

## **UNH Statement on the Release of Poverty Data from the Census Bureau**

Last week, the Census Bureau released data that showed historic—and troubling—increases in overall poverty and child poverty in 2022, reversing two years of unprecedented declines in poverty. Nationwide, poverty rose from 7.8 percent to 12.4 percent in 2022, the largest single-year increase on record, and the child poverty rate more than doubled to 12.4 percent after reaching a record low the year prior. These figures are based on the Census Bureau's Supplemental Poverty Measure (SPM), which factors in the impact of government assistance like tax credits and public benefits.

While the SPM is not available at the state and local levels, the release of additional data from the 2022 American Community Survey also showed a slight uptick in child poverty in New York State and City. Statewide, 18.8 percent of children lived in poverty in 2022, up from 18.5 percent in 2021, and the increase in the child poverty rate was larger in New York City, from 23.8 percent in 2021 to 24.5 percent in 2022.

This historic rise in poverty in 2022 was largely driven by the expiration of pandemic assistance authorized under the 2021 American Rescue Plan, including the temporary expansion of the federal Child Tax Credit (CTC), which provided monthly payments of up to \$300 per young child and up to \$250 per older child from July 2021 through December 2021. Congressional renewal of the expanded federal CTC would have kept three million children above the poverty line. Instead, the Census Bureau found that the number of children living in poverty has more than doubled from 4 million in 2021 to 9 million in 2022.

Research that United Neighborhood Houses (UNH) conducted in collaboration with UNH member Educational Alliance and the National Center for Children in Poverty confirms the transformative impacts of providing flexible cash assistance to families during a time of deep economic hardship. According to a first wave of surveys of more than 1,000 families within the UNH settlement house network, we <u>found</u> that monthly checks to New York families with children alleviated economic hardship, with nearly all families reporting that these checks helped them meet their monthly expenses, including food and rent. CTC payments were essential to helping families meet basic needs, with 60 percent of families who said that they used the CTC payments for food, and nearly half who said they used them for rent.

UNH's research showed that families within the UNH settlement house network continue to struggle with ongoing financial precarity and high levels of food and housing insecurity. "Last week's release of Census data on poverty underscores the urgent need to renew and invest in critical poverty-fighting tools like the expanded CTC that provides flexible funding for families to meet their basic needs," said Susan Stamler, the Executive Director of United Neighborhood Houses.

In New York State, we must also pass legislation to create the Working Families Tax Credit, which is modeled after the expanded federal CTC and would provide a \$500 credit per child regardless of income, and up to \$1,500 per child for single parents making under \$25,000 a year or \$50,000 for two-parent households.