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Isles' high housing costs taking a toll on children

A report on kids' well-being again shows more youths living in poverty than in '08, the height of the recession

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POSTED: 1:30 a.m. HST, Jul 21, 2015

LAST UPDATED: 2:07 a.m. HST, Jul 21, 2015

Hawaii ranks in the middle of the pack nationally in child well-being, with almost all keiki covered by health insurance but many families burdened by housing costs, according to the 2015 KIDS COUNT Data Book.

The report, released Tuesday, placed Hawaii at 24th among the 50 states, roughly the same spot it has held for the past several years. For the study, the Annie E. Casey Foundation pulls together statistics to gauge how kids are doing in four categories: economic status, education, health and family/community.

Minnesota was ranked as the best state for children, followed by New Hampshire and Massachusetts. At the other end of the scale, kids fared worst in Mississippi, New Mexico and Louisiana.

The economic recovery appears to have bypassed a significant number of children, nationally and in the islands, with child poverty rates higher than they were during the recession, the report said.

Hawaii ranked 24TH

The 2015 KIDS COUNT Data Book uses 16 indicators to gauge the well-being of children in each state. Above are six of them. Overall, Hawaii places 24th among the 50 states. Here is a ranking of states for child well-being:

TOP THREE

1. Minnesota
2. New Hampshire
3. Massachusetts

BOTTOM THREE

48. Louisiana
49. New Mexico
50. Mississippi

Source: Annie E. Casey Foundation

“Despite small improvements in recent years, the data show that, overall, the economic conditions of our

children are worse now than they were in 2008, indicating that many families did not recover once the economy started improving,” said Ivette Rodriguez Stern, Hawaii KIDS COUNT project director at the University of Hawaii-Manoa’s Center on the Family.

One out of 8 children were living in poverty in Hawaii in 2013, or 13 percent, a significant drop from 17 percent in 2012. But that is still worse than it was during the recession in 2008, when the child poverty rate was 10 percent. Nationally the child poverty rate was 22 percent in 2013, up from 18 percent in 2008. The federal poverty level is \$23,624 in annual income for a family of four.

The KIDS COUNT report understates the hardship faced by children in Hawaii because it uses the official federal poverty rate, which doesn’t take into account Hawaii’s soaring rents and other high living costs. Another federal measure, the “supplemental poverty rate,” factors in the cost of living and taxes as well as government benefits such as food stamps.

“We have a higher rate of poverty than Mississippi under the supplemental poverty rate, according to the most recent data,” said Jenny Lee, public policy director for the Hawaii Center for Law and Economic Justice, a nonprofit law firm. “We have higher costs in pretty much every arena. Housing is really where people feel the biggest pinch. You’ve got to make your rent, or you face eviction and homelessness.”

The report found that 43 percent of children in Hawaii were living in households with a high housing cost burden, compared with 36 percent nationally. Altogether, 27 percent of Hawaii’s children had parents who lacked secure employment, an improvement from 29 percent the previous year.

On the bright side, Hawaii had fewer children in single-parent families than the national average, 30 percent compared with 35 percent. The Aloha State was far more likely to have a head of household with at least a basic education. Just 7 percent of Hawaii households were headed by a person who lacked a high school diploma, compared with 14 percent nationally.

Health insurance is widespread here, with only 3 percent of children lacking coverage in 2013, less than half the national rate of 7 percent, according to the report.

On the educational front, about half of Hawaii’s children did not attend preschool, at 51 percent, a slight rise from the previous year. Just 78 percent of Hawaii’s high school students graduated on time, compared with 81 percent nationally.

“The high cost of living in Hawaii amplifies the hardship that many of our low-income and poor families face as they provide for their children’s day-to-day needs,” said Marianne Berry, director of the UH Center on the Family. “Research shows that growing up in poor and low-income households can have long-lasting effects, impacting a child’s learning, health and earning potential as an adult. The good news is that when we invest in the right strategies and policies, we can make a difference for kids.”

Legislators recently raised the refundable food/excise tax credit slightly for poor families, effective next year. The first such increase in nearly a decade, it is intended to ease the burden of the general excise tax, which falls heavily on low-income households since they spend a bigger share of their income on the bare necessities.

Lee and other advocates for struggling families express hope that lawmakers also will create a state earned income tax credit, like the federal one, to give the working poor a better chance of making it. Half of the states have such a credit.

“It’s an anti-poverty measure that has been most effective, and it’s calibrated to working families with kids,”

Lee said. "It's an efficient program, a way to get money back into the pockets of low-income people and working families."

Stern noted that even a small increase in income can change the trajectory for kids born into poverty.

"Studies show that boosting low family income by just a few thousand dollars can really make a difference in changing outcomes for children, especially when this happens in early childhood," Stern said.

The Annie E. Casey Foundation is a private charity based in Baltimore which works to ensure better futures for children. The KIDS COUNT Data Book has been tracking the well-being of children for more than 25 years, using information from the National Vital Statistics System, the American Community Survey and other government sources.

The data book is available online at aecf.org.

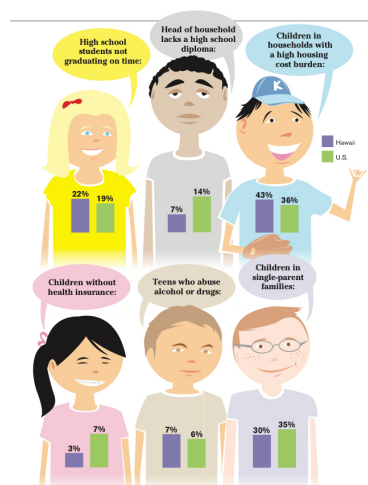


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