



**CONTACT: Lori Pfingst 206-650-3471**  
**206-616-1506**  
[pfingst@u.washington.edu](mailto:pfingst@u.washington.edu)

**TJ Stutman 206-616-0958**  
[tstutman@u.washington.edu](mailto:tstutman@u.washington.edu)

### **Recession will push nearly 40,000 more Washington State children into poverty**

**SEATTLE** – The recession will likely send nearly 40,000 more Washington State children into poverty, and it will cost the economy billions, according to a forthcoming report from Washington Kids Count at the University of Washington. The increase in poverty can be mitigated by implementing state policies that increase family economic security and sustain current government assistance programs for children.

“We expect to see an escalation of poverty rates when 2008 data becomes available, and sharp increases in 2009 and 2010,” said Lori Pfingst, assistant director of Washington Kids Count and lead author of *The State of Washington’s Children* report.

Details of the report:

- **If unemployment reaches 9 percent, nearly 40,000 more children will enter poverty.** Children of color, rural children and those from immigrant families will be disproportionately impacted. Currently, 226,000 children in Washington (16 percent) live in families with incomes below the federal poverty line (\$21,200 for a family of four in 2008).
- ***Child poverty costs Washington’s economy \$8.7 billion annually.*** The cumulative effect of poverty on children comes at a hefty price. The report estimates that child poverty costs Washington State \$8.7 billion annually due to decreased economic output as adults, costs associated with health expenditures, and increased crime.
- ***Majority of poor parents are working, but cannot meet their families’ basic needs.*** Nearly two-thirds (62 percent) of Washington families living in poverty have a head of household employed at least part-time. Unfortunately, low-wage work is not enough for families to meet

basic needs. For example, a single parent with two children living in Seattle working full-time at \$10 per hour would earn just half of what it takes to meet his or her family's basic needs.

Washington can mitigate increasing poverty due to the recession by:

- ***Improve work support policies for low income families.*** More low-income families can become economically secure if we address disincentives in work-support policies. As income increases – by even a small amount – workers may experience steep reductions in work support benefits or sudden disqualification from assistance programs. These benefit reductions may discourage parents from advancing in the labor market; they may forego a raise or promotion to keep their child care subsidy or food stamps. These disincentives can be eliminated by raising eligibility for work support programs, and more gradually phasing out benefits as income increases.
- ***Sustaining critical benefits to children we have already committed to.*** In recent years, Washington State has committed to investments in health care coverage, high quality early learning, paid family leave, and increased eligibility for food stamps. Maintaining these programs and ensuring that all eligible families have access to them will help families meet their children's basic needs during the recession.

The report warns that if we fail to invest in our children today, there will be significant, negative effects on the long-term social and economic well-being of Washington State. As poverty rises and the consequences associated with it increase, Washington will have difficulty competing in a global economy that demands a healthy, well-educated workforce.

“The bottom line is that children need economically secure families to thrive,” Pflingst says. “If we fail to invest in children and families today, we will likely see increases in poor health outcomes, lower educational achievement, and increased family and community instability. Our whole society loses when children are denied the opportunity to live up to their full potential.”

#####