The State of our Children in the Recession

FACT: An additional 35,000 Connecticut children will fall into poverty during this recession.

FACT: Food pantry requests for assistance increased 40% from 2008 to 2009.

FACT: Homeless families in Connecticut are different today: 32% are working but have no home.

FACT: Homelessness among Connecticut's rural and suburban families increased 33% from 2008 to 2009.

FACT: Homeless shelters throughout Connecticut are at – or above – 100% of their capacity.

FACT: Three-quarters of Connecticut children live in housing that fails to meet the definition of "affordable" – which is housing that costs no more than 30% of a household's annual income.

FACT: Joblessness for 16- to 24-year-old black men has reached "Great Depression proportions".

FACT: Youth unemployment is at its highest level since World War II. Only 34% of Connecticut teens were employed in 2009, compared to 49% in 2000.

FACT: 45,000 people in Connecticut (3.2% of the population) are hungry at some point during the year.

FACT: A child who falls into poverty during a recession is twice as likely to live below 200% of the Federal Poverty Level as an adult.

THE COST OF DOING NOTHING

FACT: This recession will lead to 35,000 children falling into poverty. They will not recover when the recession does.
COST: This will cost Connecticut $800 million per year according to First Focus, a Washington-based firm analyzing economic impacts on children.

FACT: Low birthweight is a growing trend in Connecticut and is a preventable condition for newborns. Low birthweight costs in dollars and poor child outcomes.
COST: CT spent $184 million in hospitalizations for low birthweight babies in 2008.

FACT: Nearly 11% of Connecticut households are hungry. Food pantries reported a 30-50% increase in requests for assistance from 2008 to 2009.
COST: Hunger costs the country $90 billion a year and $800 per American household.

FACT: Rural and suburban homelessness in Connecticut increased by 33% from 2008 to 2009.
COST: The annual cost of a homeless shelter for a family of three is $26,280. A RAP rental certificate costs $9000 a year.

FACT: Many homeless children stay back one year in school and have difficulty finishing high school.
COST: The 9400 high school dropouts from Connecticut's Class of 2009 will cost our state $2.4 billion in lost wages.

FACT: Some state services can help the public while bringing in federal dollars.
COST: Connecticut will bring in at least $8.4 million in federal funds if we increase use of our school breakfast and summer food program.
COST: Every food stamp dollar generates $1.73 in economic activity, but only 53% of Connecticut's eligible working families receive food stamps.

FACT: Online streamlined applications for state services help the customer, reduce errors and save money.
COST: Florida saves $83 million dollars a year in their online applications, and error rates have markedly dropped.

FACT: Some youth and young adults are giving up college as a goal due to cost and family stress.
COST: Lack of a college degree costs families in economic security. A college graduate's average household wealth is 9 times that of a high school graduate.

State of Connecticut
GENERAL ASSEMBLY

1st Quarterly Report of
House Speaker Christopher Donovan's Task Force on Children in the Recession

Submitted January 2010

Representatives Karen Jarmoc and Diana Urban
Task Force Co-chairs

Download this report and other Task Force materials at: www.cga.ct.gov/coc/taskforce.htm

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Overview

On June 16, 2009, Speaker of the House Christopher Donovan announced that he was forming a legislative task force to find ways to help Connecticut's youngest citizen's deal with the impact of the current recession.

Connecticut thus became the first state in the nation to undertake such an effort. On the day the Speaker made his announcement, experts attending a forum organized by the Commission on Children provided estimates of just how badly the downturn will affect future generations:

- An additional 35,000 Connecticut children will fall into poverty during this recession.
- As adults, these children will earn an average of $19,000 less annually than their Connecticut peers who avoided poverty.
- The economic cost to Connecticut from forgone earnings and poorer health of these children will run to $800 million per year.
- The percentage of Connecticut residents living in poverty jumped by the largest margin of any state in the country between 2007 and 2008, according to the U.S. Census. The percentage of Connecticut children living in families with incomes under the federal poverty level rose from 11.1 percent in 2007 to 12.5 percent in 2008.

"There is no greater risk to Connecticut's future than the adverse effects of this recession on our children. The evidence suggests that children will feel the impact of the economic crisis far into the future. They are our future, and we must do everything we can to protect them from the ravages of the recession. From economic security to hunger, healthcare, family and parental support, child care, education and safety, our children are at risk and it is our responsibility to care for their needs." --**Speaker Donovan**

Representatives Karen Jarmoc and Diana Urban were named co-chairs of the Task Force, whose members included not only legislators but designees of Connecticut's congressional delegation and representatives of social-service agencies. The deliberative process began with national experts – including economists, other scholars, and foundation leaders – talking about the cost of recessions historically. By mid-December 2009, the Task Force had heard approximately 10 hours' worth of presentations and testimony, over three meetings and a public hearing, which was held in Hartford for residents of the 1st Congressional District. The Task Force intends to hold one hearing in each of the state's five districts.

Below is a summary of what the Task Force has learned so far regarding the recession's impact on many aspects of children's lives, along with proposed policy approaches for addressing these problems.

Hunger and Nutrition

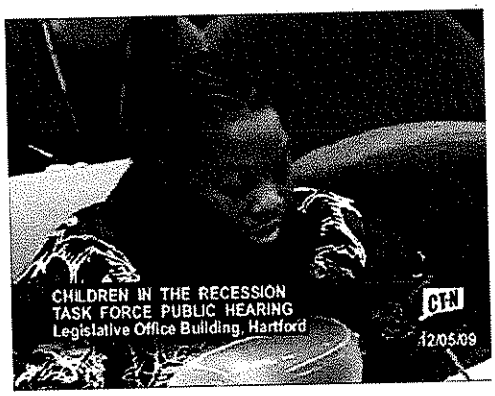
- Nearly 11 percent of the households in Connecticut are "food insecure," meaning the heads of these households are at high risk of being unable to feed themselves or their families. This year food pantries report a 30-50 percent increase in requests for assistance from 2008.

- The federal Supplemental Nutrition Assistance Program (SNAP) has proven the most effective tool for ensuring that people don't go hungry, yet an estimated 30 percent of the Connecticut families that are eligible do not participate.

- In the 3rd quarter of 2008, the 2-1-1 info-line received 6,000 calls regarding food and nutrition questions; at the end of the third quarter of 2009, about 9,000 calls were received.

- Half of all U.S. children will, at some point during their childhoods, live in households that use food stamps, according to a recent study conducted by Washington University in St. Louis and Cornell University in New York.

- Connecticut is losing $9 million in federal funds because it doesn't participate in certain child nutrition programs.



"I want to give you a picture of how this economy is knocking out an entire family – a very hard-working family. I have a mother who's sick and a step-father who just lost his job ... In our refrigerator right now there are about two things: a half-bottle of juice and a box of eggs. The tension in our house is hard. I stay away as much as possible ... I have completed two programs in cooking, I have five different certifications. I've applied for five or six jobs a day, and I've gotten no interviews ... Sometimes I say to a friend, 'OK, what can I do to get some quick money?' I know the answer to the question, but I won't go there. I don't want to throw everything away, but I think about it – believe me, I do."

- Latasha Fitzwilliams, 20, of Hartford, at the Task Force's public hearing for residents of the 1st Congressional District, Dec. 5, 2009.

- Fully 75 percent of the children who eat free or reduced-price lunches at school do not receive meals from the summer feeding program, even though they'd qualify.

- Connecticut is last in the nation when it comes to school participation in the national School Breakfast Program, with only 39 percent of eligible children eating breakfast in school.

Possible solutions: Streamline the application process for federal nutrition programs; create more access to DSS regional offices; increase the efficiency of DSS in processing applications and providing services for SNAP; and do more and better outreach for SNAP and child nutrition programs, such as school meals, summer feeding, and after school snack, and WIC.

Key presentations: Lucy Nolan, executive director of End Hunger Connecticut, and Gloria McAdam, president and CEO of Foodshare.

Housing and Homelessness

- The extent of the housing crisis in Connecticut revealed itself on January 28, 2009, when communities across the state conducted their third-annual count of homeless people and found that 32 percent of the homeless families they encountered had jobs. It was also found that:

    1. Sixty percent of the adults in homeless families had 12th-grade educations or higher.

    2. Rural and suburban homelessness saw a dramatic increase from 2008, especially for families and children in families; both were up 33%.

    3. Homeless shelters throughout Connecticut are at or above capacity.

- Of Connecticut's 400,000 renting households, fully 100,000 earn less than 50% of the median income and spend more than half that income on housing, leaving little for food, clothing, transportation, and other necessities. These families are "this close" to homelessness.

- Children experiencing homelessness face great challenges. High mobility, precarious living conditions, and severe poverty combine to present significant educational barriers. They perform below their peers in math and reading and are more likely to be held back.

- For low-income families seeking to buy homes, the opportunities have withered. In 2000, 65.2% of Connecticut ownership units were valued at less than $200,000; by 2008, the percentage had fallen to 19.8%.

- The state has built virtually no affordable housing in the last decade; it ranks 47th in units built per capita since 2000. Worse, 4,500 of the existing affordable rental units could revert to market-rate prices unless preserved in the next six years.

Possible solutions: Preserve the remaining housing available to low-income families; create more safe and affordable housing in communities across Connecticut; increase homelessness-prevention programs; and secure full implementation of the federal McKinney-Vento Act to ensure homeless children and youth receive education.

Key presentations: David Fink, policy and communications director, Partnership for Strong Communities; Carol Walter, executive director, Connecticut Coalition to End Homelessness.

Employment—and Unemployment

- Connecticut's unemployment rate stood at 8.4% by November 2009, with 91,000 workers filing for UI benefits weekly.

- Just under half of unemployed workers receive unemployment insurance benefits, but in Connecticut that money doesn't go nearly as far as it does in other states. Connecticut's replacement rate, or the percentage of the worker's former wages replaced by UI, is only 29.9%. The U.S. average is 34.9%.

- The impression that Connecticut is a high-wage state can be misleading, because Connecticut is also a high-cost state.

- Joblessness for 16-to-24-year-old black men has reached "Great Depression proportions" according to the Washington Post. Nationally, it was 34.5 percent in October—more than three times the rate for the general U.S. population.

"I come from a middle-class family ... We bought a house before the recession started, and both of my parents had jobs. My mom lost her job almost three months ago ... Now my main concern – instead of school and extracurricular activities and finding ways to get scholarships to go to college – is finding a job. I've applied for jobs, but there aren't any for students after school ... I'm worried that one day I'll come home and my dad won't have a job either. It's just difficult, because high school students shouldn't have to deal with supporting their families."

- Glastonbury High School junior Kara Googins, at the Task Force's public hearing in the 1st Congressional District, Dec. 5, 2009.

Possible solutions: The "Two Generation Now" approach, which promotes the economic well-being of parents while simultaneously ensuring that young children are healthy, safe, and succeeding in school. It does this by supporting programs that help low-income adults get and hold jobs and access available public benefits.

Also, the state could avail itself of the TANF (Temporary Aid to Needy Families) Emergency Contingency Fund – a $5 billion fund created by the federal government to provide additional fiscal relief to the states. The fund is meant to provide basic assistance, non-recurring short-term benefits, and subsided employment, providing states with a 4:1 match based on increased spending over the 2007-2008 fiscal years. Connecticut is eligible for up to $133 million.

Key presenters: Jamey Bell, Connecticut Voices for Children; John Padilla, Annie E. Casey Foundation; Jane McNichol, Legal Assistance Resource Center of Connecticut; and George Wentworth, National Employment Law Project.

Early Care and Education

- Early care and education should take a two-generational approach, since it allows parents to work and provides their children with consistent, safe, and enriched learning experiences.

- Families earning low wages cannot afford to work if they lack access to affordable child care. Families who cannot work fall deeper into poverty, and the children don't receive the early education they need to succeed later in school.

- Decades of research shows that children receiving consistent, high-quality early care and education enter school ready to learn, succeed, and when reaching adulthood are productive working members of society. Early childhood programs can yield returns of $18 for each dollar invested.

- The cost of child care in Connecticut is either the first or second most expensive part of the family budget, depending upon where a family lives. Low-income children can enroll in a variety of federal and state-funded early care and education programs. The Care 4 Kids child care subsidy program provides parents with the financial means, through vouchers, to enroll their children in early-care programs.

- Due to the budget deficit, the state closed the Care 4 Kids program to new, non-TANF applicants in Summer 2009. Then it reopened the program in Fall 2009. Now it anticipates closing again in early 2010. This practice has caused turmoil for families and providers alike.

Possible Solutions: Keep enrollment to the Care 4 Kids program open, to enable low-income parents to continue working or secure new employment. If the program absolutely must be closed, provide 60 days' notice to parents and providers. Maintain funding for: state-funded centers, state-funded Head Start, School Readiness, and Family Resource Centers.

Key presenter: Maggie Adair, Connecticut Association for Human Services

Higher Education

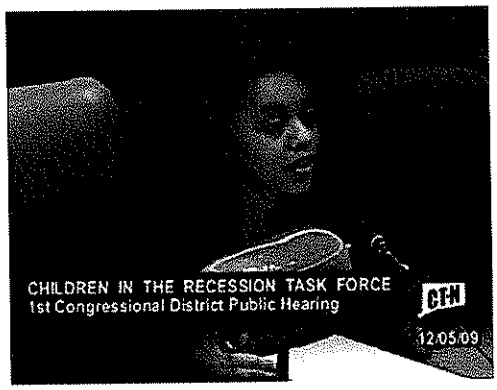
- Enrollment in Connecticut's public colleges and universities is at an all-time high, due in large part to unemployed or underemployed workers seeking graduate degrees in hopes of making themselves more employable, the high quality of education offered, and the affordability compared to private schools.

- Students transferring from Connecticut community colleges continues to increase, up 51 percent since 2001. At seven of the 12 Connecticut Community Colleges in 2009, the number of students who transferred to the Connecticut State University System (CSUY) matched or surpassed previous record levels.

- More than 1,000 students transferred from out-of-state colleges and universities to CSUS universities in Fall 2009, and four out of five, about 83 percent, were Connecticut residents. That's up from 76 percent last year.

- Financial aid is also at an all-time high, though it is not enough to meet the need.

- Ninety-three percent of the students in the state university system come from Connecticut, and 86 percent of the graduates remain here.



"Along with being a student, I have four jobs on campus. Most of the students at my school work at least two jobs to help pay their way through college. I have friends who've taken semesters off to go back home to help their families ... It does affect our grades ... Are we really going to be the driving force [in this country] if, by the time we graduate, we're already tired of working?"

- Bualong Ramize, Wesleyan University student, at the Task Force's public hearing in the 1st Congressional District, Dec. 5, 2009.

- Parents of high school children say the recession has put a significant dent in what they can contribute toward college tuition. Fidelity Investments, in its third-annual College Savings Indicator study, found that parents can cover only 11 percent of the total cost of their children's college education. That's down from 15 percent in 2008.

- A large percentage of Connecticut's future workforce must come from urban areas, yet only 20 percent of the students currently in those areas will get college degrees.

Possible solutions: Continue the governor's policy of using state bonding for undergraduate and graduate students to receive student loans at reasonable interest rates through credit unions. In the meantime, community colleges are looking for creative ways to save students money, such as reusing more books, creating payment plans and partnerships, and providing manufacturing scholarships. (Key presenters: Chancellor David Carter, Connecticut State University System; President Martha McLeod, Asnuntuck Community College.)

Family Health Care

- Nationally, at least 121,000 children have lost health insurance coverage as a result of parents losing their jobs in the recession, according to Congress' Joint Economic Committee.

- In its 2008 American Community Survey, the U.S. Census Bureau found that 9 percent of all Connecticut residents – or about 310,600 of them – were going without health insurance. An estimated 4.9 percent of children under the age of 18 (or 39,578) were uninsured.

- The 2008 survey was the first in which the Census Bureau prepared city-level estimates for health insurance coverage in Connecticut. The estimates of the total uninsured ranged from 11.8 percent in Waterbury to approximately 20 percent in Stamford, Bridgeport, and Danbury. Estimates for uninsured children ranged from 3.5 percent in New Haven to 13.4 percent in Danbury.

- From 2006 to 2008, Connecticut averaged 255 infant deaths per year, according to the state Department of Public Health. Of those, three-quarters occurred before the 28th day of life, and half of those were linked to low birth weight, which is strongly connected to poverty. Infant mortality tends to be a lagging indicator in recessions, so the state may see an increase this year.

- New polling data from the University of Michigan Health System shows that as parents face increasingly difficult financial decisions in this recession, it's often their children's health that gets short shrift -- especially in uninsured and lower-income families.

Possible solutions: The Department of Public Health has compiled a report on plans to counteract low birth weight and solve the disparities in prenatal care. Recommendations include: a) maximize co-enrollment in Women, Infants and Children (WIC) and Medicaid for all eligible women; b) expand tobacco cessation programs targeted at pregnant women; c) promote use of the Centering Pregnancy model of prenatal care. These programs may be paid for through the state tobacco funds and the TANF Emergency Funds.

Key presenters: Dr. Carol Stone, Family Health Section, Department of Public Health.

Family and Community Violence

- Nationally, we are seeing an increase in family violence, especially in areas such as neglect, because families are unable to provide basic needs to children. There is also the possibility for the recession to result in increased fatalities of children.

- The recession will cause children to suffer more family violence. It is a stressor for struggling parents already involved in abusive relationships with family members.

- A study from Liz Claiborne and The Family Violence Prevention Fund shows an increase in teen dating violence -- directly tied to the economic downturn. The study says nearly one in three teens reports being the victim of verbal, physical or sexual abuse. Nearly one in four says they've been harassed by e-mail or text messaging. Nearly half of the respondents report being controlled, threatened or pressured to do things against their will.

Possible solutions: Family violence results in long-term negative impacts on the family. Dealing with the trauma immediately when it happens can help negate the long-term effects on children. Early intervention is critical. Everyone who works around children, such as teachers and child-care workers, needs training on how to recognize abuse and how to respond to it. As animal abuse is often a predictor of family abuse, cross-report information between animal-control officers and child-welfare investigators.

Key presentations: Jeanne Milstein, Connecticut Child Advocate; Erika Tindill, executive director, Connecticut Coalition Against Domestic Violence.

Teens and After-School Programs

- Youth unemployment is at its highest level since World War II.

- The New York Times reports that over the past two years, "government officials and experts have seen an increasing number of children leave home for life on the streets, including many under 13." These teenagers, having seen their families suffer foreclosures, layoffs, and other economic calamities, often believe they're doing their families a favor by leaving.

- After-school programs across the nation are struggling with both recession-related budget shortfalls and recession-related enrollment increases. A national survey last spring revealed that three in five programs have seen their funding drop in the past two years. Meanwhile, demand for the programs keeps rising -- in part because of the recession, as laid-off parents seek help in providing for their children.

- Capital Workforce Partners reports that summer youth employment programs in Connecticut helped put 4,000 youths to work this summer, but an additional 7,000 applicants had to be turned away for lack of funds

- Connecticut's workers already are the eighth-oldest in the nation, and a major "brain drain" – caused by youth leaving the state for better employment opportunities – is making the problem worse.

Possible solutions: Create more opportunities in service and after-school programs to keep youth safe and engaged; give youth more opportunities in civic leadership; continue to build youth employment; and expand summer youth work opportunities, using TANF emergency funds.

Key presenters: Thomas L. Phillips, Capital Workforce Partners, and Gwendolyn L. Busch, Youth@Work.

Coordination and Systems

- Connecticut parents in need of unemployment benefits, food stamps, and other recession-related services have suffered unnecessary delays, frustration, and embarrassment because of state requirements that they apply for each service separately.

- Families seeking food assistance have had trouble reaching intake staff or have been told to return the next day due to high demand and a shortage of caseworkers.

- Some DSS intake workers have as many as 2,000 cases.

- In the case of child care, parents who applied for the service have been told within weeks that they'd have to reapply because the state had closed and restarted the service.

- Many other states have avoided this – and saved money in the process – by consolidating their applications for various services, often by relying on new technologies.

Possible solutions: Train social-service employees to handle client intake across agency lines; utilize technology to make it easier for people to determine whether they're eligible for programs; create a master contract or coordinated leadership team across agencies and branches of government to address the specific and discrete needs of families in the recession and systemic coordination, as we did following the 9/11 attacks.

DISCLAIMER: This report relies on the data publicly available at the time of publication. The Task Force understands that the data is subject to change.

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