

# UTAH'S FOURTH ANNUAL REPORT

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ON INTERGENERATIONAL POVERTY, WELFARE DEPENDENCY  
AND THE USE OF PUBLIC ASSISTANCE • 2015

UTAH INTERGENERATIONAL WELFARE REFORM COMMISSION ANNUAL REPORT



Department of Workforce Services



# CONTENTS

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Acknowledgements.....	3
Executive Summary.....	4
Section:	
1. Introduction .....	6
2. Understanding Poverty and Intergenerational Poverty In Utah .....	8
3. Indicators and Baselines for Child Well-Being.....	17
Early Childhood Development.....	17
Education.....	22
Family Economic Stability .....	29
Health .....	33
Conclusion .....	39
Appendix A.1 .....	40
Appendix A.2 .....	41
Appendix B.....	42
Appendix C .....	47
Appendix D .....	50
Utah Intergenerational Welfare Reform Commission Annual Report .....	53
Commission Report Appendix 1.....	63
Commission Report Appendix 2.....	66
Endnotes.....	67

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- Department of Human Services, Division of Substance Abuse and Mental Health
- Utah State Office of Education
- Utah Juvenile Courts
- Utah Data Alliance, a multi-agency collaborative partnership maintaining Utah's statewide, longitudinal, educational database.

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Finally, DWS acknowledges the contributions made by the researchers in multiple state agencies that provided the data contained in the report. These researchers instituted several methodologies to match data and test it to ensure statistical soundness and accuracy. The substantial time these researchers devoted to the report is greatly appreciated.



## EXECUTIVE SUMMARY

In 2014, the Utah economy continued to experience significant growth. By the end of the year, job growth was 3 percent and the unemployment rate was 3.6 percent, two percent lower than the national rate. This economic growth is welcome and likely influenced Utah's intergenerational poverty families. Between 2013 and 2014, the share of both the adult and child intergenerational poverty cohorts decreased slightly. Despite these decreases, 31 percent of Utah's child population remains at risk for remaining in poverty as adults. Until adults experiencing intergenerational poverty simultaneously improve their individual situations with respect to education and economic stability, any improvement for these families is likely temporary.

In the past year, Utah has made progress in removing barriers that impede the stability and self-reliance of families experiencing intergenerational poverty. The Intergenerational Welfare Reform Commission released Utah's Plan for a Stronger Future: Five- and Ten-Year Plan to Address Intergenerational Poverty ("Utah's Plan for a Stronger Future"). This ambitious plan is a roadmap to address intergenerational poverty through the establishment of five- and ten-year goals. The primary five-year goal emphasizes the importance of alignment and coordination across agencies serving families. An overview of the efforts in the past twelve months is included in the Utah Intergenerational Welfare Reform Commission Annual Report 2015, which follows this data report.

In addition, communities impacted by intergenerational poverty are increasingly utilizing the data contained in these annual reports. These communities are attaining greater understanding of the educational and economic outcomes of families and beginning to discuss local solutions to these challenges. Similarly, business leaders, religious organizations, academics and advocacy groups are engaged in the efforts around intergenerational poverty and the long-term effect it may have on Utah's future. Additionally, these groups are discussing their role and coordinating efforts across a variety of initiatives to align with the outcomes and indicators established by the Intergenerational Welfare Reform Commission.

Although progress is being made, the data throughout this report reveals the well-being of children in the cycle of poverty and welfare dependence



The Intergenerational Poverty Welfare Reform Commission Annual Report provides an update on activities in 2015 and includes evidence-based policy recommendations based on the data contained in this report.

remains in jeopardy. These children continue to face challenges within several domains of child well-being that limit their path to opportunity. In accordance with the Intergenerational Poverty Mitigation Act, agencies continue to coordinate and share data to evaluate the indicators of child well-being. The data is classified in the following domains: early childhood development, education, family economic stability and health.

In each of these areas, children at risk of remaining in poverty are continuing to experience poor outcomes. In 2015, agencies established additional indicators including the following: (1) quality child care; (2) homelessness; (3) involvement with the juvenile justice system; and (4) substance abuse and mental health. Additionally, data is provided for a new cohort of young adults between the ages of 18 and 21, experiencing intergenerational poverty. The report also provides information regarding access to important educational supports in schools serving the highest percentages of children at risk of remaining in poverty as they become adults.

The Intergenerational Poverty Mitigation Act emphasizes the need of the data provided in this report to inform evidence-based policy and programs, as well as targeting governmental resources effectively to those solutions that will achieve the goals of the Act. Following this report, the Intergenerational Welfare Reform Commission's Annual Report outlines evidence-based policies based on the data contained herein. Its focus is on communities serving high concentrations of children at risk of remaining in poverty and the barriers that impact these children's stability and later opportunities.

Important findings from this Fourth Annual Report include the following:

- The size of the intergenerational poverty adult cohort decreased by 13 percent and the intergenerational

poverty child cohort decreased by 5 percent; although only a small percentage of the decrease is attributed to increased income.

- Similar to previous years, 31 percent of Utah's children are at risk of remaining in poverty as they become adults.
- Of the individuals experiencing intergenerational poverty, 11 percent have received homeless services.
- Students at risk of remaining in poverty continued to experience poor educational outcomes in School Year 2013, although graduation rates improved slightly.
- The average annual wage for adults in the intergenerational poverty adult cohort increased 8 percent to \$11,506.
- Among the intergenerational poverty cohorts, rates of childhood abuse and neglect reported ranged from 26 to 35 percent, substantially higher than the 1.2 percent statewide rate.

Although the data presented in this report reveals characteristics of the families experiencing intergenerational poverty, as well as children at risk of entering the cycle of poverty, caution must be exercised when interpreting the findings. Given the limitations of the multiple data-tracking systems and the challenges of matching data across state agencies, this report presents different levels of correlation, not causation, between the indicators included and intergenerational poverty. But given the unprecedented collaboration of data, as compared with other state governments, these limitations should be understood in light of the innovative demands of this type of data collection. Thus, the patterns reported here should be considered a "first look" into otherwise lesser known trends and patterns among this important population — Utah's public assistance recipients.