

Subdomain	Indicator	Description	2019 Yearbook	2020 Yearbook	2021 Yearbook	2022 Yearbook
Infant and Early Childhood Mental Health	Medicaid plan covers social-emotional screening for young children	State Medicaid plan covers social-emotional screening for young children (birth–6 years old) with a tool specifically designed for this purpose	41 states	43 states	43 states	43 states
	Medicaid plan covers IECMH services—at home ^b	Medicaid plan covers services in home settings	46 states	49 states	49 states	49 states
	Medicaid plan covers IECMH services—in medical settings ^b	Medicaid plan covers services in pediatric/family medicine practices	45 states	46 states	46 states	46 states
	Medicaid plan covers IECMH services—in ECE settings ^b	Medicaid plan covers services in early care and education program settings	34 states	34 states	34 states	34 states

- New indicator in 2022

NOTES: CHIP = Children's Health Insurance Program; ECE = early childhood education; FPL = federal poverty level; IECMH = infant and early childhood mental health; WIC = Special Supplemental Nutrition Program for Women, Infants, and Children

^a Due to changes in data reporting and/or changes to the methods for calculating this indicator, we caution against directly comparing estimates from the 2019 Yearbook and the 2020 and 2021 Yearbooks. For a more detailed discussion, see the indicators and methodological appendices.

^b The Infant Early Childhood Mental Health Medicaid Survey was completed by two additional states in the survey administration reported in the 2020 Yearbook than in the 2019 Yearbook. Therefore, increases from the 2020 Yearbook may be real or may be a result of the increase in survey coverage. No updates to the data were available for the 2021 Yearbook.

Strong Families

The economic and social impacts of COVID-19 have increased the incidence of material hardship and have deepened the need to support parents in nurturing the development of their young children. Even prior to the pandemic, many families with young children, especially those with low income, faced material hardship—and indications are that these hardships increased with the pandemic. Families have been tested, with an overall high assessment of their own resilience pre-pandemic that varied by income and race/ethnicity, and now an elevated level of emotional distress during the pandemic.

Young children develop in the context of their families, where stability, safety, and supportive relationships nurture their growth. For babies, the family is central to their well-being, starting with the unhurried time they need with their parents

to form healthy attachments. Nurturing and responsive relationships offer both immediate and long-term benefits, fostering trust, positive social-emotional development, and the capacity to form strong relationships in the future.

Indicators of well-being in this domain examine the economic and environmental contexts in which babies develop as well as the extent to which infants and toddlers experienced adverse events or maltreatment. We also present the experience of infants and toddlers involved in the child welfare system. It is important to note that no update was available from the data sources for the following child welfare indicators: removals from home and types of permanency achieved. For these indicators, we continue to report the data from the latest data set release. Policy indicators in this domain address the degree to which

families are assisted by supportive policies, such as home visiting, paid family leave, and sick time, and benefit from the financial boosts offered through the direct assistance of TANF or tax credits.


Key Findings

2022 *Yearbook* findings on most indicators in this domain indicate minimal or no improvement for the nation's babies and families on average. Similar to past findings for many indicators, babies in families with low income and babies of color disproportionately encounter challenges to family and child well-being. For example, babies in families with low income are more likely than their peers to experience **housing instability**, live in **unsafe neighborhoods**, and have at least **one ACE** during their critical first 3 years.

BASIC NEEDS SUPPORT

Families with young children face many challenges that threaten their abilities to meet their children's basic needs and provide the stable physical environments required for optimal development. Challenges such as financial instability, crowded housing, and food insecurity can jeopardize babies' development and have both immediate and long-term effects.

TANF BENEFITS RECEIPT AMONG FAMILIES IN POVERTY For families living in poverty, feeding, clothing, and housing are among the largest challenges. Yet, the latest *Yearbook* data show that **less than 1 in 5 (18.5 percent) of families who could benefit from TANF's basic cash assistance receive it**—a decrease of 3 percentage points from previous reports. Although analysis by subgroup could not be done for the *Yearbook*, ZERO TO THREE's 2021 fact sheet, [TANF at 25: Poverty Remains High Among the Nation's Babies, but Few Are Assisted](#), provides an in-depth look at barriers to receipt of TANF assistance despite the important role this program plays in the lives of babies in poverty. Many of these barriers are due to the persistent effects of historical racism and sexism in TANF and earlier economic assistance programs that contribute to lower allocation of



"If you've never experienced the frustration of having to choose between keeping your job, paying for child care, or putting food on the table, try to remember the thousands of families that are in that situation."

Allison R., Columbus, OH

●●● BABIES LIVING IN CROWDED HOUSING Figure 12



TANF funds to direct assistance in states with higher populations of Black families and other families of color.

CROWDED HOUSING Infants and toddlers are uniquely sensitive to challenges in their environments, and several can jeopardize babies' development. **Prior to COVID-19, nearly 1 in 6 babies (15.4 percent) were living in crowded housing**, homes in which numerous people live in close quarters. This finding is virtually unchanged from previous *Yearbook* reports, and it raises even greater concern in the context of the pandemic because crowding has also been associated with children's health problems, including respiratory conditions, injuries, and infectious diseases, as well as with young children's food insecurity.^{xxxii} In homes where families are crowded, parents may also have fewer opportunities to be adequately responsive to infants and toddlers and may be more likely to use punitive discipline.^{xxxiii} Subgroup data available for this indicator showed substantial differences by race/ethnicity, income, and urbanicity (see Figure 12).

Race and Ethnicity. Notably, the percentage of Hispanic infants and toddlers (27.8 percent) living in crowded housing was nearly twice the national average of 15.4 percent. The incidence of crowded housing for American Indian/Alaska Native (25.7 percent) and Asian (23.2 percent) babies was also markedly above the average, followed by Black (17.6 percent) babies and those of Other Race (16.7 percent). The rate of crowded housing for White

infants and toddlers (8.0 percent) was below and close to half the national average.

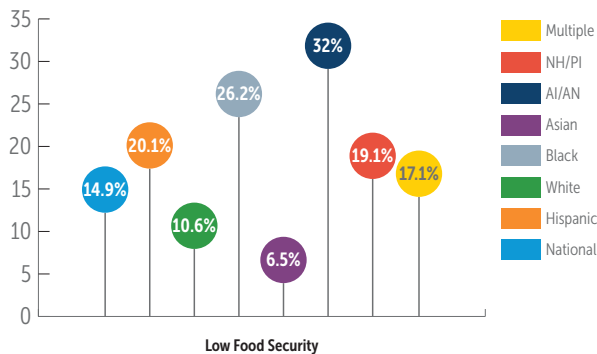
Income. Infants and toddlers living in families with low incomes (24.4 percent) were more likely to live in crowded housing than babies in families above low income (8.4 percent).

Urbanicity. Infants and toddlers living in metro areas (16.3 percent) were more likely to live in crowded housing than babies living in rural areas (12.2 percent).

LOW OR VERY LOW FOOD SECURITY As many as **1 in 7 (14.9 percent) of the nation's households with babies were experiencing food insecurity before the pandemic.** This reflects an increase from 13.7 percent reported in the 2021 edition and is an area in which the economic impacts of the pandemic have had devastating effects.

Access to healthy and nutritious food is vital during the prenatal period and first years of life to ensure that babies receive the nourishment they need for a strong start in life. A lack of sufficient nutritious food is associated with a number of serious health, behavior, and cognitive deficits in children. Children living with food insecurity have poorer health than children who are in food-secure households.^{xxxiv} For infants and toddlers, even mild levels of food insecurity may result in developmental deficits during their sensitive period of rapid brain growth,^{xxxv} and infants who experience food insecurity are more likely to perform poorly

FOOD INSECURITY BY RACE AND ETHNICITY Figure 13



on tests of cognitive development.^{xxxvi} Equally important, food insecurity is one of the strongest drivers of caregiver anxiety, depression, and stress in lower-income households.^{xxxvii}

When analyzed by race/ethnicity, the *Yearbook's* findings show stark disparities, with particularly high rates of food insecurity among American Indian/Alaska Native and Black households with babies (Figure 13). Minimal difference was found between urban and rural households with babies.

Race and Ethnicity. American Indian/Alaska Native (32.0 percent) and Black (26.2 percent) households with babies experienced food insecurity at

rates significantly higher than the national average of 14.9 percent. Hispanic (20.1 percent) and Native Hawaiian/Pacific Islander (19.1 percent) households were also above the average. White (10.6 percent) and Asian (6.5 percent) households with babies experienced food insecurity at rates below the average.

Urbanicity. At the national level¹⁰, households in urban areas with infants and toddlers (14.8 percent) experienced food insecurity at a rate similar to and only fractionally below the national average, while those in rural areas (15.8 percent) were more likely to have had food insecurity.

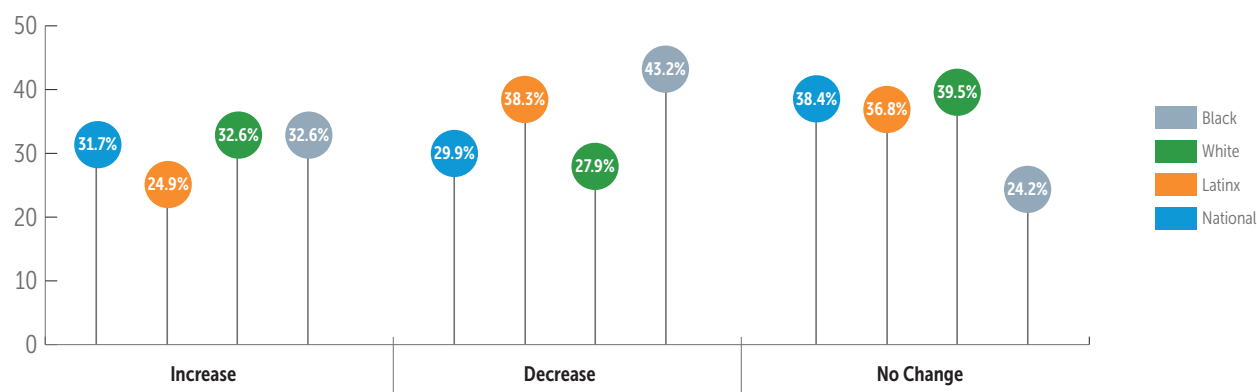
EFFECTS OF COVID-19 PANDEMIC ON BASIC NEEDS. The economic effects of COVID-19 have placed an extraordinary burden on families with young children, as caregivers struggle with job and income loss, as well as the related increases in material hardship. As the *Yearbook's* pre-pandemic data show, families with infants and toddlers who are families of color or with low income already had high levels of economic insecurity, crowded housing, and food insecurity, and they rated their mental health and resilience lower than the national averages for these indicators. The pandemic has exacerbated existing inequities and additional barriers faced in marginalized



¹⁰ Indicator was based on RAPID responses from weeks 39 through 87 of the survey. This corresponds with responses between January 5 and December 14, 2021

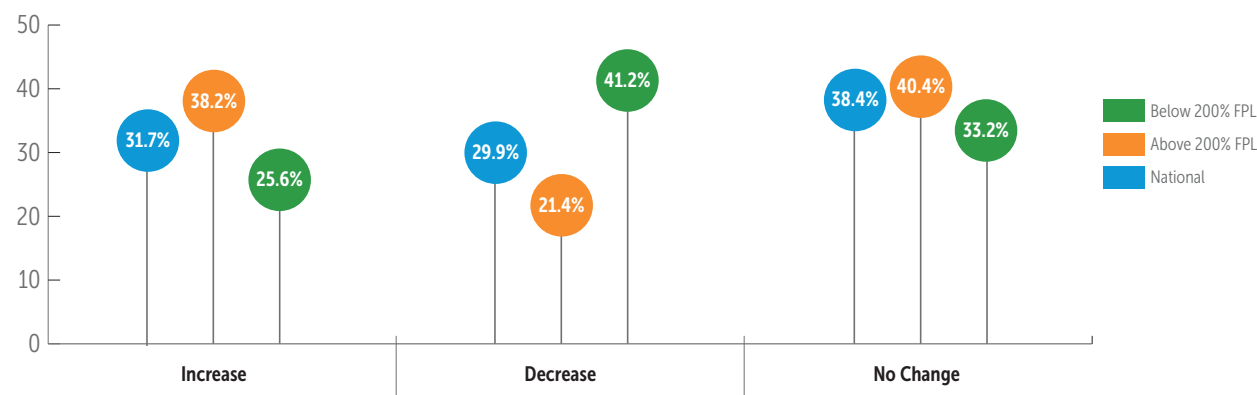
HOUSEHOLD INCOME CHANGE DURING COVID BY RACE AND ETHNICITY

Figure 14



HOUSEHOLD INCOME CHANGE DURING COVID BY INCOME LEVEL

Figure 15



NOTE: Figure data based on the full sample of 3,869 families from the RAPID-EC survey between January 5 and December 14, 2021. Changes in income were self-reported by survey respondents.

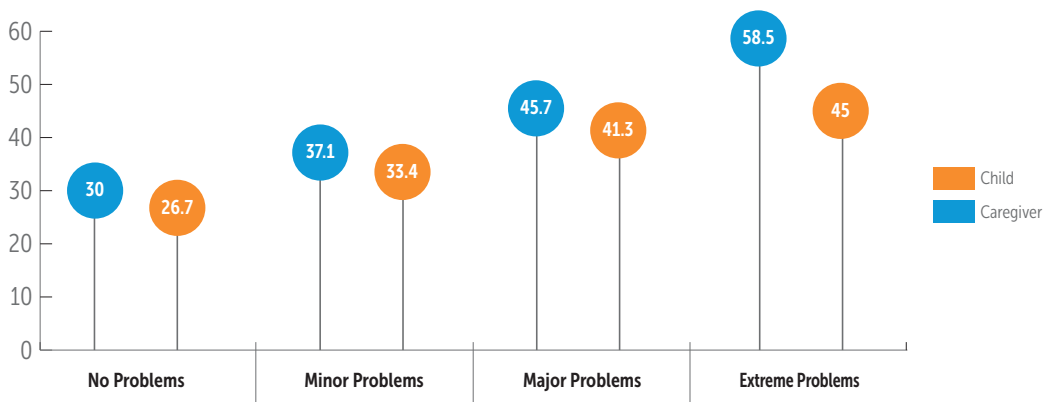
communities. The prevalence of financial and material hardship places babies and toddlers at considerable risk, as stressful early life experiences that are chronic and unrelenting can have lasting effects on brain and social-emotional development. In 2021, the RAPID project further reported that the disruptions that the pandemic continues to cast into families' lives have been particularly difficult, placing additional strain on households.^{xxxviii}

As more families began to return to work, twice as many families overall reported an increase in household income than in the first year of the pandemic (31.7 percent), compared to 15.2 percent in 2020. Similarly, fewer households with babies (29.9 percent) reported a decrease in their income since the start of the pandemic. However,

subgroup analysis of the RAPID data show that Black, Latinx, and low-income households continue to experience decreased income at high and virtually unchanged rates from the previous year (see Figures 14 and 15). These families continued to be impacted the most by financial problems, job loss, and basic needs insecurity. In addition, when experiences of material hardship for middle- and high-income households were analyzed by race and ethnicity, a similar pattern was found.

Caregiver rates of stress, anxiety, and depression have risen during the pandemic, which may be partially accounted for by difficult decisions about returning to work, putting children in child care arrangements that feel unsafe, and balancing responsibilities at home. RAPID data show a linear relationship between household level of financial

EMOTIONAL DISTRESS BY LEVEL OF FINANCIAL HARDSHIP Figure 16



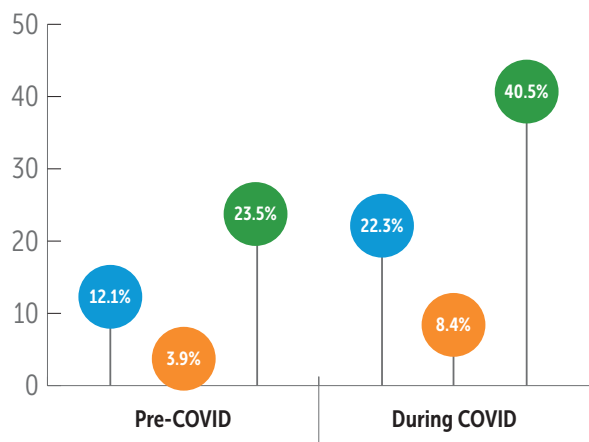
NOTE: Data on financial problems and caregiver/child distress were based on the full sample of 3,869 families from the RAPID-EC survey between January 5 and December 14, 2021. Emotional distress scores were calculated based on aggregated responses. Financial hardship was self-reported.

hardship and emotional distress, among both caregivers and babies and toddlers (See Figure 16).

RAPID findings for food insecurity both prior to and during the pandemic showed stark differences by income (see Figure 17). Nationally, more than 1 in 5 surveyed families (22.3 percent) in 2021 reported a high level of food insecurity during the pandemic, compared with 12.1 percent reporting high food insecurity prior to COVID-19.

However, the reported rates of food insecurity were nearly 6 times higher for families with low income or in poverty pre-COVID-19 (23.5 percent) than those above low income (3.9 percent). A similar pattern was found during the pandemic, with families with low income (40.5 percent) reporting food insecurity approximately 5 times higher than reported by those above low income (8.4 percent). When analyzed by race and ethnicity, the incidence of food insecurity was higher than the national rate prior to and during the pandemic among Latinx and Black families with babies, as depicted in Figure 18.

FOOD INSECURITY DURING COVID BY INCOME LEVEL Figure 17



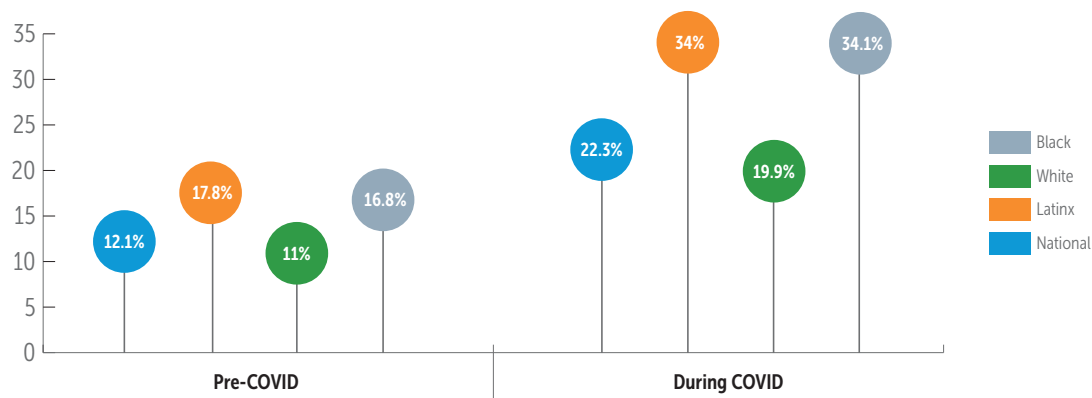
NOTE: FPL = Federal Poverty Level; High food insecurity was calculated based on the aggregated responses of survey questions relating to food insecurity. Figure data based on caregiver responses from the RAPID-EC survey between January 5 and December 14, 2021 (weeks 39 through 87 of the survey).

Below 200% FPL
Above 200% FPL
National

Although the initial CARES Act's enhanced unemployment benefits and eviction moratorium buffered early economic fallout of the pandemic, many families slipped into financial hardship when those benefits expired. As of December 2021, 61.6 percent of RAPID respondents reported that they were experiencing financial problems, and 29.3 percent reported difficulty paying for basic needs (e.g., food, housing, and utilities).^{*} In the past year, job loss and income loss began to decrease during the pandemic. Among families with young children, 29.9 percent in 2021 reported that they had experienced a decrease in income (down from 42.2 percent in the previous year),^{*} 30.5 percent experienced a decrease in employment, and 14.6 percent were unemployed, temporarily out of work, or furloughed as of December 2021.^{*}

^{*} Indicator was based on RAPID responses from weeks 39 through 87 of the survey. This corresponds with responses between January 5 and December 14, 2021.

●●● FOOD INSECURITY DURING COVID BY RACE AND ETHNICITY Figure 18



NOTE: High food insecurity was calculated based on the aggregated responses of survey questions relating to food insecurity. Figure data based on caregiver responses from the RAPID-EC survey between January 5 and December 14, 2021 (weeks 39 through 87 of the survey).

POLICY RECOMMENDATIONS AND RELATED ACTIONS

Our recommendations for improvement in Basic Needs Support include:

- Building an equitable economic base. Families need a range of policies that bolster economic security when children are young and their development is most sensitive to economic want. Families need a minimum wage of \$15 per hour and a universal child allowance—such as a permanent adoption of the enhanced, fully refundable Child Tax Credit with a higher level for young children.
- Ensuring families' ability to access and sustain safe, stable, and affordable housing. Safe and stable housing is a basic necessity for everyone and is particularly important for infants and toddlers. Babies reap particular developmental benefits from having a safe and stable place to call home. Stable housing supports family well-being and lower stress levels, setting the stage for nurturing parenting. However, many families struggle with the high cost of housing, causing them to move frequently, live in crowded housing or unsafe neighborhoods, or experience homelessness—all of which deprive young children of a stable environment needed to thrive. While the robust rental assistance funding in the ARP temporarily helped to address the risk of eviction during the

pandemic, the previously extended eviction moratorium came to an end in July 2021; federal housing assistance continues to fall short of the overall need, and the number of households with children receiving rental assistance has declined over time.

RELATED FEDERAL POLICY ACTIONS AND STATE OPPORTUNITIES

The state of food insecurity paints a worrisome picture for our nation's babies and toddlers, for whom adverse early life experiences can be detrimental to development. Nonprofit organizations, state agencies, school districts, and volunteers have mobilized across the country to meet families' nutritional needs during the pandemic, but many young children are still experiencing food insecurity, especially as many critical federal supports have lapsed. To meet the needs of families facing food insecurity, Congress worked to boost the cash value benefit for WIC, and these increases were most recently extended through the fiscal year 2022 appropriations process. Another helpful support at the federal level has been allowing states to add the value of school meals when schools are in remote learning—and, more recently, meals in early learning settings—to family SNAP benefits.

The Consolidated Appropriations Act, signed into law on December 27, 2020, and the ARP, passed March 6, 2021, have provided additional federal support for families with young children. Although

the RAPID data included in this report does not reflect financial hardship and food insecurity after December 2021, these economic supports, which included an enhanced Child Tax Credit and pandemic paid family and medical leave, took key steps in the direction of supporting families and promoting healthy development. Unfortunately, the nation has faltered in continuing these policies.

State Opportunities. States often have parallel policies that can exceed federal policy, as with the current minimum wage, or enhance federal supports, such as state EITC or CTC. They can work toward improving families' economic security in a variety of ways. While most funding for housing comes directly from the federal government, states have the opportunity to direct and target state funds in a way that can best meet the needs of households with young children. States can target funds to pregnant women, or to households with young children, to address this ongoing issue. States should ensure families with young children benefit from pandemic housing assistance.

CHILD WELL-BEING AND RESILIENCE

Adversities experienced early in life can create stress that undermines lifelong development.^{xxxix} Chronic stress experienced in early childhood, such as that caused by extreme poverty or abuse and neglect, can be toxic to the developing brain and may lead to problems with self-regulation, lags in cognitive and social-emotional development, and chronic health problems in adulthood. However, caring relationships with trusted caregivers can buffer babies' exposure to adverse events and mitigate long-term negative effects. In this regard, the nation's families with young children continued to demonstrate strength in facing the substantial challenges that existed prior to COVID-19, but reported lower levels of resilience. Similarly, as reported earlier in the Good Health section, parents responding to the RAPID survey continued to report increased levels of emotional distress due to the additional impacts of the pandemic, which in turn leads to higher levels of child distress.



FAMILY RESILIENCE Nationally, **84.9 percent of families with infants and toddlers report resilience**—the capacity when faced with a problem to talk together about what to do, work together to solve their problems, know they have strengths to draw on, and stay hopeful even in difficult times. This is relatively unchanged from the previous *Yearbook* finding of 85.3 percent. However, analyses by race/ethnicity and income do reveal differences in these subgroups.

How families cope with challenges can make a difference in their babies' overall well-being. Children who learn that families can solve problems together, participate in decision-making, and reduce conflict gain valuable skills related to planning, communicating, managing emotions, and optimism that can improve their chances of being resilient when encountering their own challenges.^{xl}

Race and Ethnicity. The percentage of White families with babies (88.5 percent) reporting "family resilience" was higher than the national average, while the percentages for Hispanic (81.5 percent), Asian (80.3 percent), and Black (78.0 percent) families were lower than the national average.

Income. Babies living in families above low income (88.3 percent) have a higher percentage of families that report “family resilience” compared to the national average, while babies living in families with low incomes (79.9 percent) have a lower percentage than the national average.

TWO OR MORE ACEs One in 5 babies (19.6 percent) nationally has already had at least one ACE and nearly 1 in 12 (7.3 percent) has experienced two or more ACEs. Each of these findings are similar to previous reports and show differences when analyzed by race/ethnicity and income.

Exposure to stressful events can interfere with the normal development of the body’s neurological, endocrine, and immune systems, leading to increased susceptibility to disease. Because their brains are developing rapidly, infants and toddlers are especially vulnerable to ACEs, and the damage may be long-lasting.^{xii} Estimates of ACEs in the *State of Babies Yearbook* are based on the National Survey of Children’s Health items that asked parents to indicate whether their child had ever experienced one or more of the following: economic hardship, divorce/separation of parent, death of a parent, a parent who served time in jail, witness to domestic violence, victim of or witness to neighborhood violence, lived with someone who was mentally ill or suicidal, lived with someone with an alcohol/drug problem, or was treated or judged unfairly because of race/ethnicity.

Race and Ethnicity. Among those groups for whom data are available, the incidence of Black

babies (11.8 percent) who experienced two or more ACEs is markedly higher than the national average; the incidence is also above the average for Hispanic (8.5 percent) babies. The number of White babies (5.8 percent) who experienced two or more ACEs was below the average, and among Asian babies (0.8 percent) the incidence was significantly lower.

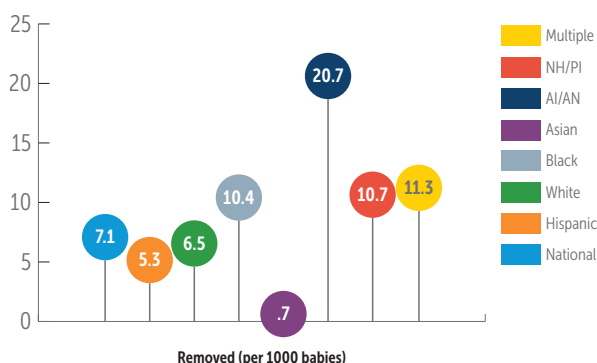
Income. Infants and toddlers in families with low income (12.7 percent) were significantly more likely than those in families above low income (3.6 percent) to have experienced two or more ACEs, with a rate nearly 4 times higher.

REMOVED FROM HOME Nationally, 7.1 babies per 1,000 were removed from their homes and placed in foster care,¹¹ and concerning disparities exist in rates of removal when examined by race/ethnicity (see Figure 19).

Unstable conditions at home can cause infants and toddlers to be placed out of home in foster care. Placement in foster care means a sudden disruption in caregiving, further jeopardizing a very young child’s well-being. In losing their primary caregiver, a baby experiences profound loss and fear that can overwhelm their ability to cope. This traumatic stress, in turn, can negatively impact the developing brain and babies’ future development and learning. Although child welfare systems should be responsive to the needs of very young children in their policies and practices, they seldom are,^{xiii} which makes it particularly important to examine the extent to which policies and practices contribute to disproportional rates of removal found by race and ethnicity.

Race and Ethnicity. The number of American Indian/Alaska Native (20.7 per 1,000) infants and toddlers removed from home is strikingly 3 times the national average of 7.1; removal rates are also above average for Multiple Race (11.3), Native Hawaiian/Pacific Islander (10.7), and Black (10.4) infants and toddlers. The removal rates of White (6.5), Hispanic (5.3) and Asian (0.7) infants and toddlers were lower than the national average.

BABIES REMOVED FROM HOME BY RACE AND ETHNICITY Figure 19



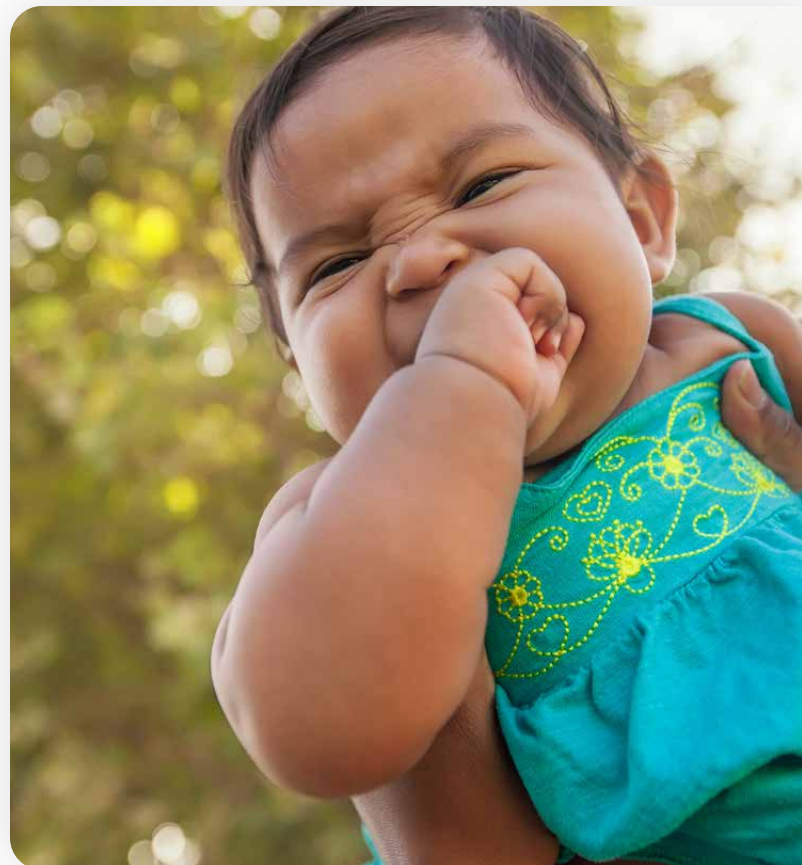
¹¹ Updated data for the 2022 *Yearbook* were not available for this indicator.

POLICY RECOMMENDATIONS AND RELATED ACTIONS Our recommendations for improvement in Child Well-Being and Resilience include:

- **Creating communities that reinforce family strengths.** Create a robust new funding stream to help communities design strategies and implement services and supports to address the social determinants of health, giving every family a place to turn for support as they nurture their young children's development. Such support helps families form protective factors that buffer babies and young children from intolerable stresses that can derail their development. Our nation spends billions separating families and placing children in foster care, perpetuating institutionalized racism and inequities, while investing almost nothing in prevention. It is time to create a continuum of parent and family support services.
- **Transforming child welfare into a family-focused, trauma-informed "child well-being system."** Transforming the child welfare system by applying the science of early childhood development and adopting trauma-responsive and healing-centered policies and practices can help courts and communities keep families intact and thriving. The Strengthening America's Families Act (SAFA) would build on promising work by states and judicially led community teams that are spreading across the country, instilling equity in family support and outcomes. SAFA also creates a framework for effectively implementing preventive services under the Family First Prevention Services Act.

RELATED FEDERAL POLICY ACTIONS AND STATE OPPORTUNITIES Few federal programs focus on creating or building systems for family strengthening or prevention. The impetus for such approaches often comes from the child welfare perspective, to prevent needless child welfare involvement, rather than from a starting point that many families could use support in nurturing their children's development and in meeting family needs.

Several federal opportunities could provide avenues to building community approaches. Reauthorization of the Child Abuse Prevention and Treatment Act provides an opportunity to revise the Community-Based Child Abuse Prevention (CBCAP) grants to address systems building for family strengthening. Both the House and Senate bills would adopt this approach. More robust appropriations would be needed to have a significant impact, although the appropriators have recognized the promise of community-based approaches with increases in the CBCAP funds as well as ARP funding. Reauthorization of the child welfare programs in Title IV-B of the Social Security Act also provide an opportunity to rethink a continuum of services for families, from prevention to child welfare, using principles of orienting decisions around child development and addressing parents' needs, including past trauma. Individual approaches that could be part of a community systems approach to support families also can be funded with federal dollars. The Maternal, Infant, and Early Childhood Home Visiting program



must be reauthorized this year, with a need to increase its stagnant funding level. Placing child development specialists in primary care—the place where almost all babies are seen—received a tiny toehold in federal funding through the FY 2022 Omnibus Appropriations Act.

State Opportunity. Although federal funding for flexible, comprehensive support for families is limited, states can work to pool funds, draw down funds for sources such as Medicaid, or use Family First Prevention Services Act funds to build a community infrastructure that reaches all families with support that will be welcomed. States can use current CBCAP funds, including ARP funding, to expand approaches such as Family Resource Centers or lay the groundwork for family strengthening systems-building.




SUPPORTIVE POLICIES

In addition to the benefits babies derive from the unhurried, dedicated time with their parents that is required to form healthy attachments, parents benefit from family–friend employer policies that allow them time to nurture and care for their children. Economic supports in the form of direct assistance, such as WIC and TANF benefits, and tax credits are particularly critical for families with young children and directly contribute to lifting families out of poverty.

Paid leave. Comprehensive paid family and medical leave promotes bonding between parents and babies, and it enables workers to care for their own and family members' extended health needs. Paid sick days allow all workers to earn time to address short-term care needs for themselves or their ill child or family member, and to obtain preventive care.

PAID FAMILY LEAVE At the time of the 2022 *Yearbook*, **only 10 states had enacted paid family medical leave.** The number of states is unchanged from the previous *Yearbook*.

PAID SICK TIME THAT COVERS CARE FOR



“My family and so many others deserve a chance. An extended, expanded Child Tax Credit would ensure support with day care, food, mortgage, etc., not to mention our mental health. With so much uncertainty, knowing our government recognizes that families are doing our best, but that economic security is hard to come by, makes it a whole lot better.”

Pasqueal N., New Orleans, LA

CHILD Only **14 states require employers to provide paid sick days that cover care for a child.** This represents an increase of two states since the previous *Yearbook*.

Economic and tax supports. Improving the economic status of young children is associated with improvement in their immediate well-being as well as the benefits of better health, education, employment, and earnings as adults.^{xliii} TANF work exemption and CTC and EITC tax credits reflect the extent to which states support families with young children through employment and tax policies.

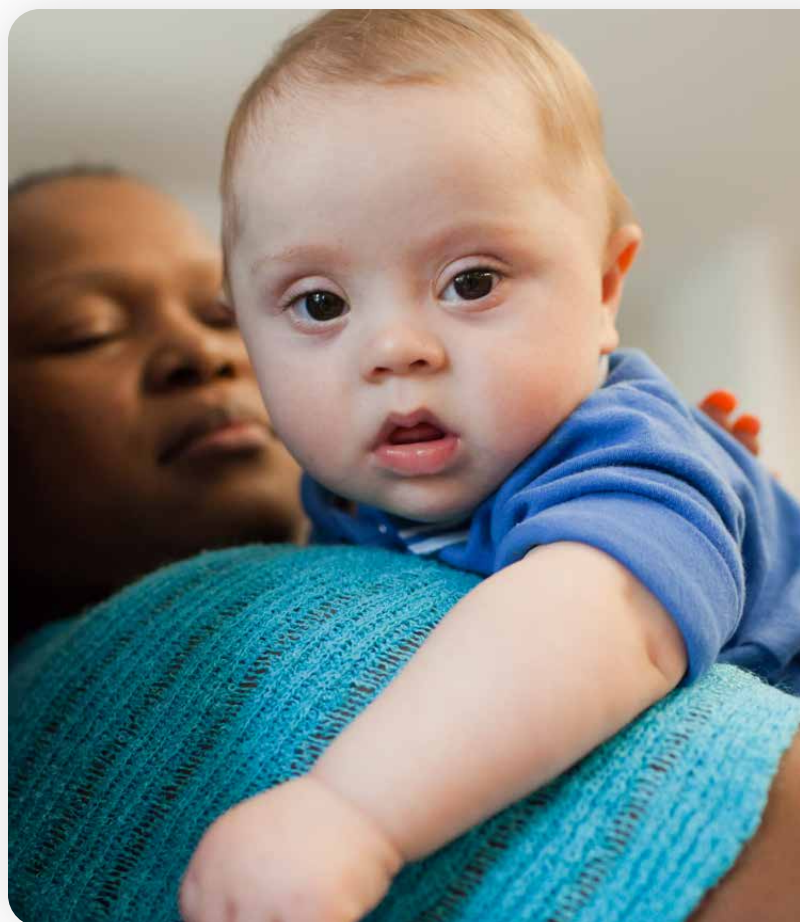
TANF WORK EXEMPTION Less than one-half of states (24) exempt a single-parent head of household from work-related activity if caring for a child under 12 months old, which is unchanged from previous years' reports.

STATE CHILD TAX CREDIT At the time of the *Yearbook*, only **6 states had offered a CTC.** This was unchanged from previous years' reports.

STATE EARNED INCOME TAX CREDIT More than one-half of states (31) offer an EITC, only one more state than in the previous report.

POLICY RECOMMENDATIONS AND RELATED ACTIONS Our recommendations for improvement in Supportive Policies include:

- **Enacting comprehensive national paid leave policies.** Comprehensive paid family and medical leave, such as proposed in the FAMILY Act, promotes bonding between parents and babies and enables workers to care for their own and family members' extended health needs. Paid sick days, such as proposed in the Healthy Families Act, allows all workers to earn time to address short-term care needs for themselves or their ill child or family member, and to obtain preventive care.
- **Reinstating fully refundable, monthly, expanded CTC payments made in 2021 through the ARP.** The effect of the CTC was



to put money into the pockets of families, preventing 3.7 million children from entering poverty, as last estimated by the Columbia University Center on Poverty and Social Policy.^{xliv} CTC funds were used by families with low income to meet household expenses (e.g., food, rent, and other basic needs).

RELATED FEDERAL POLICY ACTIONS AND STATE OPPORTUNITIES The House-passed Build Back Better Act included a 1-year extension of the expanded monthly CTC benefits that were included in the ARP. In addition, the legislation, which has stalled in the Senate, would make the CTC fully refundable moving forward, ensuring the most overburdened and under-resourced families could continue to benefit. The bill also included up to four weeks of paid family and medical leave for the vast majority of American workers. This legislation has, however, met a roadblock in the Senate.

State Opportunity. In the absence of national paid leave policies, some states have moved ahead with their own initiatives. States can continue this progress, working to enact policies or improve those they already have. If national policies are enacted, states can work to provide enhanced benefits to families.

State Spotlight

Connecticut Becomes the First State to Pass Baby Bonds

Connecticut made history as the first state in the nation to pass Baby Bonds legislation. Beginning July 1, 2021, the state legislature authorized an investment of up to \$3,200 in a trust managed by the Office of the Treasurer for any baby whose birth is covered by the state Medicaid program, HUSKY. Eligible young people between 18 and 30 years old who are Connecticut residents and complete a financial literacy course can make a claim for their share of the CT Baby Bond Trust, which can be used for one of four wealth-building activities: home ownership in CT, investment in a small business in CT, post-secondary education, or retirement. The investment will have a great impact on families with young children in the state. One analysis suggests that child development accounts increase educational attainment by making those children more likely to think of themselves as one day going to college while also making their families more financially prepared for college tuition.^{xlv}

Connecticut might be home to the highest annual income per capita in the country but it also has one of the highest rates of income inequality and stark racial wealth gap disparities, especially among families with babies and toddlers. This landmark legislation will work toward alleviating the wealth gap in the state and addressing generational poverty and racial inequities. Experts in the state have noted that this is not a stopgap fix to eradicate poverty in the state, but rather is one, very important solution needed in the toolkit.

The District of Columbia quickly followed suit and unanimously approved their own version of Baby Bonds legislation in October 2021 that will put up to \$1,000 a year into trust funds for any child born in the District to a family enrolled in Medicaid and making less than 300 percent of the federal poverty line. Families living at or under the poverty line will receive an initial \$500 deposit in their account, followed by annual deposits capped at \$1,000.

An opportunity to expand Baby Bonds federally exists—in February 2021, Senator Cory Booker (D-NJ) and Representative Ayanna Pressley (D-MA-7) reintroduced the American Opportunity Accounts Act, which would enact Baby Bonds nationwide for qualifying families in poverty. According to a study by Columbia University, the legislation would considerably narrow wealth inequalities by race while alleviating the concentration of wealth at the top.^{xlvi}

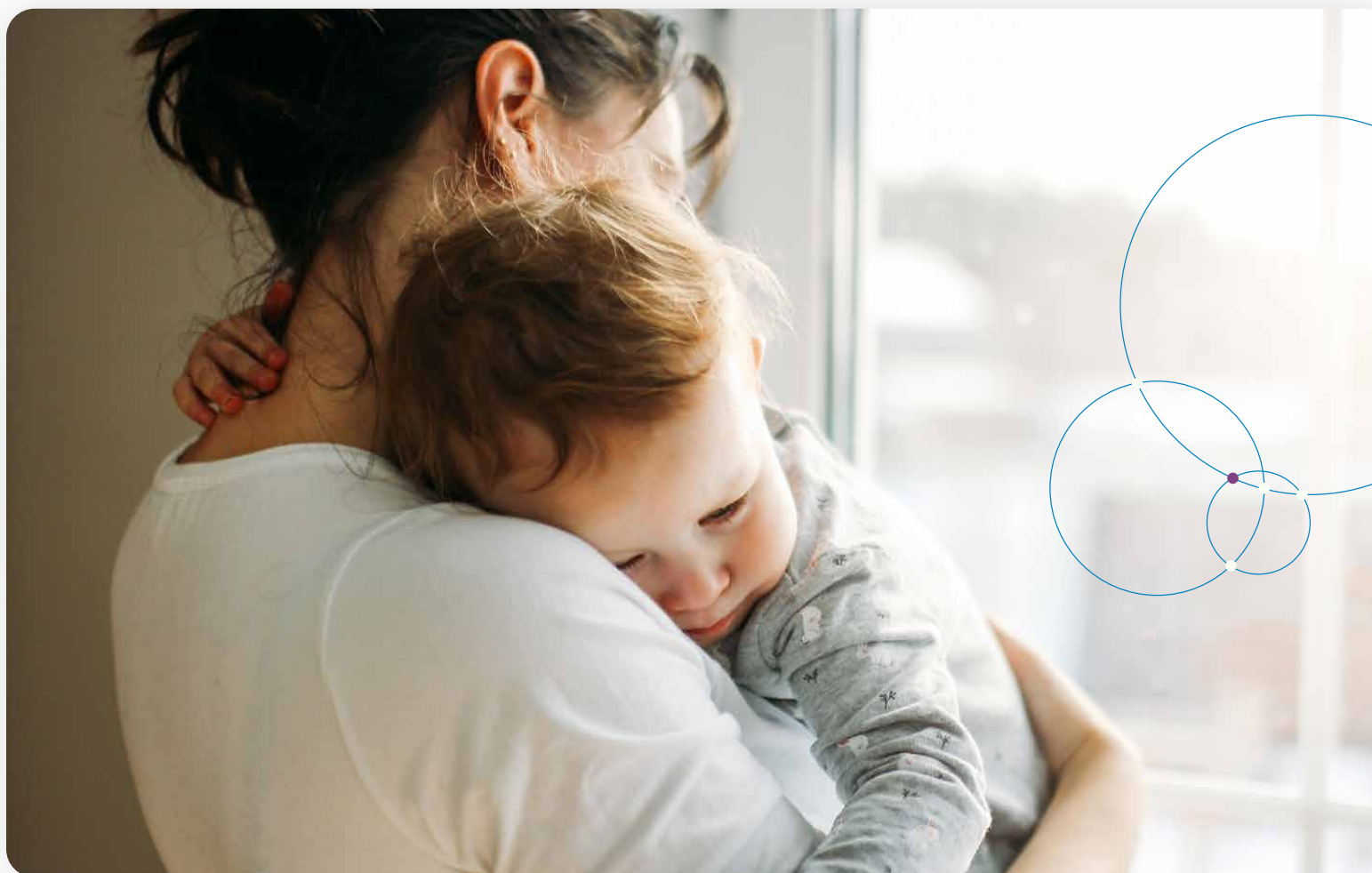
For more information about Connecticut’s Baby Bonds legislation, visit [here](#).



Strong Families – Summary of All Indicators Table 5.



Subdomain	Indicator	Description	2019 Yearbook	2020 Yearbook	2021 Yearbook	2022 Yearbook
Basic Needs Support	TANF benefits receipt among families in poverty ^a	Percentage of families with infants/toddlers living below 100% of the FPL that receive TANF benefits	20.6%	21.7%	21.7%	18.5%
	Low or very low food security	Percentage of households with infants/toddlers experiencing low or very low food security	16.5%	15.9%	13.7%	14.9%
	Housing instability ^a	Percentage of infants/toddlers who have moved three or more times since birth	2.5%	2.7%	2.6%	2.9%
	Crowded housing	Percentage of infants/toddlers who live in crowded housing	15.6%	15.5%	15.5%	15.4%
	Unsafe neighborhoods ^a	Percentage of infants/toddlers living in unsafe neighborhoods, as reported by parents	6.3%	5.8%	4.9%	5.2%



Subdomain	Indicator	Description	2019 Yearbook	2020 Yearbook	2021 Yearbook	2022 Yearbook
Child Welfare	Family resilience ^a	Percentage of families with infants/toddlers who report “family resilience”	82.6%	85.2%	85.3%	84.9%
	ACEs—1 ^a	Percentage of infants/toddlers who have experienced one adverse childhood experience	21.9%	22.4%	20.7%	19.6%
	ACEs—2 or more ^a	Percentage of infants/toddlers who have experienced two or more adverse childhood experiences	8.3%	8.6%	7.7%	7.3%
	Infant/toddler maltreatment rate ^{a,b}	Maltreatment rate per 1,000 infants/toddlers	16.0	15.9	16.4	15.9
	Removed from home	Number per 1,000 infants and toddlers who have been removed from home and placed in foster care			7.1	7.1
	Time in out-of-home placement	Percentage of infants/toddlers who exited foster care in less than 12 months	--	20.2%	18.7%	18.7%
	Permanency – Adopted	Percentage of infants/toddlers exiting foster care who are adopted	--	--	34.6%	34.6%
	Permanency – Reunified	Percentage of infants/toddlers exiting foster care who are reunified			48.1%	48.1%
	Permanency – Guardian	Percentage of infants/toddlers exiting foster care who are placed with a guardian			8.3%	8.3%
	Permanency – Relative	Percentage of infants/toddlers exiting foster care who are placed with a relative			7.8%	7.8%
Home Visiting	Potential home visiting beneficiaries served	Percent of infants/toddlers who could benefit from evidence-based home visiting and are receiving those services	1.9%	1.9%	2.0%	2.1%
Supportive Policies	Paid sick time that covers care for child	State requires employers to provide paid sick days that cover care for child	11 states	11 states	12 states	14 states
	Paid family leave	State has a paid family leave program	7 states	9 states	10 states	10 states
	TANF work exemption	Single-parent head of unit is exempt from work-related activity if caring for a child under 12 months old	--	24 states (11 of which exempt for a single child only)	24 states (11 of which exempt for a single child only)	24 states (11 of which exempt for a single child only)
	State Child Tax Credit (CTC)	State has a Child Tax Credit	--	6 states	6 states	6 states
	State earned income tax credit (EITC)	State has an earned income tax credit	--	30 states	30 states	31 states

NOTES: ACE = adverse childhood experience; CTC = Child Tax Credit; EITC = earned income tax credit; TANF = Temporary Assistance to Needy Families

^a Due to changes in data reporting and/or changes to the methods for calculating this indicator, we caution against directly comparing estimates from the 2019 *Yearbook* with the 2020 and 2021 *Yearbooks*. For a more detailed discussion, see the indicators and methodological appendices.

^b This indicator appears in the *State of Babies Yearbook* domain tables only because of concerns about its data quality (see Appendix C for more information). As of the 2022 edition, it is no longer included in the rankings.