

Report to the Rauch Foundation September 2016

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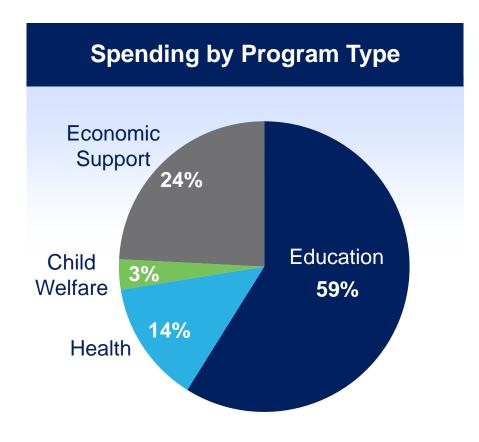
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See <u>Bibliography and Sources</u> document for all reference materials.

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## Overview of U.S. Public Spending for Children and Their Families



- Public spending on children and families totaled \$980 billion for 2012
- Elementary and secondary education and tax credits together represent 70% of overall spending
- The national average of public spending on children of all ages is \$20,787 per capita
- The states with the highest per capita spending tend to be those with both smaller populations and a lower portion of children in poverty, and those with a wide geographic spread



## **Components of Major Program Types**

Education	Health	Child Welfare	Economic Support
Elementary and Secondary Education (\$562 b)	Medicaid (\$103.8 b)	Foster Care, Adoption, Guardianship – Title IV-E (\$6.4 b)	Earned Income Tax Credit (\$67.2 b)
Preschool (\$5.3 b)	CHIP (\$11.9 b)	Child Welfare Services Promoting Safe and Stable Families – Title IV-B (\$0.6 b)	Other Tax Credits (\$59.1 b)
Head Start (\$6.8 b)	Mental Health (\$10.8 b)	Child Welfare – Title XX (\$1.7 b)	TANF (\$28.2 b)
Early Intervention (\$2.6 b)	Immunizations (\$4.0 b)	Juvenile Justice – (\$9.2 b)	Nutrition Programs – SNAP, WIC (\$64.6 b)
	Maternal and Child Health Block Grant (\$2.9 b)	State and Local Shares of Child Welfare (\$15.2 b)	Child Care and Development Fund (\$8.6 b)
			Child Support Enforcement – Title IV-D (\$9.5 b)
\$577 b	\$133 b	\$33 b	\$237 b



#### **Summary of Analytic Approach**

- Spending analysis encompassed all programs funded by federal, state, or local governments which support children or the family as a whole.
- Data for the analysis was drawn from federal data sources, congressional reports, or well-recognized not-for-profit organizations. In each case, data for all states was drawn from the same source.
- The target year was federal fiscal year 2012 (October 2011 to September 2012) and school year 2012 (September 2011 to June 2012). In some cases, i.e. tax credits, calendar year 2012 was used.

#### **Guide to Per Capita Calculations**

Methodology	Where Used
General population, all children ages 0 to 17	Used for calculations of education programs
Children in families with incomes below 185% of poverty	Used for calculations of health, child welfare, and economic support programs. Also used to calculate per capita on total spending for ages 0 to 2 and 3 to 4.
Blend of 60% general population and 40% children in 185% of poverty	Used for calculations of total spending for age groups 5 to 11 and 12 to 17+, which includes children only through graduation from high school or aging out of other social welfare programs. (The education expenditures do not include any spending on college.)



## **Top 10 Highest Spending States Children Ages 0–17**

	Per Capita – Total Spending on Education	Per Capita – Total Spending on Health	Per Capita – Total Spending on Child Welfare	Per Capita – Total Spending on Economic Support	Per Capita Ranking – Total Spending
Vermont	5	1	12	5	1
Connecticut	3	10	3	6	2
New Jersey	4	7	10	8	3
Alaska	1	2	1	13	4
Massachusetts	7	5	6	2	5
New York	2	12	9	3	6
Maryland	10	8	7	7	7
Rhode Island	8	4	2	4	8
Wyoming	6	40	16	44	9
North Dakota	17	15	4	10	10



## **Top 10 Highest Spending States By Age**

	Per Capita Ranking – Spending on Ages 0 to 2	Per Capita Ranking – Spending on Ages 3 to 4	Per Capita Ranking – Spending on Ages 5 to 11	Per Capita Ranking – Spending on Ages 12 to 17+	Per Capita Ranking – Total Spending
Vermont	2	1	5	2	1
Connecticut	8	4	3	3	2
New Jersey	9	2	1	4	3
Alaska	7	7	2	1	4
Massachusetts	5	3	4	5	5
New York	10	5	6	6	6
Maryland	12	9	7	7	7
Rhode Island	6	6	8	9	8
Wyoming	46	44	10	8	9
North Dakota	1	8	12	10	10



# **Benchmarking New York: By Population and Program**

10 Most Populous States	Total Child Population	Per Capita – Total Spending on Education	Per Capita – Total Spending on Health	Per Capita – Total Spending on Child Welfare	Per Capita – Total Spending on Economic Support	Per Capita Ranking – Total Spending
California	9,240,219	30	20	18	29	29
Texas	6,985,639	38	28	45	46	41
New York	4,263,154	2	12	9	3	6
Florida	4,002,480	42	47	42	22	44
Illinois	3,064,065	14	29	31	19	20
Pennsylvania	2,739,386	13	6	5	20	12
Ohio	2,663,674	16	35	14	26	23
Georgia	2,490,125	34	42	47	28	39
North Carolina	2,286,528	46	23	46	35	45
Michigan	2,266,870	21	39	25	14	24



## Benchmarking New York: By Population and Spending By Age

10 Most Populous States	Total Child Population	Per Capita Ranking – Spending on Ages 0 to 2	Per Capita Ranking – Spending on Ages 3 to 4	Per Capita Ranking – Spending on Ages 5 to 11	Per Capita Ranking – Spending on Ages 12 to 17+	Per Capita Ranking – Total Spending
California	9,240,219	22	22	32	33	29
Texas	6,985,639	43	38	41	41	41
New York	4,263,154	10	5	6	6	6
Florida	4,002,480	41	34	43	44	44
Illinois	3,064,065	28	19	19	19	20
Pennsylvania	2,739,386	14	11	13	13	12
Ohio	2,663,674	37	39	24	22	23
Georgia	2,490,125	42	37	40	37	39
North Carolina	2,286,528	34	36	44	45	45
Michigan	2,266,870	23	23	26	29	24



# **Benchmarking New York:**By Similar Poverty Rates

States with Similar Numbers of Children in Poverty	Percent of Total Child Population below 185% of Poverty	Per Capita – Total Spending on Education	Per Capita – Total Spending on Health	Per Capita – Total Spending on Child Welfare	Per Capita – Total Spending on Economic Support	Per Capita Ranking – Total Spending
Illinois	38.2 %	14	29	31	19	20
New Hampshire	38.4 %	9	24	35	47	16
New York	39.5 %	2	12	9	3	6
West Virginia	40.4 %	15	17	11	16	19
Missouri	41.6 %	36	16	33	33	31
Ohio	42.5 %	16	35	14	26	23
Indiana	42.7 %	35	41	27	41	37
Michigan	43.3 %	21	39	25	14	24
California	44.3 %	30	20	18	29	29
Maine	44.7 %	12	9	19	24	15
Oregon	44.7 %	37	36	22	27	33



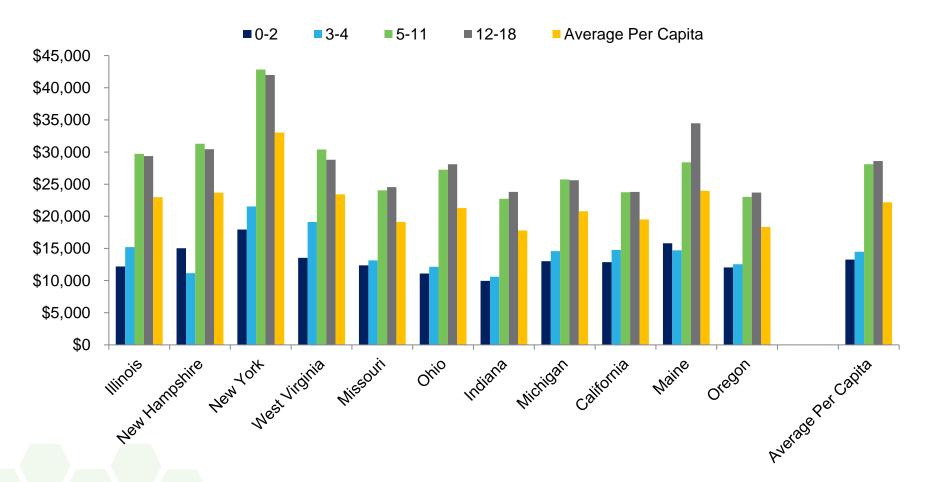
# Benchmarking New York: By Age and Poverty

States with Similar Numbers of Children in Poverty	Percent of Total Child Population below 185% of Poverty	Per Capita Ranking – Spending on Ages 0 to 2	Per Capita Ranking – Spending on Ages 3 to 4	Per Capita Ranking – Spending on Ages 5 to 11	Per Capita Ranking – Spending on Ages 12 to 17+	Per Capita Ranking – Total Spending
Illinois	38.2 %	28	19	19	19	20
New Hampshire	38.4 %	16	43	15	17	16
New York	39.5 %	10	5	6	6	6
West Virginia	40.4 %	20	10	17	20	19
Missouri	41.6 %	27	30	29	30	31
Ohio	42.5 %	36	39	24	22	23
Indiana	42.7 %	45	46	36	32	37
Michigan	43.3 %	22	23	26	29	24
California	44.3 %	25	22	32	33	29
Maine*	44.7 %	13	21	20	11	15
Oregon*	44.7 %	29	35	34	34	33



<sup>\*</sup> States not reporting figures for Early Intervention.

## Per Capita Spending for States With Poverty Levels Between 38% and 44%, Similar to NY



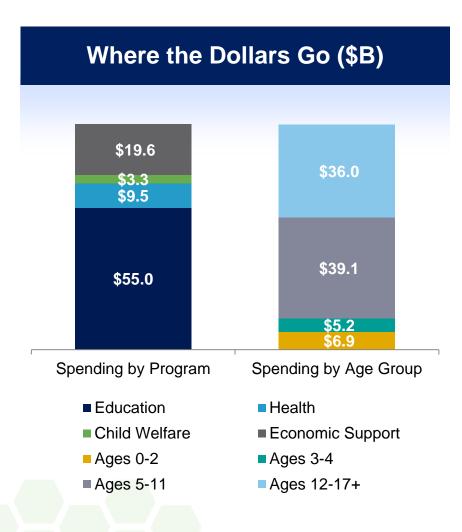


## National Spending vs. New York Spending

	National Spending – Total	National Spending – Per Capita	New York Spending – Total	New York Spending – Per Capita
Total Spending	980,102,201	20,787	87,397,705	33,036
Spending for Ages 0 to 2	87,978,899	13,093	6,840,301	18,434
Spending for Ages 3 to 4	65,751,343	14,376	5,133,787	21,529
Spending for Ages 5 to 11	437,735,952	26,192	39,077,245	42,849
Spending for Ages 12 to 18	388,635,249	26,494	35,970,961	41,999



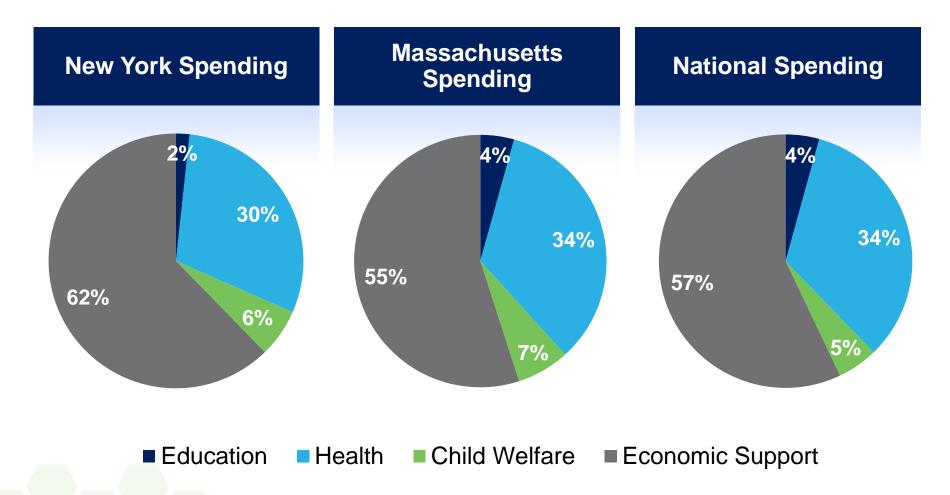
### New York Ranks 6th in Spending Per Child



- New York spends more than \$87 billion a year on children and their families
- New York exceeds the national average for every program
  - Total spending: 63 percent more
  - Elementary and secondary education: 66 percent more
  - Tax credits: 30 percent more

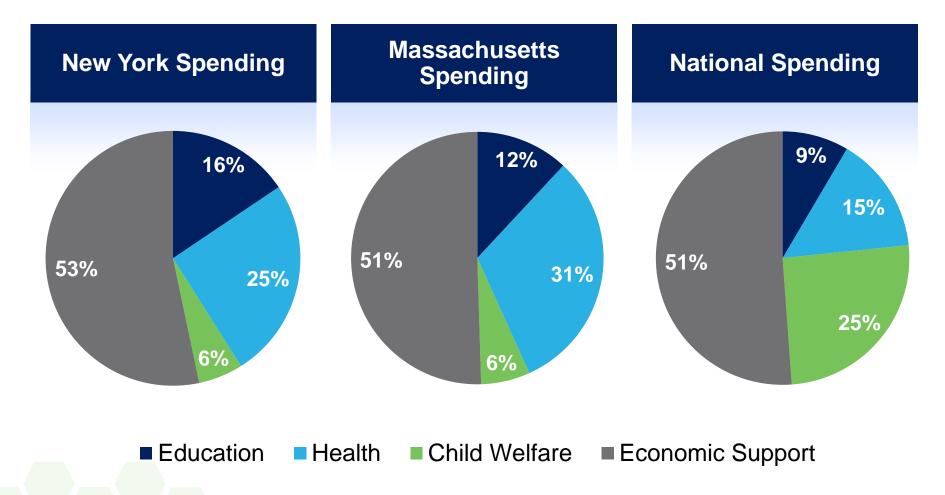


## Source of Support Differs By Age Group (Ages 0 to 2)



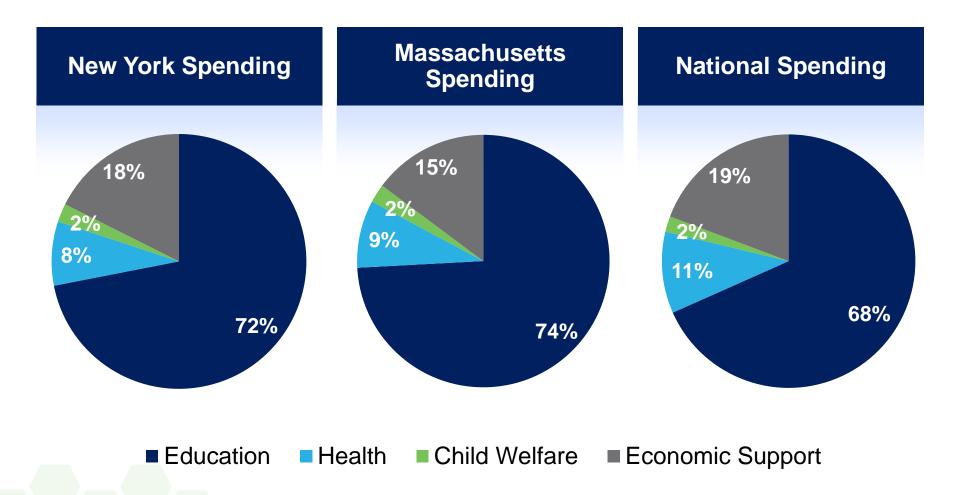


## Source of Support Differs By Age Group (Ages 3 to 4)



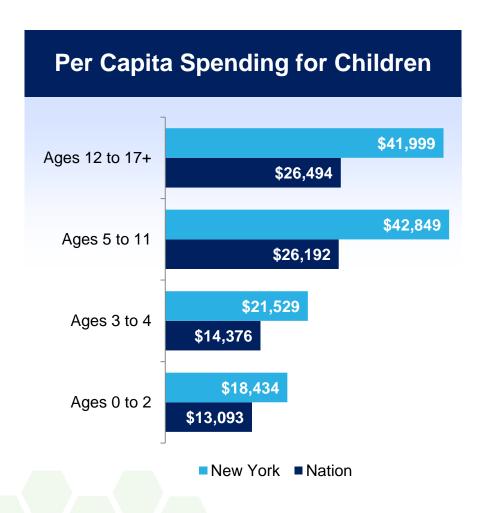


## Source of Support Differs By Age Group (Ages 5 to 11)





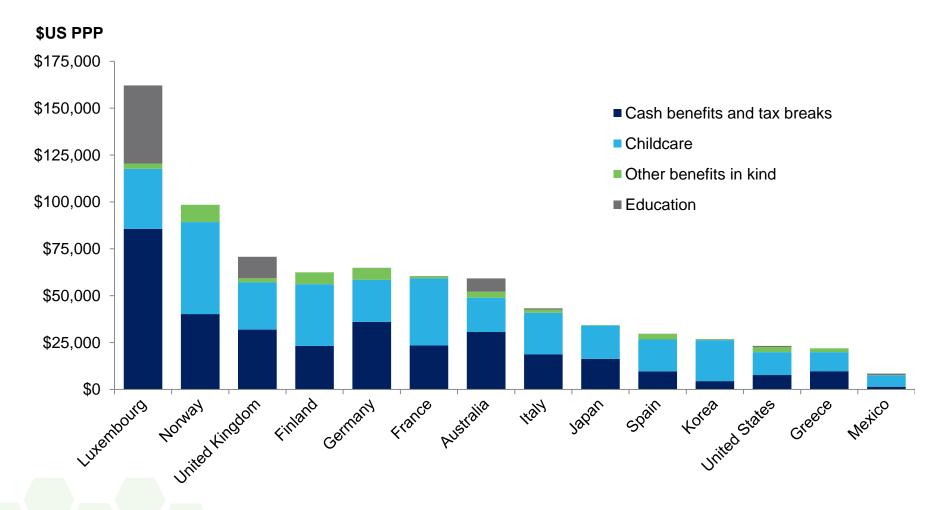
#### Youngest Children Receive Lowest Investment



- As a nation, government spends more than twice as much on older children as on those under age 3
- New York follows national trend, spending 2.3 times as much on older children



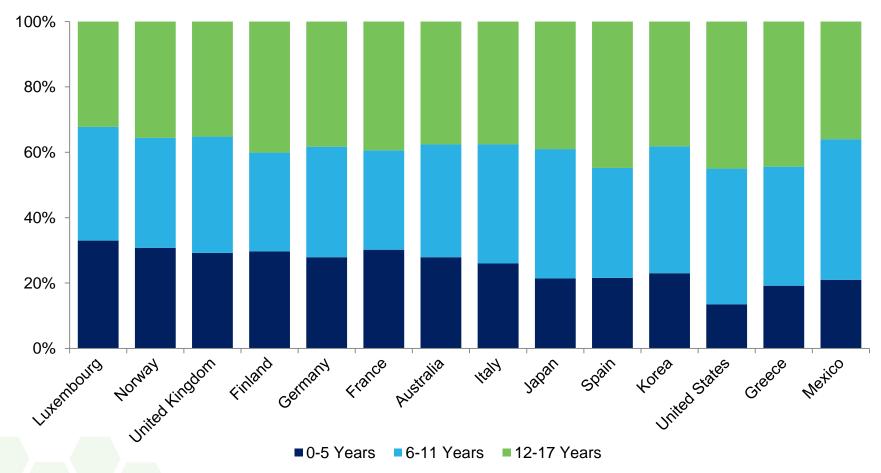
# Cash Benefits and Child Care Are Major Components of Spending in Early Childhood, But the U.S. Lags on All Counts



Calculated for Purchasing Power Parity in U.S. \$ for per capita social expenditures on children age 0-5 (2011), from Organization for Economic Cooperation and Development Social Expenditure Database and OECD Education Database, Chart PF1.6.C (2011 data). <a href="http://www.oecd.org/els/family/PF1">http://www.oecd.org/els/family/PF1</a> 6 Public spending by age of children.pdf



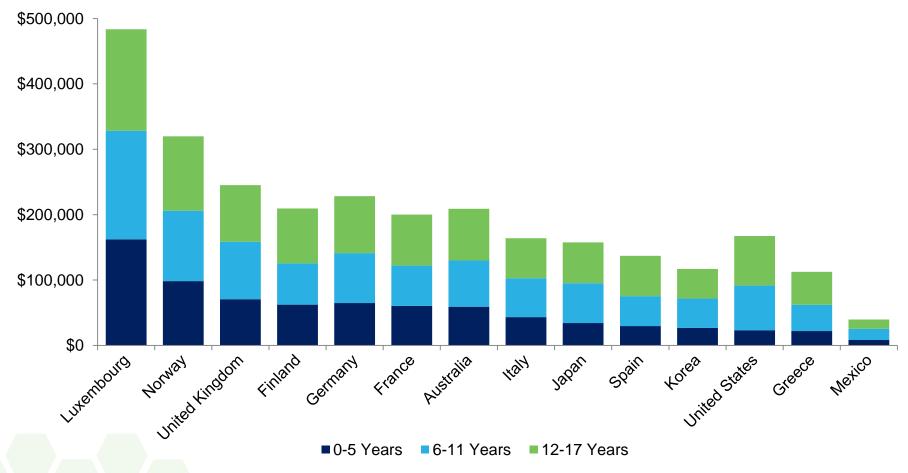
# Public Spending on Family Benefits and Education By Age, as a Percentage of Total Public Spending on Family Benefits and Education for Children Aged 0–17 Years







## Total Spending on Children Ages 0–17 in U.S. \$ Purchasing Power Parity

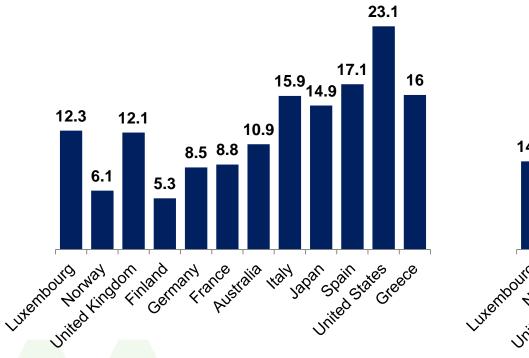


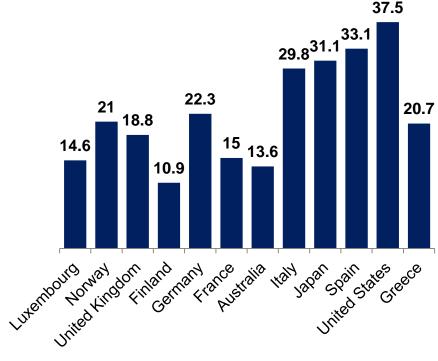


# Both the Child Poverty Rate and the Depth of Child Poverty, as Evidenced By the Child Poverty Gap, Are Significantly Greater in the U.S. Than in Other Wealthy Nations

Child Poverty Rate in Selected Developed Countries
Based on the % of Children Living in Households With
Incomes Below Half of Household Size Adjusted
Median Income (2009)

Child Poverty Gap in Selected Developed Countries Based on the Gap Between the Poverty Line and the Median Income of Children Below the Poverty Line: In the U.S., the Median Income for Children Living in Poverty Is 38% Below the Poverty Line (2009)





Adamson, Peter. "Measuring Child Poverty: New League Tables of Child Poverty in the World's Rich Countries," UNICEF Innocenti Research Centre Report Card 10, 2012. <a href="http://www.unicef.org.uk/Documents/Publications/RC10-measuring-child-poverty.pdf">http://www.unicef.org.uk/Documents/Publications/RC10-measuring-child-poverty.pdf</a>; Gould, Elise and Hilary Wething."U.S. poverty rates higher, safety net weaker than in peer countries," *Economic Policy Institute*, July 24, 2012. <a href="http://www.epi.org/publication/ib339-us-poverty-higher-safety-net-weaker/">http://www.epi.org/publication/ib339-us-poverty-higher-safety-net-weaker/</a>



### Spending vs. Outcomes Ages 0–2

#### **New York**

#### Per Capita Rank - 10, Performance Rank - 28

State	Per Capita Rank (0-2)	Performance Rank
Alaska <b>1</b>	7	44
California 26	25	40
Connecticut	8	7
Florida 2	41	38
Georgia 2	42	42
Illinois 28	28	20
Indiana 8	45	27
Maine 8	13	14
Massachusetts 0	5	1
Maryland	12	12
Michigan <b>29</b>	22	32
Missouri 8	27	29

Per Capita Rank (0-2)	Performance Rank
16	4
9	8
34	34
1	6
36	24
29	30
14	16
6	26
43	43
2	2
20	37
46	N/A
	Rank (0-2)  16  9  34  1  36  29  14  6  43  2  20

#### Footnote Guide to State Characteristics:

- Top 10 highest per capita spending states
- 2 Top 10 most populous states
- 3 States most similar to New York as measured by children in poverty

Note: The Performance Rank is for ages 0-18 and is sourced from "The State of America's Babies in 2015", published by Zero to Three, the National Center for Infants, Toddlers, and Families, and from Kids Count Data Center. The Performance Rank takes into account the state's performance across 16 indicators that span the areas of economic well-being, education, health, and family.



## Education Spending (per Capita) vs. Performance

#### **New York**

Per Capita Rank - 2, Performance Rank - 19

Top 10 States by Per Capita	Per Capita Rank – Spending for All Ages	Performance Rank
Alaska	1	41
New York	2	19
Connecticut	3	5
New Jersey	4	2
Vermont	5	3
Wyoming	6	29
Massachusetts	7	1
Rhode Island	8	20
New Hampshire	9	4
Maryland	10	6



## Education Spending (States with Similar Poverty Levels) vs. Performance

#### **New York**

Per Capita Rank – 2, Performance Rank – 19

10 Similar States – Kids in Poverty	Per Capita Rank – Spending for All Ages	Performance Rank
Illinois	14	17
New Hampshire	9	4
West Virginia	15	47
Missouri	36	24
Ohio	16	18
Indiana	35	36
Michigan	21	33
Georgia	34	38
California	30	43
Maine	12	23
Oregon	37	37

Annie E. Casey Foundation, KIDS COUNT Data Center, 2012. KIDS COUNT education rank. Retrieved from <a href="http://datacenter.kidscount.org/data/tables/7247-education-rank?loc=1&loct=2#detailed/2/2-9,11-52/false/573,869,36,868/any/14341">http://datacenter.kidscount.org/data/tables/7247-education-rank?loc=1&loct=2#detailed/2/2-9,11-52/false/573,869,36,868/any/14341</a>



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OECD Social Expenditure Database and OECD Education Database, Chart PF1.6.B (2011 data). http://www.oecd.org/els/family/PF1\_ 6\_Public\_spending\_by\_age\_of\_children.pdf

Zero to Three. The State of America's Babies 2015. https://www.zerotothree.org/resources/1182-the-state-of-america-s-babies-2015

