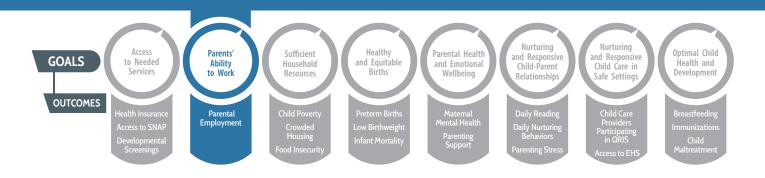


Excerpt from the 2020 Prenatal-to-3 State Policy Roadmap



## PARENTS' ABILITY TO WORK

Parents have the skills and incentives for employment and the resources they need to balance working and parenting.



# WHY IS PARENTS' ABILITY TO WORK AN IMPORTANT PRENATAL-TO-3 GOAL?

Irregular and unpredictable work schedules, lack of affordable child care, and limited access to paid time off can compromise a parent's ability to maintain stable employment and earn enough income to adequately provide for a family. According to data from the National Survey of Children's Heath, nearly 1 in 10 parents of young children report having to quit, decline, or substantially change a job due to problems with child care.<sup>1</sup> For young children in families for whom job instability creates financial hardship, the associated stress on parents can compromise children's physical and mental health, cognitive development, educational achievement, emotional wellbeing, and social adjustment later in life.<sup>23,4</sup>

Black and Hispanic children are more likely than their peers to experience early challenges associated with job instability. Prior to the collapse of the economy and child care market brought on by the COVID-19 pandemic, unemployment was higher among Black (7.9%) and Hispanic (5.4%) families than among White (4.5%) and Asian (4.1%) families.<sup>5</sup> The economic downturn appears to be perpetuating these disparities. June 2020 data from the US Bureau of Labor Statistics show that unemployment rates among Black (15.4%) and Hispanic or Latino (14.5%) adults remain higher than those among White (10.1%) adults.<sup>6</sup>

For families with young children, our comprehensive reviews of rigorous research show that states have considerable leverage through paid sick leave policies, earned income tax credits, and child care subsidies—to remove obstacles to employment and help alleviate the tensions parents experience between working and caregiving. Next is a closer look at these and other solutions states can employ in pursuit of this goal. We also provide information on the percentage of infants and toddlers whose parents have not worked full time within the prior year and how this percentage varies across states. States can use this outcome to measure their progress toward supporting parents' ability to work.

# HOW ARE STATES CURRENTLY MEETING THIS PRENATAL-TO-3 GOAL?

We rely on one outcome measure, parents' employment security, to illustrate parents' ability to find and maintain steady employment while also raising a family. Secure employment varies considerably across states, as well as by race and ethnicity.

### Parents' Ability to Work Outcome Measure

### **Insecure Parental Employment**

% of children under age 3 living in a family in which NO parent has regular, full-time employment Median state value: 26.2%

Employment security was calculated intentionally in the negative direction to demonstrate where states have room for improvement and to help states prioritize the PN-3 policy goals that are lagging. Out of 51 states, the worst state ranks 51<sup>st</sup>, and the best state ranks first. The median state indicates that half of states have outcomes that measure better than that state, whereas half of states have outcomes that are worse.





### **IMPACT OF COVID-19**

The data presented here predate the COVID-19 pandemic, and it is highly likely that the outcomes for infants, toddlers, and their parents have worsened substantially due to the collapse of the economy and the unprecedented strains on our child care, health care, and social service systems. The health crisis has disproportionately had a negative impact on families of color, exacerbating the racial and ethnic inequities in the wellbeing of infants and toddlers and their parents.

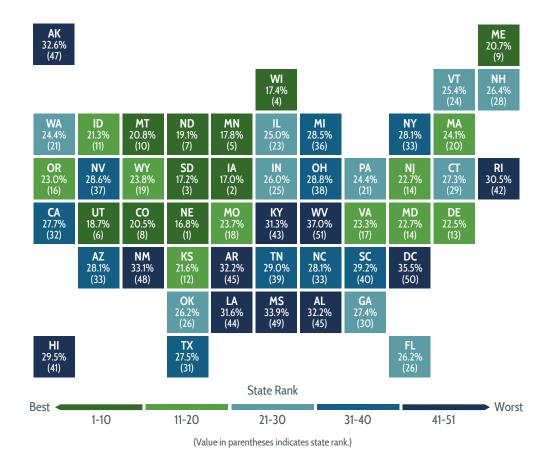
### OUTCOME

## **Insecure Parental Employment**

% of children under age 3 living in a family in which NO parent has regular, full-time employment

Approximately 26% of children under age 3 have no parent who works full time throughout the entire year, leaving these families economically vulnerable. Children living in the five worst states are twice as likely not to have a full-time working parent as children living in the five best states, and Black children are more than twice as likely as White children to have a parent who does not work full time. Hispanic children have rates that are somewhat worse than the US average.

<b>5 BEST STATES</b>			<b>5 WORST STATES</b>				
Rank	State	% Children Under Age 3 With No Full-Time Working Parent	Rank	State	% Children Under Age 3 With No Full-Time Working Parent	I	BY RACE & ETHNICITY N THE US
1	NE	16.8%	51	WV	37.0%	White	19.5%
2	IA	17.0%	50	DC	35.5%	Other US Average	25.9%
3	SD	17.2%	49	MS	33.9%	Hispanic	30.6%
4	WI	17.4%	48	NM	33.1%	Black	44.2%
5	MN	17.8%	47	AK	32.6%		



Source: 2018 American Community Survey (ACS) 1-Year Public Use Microdata Sample (PUMS). For additional information, please refer to the Methods and Sources section of pn3policy.org.

## WHAT ARE THE MOST EFFECTIVE POLICIES AND STRATEGIES TO IMPACT PARENTS' ABILITY TO WORK?



Examples of the impacts that each effective policy and strategy has on increasing **Parents' Ability to Work** are summarized on the next page.



Two policies and one strategy impact this goal:



## What Is the Difference Between Policies and Strategies?

Effective policies have a demonstrated positive impact on at least one prenatal-to-3 goal, and the research provides clear guidance on legislative or regulatory action that states can take to adopt and implement the policy.

By contrast, **effective strategies** have demonstrated positive impacts on prenatal-to-3 outcomes, but the research does not provide clear guidance to states on how to effectively implement the program or strategy at scale.



More extensive information on the details and impacts of each policy and strategy, and states' progress toward implementing them, can be found in the Prenatal-to-3 Policy Clearinghouse at pn3policy.org.

## **Examples of Impact**

Effective state policies and strategies to impact Parents' Ability to Work

EFFECTIVE POLICIES						
Paid Family Leave	<ul> <li>Access to paid family leave led to a 5 to 8 percentage point increase in maternal labor force participation in the months surrounding birth (D)</li> <li>Access to paid family leave led to 7.1 more weeks worked by mothers in the second year of a child's life (B)</li> <li>Access to paid family leave led to a 13% increase in the likelihood of returning to prebirth employer in year following birth (B)</li> <li>Access to paid family leave led to a 12.9 to 18.3 percentage point increase in the probability of mothers working 1 year following birth (B)</li> </ul>					
State Earned Income Tax Credit	<ul> <li>A 10% state EITC supplement increased employment among single mothers by 2.1 percentage points compared to single women with no children (GG)</li> <li>Living in a state with an EITC boosted the likelihood of mothers' employment (for at least one week per year) by 19% (B)</li> <li>A \$100 increase in the maximum federal and state credits reduced annual labor force exit among single women by 2.5 percentage points (U)</li> </ul>					

EFFECTIVE STRATEGIES						
Child Care Subsidies	<ul> <li>A 10% increase in Child Care and Development Fund (CCDF) subsidy expenditures led to a 0.7% increase in mothers' employment rate (A)</li> </ul>					
	<ul> <li>A \$1,000 increase in state subsidy spending per low-income child led to a 3 to 4 percentage point increase in the likelihood of maternal employment (D)</li> </ul>					
	<ul> <li>Subsidy receipt predicted a 13 percentage point increase in the likelihood that mothers would increase their education level (C)</li> </ul>					

Note: The letters in parentheses in the table above correspond to the findings from strong causal studies included in the comprehensive evidence reviews of the policies and strategies. Each strong causal study reviewed has been assigned a letter. A complete list of causal studies can be found in the Prenatal-to-3 Clearinghouse at pn3policy.org. Comprehensive evidence reviews of each policy and strategy, as well as more details about our standards of evidence and review method, can also be found at pn3policy.org.

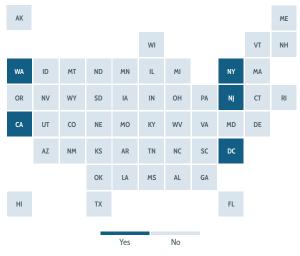
## **Policy Variation Across States**

Have states adopted and fully implemented the effective policies to impact **Parents' Ability to** Work?

#### **EFFECTIVE POLICIES**

#### Paid Family Leave

5 states have adopted and fully implemented a paid family leave program of a minimum of 6 weeks following the birth, adoption, or the placement of a child into foster care.



Sources: As of October 1, 2020. State statutes and legislation on paid family leave.

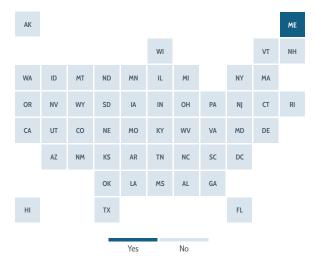
## **Strategy Variation Across States**

Have states made substantial progress relative to other states toward implementing the effective strategies to impact **Parents' Ability to Work**?

#### **EFFECTIVE STRATEGIES**

#### **Child Care Subsidies**

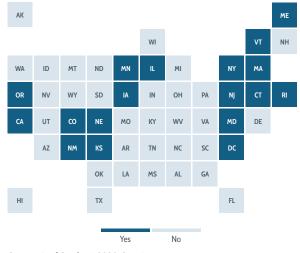
1 state's base reimbursement rates (for infants and toddlers in center-based care and family child care) meet the federally recommended 75th percentile using a recent market rate survey.



Sources: As of July, 12020. State children and families' department websites and state market rate surveys.

### State Earned Income Tax Credit

18 states have adopted and fully implemented a refundable EITC of at least 10% of the federal EITC for all eligible families with any children under age 3.



Sources: As of October 1, 2020. State income tax statutes.

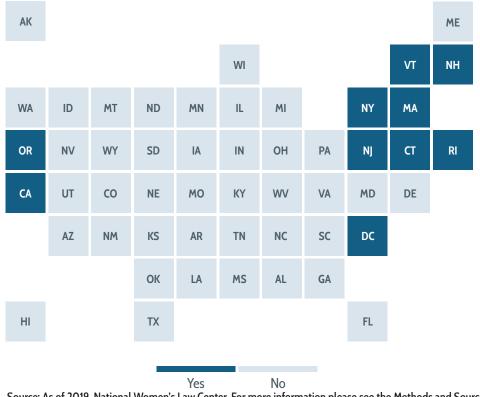
Note: Some states in the "no" category for Policy Variation Across States have adopted a policy, but they have not fully implemented it, or they do not provide the level of benefit, indicated by the evidence reviews, necessary to impact the PN-3 goal. Many states in the "no" category for Strategy Variation Across States have implemented aspects of the effective strategies, but states are assessed relative to one another on making substantial progress. For additional information see <u>pn3policy.org</u>.

# WHAT OTHER SOLUTIONS ARE STATES PURSUING THAT CAN HELP BUILD THE EVIDENCE BASE?

Beyond the policies and strategies proven effective by the current research, states also are pursuing other approaches that hold promise for improving parents' ability to work; these approaches have yet to accumulate enough rigorous research to draw conclusions on their effectiveness.

**Fair work scheduling:** Erratic, unpredictable work schedules create unique problems for workers and their families, making it difficult to secure reliable, quality child care.<sup>7</sup> Unpredictable schedules also can compromise financial stability, diminish parents' physical and mental wellbeing, reduce the amount of time spent with children, and increase the likelihood that children will have behavioral problems.<sup>8</sup> Research suggests that families of color are most likely to face these challenges, because Black and Hispanic workers— especially women—are more likely to have erratic work schedules than their White peers.<sup>9</sup>

In response to a growing understanding of how scheduling issues affect hourly employees with low incomes, states (as well as municipalities and companies) have begun to develop practices, known as fair work scheduling policies, that improve schedule predictability and address related issues, such as adequacy of hours, compensation, and opportunities for employee input. Ten states have implemented policies related to scheduling predictability or employee input (see map below), but policies related to adequacy of hours and compensation have been implemented only at the local level, in six major cities in California, New York, and Washington. The details of these policies, including who is eligible for coverage and what types of protections are guaranteed, vary widely at both the state and local levels.<sup>10</sup>



## Ten States Have Implemented Fair Work Scheduling Policies

Source: As of 2019. National Women's Law Center. For more information please see the Methods and Sources section of <u>pn3policy.org</u>.

The limited body of research on these policies is insufficient for drawing conclusions about state-level policy effectiveness for improving outcomes, particularly among families and children in the prenatal-to-3 period. Corporate case studies<sup>11</sup> and ongoing local evaluations<sup>12</sup> indicate that fair work scheduling policies may be effective in stabilizing schedules, but research on the impacts of these policies on parent and child outcomes is not yet available. Emerging research from initiatives like the Shift Project—which collects data on scheduling practices and worker wellbeing at large retail firms—will be critical to ongoing efforts to understand how work policies affect families and young children. Similarly, research on recent statewide fair scheduling policies will be key to understanding how states might best support policies that remove obstacles to stable employment and ease the conflicting demands of working and parenting.

Two-generation programs for parental employment: Two-generation programs for parental employment are services and programs that serve both children and their parents at the same time, aiming to empower parents to secure and retain gainful employment while providing children with support needed for successful early development. Such programs maximize the benefit to families by ensuring parents are able to access employment training and other support services without sacrificing quality care for their children. By helping parents find and retain employment, this approach helps to ensure that parents have the resources to foster a safe and healthy environment for their children's development.

Current state efforts to support this approach include development of agency partnerships to link child- and parent-serving programs; establishment of statewide pilot programs; dedication of full-time staff positions to two-generation programming; and the creation, through legislation, of state commissions to develop recommendations on two-generation policies. Support for two-generation employment programs also is emerging at the local level. Approaches to strategy and content vary considerably across these efforts, as well as from state to state.<sup>13,14</sup>

The current body of research on two-generation employment programs is insufficient for drawing conclusions about program effectiveness, particularly at the state level. Current findings from the limited body of evidence are mixed, likely due to wide variation in the types of programming evaluated, as well as low and inconsistent study participation.<sup>15,16,17,18</sup> Future research should explore the mechanisms through which two-generation programs can successfully support families of young children, as well as how states can best support these programs.

k

Search the new Prenatal-to-3 Policy Clearinghouse for an ongoing inventory of rigorous evidence reviews at pn3policy.org/clearinghouse.

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Complete 2020 Prenatal-to-3 State Policy Roadmap, state profiles, and data interactives are available at pn3policy.org/roadmap.



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