This paper is part of the Urban Institute’s Assessing the New Federalism project, a multiyear effort to monitor and assess the devolution of social programs from the federal government to the state and local levels. Olivia Golden is the project director. The project analyzes changes in income support, social services, and health programs. In collaboration with Child Trends, the project studies changes in family well-being.


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About the Author
In January 2006, the Urban Institute and Child Trends co-sponsored a roundtable entitled “Trends and Policies that Affect Low-Income Children: What Are the Next Steps?” The purpose of the roundtable, attended by policymakers, program directors, researchers, policy experts, and advocates, was to inform and stimulate a debate regarding the development and well-being of the more than 26 million American children living in low-income families.

The roundtable discussion was grounded in, but not limited to, a decade of research conducted as part of the Urban Institute’s Assessing the New Federalism (ANF) project. This project, carried out in partnership with Child Trends, has analyzed the experiences of low-income families and children during major changes in the nation’s social welfare policies. A key element of the ANF project was the National Survey of America’s Families (NSAF), whose three rounds (1997, 1999, and 2002) provided a rich source of data on low-income families and children nationally and in 13 states. The specific goal of the roundtable was to present new papers that distill findings from the NSAF and other sources and to stimulate discussion drawing on those findings, with a particular focus on state and local policy.

The day-long discussion was structured around four sessions: (1) an overview of major risk factors encountered by low-income children, (2) parental work and the quality of child care, (3) children in immigrant families, and (4) children living in especially vulnerable families. The topics were selected to cover the most significant issues facing low-income children while also focusing on areas where the NSAF provides particularly significant and useful information. For example, the NSAF is one of the few sources of state-level data on the family circumstances, well-being, and program participation of children of immigrants and vulnerable children living in kinship and foster care.

A group of participants with wide-ranging backgrounds and experiences were brought together to discuss the many different policy options and approaches. Substantively, the expertise of the group covered many fields, including child development, income and employment policy, family structure, child care and early childhood education, immigration, child welfare, and others.

To frame the roundtable discussion, participants began by identifying their key concerns about the circumstances of low-income children in the United States today. Responses included the following:

- concerns about outcomes for specific subgroups of children: Latinos, African Americans, immigrants, infants, toddlers, and children in rural areas;
- quality of child care and early education;
• challenges facing the growing number of low-income children of immigrants;
• making programs work with shrinking resources;
• limitations of government programs and policies; and
• parents’ work conditions and the effects on children.

This conference report presents some of the most salient points raised during the roundtable. Structured around each session, key facts are provided from the conference papers and followed by highlights from the participant discussion. The background papers presented at the roundtable will be published separately and made available on the Urban Institute web site (http://www.urban.org).

An Overview of the Circumstances and Well-Being of Children in Low-Income Families

Predictions regarding the effects of welfare reform on the future well-being of children were both very negative and very positive. Yet, surprisingly small changes have occurred for children. Using data from the 1997 and 2002 waves of the NSAF, Martha Zaslow, Gregory Acs, Cameron McPhee, and Sharon Vandivere presented a paper that assesses the family context and well-being of children in low-income families (box 1). The authors based their analyses on a model prepared by Kristin Moore and Martha Zaslow of Child Trends that describes how policies used to reform welfare and support work might indirectly affect children in low-income families by affecting parents’ employment and children’s child care arrangements.

A particular focus of the paper was the change in children’s living arrangements and parental employment between 1997 and 2002. Among children in low-income families, the proportion living in single-mother families declined from 37.9 percent in 1997 to 35.3 percent in 2002; an increasing share, however, lived in unmarried cohabiting families. Children in low-income single-parent families experienced increases in overall rates of parental employment between 1997 and 2002 from 56.6 to 61.3 percent. This increase, according to Zaslow, Acs, McPhee, and Vandivere, is partially due to changes in policies that support work and a strong economy. While little is known about the quality of these jobs, the authors found that full-time employment and full-time employment with employer-provided health insurance did not increase for single parents between 1997 and 2002.
Box 1. Children under Age 18 in Low-Income Families: Change and Continuity in Family Context and Measures of Well-Being
Martha Zaslow, Gregory Acs, Cameron McPhee, and Sharon Vandivere

- **Children living in low-income families**: The proportion of children living in low-income families fell from 42.2 percent in 1997 to 36.6 percent in 2002. In the wake of the recession in the early years of the 21st century, however, low-income rates began to rise again.

- **Variations in trends by race**: Between 1997 and 2002, the proportion of children in low-income families who were white fell from 46.7 to 42.2 percent, while the proportion who were Hispanic grew from 25.1 to 29.6 percent. The proportion of children in low-income families who were black remained the same.

- **Child care arrangement children in single-parent low-income families**: The proportion of children age 12 and under in single-parent low-income families with a regular child care arrangement increased between 1997 and 2002 from 73.7 to 79.5 percent for preschool-age and from 56.5 to 62.1 percent for school-age children. For preschool-age children, care by a relative has significantly increased from 25.4 to 32.7 percent; for school-age children, participation in a center-based program as the primary arrangement decreased from 21.9 percent to 17.2 percent between 1997 and 2002.

- **Child care arrangements of children in two-parent low-income families**: In 2002, children age 12 and under in two-parent low-income families were much less likely than those in low-income single-parent families to have any regular nonparental child care. The shares of low-income children in two-parent families using some form of nonparental care were 51.6 for preschool-age children and 33.9 for school-age children.

- **Parental employment**: Between 1997 and 2002, the percentage of children in two-parent low-income families with at least one parent employed full-time with health insurance declined more than 5 percentage points, from 49.3 to 44.0 percent. While employment rates have increased among children in low-income single-parent families (from 56 to 61 percent), full-time employment and full-time employment with employer health insurance did not increase for this group.

- **Parental mental health**: One in three (33.0 percent) children in low-income single-parent families had a parent who reported symptoms of poor mental health, compared with one in five (21.0 percent) of those in two-parent low-income families in 2002.

These numbers are based on the social family definition of poverty (a broad definition of family that includes married and unmarried partners and their children as well as members of the extended family) not the typical Current Population Survey definition (that includes only married partners, their children, and blood relatives).

The discussion in this section focused, among other topics, on the unexpected findings regarding declining parental employment for children in low-income two-parent families. For example, the share of children in low-income two-parent families, in which both parents were employed at all, has declined from 1997 to 2002 (from 37.3 to 32.4 percent). Participants discussed several possible explanations for this decline, including the increasing proportion of low-income two-parent immigrant families, who are more likely to have a working father but less likely to have a working mother; as well as changes in how parents have responded...
to the economic trade-offs between work and caring for children. Given the points made in the paper regarding changes in work and changes in the way families substitute work to care for home and child care needs, Ronald Mincy, professor of social policy and social work practice at Columbia University, argued that careful thought be put into “how men and women combine resources and support children.”

In addition, by painting a picture of the economic and family circumstances of children in low-income families and how those circumstances changed between 1997 and 2002, this session provided a backdrop for later discussion regarding demographic changes in the low-income population and particular risk factors for children such as domestic violence, drug abuse, mental health, and parental engagement and activities.

**Parental Employment and Children in Low-Income Families**

A major trend identified in the first session was the dramatic increase in work among single-parent families (from 56.6 to 61.3 percent). In assessing the effects of this trend on children, the roundtable focused on tracing two potential pathways by which work may affect children. Research presented by Shelley Waters Boots, vice president of policy and programs of Parents’ Action for Children, focused on the effects that work may have on children through its effect on parents and family life (box 2). Gina Adams of the Urban Institute and Martha Zaslow and Kathryn Tout of Child Trends presented findings regarding the effects of work on children through child care arrangements (box 3).
**Box 2. The Way We Work: How Children and Their Families Fare in a 21st Century Workplace**
Shelley Waters Boots

- Only 29 percent of Americans worked a standard work week, defined as 9 a.m. to 5 p.m. Monday through Friday, or 35–40 hours a week. One-fifth of all Americans worked a "nonstandard" work schedule where they report to work on weekends, in the evenings, at nights, or on rotating schedules, or had highly variable hours.

- Nonstandard work may have some short-term benefits, such as helping parents accommodate caregiving for children. However, there is evidence of some long-term negative effects. For instance, couples are more likely to have lower marital satisfaction and are at greater risk for separation and divorce.

- Children with parents who work nights or evenings or lack paid time off have lower reading and math test scores.

- Fathers who worked weekends spent about an hour more a day at paid employment and about 30 minutes less with their children than their counterparts who did not work weekends.

- Sixty-seven percent of employed parents reported not having enough time to spend with their children, and 63 percent of married employees said they did not have enough time with their spouse.

**Box 3. Child Care and Children in Low-Income Working Families: Trends, Patterns, and Potential Policy Implications for Children’s Development**
Gina Adams, Martha Zaslow, and Kathryn Tout

- In 2002, more than two-thirds of children younger than 5 years old in low-income families with employed parents were in some form of regular, nonparental care setting—with many spending significant hours each week in these child care settings.

- There is evidence of a small though consistent link between child care quality and child development. Despite this evidence, the average quality of child care available for all children is mediocre. More notably, the quality of care available to low-income children is worse than that available to higher-income children.

- Federal and state governments are investing resources in child care and early education, yet only some of those resources are focused on ensuring that low-income children are in high-quality early care and education settings. The resources that are focused on quality are targeted mostly to 4-year-olds, and do not necessarily support arrangements that match the work schedules of low-income working parents.

- The funding available to improve the quality and accessibility of child care is too small to accomplish the desired effect. States are required to spend at least 4 percent of certain state and federal Child Care and Development Fund–related funds to improve the quality and accessibility of child care, which is relatively small in comparison to the size of the overall market it intends to affect.
In an environment of scarce resources, many low-income families continually struggle to balance the demands of work and family life. With low wages, inflexible and nonstandard work schedules, less access than higher-income families to paid leave or health insurance, and the cost of child care, many low-income working families have greater difficulty accessing the supports needed to help them in caring for their children.

Practitioners assisting low-income children and their families reported a whole set of challenges—from balancing policy resources and family needs to answering to the demands of public expectations. The eligibility “cliff” that defines whether a family is eligible for a child care subsidy in a given state can create illogical consequences for both parents and providers. For example, Reeva Murphy, the state child care administrator of Rhode Island, reported that she hears from low-income parents who “received a 30-cent raise and now are not eligible for a subsidy and cannot afford child care.” She generally is unable to help: “the bottom line is that we do not have the resources or the safety net for these people. We do not dispute that they need assistance, we are just unable to always support it.” At the same time that Murphy is unable to reach as far up the income scale as she thinks is necessary, she still encounters objections from more financially secure families, taxpayers who see child care and other social assistance as giving low-income families a free ride or access to services that moderate-income families cannot afford or make sacrifices to purchase.

Gayle Cunningham, executive director of the Jefferson County Committee for Economic Opportunity, a community action agency and Head Start provider in Jefferson County, Alabama, sees the shortage of resources for the poorest families, those eligible for Head Start with income below the poverty level. “When you look at the Head Start or Early Head Start program in our area, there is a huge waiting list. In our county alone, 1,824 are eligible and waiting to be admitted to the program,” Cunningham explained.

With public resources tight, participants also considered the roles that employers can play to attend to the child care needs of their employees. Martha Alexander, the state representative for the 106th district in North Carolina, stated, “when we look at child care, we are forgetting a very important part of it….We really need to look towards the business communities, include them in the discussion, and help them to understand that it is to their benefit that we give time off to parents.” Participants offered different opinions about the practicality of engaging employers and about alternative approaches to doing so. Marcia Meyers, director of the West Coast Poverty Center at the University of Washington, argued that while child care matters, it cannot solve some basic problems of low-wage work such as nonstandard work hours or unpredictable schedules. Instead, she argued that policymakers address those issues directly, for example through improvements in legislation governing workplace conditions and hours.
The discussion also touched briefly on the dynamics within families when workplace schedules and practices force parents into trade-offs between caring for children and keeping a job. For women, this may mean cutting back on personal time or fulfilling needs, such as sleep. Shelley Waters Boots pointed out, “Working mothers lose the equivalent of one night of sleep a week compared to mothers not in the labor force.” Boots’ paper, however, suggested a possible positive consequence in two-parent families, if fathers become more involved in caring for their children. Research indicates that when fathers are more involved, the outcomes for children are generally positive. These outcomes range “from affecting children’s...attitudes about sex roles to...enhancing children’s cognitive abilities” (Boots 2004). On the other hand, Boots’ paper also pointed out the strain placed on marriages by nonstandard work schedules where parents trade off caring for children but share little time at home together.

Participants discussed the choices that parents make among types of care and the challenges of assuring quality in informal care (that is, care by relatives, friends, or neighbors) as well as more formal settings. Both the experiences of the child care practitioners in the group and the NSAF data on the increased use of informal care led participants to identify this topic as important. According to Adams, Zaslow, and Tout, “parent choices of child care are...shaped by the supply, cost, and quality of different child care options in their community.” For many low-income families, formal or center-based care that is affordable and also of good quality may simply be unavailable. For this and other reasons, many low-income families turn to informal child care providers. Participant Julia Henly of the School of Social Service Administration at the University of Chicago argued that low-income families draw on informal providers for a whole range of supports in their community. As participants discussed the nature of choice and child care options for low-income children, they also discussed the possibility for public policies to tap into resources already available in low-income communities, such as the use of informal care.

Children in Low-Income Immigrant Families

In thinking about children in low-income immigrant families, the roundtable focused on the practical issues of delivering services to these children and the infrastructure required to support effective service delivery. Randy Capps of the Urban Institute started the session by presenting an overview of the recent trends among children living in immigrant families, defined as families where at least one parent is foreign born but the child may be either foreign or native born (box 4).
Box 4. Immigration and Child and Family Policy
Randy Capps

- The share of children under age 18 with at least one immigrant parent more than tripled in the past 35 years, from 6 to 20 percent. If current trends continue, children of immigrants will represent at least a quarter of all U.S. children by 2010.

- A large and growing share of low-income children live in immigrant families. In 2002, 52 percent of children of immigrants versus 33 percent of children of natives were low income.

- Along with higher poverty, children of immigrants experience greater economic hardship than children of natives. In 2002, 39 percent of children of immigrants lived in families experiencing food-related problems, compared with 27 percent of children of natives. Children of immigrants were more than twice as likely as children of natives to be reported in fair or poor health and more than four times as likely to live in crowded housing.

- Three-quarters of children in immigrant families are U.S.-born citizens. These children are therefore eligible to receive the same public benefits and services as children of natives. However, over a quarter have undocumented parents who may be reluctant to approach public institutions for services because of fear of deportation.

- Over 90 percent of young children of immigrants (age 0–5) were U.S. citizens in 2002. Seventy-seven percent of older children of immigrants age 6–17 were U.S. born. There are many mixed-status immigrant families in which the younger children are citizens but the older children and their parents are noncitizens.

- Immigrant children and their families are highly concentrated in six states: in 2000, two-thirds lived in California, Florida, Illinois, New Jersey, New York, and Texas. However, the number of immigrant families is growing most rapidly in other parts of the country. Ten states had especially rapid growth in young children of immigrants between 1990 and 2000: Arkansas, Colorado, Georgia, Idaho, Iowa, Nebraska, Nevada, North Carolina, Oregon, and Tennessee.

As the proportion of children of immigrants increases, so does the need to acquire English. Capps noted in his presentation, “a third of all children of immigrants live in a household where no one over 14 speaks English very well.” To address the problem of language isolation, participants discussed the knowledge available regarding best practices in English language acquisition for both school-age and preschool-age children. One challenge for child care providers who serve very young children is that good care requires communicating with both parents and children; if the child care setting is English-only, the caregivers will not be able to communicate with parents, while if it is Spanish-only, children will risk not learning English before school.

Kathleen Leos, the associate deputy secretary to the office of English language acquisition, provided a framework for thinking about good practice in language acquisition. Leos explained that communities that have the resources to develop bilingual programs are now “developing native language and transition to
English curricula as well as helping parents.” Leos also mentioned that efforts are being made by Head Start to provide good language training to caregivers in the area of sound articulation, discrete articulation of sound, ESL, and many other language strategies and techniques.

To effectively provide services to children of low-income immigrants, appropriate state and local infrastructure need to be set in place. One of the most important structures discussed by participants was the hiring of bilingual teachers, staff, and interpreters. For new immigrant growth states—such as Arizona, Georgia, North Carolina, and South Dakota, where the proportion of children of immigrants in pre-kindergarten through 5th grade has doubled between 1990 and 2000—hiring bilingual staff can pose a very important challenge. Another challenge new growth states have to address is the needs of the parents of immigrant children. According to Marsha Moore, Commissioner of the Georgia Department of Early Child and Learning, “there is no way to serve the population 0–5 without having parents involved.” Moore noted that parents are often forgotten when it comes to program outreach. Despite great need, new growth states often lack the linguistic capabilities and funding required to meet the demands of low-income immigrant children and their parents.

Children in Particularly Vulnerable Low-Income Families

Children living in particularly vulnerable low-income families were defined as those experiencing such risk factors as domestic violence, child maltreatment, parental substance abuse, depression, and parental and childhood disabilities. While families at all income levels can experience these challenges, many of these challenges are disproportionately frequent among low-income families. Drawing on the NSAF and other sources, Jennifer Macomber of the Urban Institute provided a backdrop to the discussion by presenting information on trends over time in the number of children in vulnerable families (box 5). She highlighted both examples of improvement and areas of deterioration that will continue to require public focus.
Box 5. Overview of Selected Data on Children in Vulnerable Families

Jennifer Macomber

• Rates of child victimization and placement in foster care remained steady between 1990 and 2003. In the same period, investigations of reports of abuse increased.

• Relatives are the first placement option for maltreatment. Many have low incomes and do not receive financial assistance, although this may be improving. For example, there is evidence of some declines in poverty and rates of uninsurance among children in kinship care.

• Adoptions from foster care increased substantially between 1995 and 2004.

• Increasing numbers of children receive Supplemental Security Income and are served under the Individuals with Disabilities Education Act.

• Rates of maltreatment victimization are highest for the country’s youngest children.

• Roughly a quarter of low-income children live with a parent with symptoms of poor mental health.

In thinking about the multiple risk factors of vulnerable low-income families, respondent Brenda Jones Harden of the Institute of Child Study at the University of Maryland suggested that the child welfare system provide targeted services to this vulnerable population. She noted, “the global approach for this group just really is not going to work…We know that upwards of 80 percent of children in the child welfare system have families who are substance involved” (meaning a parent or extended family member uses alcohol or drugs). Given what is known about substance abuse and mental health treatment, Harden argued that the child welfare system ought to apply a more targeted approach to respond to the various and complex needs of particularly vulnerable families.

One particular program specifically designed to attend to the many needs of vulnerable low-income children that has proven beneficial to both children and parents is Early Head Start (EHS). EHS takes a comprehensive yet targeted approach to early education and child development. Respondent Helen Raikes of the Center on Children, Families and the Law at the University of Nebraska–Lincoln shared findings from the Early Head Start Research and Evaluation Project, a random assessment evaluation by the U.S. Department of Health and Human Services. This assessment found positive outcomes for children participating in EHS. Past EHS evaluation reports, which looked at children up to age 3, showed that participation in EHS improves children’s cognitive, language, and social-emotional functioning, and has positive effects on some parenting behaviors. Many children participating in EHS, according to Raikes, live in vulnerable families; “in some sites up to 40 percent of EHS families have domestic violence issues.” Similarly, “about a quarter of parents report symptoms of depression,” Raikes explained. Presenting new findings as the cohort of EHS children reached age 5,
Raikes shared results that show a reduction in parental depression and an improvement in outcomes for children with the greatest number of risk factors.

Because the reduction of depression and positive effects did not appear among parents until their children had reached 5 years old, and because effects were even stronger for children and families in the high-risk group, Raikes believed the finding points to the importance of sustained intervention over a number of years for the most vulnerable families. (Parents joined the study when they entered Early Head Start, generally during pregnancy or in the child’s first year of life.) Thus, in addition to providing important lessons about the benefit and capabilities of a comprehensive approach particularly targeted to vulnerable low-income families, the EHS project shows the significance of structuring programs to serve as long-term interventions. Mary Lee Allen, director of the Child Welfare and Mental Health Division at the Children’s Defense Fund, argued that these findings are especially important because funding for programs is often decreased before one can see their impact. The length of the Early Head Start program and the continued evaluation after children leave the program provided an opportunity to the program’s effects on children that would otherwise not have been evident.

Children in Low-Income Families and the Future: Research and Policy Agenda

Despite the magnitude and complexity of issues that children in low-income families face, the participants described themselves as hopeful and energized after the discussion. Researchers found it valuable to hear how practitioners at the state level reacted to the research evidence and its shortcomings. Practitioners appreciated hearing data relevant to their needs and having the chance to gain new insights about their struggles and accomplishments through the reactions of colleagues.

Concluding remarks focused on how to communicate current information available about low-income children as well as next steps to consider in continuing research. Participants found particularly valuable the data on the characteristics of low-income families; trends by children’s family structure; data on children in immigrant families, particularly when presented at the state level; and the summary of specific risk factors for children. Participants also found fascinating the juxtaposition in the last session of findings from Early Head Start and findings in child welfare research as summarized by Brenda Jones-Harden. They were struck by the value of looking at the research across academic specialties to identify the common themes that could spark solutions for low-income children.

Participants suggested that emerging findings, such as those discussed at the roundtable, be presented to federal policymakers, state administrators, and employers. Some identified the emerging findings from EHS as important lessons about providing comprehensive services to improve the overall well-being of
children and reduce the risk factors encountered by low-income parents, especially in the area of mental health. Others saw various audiences for the new findings about trends among two-parent families regarding full-time employment and lower levels of child care participation. Some focused on ways of analyzing and presenting the accumulated information, for example through cost-benefit analyses.

Yet several participants cautioned that it was important not to believe that key partners—such as elected officials or employers—would automatically be interested in or inclined to act on this kind of information. Others pointed out that the lessons are far from clear. For example, the evidence does not answer the question of how to find the right level of targeting of services, and for which families. Participants talked about strategies that invest resources in particularly vulnerable families through early intervention programs, strategies that help keep families who have found their way out of poverty from slipping back, and universal strategies aimed at creating a fair playing field for all families.

Finally, participants wanted to build on the energy of the roundtable by replicating the same kind of conversation among other groups. Tom Corbett, professor emeritus at the University of Wisconsin–Madison, noted the valuable contribution that meetings such as this one—made up largely of state policymakers and practitioners yet also including researchers and national policy experts and grounded in data—made to state-level innovation during welfare reform. He suggested restarting that idea with a focus on children. Through follow-up comments after the forum, participants continued to elaborate on various ways of continuing the conversation, such as replicating the discussion about immigrant children in a number of new destination states, and perhaps using existing networks such as the child care administrators’ network.
References


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