POVERTY & INVOLVEMENT IN THE CHILD WELFARE SYSTEM

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Washington State

SUMMARY:

Research demonstrates a correlation between poverty and child welfare involvement. The study of brain science illuminates the cognitive barriers associated with poverty, including the ability to effectively parent. Investing in a two-generation approach to economic self-sufficiency for all Washington State families serves as a key protective strategy for mitigating entry into the child welfare system.

WHAT IS THE CONNECTION BETWEEN FAMILIES IN POVERTY AND INVOLVEMENT IN THE CHILD WELFARE SYSTEM?

The connection between poverty and child welfare involvement has been documented in research for several decades. The relationship between income level and child maltreatment has been shown to correlate across all forms of child abuse and neglect (Pelton, 1994; Pelton, 2014). Families with greater economic resources – whether through public resources such as Temporary Assistance for Needy Families (TANF), food stamps or parental employment – are less likely to experience child protective services resulting in children placed in out-of-home care (Berger, 2006). In addition, the third National Incidence Study of Child Abuse and Neglect found families with incomes below $15,000 were 22 times more likely to experience an incidence of child maltreatment than families with an income above $30,000 (Sedlack & Broadhurst, 1996). Related research demonstrates a causal effect of income level on the risk of maltreatment reported to the child welfare system (Cancian, Shook & Yang, 2010).

By examining births supported through public funding (e.g. Medicaid) as a crude measure of poverty, researchers have demonstrated over 70% of Washington State families referred to child protective services for the first time in 2013 fell into this category. Using this measure, families in poverty were also less likely to move toward case closure, with poverty levels for those experiencing a second out-of-home placement above 87% (Waismeyer, Thomas & Mienko, 2015).

WHAT ARE CURRENT POVERTY TRENDS?

As a risk factor for child welfare involvement, poverty in Washington State remains a prominent issue (Washington State Budget and Policy Center, 2015a-c):

- One in eight residents (13.2%) live below the federal poverty line. This number is even greater for children (17.5%). Notably, the federal poverty line ($24,250 for a household of four) fails to meet basic financial costs of childcare, housing, food, medical care, taxes, and transportation costs for a family of three in any county in Washington State.
- Children of color are disproportionately represented among low-income families in Washington State – 65% of Latino children, 60% of black children, and 59% of American Indian & Alaska Native children live below 200% of the federal poverty level.
- Economic gains made in the state of Washington are not reaching most families. Despite economic growth, median household income adjusted for inflation has declined by $2,000 between 2007 and 2014.
- Washington State is one of 16 states in which the income gains that occurred between 2009-2012 have gone exclusively to the top one percent of income earners while the bottom 99 percent has experienced income declines.

Decreasing availability of TANF in Washington State

While resources such as Temporary Assistance to Needy Families (TANF) exist for some families experiencing poverty, the number of children in poverty receiving this benefit in Washington State has markedly declined in recent years. Currently, 19 of every 100 children living in poverty in Washington State are estimated to be connected with TANF. This represents a reduction by half from 2009 when 39 of every 100 children living in poverty were connected to the program (Pfingst, 2016). This drop correlates with significant TANF policy changes put in place in 2011 in response to state budget limitations (Schott & Pavetti, 2011).

Economic security in a knowledge-based economy

Furthermore, the ability to move toward economic self-sufficiency within TANF's timeframe can be daunting. The increasing shift from an industrial to a knowledge-based economy favors educated workers over those with limited education, training, and skills (Powell & Snellman, 2004). The attainment of higher levels of education results in higher median earnings and lower rates of unemployment; those without a high school diploma earn forty percent less and have an unemployment rate double that of all workers (Bureau of Labor Statistics, 2010).

Impacts of economic disconnection

Research indicates there is a growing number of *economically disconnected families* – families that neither work nor receive cash benefits. In Washington State, 20% of child welfare-involved families are economically disconnected (Marcenko, Hook, Romich & Lee, 2012). Compared with child welfare-involved families who are employed or receive cash benefits, economically disconnected caregivers are most likely (84%) to report an unmet basic need such as housing, medical services, or finding and keeping a job. They also demonstrate higher levels of drug and alcohol use. In relation to child welfare services, disconnected caregivers report the lowest levels of caregiver engagement (defined as the self-reported level of parents' investment in working with Child Protective Services) and have the highest rate of out-of-home care placement (Marcenko, Hook, Romich & Lee, 2012).

HOW DOES POVERTY IMPACT PARENTING AND FAMILY STABILITY?

Emergent research in brain science demonstrates the barriers associated with effective parenting while living in poverty. Poverty-related concerns can strain mental resources reducing cognitive capacity for other tasks (Mani, Mullainathan, Shafir & Zhao, 2013). This lack of mental capacity – consumed by making ends meet and tackling frequently emerging crises – limits the "freedom of mind" to richly engage with children (Mullainathan, 2012). The stress and volatility of poverty have the capacity to hyperactivate the brain's limbic system preventing the prefrontal cortex from performing key aspects of executive functioning essential to effective parenting – including impulse control, working memory, and mental flexibility (Center for the Developing Child at Harvard University, 2011; Carlock, 2011).

Compromised parenting abilities influence children both in the short term as well as the long term. Exceptionally stressful events experienced in childhood – including sustained economic hardship – are linked to negative outcomes later in life such as obesity, alcoholism, and depression (Sacks, Murphy & Moore, 2014). These adverse experiences negatively impact children as they move into adulthood and become parents themselves.

HOW CAN WASHINGTON STATE ENSURE ECONOMIC STABILITY FOR FAMILIES?

Ensuring economic stability for all families in Washington State can serve as a preventive strategy to mitigate child welfare involvement and ensure family stability. A two-generation approach to poverty reduction – focusing equally on the well-being of both children and parents – has the potential to eliminate the "bandwidth tax" on parents' cognitive abilities and reduce their child's exposure to exceptionally stressful and adverse experiences.

Key recommendations for ensuring family economic security could include:

- **Family Income:** ensure wages that allow families and individuals to meet their basic needs; fully restore TANF funding to pre-2011 levels; eliminate means-testing for kinship child-only TANF;
- **Education and training:** adopt a "career pathway model" that links educational training to economic markets; prioritize parents receiving TANF for career programs under the Workforce Innovation and Opportunity Act (WIOA); increase funding for the State Need Grant;
- **Asset building:** fully fund and expand the Working Families Tax Credit for families with low incomes and allow the rebate to be automatically deposited into asset-building plans (e.g. child individual savings accounts);
- **Early learning/childcare:** ensure high quality and voluntary early learning opportunities for all children, including preschool for 3 and 4 year olds; and ensure that families with closed Child Protective Services cases are able to access Working Connections childcare for twelve months following their case closure;
- **Housing:** invest in the State Housing Trust Fund to expand affordable housing for people living on low incomes; outlaw discrimination against low-income renters who rely on government assistance (e.g. TANF, SSI, or a Section 8 Housing Choice Voucher) to help pay rent; and
- **Prisoner reentry:** reduce or eliminate non-restitution debt from Legal Financial Obligations; institute Certificate of Restoration of Opportunities (CROP) and Ban the Box.

CONCLUSION

The correlation between poverty and involvement in the child welfare system is clearly demonstrated in research. The "bandwidth tax" of living in poverty creates heightened levels of stress that compromise caregivers' ability to effectively parent and consequently increase the risk of child maltreatment and child welfare involvement. Sound two-generation approaches to poverty reduction can enhance family economic stability. This increased stability can serve as a key preventive strategy to limit child welfare involvement.

ENDNOTES

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