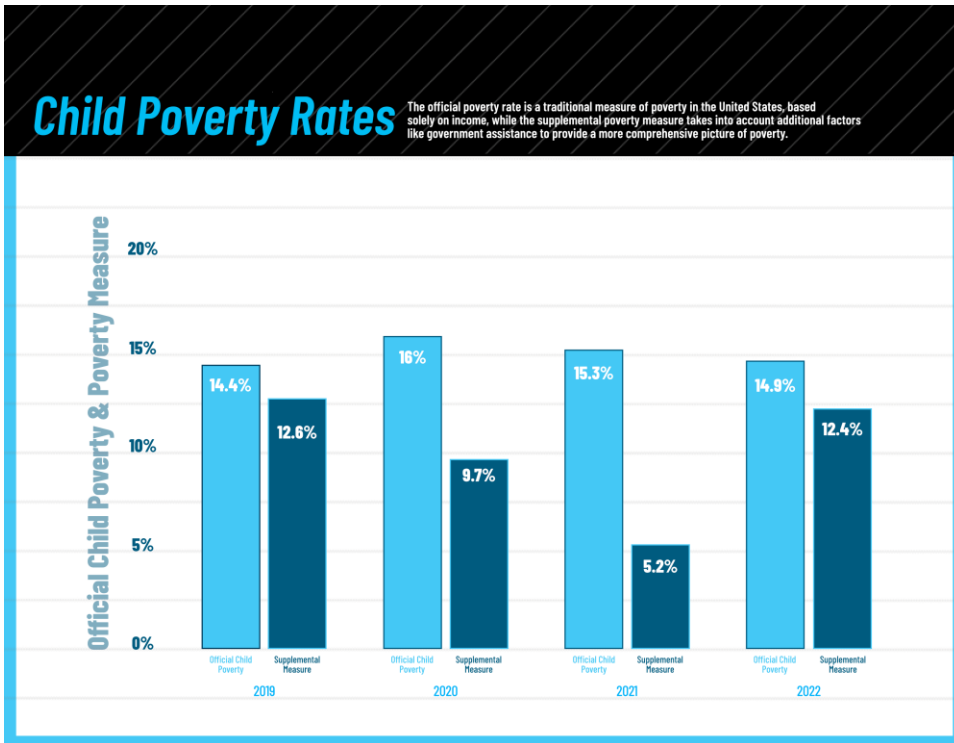
In 1964, President Lyndon B Johnson declared a War on Poverty. Nearly 60 years later, despite progress, the United States is still battling high levels of poverty- and children are suffering the consequences. Children who live in poverty are more likely to endure poor health and chronic illness, more likely to struggle in school and are at higher risk of behavioral and mental health issues. These increased risk factors put children at higher risk of growing into adults who struggle to find and keep a job. When adults face multiple challenges to maintain work and earn a sufficient income, whole economies suffer.

In recent years federal, state and local policies in the United States have made progress in lowering the number of children in poverty. This report outlines some of the promising policies that can contribute to ending child poverty in the United States. Through research-backed policies and opportunities, the United States has the potential to end child poverty, in every community and for every child.

UNICEF Report Card 18, *Child Poverty in the Midst of Wealth*, compares 43 high-income countries on issues related to child poverty. Across multiple rankings examining child poverty, the U.S. consistently ranks near the bottom among peer countries. The UNICEF Report Card cannot take a deep look into any one country. To fill that gap for the United States, UNICEF USA is producing this supplemental report to provide a more detailed look at child poverty in the United States.

The U.S. is a large and diverse country. With such diversity, poverty in the U.S. is complex. Official child poverty rates range by state from a low of 7% of children in New Hampshire to a high of 26% of children in Mississippi and 57.6% in Puerto Rico in 2022. Found within these numbers are racial differences; Black or African-American children have the highest rates of poverty in the U.S. (30%), followed closely by American Indian or Alaskan Native children (29%), and Hispanic and Latino children (22%). These rates of child poverty go far beyond an empty wallet. In 2021, one in eight American households did not have enough food to feed everyone in the house. Hungry children struggling to concentrate in school contributed to the 19% of children in poverty who did not graduate high school on time. In the long term, this costs the nation an estimated 5.4% of the gross domestic product in lower economic productivity and increased government spending.





During the COVID-19 pandemic, the United States government responded to a national threat to Americans with a national response. For children, the greatest return on investments came with the expansion of the Child Tax Credit. The additional income support families received in 2021 through programs like the expanded Child Tax Credit produced the greatest drop in child poverty that the United States has ever recorded. The supplemental measure of the child poverty rate dropped to 5.2% in 2021. In 2022, COVID-19 support programs, including the expanded Child Tax Credit, ended, and the supplemental measure of child poverty reverted to rates seen before the expansion of the Child Tax Credit (12.4%). If the

expanded Child Tax Credit had remained in effect in 2022, five million children would have avoided poverty. This is a strong indicator that the expanded Child Tax Credit was an exceptionally effective tool in reducing child poverty.

The expanded Child Tax Credit worked so well, in part, because eligibility was simple and nearly universal. In contrast, means-tested programs require people in need to prove they are in need. Means-tested programs rely on expensive systems of staff reviewing individuals' eligibility. Many families in need never get through the application process. The expanded Child Tax Credit simply used existing information from tax records to send money to eligible families. By using existing data systems to make this benefit available, the expanded Child Tax Credit had low administrative costs, had little stigma and reached nearly all income eligible families. Through simple, low-barrier and nearly universal enrollment this program maximized impact while minimizing overhead cost.

State governments have also found impactful programs to reduce child poverty with low barriers to enrollment. Alaska's Permanent Fund uses income from the State's oil industry to provide an annual payment to Alaskan children and adults without a difficult application process. Alaska's form of basic universal income has experienced success with decreasing poverty rates across the State.

At a local level, Washington, D.C. provides funds to pay for child care to low- and moderate-income children aged 3 and 4. This program has resulted in Washington D.C.'s high rates of enrollment in early education (72% of 3-year-olds and 89% of 4-year-olds) and has increased the rates of mothers in the workforce by 10% between 2009-2019.

The United States is a large and complex country and child poverty is a difficult issue to solve, but not an impossible issue. In the last 60 years since the War on Poverty began, effective tools have been developed to fight child poverty. Through low-barrier, universal or nearly universal anti-poverty policies and programs the United States can end child poverty. The United States is one of the richest nations on earth. With smart investments, American children can and should live in a country with good health, well-being and education for every child.