

The Path to Economic Security & Family Well-Being in Colorado

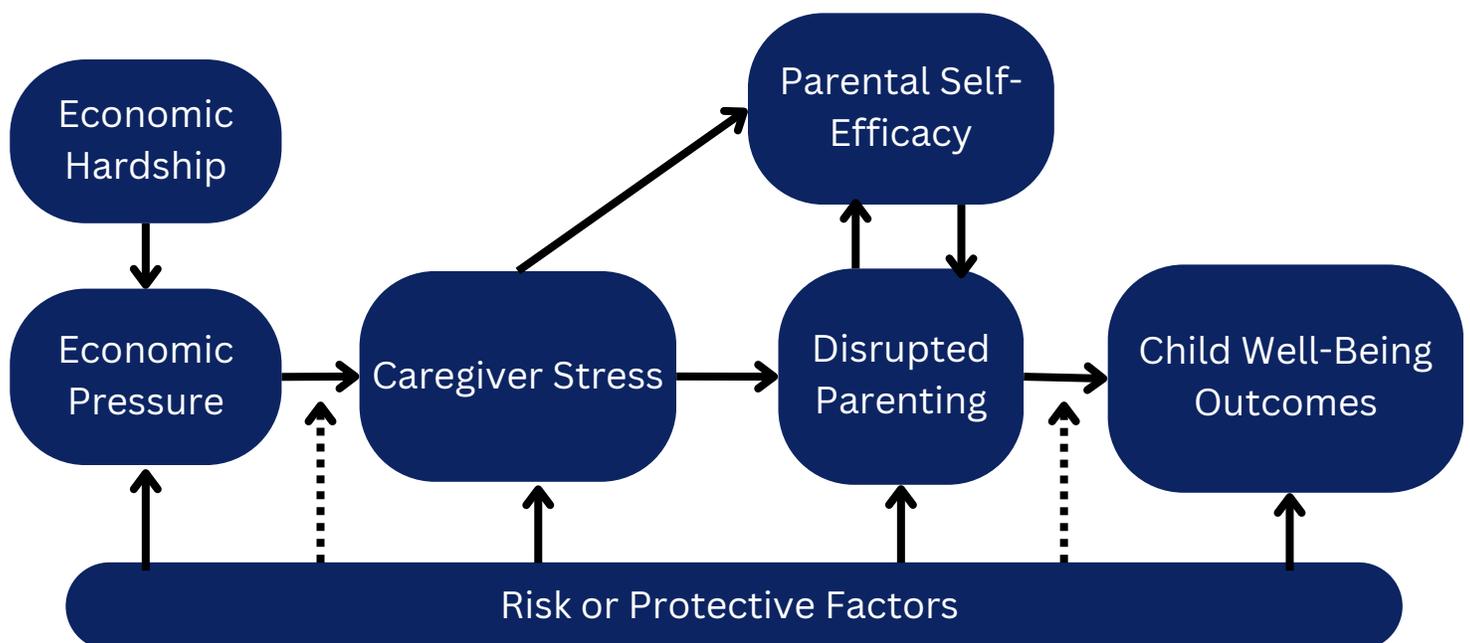
Data Insights to inform policy and practice

To achieve family well-being, we must achieve financial well-being.

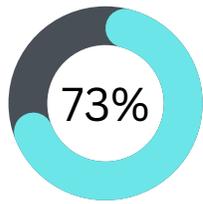
Research consistently shows that financial supports can reduce child maltreatment and strengthen families. Promoting policies and practices that help families achieve economic security is an actionable opportunity for cross-system investment and impact.

The Link Between Economic Insecurity and Child Maltreatment

The Family Stress Model of economic hardship is used to explain the link between economic insecurity and family well-being. When economic and material hardship occurs, caregivers experience increased stress, which can lead to depression, a sense of powerlessness, and less nurturing caregiver-child relationships, which can then lead to child maltreatment. **Economic and concrete supports act as protective factors to interrupt this cycle and create sustained opportunities for family well-being.**



Key Data Points on Maltreatment and Economic Insecurity



of maltreatment allegations in Colorado are for **neglect**.

Of these, only 23% are substantiated.



9.9% of children substantiated for maltreatment within 12 months had a repeat occurrence of maltreatment, showing the supports offered did not address the **root cause** issues.

Low-income families experiencing just one **material hardship** are

3x more likely to have a neglect investigation.

Resource Security



3 in 4 new Colorado parents report being able to obtain key concrete support needs, such as food and housing. However, racial disparities persist. American Indian, Black and African American, and Hispanic postpartum individuals are less likely to obtain these resources when needed.



Child Neglect Definition

- 49 states (including Colorado) include the failure to provide necessities as a part of child neglect
- **Colorado's definition of neglect** is a failure of a parent, guardian, or other caregiver to **provide for a child or youth's basic needs**, including physical (e.g., nutrition, clothing, and housing), medical, educational, and emotional.

Colorado does not exempt families' financial inability to provide from their definition of neglect.

Experiences of Poverty



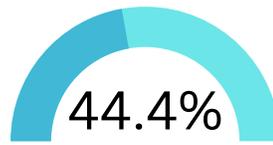
1 in 8 Colorado children under five live in **poverty**.



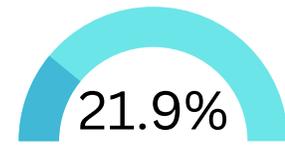
For Black and African American children, the rate is 1 in 4, showing significant racial **disparity**.

Difficulty in finding child care predicted maternal neglect greater than mental health or substance use (Yang et al., 2016)

New Parents - Hispanic



New Parents - White



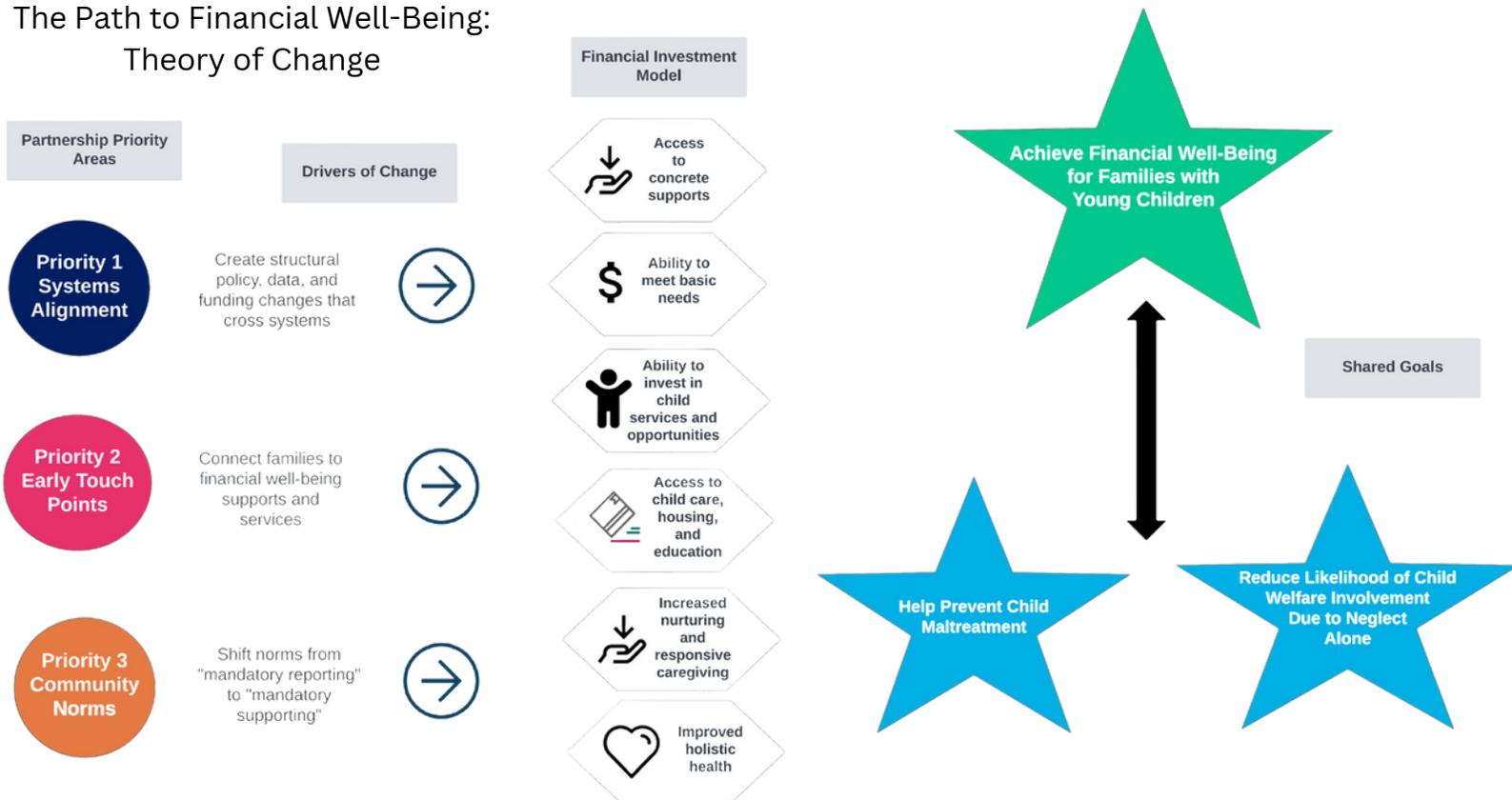
In Colorado, 44% of new parents who identify as Hispanic report **not being able to afford child care** since the pandemic for their children ages 0 - 3, compared to 22% of new parents who identify as white.

Economic injustice and racial injustice are connected. Poverty is experienced by families of color at higher rates. Structural racism and systemic inequities fuel poverty, which contributes to racial disparities in child welfare involvement.

Poverty Does Not Equal Neglect

The Family Investment Model is used to explain how economic and concrete supports can help prevent child maltreatment and strengthen families. When families have access to concrete supports and resources to meet their basic needs, they are better able to engage child services, child care, housing, and educational opportunities, and provide more nurturing caregiver-child relationships. Together, this can lead to improved family health and decreased rates of child maltreatment. **The Colorado Partnership for Thriving Families is working to identify and activate strategies in systems alignment, early touch points, and community norms that can drive toward the shared goal of financial well-being for families with young children.**

The Path to Financial Well-Being:
Theory of Change



Policy and Practice Strategies to Strengthen Families

Research is converging on major concrete and economic supports that can—and do—disrupt the link between economic insecurity and child maltreatment. These supports require cross-system policy and practice investment to activate. **We invite you to join this collective effort.**

Policy or Practice Strategy	Evidence of Success (select examples)	Current Colorado Efforts (select examples)
Cash Assistance (TANF, Guaranteed Income, Child Support Payments)	<p>Increases in TANF caseloads are associated with significant decreases in neglect cases and foster care placements (<u>Ginther & Johnson-Motoyama, 2017</u>).</p> <p>A \$1,000 increase in Guaranteed Income improved housing outcomes for single mothers and their children (<u>Pilkauskas & Michelmore, 2019</u>).</p>	<p>Counties, such as Bent, Costilla, Crowley, Huerfano, Las Animas, and Sedgewick have <u>over 10%</u> of their children receiving TANF. The Colorado average is <u>3.5%</u> of children receiving TANF.</p> <p><u>HB22-1259</u> modifies the Colorado Works Program to increase basic cash assistance and better support families, with the goal of reducing the “cliff effect” as parents move toward economic security.</p>
Tax Credits (Child Tax, EITC)	<p>Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) payments are associated with lower state-level rates of child maltreatment reports. For each \$1000 per tax refund, state-level rates of reported maltreatment declined up to 4 weeks following refund payments by 5% (<u>Kovski et al., 2022</u>).</p>	<p>There was a <u>41.4%</u> reduction in childhood poverty across the state with implementation of the expanded CTC. CTC does not count toward income for tax purposes, or eligibility for support.</p>

Housing Supports and Subsidies

Households likely to experience a foreclosure filing in the next 6–12 months are at a 70% greater risk of a child welfare investigation than households that are not ([Berger et al., 2015](#)).

Multiple [House and Senate Bills](#) from 2021 and 2022 created grants to increase the number of affordable housing units in Colorado.

Paid Family Leave

Paid Family Leave is associated with improved postpartum mental health ([Doran et al., 2020](#)).

Access to Paid Family Leave can improve maternal postpartum health care engagement, especially for individuals of color ([Steenland et al., 2021](#)).

Paid Family Leave helps new parents bond with their babies, build foundations for healthy attachment, and develop positive caregiver skills ([Ruhm, 2011](#)).

[Colorado Paid Family and Medical Leave Insurance Act](#) will begin January 1, 2024, offering 12 weeks paid family leave with an additional four weeks for pregnancy or childbirth complications.

Maximum weekly benefit \$1100

Minimum Wage Increases

Increases in minimum wage leads to a decline in overall child maltreatment reports. A \$1 increase results in a 9.6% decline in child neglect reports, specifically concentrated among young children 0-5 ([Raissian & Bullinger, 2017](#))

Minimum wage increases have improved infant health and reduced child abuse and teenage pregnancy ([Raissian & Bullinger, 2017](#)).

In states without a \$15 minimum wage, public supports programs for underpaid workers and their families make up 42% of total spending.

[Colorado minimum wage](#) in 2023 is at \$13.65 per hour or \$10.63 per hour for tipped wage employees.

Child Care Subsidies / Affordable Child Care

States with flexible child care subsidy policies have fewer removals by child welfare than other states (Meloy et al., 2015).

Caregivers with unreliable emergency child care are more likely to show increased neglectful behaviors (Ha et al., 2015).

Colorado Child Care Assistance Program helps families find no- and low-cost child care assistance. Eligibility is set by each county.

Universal Preschool launched in the 2023-2024 school year for children aged 4.

Addressing the Cliff Effect

34% of families report “strategizing” ways to stay on child care subsidies, including not taking additional hours at work, not accepting a raise, declining a job offer, not getting married or changing the family structure, or not accepting child support (East & Roll, 2010), in fear of losing needed supports (the cliff effect).

The Colorado Cliff Effect Pilot Program, turned the cliff into a slope by slowly increasing child care payments rather than removing all subsidized payments at once.

SNAP and WIC Enrollment and Expansion

As SNAP benefits increase, there is a marked reduction in child welfare involvement and use of foster care (Johnson-Motoyama, et al, 2022).

84% of eligible individuals in Colorado participated in SNAP.

Sufficient Unemployment Benefits

A 1% point increase in the unemployment rate causes a 20% increase in child neglect (Brown & De Cao, 2018).

During the Great Recession, states that offered longer extensions to unemployment benefits had a reduced rate of substantiated neglect (Brown & De Cao, 2020).

SB22-234 was passed to improve & expand unemployment benefits. It aims to address the cliff effect by allowing those that are unemployed to seek part-time work without losing benefit eligibility.

Workforce and Education Supports

Counties have lower reports of child maltreatment when children have a greater chance of moving up the income ladder (economic mobility), independent of poverty rates and income inequality (Bullinger et al., 2022).

64.8% of Colorado children under 6 have all parents in the workforce.

Colorado Department of Education Office of Adult Education Initiatives manages two competitive grant programs focused on supporting adults in reaching educational and career goals.

Medicaid Expansion / Affordable Health Care

Since the 2014 Medicaid expansions, infant mortality rates have reduced significantly for Black and Hispanic infants (Constantin & Wehby, 2023), illustrating the ability of Medicaid to support the health care needs of new parents and children.

Medicaid covers 1 in 4 Coloradans in 2023 including 43% of the state's children and 43% of births.

1 in 4 uninsured Coloradans is an immigrant without documentation.

It is estimated that in 2019, 361,000 Coloradans were still uninsured with estimates of 24.3% being eligible for Medicaid.

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