THE BROOKINGS INSTITUTION

DIALOGUE ON A ROADMAP TO REDUCING CHILD POVERTY

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Introduction and Overview:

RON HASKINS, Cabot Chair in Economic Studies and Co-Director, Center on Children and Families, The Brookings Institution

Keynote Speaker:

GREG DUNCAN, Distinguished Professor, School of Education University of California, Irvine

Panel 1: Perspectives on "A Roadmap to Reducing Child Poverty":

Panelists:

RON HASKINS, Moderator, Cabot Chair in Economic Studies and Co-Director, Center on Children and Families, The Brookings Institution

DOLORES ACEVEDO GARCIA, Director, Institute for Child, Youth, and Family Policy, Brandeis University

TIMOTHY SMEEDING Lee Rainwater Distinguished Professor of Public Affairs and Economics University of Wisconsin-Madison

MICHAEL R. STRAIN, Director and John G. Searle Scholar, Economic Policy Studies, American Enterprise Institute

Panel 2: National and State Policy Perspectives:

Panelists:

CHRISTINE JAMES-BROWN, Moderator, President and Chief Executive Officer Child Welfare League of America, Inc.

BRUCE LESLEY, President, First Focus

LaDONNA PAVETTI, Vice President, Family Income Support Policy Center on Budget and Policy Priorities

BEVERLY (B.J.) WALKER, President, INTHEPUBLICWAY, Inc.

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PROCEEDINGS

MR. HASKINS: Welcome to Brookings. My name is Ron Haskins, I run a center here called Center on Children and Families along with Richard Reeves. And I'm very pleased to present this report this morning. The National Academy of Sciences appointed a committee more than two years ago. People who were appointed from to represent a spectrum of views and the committee was justified by the Congress and funds were appropriated for the committees. So, the committee had good resources to conduct this report and the committee had a very specific assignment and that is reduce -- come up with a plan to reduce child poverty by half within ten years. As we found out, it's not so easy to figure out a way to reduce child poverty by half within ten years. But, of course, the committee did it. And it would be good to ask questions about it and we'll give you an opportunity to do that.

So, today we're going to begin by presenting the results of the committee report and then we're going to have some presentations about the committee report, primarily from people who are on the committee but from other people as well. We'll have discussion among the members. We're going to have two panels on the report, we'll have discussion among the members and then we'll give people in the audience an opportunity to ask questions.

I think probably the main reason the committee was successful is because of this gentleman here on my right, Greg Duncan. Greg has an extremely distinguished scholarly background. He's a distinguished professor in the School of Education at the University of California Irvine. He spent 25 years at the University of Michigan working on and eventually directing the much loved panel study of income and dynamics which has more numbers than anything known to man or God. He held a faculty appointment at Northwestern University between 1995 and 2008. Now, he's part of a team conducting, many of you have probably read about this, I bet I've seen four or five articles about this. Conducting random assignment trial assessment impacts of the income supplements on the

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cognitive intellectual development of infants born to poor mothers in four diverse communities in the United States. Greg.

MR. DUNCAN: Thank you, Ron and thanks everybody for coming. Let me move through this report very rapidly. First, let me pay my respects to our study's sponsor. A lot of the money came from Congress but it was instrumental that a number of other foundations chipped in to enable us to do all of the work that we did. Committees are selected carefully by the National Academy to be diverse in many respects. Ours was indeed diverse. We had a number of academics. You can see the list of people. Christine James-Brown will be on the second panel, Tim Smeeding will be on the first panel. It was a wonderful group of people to work with and what really made it work was everyone bought into the standard of evidence that the National Academy insisted for its panels. So, a lot of debates ended up being settled by, well show me the evidence, well I can't do that so we move on.

These committees are directed by their statements of task. And in our case, there were three elements to the statement of task. First, to review the existing research on links between child poverty and child well-being. Second to analyze the anti-poverty effects of existing programs and third and most important to come with ideas for program and policy enhancements and packages of policy and program enhancements that would reduce child poverty in half in ten years.

The ten-year time frame is very important here. It excluded intergenerational kinds of programs. So, early childcare programs that might have lifelong benefits, those benefits of reducing poverty aren't going to come until the next generation so they don't really fall into our ten year timeframe. There should be another committee formed to look at intergenerational poverty issues but that was not us, we were focused on this tenyear window.

So, the first statement of task was to review the existing evidence, correlational and causal evidence on the impact of poverty on child well-being. In the report,

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the chapter itself concentrates on the causal studies. There's a large appendix that reviews the correlational studies. These conclusions are developed after a great deal of discussion by the committee so every word is chosen very carefully. So, in the case of causal impacts of child poverty, we said that the weight of the causal evidence, not all studies but most studies indicates the poverty itself causes negative child outcomes, especially when poverty occurs early in childhood or persists throughout a large portion of childhood.

All right, so this was really trying to cut through the correlation versus causation and we focused on the strongest experimental and quasi experimental studies. We also reviewed the literature on the extent to which programs, existing programs seemed to effect child well-being. In this case, the conclusion was that many programs alleviate poverty either directly by providing income transfers like the earned income tax credit or indirectly, programs like food stamps, the SNAP program, medical insurance, have been shown to improve child well-being. All right, so that's the conclusion from the chapter that reviews that evidence.

Second element in the statement of task was to evaluate the anti-poverty effectiveness of existing programs. And for this, we used the urban institutes trim three micro simulation program. We were very grateful that we had the resources and the cooperation to do that. We were directed to use, not the official poverty measure which relies on cash income alone but rather to use a supplemental poverty measure which includes an evaluation of in-kind benefits from earned income tax credit, food stamps and things like that. The trim three model also adjusts for under reporting in several major sources of transfer income.

So, when you do all of that, change to the supplemental poverty measure, adjust for underreporting, you end up with the estimate, this is 2015, of child poverty equaling 13 percent. So, 13 percent of all children in the United States were estimated in 2015 to be living in families with income below the poverty line. Poverty line is around \$22, \$24,000 for a family of four, it depends on geographic residence. But that's our 13 percent

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and that's the baseline against which we evaluated how much poverty would increase if we didn't have existing programs and how much poverty would decrease if we imposed our enhancement ideas.

So, in this case we're looking at how much higher poverty would be if programs that are currently in place were not in place. And the estimate here is that the poverty rate would be 8.7 percentage points higher, in other words, 21.7 percent, if all existing transfer programs were taken away. If you look at which programs seem to matter the most, it's tax credits, the earned income tax credit and the child tax credit in particular and SNAP. Those two had by far the biggest poverty reducing impacts in the case of tax credits. If they were removed, you'd have a rate that was 5.9 percentage points higher, in other words, 18.9 percent. You can see the poverty reducing effect with these other programs.

In the case of deep poverty which is defined as 50 percent of the official SPM Supplemental Poverty Measure Line, in other words, about \$13,000, \$12,000 for a family of four. The poverty rate is about 3 percent and, in that case, the by far the most potent deep poverty reducing program is SNAP. Tax credits don't matter as much because people with incomes that low don't have the taxable income to qualify for many of the tax credits.

All right, but the heart of the report is really developing these program and policy options and then seeing what impacts they would have. So, we looked at ten different areas and, in each area, we developed a modest and more generous version of these program and policy options. And we also considered packages of programs. We also, and I'll show the list of program and policy ideas that we tried to develop simulations for but the evidence wasn't sufficient.

But here's what we could simulate in these different areas. Upper left shows the different work-related options that we considered, expanding the earned income tax credit, expanding childcare subsidies. One of the most interesting proposals, I think, was to take

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the child and dependent care tax credit and focus benefits on low income families, make it 100 percent reimbursable for expenses up to \$4000 for a child under the age of 6, \$3000 for a child over the age of 6 and then gradually phase it out up to an income of \$55,000.

We experimented with raising the minimum wage. In this case, we brought the minimum wage up to \$10.25 an hour. I know that some states and some municipalities are going up to \$15 an hour. But this illustrates our conservative approach to the simulations. We don't really know what's going to happen, especially to employment with a \$15 an hour minimum wage. From the past literature, we're much more comfortable simulating a more modest increase in the minimum wage so that's how we chose our \$10.25.

We also tried to find a proven sectoral training program that we could scale up, perhaps. And the one that seemed most promising is a program called word advance. There's a nice set of evaluations, random assignment evaluations and in this case, it was just run as a demonstration and we made assumptions about scaling that up to two different levels.

At the bottom, we had two proposals related to removing restrictions on immigrant access to benefits. Right hand side, more traditional income support programs, expanding SNAP, the food stamp program, housing voucher program and then supplemental security income the child benefits be more generous. We also, and this turned out to play a fairly prominent role had an idea for replacing the existing child tax credit with a child allowance. The child tax credit now provides \$2000 per child per year for families up to \$200,000 or \$400,000 depending upon whether it's one or two parents. We'd replace that with a child allowance of \$2000 but then make it available all the way down to families with zero income. And finally, we experimented with a child support assurance program which would provide a guaranteed benefit to children with a legal support order.

So, I've said before, there were a number of programs that we tried to develop simulations for. Long acting, reversal of contraceptive programs, for example,

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primarily focused on women's health but there might be some secondary impacts on child poverty. There is evidence accumulating about the extent to which it affects fertility but there wasn't strong enough evidence about the extent to which it would then link to child poverty changes.

Mandatory work programs, we spent a lot of time trying to understand the evidence from the 1990's where there were random assignment evaluations of mandatory work programs. From the history of what happened once the welfare reform was implemented and then from the more recent attempts to hook work requirements on to programs. But here again, the evidence let us down. It was either ambiguous or simply non-existent. And one of our research recommendations is to bring back the good old 1990's where when we experimented with alternatives to AFDC, we required that there be a random assignment experiment to judge its impacts. We're doing all sorts of experimentation now but we're not learning anything. So, one of our recommendations is to start learning things.

Marriage promotion programs, they've been tried and none seem to be consistently successful at promoting marriage. TANF, again, we're not learning much from the freedom given to states about TANF, family and paid medical leave block grants. Again, we tried all of these, to work all of these into simulatable policies but failed only to lack of evidence. In some cases, for certain population groups were let down by the current population survey sample sizes that we've got. Recommendations about using administrative data for these kinds of populations.

And then finally, the big elephant in the room is medical insurance which consumes a third of the federal spending on children. But the supplemental poverty measure does not have a way of accounting for the value of health benefits. So, we have an appendix and some recommendations about taking the next step to increase the comprehensiveness of the supplemental poverty measure to include health insurance.

Okay so let's go back to the 20 ideas. These show the extent to which each

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taken by itself would be expected to reduce that 13.0 percent child poverty rate. All right, so the first EITC option which is to essentially keep the run in and phase out parts the same but then increase the height of the benefit would reduce child poverty by 1.2 percentage points from that 13.0 level. You can see that the two trial allowances, child allowances one is this \$2000 per year per child allowance. The second child allowance two is a \$3000 per child per year. Expansions of SNAP, housing vouchers, they also produce substantial decreases but nowhere near the 50 percent reduction that we were mandated to try to come up with.

As we look across these 20 programs and just plot cost versus poverty reduction, it's a pretty linear relationship. So, way out on the right, there's child allowance two. That's the \$3000 per child per year child allowance has the biggest impact on reducing child poverty but at an annual of about \$55 billion. And you can see the tradeoffs here as you get to less expensive programs and less effective programs.

One of the nice things about trim three is that it produced not only estimates of poverty reduction and cost but also changes in labor market effort. And in this case, we worked very hard. Robert Moffit and Hilary Hoynes were on our committee to plug in the latest consensus evidence of what labor supply responses were. By in large, the income support programs reduced employment. This is employment among adults living in households below twice the poverty line by \$50,000 to \$150,000. But that downside for the income support was more than matched by the upside from the work enhancement expanding earned income tax credit, the child and dependent care tax credit where you got increases up to 500,000 jobs. So, if you don't have any single program that's going to do the job is it possible to combine programs in packages. And that's the next step and maybe in doing so, we could get the best of both worlds.

So, here are the four packages that we came up with. First one, we said let's give work its due. Let's try to come up with a 50 poverty decrease just with work programs. So, we took earned income tax credit, the child and dependent care tax credit expansion, increased the minimum wage to \$10.25 and then rolled out this work advance

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program. That reduced child poverty by about 20 percent, right. Well, short of the 50 percent goal, it had a whopping increase in employment, a million more people would be employed, low income people would be employed with these work incentive programs taken as a package at a cost of \$8.7 billion a year. Okay, so intriguing in many respects but not getting to 50 percent.

In the second package, we added a child allowance, \$2000 child allowance. That gets much more poverty reduction, 35.6 percent, 41 percent reduction in deep poverty. It's still netting 568,000 more jobs but now the cost is \$44 billion. And the last two were designed to reach the 50 percent goal. In the first, we expanded existing programs, SNAP and housing voucher programs. Again, the increase in employment from the work enhancement more than offset the reductions from the income support programs but cost of \$90 billion for the first and \$110 billion per child per year in the second. So, quite a range of cost.

One of the other things we were asked to do was review the literature. It's a fairly brief literature on what the annual costs of child poverty are. A cost in terms of reduced earnings, cost in terms of criminal justice costs, increased health costs and those studies come up with estimates of between \$800 billion a year to \$1.1 trillion per year. So, it provides some perspective on the cost of our packages.

Lesson from the packages, individual policy and program changes are insufficient. But these bundles, these packages are intriguing because you can get the best of both worlds, poverty reduction as well as increased work. We spent a lot of time thinking about contextual factors that affected the effectiveness of the program and policy options. Dolores Acevedo Garcia will talk about that a little bit. And finally, we ended up with search priorities. We need experimentation like the good old 1990's. We need more research on these contextual factors that Dolores will talk about and finally improvements to the federal data system.

So, with that let me stop. These National Academy reports are free online. It does

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say 600 pages for the PDF version that's currently available but that's divided into 220 pages of report and then a whole bunch of appendices and then there are a lot of other tools and information sources available if you go to the website. Thank you very much.

MR. HASKINS: Okay let me start introducing members of the panel. I'll start from my left and move across the stage. This is Dolores Acevedo Garcia from Brandeis University. She's the Samuel F. and Rose B. Gingal professor of Human Development and Social Policy. She's also the director of the Institute for Child Youth and Family Services at the Heller School for Social Policy and Management at Brandeis. Next to her is Dr. Tim Smeeding who is the Lee Rainwater Distinguished Professor of Public Affairs and Economics at the Robert M. LaFollette School of Public Affairs at the University of Wisconsin at Madison. Next to him is Michael Strain from, who is our beloved conservative representative who comes to every Brookings event so we can have one conservative.

MR. STRAIN: We're two doors down. The pastries are good here.

MR. HASKINS: Michael is a John G. Searle Scholar and director of Economic Policy Studies of the American Enterprise Institute and that's still Greg Duncan over there, I think, I don't think he changed. So, he gets to be a member of the panel. We're going to try to keep him from dominating the discussion. So, each of the panel members is going to talk for five minutes. They selected some issue that they think is important from the report and we'll listen to that and then I'm going to ask them some questions, they may question each other a little bit and then we'll give the audience a chance to ask questions. So, Dolores, thank you for coming.

MS. ACEVEDO GARCIA: Yeah, thank you Ron and good morning. I'm going to talk about two very important aspects of the report of child poverty in the U.S. One of them is the existence of very wide disparities in poverty by race and ethnicity and also by other demographic factors. And as Greg mentioned, I'm also going to talk about the importance of contextual factors in child poverty and those two things are related so I'm going to use my five minutes to try to explain how they are related.

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First of all, as Greg reviewed, we have a lot of evidence that the experience of poverty has harmful consequences that cause a life course for any child that experiences child poverty. Those can be pretty devastating effects. But we also know that not all children are equally likely to grow up in poverty. And particularly in the U.S., Hispanic and Black children have much higher poverty rates and Hispanic children have the highest poverty rate at the moment. About 22 percent of Hispanic children are growing up in poverty and that rate is about three times higher the rate of non-Hispanic, White children.

The U.S. has experienced a very dramatic change in the composition of the child population in terms of increasing diversity and that coupled with high poverty rates for Hispanic and Black children has resulted in a pretty dramatic change in the composition of children that live in poverty. Today, the largest group of children in poverty of Hispanic children. They represent about 41 percent of the population of children in poverty up from 12 percent in 1970. White children represent about 31 percent down from 55 percent in 1970.

Because of these very wide differences, the committee felt very strongly that we needed to examine programs and packages not only in terms of the overall poverty reducing effects but also effects by sub group including race ethnicity, income status and other demographic variables. I encourage you to look at the report and appendices because it's a very rich picture of the different differential effects that we examined and it's very important to pay attention to those to give you a sense of some of the general findings.

The good news is that packages three and four not only achieve overall reduction of poverty of about 50 percent but also, we have a very significant effects towards many subgroups and the effects are even larger for African American children. The flip side of that is that some subgroups of children, for example, non-citizen children benefit very little even with packages three and four.

So, the committee also recognized that we have a number of contextual factors that although we couldn't include in the simulations, we felt because of the evidence

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that it was very important to discuss how one, they exacerbate the experience of child poverty for children in poverty and they can also limit the effectiveness of anti-poverty programs. We examined in chapter 8, six of these factors very thoroughly and I encourage you to read chapter 8 but I'm going to talk about three of them just very briefly now.

So, first of all we look at a lot of factors that disproportionately affect minority children, who as I said, already have very high poverty rates. So, we look at factors such as discrimination in employment. As you know, many programs require that beneficiaries work. So, this combination in employment which continues today makes it harder for minority families, first of all to be employed and second to benefit from these programs. Housing discrimination can also limit effectiveness of anti-poverty programs and involvement in the criminal justice system as well.

And then we also look at neighborhood conditions. There is significant evidence that neighborhood conditions effect long term outcomes and also that they may interact with the effectiveness of anti-poverty programs. And we know that poor minority children are much more likely than poor White children to live in poor neighborhood conditions.

So, I only have about a minute left so I don't want to leave you with the impression that we have these horrible inequities and these contextual factors that we don't have evidence on. We do but first of all as Greg said, we're academics so we recommended more research on all of these factors and how they interact with programs. But we also encourage you to read the report and read about some of the ways in which think that even today they deciding implementation of programs can try to pay attention to some of these contextual factors and try to benefit minority children. Especially minority children who experience some of these factors disproportionately. Thank you.

MR. HASKINS: Great, thank you. Tim.

DR. SMEEDING: Thank you good morning everybody, it's really nice to be here. We had a great group and we worked really hard on this and we hope you appreciate our efforts. I want to talk a little bit more about the packages and sort of what went into them

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and why. As you saw, you know, we could just spend enough money to blow kids out of poverty but we didn't want to do that, that is not the right thing to do in our mind. On the other hand, what if you wanted to help people work more, get more from work, make sure that work is rewarded, it covers their families and that they can have decent child care assistance.

So, all the packages, which I'm going to talk about, all have work components in every one of them. We think work is important. We think that people, if they're given the opportunity at a reasonable wage with the earned income credit behind them and decent child care for their kids, that work will increase and then in fact all the simulation showed that. On the other hand, work alone isn't enough. We saw that in the first package. So, you need something else, you need some sort of support.

In general, we argue that, you know, poor families have multiple needs. And some need work support, as I said, some may need housing or food, some just need a little bit of cash assistance to stabilize their incomes and to help them get through really rough months. So, we put those packages together in that way. And when we got done with it, we saw that the first package, as Greg pointed out, work is important but work advance with the other word supports is not alone enough by itself. It would bring a million more workers into the economy but it only reduces poverty by 20 percent.

Now, the other, we had two big packages which got us there and to get us there it's not cheap. So, either we've got to expand the SNAP program and the public housing program enough to bring people out of poverty or we had to do something with the child tax credit that would expand the benefit to virtually all children. And that's the idea of the child allowance which essentially takes the child tax credit that we all get and makes it one version and makes it fully refundable to the bottom third of kids who don't get it.

The idea here is that if you looked at the one package, it got us 35 percent reduction and we spend \$44 billion. Of that \$44 billion, \$30 billion is spent taking the \$2000 per child credit that we all get up to \$400,000 a year and just extending it down to the bottom

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so that everyone gets it and paying it monthly through the Social Security Administration. That's how it would be done.

The program that was really expensive, the hundred and some billion one, \$80 billion of that went for the child allowance. Why, because it had to be \$2700 to get it there. \$2400 got us a 48 percent reduction so then we had to go to \$2700. Why is it so much more expensive? Because every kid in the country gets the extra \$400 or the extra \$700. So, in other words, all the kids who are getting the \$2000 child tax credit now would have to go up to \$400 or \$700.

But the main thing behind this is that it's delivered through the tax system. The tax system assesses who the parent is. Looks at the child's Social Security number, you've got a pairing and transfers that to the Social Security Administration if they family would like it to be paid monthly and they start paying it out monthly. This is also important if you think how are we going to have a child care tax credit for low income families that every month they're supposed to come up with \$500 or 4 or \$500 a month to pay their part of decent childcare and then wait to the end of next year to get a refund. That won't work, it's got to be done monthly as well. The Social Security Administration could do it that way too.

But the idea is that this is, you know, if you think of \$2000 that's \$170 a month essentially okay, that's not a lot of money. We're not blowing people out. We're helping them get out of deep poverty. But there's families reported again and again. They're willing to trade stability in their incomes for more income. They would like something that they just rely on every month. If the rest of us would like to take it annually, we can just stay just where we are. But if we wanted it monthly it could be delivered that way. So, that's the main idea. And so, the package idea is to pull a bunch of things together that will both increase work and stabilize family incomes so that's where the packages came from and I'd be happy to answer any other questions you had after. Thank you.

MR. HASKINS: Thanks. Michael.

MR. STRAIN: That was very impressive.

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MR. HASKINS: Yeah, so far two right on time.

MR. STRAIN: That right, I saw that.

MR. HASKINS: Yeah, let's keep the record going.

MR. STRAIN: I'm not going to do that probably. Thank you, Ron, for having me, thank you all for being here. Ron suggested that I represent or discuss some of the conservative scholars and analyst's response to the report which I think is a good idea. We, of course, are in favor of child poverty and so the entire thrust of the report we think is off base. They laugh because they knew it was a joke so that's good.

More seriously, I think that there is a lot in this report for people who approach these issues from the center right to like. And I think that in general, the report is a wonderful resource and very well done and something that will inform the policy community and hopefully policymakers for years and years to come. Some things that really jumped off the page to me, the report used the supplemental poverty measure and not the official poverty measure and didn't make any bones about that. You know, that I think is very important and it explicitly recognizes the policies that we're talking about and the effect those polices have which is something that center right analysts have been frustrated by for years and years and years and this report reflects that.

The report argues that the decline of the two-parent family structure is the biggest factor that was associated with the increase and official child poverty from the midseventies to the early 1990's. That is an important argument, I think that is also analytically correct that family structure matters and that the environment in which children are raised matters. And the report is very direct in arguing that the more recent declines in child poverty have primarily been due to increases in maternal employment. So, like Tim said, like Greg said, employment is a really important part of this story. And the report, I think does emphasize the importance of work.

Like Tim said, we could solve child poverty tomorrow if we just gave every poor family enough money to not be in poverty anymore and that's not what the report did.

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And so, I think that is an important part of the report, it's something that people on the center right should like and I think it's objectively the right way to approach these issues as well.

There are some things that I think that I personally was a little troubled by and that I think many on the center right were troubled by as well. You know, one is, I think, pushing harder on this notion of how do we define poverty. The SPM is better than the official poverty measure. Should we be looking at measures like consumption poverty, should we be looking at, you know, different ways of measuring poverty. I think that's an important conversation for the research community and the policy community to have.

But I think the kind of broader criticism I think is less of a criticism of the report and more of a caution not to use the report exclusively in informing policy. The report, as Greg's presentation made clear, had a very high evidentiary standard for what could be included in the simulations. That's perfectly appropriate for a report like this, perfectly appropriate for a National Academy's report. But it is the case that there are some policies and some kind of features of social and economic life that are more amenable to the tools of causal inference. But that there are also many important features of social and economic life that even though they're not amenable to those tools, are none the less important.

So, when I think when people on the center right think about what happened in the mid 1990's. And if you look at the graph in the report, you see, you know, child poverty kind of puttering along. And then in the early 1990's you see this dramatic drop where it almost did drop enough, I think it was something like 27 percent to 15 percent or something like that.

The way that a lot of the people on the center right think about that and the way that I think about that is that there was a combination of things that happened. There were changes in the programs, time limits, work requirements. There were more generous work supports and expanded earned income tax credit but importantly, there was public messaging. There was a change in social expectations. There was the reality that public leaders, the President of the United States, the Congress, Governors and opinion leaders

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were saying, we expect you to work. Work is now an expectation and that is included in the structure of these programs. But beyond just tweaks to the structure of the programs, this is the new way we're approaching these things.

It's hard to do a randomized evaluation of the importance of public messaging. It's hard to do a randomized evaluation of the importance of these sorts of cultural changes. That doesn't mean that they don't matter. And, you know, so this report, I think, is best seen as a compliment, as one part of a way to inform policy rather than as the whole story. Like I said, the report couldn't include that change in ethos because you can't do an RTC to study that but it was likely a very important part of the picture.

MR. HASKINS: You went over.

MR. STRAIN: I went a little over, yeah.

MR. HASKINS: There will be a penalty. We'll talk about it later. Okay, I want to begin where you ended.

MR. STRAIN: You want me to go over longer.

MR. HASKINS: No, definitely not. And also, a major part of Greg's presentation, a major part of the report and from my perspective as a member of the committee, to me the most fascinating part of the report were the packages. Let me first make the point that the report does not make any recommendations about policy. That's a National Academy principle, right? We don't say, do this policy. We gave examples of policies that would do what we were asked to do and the Congress decides.

Now let me raise a question about the two reforms, policies, that would meet the criteria of the report of 50 percent should not necessarily be the ones that get all our focus. And this has been handed by previous speakers. But the work-oriented package which consists of the earned income tax credit, child tax credit, increase of minimum wage and a new program called Work Advance all focused on work. It would reduce poverty by only 20 percent but it would cost only \$8.7 billion compared to \$90 billon and \$100 billion for the two packages that reduce poverty.

ANDERSON COURT REPORTING 1800 Diagonal Road, Suite 600 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190 And this is beyond belief to me, it increases employment by a million people. So, to my moderate right of center view, that's a better package. And it's more practical and we might be able to get it through the Congress. What do you think of that, panel?

MR. STRAIN: I like all that.

DR. SMEEDING: I don't.

MR. HASKINS: Okay, why not, Tim?

DR. SMEEDING: Work alone is not enough. What you're buying for the \$8.7 billion is an extra million people who are working, I agree and poverty might fall by 19 percent. Doesn't allot for deep poverty either. It doesn't get you where you want to go. Work alone is not enough. Increased support for work gets you \$600,000, \$588,000 in the smaller packages is the one I like if you want to talk about what you like for \$44 billion and it gets us a 35 percent reduction. And it just extends the same level of support that most parents get for their kids to the kids at the bottom of the CTC plus it enhances work through a little bit better earned income tax credit and a child care tax credit.

To me, that's the sweet spot for me because it covers all of our needs and it does a good job and I think about 40 percent reduction in deep poverty too. And it doesn't get us all the way there but it's a really good start. Now, if somebody in Congress decides that the child tax credit should be \$2500 a kid or \$3000 a kid, then the cost of the child covering the bottom third who don't get it is, you know, another \$5, 10 billion.

So again, the big money is when you try and make a child allowance that's higher than the child tax credit we have now. But just taking what we've got now, extending that to everybody there is a floor, there's something there, there's some stability. That seems to work for me and, you know, it's not like poor families aren't working, most of them are. Most of the poor parents are, those who can get it together. There's a lot of complex situations as you know and stuff going on out there with people that makes it hard. But we think that I'd rather my tradeoffs would be I'll take 600,000 more working, spend \$40 billion and reduce child poverty by a third and have especially do a good job on deep poverty. That's what I

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would pick, that's me. Again, we don't pick these but we can look. We've been decommissioned and we can speak for ourselves.

MR. HASKINS: There were several earlier occasions when you were just about decommissioned but you escaped all those. Okay related to this, Greg threw in at the end and it's covered in the report but the report does not go in any detail. That we lose annually about \$800 billion to \$1.1 trillion through various things that happen in American life that cost a lot of money and that poor people are engaged in. So, this would be lost productivity, increased crime, increased health spending and so forth. That number is not examined too carefully and I don't think that we have anything in the report, correct me if I'm wrong, that shows that if we have this policy then it would reduce that spending.

Members of the panel, why do you think or don't think that our spending and our recommendations would eat in to that possibly \$1.1 trillion that is now spent. That alone would be a justification for the recommendations if it works out the way we implied in the report. Greg, you want to say something?

MR. DUNCAN: Sure. So, it kind of relates to the previous question also, right? I think package one is if it's package one versus nothing I think it's a clear gain but it's only a 20 percent reduction in poverty and it ignores the fact that there are these potential costs of child poverty. That literature is, it's not estimating these \$800 billion \$1.1 trillion. They're not super strong experimental studies or quasi experimental studies so we didn't emphasize them in the report. But if you think about what we did in the third chapter, right, where we reviewed the causal impact of poverty on kids, they weren't long term, well a couple were long term studies, right but most of them were shorter term studies.

So, we know what we rolled out public health insurance programs that there were positive impacts on birth weight, on child health, the kinds of things that you might expect over the years to accumulate into more adult productivity and better health and things like that. When we rolled out, there's a very strong study on the rollout of the food stamp program which was county by county in the United States, sixties and seventies. So, you

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could look and see to what extent kids who were born into counties that either were going to get food stamps at age 5 or were already getting food stamps.

You can look later, 20 years later, 30 years later at whether the timing of food stamp introduction in the county of residence had any relationship to adult health, adult employment. And what you found with respect to health, it was a measure of cardiovascular health, that kids who were born into, low income kids born into counties with food stamps ended up with substantially lower risk, cardiovascular risk when they were in their thirties and forties than kids born into counties where food stamps didn't start until age 5 or so.

So, the kinds of enhancements that we're considering, enhancements to food stamps, child allowance and so forth, seem to have these short-term impacts. That's what chapter 3 was all about and we just don't have enough evidence to really nail down the \$800 billion \$1.1 trillion, what is that number. But we're much more certain about the short run improvements in child well-being from more generous levels of these programs.

MR. STRAIN: I have no doubt that they are social costs to job poverty. And the estimates in the report, I think, are ballpark reasonable. Like Greg said, I think it's hard to pin a specific number on them. I think that, you know, when this is outside the scope of the report but it's very important in the policy debate. When thinking about the costs of these sorts of packages, it is reasonable to think about okay well we'll have less crime and we'll have more people working and so there will be, you know, these social costs.

But the logic that the program will pay for itself, I think can be taken too far for two reasons. One, you know, it may be that a study of food stamps in the sixties showed that in the nineties the kids who got the food stamps in the sixties were better off. We need to be pretty careful about making statements that if we were to give a whole bunch of extra food stamps to kids in the year 2020 that, you know, we know what will happen to their health in 2050 based on those estimates. I mean, that's just a very hard thing for social science to predict.

But secondly, you know, budget costs matter. Budget costs are an

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important part of the policy debate and they matter. And again, this is outside the scope of the report but a lot of the good things that are in the report would be a lot more politically feasible if there were more budget space for them. And so, I think, you know, the policy debate I think should take more seriously these sorts of intergenerational tradeoffs. You know, Tim is very concerned, I think, correctly about deep poverty, concerned about what a, you know, a heavy emphasis on work solutions, work based solutions to child poverty would do to people who are in deep poverty who, you know, aren't feasibly going to end working. I'm concerned about that too. Tim wants to do some sort of a child allowance for those kids in deep poverty, I think that's a reasonable solution to try and push them up.

It would be a lot more reasonable if instead of borrowing that money from abroad, we could take some of the money we're spending on middle class seniors and spend it on those kids. And I think, you know, thinking about these packages in that more holistic way more as a priority setting exercise and less as a oh, well more money will help exercise actually, you know, could at least in the policy community increase the amount of traction they give.

DR. SMEEDING: Why sock it to the elderly? Just get rid of the (inaudible) provision which everyone has said they're going to do forever.

MR. STRAIN: Or, you know, the money we spend on rich people would also be a good place to get that. A lot of the elderly are pretty well off.

DR. SMEEDING: The thing about putting things in tax programs and taxes, so Arlo Lucosky said this a long time ago. On where social programs go to hide, he was mainly talking about tax expenditures and benefits we get.

MR. STRAIN: Sure.

DR. SMEEDING: But still it's the same thing. \$44 billion is part of an increased EITC \$8 billion in there for the child tax credit and extending the current child credit down. That \$44 billion that's a blip. That's in the error term when we start talking about tax policy. And that's where, I think, but if you want, I mean, to pay for it we could find

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ways to pay for it. You did not hear here that Mike wants to axe the elderly, please, because those votes are the votes that old guys like me is exactly who the center right people need.

I am more centered for sure but we could come up with that money and I do realize budgetary costs that's why the idea of just blowing people out of poverty with more money is not it. But just some sort of a reasonable balance between a minimal level of support and emphasis on work. I do believe that the long-term solution is a good job. I believe as you do, I know, that the current economy, we're going to do a project together, to figure out what this really has done for low income people. Is really pulling peoples wages are finally at the bottom, more people are engaged in work and so forth. But so, I'm optimistic but it's not going to be free. I mean, that's just the way it is.

MS. HASKINS: Any other comments on this? Okay I want to raise two other issues that we dealt with in the report. We dealt with them a little bit here but not a lot and that is marriage and fertility control. Both of which have dated, I mean, we presented it quickly here but there are studies that show that, first of all marriage, if we could increase marriage rates it would definitely have a big impact on poverty. I don't think there's hardly anybody denies that anymore, it used to be a very controversial thing. But a lot of people agree, if we can increase marriage rates without changing anything else, if you randomly assigned low income families to marriages it would reduce the poverty rates.

MR. STRAIN: Historically that's happened.

MR. HASKINS: Your idea is that marriages are random? Anyway, so we'll call that the Strain solution. Randomly assigned --

DR. SMEEDING: Your wife is quite in favor in being reassigned.

MR. HASKINS: Yeah, she wants to reassign, yes, yes. She has told me that often, most recently last night. So, we could have a big impact but it is true, as the report concludes, I think, and some people in this audience I know, know a lot about this. That we don't have very good evidence that the things that we've tried to do increase marriage have worked very well. There are always some new program that someone shows

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is going to double marriage rates but so far nothing like that has worked out on a broad scale so we haven't been able to do it. But I'm just bringing this up that it's a very encouraging thing that we ought to try to figure it out.

And the same thing, not the same thing but something similar concerns the attempt to control fertility. If we could control fertility and people got to actually make choices and only wanted babies. The mother said she wanted it or the mother and the father in that case if they're married or a couple, that that would have a big impact on the number of poor babies that are born and that in turn would have a big impact on poverty.

And that literature, I think, it's not like the marriage literature in the sense that it's, you know, it's forget it, we can't do it. Because we have a lot of examples of ability to control in births accord with what mothers want. We have programs that are state wide that have shown that. We have much better technology now. We have new approaches in clinics that do everything in one day if the mother chooses to control their fertility. So, I think we, you know, I'm not saying we shouldn't have but we short changed that a little bit. We could make some real progress definitely on fertility and maybe on marriage. So, what do you think of that, panel?

MS. ACEVEDO GARCIA: I don't think that were short changing that I think that we look at the evidence very carefully. And I think that in terms of marriage, of course, and also fertility there is kind of a mechanical way in which you if you address those issues you would reduce poverty. But I think it's very important, that's what we also examine and contextual factors very carefully to understand that people arrive at life decisions such as marriage and how many children they're going to have based on their social context.

And there are many reasons why people may choose to be a single parent as opposed to a married parent that speak to structural issues in our society including things that are very differential by race and make perfect sense from their perspective. So, I'm going to do what Tim did about like assigning now my own opinion instead of the committee's perspective.

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MR. HASKINS: You're decommissioned too so it's fine.

MS. ACEVEDO GARCIA: I've been decommissioned so that's great. So, I think it's very important that we do not think about these five lines of things that happen along the life course of putting them aside from the context that people are experiencing. So, we spoke to those issues in the report. There are four issues that are very serious such as undertones of population control that is very racialized that have been attached to particular ways of thinking about contraception. So, no one is thinking about limiting access to women's health and reproductive health. I think the report is very clear that we think that there is evidence that those things are incredibly viable for families. But I personally don't think that we should approach poverty reduction thinking primarily about those approaches.

MR. DUNCAN: You know, we gave it our all with respect to the long acting reversal of contraceptive policies which as you say have a lot of very promising evidence associated with them. Isabel Sawhill has worked in this area for a long time. We just couldn't get to the point where we were confident that it could be plugged into the simulation model. So, we review the evidence, you know, we say it's promising but we just can't push it to the point where it was one of our 20 policy options.

You know, with marriage, you've been involved with this. We've really tried very hard with a number of different models. We did random assignment evaluations. Now we evaluate and review that evidence too. It's just very, very hard to change marriage rates.

MR. STRAIN: I'm not a big fan of the idea that we should be aggressively pushing long acting reversable contraception but I do believe that you're right in your emphasis on marriage. And my reading of the evidence is the same as Greg's that the available evidence just that's a pretty tough nut to crack.

I think that's another example of where public messaging and attempts to influence the culture around marriage really, really can matter. If, you know, more, I mean, the people who are -- marriage rates are very different for different groups of people. And if people at the top of the income distribution were more comfortable kind of preaching what

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they practice with respect to marriage and family life, I think that really could accrue to the benefit of lower income people.

I mean, it's hard to argue with the mechanical effect that if you have two people in the household, you're going to have more income in a lot of cases and that's going to help with poverty. The evidence on the benefits of stable parenting is much stronger than the evidence on the benefits of marriage. But in the United States at least, the way you get stable parenting is by having people get married. You know, we don't have the same culture as France or other western European countries about this. And so, I think marriage needs to be a major part of these discussions. You know, it's very easy to turn the knob on the EITC or the child tax credit, it's much harder to turn the knob on marriage but that doesn't mean that it's not worth effort and attention.

DR. SMEEDING: I would agree. I think that hopefully the Brookings Middle Class Initiative and more, you know, people who look like they're marriageable because they've developed good career and have good income leads to more marriages. On fertility, you know, the good news that we're seeing right now, we don't understand why, is that fertility is actually dropping amongst lower, in particular, non-married women. That's been the experience in the last few years. We don't know exactly why, a little bit of it has to do with LARK then the rest. But the idea of postponing kids until you're ready is attractive to me because, I think, that kids are going to do better.

All the evidence, Greg has just published a couple of papers on it that older parents are more able or more stable or are more ready to parent and so forth. I think that would be good but I'm, you know, the social engineering is, you know, it's not right, not what I do.

MR. HASKINS: Okay, now let the record show that Tim impinged on the audience's time but we're going to move forth anyway. So, audience, it's your turn to ask questions. We frown on long statements, especially if they're theoretical in nature. Ask a question about the report or something the panel has said and let's proceed in that fashion. So, who's first? Yes, right here. A person will come around and give you a microphone and

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then stand up and ask your question please. Tell us your name and state the question.

SPEAKER: Griffon Murphy, National Academy of Social Insurance. So, the work package looks really promising but if you tie something to work, it's going to be more volatile. So, maybe what would the work package look like in a recession? Could the tomorrow volatile poverty rate and volatile household incomes? Thanks.

MR. DUNCAN: That's a good point.

MR. HASKINS: It's a good point, next question. In the back there.

SPEAKER: Hello, Zofia Rawner. I was looking at the report and looking at constructally how you were deciding how you would go forward. And one of the issues, it doesn't seem that you pull yourself away from the options that exist already and ask well what is happening on the ground that's causing the poverty. So, for example, it mentions housing and it says hey look, if we give these housing vouchers or we increase the programs, in fact it doesn't really make a big difference. But study after study after study shows that for the bottom 50 percent of the population, we do not have enough housing for them. And the cost is way too high for them. They're going to spend more than 30 percent of their income.

So, the approach of stepping back and saying hey, how do we actually build more housing? How do we incentivize the growth of affordable housing but also fair market housing? So, housing that if you are working, you should be able to afford to live and not spend more than 30 percent. Have you guys taken approaches like that because it doesn't sound like you have.

MS. ACEVEDO GARCIA: So, I do think that we considered section 8 voucher very thoroughly and carefully and we do show a significant effect of expanding the utilization of the voucher which is basically we want to serve more families with the voucher. That's the idea in the options that we considered. And it does have, you know, important effects. So, I encourage you to read about that.

I think that we were asked to consider policies and programs so we at the federal level

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obviously there are other issues such as zoning at the local that affect the price of housing including the location of affordable housing and the price of affordable housing. That was not part of our task. But I also encourage you to read particular chapter 8 where we discuss the connection between the section 8 voucher programs and the issue of housing availability as well as where families are able to locate.

So, a section 8 voucher program in addition to being a subsidy, it can also promote the location of families in neighborhoods with more opportunities for the kids. And although we did not simulate that in the models that we ran, we actually considered those options and we discussed them. So, I agree with you that housing and the problems with housing affordability are bigger than what we addressed in the report. But I think the treatment of the housing problem and the option of using section 8 is very thoroughly addressed.

MR. STRAIN: So, I like your question very much and if I were to take your question and put it into an economics 101 model, I think what you're saying correctly is that the price of housing is very high, that's bad for poor people. A big part of the reason why the price is high is because the supply is too low. And I would add that part of the reason the supply is too low is these sorts of zoning issues and other supply restrictions.

That's also true for childcare. If we had more childcare suppliers, the price of childcare would be lower. Part of the reason we don't have more childcare suppliers is because of regulations. It's true for healthcare as well for the provision of healthcare. It is true for occupational licensing and other policies that restrict entry into occupations that are keeping people out of those occupations and that are likely increasing the poverty rate as well.

And so, this is another area where I would have liked to see more in the report. There are a lot of regulations that keep people out of jobs. There are a lot of regulations that keep prices higher than they should be and those regulations hurt poor people. And if we can get rid of some of those then that would help child poverty as well.

MR. HASKINS: Tim.

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DR. SMEEDING: I share the comments of Dolores at least and most of Mike's. It's a difficult thing. My problem with the housing vouchers is that a local housing authority decides who gets the vouchers. Families with children get less than half the vouchers. There are a lot of disabled people and elderly people in line for those vouchers. So, getting it through would be hard.

What I like to think and this is from my student at Thespin who's wrote a lot about evictions, sometimes it's high cost of housing, sometimes it's low income, you can't afford to pay the rent. What happened in Milwaukee wasn't about the high price of housing, it was about how low incomes are particularly for minorities living in the middle of Milwaukee where the Democrats are going next year and you'll hear more about that I'm sure as the get closer.

So, by increasing income, by given the child allowance, having something at the end of every month, hopefully you can avoid evictions, avoid the instability that comes with housing which is being, you know, forcibly moved somewhere which is the real problem. So, there are ways to get at the housing issue, I think, through stabilizing income and raising incomes, not just through increasing the supply. Although I'm totally in favor of increasing the supply of affordable housing. We're trying to do a lot of that in Madison but it's a huge job.

MR. HASKINS: Next question, right here.

SPEAKER: I'm Quentin Wilson, I'm working at George Washington University. Despite the limitation or charge of the study project that you had to reduce poverty by 50 percent in 520 weeks, I wonder if, I'm kind of guessing that you all had some ideas or brought up other ideas that if you didn't have that restriction you might have considered more effective. I wondered if any of you or all of you would like to talk about some of the things you'd like to have seen is Congress hadn't restricted your charter.

MR. DUNCAN: Well, there's any number of inter-generational programs. Early education, parenting programs, improvements in K12 schooling, for example. We

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need a separate report to review those things, right because there are a lot of ideas, there is a lot of evidence and some of them seem promising to reduce poverty in the next generation. But it was not part of our task but, you know, it's a very important task for someone to take on.

MS. ACEVEDO GARCIA: I would just add really briefly that improvements in health are also hugely important and very likely to have long term implications. We couldn't consider them.

MR. HASKINS: Bill, do we have a microphone to go over there? Okay, you've just got to be quick.

SPEAKER: Well, I don't know about that. If you're running out of time, Ron, I don't need to say anything at all.

MR. HASKINS: Okay, well we've got a couple of minutes.

SPEAKER: Okay well first of all, congratulations to all of you, it was a great job, well done. Just a couple of comments quickly. First of all, I think the point that, I think, Michael already made that when you don't have evidence that something works, that's not sufficient to say that it doesn't work. It's just sufficient to say we don't know enough yet. You know, we're having this debate around the Mueller report and I'd hate to compare your report to the Mueller report but it's a similar kind of issue about evidence. An all finding is not the same thing as being able to say this would not do the trick.

The second thing I want to say is on the marriage and fertility issues, I'm glad you brought those up, Ron, and I'm glad the report brought them up. I think that's really important. There is a big difference between them. One is that we do know, I think, about some of the family planning initiatives, they do have an effect and we have randomized studies about that. The link we don't know is from the drop in the effects of the programs and the long-term effect on poverty. In the marriage case, we don't even have evidence about the programs themselves about how to change the behavior. So, those are two different stories.

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The other thing is I would really caution us about using the phrase controlling fertility. It's all wrong. Right now, society is controlling women's fertility by not giving them access to effective and affordable means to do exactly what they want to do which is to have children when they want to. So, let's be very clear about that. We're trying to empower women here. We're not trying to control them. A lot of people would argue, myself included, society should make it possible for women to choose when and if to have a baby. So, I just want to caution about that phraseology.

MR. HASKINS: Okay, so we're out of time. And please join me in thanking the members of the pane. After the nice applause they're going to disappear and we're going to bring up the members of the second panel which will be moderated by Christine James-Brown of the Child Welfare League of America. Includes Bruce Lesley of First Focus, B.J. Walker, former state human services official in Georgia and Illinois. And LaDonna Pavetti of the Center on Budget and Policy Priorities. Thank you for coming.

MS. JAMES-BROWN: So good morning. I'm going to introduce this panel within the context of the focus of the panel, which is the state and federal policies as they relate to the report. And we're very, very fortunate to have a group that brings the perspective that we need to the conversation. So it is both research, it's policy and practice. And all of those things really have to work together to make sure that the recommendations are fully implemented.

So on the very end we have Dr. LaDonna Pavetti, who is the Vice President from Family Income Support Policy at the Center for Budget and Policy Priorities. Prior to her work here she has done extensive work on the same issues that are addressed in the report, at everything from Mathematica, as a researcher also, and all the way to working as a social worker in DC and in Chicago. So she really brings the full gamut of understanding of what happens as it relates to these policies.

We also have with us Ms. B.J. Walker, who served as a child welfare director in Georgia and in Illinois but has also worked extensively in her career across health

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and human services, with a specific focus on cash income programs, on TANF, on food stamps. So she brings the expertise and perspective of the person who is actually delivering the programs that we're talking about.

And then we have my friend and co-worker here in DC, Bruce Lesley, who is the President of First Focus. And First Focus has extensively focused on all of the issues that we've been talking about in the report. And in addition to that he brings congressional experience, having worked in the Senate, and worked in other policy perspectives, also at the state level. So we have through him the state level perspective.

So we're really fortunate to have all these perspectives on the various issues that were talked about, and you'll a lot of connections to the prior panel too, I hope, as we go forward.

So, Dr. Pavetti, do you want to start?

DR. PAVETTI: No, I'm -- we're starting with Bruce.

MS. JAMES-BROWN: Oh, Bruce, you -- Bruce, you want to start?

MR. LESLEY: Okay, I'll start. Absolutely.

Well, thank you all very much and thank you, Brookings, for hosting this event, and, Ron, for your service on this issue for a long period of time, and all the panel members for all their hard work.

I just want to tell a little back story. This all began with we had meetings on the Hill with Congresswoman Barbara Lee and Congresswoman Lucille Roybal-Allard, both California members, to talk about this issue about child poverty and what we could and what was the evidence. And they both serve on the appropriations committee, and so we talked about how the National Academy of Sciences has this immense credibility factor and how we really need to bring attention, but also credible bipartisan approaches to solving this issue. And so they started working with Chairman Tom Cole, a republican from Oklahoma, on an amendment to sort of get this started. So this is kind of how this all came about. And

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there is funding in the appropriations bills that they put in FY 2016 and 2017. So here we are in, you know, 2019 and all the great work that the panel then did.

Something else to know is that a bunch of groups came together to think about, to really look at the evidence from other countries, and so some of the work that from Barbara Waldfogel and others about how the UK successfully cut the child poverty rate in half. And so a bunch of organizations came together to create Child Poverty Action Group USA, which is built on the examples of advocacy groups in other countries, particularly the UK.

And so the idea around that is to set a national child poverty target to cut child poverty in half in 10 years, which was basically what the committee then adopted, but also to eliminate child poverty over a period of 20 years.

Something to note that's going on that's really exciting is that there are state campaigns going around to cut child poverty as well, so there's this federal effort. But then also in states there's -- in California there is a huge effort to cut child poverty in half. In Wisconsin, Maine, Vermont. But then also at the local level. There has been a huge initiative going on in Cincinnati for some time, and now there's a new initiative in Dallas, and then some other places. I know that, for example, in College Station, Texas -- you think a very conservative place, Texas A&M University is there -- they also have adopted the idea at the city level to cut child poverty. So some really exciting efforts going on to achieve this.

I wanted to tell a little bit about some of the policy implications to us from this report and some major takeaways that we found.

First of all, which is that money does matter. And so making these investments in our future, in our children can have a significant impact, as the report found. And it is very doable. It's important to note that people talk about paying for this. I think a very important point too is the cost to society aspect that was identified in the report of the cost of between \$800 billion and \$1.1 trillion annually of child poverty. And so sort of the importance of addressing that, but also even thinking about at the federal level the children's

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budget, the shared -- spending on children in the federal budget has been declining for some time now. And the only ways that you see basically even a maintenance of that share of spending is when congress makes a significant effort to do something about it. So the child tax credit at one point, the children's health insurance program. And so it's time. It's time to make these investments. The shared spending for kids in our estimate will now drop below 8 percent soon, and so we believe there's -- and there is legislation to adopt some of these ideas on moving the child tax credit to a child allowance, there's the American Family Act by Senators Bennett and Brown, and then there's also the Working Families Tax Relief Act by Senators Brown and Bennett.

And then also I'll note -- this is bipartisan -- in the tax bill last year Senators Rubio and Lee offered amendments to improve the child tax credit. There was votes on both the Rubio-Lee approach and the Brown-Bennett approaches. They did not work together, unfortunately, so there was both amendments -- if you look at -- there were 68 senators who supported expanding the child tax credit significantly and it failed, despite the fact that 68 senators voted for it.

Then last, just real quickly, the other things I think are really important that the report highlights is that it does -- the implications beyond poverty. So it also improves child health, child nutrition, education, we certainly know of the importance of -- this affect on child welfare programs, the importance of income transfer programs, that they have the biggest impact.

And then the last -- the very last takeaway we would have is that for the longer-term -- and I think that there was a lot of discussion about that -- is that the importance of making investments in things like healthcare, early childhood and education programs for the long-term, so both for the short-term and long-term implications of this report.

So, with that -- sorry, I went over by a minute.

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MS. WALKER: All right, I'm going to try not to, but I want to say first that I've delivered programs at the state level in both republican and democratic contexts. So I look at this through a lens that takes into account that no matter the political party, we ought to be able to do something about poor people and the circumstances that they find themselves living in.

The report brings a lot of good things to light in terms of how you think about these programs. And so I chose to think about this not so much in terms of the actual recommendations, but what it made me think about was we need to widen the lens through which we look at child poverty. When I finished, I had all of these things about can we widen this a bit, because these programs are basically an expansion of things or thinking we currently have. So what's missing? And I think in government we tend to get focused on what and how to the point of neglecting who are these people and why are they poor. And I would like to spend some time on that with my time today.

I think that we should consider that poverty is more of an adaptive problem than it is a technical problem, and it's more a people problem than a program and service problem. And what do I mean about that? I think that we need to think about how people see themselves, how they think and behave, and not just what they get and how we get it to them. That's been the prevailing business model, the way we've been delivering these programs for a long, long time, and we're still standing here talking about needing to cut poverty by 50 percent.

I'll make a couple of quick points, I hope. One, I think there needs to be -even if you delivered some of these packages from the bottom to the top, the feds and the states don't see this stuff the same way. At the state level we see these people face to face in the context of their poverty, but the way the feds deliver them to us is through narrow program silos with regulations that are highly administrative and inflexible. And we're trying to solve a multi-dimensional problem housed in families and adults and we're trying to deliver them through a thousand doors. We worry about the wrong things therefore -- did we

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get the right benefit to the right person at the right time in the right amount. And while that delivery does matter, it doesn't keep people from being poor. And we spend a lot of money making the delivery.

And so what happens at the state level is we find ourselves struggling with enduring problems related to poverty, mostly at the deep end, in child welfare, in criminal justice, in rampant homelessness, and it shifts us into the wrong lane. I think we need to think about how do we deliver packages if we're going to deliver them in a more transformative, integrated way that doesn't cause such a burden at the state level.

Secondly, we need to know who these people are. I sometime read things and I go, they don't know who these people are, they don't know what they're struggling with, and they don't understand that poverty is -- in this country has become a state of mind as much as it is a material circumstance. And so when you're working at the state level you're working with these people and the program you're working with hasn't taken that into account.

So I would suggest that poverty reduction, even if we're going to deliver new programming, needs a new business model. One, it needs to do more than deliver the benefits better, it needs to promote behavioral change for those adults who are raising children in poverty. Number two, it needs to understand and act on the critical role of relationships in helping families escape poverty. By the time these people get to the deep end they don't have any social ties and networks to help them think about how do they integrate and act on the programs and the services we give them. And, thirdly, we need to learn the lessons that Oprah Winfrey's project years ago learned in Chicago, that poor people live in social networks of other people as bad off or worse than they are. And helping them one at a time with individual or package programs only makes them more susceptible to the needs of those around them and they spread a dollar that we give them far too thin for any of them to get out of poverty.

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I'll stop there because I'm at my time, but I certainly have some more things that I could say on this issue of who are these people and why are they poor and how can we deliver these programs differently in a structural way that gets to the heart of them being able to have a lever out of the poverty.

MS. PAVETTI: So I'm going to focus on -- being the last person and sort of, you know, I have so much to say and sort of what has been said. But I want to sort of focus on three sort of my key takeaways from the report.

And I want to start with in some ways where Greg started in his report, which is they're first task of really looking at the evidence. And I think that the fact that the report makes a statement about the impact of adequate income on kids is truly different than what we've seen in the past in really resolving this correlational versus causation issue is really, really important. So if you don't read anything else in the report, I think you really should read that chapter, that really lays out sort of that causal argument, because that link and that evidence, and having this bipartisan, scientific evidence behind the fact that income matters, and it matters in both directions. If you don't have enough income it results in negative outcomes, and if you increase income it helps to improve it. So I think that finding that income is really important and has this causal link is a key takeaway for me in that report. And, believe me, I will be using it lots of different ways in the work that I do.

The other I think is thinking about the important role of the safety net in reducing poverty and deep poverty, and also in reducing racial disparities. So you heard Dolores talk in the first panel about how much there is this issue about racial disparities and the difference in subgroups, but one of the other things that the report points out is that the safety net is really important in helping to reduce some of those disparities, and it would be even worse if we didn't actually have the safety net to actually address some of that. And I think that has significant implications for thinking about the policy choices and the current policy environment, because we're in a current policy environment where we have lots of proposals that would really weaken the safety net.

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And just thinking of this week, we had a -- floating a proposal that would change the way we sort of define poverty and how it changes -- the definition changes over time and that would reduce the number of people who actually are eligible for and able to get safety net programs, which means that we would be reaching fewer people and actually being able to use the safety net to help address some of those issues that, I think as Tim very eloquently pointed out, that the programs that just support work are not enough and you really need the safety net to really address the needs of families who don't work enough, who are left out of the labor market because of discriminatory practices or because of background issues that really keep them from getting hired. So I think that there are so many issues in the labor market that keep some people out, that we can't really rely on that alone. And I think the safety net really has to be part of this. So I think I'm in Tim's camp about the package that really combines those.

The other thing that I take away from the report is it really gave me this sense of urgency that in some ways I've always felt in my work, but really sort of made it even greater for me. And it ties back to this impact of income on children. And I think that it really is important that we recognize that whatever we do now not only affects kids today, but it also has sort of effects over the long-term. So if we don't provide income to parents now to help them raise their kids, that has an impact on kids which has a long-term trajectory.

So I think that for me that sense of urgency really suggests taking the report and being very mindful of not only what the packages are that were modeled in the report, but also thinking of where are the places where we can act now, where we're trying for the long-term. And I sort of have three things on my radar that I think that are doable and have bipartisan support, that we can move both at the federal and state level. One is increase in housing. I think, you know, housing is just a huge issue and it has become a much bigger issue as both the supply is not great enough, the cost is going up so high, and it really isn't

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consistent with income. And there's also discrimination there, there's lots of factors. So housing is one.

The other is childcare. And the report focused mainly on the child tax credit, but we also need to think about direct support for childcare because we need to figure out how do we build the supply of childcare so that there really is access for childcare for people.

And the third is to really think about what can we do to really change what we have done in our TANF program. It is a way to get cash assistance to families and we really have shifted away from that, and that we really have an opportunity -- it's up for reauthorization at the end of June -- to really think how can we use that opportunity to get more resources to families.

So I'm going to stop there. I'm a little over.

MS. JAMES-BROWN: So let me start with the TANF program, because it might also get back to some of the issues around the perceptions in this country about who are those people.

So it's up for reauthorization. We were not really able to look at it carefully because of lack of research about the impact of the program in general, and in particular on child poverty. So one of the strengths of the TANF program is its flexibility and the fact that it helps child welfare, it helps domestic violence, it helps a number of other areas. But that's also potentially one of its weaknesses.

So within the reauthorization, if we get it, what are the kinds of changes that you think will position TANF to be more accountable and to give us the opportunity in the next report to talk about why it's making a difference?

And I think all of you have probably been thinking about that, but can I start with you?

MS. WALKER: So those of us who, you know, were Welfare to Work warriors, we thought we had finally a powerful lever to get people out of the house and get

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them out in the labor market and to get them to be participants and not recipients and active not passive. And I think it did what it was supposed to do. I think that we need to think about it in the reauthorization of how do we continue to support work, work, work, work, because that's the lever -- it proved it's a powerful lever for that. We probably could do some better things, and there are some things in the report that -- unintended consequences of doing that in terms of women in the labor market that we need to pay attention to. But I think it needs to stop being a flexible set of money and it needs to go back to saying the goal is to get people out there, they're out there now, how do we use it to support those who are out there who are at the lower end. That would be from my state perspective.

DR. PAVETTI: So I have probably somewhat of a different perspective on it, although I do share some of B.J.'s perspective on it.

I think one of our huge failures in TANF is how much of the money has been really sort of moved away from its original purpose of both providing cash income to families during hard economic times and for families who cannot work, and also to provide the work supports that people need. So much of the resources in TANF don't go to families who are receiving cash assistance, and in some places there's hardly anybody receiving cash assistance. So it's really a funding stream more than it is a program now. And I think we need to reclaim those resources. And I think this report provides evidence for why that's important.

There are families who really don't get cash who need cash. And they struggle mightily. And so I think there is a need to rethink how do we get back to what we originally wanted to do, which was to both provide cash for families who needed it in times that they couldn't work, and how do we use it as a vehicle to really help people create a path to work.

And the other thing I would say is I think the path to work is really different for different people, and that TANF serves a very heterogeneous group of people. Some people come on, they've just been out of a job and they just need help to get back on, but

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others have a huge array of issues that they're dealing with and their path to work will be different and longer, and the program really isn't designed to really acknowledge that people are really at different places and need different things.

MR. LESLEY: So I would even have a third perspective on this I think. And actually I think Donna would show this, is that -- and certainly it's a lot of stuff that CBPP has put out of the years -- is the juxtaposition of where we stand in this country about -- so senior citizens have social security, what's the equivalent for kids, it's TANF. So the fact that it's a block grant, it has the same amount of money it had in 1996, which means that the share of the ability of that program to even do any of these things has actually declined by 30 percent. So to me it would be -- you know, to really rethink where TANF is in terms of assignment of priority in the program -- child poverty reduction is not part of the priority. So I think there needs to be some infusion of funding and support to actually move the program to more of -- to have more funding for states.

And there are also huge inequities. And you think about it was built on a block grant based in 1996, so states like Texas, for example, per child get almost like -- it's something like one-tenth of the money per child in Connecticut. Well, who are the kids in -- I mean the kids in Texas are where a lot of the poverty is. And so there needs to be a whole even look at sort of how the funding is allocated to states.

And so I think there needs to be a real substantial look at TANF, but it is endemic of where we are in federal programs. There is built in budget inequities and unfairness to kids, where there are programs that are mandatory for senior citizens, they are block grants, not mandatory for kids. There are growth rates for senior citizens, not kids, et cetera, et cetera. And consequently the share of spending for kids is declining and so is the share of income supports in the program. But I'm not sure it's -- to me it's not so much a let's rebalance it, because I would argue if you take the money out of child welfare, child welfare is also underfunded, or childcare. So it's all those things need better supports and

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have just been declining and declining over the years. And so TANF needs sort of some kind of refresh.

DR. PAVETTI: So I would -- can I just sort of just quickly add to that? I think that I agree that we need additional money in TANF, but I think if we have additional money it needs to be constrained for what TANF's original purposes were and really think about the core of the program, otherwise it will go to fill budget holes. And I think that we allowed states to really sort of abdicate their responsibility for providing services to the poorest families by the structure of TANF. And I think anything we do to fix it and change it going forward, we need to make sure we don't repeat that.

MR. LESLEY: And add child poverty as a target.

MS. WALKER: But let me just add this one little brief thing. We need to be careful not to believe that there isn't a value in what we did in trying to stimulate people to go to the labor market. We let these people out the labor market. \$265 a month and some food stamps and a Medicaid stamps does not take a child out of poverty. So if we're going to redesign the TANF program it needs to be honest about where the start point is and where the end point is. And child poverty is about adult poverty. At the end of the day, if adults aren't poor, children aren't poor. And so we have to own the adults first because the children come with them.

MS. JAMES-BROWN: So there's a lot of interest in TANF up here, there's not a whole lot of interest on the Hill is my sense. And so I want to use that to connect back to what Michael said about the critical importance of the messaging, the perceptions of what we need to do in this country.

And I want to ask, starting with you, Bruce, this report was supported in a bipartisan way -- and I'm not clear how broad the bipartisan support was -- but it also survived two administrations. So given that view, that perhaps there's going to be a lot of opportunity to move the recommendations forward, flying against that is lack of support for other specific programs that would help reduce child poverty. And I'm wondering what are

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you experiencing now as the climate on the Hill for moving things forward? Number one, what's the climate? And, number two, what seems to be the best strategy? Is it to do what you said, connect the dots and make sure that we understand all of the programs and how they could help with child poverty, or is it come out with a whole other recommendation that's broader and more expansive?

What's the climate and what do you think is the best strategy to make it happen at the federal level?

MR. LESLEY: I think there's a couple of good signs. One, there's a lot of interest in the report. We had a briefing in the House and it was -- I mean people were angry because we had to turn people away. That doesn't happen. And so there's a lot of interest in this report on the Hill. As I pointed out on the tax credit side, in the Senate there was two votes that showed that 68 senators believe that we need to do more on the child tax credit. I think this report helps bolster the idea to even more members of the Senate who might be interested in that. There's a lot of interest in the House. I think you'll see legislation coming out, more bills coming out on these kinds of things.

So there's sort of pockets of really important interest in making these investments. I think there is also a lot of conversation now about some of the structural issues around a lot of these programs in terms of how -- I would argue some unfairness is built into the system for children, and so to sort of tackle those kinds of things. And so I think it's a combination of the thing -- I think what's really important about this report to really highlight is it's not just one thing. You can't just do one thing and cut child poverty in half. So it's got to have this combination of work supports and income transfers.

And so, unfortunately, that's not how congress works. So how do we sort of make sure that we move these ideas and various committees forward? And so I think it's a concerted effort, but I think there's growing interest in this issue, and I think the report has played a huge role in that.

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MS. JAMES-BROWN: I want to just push back a little bit. So are people connecting the dots between things like changing the poverty level, pulling back on census, not supporting TANF? Are they connecting the dots back to the report?

MR. LESLEY: I think that's part of the goal this year, is to have that happen and it means we're having -- people are beginning to get that. And sort of how all this fits together too as well, which is hard for members of congress to do. They sit on their committee and they don't think about the impact of -- I mean this report has housing implications, health -- you guys talked about this whole array of issues, so the tax code, and TANF, and all these things, how they all interact I think is really key. And it's hard, but I think there's beginning to be more understanding of how the importance of these things impact kids lives and thinking about the kid as a whole child.

DR. PAVETTI: So I would just sort of say that I think the report helps to provide a stronger case. And for those of us who I think do work of trying to advocate for policies to reduce poverty among kids or among families or poverty in general, I think it provides a really strong piece that allows us to really make those arguments. So I think some of the using the report will happen over time and will come not only from the committee sort of getting the report out there, but also from people using it in the work that they do.

MS. WALKER: I do think, however -- and I'm not experienced with the Hill and how do you advocate at the federal level, but I know there's probably a number of governors who understand the burden of delivering complicated programs. I'll go back to my point earlier, the burden of delivering complicated programs without flexibility, it becomes problematic. So I think whatever discussions need to go on need to take into account is there a way for the federal government to push out an agenda around child poverty, around -- I like to call it family poverty -- is there a way to push that out there in a way that I'm a governor and I'm talking to my executive team and I'm saying, okay, what do I say about this, how do I deliver this without spending more money at my level to do it.

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MS. JAMES-BROWN: So a lot of the success of the recommendations gets played out at the state and local levels.

MS. WALKER: Absolutely.

MS. JAMES-BROWN: And one of the things that we certainly were very aware of in the report is how different things are getting played out from state to state.

So Dolores talked about the differences as it relates to ethnic groups, some of which is aligned with the states too, but how do we make that connection for states of the federal work that needs to be done and how it need to get played out at the local level, and how do you convince states of the importance of rethinking some of what they're doing in order to move it forward?

DR. PAVETTI: So I'm not sure -- I think it depends on the state, but I think there's a lot of activity already happening in the states. And to be perfectly honest, in the time I've been doing this work, in the recent years there's so much more possibility that I see at the state level than at the federal level. And so I think really, you know, we have seen expansions of the EITC at the state level. We have remarkably seen TANF grant increases, which we haven't seen for years. Massachusetts just repealed the family cap, which means every family now will get -- that has an additional child will get an extra \$100. So there is movement at the state, there was an extra infusion of childcare dollars that really has created conversations at the state about what do we do to really make that the best investment we can.

So I think there is already a lot happening at the state. That doesn't mean there can't be more happening at the state, but I sort of feel like there's a -- when I sort of think about where is my time best spent right now, we certainly spend a lot of time on the federal, but there is also a huge I think ability to change what's happening at the state level.

MS. JAMES-BROWN: I happen to agree with you about the state innovation, but I want to push it to it's certain states that are innovating and certain states that are not. And when you look at everything from child welfare to healthcare, the

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disparities from state to state are pretty extensive. So how do you spread that innovation, how do you kind of connect the federal wanting to do it for all children to the reality of yes, there's great innovation at the state, but there's a lot of states that -- when we look in child welfare, who extended the age, you know, the children can stay into care, and all these other things. There were real inconsistencies that often link back to race and ethnicity and rural children and those types of things. How do we get at that? And can this report be a tool to do that?

DR. PAVETTI: I think it means that it's harder work in some states, and I think it also is the reason why we need a federal frame and we need activity at the federal level to create that frame, that reduces some of the inequity in states.

MS. WALKER: I think that I grew up in a nation I thought in my early social studies where the federal government was a powerful force for driving who we are as a country. And it seems like we've retreated from that. I mean the civil rights movement is a total, total example of it. And we seem to now have a federalism that is willing to just toss some things over the transom and call it a day, without a set of values.

So when you go back to your messaging, one of the powerful messages we used in both Illinois and in Georgia around welfare to work was welfare is not good enough for any child. Nobody can disagree with that. When you start to bring moral imperatives to this work at the federal government, if we could bring a moral imperative into the federal space, I think then we'd create an environment where states have to operate -- at least they have to stand in the face of a moral imperative and say I do believe welfare is good enough for any child.

Because whether it's \$100 or whether it's \$50 or whether it's \$200, the truth of the matter is when poor people get that they're still poor. Meanwhile the bar is rising. Everybody is not standing still waiting for the poor to come up. We're all rising. And so being poor is still poor. And so what do we do as a nation to really put ourselves in a place,

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from a federal perspective and open the door at the state level, for real innovation. I admire Massachusetts, but \$100 is not going to do very much to pay rent that costs \$800.

DR. PAVETTI: But that's \$100 for an additional child. So it's \$100 on top of--MS. WALKER: Okay. So I have five more? DR. PAVETTI: But --

MS. WALKER: I don't know, what do I do with that? I'm sorry, I just don't.

DR. PAVETTI: But I think the issue is that \$100 is better than nothing when you have nothing. And I don't think it's an either/or, I think it's a both. I think the reality is that there are people who don't know where to start and they need something to tide them over during the times when they can't work or they lose their jobs. And so I think that if we make it as a moral imperative, what we do is we sort of say to people when they are not able to work that they are less worthy than people who are working. And I think we need to think of it as a package and a continuum and recognize that people's circumstances and situations change and meeting them where they are and helping them to move forward.

I don't disagree that moving people to work is the right thing to do, but I think how we do that and the messages that we send are really, really important.

MS. JAMES-BROWN: Really quick, Bruce, since we have to get to the audience.

MR. LESLEY: I would say that it's important to highlight that two-thirds of all spending on kids in this country are at the state and local level, so those issues are real important. And these efforts about -- in the states and local areas are important about trying to adopt child poverty targets, even in those communities. NACo is part of, for example, the Child Poverty Action Group.

But I would also point out that the highest level of poverty in this country is actually in young kids. So the numbers reverse. So while the bulk of spending -- two-thirds of all spending on kids is actually at the state and local level, for little kids it's actually the reverse, most of the spending is at the federal level. And so the importance of the federal

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government in terms of -- particularly for young kids, but also into reducing racial inequities. If we didn't have a federal childcare program, there would be no funding in childcare in states like Mississippi. So it's both.

MS. JAMES-BROWN: It is important.

Okay, I'm sorry for taking some of your time. Can we have questions now from the audience?

Yes? Your name and your question.

MS. CARSON: My name is Ann Carson and my question is for Miss Walker.

In my experience -- albeit anecdotal -- what you said about poor people looking to each other in times of need and trying to stretch a dollar much too far adversely impacts the good that a lot of programs do. If, for example, somebody is -- a 19 year gets pulled over and all the sudden there is \$500 bail that has to be paid, there is a call to the assembled family that might not have two sticks to rub together, but they want to get the kid out of jail.

So I would like to know from you how your insight that you have to treat a family and not just the children and a neighborhood and not just an individual family, can be integrated into the cash assistance programs, which are most subject to that kind of -- what the administrator would consider diversion, but what the recipient would consider a family obligation.

MS. WALKER: So in my head I see it and details are details. But it's more of an individualized, integrated approach. If the state has to spend money to deliver through 1,000 programs, they don't have time and effort for real case management. They have time and effort for a variety of different doorways through which you deliver a lot of things. But I do think that we need flexibility for families to be able to make sure that we're attending to the integrated whole.

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So there is a case management model that allows families to be able to pool and not pool at times of need in different ways and also understand that if you've got other family members who have needs, that some of those family members are also getting benefits. So I'm all for benefit packages, but I think we need to know that they have to come through a broader spectrum, a broader lens, and it's integrated. It isn't 500 doors, it's 1 door.

I mean there's details after that.

SPEAKER: Hi, my name is Catherine and I'm a social worker, direct services social worker, who has left that to go into policy and advocacy, particularly because what I saw over and over again was that that policy up here leads to unbearable choices down here and unworkable solutions.

And I just was very curious to hear your thoughts -- and I kind of wish I had asked the earlier panel --

SPEAKER: They're still here.

SPEAKER: -- how is it possible that we think that investing \$108 billion to have an \$800 billion or \$1.1 trillion impact, why do we think that that's so unreasonable? And I'd love to hear your thoughts on that.

MR. LESLEY: So I'll start. I think that's an awesome point. And you think about the -- again it sort of gets back to sort of the standards that we have -- so we just passed a tax bill that was \$1.7 trillion. It wasn't offset. But when we talk about any kid program -- I mean Christine and I -- like this is the bane of our existence. In child welfare we needed to be making investments, but the standard is always, and how are you going to pay for it within child welfare. So to add some money for prevention we have to take it out of something else in the child welfare system.

That standard is not applied in most other areas. We're about to do a huge infrastructure package and investment. It's not going to have to be offset.

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MS. JAMES-BROWN: I think with my committee hat on and without, there was not a debate around the worthiness of it. There was an understanding of the politics of what we recommend. So I don't think that there was ever a debate around the importance of making that investment. I may be wrong, they will tell me if I am, but I don't think that there was that debate. I think there was definitely an understanding of the reality of the world that we're in and how we have to manage that.

DR. PAVETTI: I think what's important in the report is that it provides sort of -- it provides this framework that says this is possible and doable. And so I think it's sort of saying how can you use that to make that argument that the costs of not doing it are much greater over time.

And so I think there's a lot of work to do to use what's in the report, but I think the report provides the evidence to be able to really sort of make the case for why we need to be doing this and going forward.

MR. LESLEY: Yeah, I agree.

MS. JAMES-BROWN: One more question, I think, if I'm looking at this right. Is that right?

MS. JONES: My name is Denise Jones. I guess following the first panel and then the conversation we've been having here, as we think about the packages three and four that were promoted in the first panel, and the discussion around work, that moral imperative to work, poor people get poor people jobs. Those jobs still don't get them out of poverty. They're working two and three and four jobs. They still don't have healthy families. That's just not enough and I kind of want to hear that since you -- or address that for a moment if you wouldn't mind please.

DR. PAVETTI: I think it's not only that they don't have enough, I think that they also -- the majority of people do work. If you look at the data, it's just sort of at a point in time they may not be working, but the number of people who are in poverty or on TANF who work is really, really high. And so I think we really have to change our narrative around,

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one, what are the structural issues that really keep people poor, and what does that mean for what we need to do to actually support people who don't have enough income.

So I think just changing the narrative that it is not about working or not working, it's about a labor market where people are in and out and it's about stability and it's about how do you support people when they're working and they're not earning enough to be able to support their families.

MS. WALKER: And I tend to agree that the problem is that we're not focused who people are and why. We're focused on what and how we will deliver. I think we must focus on what and how to deliver. Absolutely. If my check is late, that's a problem. But I think we also need to know why and who in a much more specific way that we can draw a demographic profile that we all only exist, but how do we draw that down to the ground and address it.

And I go back again to work -- when I did welfare to work, it wasn't a -- I knew people just getting a job and that they knew how to get jobs, but what you're saying to people is you're inviting them to participate in the public way. You're inviting them to demand new things of their school. If I got a job, school you've got to do what you've got to do. After school programs -- you know, I get more participatory. That's my principle around that, but then we have to design the programs at the bottom that actually follow up on that and that actually own that themselves as program delivery principles, not just principles amongst those who are receiving the program.

I mean I may be a little optimistic here about what I think is possible. I think that's possible if you don't have to do it through 500 different administrative regulations and loopholes.

MS. JAMES-BROWN: So, I think we are out of time. I saw red on the board, so we're out of time. But I do want to thank the panel. (Applause) With my committee hat on and off, I will ask you -- mostly with it off -- I will say to you that I hope you

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have the case made today that this report provides a lot of opportunity for quality advocacy on behalf of children and families, and we need it.

So I will say no more. That's my child welfare hat on.

But thank you all for your patience, and always thanks to the Academy for sponsoring this opportunity. (Applause)

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I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

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