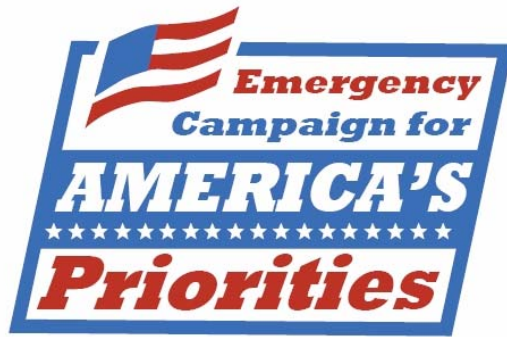


# Are We Investing In Our Children?

A State-of-the-State Report  
on Children in New Jersey



Emergency Campaign for America's Priorities  
October 2006

# Are We Investing in our Children?

A State of the State Report on Children in New Jersey  
*New Jersey Needs Adequate Funding in the 2007  
Labor-HHS-Education Appropriations Bill*

## **Background: Where We Stand**

The U.S. Departments of Health and Human Services, Education and Labor provide needed resources to ensure that New Jersey's children and families have the support necessary to allow them to thrive and be healthy, contributing members of society. These programs must be a priority for our elected officials who are making key funding decisions in Washington, D.C.

Every New Jersey child deserves a fair chance to succeed. However, with incomes stagnating, families are working harder to provide for their children's basic needs. Since reaching an historic low in 2000, over the last seven years, the number of children living in poverty in the United States has grown by 11.3 percent -- reaching 13 million.<sup>1</sup> For the 2.1 million children living in New Jersey<sup>2</sup> quality child care and early education, affordable health care and a safe place to live and spend their time are becoming harder to obtain.

- Every year since 2000, poverty has gone up. The current poverty rate for New Jersey residents under 18 is 8.8 percent, or 188,000 children.<sup>3</sup>
- In New Jersey, 52 percent of two-parent households with a child under 6 years old have both parents working out of the home, and in 75 percent of single-parent households with a child under 6 years old, the parent works out of the home.<sup>4</sup>
- In 2005, an estimated monthly average of 37,800 of New Jersey's children received subsidized child care.<sup>5</sup> As of 2006, New Jersey had 4,803 children on its waiting list for child care assistance.<sup>6</sup>
- Across the country, 14.3 million children from kindergarten through 12<sup>th</sup> grade have no adult supervision after the school day ends.<sup>7</sup>
- In 2003, 8,123 children were substantiated as abused or neglected in New Jersey, a rate of 3.8 per 1,000 children, with 34 children dying as a result of abuse or neglect.<sup>8</sup>

**The current poverty rate for children in New Jersey under 18 is 8.8 percent, or 188,000.**

- In 2004-2005, 1,323,000 New Jersey residents were uninsured –14.8 percent of the state’s population.<sup>9</sup> Between 2003 and 2005, 10.7 percent of children in New Jersey– 244,000 kids - did not have health insurance.<sup>10</sup>

### **Providing Access to Quality, Affordable Child Care for all New Jersey Children of Working Families**

With more parents in the workforce – often working non-traditional hours – affordable, high-quality child care programs are becoming more of a necessity. However, the lack of funding means that at least one-third of states place eligible families on waiting lists.<sup>11</sup>

The benefits of quality child care programs are irrefutable. According to the High/Scope Perry Preschool Study, adults at age 40 who participated in a preschool program in their early years have higher earnings, are more likely to hold a job, have committed fewer crimes, and are more likely to have graduated from high school.<sup>12</sup> Furthermore, affordable and accessible early care helps New Jersey’s working parents to remain in the workforce. It also enables them to seek additional education and training to expand their qualifications for the workforce.

Studies demonstrate that child care assistance can make a real difference in families’ ability to work and succeed. An analysis of data from the 1990s shows that single mothers who receive child care assistance are 40 percent more likely to remain employed after two years than those who do not receive assistance in paying for child care.<sup>13</sup> The Child Care and Development Block Grant allows low-income parents to work by assisting them with their child care expenses.

- 37,800 New Jersey children participate in programs funded by the Child Care & Development Block Grant.<sup>14</sup>
- If the Labor-HHS appropriations bill that was approved by the House and Senate Appropriations committees passes, it would result in as many as 11,208 children losing child care assistance in 2007 across the country.<sup>15</sup>

## **Providing New Jersey Children With a Head Start**

Head Start is a proven program for preparing low-income children to succeed in school and narrowing the school readiness gap between low-income children and their higher income peers. According to the Society for Research in Child Development, Head Start reduced the pre-reading achievement gap between participants and the national average by almost half and positively affected pre-writing skills as well as overall health, hyperactivity and behavior.<sup>16</sup>

For every dollar invested in high-quality pre-kindergarten, our society reaps an estimated return of \$7 in future higher earnings, fewer crimes, and less remedial education.<sup>17</sup> However, in 2005, only 23 percent of 3-year-olds and 36 percent of 4-year-olds in New Jersey participated in state-sponsored pre-kindergarten or the federal Head Start program.<sup>18</sup> And, instead of investing to increase those numbers, the budget pending before Congress further limits the number of New Jersey children who will benefit from early education.

- The marginal increase in funding for Head Start and Early Head Start, approved by the House and Senate Appropriations committees, is \$2.8 million for FY 2007, far short of what is needed just to maintain current services due to rising costs and inflation. That would lead to closing the doors on enrollment to nearly 19,000 children nationwide.<sup>19</sup>
- In New Jersey alone, that would be the equivalent of closing Head Start enrollment to 312 children in fiscal year 2007.<sup>20</sup>

## **Providing a Safe Place for New Jersey Children After School**

After-school programs provide children a safe and stimulating environment in the hours after the school day. Despite the fact that after-school programs have been proven to cut crime and increase academic enrichment, only 12 percent of children in New Jersey's working families are in after-school programs.<sup>21</sup> In fact, 23 percent of New Jersey children of working families are unsupervised in the afternoons.<sup>22</sup>

The 21<sup>st</sup> Century Community Learning Centers (CCLC) initiative is the only federally-funded program that is dedicated exclusively to after-school programs. It is a program with proven results. In 2003-2004, 45 percent of all 21<sup>st</sup> CCLC program participants had improved their reading grades and 41 percent improved their math grades.<sup>23</sup> However, while funding for the program grew from \$1 million in 1997 to \$1 billion in 2002, it has remained at that level for the last five years. To continue the initial success of the 21<sup>st</sup> Century Community Learning Centers program and ensure that children do not lose services, a renewed investment is critical. Due to underfunding, many families are deprived of the benefits of such programs. Across the United States, there are 15.3 million children whose parents would send them to an after-school program if one were available.<sup>24</sup>

- If the 21<sup>st</sup> Century Community Learning Centers program is funded at the level provided by the House and Senate Appropriations committees, 19,253 New Jersey children would be able to participate in after-school programs.<sup>25</sup>
- 30,807 additional New Jersey children would be able to participate in after-school programs funded by 21<sup>st</sup> Century Community Learning Centers if the program was fully funded.<sup>26</sup>

### **Protecting New Jersey Children’s Welfare and Preventing Abuse and Neglect**

The child welfare system is comprised of hundreds of child-serving agencies in every state and community and provides the direct, one-on-one care needed to protect children from abuse and neglect. The Social Services Block Grant (SSBG) represents 11 percent of all federal funding states receive from the federal government to provide child abuse prevention, adoption, foster care, child protection, independent and transitional living, and residential services for children and youth.<sup>27</sup> In 2004, more than 2.6 million children nationwide received a range of child welfare services funded in part or total by SSBG.<sup>28</sup>

- In New Jersey, 134,000 children received child welfare services funded by the Social Services Block Grant.<sup>29</sup>
- Funding for Social Services Block Grant has declined from \$2.9 billion in 1979 to \$1.7 billion today.<sup>30</sup>
- In the President’s FY 2007 budget proposal to Congress, a cut of \$500 million—30 percent of total funding—to SSBG was offered. After both House and Senate Appropriations committees rejected the cut, the White House continued to instruct states to develop operating budgets as if the SSBG cuts were in place.
- The Senate Appropriations committee also slashed \$14 million from the Promoting Safe and Stable Families (PSSF) program. PSSF is one of a very small group of programs receiving federal funding dollars to prevent child abuse and seek to ensure that children receive appropriate permanency services after they enter out-of-home care.

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## **Insuring all New Jersey Children and Providing Access to Affordable Health Care**

Investing in children's health care must be a priority for lawmakers. Lack of health insurance coverage negatively affects access to care for low-income children -- uninsured but Medicaid-eligible children are twice as likely as those enrolled in Medicaid to have an unmet medical need, to have not seen a doctor, and to have substantial family out-of-pocket spending on health care.<sup>31</sup> In the United States, 9 million children under the age of 19 are uninsured.

Prenatal care can help keep both mother and child healthy. Babies born to mothers who received no prenatal care are three times more likely to be born at low birth weight, and five times more likely to die, than those whose mothers received prenatal care.<sup>32</sup> Doctors can spot health problems early when they see mothers regularly and early treatment can cure many problems and prevent others. Despite the well-documented importance of prenatal and newborn care in preventing babies' developmental problems, both the House and Senate Appropriations committees continue to shrink funding for the Maternal and Child Health Block Grant.

- Compared with FY 2005, the House Committee cut the Maternal and Child Health Block Grant by nearly \$64 million, adjusting for inflation (8 percent); while the Senate Committee reduced funding by nearly \$70 million (9 percent). This is in addition to a 15 percent cut in maternal and child health services from FY 2002 to FY 2006, taking inflation into account.<sup>33</sup>
- 19.8 percent of mothers in New Jersey did not have prenatal care during their first trimester.<sup>34</sup>
- 8.1 percent of New Jersey babies were born with low birth weight.<sup>35</sup> That makes them more at risk for health and developmental problems throughout their lives.
- New Jersey also has an infant mortality rate of 5.7 per 1,000 children.<sup>36</sup>

## **Conclusion**

Children in New Jersey should receive every optimal chance to reach their potential. These federally funded programs assist states to meet the services that are vital for New Jersey's children. Any further cut, reduction, or additional strain to these programs threatens New Jersey's ability to ensure that every child can fully succeed.

**Funding cuts will exacerbate the fact that 19.8 percent of mothers in New Jersey did not have prenatal care during their first trimester.**

## Endnotes

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