

PANDEMIC FINANCIAL RELIEF POLICIES COINCIDED WITH DECREASED FAMILY ECONOMIC HARDSHIPS

RAPID asks parents questions about their experiences of material hardship, which is defined as difficulty paying for basic needs like housing and food.

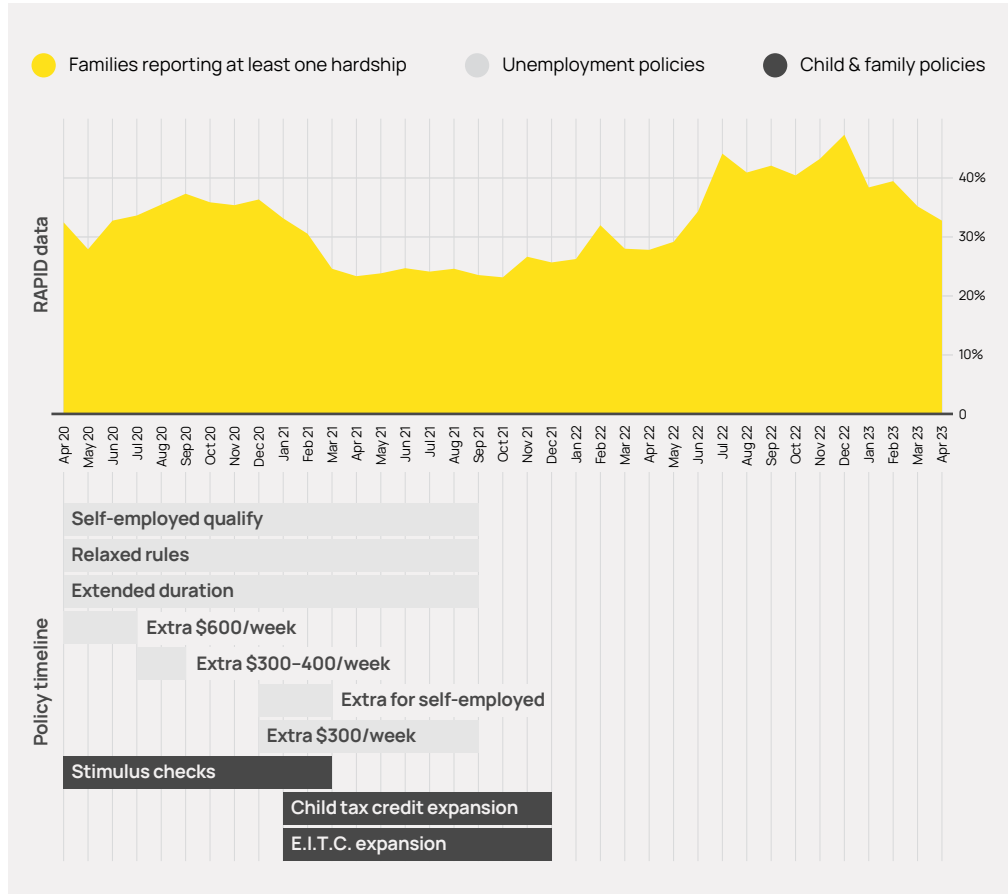
Since April 2020, RAPID has been asking families with young children about their economic circumstances. Over the last three years, we've heard from more than 17,000 parents across the US. This fact sheet summarizes the rates of overall material hardship, housing related hardship, and hunger, and those rates are set alongside the timelines in which several federal policies designed to reduce economic hardship during the COVID-19 pandemic were in action.



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HARDSHIP DECLINED WHEN ECONOMIC STIMULUS AND SUPPORTS WERE IN PLACE

Overall rate of material hardship, April 2020–April 2023*



In April 2020, 32% of households with young children reported difficulty paying for at least one basic need (e.g., housing, food, utilities). The overall rate of hardship continued to increase in the early months of the COVID-19 pandemic and peaked at 37% in September 2020. As federal policies such as expanded unemployment benefits were put in place and federal stimulus checks began to reach Americans, RAPID data show a decline in the overall rates of hardship among families with young children. In December 2020, 36% of households were experiencing material hardship. From December 2020

to April 2021, when economic supports were in place, this rate dropped thirteen points, to 23% of households.

Similarly, RAPID data show that expansion of the Earned-Income Tax Credit and Child Tax Credit payments stabilized hardship rates around 23–27% between July and December 2021.

RAPID data show that as these pandemic-era economic policies and supports began to expire, there was a dramatic spike in overall experiences of hardship among families

“If I didn’t receive the additional unemployment, my child and I would have been on the street. My state unemployment was only \$78 a week, and there was no way that I could keep up a household without it. The \$600 is the only thing keeping me from major depression throughout this pandemic.”

Parent in Louisiana, February 2021

“We would have lost the house if it weren’t for the extra \$600 in unemployment benefits.”

Parent in Texas, April 2021

“The Child Tax Credit makes it so much easier to get the bills paid before the end of the next month and not feel so insecure with regards to food and gas with prices being so high.”

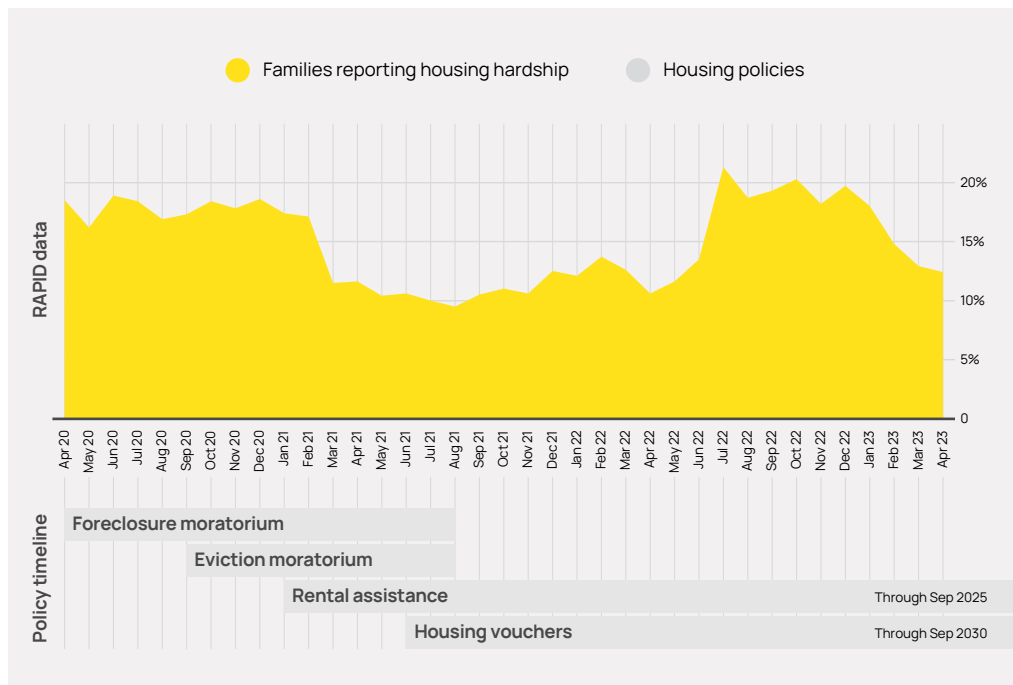
Parent in California, December 2021

with young children. In January 2022, 26% of households reported difficulty paying for basic needs. By December 2022, when most of the COVID-related economic supports

had expired and families were experiencing steadily increasing cost of living, the hardship rate peaked to an all-time high of 47% of households with young children.

HOUSING HARDSHIP WAS LOWEST WHEN LAYERED POLICIES WERE IN PLACE

Overall rate of housing hardship, April 2020–April 2023*



In April 2020, 19% of households with young children reported they were experiencing difficulty paying for housing. This includes both those who rented and who paid a mortgage. Between April 2020 and February 2021, this rate of hardship remained relatively stable between 16–19%. This period of relatively stable rates of housing hardship coincides with a federal moratorium on foreclosures, which was put in place in March 2020, and a moratorium on evictions that followed in September 2020.

Housing related hardship stabilized at a new low rate of 10–13% between March 2021 and June 2022, a period in which there were many layered policies to support families with high cost of housing, including moratoria on evictions and foreclosures, housing vouchers, and the Treasury Department’s rental assistance program.

In the second half of 2022, the rate of housing hardship increased and remained at the high levels first seen

“The CTC has given us major peace of mind that there would be enough money in the bank to cover bills.”

Parent in Virginia, December 2021

“My husband has been laid off for most of the pandemic. The stimulus checks help us catch up on bills that were behind and pay for food and rent and basic needs.”

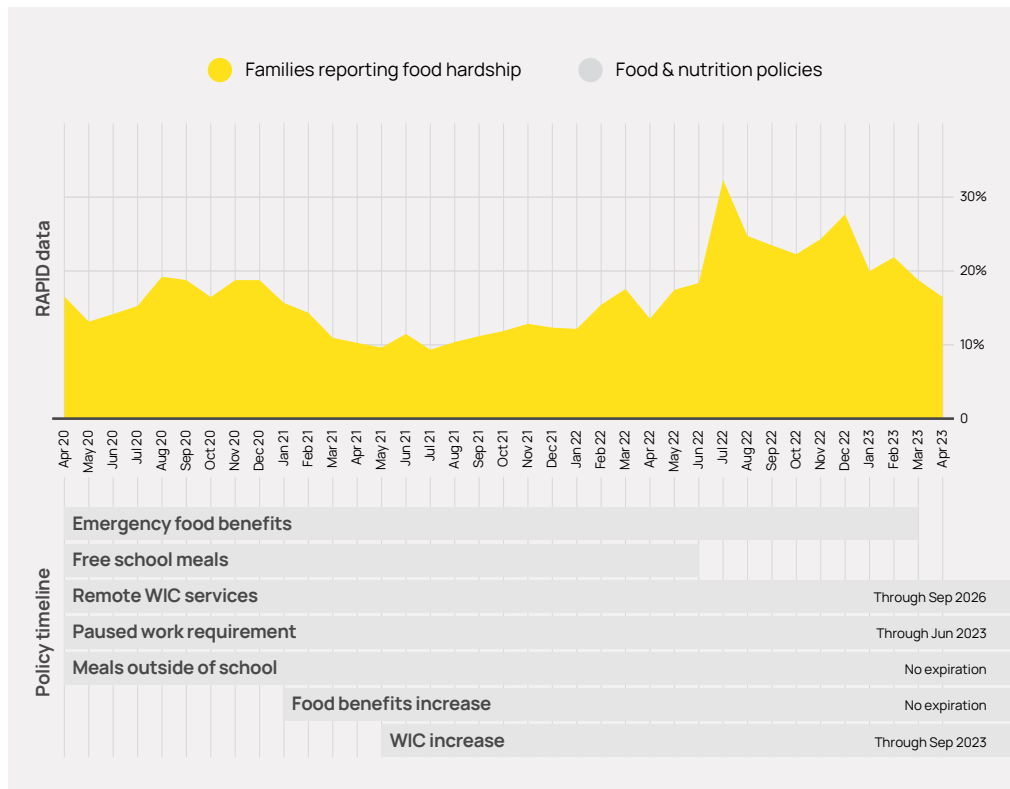
Parent in West Virginia, April 2021

in the early months of the pandemic. In July 2022, 21% of households reported housing hardship, an eight percentage point increase from June

2022. This trend corresponds to rising costs of living expenses, and the end of the federal moratoria on evictions and foreclosures in August 2021.

LOWEST RATE OF FOOD HARDSHIP COINCIDES WITH NUMEROUS FEDERAL PROGRAMS AND POLICIES

Overall rate of food hardship, April 2020–April 2023*



Between April and December 2020, 13–19% of parents with young children reported difficulty paying for food. Over the course of 2021, between 9–15% of households reported difficulty paying for food. This decline in 2021 coincides with the implementation of several federal policies

related to unemployment, the advanced monthly Child Tax Credit payments, as well as numerous food-related policies, such as expanded SNAP and WIC benefits, paused work requirements for food benefits, and universal free school meals.

“Free school breakfast and lunch is helping us the most. It’s keeping food on the table for the kids while saving us money.”

Parent in Michigan, July 2020

“[What’s helping me and my family the most] is the school district providing free snack and lunch for my 8 year old, so I’ve been able to share those items with my 3 year old.”

Parent in New Jersey, July 2020

As with overall hardship and housing hardship, by January 2022, the RAPID data show that households with young children were again having more difficulty paying for food. The rate of difficulty paying for food increased by more than eighteen percentage

points, from 14% in April 2022 to 32% in July 2022.

Notably, this increase in difficulty paying for food in 2022 coincides with the coincides with the end of free school lunches for school-aged children in June 2022.

SUMMARY

RAPID survey data has consistently revealed evidence of a chain reaction of hardship, in which material hardship is directly associated with an increase in parents' emotional distress which is, in turn, associated with an increase in child emotional distress. There is also extensive evidence of the links between experiences of early adversity and poorer outcomes in terms of health, education, well-being, and income later in life.

Data from the RAPID survey and other sources have found that the monthly

Child Tax Credit payments buffered families from material hardship and that that effect was most pronounced among lower-income households. Supporting households with young children to consistently meet their basic needs is associated with both improved economic circumstances and improved adult and child emotional well-being. Furthermore, thousands of parents over three years have shared in their own words with the RAPID survey how essential these pandemic-era policies were to helping them make ends meet.

“The Child Tax Credit has greatly improved my financial situation and provided a safety net of money every month to cover rent and expenses.”

Parent in New York,
December 2021

* All federal program timelines referenced in this fact sheet were drawn from the New York Times, “The U.S. Built a European-Style Welfare State. It’s Largely Over,” May 11, 2023.

ABOUT THE RAPID PROJECT

RAPID is under the direction of Philip Fisher, PhD, Director of the Center on Early Childhood at Stanford University

Data presented in this fact sheet are based on RAPID household surveys. Analyses are based on responses collected from 14,357 parents of young children between April 2020 and April 2023. These caregivers represent a range of voices: 10% are Black/African American, 15% are Latinx, and 32% live at or below 200% of the federal poverty level. Analyses are not weighted.

The RAPID project includes a survey of caregivers with children under age 6 and a survey of child care providers and other adults who care for children under age 6.

These surveys are designed to gather essential information continuously regarding the needs, health-promoting behaviors, and well-being of children, their families and important adults in their lives.

RAPID collects data monthly from caregivers and child care providers in all 50 states. The surveys are national in scope, though not technically nationally representative. RAPID collects snapshots of data across time and can also assess trends longitudinally.

For more information about RAPID study design and methods, see [here](#).

It's our anniversary!

RAPID launched in April 2020 to understand and address the experiences and challenges that caregivers of young children were facing during the COVID-19 pandemic.

Read our [special report here](#).

3,600+

Providers

17,000+

Households

50

US States

