Although childhood poverty rates declined throughout most of the 1990s, they have been on the rise again. Between 2008 and 2009, child poverty jumped 10 percent – the single biggest year-over-year jump in the data’s history. And from 2000-2009, rates increased in 38 states. **That means 1 in 5 children now live in poverty.**

According to the [National Center for Children in Poverty at Columbia University](http://childreninc.org), 14.7 million children in the U.S.—or 20 percent of all those under age 18—live in households below the federal poverty level, set at $22,500 for a family of four. Nine percent of children live in households that earn 50% or less of the poverty level, which is considered to be “extremely poor.”

The child poverty rate is up 18% since 2000 according to the [Annie E. Casey Foundation's 2011 Kids Count Study](http://kidscount.annekecasey.org), which was released today. In 2000, around 17% of children were poor, compared to 20% in 2009. That means 2.4 million more children were living in poverty in 2009 than in 2000.

Over the same nine-year period, childhood poverty rates dropped in seven states, with West Virginia (a 2% drop) and Louisiana (a 3% drop) seeing the biggest improvements. Rates in five states remained the same, while rates increased in 38 states.

Increases in the childhood poverty rate ranged from a low of 1% in Connecticut and Hawaii to a high of 9% in Michigan and 7% in Colorado.

In contrast to the trends since 2000, between 1994 and 2000, the child poverty rate fell by almost 30 percent.

According to Laura Speer, Associate Director of Policy Reform and Data for the Annie E. Casey Foundation, “what that means is that all of the gains in the child poverty rate that we saw in the late 1990s were wiped out during the recession.”

The sustained increase in the unemployment rate has had a significant impact on the number of children living in poverty. “It’s about 8 million kids in 2010 that had at least one unemployed parent – double the amount than in 2007,” said Speer.

Curtis Skinner, Director of Family Economic Security for the National Center for Children in Poverty agrees. “It’s been a very tough time for children,” said Skinner. “A lot of the burden of unemployment has been on low-wage, low-education families that tend to be marginal at best in terms of economic security. They’re bearing the brunt of these high unemployment rates and that’s
certainly been a huge issue for children.”

**Children in poverty negatively affects economic and social outcomes with big costs to states.**

The childhood poverty rate is not just the most widely used indicator of child well-being; it is also a predictor of future social and economic well-being. As Speer puts it: “When children spend a lot of time in poverty during their childhood they’re more likely to have lots of issues as they grow up.”

According to the [Population Research Bureau](#), childhood poverty leads to negative health, social and economic consequences that follow children into adulthood. Compared to other children, poor children are less healthy, have lower educational achievement and are more likely to become involved with the criminal justice system. In adulthood, those children are less likely to attend college or maintain steady employment.

At 4 years old, children in poverty are 18 months below what is normal for their age group in reading and math—a gap that is still present at age 10.

Childhood poverty costs the U.S. an estimated $500 billion every year in lost earnings, involvement with the criminal justice system and in costs associated with poor health outcomes, according to a 2007 study by the [National Poverty Center at the University of Michigan](#).

The Annie E. Casey Foundation, using Poverty Center figures, calculates that in 14 states, child poverty comes at an annual cost of more than $10 billion. California has the highest cost at $63.9 billion, followed by Texas ($57.5 billion) and New York ($33.4 billion). Even in Wyoming, the smallest state, childhood poverty costs the state about $500 million a year.

**There are significant differences in childhood poverty rates across states**

Childhood poverty rates are highest in the South, with Mississippi (31%), Arkansas (27%) and Kentucky (26%) having the highest rates in the country in 2009. New Hampshire (11%), Connecticut (12%) and Maryland (12%) have the lowest rates of childhood poverty in the U.S.

Source: [U.S. Census Bureau, Small Area Income and Poverty Estimates for 2009](#)

For more state-by-state information on childhood poverty rates, check out the latest Capitol Research Brief: Childhood Poverty in the States.

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