



The Recession and Texas Children

How the Lone Star State's Kids are Weathering the Economic Storm

August 25, 2009

Amidst news of rising unemployment, faltering stock markets, and uncertain government coffers, reports of the recession have centered mostly on what the economic downturn means for adults. Here in the Lone Star State, though, where more than 1 in 4 Texans are children,ⁱ the recession's effect on the youngest among us demands attention. In conjunction with the launch of a new statewide workgroup on family financial security, Texans Care for Children offers this examination of the recession and Texas children. Its findings are based on a variety of indicators pertaining to child and family financial wellbeing, as well as existing and potential state policies to promote financial security in children's lives. Additional information about the economic security of Texas children and the effect of the recession on Texas families will be available next month when the U.S. Census releases the latest state data on income, poverty, and health coverage.

Problem 1: While economic indicators overall are poor, for Texas children they're even worse.

In Texas, the younger you are, the more likely it is that you entered the economic downturn without a foundation of financial security. Four out of 10 people in Texas classified as living in poverty are children.ⁱⁱ The U.S. Census notes that just under a quarter of all Texas children live in households defined by the federal government as below the poverty level (about \$22,000 per year for a family of four in 2009). One in 10 Texas children lives in extreme poverty, subsisting at less than half the poverty level.ⁱⁱⁱ The poverty rate is highest for the youngest children, under age 5. Texas toddlers are nearly twice as likely as adults to be poor.

Federal standards measure the reality of families' spending imperfectly. The government's definition of poverty undervalues the expenses that most families with children find consume the majority of their budget: child care, housing, and health care. The Center for Public Policy Priorities demonstrated that families in Texas' cities, in reality, need to earn twice the federal poverty limit to meet all these needs.^{iv} When we consider this definition for children in families struggling to get by, at least half of young Texans do not have economic security at home.^v

Problem 2: Texas children face greater economic vulnerability compared to other children in the U.S.

Texas' aid system, which includes programs like food stamps, unemployment, and Medicaid, ranks second to last in the country for the share of needy, eligible people who actually receive benefits.^{vi} Only about 2 percent of Texas' poor children receive benefits under the Temporary Assistance for Needy Families (TANF) program, in part due to the difficulty of accessing funds.^{vii} A consequence of having a largely inaccessible benefits system is that children in Texas are over a third more likely to be poor than other U.S. children.^{viii}

In Texas, most children in poverty have parents who work;^{ix} a third live in homes with both their parents, who are married;^x and 6 in 10 have parents born in the United States.^{xi} † The main reason Texas

[†] The notion that child poverty in Texas occurs because of our immigrant family population does not hold up under scrutiny. All six states with equal or higher percentages of children in immigrant families than Texas have lower (in some cases much lower) child poverty rates. In fact, of the states in the top 10 in percentage of immigrant children, only Texas also ranks among the top 10 for child poverty (a list mostly made up of Southern states with relatively low immigrant child populations). A much stronger predictor of child poverty is public investments; 7 of the 10 states with the highest child poverty levels are in the bottom 10 for overall "tax burden." For more information and sources, see www.texanscareforchildren.org/files/ImmigrantChildrenTX.pdf

children are poor is that the adults who care for them do not earn enough money. Two drivers of poor earnings are the low education level of many parents and the fact that a large proportion of parents had their children at a very young age. Texas, unfortunately, ranks last in the country in high school completion, a major factor in workers' earnings.^{xii} Additionally, the teen birth rate in Texas is the country's third highest.^{xiii} Teen mothers are more likely to drop out of school and raise their children in poverty compared to older mothers.^{xiv}

Low-income families in Texas also have limited infrastructure to help them save for a home or a college education. Ours is an "asset-poor" state, trailing the nation in home ownership. More than half of residents have no savings account at all, and 1 household out of every 5 has a net worth of zero.^{xv} Meanwhile, predatory lenders charge low-income families exorbitant interest rates through mechanisms such as payday lending, furthering many families' descent into economic insecurity.^{xvi} As a result, Texans have the lowest average credit rating in the U.S.^{xvii}

A final challenge for Texas children is that the law is often not on the side of vulnerable families. Texas has a regressive tax system, so lower income families pay a significantly higher percentage of their annual income in state taxes (about 13% of income in 2007) compared to higher income families (who spent only 5% of 2007 income on state taxes).^{xviii} Even Texas traffic laws are unusually punitive toward the poor: ours may be the only state that goes so far as to jail residents who are unable to pay their traffic fines.^{xix}

Problem 3: Texas ranks last in the country in protecting children from the worst economic hardships.

The poorest counties and the poorest small cities in the United States are in Texas,^{xx} and a disproportionately high number of people living in those areas happen to be children. Even for children outside these hard-hit areas, the three "H's" of extreme economic hardship—hunger, homelessness, and health crisis—pose special threats in Texas. A report last May by the national group Feeding America found that Texas had the worst childhood food insecurity in the United States, meaning the highest rate of children experiencing hunger due to their household not having enough food or money to buy food.^{xxi} Another report, released last March by the National Center on Family Homelessness, found Texas ranked last among the states in providing children access to reliable housing. One out of every 20 Texas children, or 337,000, are homeless.^{xxii} Texas also has the highest rate of children without health insurance.^{xxiii} Nearly 1 out of every 4 Texas kids is unable to see a doctor in a doctor's office, leaving families increasingly vulnerable to medical bankruptcies associated with seeking costly care in the emergency room. For those families with income over two times the federal poverty limit, Texas offers no access to programs like the Children's Health Insurance Program (CHIP), while private alternatives are often unaffordable, leaving a growing number of middle-income families without health care alternatives.

Problem 4: The recession stands to worsen the financial security of Texas children.

Several national and statewide indicators in recent months point to an economic downturn that is already creating worse outcomes for Texas children. The Center on Budget and Policy Priorities estimated last year that the current recession would lead an estimated 2.6 million to 3.9 million more U.S. children to become poor.^{xxiv} Since then, a report released in May by the Foundation for Child Development found the health and wellbeing of U.S. children is deteriorating due to the recession. The report went so far as to say the downturn threatens to "virtually undo all progress made in children's economic wellbeing since 1975."^{xxv} Nationwide, food insecurity among low-income families has risen sharply since the recession began.^{xxvi} With fewer resources for food, families appear to be cutting back on more expensive healthy choices: in July, the Trust for America's Health (TFAH) and the Robert Wood Johnson Foundation released a report suggesting that the recession is exacerbating child obesity.^{xxvii} As families lose their homes to foreclosure, not only are more children prone to homelessness, many experience disruptions in their social and emotional development, especially at a young age.^{xxviii} Increasing numbers of families also are losing their health insurance. An estimated 1.1 million more people become uninsured with each one-point climb in the unemployment rate.^{xxix} With so many needs, nonprofit organizations report not being able to keep up with the demand for their services: more than half of nonprofit human service providers in surveys report both an increase in demand and a decline in revenue, as charitable giving dipped for the first time since 1987.^{xxx}

Following the 2001 recession, child poverty in Texas grew faster than the rise in unemployment. Thus, if the last recession is any guide, more than a quarter million children in Texas could already have become poor due to the recent economic downturn.^{xxxix} Even prior to this recession, a growing number of Texas children lived in households without a steady source of income; more than 2 million had parents without secure, full-time year-round employment in 2007.^{xxxii} Because the unemployment rate has climbed 3.3 percentage points since then,^{xxxiii} even fewer parents have reliable income today.

Although many families with children are eligible for public benefits, the Texas Health and Human Services Commission has not been able to process assistance applications quickly enough to meet the need. Enrollment in the state's food stamp program alone rose by over 50,000 people since the recession began; a spokesperson for the commission has likened the experience of trying to process the applications for public benefits to "drinking from a fire hose."^{xxxiv} The federal standard for processing benefits requires no more than 1 application in every 20 to take more than 30 days to process, yet in March, nearly a quarter of Texas food stamp applications took longer, and, by June, as many as one-third did.^{xxxv} Since the recession began, more Texas children are enrolling in the federal free and reduced price lunch program.^{xxxvi} Of the state's 4.5 million school-age children in Texas, 2.7 million (59 percent) qualified for the program as of December.^{xxxvii}

Problem 5: The recession's impact on children will be felt for years after the economy recovers.

Repeated studies have found that economic hardship during childhood can lead to lasting negative effects for the children involved. Critical social, cognitive, and emotional development occurs during childhood, but the high stress of not having enough to get by at home can impede key functions and lead to challenges that last into adulthood.^{xxxviii} In May, First Focus published research on the long-term effects of recession-induced child poverty 20 years later in people who had experienced a recession during childhood. Children who slipped into poverty during a recession had significantly lower lifetime earnings, less education, and poorer health outcomes than children who avoided poverty—despite that both groups began life with a foundation of financial security before the recessionary periods in their childhood began.^{xxxix}

Texas, too, will suffer the economic impact of more children growing up today without what they need to become thriving citizens and workers in the future. A report last year estimated that child poverty costs Texas \$57.5 billion in an average year, in the form of foregone future earnings, involvement with crime, and the costs associated with poor health outcomes in the people who experienced poverty during their childhood.^{xl} The increase in children in poverty during this recession could bring those numbers up by additional billions, representing an enormous financial burden for Texas.^{xli}

What's Happening Now to Help Texas Children through the Recession

Every day the basic needs of economically vulnerable children are met by caring people, dedicated nonprofit and faith-based organizations, and a host of effective government programs that ensure children's basic needs are met. One factor in particular was too complex to account for in our projections about Texas children and the recession but stands to have an enormous impact on outcomes for kids: the American Recovery and Reinvestment Act (ARRA) of 2009. The state Legislative Budget Board estimates Texas will receive some \$16 billion in federal stimulus dollars, including money for unemployment benefits, human services such as food stamps and Medicaid, educational programs for disadvantaged children, child care, housing, and workforce programs. Additionally, millions of Texas families benefit from a more generous Child Tax Credit, a new "Making Work Pay" Credit, and an expanded Earned Income Tax Credit tied to the ARRA. These tax credits alone could help keep tens of thousands of Texas children out of poverty.^{xlii} Beyond the ARRA, the president's proposed 2010 federal budget includes other modest increases in investments for children.^{xliii}

The 81st Texas Legislature ensured that Texas was one of few states in the country to make no significant human services cuts during a lean budget year. Although our investments per child still lag far behind that of most states, Texas made some modest progress. HB 3859 (Herrero) seeks to address staffing challenges at the Health and Human Services Commission so more applicants for benefits can receive help in a timely manner. Additionally, a modest increase in the budget for pre-Kindergarten programs represents promising attention to an issue many advocates for children believe lies at the heart of lifting children out of poverty: quality early education. Other measures passed by the Legislature were intended to increase

children's access to affordable health care and mental health services, which otherwise can be major expenses for financially insecure families. New funding was also appropriated for low-income "kin caregivers," responsible for children who would otherwise be in the foster care system. Finally, the Legislature gave 59,000 children whose families receive TANF funds a one-time \$75 cash increase for back-to-school expenses.

Recommendations for Further Action

In the long run, Texas needs improvements in many areas to assure greater financial stability for children, now and in the future, during times of economic turmoil. Reforms to our educational, workforce development, and public financing systems will be critical. We will also need more efforts to help families build up their assets and avoid debt; better access to health care; measures to prevent unplanned teen pregnancies; stronger investments in existing food and housing programs for families with children; and a statewide commitment to strengthening our state's neighborhoods, communities, schools, families, and child care centers. As first steps, Texas should take immediate action to:

- ***Establish a plan to address and reduce child poverty, so kids are kept safe from economic storms***
The United States has used public policies to reduce poverty in economically vulnerable populations before with marked success. (For example, in the 1960s efforts to reduce poverty among the elderly led to a drop in the poverty level of older Americans from about 35 percent to roughly 10 percent.) Cutting the child poverty rate in Texas by similar margins would save Texas tens of billions of dollars, as evidence shows these children then would be more likely to grow into healthier, more productive members of society. The state should begin by making a commitment to reduce child poverty and setting measurable goals for short- and long-term improvement.
- ***Cut the red tape that stands between families and basic supports***
Texas must ensure that families know about and can get access to the critical benefits that many of their children need and are already eligible for (Medicaid, CHIP, food stamps, free and reduced price lunch, and TANF). The state's eligibility and enrollment system is severely under-resourced and overwhelmed, as are the community-based outreach programs responsible for letting families know they qualify for these programs. Texas must make critical improvements in enrollment and outreach to help kids. Other ways to eliminate red tape include doing away with rules that require families on Medicaid to re-enroll their children every six months, instead of once a year, to get health coverage, and "full-family" sanction laws, which prevent children from receiving TANF funding because of a parent's misstep.
- ***Promote asset-building as a key strategy to increase families' economic self-sufficiency***
Texas can do more so that low-income residents know about and take advantage of existing tax credits and programs that can keep them out of debt. Texas also can follow the lead of states all over the country that have adopted effective asset-building programs to provide matching grant funds that help families save for college, the purchase of a home, or simply a rainy day.
- ***Prioritize Texas children and families in policy decisions***
Of the handful of Texas bills to be met with a gubernatorial veto last June, three would have provided greater financial security to families (by providing tax assistance to low-income families, creating a matched college savings program, and extending affordable housing). Too frequently, Texas leaders look the other way when families are in need, or even seek to win political points through policy choices that "punish" those on the lower economic rungs. When it comes to children, though, the future economic viability of Texas rests with *all* kids having the resources to succeed in life. Demographic trends suggest, if our state does not reverse course soon, today's Texas children will earn less and be less educated than the workforce of today.^{xliv} Our state needs commitment, both from leaders and the public, to put kids first so that Texas has a bright and prosperous future.

Notes

- ⁱ U.S. Census Bureau, 2005-2007 American Community Survey 3-Year Estimates: http://factfinder.census.gov/servlet/ACSSAFFacts?_event=Search&geo_id=&_geoContext=&_street=&_county=&_cityTown=&_state=04000US48&_zip=&_lang=en&_sse=on&pctxt=fph&pgsl=010
- ⁱⁱ Ibid. "Selected Economic Characteristics: 2005-2007." http://factfinder.census.gov/servlet/ADPTable?_bm=y&-geo_id=04000US48&-gr_name=ACS_2007_3YR_G00_DP3YR3&-ds_name=&-lang=en&-redoLog=false
- ⁱⁱⁱ Annie E. Casey Foundation, Kids Count Data Center. "Children in extreme poverty (Percent) – 2007." <http://datacenter.kidscount.org/data/acrossstates/Rankings.aspx?ind=45>
- ^{iv} Center for Public Policy Priorities. "Family Budget Estimator: What It Really Takes To Get By In Texas." August 30, 2007. <http://www.cppp.org/research.php?aid=706&cid=8>
- ^v Annie E. Casey Foundation, Kids Count Data Center. "Children below 200% poverty (Percent) – 2007." <http://datacenter.kidscount.org/data/acrossstates/Rankings.aspx?ind=47>
- ^{vi} Jason DeParle and Matthew Ericson, *The New York Times*. "Variations in Government Aid Across the Nation,". May 9, 2009. <http://www.nytimes.com/interactive/2009/05/09/us/0509-safety-net.html>
- ^{vii} Texans Care for Children. *Children's Campaign Report: 2009 Update*. Based on 2006 figures quoted in the *Austin Business Journal*. <http://texanscareforchildren.org/innerpage.php?pageid=338>
- ^{viii} Computation by Texans Care for Children. Removing the Texas children from the total number of U.S. children under 18 who are poor leaves the remaining states with a poverty rate of 17%; the poverty rate in Texas for 2007 was 22.9%.
- ^{ix} Texans Care for Children. *Children's Campaign Report: 2009 Update*. Based on Center for Public Policy Priorities' "Texas Poverty 101," which found 60 percent of poor families had adults who worked half of the year or more. September 2005. http://www.cppp.org/files/8/BRP%20poverty101_Sep%2005.pdf
- ^x Computation by Texans Care for Children based on U.S. Census and Kids Count 2007 data. About 4.4 million Texas kids live in married households (i.e., 68% of children under 18) and 11.1% of married households with children under 18 are below the poverty line.
- ^{xi} Computation by Texans Care for Children based on U.S. Census and Kids Count 2007 data. Kids Count data was based on two sources, "Children living below the poverty threshold by children in immigrant families (Percent) – 2007" (<http://datacenter.kidscount.org/data/acrossstates/Rankings.aspx?ind=117>) and "Children in immigrant families (Percent) – 2007" (<http://datacenter.kidscount.org/data/acrossstates/Rankings.aspx?ind=115>). Of the 1.5 million Texas kids in poverty, about 895,000 are in U.S.-born families, vs. 623,000 in immigrant families.
- ^{xii} Texans Care for Children. *Children's Campaign Report: 2009 Update*. Based on 2007 data from: U.S. Census Bureau. "Current Population Survey (CPS)." Educational attainment is measured as the percentage of people 25 years and older with at least a high school diploma: <http://www.census.gov/population/www/socdemo/educ-attn.html>
- ^{xiii} Centers for Disease Control and Prevention, National Center for Health Statistics. "Births: Final Data for 2006." January 7, 2009. http://www.cdc.gov/nchs/data/nvsr/nvsr57/nvsr57_07.pdf
- ^{xiv} Center for Public Policy Priorities. *The State of Texas Children: Texas Kids Count Annual Data Book 2008-2009*. December, 2008. p.26, citing data from the Annie E. Casey Foundation. <http://www.cppp.org/factbook08/>
- ^{xv} Center for Public Policy Priorities. "Family Budget Estimator: What It Really Takes To Get By In Texas." August 30, 2007. <http://www.cppp.org/research.php?aid=706&cid=8>
- ^{xvi} Texas Appleseed Survey of Payday Borrowers, "Short-term Cash, Long-term Debt: The Impact of Unregulated Lending in Texas." April, 2009. http://www.texasappleseed.net/content/index.php?option=com_content&task=view&id=24&Itemid=105
- ^{xvii} Center for Public Policy Priorities. "Family Budget Estimator: What It Really Takes To Get By In Texas." August 30, 2007. <http://www.cppp.org/research.php?aid=706&cid=8>
- ^{xviii} Texans Care for Children. *Children's Campaign Report: 2009 Update*. Based on 2007 data from the Office of the Comptroller and the Center for Public Policy Priorities.
- ^{xix} Barbara Ehrenreich, *New York Times*. "Is It Now a Crime to Be Poor?" August 8, 2009. <http://www.nytimes.com/2009/08/09/opinion/09ehrenreich.html>
- ^{xx} U.S. Census Bureau data based on the 2007 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC): "Among counties with 250,000 or more people in 2006, Hidalgo and Cameron counties in Texas had the highest proportions of people with income below the poverty level. ... Among the smaller cities (65,000 to 249,999 population), Brownsville, Texas; College Station, Texas; ... and Edinburg, Texas, had some of the highest poverty rates." August 28, 2007: http://www.census.gov/Press-Release/www/releases/archives/income_wealth/010583.html
- ^{xxi} Feeding America. "Child Food Insecurity in the United States: 2005 – 2007." May, 2009. <http://feedingamerica.org/newsroom/press-release-archive/child-food-insecurity.aspx>
- ^{xxii} The National Center on Family Homelessness. "America's Youngest Outcasts: State Report Card on Child Homelessness." March, 2009. http://www.homelesschildrenamerica.org/state_detail.php?state=TX
- ^{xxiii} Texans Care for Children. *Children's Campaign Report: 2009 Update*. Based on 2007 data from the U.S. Census Bureau's "Current Population Survey (CPS): Annual Demographic Survey." http://pubdb3.census.gov/macro/032008/health/h05_000.htm
- ^{xxiv} Parrot, Sharon. "Recession Could Cause Large Increases in Poverty and Push Millions into Deep Poverty," Center on Budget and Policy Priorities, November 24, 2008. <http://www.cbpp.org/files/11-24-08pov.pdf>
- ^{xxv} Foundation for Child Development. "Child Well-Being Index (CWI) 2009 Annual Release" and "Special Focus Report on Anticipating the Impacts of a 2008-2010 Recession, May 2009." http://www.fcd-us.org/resources/resources_show.htm?doc_id=906348

^{xxvi} Elizabeth L. March, John T. Cook, and Stephanie Ettinger de Cuba, Children’s Health Watch. “Food Insecurity Rates Rise Steeply with Recession.” June, 2009. http://www.childrenshealthwatch.org/upload/resource/Rise_FI_Brief.pdf

^{xxvii} Trust for America’s Health (TFAH) and the Robert Wood Johnson Foundation. *F as in Fat: How Obesity Policies are Failing in America* 2009. July, 2009. <http://healthyamericans.org/reports/obesity2009/>

^{xxviii} G. Thomas Kingsley, Robin E. Smith, and David Price, Urban Institute. “The Impacts of Foreclosures on Families and Communities: A Primer.” July, 2009. http://www.urban.org/UploadedPDF/411910_impact_of_forclosures_primer.pdf

^{xxix} The Kaiser Family Foundation. “Rising Unemployment, Medicaid, and the Uninsured.” January, 2009. <http://facts.kff.org/chart.aspx?ch=360>

^{xxx} National Council of Nonprofits. “A Respectful Warning Call to Our Partners in Government: The Economic Crisis Is Unraveling the Social Safety Net Faster Than Most Realize.” August 10, 2009. <http://www.councilofnonprofits.org/specialreport8>

^{xxxi} Computation by Texans Care for Children based on a formula from the Center on Budget and Policy Priorities, looking at the relationship between the change in unemployment and the change in the child poverty rate before and after previous recessions. The ratio of the child poverty rate change between 2000 and 2003 (before and after the last recession) to the unemployment rate change for the same years was 1.19. The change in Texas’ unemployment rate since 2007 has been 3.3 points. We multiplied 3.3 by our poverty rate to unemployment rate ratio of 1.19 to arrive at a new projected child poverty level of 26.8%. We conservatively assumed no difference in child population in 2007 vs. 2009. We then subtracted the number of children known to have been in poverty in 2007 (22.9%) in who would be in poverty if the poverty rate were in fact 26.8%. We also calculated the same for two other recessions, in 1986 and 1992. The poverty-increase-to-unemployment-increase ratio was lower in 1986 (for each 1-point hike in unemployment, poverty only rose 0.7 points that year) and higher in 1992 (for each 1-point hike in unemployment, poverty rose nearly 1.9 points). If the current recession follows either of those patterns, the increased number of children in poverty would be 149,000 or 395,000 respectively, using the same formula outlined above.

^{xxxii} Center for Public Policy Priorities. “National 2009 KIDS COUNT Data Book Shows Economic Security, Infant Health Major Challenges for Texas Children.” July 28, 2009. <http://cphp.org/research.php?aid=901&cid=10>

^{xxxiii} Texas Workforce Commission press releases from Sept. 21, 2007 and July 17, 2009. <http://www.twc.state.tx.us/news/press/2007/092107epress.pdf> <http://www.twc.state.tx.us/news/press/2009/071709epress.pdf>

^{xxxiv} Quoted by Robert T. Garrett, *Dallas Morning News*. “Lawsuit demands immediate fix to Texas’ health, welfare problems.” Aug. 3, 2009. <http://www.dallasnews.com/sharedcontent/dws/news/texasouthwest/stories/080409dnmetwelfare.a455ab82.html>

^{xxxv} Ibid for June numbers. For March numbers, Corrie MacLaggan, *Austin American-Statesman*. “Texas overwhelmed by food stamp, Medicaid applications.” April 9, 2009. http://www.statesman.com/blogs/content/shared-gen/blogs/austin/politics/entries/2009/04/09/texas_overwhelmed_by_food_stam.html

^{xxxvi} Associated Press. “More Texas children getting free school meals.” March 15, 2009. <http://www.dallasnews.com/sharedcontent/APStories/stories/D96UK8UG0.html>

^{xxxvii} Computation by Texans Care for Children based on U.S. Census Bureau data 2005-2007 American Community Survey Demographic Estimates. There are 4,549,000 Texas children over the age of 5, and the Associated Press report notes that 2.7 million children qualify for the program.

^{xxxviii} Rob Stein, *Washington Post*. “Research Links Poor Kids’ Stress, Brain Impairment.” April 6, 2009. <http://www.washingtonpost.com/wp-dyn/content/article/2009/04/05/AR2009040501719.html?hpid%3Dtopnews&sub=AR>

^{xxxix} First Focus. “Turning Point: The Long-Term Effects of Recession-Induced Poverty.” May, 2009. <http://www.firstfocus.net/Download/TurningPoint.pdf/>

^{xl} Lori Pflugst, Washington Kids Count. “The Cost of Child Poverty State by State.” March, 2008. The source calculates state-by-state data based on findings by the Urban Institute that the total cost to the national economy of U.S. child poverty is \$500 billion per year. (Holzer, Schazenbach, Duncan, and Ludwig. *The Economic Costs of Poverty in the United States: Subsequent Effects of Children Growing Up Poor*. National Poverty Center Working Paper Series # 07-04. 2007.) http://hspc.org/publications/pdf/state_poverty_costs_brief_FINAL.pdf

^{xli} Computation by Texans Care for Children based on the above, which calculates an average per-child cost of poverty to be \$37,656. We multiplied that by our projected number of children entering poverty, 254,777 and found the increased cost would be another \$9.6 billion.

^{xlii} The Center on Budget and Policy Priorities found that the three tax credits could reduce the number of children nationwide who would become poor by 1 million (about one-third of the estimated number of children the Center believed would become poor without passage of the ARRA). See Arloc Sherman’s Feb. 12, 2009 report at <http://www.cbpp.org/cms/index.cfm?fa=view&id=2547>. Note: *The Center has not examined the ARRA’s total impact on child poverty projections.*

^{xliiii} First Focus. “Obama Budget Increases Spending on Children by \$17 Billion.” May 7, 2010. http://www.firstfocus.net/pages/3595/President%27s_Budget_FY_2010.htm

^{xliiv} Eliot Shapleigh, referring to a forecast by former state demographer Steve Murdoch. *Austin American-Statesman*. “Texas’ Future Hinges on Closing Educational Gap.” August 17, 2009. http://www.statesman.com/opinion/content/editorial/stories/2009/08/17/0817shapleigh_edit.html