



UNDER EMBARGO until Tuesday, June 21, 2016, 12:01 a.m. EDT

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New Report Finds NC Children, Families Face Limited Economic Opportunity But Make Important Gains in Health and Education

RALEIGH, N.C. – The 2016 *KIDS COUNT*[®] *Data Book*, released today by the Annie E. Casey Foundation, finds North Carolina children, families, and communities are continuing to lose ground in key measures of financial security, while making gains in several education and health indicators. The *Data Book* provides state-to-state comparisons in four areas: economic well-being, education, health, and family and community. The report ranks North Carolina 34th in the country for overall child well-being, up one spot from last year.

Specifically, teenagers of Generation Z – the rising cohort born after 1995 – continued to make progress in education and health indicators despite growing up in the most challenging economic environment in two generations.

Aided by advantageous federal, state and local policies and investments in prevention, an increasing number of North Carolina teens avoided obstacles that could have derailed their future prospects. Comparing data between approximately 2008 and 2014, teen birth rates fell 45 percent, the percent of teens abusing drugs and alcohol dropped 29 percent, and the percentage of high schoolers not graduating on time dropped by 26 percent.

“I’m proud of the progress we’ve made in health and education,” said Michelle Hughes, executive director of NC Child, a statewide nonprofit child advocacy group. “Now it’s time for North Carolina’s leaders to implement public policies that remove barriers to our next generation’s financial success.”

Key Financial Indicators Continue to Lag

Despite their increasingly responsible health behaviors, Generation Z children and youth face significant financial barriers to their healthy growth and development. Although North Carolina rose four places in rankings of economic well-being, it still ranks in the bottom half at 30th in the country. This rise in rank is largely due to other states falling behind. NC children and families stalled or lost ground on every indicator of financial security:

- Almost one in four children lives in poverty (24 percent), which is up 20 percent since 2008. When we consider children whose families earn less than twice the federal poverty line, which is more indicative of what it really takes for families to make ends meet, an additional 170,000 children slipped below the line of financial security during the period of analysis.
- 30 percent of children live in a family where no parent has full-time job, a seven percent increase since 2008.
- The percent of children living in high-poverty communities grew 56 percent, more than twice the national average increase. One in seven children in North Carolina (14 percent) lives in a high-poverty area.

The ongoing lack of opportunity is largely a result of families and communities being left behind before and during the post-recession economic recovery.

Low-wage jobs with few benefits in industries like retail, food service and construction are often the only ones available in many communities, which have been fallen through the cracks in other ways, too. Schools are under-resourced, child care services are few and far between, and health care for children and adults is limited. When these challenges aren't addressed by effective public policy changes, they perpetuate economic hardship generation after generation.

In North Carolina, recent policy decisions and inadequate public investment are perpetuating the status quo and are powerful barriers to advancement:

- Governor McCrory and state lawmakers continue to reject available federal funds to close the health insurance coverage gap for parents, which would provide families with freedom from medical debt and the ability to address health issues that can keep them out of work.
- As of April 2016, 20,330 children remain on a waiting list for child care subsidies.
- Funding for public schools remains at recession-era levels, resulting in high rates of teacher turnover and under-resourced classrooms.

By making different decisions, policymakers can create opportunity for children. Laila A. Bell, director of data and research at NC Child, describes how that can come about:

“Opportunity is shaped by resources in the communities where we live, learn, and work,” said Bell. “Opportunity surrounds us in the forms of the high-quality schools our children attend, the safe, clean parks where they play, or the neighborhood grocery store where we purchase fresh, nutritious foods to feed our families. These resources promote healthy child development and enable children to grow the bodies, brains and skills that power future success in school, work, and life.”

Bipartisan solutions based on American values

The Casey Foundation and NC Child offer a number of recommendations based on shared values of opportunity, responsibility and security. Many of these recommendations enjoy bipartisan support and have been implemented federally and in other states across the country.

- **OPPORTUNITY:** Increase opportunity by expanding access to high-quality Pre-K and early childhood services so that all children are prepared to succeed in school. In addition, expand access to higher education and training so that every low-income child has a fair chance to develop his or her potential.
- **RESPONSIBILITY:** Increase the Earned Income Tax Credit for low-income workers who do not have dependent children. This strategy will bolster workers, who may in fact be helping to support children who do not live with them and who are struggling to get by on low wages.
- **SECURITY:** Policies can ensure American families have a measure of security, particularly low-income parents of young children, by providing paid family leave that helps them balance their obligations at home and in the workplace.

The 2016 Data Book will be available June 21 at 12:01 a.m. EDT at www.aecf.org. Additional information is available at <http://datacenter.kidscount.org>, which also contains the most recent national, state and local data on hundreds of indicators of child well-being. The Data Center

allows users to create rankings, maps and graphs for use in publications and on websites, and to view real-time information on mobile devices.

The Annie E. Casey Foundation creates a brighter future for the nation's children by developing solutions to strengthen families, build paths to economic opportunity and transform struggling communities into safer and healthier places to live, work and grow. For more information, visit www.aecf.org. KIDS COUNT® is a registered trademark of the Annie E. Casey Foundation.

NC Child advances public policies that improve the lives of North Carolina's children. We work statewide to ensure that all children are healthy, safe, well-educated, and economically secure by engaging communities, and informing and influencing decision-makers. Visit www.ncchild.org to learn more.

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