Income Support

A summary of the scientific literature on income support.



How This Impacts Children's Development

Over recent decades, economic instability has increased, especially for low income and Black families. This trend was further exasperated by the COVID-19 pandemic. Within just the first three months of the COVID-19

financial fallout, 1 in 5 children in the United States (U.S.) experienced the job loss of an adult in their household. Income instability harms children, particularly in the context of poverty.

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Talking Points from the SRCD Briefs

- Income volatility in the U.S. has been rising since the 1970s, and is higher for non-white, low-income, and less educated individuals.
- Over 52 million people in the U.S. who live in households with children experienced a loss of employment between March and early November of 2020.
- The federal income support policies implemented at the beginning of the COVID-19 pandemic, including expanded Unemployment Insurance (UI) and one-time direct cash payments, offered an important short-term income boost for recipient families.
    - Research shows reentry into employment was not interrupted by these expanded income supports.
- Enhanced food and housing supports have also shown benefits to child well-being.
    - The pandemic electronic benefits transfer program (P-EBT), which provided families with vouchers to replace free or subsidized school meals, led to a 20% reduction in food insecurity in households with children, lifting an estimated 2.7–3.9 million children out of hunger.
- Rent moratoriums implemented as part of the federal the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) paused evictions temporarily through August 2020 for up to 20 million renter households, which helped to stabilize children's housing.
- Because the U.S. lacks universal eligibility and delivery systems for government supports, not everyone eligible for COVID-19 income support benefits received them.
    - Nearly 9 million eligible people did not receive the CARES Act stimulus check, with fewer Black and Hispanic families reporting any or on-time receipt.
    - In a sample of service workers who had lost their jobs during the pandemic, only 54% had received UI, despite expanded eligibility.
    - In the same sample, two out of three eligible families with school aged children reported they had not yet received P-EBT by the end of June 2020.

Policy Considerations in the Briefs

1. Efforts to increase access to income support, such as creating a streamlined access portal that is not contingent on prior tax filings and incorporating local and grassroots outreach efforts, can be cost efficient ways to increase universal access and achieve the goal of equitably protecting families.

2. The U.S. lacks a rapid response system to reach all families and children, and initial expanded supports have expired, exacerbating the economic needs of millions of families and their children.
3. Renewal and reinstatement of economic supports will reduce the stress of economic uncertainty, help financially stabilize families, and enhance parents' capacity to support their children's development.
4. Implement policy approaches that will reduce earnings instability (regulating employer practices such as paid sick leave and Unemployment Insurance programs), stabilize income through transfers (such as Supplemental Nutrition Assistance Program [SNAP] and other cash assistance programs), create consistency in developmental contexts (such as subsidizing housing programs), and building family/community capacity to prevent or adapt to economic instability (such as increasing employment opportunities).

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