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STATES WITH HIGHER TAXES FOUND TO BE BETTER FOR CHILDREN

New Report Compares Overall Child Well-Being Across States:

**Best States for Children: New Jersey, Massachusetts, New Hampshire, Utah,
Connecticut and Minnesota**

**Worst States for Children: New Mexico, Mississippi, Louisiana, Arkansas and
Nevada**

New York, January 18, 2012 -- A strong relationship has been found among state tax rates, the size of state investments in children and children's quality-of-life, according to the STATE Child Well-Being Index (CWI). The report, *Investing in Public Programs Matters: How State Policies Impact Children's Lives*, to be released January 18th by the Foundation for Child Development (FCD), is the first ever to provide a comprehensive measure of children's quality-of-life on a state-by-state basis.

"Because less than 10 percent of the federal budget is invested in children's programs, state spending has a large impact on children's well-being," says Ruby Takanishi, President of FCD. "With this new measure, we can see proof of the direct impact of state policies: when states invest in children, children do better."

The STATE CWI draws from a richer data set than previous state-level studies of child well-being, assessing children's quality-of-life in each state across 25 indicators clustered into seven domains (Family Economic Well-Being, Health, Safe/Risky Behavior, Educational Attainment, Community Engagement, Social Relationships, and Emotional/Spiritual Well-Being) and comparing them across states. In addition, this report includes new findings about the relationships between state policies and selected economic and demographic factors.

The report can be accessed at FCD's website: <http://fcd-us.org/resources/investing-public-programs-matters-how-state-policies-impact-childrens-lives#node-1152>.

Key findings from the report include:

- **Higher State Taxes Are Better for Children.** States with higher tax rates were found to have higher child well-being values.
- **Government Programs Matter. Greater investments in government programs are strongly related to better quality-of-life for children in a state.** Specifically, the amount of per pupil spending on education, the limits of

Medicaid child eligibility thresholds and the levels of Temporary Assistance for Needy Families (TANF) benefits show substantial correlations with child well-being.

- **The Best and Worst States for Children:** The states with the highest child well-being index values were **New Jersey, Massachusetts, New Hampshire, Utah, Connecticut and Minnesota**. The states with the lowest index values were **New Mexico, Mississippi, Louisiana, Arkansas and Nevada**.
- **Child Well-Being Varies Greatly Among States.** Not only did overall child well-being values range tremendously from state to state, but great variation was also found in specific indicators such as the child poverty rate (three times higher in Mississippi than in Vermont, for example) and the rate of children without health insurance (five times higher in Texas than in Massachusetts).

“Although states are currently revenue-starved, this is exactly the wrong time to reduce taxes,” says Takanishi. “The revenues generated by taxes should be used to invest more in the education and health of our children. Policymakers must recognize that the cost of shortchanging children today is too high a price to pay in the future.”

The report also makes recommendations for what state governments and the federal government must do to protect investments in the health and education of our children.

William O’Hare, primary author of the report, states, “When we don’t invest in children, we see real consequences. In this time of economic uncertainty, it is critical that we do a better job of helping children become the productive workers and engaged citizens of tomorrow.”

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ABOUT THE STATE CWI

The STATE CWI uses the nation’s most comprehensive national measure of trends in the quality-of-life of children and youth—the Foundation for Child Development’s NATIONAL CWI—to produce CWIs for each state and to compare child well-being to state investments and policies, as well as to demographic and economic measures.

ABOUT THE FOUNDATION FOR CHILD DEVELOPMENT

The Foundation for Child Development is a national private philanthropy dedicated to the principle that all families should have the social and material resources to raise their children to be healthy, educated and productive members of their communities.

www.fcd-us.org.