



**Statement of William Bentley  
President and CEO  
Voices for America's Children  
June 30, 2010**

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Thank you, Senator Simpson and Mr. Bowles, and members of the commission. I appreciate the opportunity to provide testimony to the National Commission on Fiscal Responsibility and Reform.

Voices for America's Children (Voices) is the nation's largest multi-issue children's advocacy organization, with a network of 60 member organizations in 45 states and the U.S. Virgin Islands. The Voices network is one of the nation's leading advocates for children and youth.

Voices for America's Children cares very much about the future of our country. We also believe deeply that every child in America should have the benefit of every possible opportunity and support needed to grow up healthy, productive, educated and ready to lead.

Mr. Chairmen and members, the commission's charge is broad and your service to the nation is appreciated. There is no doubt that the federal budget deficit must be reduced to a level that approaches a more historical level as a percentage of the nation's economy.

**Children are at Risk Today**

Reducing the federal budget deficit is critical. But there are other priorities that I submit are of equal challenge to the nation. As Mohandas Gandhi said, "Poverty is the worst form of violence."

- Children represent 25 percent of the population. Yet, 41 percent of all children live in low-income families and nearly one in every five live in poor families.

41 percent – 29.9 million – live in low-income families.

19 percent – 14 million – live in poor families.

- The percentage of children living in low-income families (both poor and near poor) has been on the rise – increasing from 37 percent in 2000 to 41 percent in 2008. During this time period, the overall number of children of all ages increased by three percent while the numbers who were low-income and poor increased by a staggering 33 percent.

- Although Black, American Indian, and Hispanic children are disproportionately low- income, Whites comprise the largest group of all low-income children under age 18.
  - 27 percent of White children – 11.2 million
  - 61 percent of Black children – 6.4 million
  - 31 percent of Asian children – one million
  - 62 percent of Hispanic children – 10.1 million
- Every year, there are nearly one million documented cases of child abuse.
- While health care is available to most low-income and poor children, more than eight million children remain without coverage.
- The incidences of homelessness among children, mental health problems, suicide, are on the rise, too.

Children are at risk. Reducing deficits, especially if Social Security, Medicaid, or domestic discretionary spending is targeted, would only exacerbate the situation.

### **Children and Social Security**

According to the National Center for Children in Poverty, each year, more than one million children are pulled out of poverty by Social Security.

Here are a few more facts for the commission to ponder as you consider your recommendations:

1. More than 6.5 million children under age 18, or nearly 9 percent of all U.S. children, benefit from Social Security, as dependents of workers who have died or become disabled, or as family members in households where an adult relies on Social Security.
2. Social Security provides the only significant life and disability protection for the great majority of the 73 million children in US under age 18.
3. In addition, today's Social Security program further values and supports children and their families by insuring children against the disability or death of a working parent, providing their parents with disability, retirement and survivors protections, and by providing a stable source of income for older and disabled family members.
4. Social Security provides working parents with valuable and irreplaceable insurance protection for their families against the tragedies of serious disability and death.
5. Social Security provides more benefits to children than any other social program. In fact, more children benefit from Social Security than from Temporary Assistance for Needy Families (TANF), the nation's primary cash welfare program, and Supplemental Security Income (SSI) combined.
6. About eight percent of Social Security beneficiaries are children.
7. In addition to the 3.1 million children under age 18 who are beneficiaries, more than 135,000 18- and 19-year-old students; and nearly 800,000 adults with severe disabilities who became disabled before age 22; and another 3.4 million children under age 18 live in families with a relative who receives Social Security.

## **Children's Programs and Federal Spending**

As a percentage of Gross Domestic Product, federal programs that provide a safety net to children are shrinking.

According to the Urban Institute's [Kids' Share](#) analysis of federal expenditures:

- From 1960 to the present, outlays on children have increased in dollars and as a percentage of Gross Domestic Product (GDP). However, *children are receiving a smaller share of the overall domestic federal budget*. Between 1960 and 2008, the percentage of GDP spent on children rose from 0.6 percent to 2.1 percent – but declined as a share of domestic federal spending from 20 percent to 15 percent.
- In 2008, the largest federal spending programs for children were Medicaid, food and nutrition programs, and Temporary assistance to Needy Families (TANF). The report states that the child tax credit, Medicaid, and the Supplemental Nutrition Assistance Program (SNAP, which most of us know as food stamps) had particularly high expenditures in 2008 as early responses to the recession.

And the downward trend is expected to continue unless current policies are altered. And should this commission recommend a reduction in domestic discretionary spending, the decline in spending on needy children and their families will be even greater.

## **Children are an Investment**

If I can leave the members of the commission with one thing to consider, let it be that our children are an investment – perhaps the safest investment we can make.

Since the last time structural reforms of entitlement and other federal spending was seriously considered our knowledge of how young minds develop has grown. Today, there is practically no disagreement among brain researchers. By age two, young brains are quickly developing, and by age eight much of the brain of a young person is developed. During these critical years, access to quality education programs, stimulating programs found in many child care centers, and other stimuli are strongly associated with positive outcomes later in life.

According to Nobel Laureate James Heckman, the benefits of early investment in child development, particularly in disadvantaged youth, include lower spending on remedial education, lower spending on health, increased school completion and higher academic achievement, higher incomes, lower spending on means-tested income assistance, and lower criminal justice costs. The returns are estimated to be between \$13 and \$17 per dollar spent on early education, and new research coming out that shows that these returns may be conservative and the real return substantially greater.

An old African proverb says it quite succinctly: “If you want to know the end, look at the beginning.”

## **Conclusion**

As this commission develops its recommendations, Voices and other children's advocates strongly encourage you to consider the status of children today and the return that federal spending brings to the nation.

There has been a lot of rhetoric in the last several years about the need to reduce spending to make a better future for our children and grandchildren. The sad truth is that children's spending as a percentage of all

spending is headed down, and more children – especially children of color – are at increased risk. The country must not balance its budget on the backs of children and poor people who can least afford it.

This commission has in its power to help shape policies for future generations of Americans. I strongly urge you to avoid recommendations in your final report that will expose more children to risk, drive up the numbers of children in poverty, and further reduce federal spending on children just as it is becoming clear to most that investment in children result in a significant return to taxpayers.

The choice is clear and the choice is yours.

Thank you.

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