To reduce child poverty, aid parents, study says

Half of poor keiki under 8 in Hawaii lack a mom or dad with a full-time job

By Susan Essoyan

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A new Kids Count policy report from the Annie E. Casey Foundation calls for a two-generation approach to lifting children out of poverty, broadening the focus from keiki to their parents as well.

"If we are talking about better preparing our children for the future, we really do need to focus on both the children and helping lift lower-income parents out of that risk zone," said Ivette Rodriguez Stern, junior specialist at the University of Hawaii Center on the Family and the Hawaii Kids Count project director. "Changes in our economy over the past few decades have made it more difficult to support a family."

Four out of 10 kids born to parents at the bottom of the income ladder in America stay there, according to the report released Wednesday, "Creating Opportunity for Families: A Two-Generation Approach." But even a small increase in family income, especially during a child's earliest years, can make a lifelong difference, boosting the child's future ability to earn, it said.

About half of the Hawaii's low-income families with children under age 8 are in the precarious position of having no parent who has full-time, year-round employment, the same ratio as the national average. In more than 70 percent of those families, no parent has a post-secondary degree.

"This highlights the need to equip parents who have limited education with the skills that can help them earn an income that can adequately support a family," Stern said. "Equally important is providing low-income families, so many of them single-parent families, access to quality and reliable early childhood care and education."

The Annie E. Casey Foundation has been assessing the well-being of America's children for 25 years, with annual Kids Count Data Books. The Baltimore-based nonprofit also issues policy reports such as this one.

"For many American families, every day is a juggling act involving work, child care, schooling and conflicting schedules," the report said. "But for low-income families, the balls are more likely to fall, and the consequences can be dire when they do."

Seasonal and weekly shift changes, a lack of affordable child care and high-cost housing are among the challenges facing poor families in Hawaii.

The report recommends home-visiting and early-education programs to ensure kids get the best start, plus job training and financial coaching to help adults earn more income and plan for the future. It also calls for changes in the tax code to boost income for those at the lowest tiers.

The Hawaii Appleseed Center for Law and Economic Justice, a nonprofit law firm, is advocating for policy changes to give poor families a better chance at making ends meet, gearing up for the coming legislative session.

One goal is for Hawaii to adopt a state version of the federal Earned Income Tax Credit, which allows workers to keep more of what they earn, by reducing their taxes and even offering refunds in some cases.

"It's an efficient program," said Jenny Lee, staff attorney for the Appleseed Center. "Ideologically it has been supported as an anti-poverty program by both liberals and conservatives.

"It has been studied extensively. We know that just $1,000 more per year can make a significant impact for these households in health and educational outcomes."

About half of the states now have such a credit, but Hawaii is not one of them, despite its high cost of living. A minimum-wage worker in Hawaii brings home less than $1,000 a month in take-home pay, Lee said.

"For our low-income workers, there is not a sufficient safety net," Lee said.

The Appleseed Center will also push for an increase in the low-income household renters' tax credit in the next legislative session. It was set at $50 per qualified tax exemption for households with an adjusted gross income of less than $30,000.

To simply keep up with inflation, the $50 figure set in 1981 should be raised to about $150, and the income level, set in 1989, should be raised to about $60,000, she said.

"We have homeowners getting a lot of assistance through the deductions that are available, the mortgage interest being a huge one," Lee said. "We need to be looking at helping our renters."

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