

MAINE KIDS COUNT®

The Maine KIDS COUNT Data Book® is a project of the Maine Children's Alliance





FAMILY ECONOMIC SECURITY



Children in poverty

Child supplemental poverty measure

Median household income

Children under age six with all available parents in workforce

Children whose parents lack secure employment

High housing cost burden for renter households

With the right resources, opportunities, and support, Maine's children can thrive

When our children and families thrive, our communities and our state thrive, which is why it is so essential that Maine ensures every child has the supports they need to realize their potential. Children's health and well-being improve when family incomes are sufficient to meet their children's basic needs.

Evidence from pandemic relief to families in 2021 confirmed that public policy can effectively reduce child poverty and in a way that reduces inequities. Using the supplemental poverty measure², U.S. child poverty dropped by 46 percent to an historic low, from 9.7 percent in 2020 to 5.2 percent in 2021³. Much of this drop was attributed to the temporary expansion of the federal Child Tax Credit (CTC), which for the first time was made non-refundable, making eligible those families who did not earn enough income to pay federal income tax. Unfortunately, since the Child Tax Credit was rescinded in 2022, economic hardship and stressors have returned for many families.

In Maine and in the nation, families of color encounter systems that were built upon our country's racist history. These institutions and policies continue to create obstacles to opportunities and wealth accumulation.⁴ In Maine, disparities in child poverty by race are narrowing. Child poverty for Black children, in particular, declined significantly.⁵

For families to maintain economic security, they need access to quality child care and affordable housing.⁶ Increasing funding for child care subsidies has helped

"Some of the choices parents have to make like choosing to have groceries or the lights staying on are not choices any family should have to make. Our kids need to come first!"

-Parent, Waldo County

working parents who used them, but in 2022, only one in ten Maine children ages birth to four had a subsidy. More outreach to parents and child care providers is needed to increase the use of child care subsidies. Ensuring access to secure year-round employment as well as to affordable rental housing is important to family stability.

"Why do they work so hard to keep me poor?"

-Resident, Piscataquis County

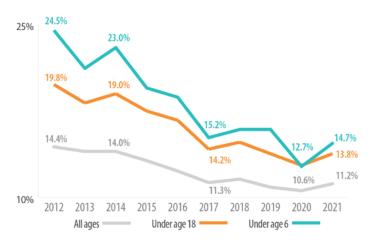


Children in Poverty using the Official Poverty Threshold

Children thrive when they live in economically stable homes where their basic needs are met

The official child poverty rate has been falling since 2012, yet was still higher than for the general population

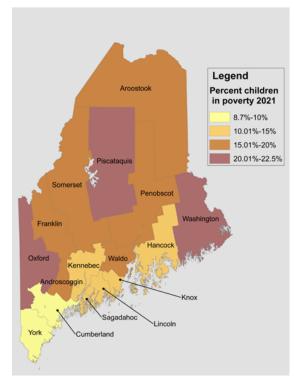
Maine poverty rate by age group



Source: US Census Small Area Income Estimates

While the rural counties of Washington, Piscataquis and Oxford had child poverty rates above 20%, the most urban counties in Maine had rates below 10%

Child poverty rates by county, 2021



Source: KIDS COUNT

WHY IT MATTERS

Growing up in poverty can too often negatively affect a child throughout their lifespan. Children who grow up outside the harmful effects of poverty have greater opportunity to meet their full potential.⁹

HOW MAINE IS DOING

Maine's child poverty rate began falling in 2012, to a low point in 2020 of 12.8 percent. In 2021, nearly 34,000 children lived in families facing the challenges of poverty. Child poverty is declining, but due to systemic and historic inequities such as racially discriminatory housing policies and under-resourced schools, children of color experienced higher rates of poverty both in Maine and in our nation. Despite some improvements, disparities in poverty persist by geography, race/ethnicity, and household composition. Maine's rate of child poverty continued to compare unfavorably with other New England states, and in 2021, Maine was tied for the highest child poverty rate with Rhode Island.10

34,000 Maine children live in poverty, half of whom live in extreme poverty



\$27,740 was the official federal poverty threshold for a family of four in 2021.8

\$13,870 was defined as extreme poverty—income 50% or below the poverty threshold.

Sources: KIDS COUNT <u>Children in poverty</u>, <u>Extreme</u> poverty

Children in Poverty using the Official Poverty Threshold (continued)

Poverty among children in Maine with single parents and among children with foreign-born parents both declined comparing the five-year time periods of 2012-2016 to 2017-2021:

- Children in families with foreign-born parents had a statistically significant decline in poverty, from 42 percent to 23 percent, while poverty of children with native-born parents declined from 17 percent to 13 percent.
- Single-parent families have only one income to meet the needs of their family, so it is not surprising that poverty remains persistently high for single parents. In Maine, the poverty rate declined from 37 percent to 31 percent among children with single parents and from 8 percent to 6 percent among children with two parents living together.

Source: **US Census American Community Survey 5-yr estimates**, Table B05010.2017-2021 and 2012-2016

Note: A five-year time period is necessary to have sufficient respondents for reliable data when the subset of the population is relatively small.

"There is employment, but the question is around livable wages. The wages being paid here are way too low to support a family."

--Resident, Sagadahoc County and Lincoln County area

In Maine, disparities in child poverty by race have improved. In particular, the poverty rate for Black children in Maine declined over 40%. In the nation, the child poverty rate for Hispanic children declined the most, by 24%.

Child Poverty by race/ethnicity, 2012-2016 compared to 2017-2021

	MAINE			UNITED STATES		
Race/Ethnicity	2012-2016	2017-2021	Child Poverty Reduction	2012-2016	2017-2021	Child Poverty Reduction
American Indian or Alaskan Native	40.9%	32.4%	-20.8%	35.2%	30.1%	-14.5%
Asian	16.0%	11.7%	-26.5%	12.5%	10.4%	-16.8%
Black or African American	53.6%	31.5%	-41.2%	37.4%	31.2%	-16.6%
Hispanic or Latino	27.0%	16.9%	-37.4%	31.3%	23.8%	-24.0%
Non-Hispanic white	16.1%	12.8%	-20.7%	12.7%	10.4%	-18.1%
Two or more races	27.7%	19.0%	-31.3%	21.6%	17.7%	-18.1%
All Races	17.0%	13.8%	-18.6%	21.2%	17.0%	-19.8%

Source: KIDS COUNT

Supplemental Poverty Measure [

Public policies to reduce family poverty impact the lives of children in positive ways

Despite evidence of improving child well-being, the expanded federal Child Tax Credit, (CTC) was rescinded at the end of 2021, and this plunged many families back into economic and food insecurity. Comparing a time period where 57 percent of Maine families with children said they had received a CTC payment in the last month (Sept 1-13, 2021) to eleven months later, when just 10 percent of Maine families stated that they received a CTC payment during the month, (July 27-August 8, 2022):

- Six times more families reported that they sometimes or often did not have enough to eat in the last 7 days from 3 percent to 18 percent or from 8,550 to 63,668 households with children in Maine experiencing food insecurity.
- Four times more families stated that paying for usual household expenses was very difficult—from 7 percent to 28 percent, or from 20,434 to 84,880 households with children in Maine not being able to keep up with usual expenses.¹²

In Maine and the nation, public supports to families dramatically reduced child poverty

Number and percent of children in poverty as measured by the supplemental poverty measure for 2018-2020 and 2019-2021

Supplemental Poverty Measure

	MAI	NE	UNITED STATES		
Time Period	Number	Percent	Number	Percent	
2018-2020	17,000	7%	8,783,000	12%	
2019-2021	12,000	5%	6,789,000	9%	
Change	-5,000	-29%	-1,994,000	-25%	

Source: Children in poverty according to the supplemental poverty measure 2018-2020 & $\overline{2019-2021}$,

Note: Because the definition of supplemental poverty was changed several times, it is unavoidable to show overlapping years.

TWO MEASURES OF POVERTY:

The Official Poverty Measure (federal poverty level) was first created in the 1960s based on a family food budget and continues to be used to determine income eligibility for dozens of federal and state programs.

The Supplemental Poverty Measure (SPM) began to be reported by the U.S. Census Bureau in 2011.¹¹ This level varies by a state's cost of housing and taxes and accounts for income from tax credits and non-cash benefits and subsidies.

WHY IT MATTERS

The drop in child poverty using the supplemental poverty measure demonstrated the effectiveness of public supports during the pandemic. The expanded federal CTC was particularly effective in reaching families most in need. Stimulus payments, as well as increased supplemental nutrition assistance (SNAP), rental assistance, and unemployment assistance also contributed to reducing poverty.¹³

HOW MAINE IS DOING

Maine ranks among the top eight states for having a low SPM child poverty rate, at 5 percent for the three-year period 2019-2021.¹⁴ New Hampshire is the only New England state with a lower rate than Maine. Research showed that Maine families primarily used additional income in 2021 to meet basic needs such as food, clothing, and rent.¹⁵ In 2022, when Maine families no longer received a monthly CTC payment, hardship increased.

Median Household Income 🔀

Adequate income ensures households have enough to provide for every child and adult who lives in their home

"There should be NO stigma for being poor, only understanding and support."

-Resident, Piscataquis County

WHY IT MATTERS

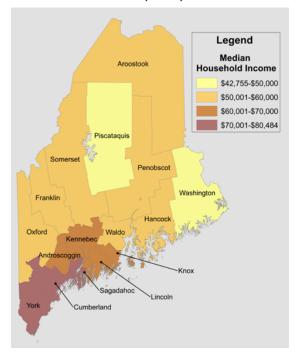
Median household income—for all household types, not only families with children—is frequently used to compare the economic well-being between different places or different populations. Median household income is higher in communities where there are high-paying jobs available.

HOW MAINE IS DOING

The year 2021 saw the largest one-year increase in median household income since at least 1998. Between 2019 (pre-pandemic) and 2021, every county saw gains in median household income, including large increases in Aroostook and Knox. Still, there was a persistent rural and urban divide in Maine's median household income by county. In 2021, six rural counties in Maine had median household incomes under \$52,300, while the three southern Maine coastal counties had median household incomes over \$73,700.

In 2021, Piscataquis and Washington Counties had median household incomes less than \$50,000, while in Cumberland, Sagadahoc, and York Counties, incomes were over \$70,000

Median household income by county, 2021

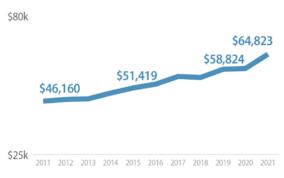


Source: KIDS COUNT

Maine Median Household Income increased by \$6,000 in 2019 to \$64,823 in 2021

$Median\ household\ income\ for\ households\ with\ and\ without\ children\ surged\ in\ 2021$

Maine's median household income, 2011-2021



Source: Median Household Income, KIDS COUNT

Maine's 2021 median household income of \$64,823 was the lowest in New England and lower than the United States figure of \$69,717. Massachusetts had the highest median household income in New England at \$89,577.16

The Economic Policy Institute Family Budget Calculator provides "estimated living wages" necessary to adequately meet essential needs by geographic location. In Maine in 2020, the estimated living wage was \$26.48 per hour (\$55,078 annually) for one parent to support one child. By counties in Maine, this varied from \$24.86 per hour in Franklin County to \$34.79 in Cumberland County.¹⁷

Children Under Age Six with All Available Parents in Workforce

Parents of young children need access to affordable child care to participate in the workforce

Maine typically has had a higher rate than the nation of children under age six with all parents in the workforce

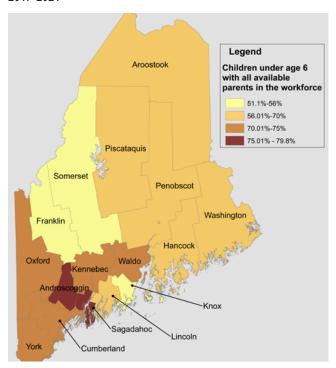
Percent of children under age six with all available parents in the workforce, Maine and the U.S. from 2011-2021



Source; Children under age 6 with all available parents in the labor force, KIDS COUNT • Note: due to pandemic affecting survey collection, there is no data available for 2020.

Workforce participation for parents of young children varied between a high of 79.8% in Sagadahoc to a low of 51.1% in Franklin County

Percent of children under age six with all available parents in the workforce, 2017-2021



Source: Children under age six with all available parents in the workforce, 2017-2021

WHY IT MATTERS

Higher rates of participation in the workforce are good for families' household income and a higher labor force participation rate helps address Maine's workforce shortage. Parents of young children must have accessible and affordable child care options to work.

HOW MAINE IS DOING

The pandemic has strained the child care system in a number of ways, and many child care providers are still not operating at full capacity due to workforce shortages.¹⁹ Parents struggle to find child care in Maine that allows them to work. The fact that workforce participation of parents with young children varies widely by counties in Maine is an indication that affordable child care is more difficult to find in certain parts of the state.

"A big need is childcare. You need reliable childcare if you want to be in the workforce."

-Parent, York County

50,000 children under the age of six live in families where all available parents are in the workforce.



"Wondering If you can even afford to go to work is not a good place for parents to be"

-Parent, Waldo County



Children Whose Parents Lack Secure Employment 🛚 🖸

Children thrive when the adults in their families have stable employment

WHY IT MATTERS

Children living in families whose parents lack steady year-round employment are more likely to experience periods of economic hardship and food insecurity. When children have economic stability in their households, they are more likely to experience health and well-being both in the short-term and long-term.²⁰

HOW MAINE IS DOING

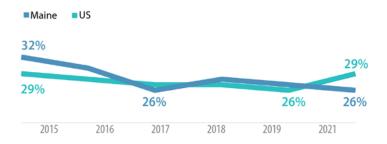
Maine has more seasonal work than most other states largely due to summer jobs in the tourism industry.²¹ In 2021, one in four children lived in families where no parent had secure year-round full-time employment. Lack of access to affordable child care, reliable transportation, or living in rural communities with few high-paying jobs are all factors that make it difficult to maintain full-time employment. Yet, as Maine is the oldest state in the nation, the economic contribution of every individual, including parents with young children, is becoming increasingly critical.²²

"A lot of the jobs are seasonal – blueberries, lobstering, tipping for wreaths, trees – unless you have a job at a bank, grocery store, or teacher, food services."

-Resident, Hancock and Washington County areas

Maine has typically had higher rates of parents who lack secure employment, but in the latest year, Maine's rate was lower than the U.S. rate

Percent of children in families where no parent has full-time year-round work



Source: KIDS COUNT

Note: due to pandemic affecting survey collection, there is no data available for 2020.





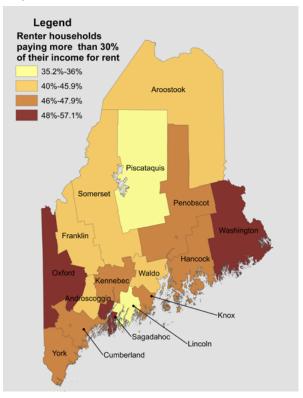
High Housing Cost Burden by Renter Households

Children with stable housing have improved health and academic achievement

For the state of Maine, the fair market rent for a two-bedroom apartment was \$1,180 in 2022. In order to afford this level of rent and utilities—without paying more than 30 percent of income on housing, a household must earn **\$47,194** annually. Assuming a 40-hour work week, 52 weeks per year, this is a \$22.69 hourly wage.²³

Oxford, Sagadahoc, and Washington Counties had the highest percentage of renter households paying over 30% of their income

Percent of renter households paying more than 30% of their income for rent, 2017-2021



Source: KIDS COUNT-high-housing-cost-burden-by-owner & renter-households, 2017-2021

"Homelessness isn't in your face (in this rural community). You don't see it but it's here. In the summertime, people live in tents at campgrounds. During winter, people live in uninsulated campers. There's a lot of squatting."

-Resident, Washington County and Hancock County area

WHY IT MATTERS

Housing instability includes the stress of being behind on rent, frequent moves and changes of school, as well as the trauma of eviction and homelessness. It can have profound impacts on caregiver and child well-being, adversely affecting health and academic outcomes.²⁴

HOW MAINE IS DOING

Maine is experiencing sharp rises in rental costs along with an inadequate housing stock, making it increasingly difficult for families to find affordable rental housing. Maine needs 22,500 more units of affordable housing to meet demand for low-income renters. High housing costs make it difficult for households to meet their other essential expenses such as for food, healthcare, and transportation. ²⁶

63,564 Maine households pay more than 30% of their income as rent



On January 25, 2022, there were 808 children living in shelters or hotels with their families who were homeless, and 8 youth living in teen shelters.²⁷ During the school year, there were 2,142 students in Maine who were homeless or doubled up in overcrowded housing at least one day, including 362 youth who were "couch-surfing".²⁸

816 children and youth were counted as homeless on January 25, 2022.

FAMILY ECONOMIC SECURITY

Solutions

With responsible planning today, we can create an economy that reflects our values, ensures good-paying jobs for Maine workers, and provides healthy futures for our children. It is important that Maine families have access to the resources, systems, and structures that they need. Policy solutions include:

- ✓ Reinstatement of the federal Child Tax Credit expansion and creation of a state Child Tax Credit that is available to all families (fully refundable)
- ✓ Sustaining universal access to healthy school meals
- Reducing barriers to and improving effectiveness of public anti-poverty programs
- ✓ Expanding outreach for the Child Care Subsidy Program so that more families can access quality affordable child care, especially for infant care and in rural areas
- ✓ Increasing wages and the number of year-round, good-paying jobs with benefits, especially in rural areas
- Improving access to affordable housing for families with children

Additional Indicators

- > Food Insecurity by County, 2020, KIDS COUNT
- Unemployment Rate By County, Annual Average 2021, KIDS COUNT
- Children in Low-Income Families (200% poverty line), KIDS COUNT
- Teens Not in School and Not Working, KIDS COUNT

Resources

- States Can Enact or Expand Child Tax Credits, Center on Budget and Policy Priorities, March 2023
- Lessons From a Historic Decline in Child Poverty, Child Trends.
- <u>Data.census.gov</u> The gateway to the Census products including the 2021 American Community Survey

- Children with Transitional Assistance for Needy Families (TANF), KIDS COUNT
- Children with Supplemental Nutrition
 Assistance Program (SNAP), KIDS COUNT
- Economically disadvantaged students, formerly known as eligible for free and reduced lunch, KIDS COUNT
- Census Reporter for a profile of a city, county, or state legislative district
- US Census Household Pulse Survey The US Census surveys every two weeks related to how people are faring in the pandemic, including about food insecurity
- Maine Department of Labor Interactive
 Unemployment Data

ENDNOTES

- Helping Families Meet Basic Needs Enables Parents to Promote Children's Healthy Growth, Development Center on Budget and Policy Priorities, October 2021.
- US Census Difference between supplemental poverty measure and official poverty measure, September 2021.
- 3. Poverty in the United States: 2021, US Census
- How Racism Can Affect Child Development, Center on the Developing Child at Harvard University, 2020.
- U.S Census American Community Survey, 5-year estimates, 2017-2021 compared to 2012-2016 See <u>Table B17001B</u>: POVERTY STATUS BLACK ALONE compared to <u>Table B17001B</u>: POVERTY STATUS BLACK ALONE 2012-2016.
- Joshi, Pamela and Walters, Abigail N. and Noelke, Clemens, and Acevedo-¬Garcia, Dolores. (2022) Families' Job Characteristics and Economic Self-Sufficiency: Differences by Income, Race, Ethnicity, and Nativity RSF: The Russell Sage Foundation Journal of the Social Sciences 8(5): 67–95. DOI: 10.7758/ RSF.2022.8.5.04. https://www.rsfjournal.org/content/8/5/67
- MCA analysis: the numerator is the number of child care subsidies used for children ages birth to 4 in state fiscal year 2022; and the denominator is the number of children who were eligible at 85% of median income or below, using 2017-2021 income estimates.
- 8. Poverty Thresholds according to the U.S. Census
- The State of America's Children, 2020, Child Poverty, Children's Defense Fund, 2020.
- Children in Poverty in New England By State, COUNT.
- 11. Poverty in the United States 2021, US Census, September 2022.
- 12. MCA analysis of data from the US Census Household Pulse
 Surveycomparing September 1-13, 2021 Week 37 to July
 27- August 8, 2022 Week 48 and these two tables for the two
 time periods: Food Sufficiency Table 2 for Households with
 Children in the Last 7 Days and Spending Table 1: Difficulty
 Paying Usual Household Expenses in the Last 7 Days.
- Lessons From a Historic Decline in Child Poverty, Child Trends.
- 14. Children in poverty according to the supplemental poverty measure 2019-2021, KIDS COUNT
- REPORT: How the Child Tax Credit was spent in Maine, MECEP Maine Center for Economic Policy, May 2022.
- 16. U.S. Census Small Area Income and Poverty Estimates, SAIPE
- 17. Estimated Living Wage 2018 & 2020, Economic Policy Institute and posted to the KIDS COUNT Data Center.

- 18. Household income considers the incomes of all persons 15 years or older occupying the same housing unit, regardless of if they are related. A single person occupying a dwelling by himself is also considered a household. Non-cash benefits such as SNAP are not included as income.
- Bishop, Sandra and Russell, Kim. (2022). Child Care Providers:
 The Workforce Behind the Workforce in Maine, Council for a Strong America.
- Joshi, Pamela and Walters, Abigail N. and Noelke, Clemens, and Acevedo-¬Garcia, Dolores. (2022) Families' Job Characteristics and Economic Self-Sufficiency: Differences by Income, Race, Ethnicity, and Nativity RSF: The Russell Sage Foundation Journal of the Social Sciences 8(5): 67–95. DOI: 10.7758/ RSF.2022.8.5.04. https://www.rsfjournal.org/content/8/5/67
- Maine's Workforce Annual Conditions Report, 2019, slide 5, Maine Department of Labor.
- Measures of Growth, 2022, Maine Development Foundation and Maine Economic Growth Council, 2023.
- 23. Maine 2023 Housing Profile, National Low-Income Housing,
- 24. Sandel, Megan and Sheward, Richard and Ettinger de Cuba, Stephanie and Coleman, Sharon and Frank, Deborah and Chilton, Mariana and Black, Maureen and Heeren, Timothy and Pasquariello, Justin and Casey, Patrick and Ochoa, Eduardo and Cutts, Diana. <u>Unstable Housing and Caregiver and Child Health in Renter Families</u>. Pediatrics (2018) 141 (2): e20172199.
- 25. See endnote 23
- 26. Airgood-Obrycki, Whitney and Hermann Alexander and Wedeen Sophia (2022) "The Rent Eats First": Rental Hous- ing Unaffordability in the United States, Housing Policy Debate, Harvard Joint Center for Housing Studies.
- Homeless point in time data January 25, 2022, Maine Housing, (2022).
- Maine Profile of Homeless Youth 2020-2021, National Center for Homeless Education



A Closer Look: Community Needs Prioritized By Young Adults

One way to elevate the voices of those with lived experience in the KIDS COUNT Data Book was to use an existing data set generated by an organization that serves people with low incomes. Maine Community Action Programs completed a survey in 2021 of 7,000 participants and stakeholders from all of their affiliates. MCA worked with two students from Northeastern University's Roux Institute to do a new analysis of this data set. Responses were compiled from the 748 young adult respondents to learn their perceptions of the most important community needs.¹

The top community needs identified by young adults ages 18-24

RURAL COUNTIES²

reducing the amount of alcohol misuse

- developing more jobs that pay livable wages
- expanding crisis services and services for mental health and substance use disorders

MIXED COUNTIES

- reducing the amount of childhood obesity
- increasing the number of dentists who serve MaineCare patients
- reducing the amount of alcohol misuse

URBAN COUNTIES

- providing more recreational opportunities for youth
- increasing the number of affordable childcare providers
- increasing the number of mental health providers

"There are a lot of situations where domestic violence is happening with certain kinds of abuse that are very specific to LGBTQ+ couples, like threatening to 'out' someone if they leave them."

-Person from LGBTQ+ community

"Child care is not affordable, and unfortunately for the childcare provider it's not an affordable lifestyle. Semi-skilled employees don't make enough to afford the services themselves."³

-Resident, Waldo County



Source: Word cloud generated from the open-ended responses by young adult survey respondents

FOOTNOTES

- 1. Report of Community Needs Identified By Young Adults in Maine, Katrina Hoop & Emilia Degler, students at Roux Institute, Northeastern University, October 2022.
- 2. Cumberland, York and Sagadahoc Counties were coded as urban; Kennebec, Androscoggin and Penobscot Counties as mixed, and Maine's other 10 counties as rural.
- 3. The quotes came from consumers and other stakeholders who participated in Maine Community Action Program Needs Assessment focus groups and are in this report, Maine Community Action Partnership 2021 Statewide Community Needs Assessment, December 2021