

# Child Poverty in Ohio

## Poverty Despite Work

Most of Ohio's poor children live with a working parent or grandparent. Statewide, 78% of low-income children have parents who work, similar to 82% nationally.

Overall, more Ohioans are working. Between 1979 and 1998, Ohio's unemployment rate decreased 27%. Nevertheless, during the same time period, Ohio's child poverty rate *increased* 50%.

One reason for this upsurge in child poverty is that low-income parents generally earn modest wages, with limited benefits and erratic hours. As low-wage working parents struggle, many are unaware they are eligible for health insurance, child care assistance, and food stamps.

Another reason for the increase in child poverty is an increase in the number of births to unmarried parents. In 1980, 18% (30,052) of all Ohio births were to unmarried parents; in 1998, this nearly doubled, to 34% (51,827) of all Ohio births. In Ohio, children in single-parent, female-headed families are four times as likely to be poor as children with married parents.

## What Living in Poverty Means to Ohio Families

Living in poverty means many working families have to scrimp on the basics. Children who grow up poor are less likely to have quality schools, child care, and health care—all of which can help break the cycle of poverty.

Being poor influences how prepared children are to learn in school. When children go to school hungry, they have difficulty concentrating on the day's lessons. When families miss rent or utility payments and must relocate, children often must change schools and adjust to new teachers and classmates in the middle of the school year. Many poor children exit and re-enter schools a number of times during the year. Research shows that changing schools reduces academic performance. Children who change schools repeatedly are less likely to finish school.

With child care costs rivaling the annual cost of tuition at state universities, many families cannot afford care. As a result, children are often shuffled among neighbors and relatives. A single parent making twice the federal poverty level (\$13.61 per hour) with two preschoolers in full-time, center-based care would have to spend nearly one-third of her pre-tax income on child care costs.

When Ohio's uninsured adults are asked why their families do not have health insurance, they commonly respond that it is too expensive. Uninsured parents and children are more likely to delay or avoid health care.



## Key Facts: Child Poverty in Ohio

- In Ohio, a child is born into poverty every 18 minutes.
- Twenty states, including Indiana, Minnesota, and Wisconsin, have lower child poverty rates than Ohio.
- A typical poor Ohio family of 3 survives on less than \$40 a day. And that \$40—about the cost of a modest dinner and a movie for a family of three—must pay for everything the family needs that day (rent, food, utilities, clothing, etc.).
- More than one in seven Ohio children live in poverty; among Ohio children under age 5, almost one in five live in poverty.
- Poor children are twice as likely to repeat a grade.
- Poor children are three times more likely to have fair or poor health.

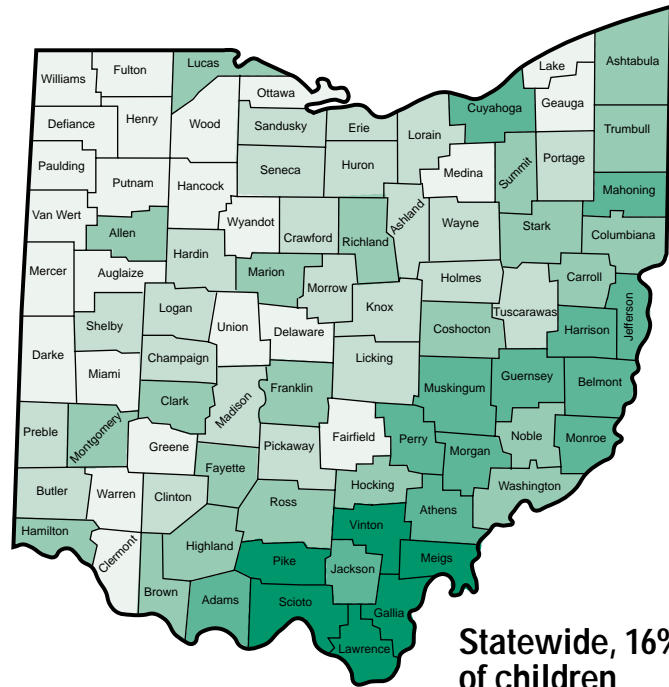
## Earned Income Credits Help Make Work Pay

The federal Earned Income Tax Credit (EITC), a tax rebate for low- and moderate-income working families, can return up to \$3,888 to a family with two or more children. Nationally, the EITC is credited with lifting 4.8 million people in working families out of poverty, including 2.6 million children. In fact, the federal EITC lifts more children out of poverty than any other federal program.

Fifteen states, including Illinois, Minnesota, and Wisconsin, have enacted state earned income tax credits that supplement the federal credit. Ohio could take a similar step.

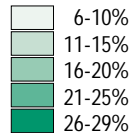
*Federal poverty levels are based on taxable income before taxes. They do not include benefits, such as public housing, Medicaid, and food stamps. The income levels are updated annually for inflation. While poverty measurements are uniform nationally, they are adjusted for family size and the number of children under age 18.*

## Percentage of Ohio Children in Poverty



**Statewide, 16% of children under age 18 live in poverty.**

Percentage of Children in Poverty



Source: U.S. Census Bureau, Small Area Income and Poverty Estimates Program, March 1998 Current Population Survey (based on 1997 income).

CDF-Ohio graphic produced with ArcView GIS software.

### Budget Basics for an Ohio Family of Three Living in Poverty\*

Monthly income from wages (at 100% of poverty)	\$1,179	(\$14, 150 annually \$ 6.80 per hour)
Monthly expenses		
Rent/utilities	\$623	
Net food costs	\$207	
Transportation	\$238	
Child Care	\$86	
<b>Total monthly expenses</b>	<b>\$1,154</b>	
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Income left at the end of the month	\$25	

\*Not included: expenditures for city/state taxes, medicine, out-of-pocket health costs, health insurance premiums, and necessities (housekeeping supplies, clothing, and personal care products). Sources for this table and a more detailed budget based on 1999 Federal Poverty Guidelines can be found on the CDF-Ohio web site (<http://www.cdfohio.org>).

For sources and information, visit the CDF-Ohio web site for up-to-date data (<http://www.cdfohio.org>).



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- Briefing Guides are available on the following topics:
- Child Care Assistance
  - Child Care Quality
  - Child Poverty
  - Child Support
  - Children's Health Insurance
  - Fourth Grade Reading
  - Head Start Basics
  - Head Start Quality
  - Immunizations
  - Ohio Works First
  - School Facilities