

Recent Changes to the Safety Net and Implications for Child Well-being

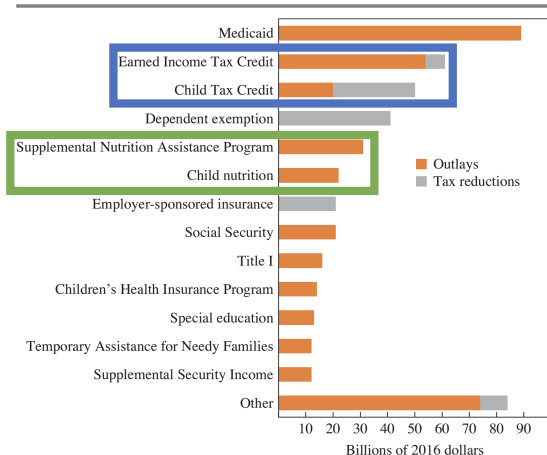
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Many components of the safety net

Figure 1. Spending and Tax Programs with the Highest Federal Expenditures on Children, 2016



This talk

Nutritional assistance

Tax-based assistance

Discussion: Equity considerations and policy implications

Nutritional assistance

Nutritional assistance: Recent policy changes

1. Schoolwide free meal programs:

- Schools offer free meals to all students, regardless of income.
- 2000s-2010s: Provisions I-III, Community Eligibility Provision (*high poverty* schools).
- 2020s: (Near-)national, state universal programs.

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- 2010s: small-scale pilot, pandemic: *de-facto*, summer 2024: Permanent program.
- New program: \$40/child/month in summer.

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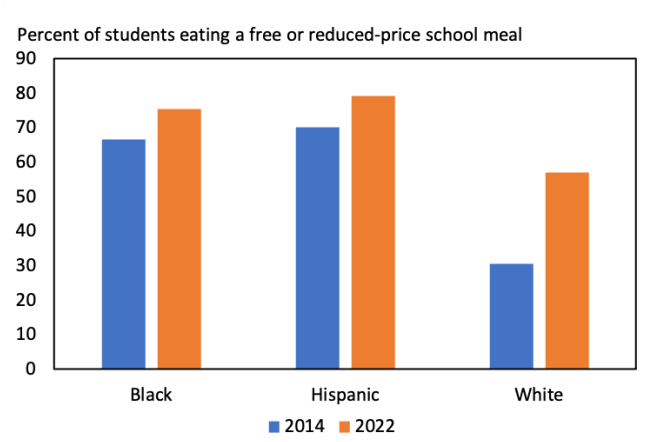
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3. SNAP generosity:

- Pandemic: Emergency allotment payments.
- 2021: Thrifty Food Plan update.

Move to universal provision: Little change for already-eligible groups



Schoolwide free meals improve math performance

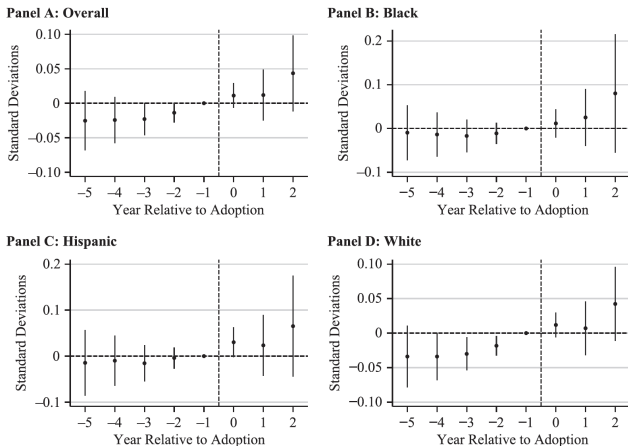
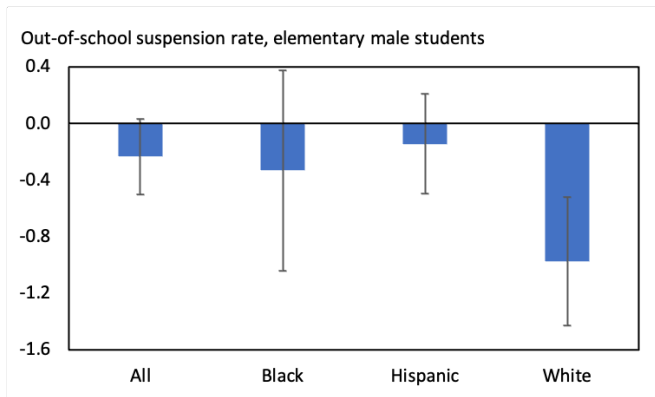


Figure 9
Math Performance Event Study

Schoolwide free meals reduce suspensions



Summer grocery vouchers reduce food hardship

Table 1: Effect of Pandemic-EBT, summer 2020

	Sometimes/often not enough to eat (HH)	V. low child food security	Poor maternal mental health index	Poor/fair maternal phys health	V confident afford food next 4 wks	Log(grocery spend/child
P-EBT disbursed wi/ of start of survey wk	-0.1045*** (0.0356)	-0.1646** (0.0780)	-0.1425** (0.0612)	-0.0483 (0.0498)	0.0044 (0.0297)	0.0460 (0.0450)
N	20856	8357	14881	14944	20876	19779
Pre-disbursement DV mean	0.2662	0.3826	0.2645	0.3006	0.1263	4.6663

Bauer, Ruffini, and Schanzenbach in progress

Tax-based assistance

Changes in tax-based assistance during the pandemic

1. Pre-pandemic:

- Child Tax Credit (CTC), Earned Income Tax Credit (EITC).
- CTC: \$1,600/child, EITC \$3,995 (1 child)- \$7,430 (3+ children).
- Both: Earned income required + phase in → lowest-income don't receive full credit.
- Both: Annual lump-sum payments.

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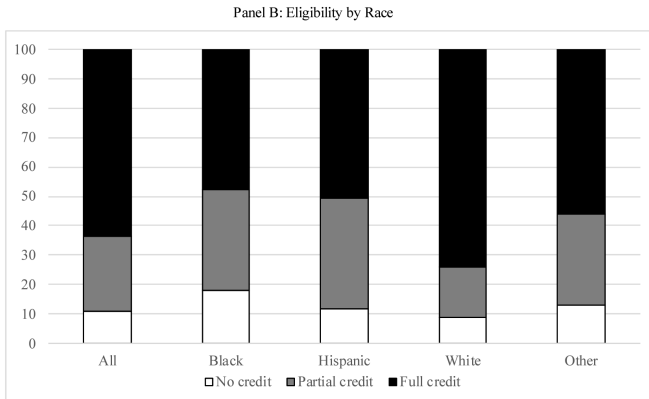
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2. Pandemic:

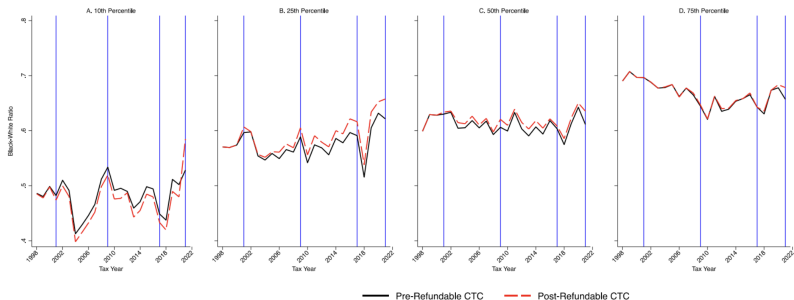
- Economic Impact Payments (EIP, x3) and expanded CTC.
- CTC: \$3,000-3,600/child, EIPs: \$500-\$1,400/child.
- Both: No income requirement → families with \$0 earnings eligible for full amount.
- EIP: 1 (3?)-time lump-sum; CTC: Monthly payments

Pre-2021: Non-White populations less likely to receive full CTC



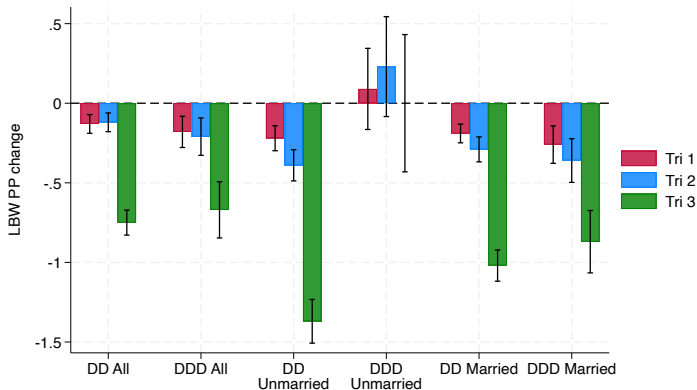
2021 CTC narrowed Black/White after-tax income gaps

Figure 5: Child Tax Credit and Black-White Inequality

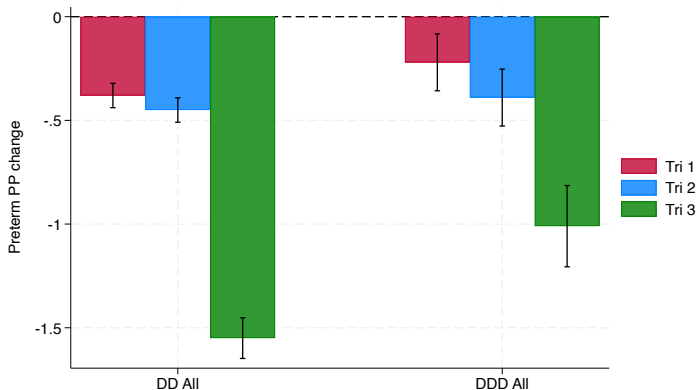


Hardy and Hokayem, in progress

Pandemic cash payments reduced low birthweight



Pandemic cash payments reduced preterm births



Discussion:
Equity considerations and
policy implications

Policy implications

- **Universal provision:** No change for current recipients.
 - School meals: Low-income groups
 - Refundable tax credits: Moderate income groups
- **Safety net expansions improve outcomes:**
 - Children: Health, academic performance, disciplinary actions
 - Adult: Health, income
- Levels may improve, but not equally → *gaps* may not change or may worsen.
- Current holes in safety net: Incomplete take-up, even among eligible; not all groups eligible.