

Breaking the Cycle of Poverty in Young Families

TWO-GENERATION POLICY RECOMMENDATIONS



The two-generation approach is a poverty reduction strategy meeting the unique needs of both parents and children simultaneously, which differs from other models that provide service provision to parents or their children separately. The focus of this two-generation research was specifically young families, which are defined as out-of-school, out-of-work youth 15–24 with dependent children under the age of 6. Families in poverty can best be served by addressing parental needs for education, workforce training, and parental skills, while also addressing child development essentials.

The recent economic downturn has tremendously impacted communities and families in the United States, especially young families. Over 1.4 million youth ages 15-24 are out-of-school, out-of-work and raising dependent children. When youth are out of the education system, lack early work experience, and cannot find employment, it is unlikely that they will have the means to support themselves.¹ Too often, this traps their families in a cycle of poverty for generations.



With generous support from the **Annie E. Casey Foundation** and **ASCEND at the Aspen Institute**, the **National Human Services Assembly (NHSA)**, an association of America's leading human service nonprofit organizations, set out to identify policy and administrative barriers to two-generation strategies. The NHSA engaged its member organizations and local affiliates to better understand their two-generation programs, challenges to success, and strategies for overcoming. It also convened advocates, experts, and local providers together to determine the appropriate government strategies to break the cycle of poverty in young families.

This policy report summarizes findings from direct service providers and advocates in advancing two-generation strategies. The recommendations outline both federal and state-level policies and regulatory actions to strengthen this approach. It also addresses critical organizational capacity imperatives for existing direct service providers. These policy priorities should provide a comprehensive framework to support young parents and their children toward economic mobility.

Background

Economic opportunity and upward mobility are core American values. Increasingly, economists, social scientists, and human service providers have sounded an alarm that these opportunities are no longer available for many in America. In 2012, the Census Bureau estimated 149 million Americans were making \$45,000 or less per household, defined as low-income. More than 49 million live in poverty, making less than \$22,350 per household.²

The impact for children and youth is alarming. Analyzing the latest available U.S. Census data, the National Center for Children in Poverty (NCCP) found that 44 percent of children under age 18 lived in low-income families in 2013; of the 44 percent, half lived in poverty. Multiple economic studies indicate the lack of opportunity for upward mobility for children and youth raised in poverty and low-income households. As a result, there are calls for new models to address the complex needs of working families and break this generational cycle of poverty.

One of the most promising opportunities to break the poverty cycle is a two-generation approach. This innovative strategy “is a lens for thinking about programs, policies, systems, and research. The framework draws on the history of efforts to address the needs of both children and parents while capitalizing on the implications of what recent scientific studies have proven: The development of children and parents is inextricably linked.”³

Two-generation programs seek to integrate parent-focused service provision (e.g. vocational, educational, parent-training, health coaching) with high-quality child-focused programming (e.g. childcare, home visiting, child health, adolescent mentoring). Research shows significant success when organizations confront the complex needs of families living in poverty utilizing two-generation strategies, but barriers to expanded implementation exist.⁴



In 2012, the Census Bureau estimated that **149 million Americans** were making **\$45,000 or less** in household income.



22% of children in 2013 lived in poverty.

FEDERAL POLICY AND REGULATORY CHANGES TO IMPROVE OPPORTUNITIES

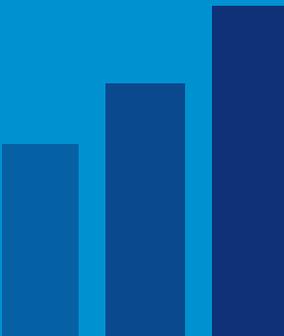
Redefine Poverty

An icon featuring a yellow dollar sign (\$) in the center of a circular chart. The chart is divided into four colored segments: blue, green, orange, and white.

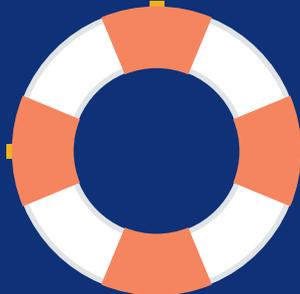
Support Effective Programs

An icon of a green potted plant with a yellow pot. The trunk of the plant is a green dollar sign (\$).

Fair Pay

An icon of a bar chart with three vertical bars of increasing height from left to right, set against a blue background.

Tax Relief to Working Families

An icon of a life preserver with orange and white segments, centered on a dark blue background.

Strengthen Existing Block Grants

An icon of a stack of green banknotes with a green dollar sign (\$) on the top bill.

Technical Assistance to State & Local Agencies & Providers

An icon of a target with concentric orange and yellow rings. An arrow is shown hitting the center bullseye.

Access to Workforce Development

An icon showing the collar of a white dress shirt and an orange necktie.

Strategies to Enhance Federal Policy

Federal policy has far-reaching implications for young families and two-generation service provision. Advocates and providers agree that firming up support for and increasing funding to this broad set of interlocking programs will create the varied and interdependent services needed at the local level.

- Expanding the federal poverty level to create opportunities for young families to access critical government services, including Supplemental Nutrition Assistance Program (SNAP; formerly known as food stamps) and Social Security Income (SSI).
- Increasing the federal minimum wage to move low-income parents and their dependent children towards financial mobility.
- Providing critical links to family health, education, workforce development, and childcare, by providing additional funding for block grant programs and ensuring states comply with legislative intent, such as the Maternal and Child Health Block Grant, Social Services Block Grant, Child Care Development Block Grant, and Community Development Block Grant.
- Providing young parents with access to employment resources and skills training while concurrently providing resources for their dependent children.
- Providing tax relief to working families, lifting many of them above the poverty line by maintaining and improving the Child Tax Credit and Earned Income Tax Credit.
- Offering states and local governments technical assistance to better understand and implement federally funded programs, such as Temporary Assistance to Need Families (TANF) through the Department of Health and Human Services to ensure states provide optimal flexibility for young families' needs consistent with legislative intent.
- Allocating funding for innovative and evidence-based programs that are scalable.

Strategies to Enhance Policies at State and Local Levels

There is significant opportunity at the state and local level to create policy that supports two-generation strategies.

- Promulgating policies and appropriations standards that allow for more braided or blended funding opportunities.
- Reducing or eliminating legislative and regulatory barriers that limit the flexibility of federal programs, such as Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance to Needy Families (TANF), Childcare Development Fund, and community block grants.
- Creating and strengthening childcare and workforce development funding opportunities to support working and student parents.
- Increasing home visitation programs critical to two-generation strategies funded through the federal government.
- Creating child support policies that do not have adverse effects on young families.
- Expanding alternative programs that divert youth from the criminal justice system.

STRATEGIES TO IMPACT: BUILDING ORGANIZATIONAL CAPACITY

Two-generation service providers and policy advocates identified organizational issues that must be addressed to achieve full potential on behalf of young parents and their children. These human service capacity building opportunities include:

- Helping local organizations expand their programming by securing and administering government grants with technical assistance.
- Demonstrating program success by improving data collection and analysis, program evaluation, and shared metrics.
- Identifying and strengthening communication and collaboration with traditional and non-traditional stakeholders, such as government, human services organizations, educational institutions, and the private sector.





WASHINGTON

The state of Washington has been cited for their innovative Two-Generation programming through their Basic Food Employment and Training Program (BFET). BFET is funded through the Supplemental Nutrition Assistance Program Education and Training (SNAP E&T), an offshoot of the Supplemental Nutrition Assistance Program (SNAP) administered by the US Department of Agriculture. BFET was created with the mission of providing low-income adults and families with access to employment and training, and as such, supports students participating in career and technical training. One such training program is the Integrated Basic Education and Skills Training Program (I-BEST), a nationally recognized model that boosts students' literacy and work skills to move them quickly through school and into jobs, thus facilitating economic sustainability. BFET funds provide access to assessments, case management, job readiness and training, job search assistance, job placement, and reimbursements for services such as transportation, childcare, housing, and clothing.

The BFET program was originally piloted with one community college and four community-based organizations as a partnership between the Washington State Board for Community and Technical Colleges, the Department of Social and Health Services, and the Annie E. Casey Foundation. Based on the success of that pilot and additional collaborative efforts, the BFET program is now offered by all 34 of the state's community and technical colleges, with the participation of over 30 community-based organizations.

Since 2011, the program has secured \$56 million in federal funding and has served over 45,000 individuals, many of them participants in integrated pathways programs who would have otherwise been unable to afford tuition and other costs. Moreover, 74% of participants have obtained employment with a median hourly wage of about \$11 per hour, according to data collected by Washington's Employment Security Office.

SINCE 2011:

\$56 million

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participants

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Reference: Ford K. (2014). Paying for Integrated Pathways: SNAP Education and Training Funds in Washington. *Jobs for the Future*. Available from: <http://www.jff.org/blog/2014/12/22/paying-integrated-pathways-snap-education-and-training-funds-washington>

COLORADO

In May 2014, Colorado lawmakers demonstrated bipartisan support for low-income working families by passing a suite of significant childcare reform bills and budget items totaling nearly \$22 million. These bills are intended to advance Two-Generation efforts throughout the state by increasing access to the state childcare assistance program (CCCAP), decreasing red tape, and promoting higher-quality services.

Some highlights of these bills include:

HB14-1317: This bill makes significant changes to CCCAP in order to help parents find and retain high-quality and affordable childcare, support families in climbing the ladder to prosperity, and cut red tape for small business childcare providers who want to serve working families.

HB14-1072: This legislation would create a new state childcare expenses tax credit that ensures those earning less than \$25,000 are able to claim a credit, which includes the CCCAP parent copayment.

SB14-003: This bill creates a pilot program to address the “cliff effect” that occurs when working parents in CCCAP receive a minor increase in income that makes them ineligible for childcare assistance, yet their income is not enough to cover the full cost of care.

Other highlights from these bills intended for small businesses include:

- Higher floors for provider reimbursement rates.
- Holiday and absence policies tied to program quality ratings.
- Tiered reimbursement so providers can provide higher quality care.

References: HB14-1317, HB14-1072, SB14-003, 69th Gen. Assem., Reg. Sess. (CO. 2014); Colorado lawmakers get savvy on Two-Gen. (2014). <http://www.claytonearlylearning.org/blog/colorado-lawmakers-get-savvy-on-two-gen/>



UTAH

Utah has a history of comprehensive policymaking in workforce and family policies. Their One-Stop Career Centers are organized according to function instead of funding stream and help participants with a full range of services that span educational aid, workforce development, childcare, and social supports. Additionally, Utah rotates staff through different functions, which can encourage program coordination and break down organizational silos.

TEXAS

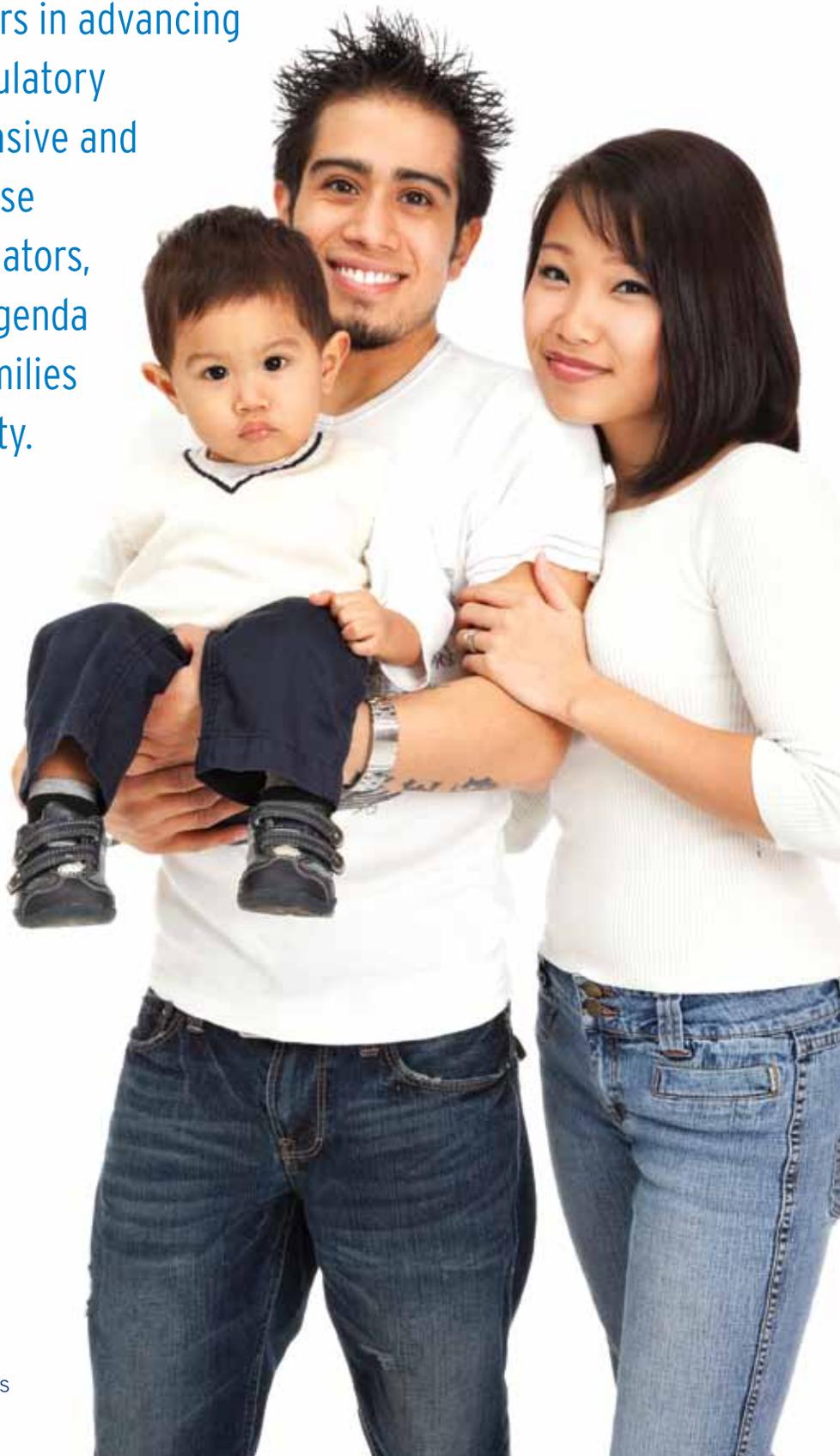
Texas also has a supportive policy framework that offers a relatively integrated system under the Texas Workforce Commission (TWC). TWC, in conjunction with regional workforce boards, controls the major workforce development funding including: Workforce Investment Act (WIA) training programs, Employment Services, Trade Adjustment Assistance (TAA), and Temporary Assistance for Needy Families (TANF) work programs, as well as childcare funding through the Child Care and Development Fund (CCDF) block grant. While Texas has a performance rating system for preschool programs, CCDF funds are not restricted to center-based care.

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Two-generation strategies

have proven efficacy to support young parents and their children. Federal and state governments are critical partners and leaders in advancing this approach. Policy and regulatory decisions must be comprehensive and focused to meet demand. These policy priorities provide legislators, advocates, and providers an agenda for future action for young families and ending the cycle of poverty.



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Contributing Organizations

ACCESS

Afterschool Alliance

American Public Human Services Association

ASCEND at the Aspen Institute

Association of Maternal
& Child Health Programs

Casey Family Programs

Catholic Charities USA

Child Care Aware of America

Dibble Institute

Feeding America San Diego

Food Research and Action Center

Generations United

HFTC Collaborative Council

National Diaper Bank Network

National Governors Association

National Head Start Association

National Kidney Foundation of Michigan

National Women's Law Center

Roadrunner Food Bank of New Mexico

Southwest Solutions

United Way for Southeastern Michigan

United Way of Greater Cincinnati

United Way Worldwide

YMCA of the USA

Young Invincibles

Youth Advocate Programs, Inc.

YWCA

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ABOUT NHSA

The **National Human Services Assembly**, a Washington, D.C.-based organization comprised of nearly 85 national human service nonprofits, is focused on shaping public dialogue and building capacity for the human services sector while facilitating a robust learning community among nonprofit professionals. The Assembly's members include such national organizations as AARP, the American Red Cross, Boy Scouts of America, Girl Scouts of the USA, The Salvation Army, United Cerebral Palsy, United Way Worldwide, YMCA, and YWCA. In aggregate, members and their local service networks and affiliates collectively touch, or are touched by, nearly every household in America—as consumers, donors, or volunteers.