



Do we have the will to ensure every child thrives?

Forty Percent of Children are Living in Families Who are Underwater

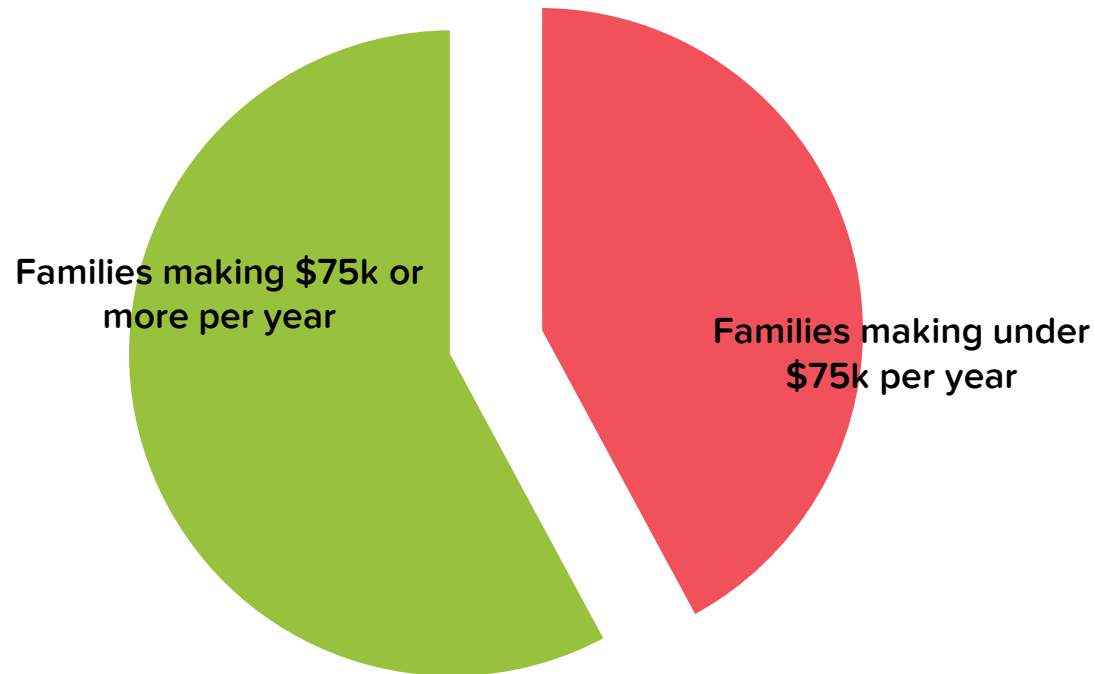


4 in 10 families raising children are likely to be underwater

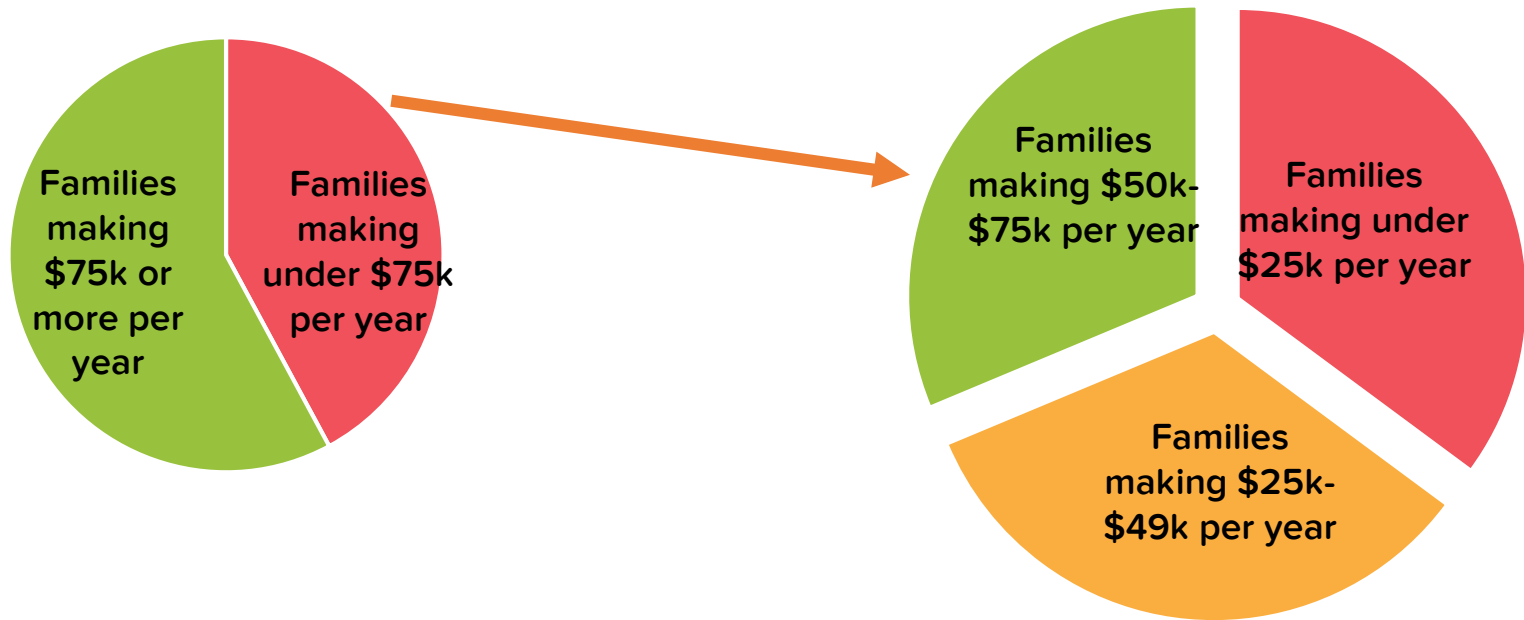


Their children face long odds of upward mobility due to an education system that is barely treading water

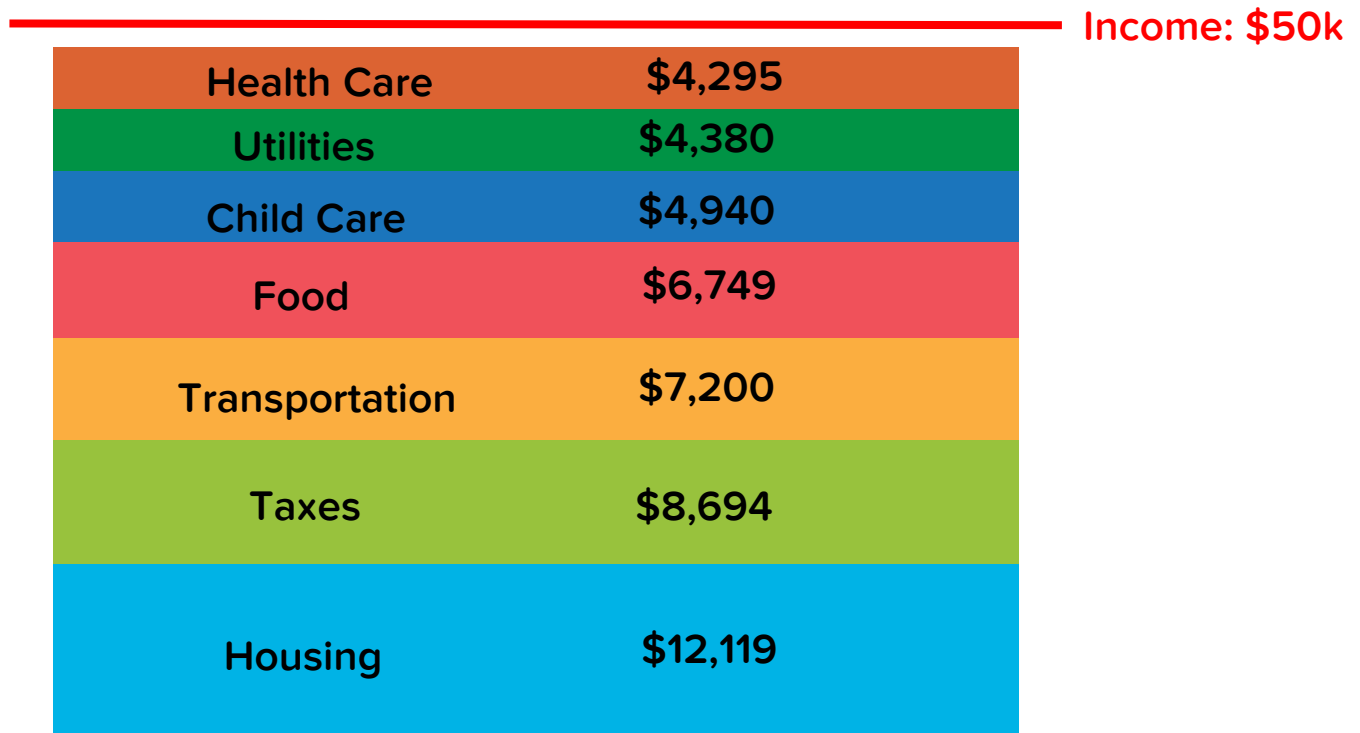
Approaching a Tipping Point 170,000 Families are Struggling to Raise Their Children



Poor, working class and middle class families struggling alike

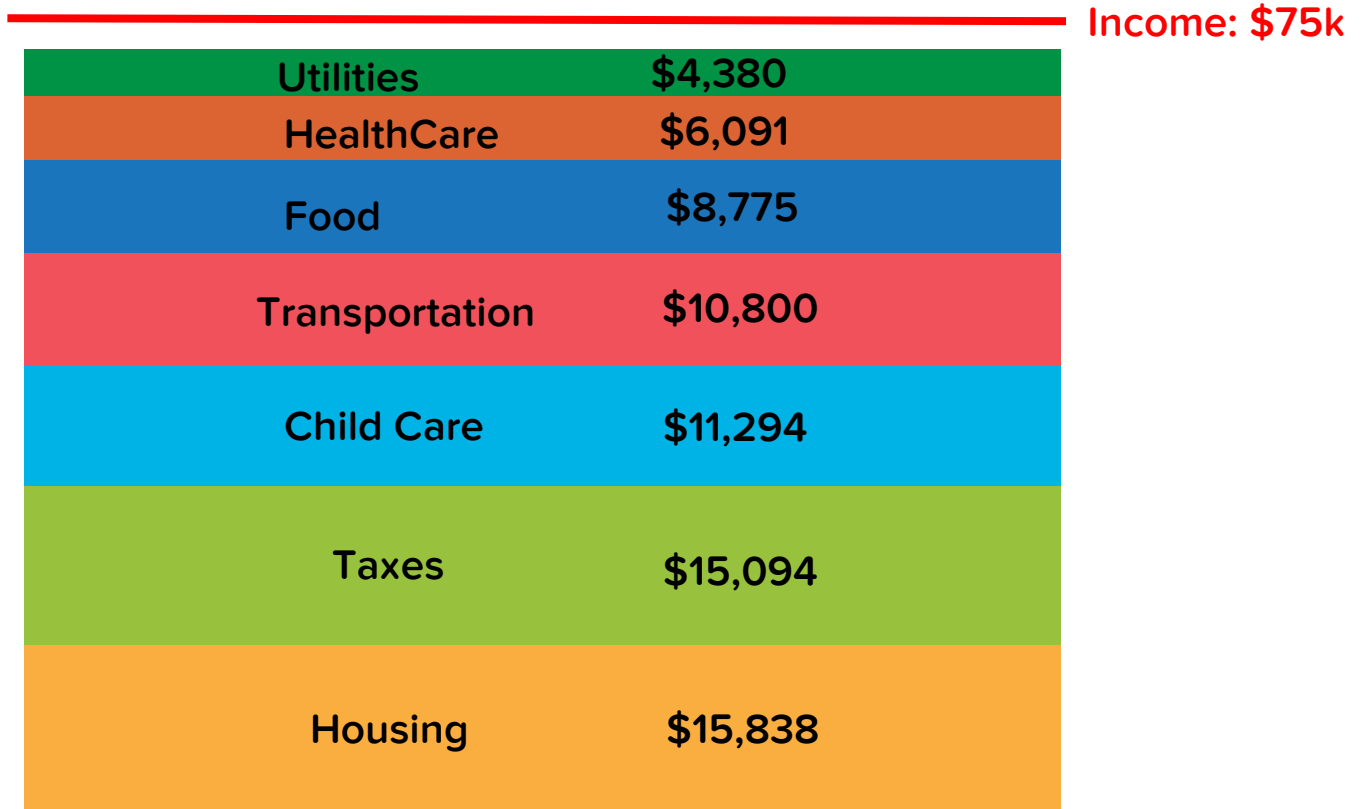


Families making \$50k should be on the cusp of the middle class



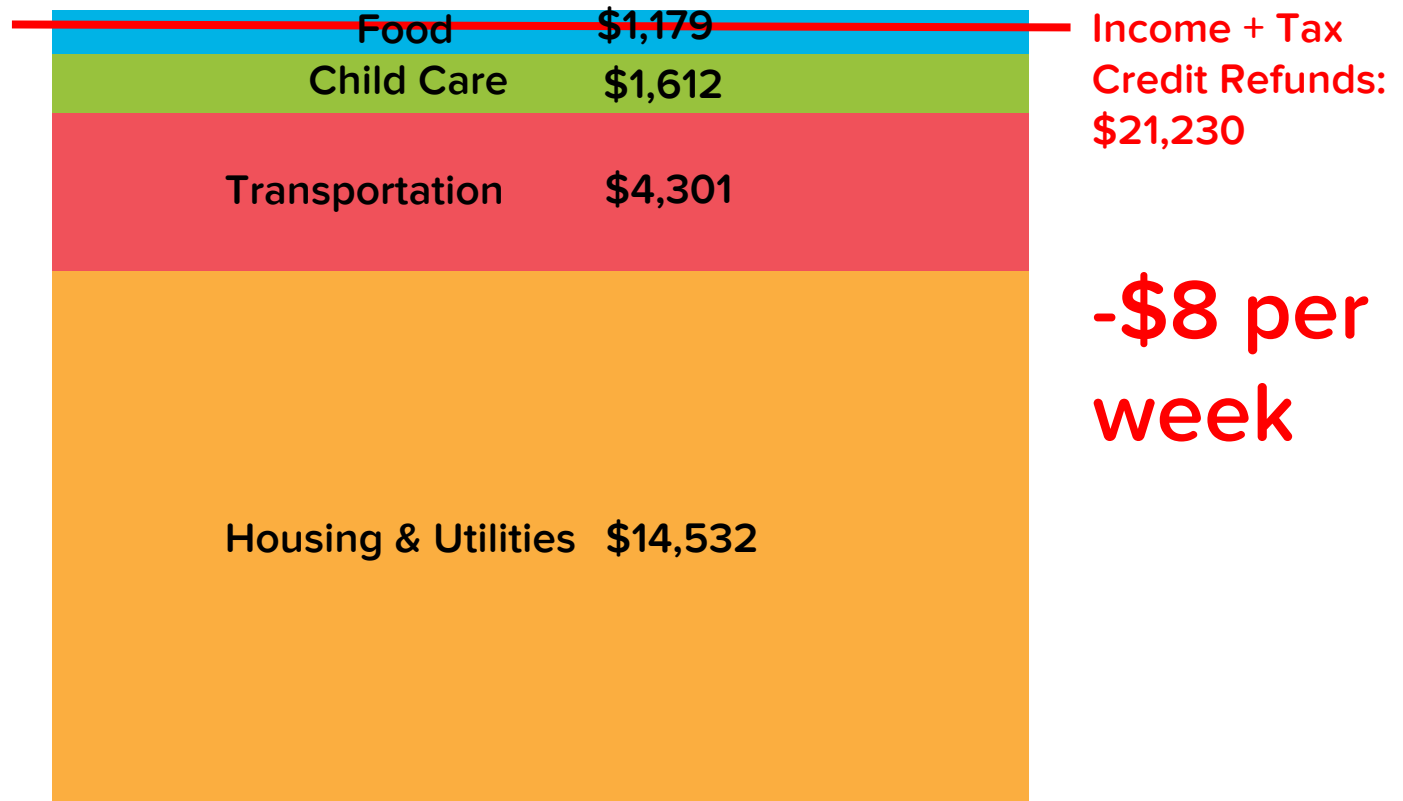
...but they have \$31 left a week after covering the basics

A \$75k income should solidify families' middle class status



...but these families have just \$52 left after basic costs

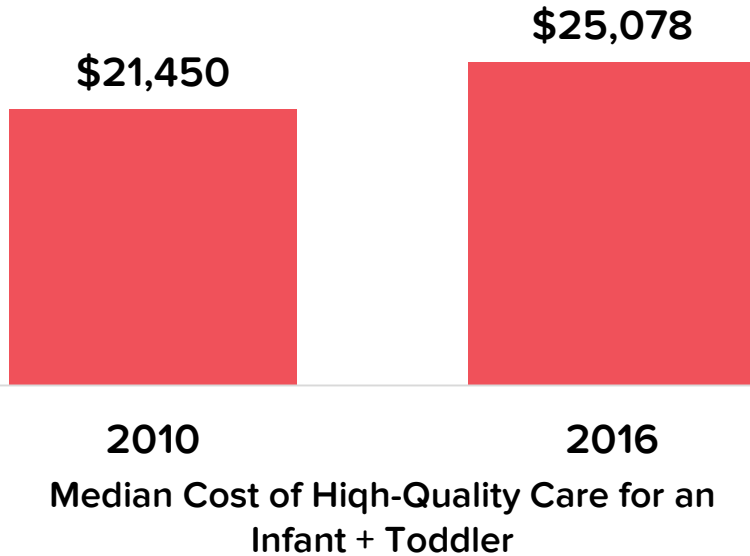
No Surprise - Families in poverty are in debt from the basics alone



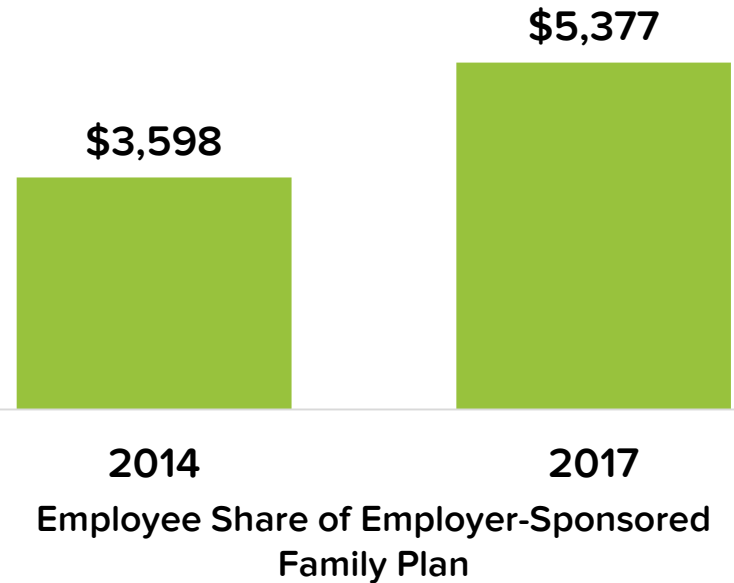
...\$400 in the red each year

Cost of basic necessities grew by at least 17%

Child Care for an Infant and a Toddler
Grew by \$3,600 in Just Six Years



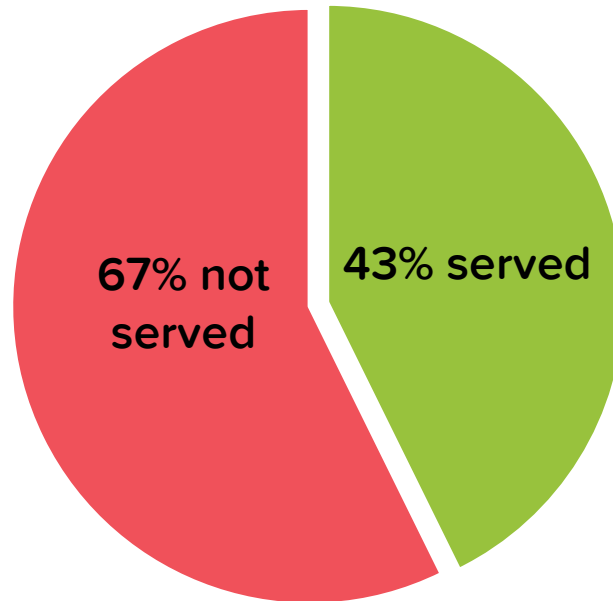
Families' **Health Care Premiums**
Grew by 50% Since 2014



...while incomes have remained flat

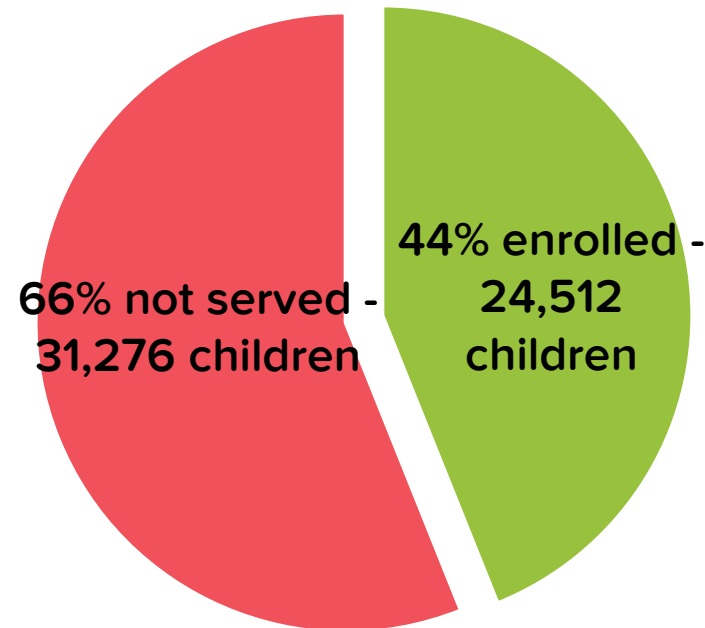
Public Funding for Child-Care Offsets the Biggest Cost

Subsidized Child Care



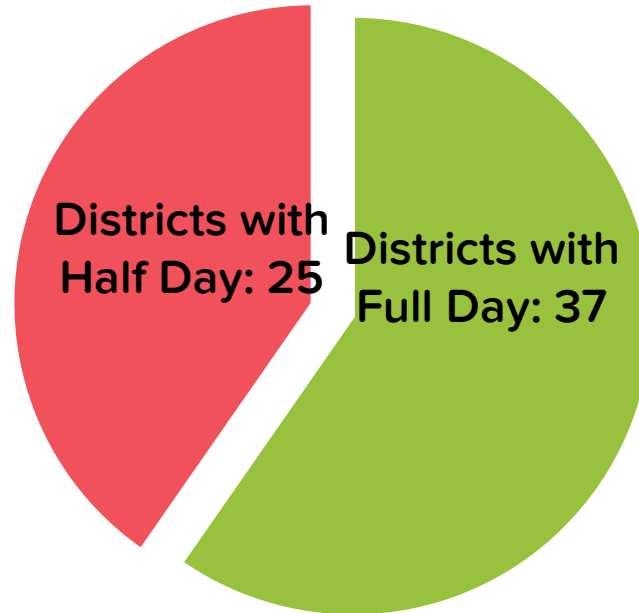
...but total funding is too low to reach most families in need

Six Out of Ten Children Can't Enroll in Public Pre-K

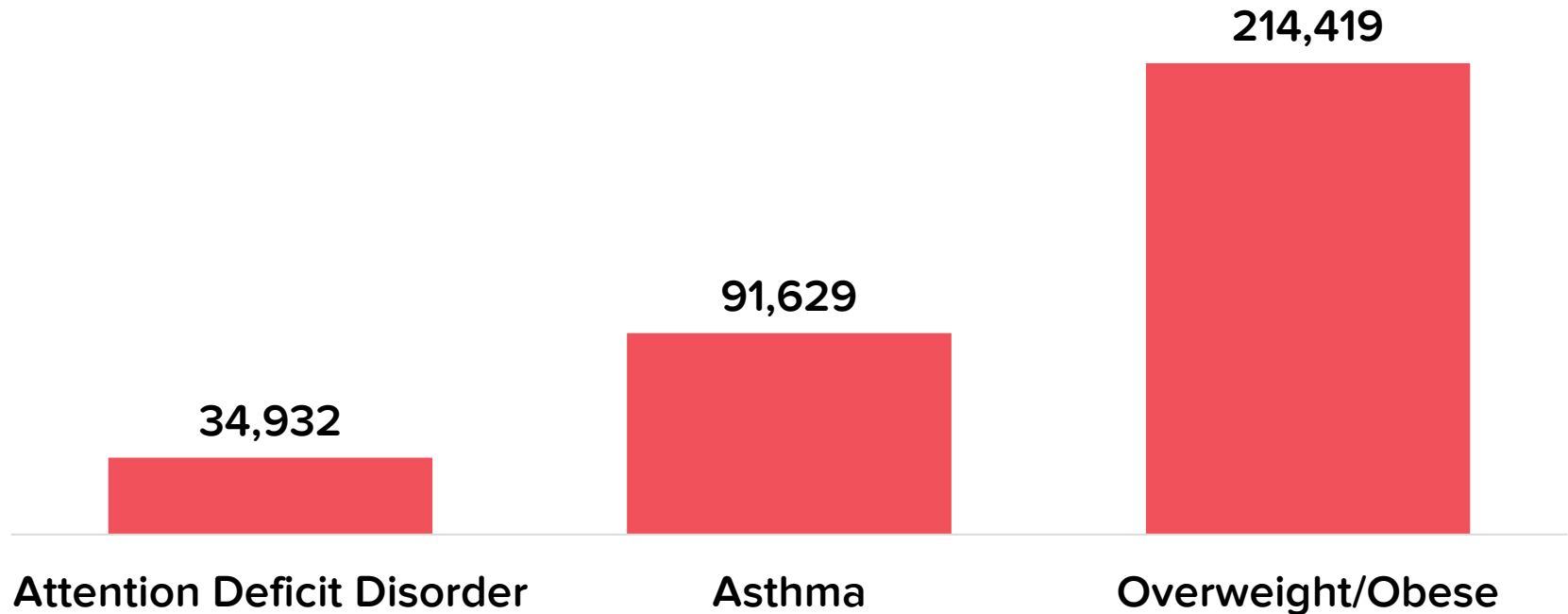


Causing families to have to pay out of pocket for three and four year olds in child care

Still 40% of children cannot attend full day kindergarten because district's lack the resources



More Kids Suffer From Chronic Illnesses



...making out-of-pocket health care costs high for families

And, all costs are out-of-pocket for the families of the **27,420 uninsured children** in the region

On top of all this, families face other everyday costs

HAIRCUTS

Car Repairs

Birthday Presents

School Pictures

School Supplies

SPORTS TEAMS

Clothes

Movies

Shoes

Toys

Home Repairs

Summer Camps

BRACES

Class Trips

Games

Parents also lack room for children's enrichment in their budget

For example:



Tutoring



Music Lessons



Summer Camps

...so they must rely heavily on schools to get a leg up

**Good schools are parents'
best option for their
children's
upward mobility**

“Schooling has a strong causal effect on earnings”

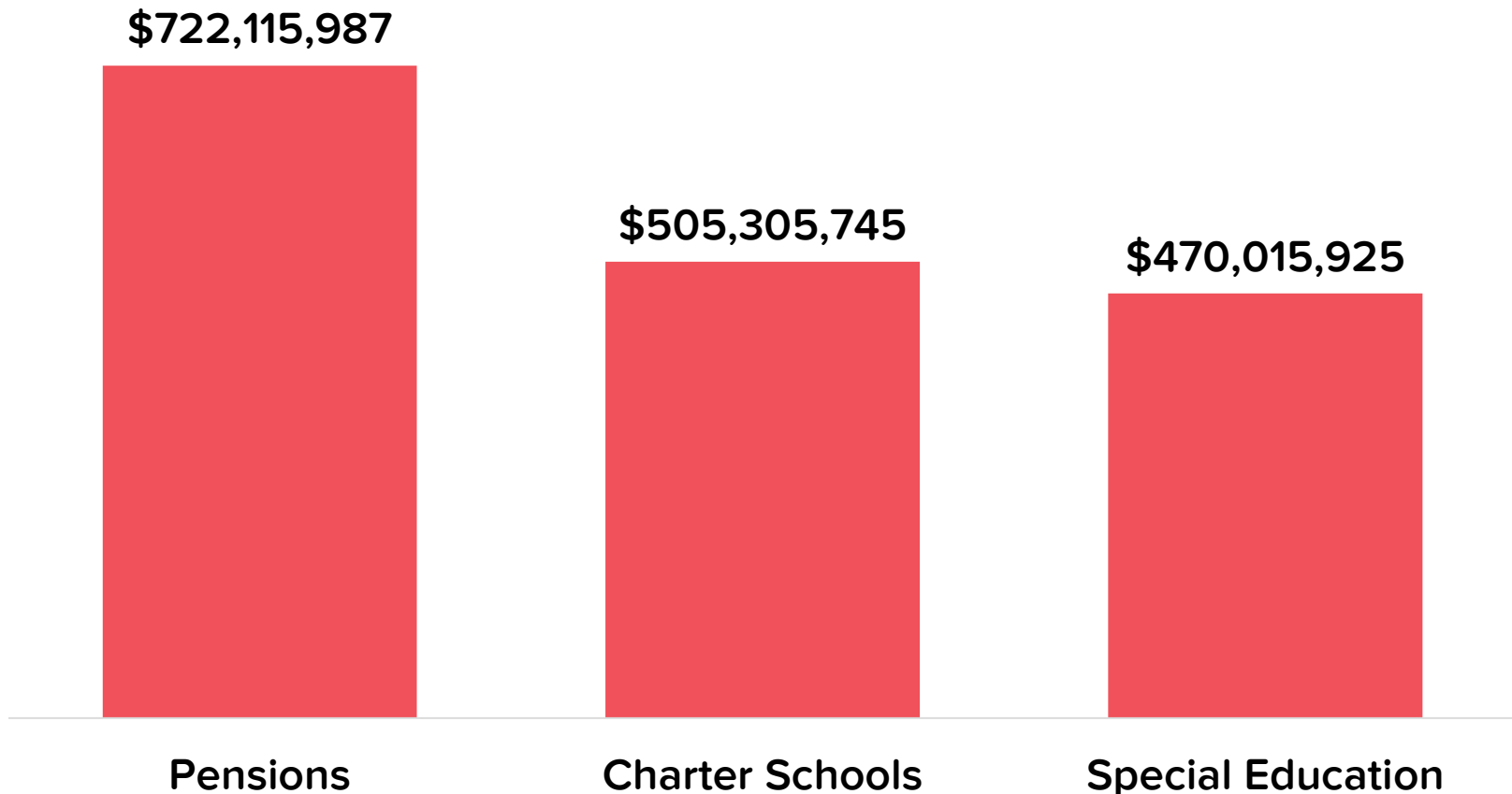
-James Heckman et al., *Journal of Political Economy*, 2018

“Better school
quality...increase[s] adult
incomes”

-Li, Goetz, and Weber, *Economic
Development Quarterly*, 2018

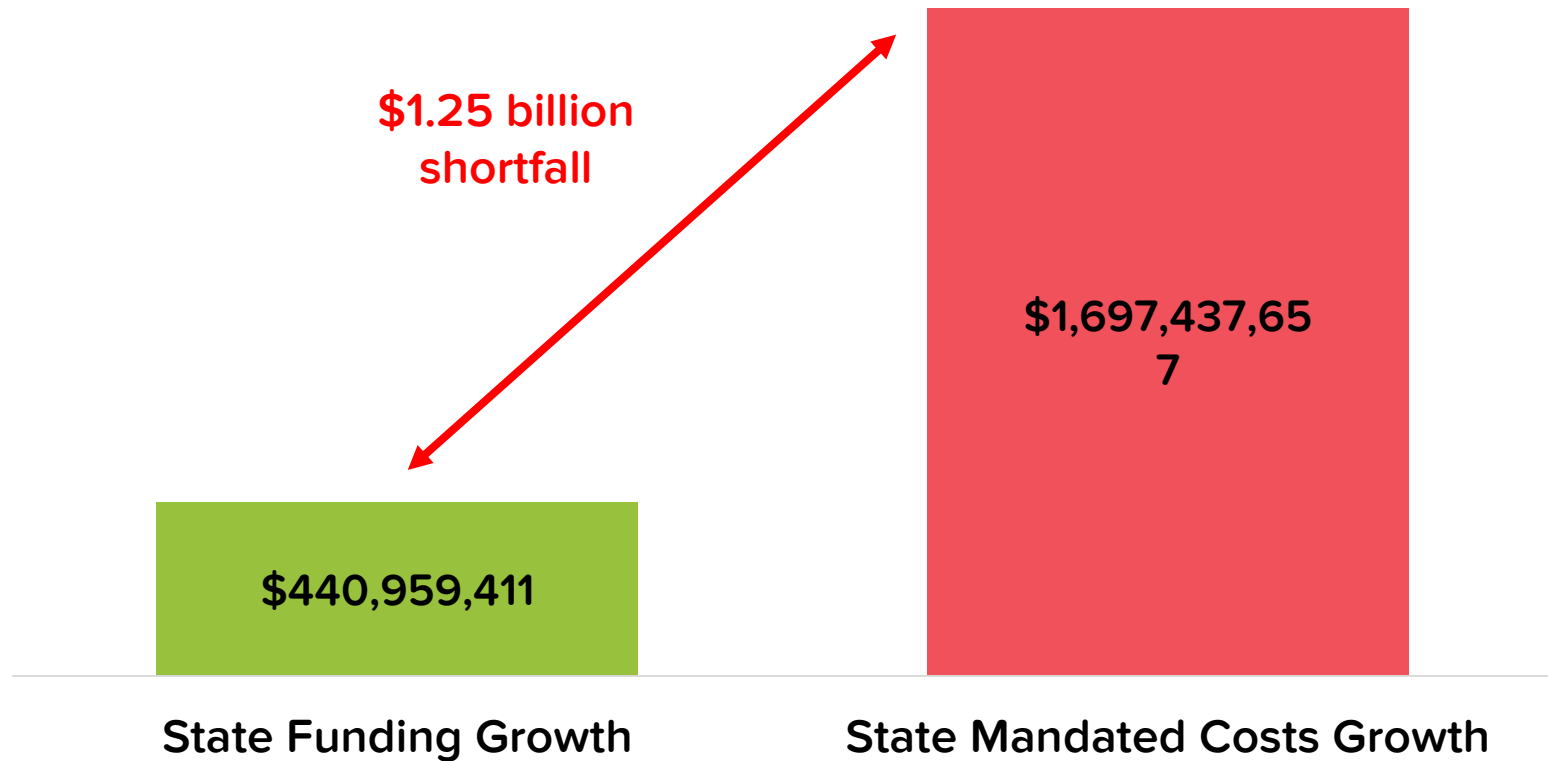
State mandates drive up school costs

Growth in State mandated costs, 2010 to 2016



State mandated costs are growing at nearly four times the rate of State funding

Growth for SEPA School Districts, 2010-2016



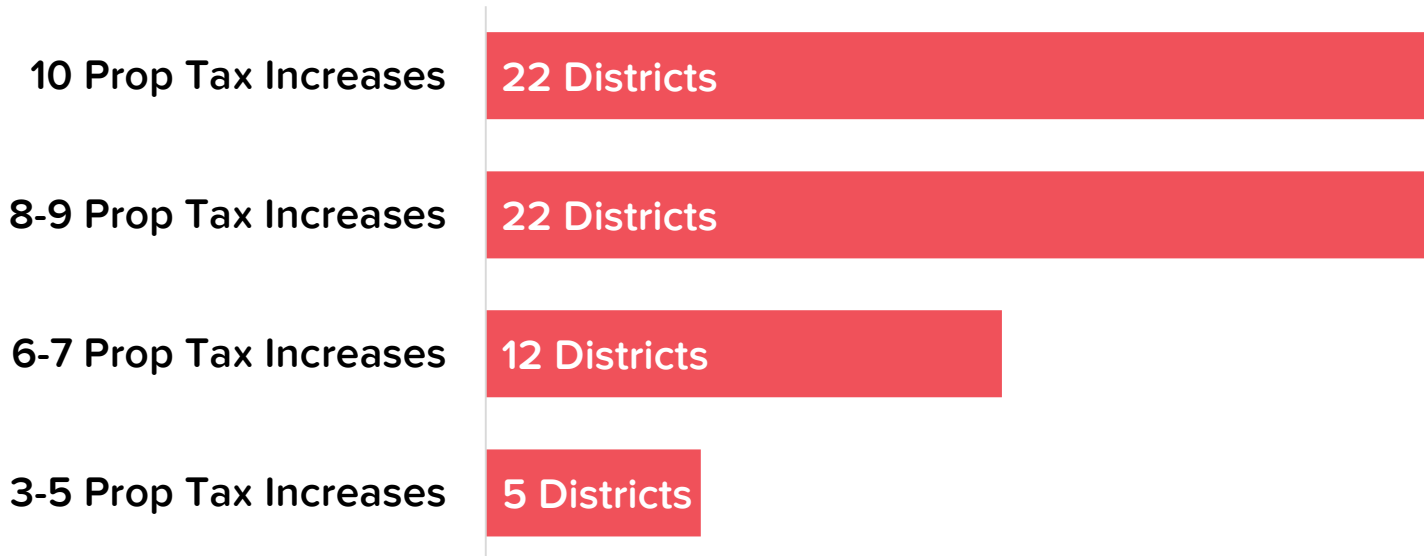
The State is shortchanging SEPA districts by **\$1.5 Billion**

Every district in the region would get millions in additional funds if State funding were adequate

County	Additional Money if State Funding Were Adequate
Bucks	\$80 Million
Chester	\$109 Million
Delaware	\$171 Million
Montgomery	\$142 Million
Philadelphia	\$966 Million

Inadequate State Funding Forces Districts to Raise Property Taxes to Stay Afloat

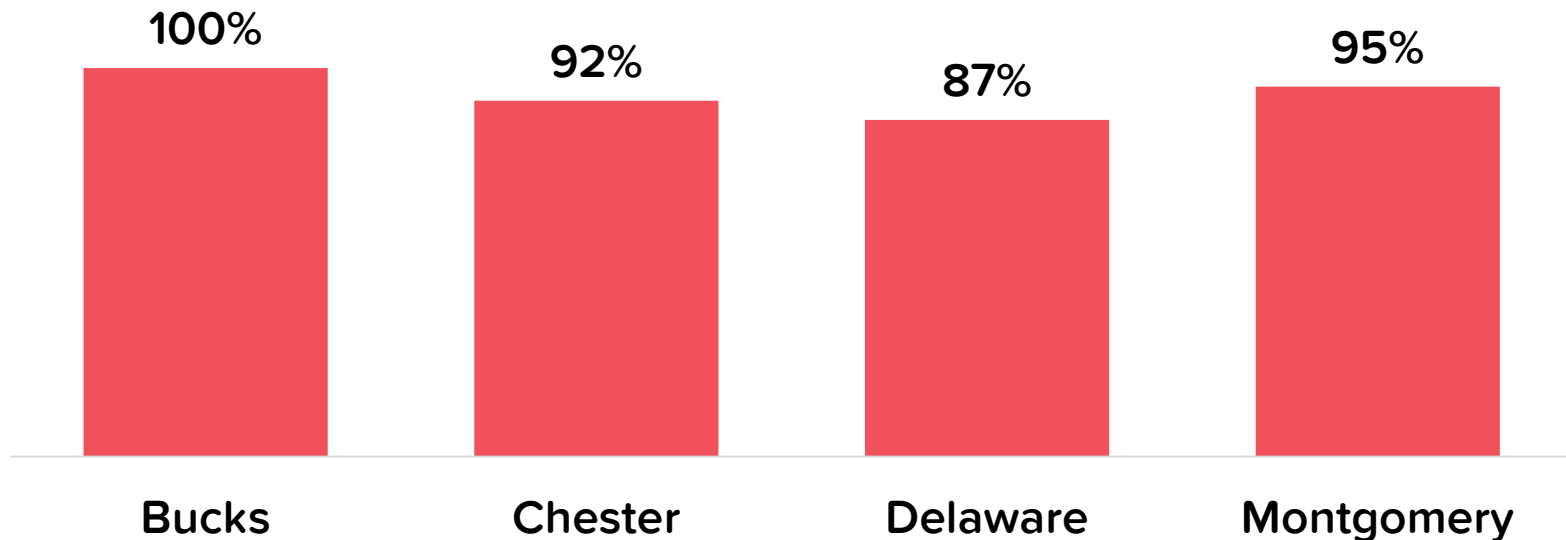
Over the past 10 years, almost every district has had to raise property taxes in most, if not every, year



School property taxes typically make up a third to half of working and middle class families' tax bill

Every suburban district has growing numbers of low income students

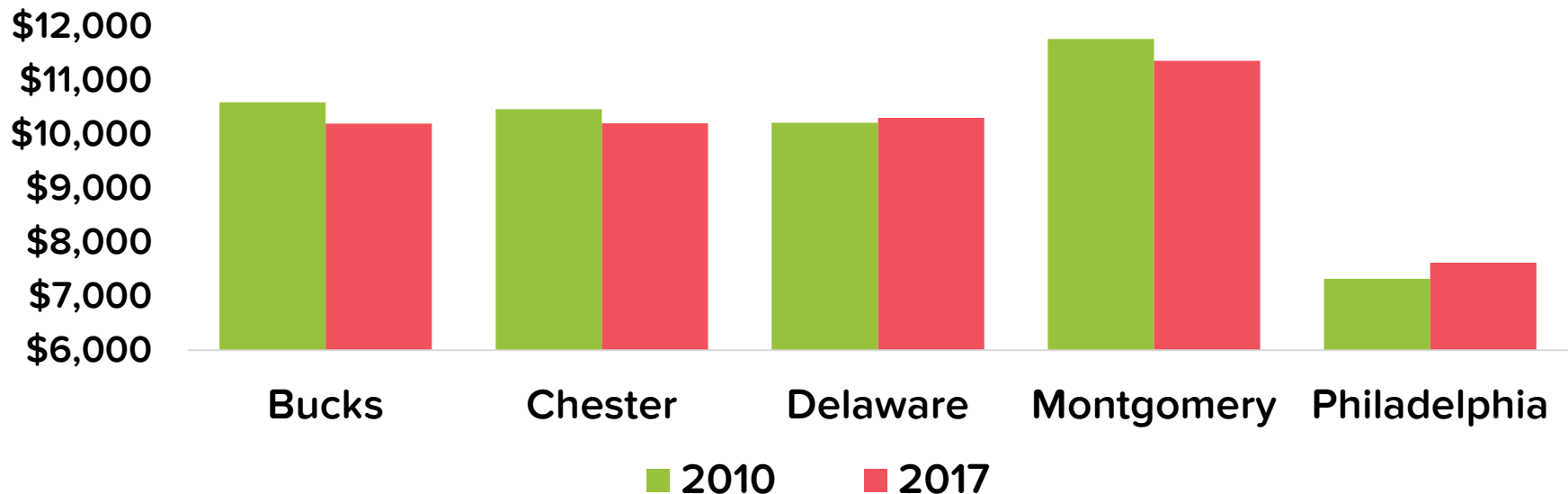
92% of suburban school districts have more low income students now than in 2013



...who are costlier to educate

Most districts are unable to put more money towards instruction, despite local tax increases

Total Instructional Spending per Student (2017 Dollars)

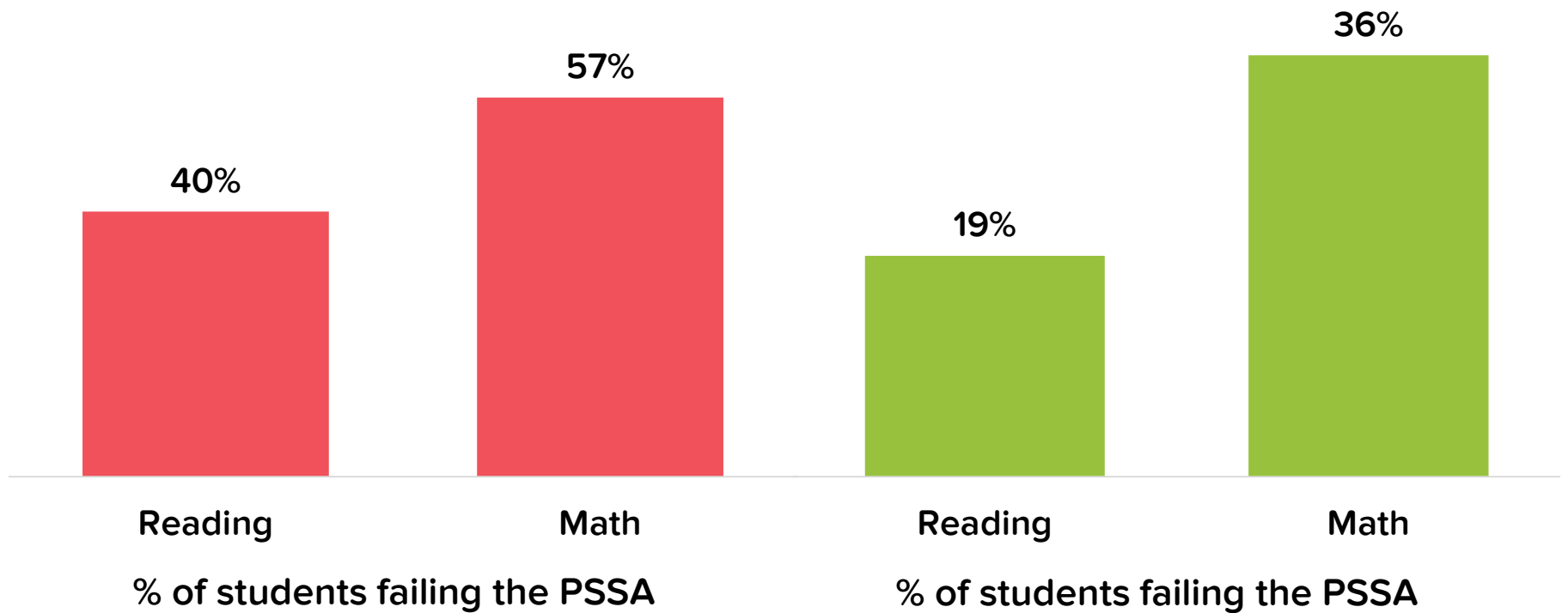


...since 2010, 60% of districts in our region have less to spend on instruction

As a Result, Students Struggle Academically

Majority of Students in Lower Income* Districts are Failing the PSSAs

Even in Higher Income Districts, an Alarming Share of Students are Failing



*Lower income districts are those with 30% or more of their students economically disadvantaged

Bold Action Must be Taken to Improve the Live Chances of Our Children

By investing in children we can help families get above water

- Increase funding for Child Care Works, Pre-K Counts and Head Start and implement full day kindergarten
- Increase funding for public schools
- Expand eligibility for Child Care Works and the Children's Health Insurance Program

Increasing family economic stability will help children thrive

- Create affordable housing and transportation strategies at the County level
- Expand the State's Tax Forgiveness program and increase funding for public schools to offset property and other local taxes
- Boost the minimum wage and pay for direct care work conducted under state contracts

Specifics on school funding needs

- Increase State K-12 basic education and special education funding – adequate State funding would bring **\$1.5 billion** in additional funds to SEPA schools
- Restore the State’s charter school reimbursement for school districts – this would bring at least **\$233 million** in additional funds to SEPA schools

Underwater Reports

Download the reports at:

www.pccy.org/underwater