

Study on Building an Agenda to Reduce the Number of Children in Poverty by Half in 10 Years

Statement of Task

The National Academies of Sciences, Engineering, and Medicine will convene an ad hoc committee of experts to conduct a consensus study of the costs of child poverty in the United States and the effectiveness of current efforts aimed at reducing poverty. The committee will review available high-quality research on current programs, with emphasis on evaluations that include benefit-cost analysis. Based on these analyses the committee will make recommendations for federal investment aimed at reducing the number of children living in poverty in the United States by half within 10 years. The committee will address five specific charges:

1. Briefly review and synthesize the available research on the macro- and micro-economic, health, and social costs of child poverty, with attention to linkages between child poverty and health, education, employment, crime, and child well-being.
2. Briefly assess current international, federal, state, and local efforts to reduce child poverty. The committee will provide an analysis of the poverty-reducing effects of existing major assistance programs directed at children and families in the United States, as well as relevant programs developed in other industrialized countries, such as the United Kingdom, Canada, and Ireland. In reviewing the evaluation literature, the committee will:
 - i. Consider impacts on poverty as defined by the Supplemental Poverty Measure (SPM) and SPM-based measures of deep poverty (50 percent of the SPM threshold) and near poverty (100-150 percent of the SPM threshold);
 - ii. Consider the distribution of poverty-reducing impacts across demographic groups as defined by such characteristics as race and ethnicity, rural or urban location, immigrant status, age of parent, and age of child (distinguishing impacts on children under age 6);
 - iii. Consider indirect behavioral responses by families to these programs that may influence their poverty-reducing effects (such as extent to which the Earned Income Tax Credit creates incentives to increase earnings); and
 - iv. Describe, to the extent possible, the characteristics of families and children who remain poor despite these programs.
3. Identify policies and programs with the potential to help reduce child poverty and deep poverty (measured using the SPM) by 50 percent within 10 years of the implementation of the policy approach. The committee may consider existing federal programs as well as innovative new programs developed in states and localities or in other countries (e.g. the United Kingdom and Canada). The scope of the programs considered will be broad. In addition to traditional anti-poverty programs such as cash transfers, food and nutrition programs, and housing programs, the committee may consider, for example, income support, family planning programs, work support programs (e.g., guaranteed jobs and child care subsidies), health insurance programs, foster youth programs, juvenile and adult justice programs, and

education and training programs. The committee will consider expansions to existing federal programs as well as the possibility of developing new ones.

4. For the programs the committee identifies as having strong potential to reduce child poverty, the committee will provide analysis in a format that will allow federal policy makers to identify and assess potential combinations of policy investments that can best meet their policy objectives. For each option the committee will indicate:

- i. estimated impact in reducing poverty and deep poverty, using the SPM;
- ii. distribution of poverty-reducing impacts across demographic groups and across groups at different levels of poverty: those at the poverty level; those in deep poverty (family income 50 percent or less of the poverty level); and those in near poverty (family income up to 150 percent of the poverty level);
- iii. sensitivity of the impacts of the policy or program to economic conditions;
- iv. confidence intervals around the estimate of likely impact, even if qualitatively judged;
- v. annual cost and estimated 10-year poverty reduction effect of implementing the program at scale, with costs and potential poverty reductions estimated for different spending levels;
- vi. other possible benefits to government and society, such as improvements in child health, education, welfare, etc.

To the extent possible, the committee will also identify combinations of programs that may result in synergies or redundancies, in terms of either the programs' effects or the populations targeted.

5. Identify key, high-priority research gaps the filling of which would significantly advance the knowledge base for developing policies to reduce child poverty in the United States and assessing their impacts.

Project Deliverable

The committee will produce a consensus report that synthesizes the information gathered on the social and economic costs of child poverty and the effectiveness of policy and programmatic efforts to reduce child poverty and makes recommendations regarding policy options for reducing child poverty by half within 10 years.