



# 2023 Prenatal-to-3 State Policy Roadmap

## SNAPSHOT

December 2023

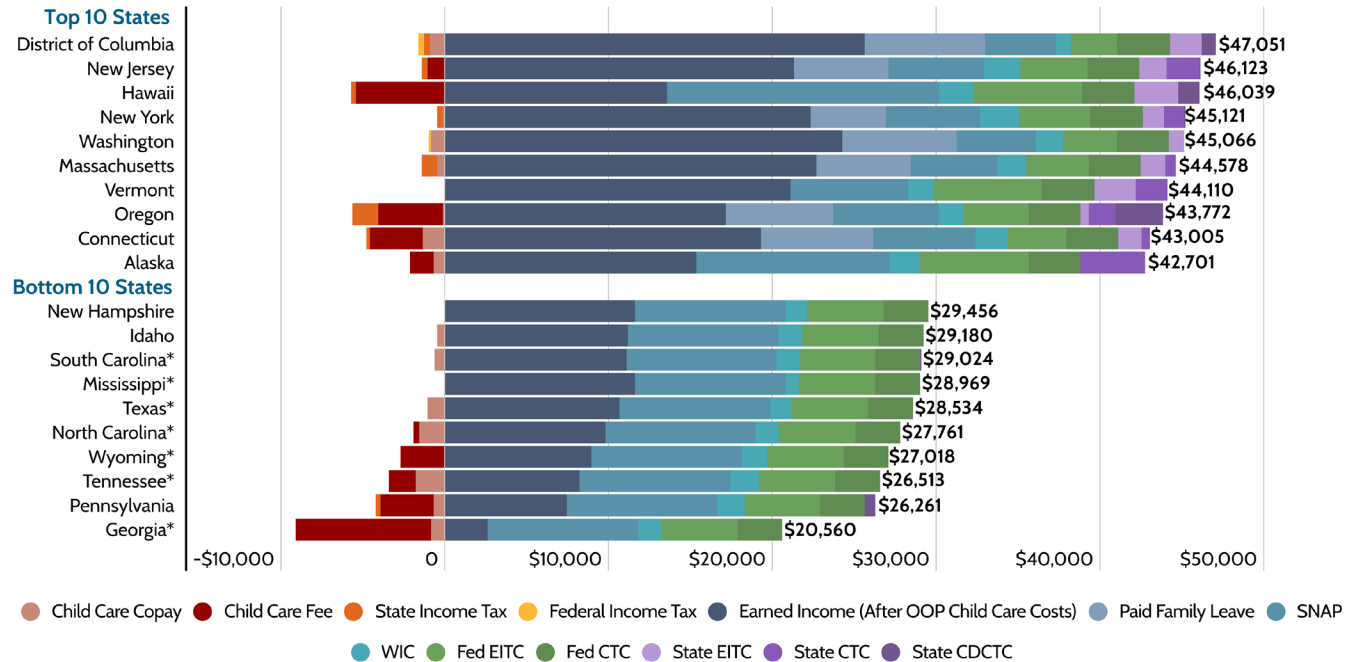
### 2023 Roadmap Snapshot: Policy Impact Calculator

The [Policy Impact Calculator](#) brings the Prenatal-to-3 State Policy Roadmap to life by illustrating how state policies interact to impact the level of resources for a family of three, consisting of a single parent working full time in a minimum wage job with an infant and toddler. Our calculations consider the financial impact of the seven state and five federal policies included in the simulation, arriving at a total amount of resources that are left for a family to meet their basic needs. The simulation includes the most generous components of our national and state social infrastructure.

The Policy Impact Calculator provides a clear illustration of the substantial variation across states in available resources as a result of states' policy choices for minimum-wage earning families during the critical prenatal-to-age-three period, ranging from \$47,000 per year in the District of Columbia, to less than \$21,000 in Georgia. The variation between states remains striking even after accounting for [differences in the cost of living](#).

### The Impact of State Policy Choices on Family Resources Across States

Total Annual Resources = Annual Minimum Wage Earnings + PFL + Net Federal and State Benefits - Out-of-Pocket Child Care Expenses



To the extent possible, data reflect state policies as of October 1, 2023 & tax year 2023. All earnings, benefits (both federal and state), and child care costs are based on a family of three comprised of a single parent working a full-time, minimum wage job for 9 months with 12 weeks of maternity leave. The family includes two children (an infant and a toddler) in full-time, center-based child care. For detailed source notes and additional information see our [Methods and Sources](#). \*Indicates that state has not expanded eligibility for Medicaid under the Affordable Care Act. Alaska's CTC value represents the value of the Permanent Fund Dividend.

Visit the [Policy Impact Calculator](#) to view the resources in all 50 states and the District of Columbia.

## How do Roadmap policies contribute to the variation in available resources for families?

State policy choices do not operate in isolation from one another. Instead, they interact to create a system of support for parents and children. The state policy choices in the Policy Impact Calculator include:

- » [State minimum wage](#) varies across the country from the federal minimum wage of \$7.25 per hour in several states to a high of \$17 per hour in the District of Columbia. This substantial variation in states' minimum wages has an enormous impact on household income, illustrated by the fact that the 20 bottom-ranked states in our simulation all have a state minimum wage of \$7.25 per hour.
- » [Child care subsidies](#) provide substantial in-kind resources to the households modeled by the simulation. Even with subsidized child care, the five bottom-ranked states each have out-of-pocket child care costs that range from 16% to 78% of the household income. Though the simulation assumes that parents continue to work regardless of child care costs, in reality, child care policies impact parents' ability to enter or remain in the workforce.
- » Access to [paid family leave](#), the corresponding wage replacement, and length of paid family leave programs also affects earnings. Families in seven of the ten top-ranked states in our simulation have access to 12 weeks of paid leave to take care of a newborn child, with wage replacement for a minimum wage earner ranging from 67% to 95% of earnings.
- » SNAP and WIC are federal food assistance programs that provide crucial resources for households to buy food and formula. Across the 20 bottom-ranked states, SNAP and WIC monies are nearly equivalent to household income. Despite the significance of these benefits in comparison to household earnings, evidence suggests that the benefits do not fully cover the costs of food for the home. Furthermore, [a state's administrative burden to apply for SNAP](#) benefits affects the number of families that access the needed benefits.
- » Tax credits are an important source of cash assistance for low-income households. At the federal level, the Earned Income Tax Credit (EITC) is the most effective federal program to combat child poverty in the country. In combination with the child tax credit (CTC), federal tax returns for the simulated household represent a benefit equivalent to 40% of the household income, on average. At the state level, state tax credits can offset state income tax liability and provide additional unrestricted resources for families. The 10 bottom-ranked states do not have [a refundable state EITC](#) or CTC. In contrast, all 20 of the top-ranked states with a state income tax have a state EITC and/or CTC.

The Policy Impact Calculator demonstrates the consequences of state policy decisions for household resources. Resources from the in-kind and cash transfers considered here represent sizable resources for simulated households. Having the resources to create a healthy environment is especially important during the first three years of a child's life, when families encounter increased expenses and are tasked with supporting a rapid and crucial period of child development. The [Policy Impact Calculator](#) is available as an overview of all 50 states and the District of Columbia or as part of [state-specific summaries](#) alongside detailed information on the Roadmap policies in each state. For technical documentation on the Policy Impact Calculator, see [Methods and Sources](#).

Read more about how the Policy Impact Calculator brings the Prenatal-to-3 State Policy Roadmap to life and compares the level of resources available to a family of three based on each state's policies.

