

Regional Inequality:

Exploring The Role of Race and Policy

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Poverty & TANF Generosity

- There are strong associations between state demographics, policies, and economic outcomes
- In general, states with a relatively more generous set of safety net policies have smaller Black populations and lower poverty rates

State-by-state poverty rate compared with the TANF maximum monthly benefit for three-person families, 2019

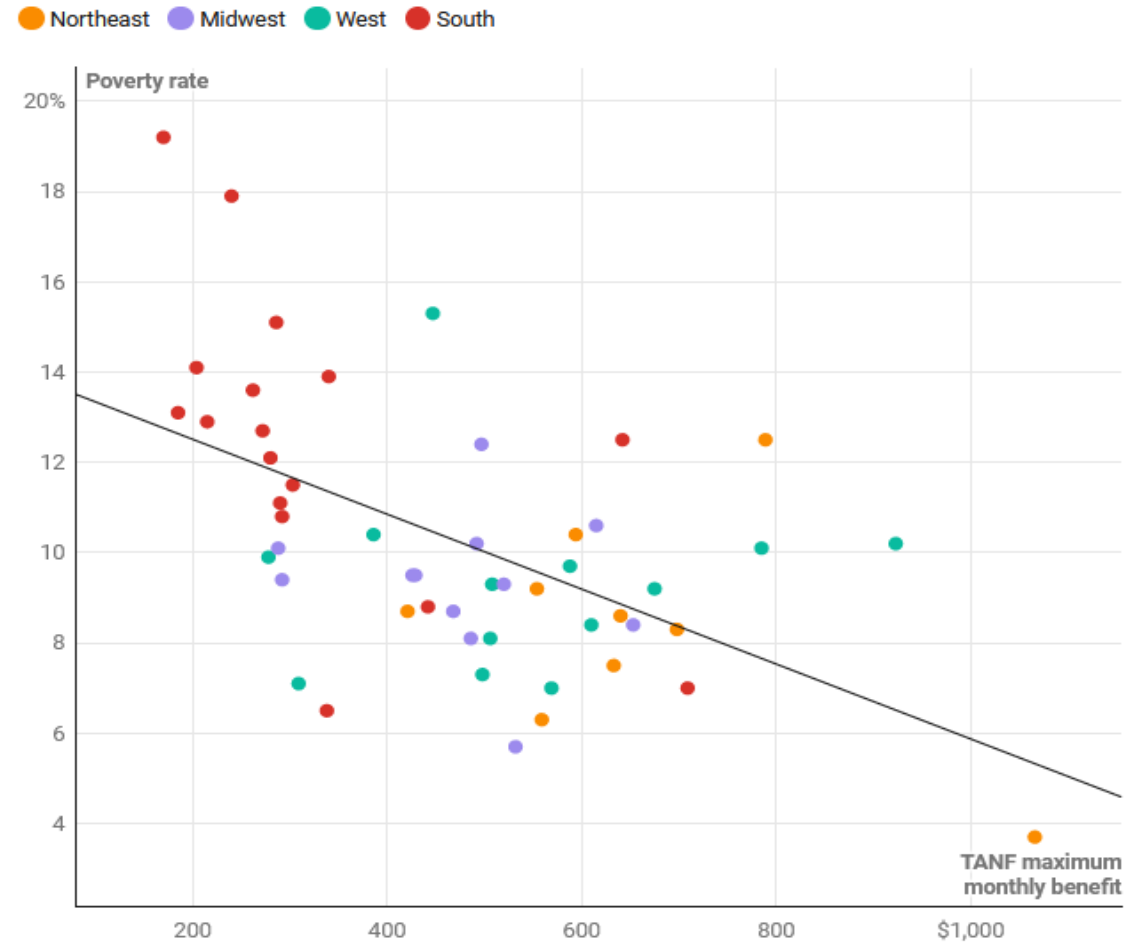


Chart: Center for American Progress • Source: Ali Safawi and Ife Floyd, "TANF Benefits Still Too Low to Help Families, Especially Black Families, Avoid Increased Hardship" (Washington: Center on Budget and Policy Priorities, 2020), available at <https://www.cbpp.org/research/family-income-support/tanf-benefits-still-too-low-to-help-families-especially-black>; University of Kentucky Center for Poverty Research, "UKCPR National Welfare Data, 1980-2019," available at <http://ukcpr.org/resources/national-welfare-data> (last accessed July 2021).

TANF Generosity & Race

- Compared to the Northeast, TANF max benefits were:
 - \$297 lower in the South
 - \$144 lower in the Midwest
 - \$81 lower in the West
- The Black population rate was 15 percentage points higher in the South than the Northeast
- The Hispanic population rate was 8 percentage points higher in the West than the Northeast

State-by-state TANF maximum monthly benefit for three-person families compared with the Black population rate, 2019

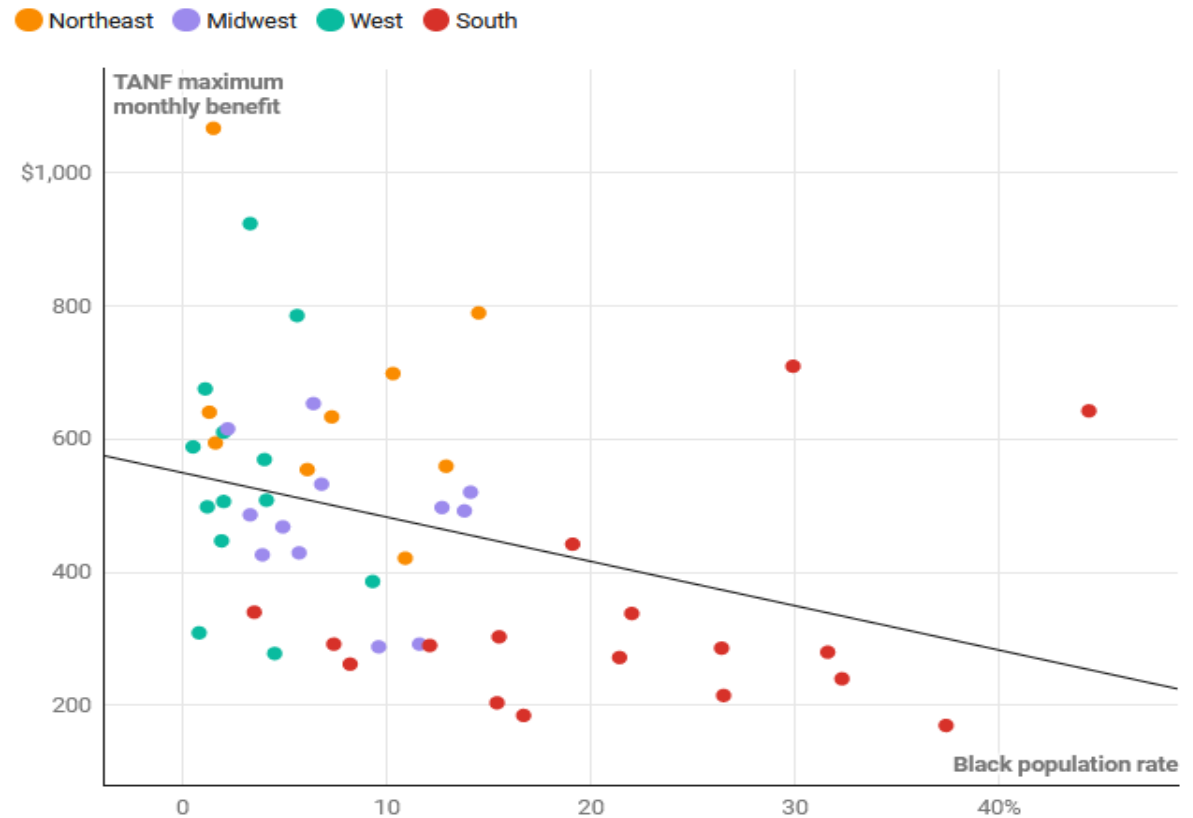


Chart: Center for American Progress • Source: U.S. Census Bureau, "Annual State Resident Population Estimates for 6 Race Groups (5 Race Alone Groups and Two or More Races) by Age, Sex, and Hispanic Origin: April 1, 2010 to July 1, 2019," available at <https://www.census.gov/data/tables/time-series/demo/popest/2010s-state-detail.html> (last accessed July 2021); Ali Safawi and Iife Floyd, "TANF Benefits Still Too Low to Help Families, Especially Black Families, Avoid Increased Hardship" (Washington: Center on Budget and Policy Priorities, 2020), available at <https://www.cbpp.org/research/family-income-support/tanf-benefits-still-too-low-to-help-families-especially-black>. University of Kentucky Center for Poverty Research, "UKCPR National Welfare Data, 1980-2019," available at <http://ukcpr.org/resources/national-welfare-data> (last accessed July 2021).

UI Benefits & Race

- Compared to the Northeast, UI average weekly benefits were:
 - \$72 lower in the South
 - \$30 lower in the Midwest
 - \$25 lower in the West
- The Black population rate was 15 percentage points higher in the South than the Northeast
- The Hispanic population rate was 8 percentage points higher in the West than the Northeast

State-by-state unemployment insurance (UI) average weekly benefit compared with the Black population rate, 2019

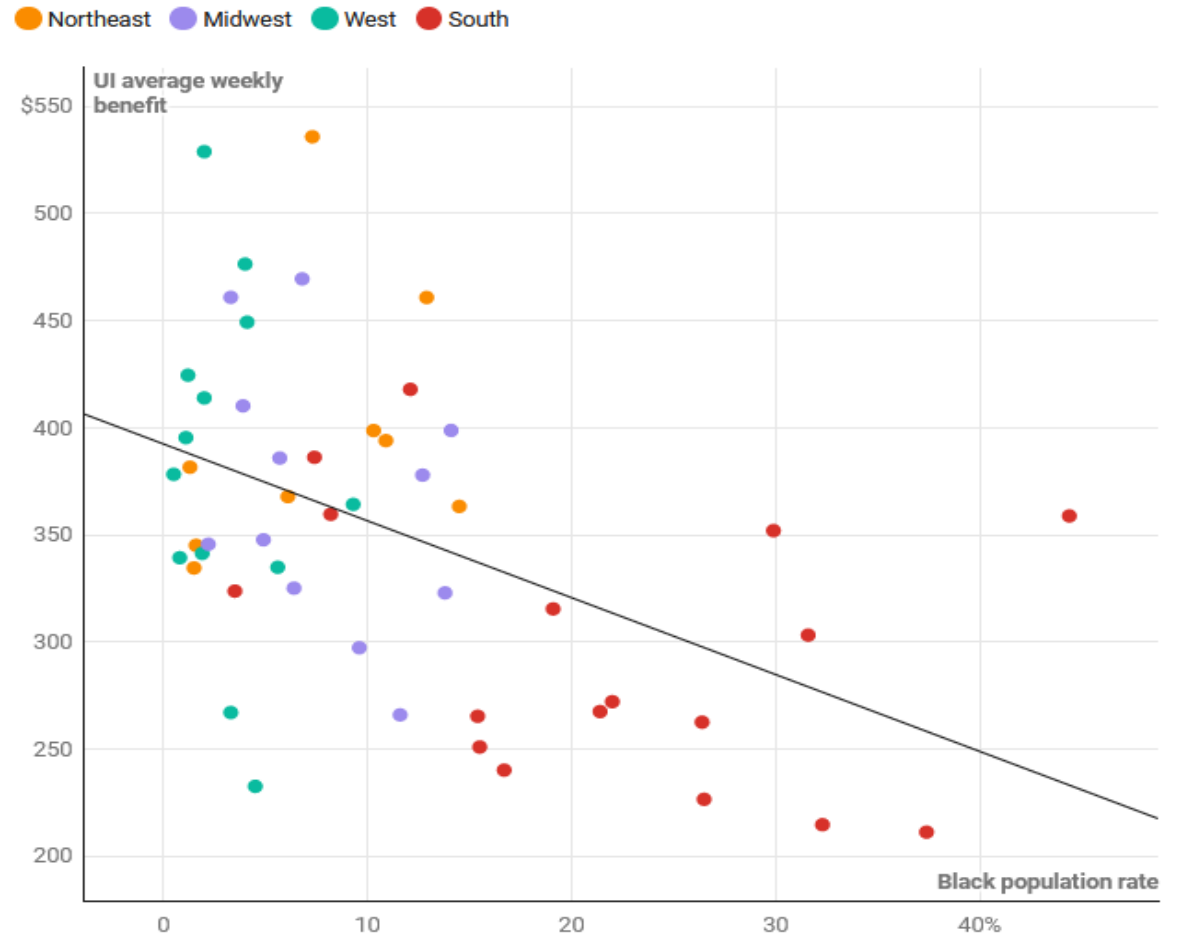


Chart: Center for American Progress • Source: U.S. Census Bureau, "Annual State Resident Population Estimates for 6 Race Groups (5 Race Alone Groups and Two or More Races) by Age, Sex, and Hispanic Origin: April 1, 2010 to July 1, 2019," available at <https://www.census.gov/data/tables/time-series/demo/popest/2010s-state-detail.html> (last accessed July 2021); U.S. Employment and Training Administration, "ET Financial Data Handbook 394: Taxable and Reimbursable Claims Data," available at <https://oui.doleta.gov/unemploy/hb394.asp> (last accessed July 2021).

Concluding Ideas

- Evidence on the long-term benefits of income support recommends strong federal policy expansions of EITC and child tax credits
- Recent Census Bureau income and poverty report highlights large poverty reductions from expanded economic assistance programs and stimulus
- Weaker state safety nets are, on average, more likely to be located in regions with a higher proportion of Black residents
 - aggregate measures of safety net provision miss the more granular administrative burdens, bias that occurs
- *How can families and children nationwide benefit from a stronger safety net?*