The Incidence of Material Hardship over Multiple Years Among Families with Children

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Abstract

In 2014, the Survey of Income and Program Participation (SIPP) became the first government survey to ask a nationally representative group of people about their experiences with a variety of material hardships over several consecutive years. We examine the prevalence of three forms of material hardship — food insecurity, inability to pay for rent or mortgage, and inability to pay for utilities — among households with children in SIPP data for the three-year period of 2014 to 2016. Considering families' experiences of hardship over time reveals widespread economic insecurity prior to the pandemic. More than one-third of families with children experienced one or more forms of material hardship in at least one of the three years.

While having a low income greatly increased a household's risk of these experiences, among the middle third of households with children (ranked by their annual income in a given year), a sizeable share (31 percent) experienced material hardship in one or more years of the three-year study period. This finding suggests that a much broader group of households faces times of significant economic insecurity, and that policies that shore up families' financial resources will help a far broader share of the population than is often recognized. An examination by race and ethnicity suggests both that Black and Latino families face added economic barriers and that all families, including non-Hispanic white families, have a strong stake in policies that reduce material hardship than single-year indicators show.

Background

Material hardship is a direct measure of families' inability to meet basic needs. The concept first gained traction in the late 1980s as a concept of well-being distinct from income-based measures such as poverty (Mayer and Jencks 1989). While there is no consensus about how to define material hardship, studies typically focus on several indicators and/or a combination of indicators, organized around topic areas such as food, housing, and health care access (Ouellette et al. 2004). Material hardship is most common among those with below-poverty incomes (Iceland and Bauman 2007) and becomes less prevalent as income grows (Neckerman et al. 2016; Sullivan, Turner, and Danziger 2008), yet it affects even middle- and higher-income families (Rodems 2019). Accordingly, material hardship has been linked to factors other than low income, including financial shocks (Heflin 2016) — which are experienced by households throughout the income scale (Pew Charitable Trusts 2015) — disability (She and Livermore 2007), and mental health (Sullivan, Turner, and Danziger 2008).

Until recently, research on experiences of material hardship over time was limited by the lack of nationally representative longitudinal data with multiple hardship indicators. Frequently used longitudinal datasets in the hardship literature reflect specific populations or geographies,[1] or do not provide consistent hardship data on the same individuals over a set of consecutive years.[2]

In 2014, the U.S. Census Bureau's Survey of Income and Program Participation (SIPP) became the first nationally representative government survey to ask individuals about their experiences with a variety of material hardships every year for several consecutive years. Prior to the 2014 SIPP panel, the SIPP interviewed respondents every four months for three to five years, with a four-month reference period. A rotating set of topical modules were asked in specific waves; hardship questions were included at most twice per panel.

Using data from the 2014 SIPP panel, we are able to examine the prevalence of material hardship — specifically, inability to obtain adequate food, pay housing costs, or pay utility bills — among households with children over a three-year period.[3] We also examine the intersection between the experience of material hardship and financial strains that may make it hard for families to meet other needs. We define financial strain here as households paying shares of their incomes for housing or child care costs exceeding widely used affordability measures, as any member lacking health insurance in any month of a year, and as the household paying half or more of its income on housing (rent or mortgage plus utilities).

We focus on households with children because of the negative effects of economic insecurity and material hardship on children's well-being (National Academies of Sciences, Engineering, and Medicine

[1] For instance, the Fragile Families and Child Well-Being Study (McLanahan et al. 1998) follows children born in large cities and their parents; the Women's Employment Study (Tolman et al. 1997) followed single mothers in Genesee County, Michigan enrolled in Temporary Assistance for Needy Families (TANF); and the New York City Longitudinal Survey of Wellbeing (Garfinkel 2021) follows adults in New York City.

[2] Examples include the Panel Study of Income Dynamics (University of Michigan Institute for Social Research, Survey Research Center 1968-2021) and the Survey of Income and Program Participation prior to the 2014 redesign.

[3] Most of the analysis in this paper was originally presented in Sherman et al. 2021.

2019; Bailey et al. 2020), and because households with children are more likely than other households to experience material hardship (Karpman et al. 2018; Rodems and Shaefer 2020).[4]

We find that one in five households with children experience material hardship in a given year but, consistent with other recent research (Campbell, O'Brien, and Tumin 2022), hardship is more prevalent over time than in a single year. One in three households with children experienced hardship in one or more years within a three-year period. We also find that families experiencing financial strains are more likely than other families to experience material hardship.

Data and Methods

To understand families' experiences with hardship over time, we analyzed the 2014 panel of the U.S. Census Bureau's Survey of Income and Program Participation (SIPP). Beginning with the 2014 panel, SIPP became the first government survey to follow a nationally representative group of people and ask about their experiences with a variety of hardships over several consecutive years.

The 2014 SIPP panel consisted of an initial sample of 29,550 households who were interviewed annually over four consecutive years. Each annual interview cycle is referred to as a wave. The reference period is the previous calendar year, with monthly data constructed with an Event History Calendar (EHC). SIPP is nationally representative of the civilian non-institutionalized population. We use data for 2014, 2015, and 2016, from interviews conducted in early 2015, 2016, and 2017, which are the most recent three years of the four-year-long survey panel. We omit data from the first interview because of discrepancies in estimates of poverty and income in the first wave of SIPP panels and subsequent waves.[5]

A household's composition may change over the three-year period as people move, new households are formed, and new household members are born or join the sample.[6] Our analysis, therefore, focuses on the experiences of current household reference persons living with children in December of the reference year.[7] In our estimates of such householders, we use the survey weights recommended by the Census Bureau for longitudinal analysis, which are provided for all people for whom data were collected or imputed in every month of the panel, including people who left the survey universe due to death or

[4] We find this pattern in our sample; see Appendix Table 1.

[5] A consistent feature of SIPP panels is a pattern in which poverty rates sharply decline between waves 1 and 2 (Edwards 2014). This phenomenon, known as the "wave 1 effect," has been attributed to respondents reporting more income between waves 1 and 2 (perhaps due to improved income reporting due to familiarity with the survey questions), as well as differential attrition.
Because part of our analysis is concerned with housing costs and child and dependent care costs relative to household income over time, as well as variations in household income over time, we chose to use only waves 2 through 4.

[6] Members of the original SIPP sample who go on to form new households remain in the SIPP sample. New people who come to live with them at either the original or new address join the sample as secondary sample members.

[7] This universe does not differ substantially from households with children in every month of the reference year; 95 percent of weighted households in our analytical sample who had children in December of the reference year also had children in the household every month of the reference year.

moving to an ineligible address.[8] The wave 4 panel weighted response rate was 39.8 percent (Tersine 2020).[9]

Our analytical sample consists of 3,485 households with children, with data covering reference years 2014 to 2016.[10]

Material Hardships

We examine the prevalence of three major form of hardship — food insecurity, inability to pay rent or mortgage, and inability to pay utility bills — among families with children in a given calendar year and in any year within a three-year period.

The SIPP questionnaire includes an abbreviated version of the U.S. Department of Agriculture's (USDA) food security module.[11] Households are classified as food insecure if the household reference person answers affirmatively to two of the six questions about their food access during the reference year. SIPP includes variables indicating whether the household reference person reported the household was unable to pay the rent or mortgage, or unable to pay the gas, oil, or electricity bill, at any time during the reference year. We classified households as experiencing a major form of hardship if the household was food insecure, unable to pay rent or mortgage, and/or unable to pay utility bills.

To examine prevalence of material hardship by income, we sorted households with children into thirds within each reference year by their annual household cash income, adjusting for household size by dividing income by the appropriate poverty threshold for the household's size and age composition.[12] We rank incomes within each individual reference year[13] and measure exposure to hardship over all three reference years. Our figures can be interpreted as the share of households currently in a given income third who experience hardship in any year of the three-year study period – including in the year within which income was ranked and/or in a previous or subsequent year, in which their income may be

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[8] SIPP panel weights are constructed from the initial weights with non-response adjustments to compensate for panel attrition and post-stratification adjustments to bring estimates in line with population controls (Tersine 2020).

[9] Attrition is unlikely to bias our results upward in a significant way. The SIPP panel weights we use are adjusted for panel attrition as noted above, and those who leave the SIPP sample are more likely to have demographic characteristics associated with higher levels of hardship (Tersine 2020b).

[10] This figure is the sample size in wave 4. Our sample size varies somewhat by wave due to changes in presence of children within households between waves. The sample size is 3,530 households in wave 2 and 3,532 in wave 3. Economic conditions in the three years of this analysis were not exceptional. Poverty rates declined steadily from 16.9 percent in 2014 to 14.9 percent in 2016 — similar to or slightly lower than the average poverty rate of 16.5 percent over the last 30 years — according to Supplemental Poverty Measure data (Trisi and Saenz 2019).

[11] USDA uses 10 to 18 questions (depending on presence of children) in a separate survey, the Current Population Survey Food Security Supplement, to assess food security (Coleman-Jensen et al. 2020). In the 2014 SIPP panel, the rate of food insecurity among households with children were somewhat lower than corresponding USDA estimates for the same year, suggesting that SIPP may understate food insecurity for households with children.

[12] More precisely, we used the public use file household annual poverty ratio variable, *thcyhincpov*. In SIPP, the annual household income-to-poverty ratio is calculated as the annual household income divided by the annual sum of the monthly poverty thresholds.
In our sample, the middle third of households with children had annual household income-to-poverty ratios between 2.1 and 4.6, 2.2 and 4.6, and 2.3 and 4.8 in waves 2, 3, and 4, respectively.

[13] That is, middle-income households with children refer to an average of those ranked in the middle third in 2014, those ranked in the middle third in 2015, and those ranked in the middle third in 2016.

lower or higher than the ranked year. (For instance, among households with children in the middle third by income in a given year, 13 percent had incomes in the bottom third in one or both of the other years.)

Financial Strains

We also examine the prevalence of financial strains that may make it hard for families to meet other needs: lack of household-wide health insurance coverage for any month in a year; child or dependent care costs exceeding what federal guidelines consider affordable; and severe housing cost burden.

We considered a household severely housing cost burdened if its total housing costs (rent or mortgage and utility payments[14]) in December of the reference year (the reference period for SIPP's housing cost questions) was at least 50 percent of the household's average monthly income in the reference year.[15]

SIPP includes two, potentially overlapping questions related to care costs: child care costs and child and dependent care expenses. Reference parents who reported using paid child care during a typical week in December of the reference year while the parent worked, attended school, or was not available are asked for the typical weekly costs of the arrangements that month. Household reference persons who reported paying for the care of a child or disabled household member so that a household member could work, attend training, or look for a job in December of the reference year are asked for the total cost of the arrangements that month.

Because the two questions overlap (for instance, a householder paying for the care of their child while at work could report such costs under both child care costs and child and dependent care costs), we do not sum the costs but rather compare the higher of the two to household income in December of the reference year.[16] If this exceeds 10 percent of household income — above the threshold of affordable care under federal guidance[17] — we consider the household to have care expenses exceeding affordability standards.

Child care cost estimates in the 2014 SIPP panel are higher than estimates from corresponding years in the Current Population Survey, perhaps because both of SIPP's care questions refer to typical costs in December of the reference year, a time when families may have atypically high care costs due to holidays and school breaks (Knop and Mohanty 2018).

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[14] Including water, electricity, gas, oil, trash and recycling services, and basic telephone service.

[15] We coded households with zero housing costs as not severely housing cost burdened, and households with positive housing costs and zero or negative income as severely housing cost burdened.

[16] To construct a monthly household-level measure of child care costs, we summed the child care costs reported by all reference parents in the household and multiplied this amount by the number of weeks in the reference month (December).

[17] The U.S. Department of Health and Human Services, the agency that administers the Child Care and Development Fund, has established a federal benchmark for affordable child care co-payments of 7 percent of family income (81 Fed. Reg. 67438 2016). Our analysis uses a 10 percent threshold (HHS's prior benchmark) in order to indicate that a particularly serious affordability problem exists and because, as noted below, SIPP's child care cost estimates are high relative to other government surveys.

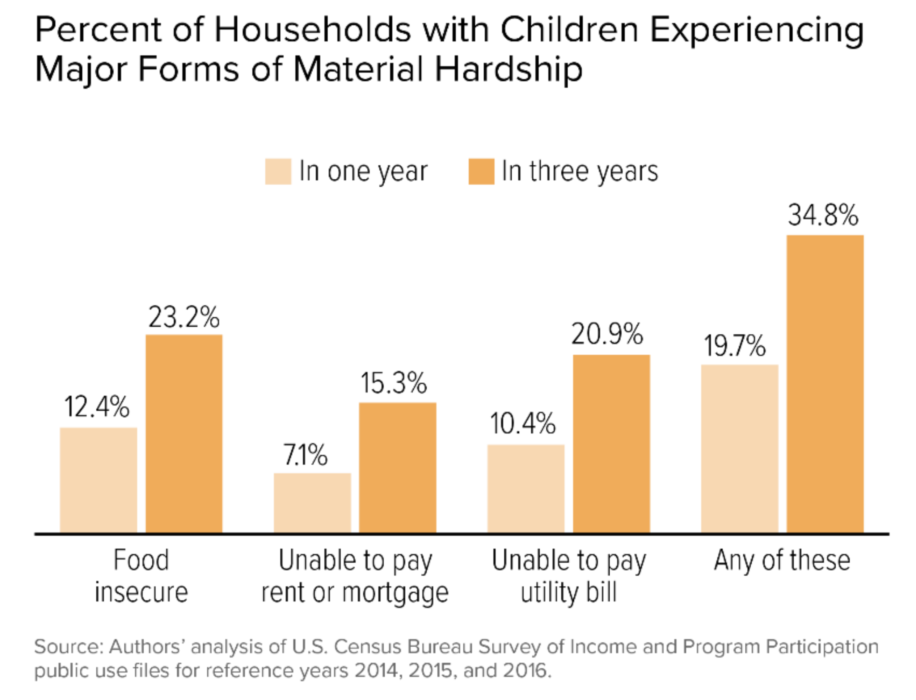
Results

Prevalence of Material Hardship Over Time

More than one-third (35 percent) of households with children experienced a major form of material hardship in at least one of the three years in our study period.[18] Of the major forms of hardship we examined, food insecurity was the most common over three years, at 23 percent, followed by inability to pay utility bills (21 percent) and inability to pay rent or mortgage (15 percent).

Each form of hardship was markedly more prevalent when examining the three-year period than a single year (Figure 1).[19] The prevalence of food insecurity in three years was nearly double the one-year rate, and the prevalence of inability to pay for utilities or for housing was more than double their respective one-year rates.

Figure 1.



[18] All prevalence rates are averages of the three waves in our sample, covering the reference years 2014, 2015, and 2016, unless otherwise indicated.

[19] Comparisons in the text are statistically significant at a 10 percent confidence level. Statistical tests were conducted using longitudinal panel replicate weights. Standard errors for all estimates are available upon request.

Material Hardship by Household Income

Among households with children, 55 percent in the bottom third, 31 percent in the middle third, and 10 percent in the top third of the income distribution in a given year experienced a major form of hardship over the three-year study period (Table 1). For all three income groups, the three-year hardship figures were higher than the corresponding rates of hardship in a single year.

Table 1.

Percent of households with children experiencing one or more major forms of hardship, by income group

	In one year	In three years
Bottom third	33.8	55.4
Middle third	15.8	30.6
Top third	4.1	10.2

Notes: Major forms of hardship are food insecurity, inability to pay utility bills, and inability to pay rent or mortgage. Households were ranked by annual household income cash income adjusted for household size in a given reference year.
Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.

Middle- and higher-income households may experience hardship for a variety of reasons, such as sharp income declines, unexpected major expenses, or non-financial challenges such as disability (Heflin 2016; She and Livermore 2007; Sullivan, Turner, and Danziger 2008). While a full exploration of these factors was beyond the scope of our analysis, we did find that within our study period, sharp income drops occurred at similar rates across the income scale.[20] And as previously noted, our three-year hardship rates among middle- and upper-third households reflect hardship experienced both at those income levels and by those households in other years in which their income may have fallen.

Racial Disparities in Experience of Hardship

Many households face added barriers to economic security because of past and present racism and racial bias in housing, education, employment, and elsewhere, with much of this impact originating in unjust government policies. We examined the prevalence of hardships among households with children by race and ethnicity.[21] Due to sample size limitations, we are able to present reliable disaggregated figures for only Black, Latino, and white households with children.[22]

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[20] We categorized households as experiencing a sharp income decline if the household's annual cash income, adjusted for household size, fell by one-fourth or more year-over-year (that is, between 2014 and 2015 or between 2015 and 2016). We found that 38 percent of households in the bottom third, 37 percent in the middle third, and 45 percent in the top third experienced a sharp income decline during the study period. (When measuring subsequent income declines, we ranked households by annual cash income in 2014.)

[21] We categorize households by race and ethnicity according to the race and ethnicity of the household reference person. In this paper, Latino refers to people who identified as Hispanic or Latino, regardless of race, and other categories refer to people identifying with a single race and not as Hispanic or Latino.

[22] Our sample had inadequate sample size for other race groups available in SIPP (American Indian or Alaska Native, Asian, Native Hawaiian or Pacific Islander, and more than one race) to produce estimates meeting typical standards of reliability.

We found that more than half (53 percent) of Black households and nearly one-half (46 percent) of Latino households experienced one or more major hardships during the three-year period (Table 2). A smaller but still substantial 28 percent of white households experienced hardship.

Black and Latino households with children have lower incomes than white households. In our sample, 56 percent of Black households and 59 percent of Latino households had annual incomes in the bottom third of the overall income distribution in a given year, compared with 29 percent of white households (see Appendix Table A2).[23]

In addition to income disparities, racial discrimination and the enduring legacy of racist policies contribute to the prevalence of material hardship among these groups. Housing is one example: the continued effects of historical, racist federal and state housing policies and ongoing housing market discrimination are well-documented (Rothstein 2017; Early, Carrillo, and Olsen 2019; Christensen, Sarmiento-Barbieri, and Timmins 2021). We find that one-quarter of Black households — more than twice the share of white households — and one-fifth of Latino households were unable to pay rent or mortgage in any of the three years.

Table 2.

Percent of households with children experiencing major forms of hardship in three-year period, by race of household reference person

	All	Latino	Black	White
Food insecurity	23.2	30.3	33.9	18.8
Inability to pay rent or mortgage	15.3	20.0	25.4	11.5
Inability to pay utility bill	20.9	25.6	32.6	17.3
Any of the above	34.8	45.9	52.9	27.9

Notes: Reliable estimates for other race groups were not available to due inadequate sample size.

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.

For all three racial groups, the prevalence of major forms of hardship was greater over three years than in a single given year (see Appendix Table A3).

[23] Previous research has shown that, while some exposure to poverty during childhood is prevalent across racial groups, longer-lasting poverty is more concentrated among certain groups. An estimated 30 percent of white children and 77 percent of Black children experience at least one year of poverty by age 18, according to one analysis of data covering 1968-2005 from the University of Michigan's Panel Study of Income Dynamics; but 5 percent of white children and 37 percent of Black children spend at least half of childhood below the poverty line (Ratcliffe and McKernan 2010).

Hardship by Geography and Other Characteristics

We find that a notable share of households with children across geographies and family type experienced a major form of hardship in three years.

Households with children in all four regions experienced hardship at roughly the same rate within the three-year period (Table 3). Non-metropolitan households were somewhat more likely than metropolitan households to experience hardship, at 41 percent and 34 percent, respectively. Households where the reference person was unmarried were nearly twice as likely to experience hardship as married households, though the rate for the latter group was a substantial 26 percent.

Households with children under 6 years old faced similar rates of hardship as households with older children (see Appendix Table A4). Evidence of the negative effects of hardship and economic insecurity on children is particularly extensive for young children (Hoynes, Schanzenbach, and Almond 2012; Duncan, Morris, and Rodrigues 2011).

Table 3.

Percent of households with children experiencing one or more major forms of hardship in three-year period	
All households with children	34.8
Region	
Northeast	33.3
South	37.5
Midwest	32.7
West	33.5
Metropolitan status	
Metropolitan	34.1
Non-metropolitan	40.5
Marital status of household reference person	
Married, spouse present	26.1
Unmarried or married, spouse absent	50.6
Presence of children under age 6	
No children under age 6	34.3
One or more children under age 6	35.6

Notes: Major forms of hardship are food insecurity, inability to pay utility bills, and inability to pay rent or mortgage. Region and metropolitan status are for address at time of interview. Metropolitan status was not identified for 6.5 percent of weighted households in our sample. Marital status of household reference person and age of children is measured in December of the reference year.

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.

Intersection of Material Hardship and Financial Strain

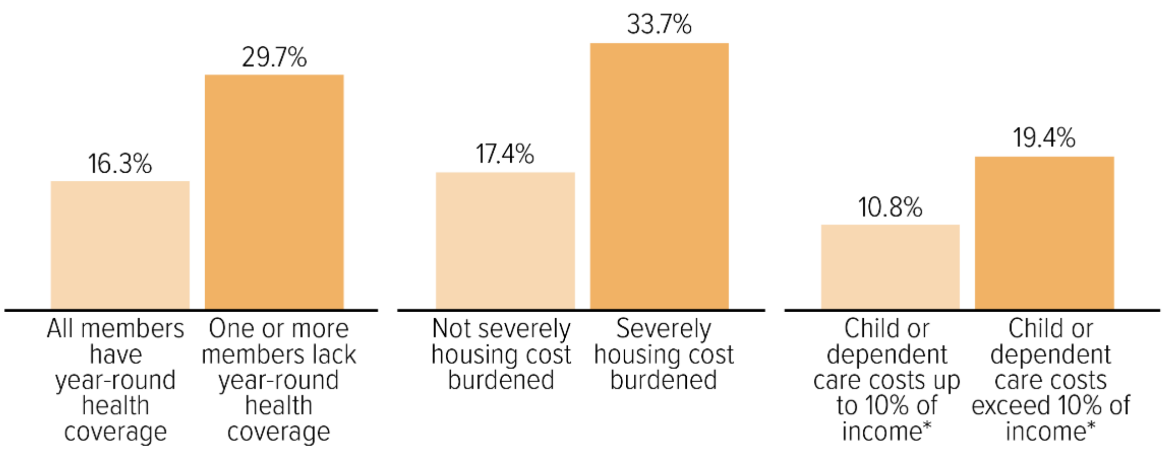
We find that material hardship is more common among those facing financial strain. Households with children that face expenses for housing or for child or dependent care (among those paying for such care) above commonly used affordability standards, or in which one or more members lacked year-round health insurance coverage in a given year, were each approximately twice as likely to experience a major form of hardship in that year than other households with children (Figure 2).

While our descriptive analysis does not attempt to infer causality, the substantial overlap between the experience of major hardships and financial strains indicate that families who lack health coverage or have housing or child care costs exceeding affordability standards often cannot pay for other necessities (e.g., food, housing, and utilities).

Figure 2.

Among Households with Children, Share Experiencing a Major Form of Hardship in a Given Year

By whether the household experienced a financial strain in that year



*Among households with children using paid child and/or dependent care.

Note: Major forms of hardship are food insecurity, inability to pay utility bills, and inability to pay rent or mortgage.

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Particiation public use files for reference years 2014, 2015, and 2016.

Prevalence of Financial Strains Over Three Years

Financial strains, like material hardship, are more common over time than in a single year. Within our three-year study period, 43 percent of households with children had at least one member without health insurance coverage, 28 percent were severely housing cost burdened, and 23 percent paid more than 10 percent of income for child or dependent care (Table 4). Many more households with children experienced these financial strains at some point in three years than in a single year. For instance, child or dependent care costs exceeding 10 percent of income were more than twice as prevalent in three years (23 percent) than in a single given year (11 percent).

Table 4.

Percent of households with children experiencing financial strains		
	In one year	In three years
One or more household members uninsured	25.3	43.3
Severe housing cost burden	14.0	27.8
Child or dependent care costs exceed 10 percent of household income	11.1	22.5

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.

An examination of financial strain by race and ethnicity reveals similar disparities to those in experiences of material hardship discussed above (Table 5). For instance, lack of health insurance coverage for all members of the household affected 64 percent of Latino households within a three-year period, twice the share as among white households. Latinos face consistently high uninsured rates due to lower rates of employer-provided coverage and barriers to enrollment in health insurance affordability programs – including both barriers that make it difficult for those eligible for coverage to enroll and eligibility limitations related to immigrant status (Hayes 2021).

Table 5.

Percent of households with children experiencing financial strains in three-year period, by race of household reference person				
	All	Latino	Black	White
One or more household members uninsured	43.3	63.6	46.0	35.2
Severe housing cost burden	27.8	38.2	39.8	21.4
Child or dependent care costs exceed 10 percent of household income	22.5	19.4	31.2	21.2

Notes: Reliable estimates for other race groups were not available to due inadequate sample size.

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.

While households with children under 6 years old faced similar rates of having an uninsured household member and of severe housing cost burden as households with older children, child care costs exceeding affordability standards were nearly three times as prevalent among households with young children than other households with children (see Appendix Table A4).

Discussion

Considering families' experiences of material hardship over time reveals widespread economic insecurity prior to the pandemic. We show that many more households with children face a major form of material hardship — food insecurity or inability to pay rent, mortgage, utility bills — at some point in a three-year period than in a single year.

Between 2014 and 2016, more than one-third of households with children experienced one or more major forms of hardship, compared with one-fifth in a given single year. Of the three major forms of hardship we examined, food insecurity was the most prevalent over the three-year period, at 23 percent. Even short periods of food insecurity may pose long-term health and developmental risks for children (Keith-Jennings 2020).

Underlining the connection between low income and hardship, we find that among households with children, more than half of those in the bottom third of the income distribution in a given year experienced a major form of hardship in a three-year period. At the same time, a sizeable share (31 percent) of households in the middle third in a given year — a group often presumed to be financially stable — were affected, either because their incomes had fallen or because material hardship (while strongly associated with poverty and low income) is found throughout the income scale (Rodems 2019), as financial shocks and non-financial factors are linked to hardship (Heflin 2016; She and Livermore 2007; Sullivan, Turner, and Danziger 2008).

Households experiencing financial strain in a given year were more likely to also experience a major form of hardship that year. Child or dependent care costs exceeding 10 percent of income and severe housing cost burden were each twice as prevalent over three years than in a single year, indicating that many more families sometimes struggle with such expenses over time than at a given moment. High child care costs can squeeze out other necessities, restrict parents' (typically mothers') employment, and force children into unsafe or low-quality care (Morrissey 2020). Households with low incomes that must pay more than half of income for housing often have little left over for other needs and are vulnerable to foreclosure, eviction, and homelessness (Fischer, Rice, and Mazzara 2019; Colburn and Aldern 2022; Desmond 2016). Lack of health insurance coverage for one or more household members was the most common financial strain over three years, at 43 percent. Lack of health coverage can leave families susceptible to catastrophic out-of-pocket medical costs, and can lead some to forgo needed health care (Gotanda et al. 2020; Sommers et al. 2017).

Black and Latino households with children were far more likely than white households to experience hardship or financial strain in a three-year period. These groups face barriers to economic security stemming from racism, discrimination, and the impacts of biased government policies including school segregation and unequal school funding (Reardon et al. 2022; Johnson 2019); mass incarceration and its resulting barriers to employment (Nellis 2021; Sibilla 2020; Pager 2003); and federal housing policies that denied access to homeownership and the stability and wealth-building opportunities it affords (Rothstein 2017).

While the burden of material hardship is unequally felt, it is nevertheless widespread among many demographic groups and geographies. Three-year hardship rates exceed 25 percent for households with lower overall rates of hardship — white households and married households — as well as in households in every region of the country.

Our findings show that in the pre-pandemic economy, millions of families — including many currently middle-income families — were unable to pay for necessities on a consistent basis. This suggests that public policies that shore up families' financial resources and help them when basic necessities are unaffordable will assist a far broader swath of the population than is often recognized.

Income support programs have a track record of reducing material hardship and economic insecurity, thereby leading to important gains for children (Waxman, Sherman, and Cox 2021). For instance, increased participation in Temporary Assistance for Needy Families, the Supplemental Nutrition Assistance Program (SNAP), or Medicaid and the Children's Health Insurance Program reduces the average number of hardships and food insecurity among low- to moderate-income families with children (McKernan, Ratcliffe, and Braga 2021). SNAP benefit expansions are associated with reduced food insecurity, as well as better long-term outcomes for children (Hoynes, Schanzenbach, and Almond 2012; East 2018; Bailey et al. 2020), while reductions in food assistance have been found to raise food hardship (Borjas 2004). Medicaid expansion has been shown to increase health insurance coverage and protect beneficiaries from high medical bills (Guth, Garfield, and Rudowitz 2020). Federal rental assistance programs lower families' housing costs, leaving them with more resources to meet other needs, and reduce housing problems linked to far-reaching harmful effects on families and children (Fischer, Rice, and Mazzara 2019). Recent research on the 2021 Child Tax Credit expansion found that the monthly payments reduced the experience of material hardships, particularly food insufficiency, among low-income families with children (Pilkauskas et al. 2022; Parolin et al. 2021).

Finally, while this analysis describes the prevalence of material hardship by income and by race and other demographic characteristics, as well as same-year experiences of financial strain, we do not examine why these factors – individually or in combination – predict hardship over time. Future research could take advantage of SIPP's consistent, nationally representative data on hardships over multiple, consecutive years to explore these relationships in a causal framework.

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Appendix Tables

Table A1.

Percent of households experiencing major forms of hardship, by presence of children	In one year		In three years	
	Households with children	Households without children	Households with children	Households without children
Food insecurity	12.4	10.8	23.1	18.8
Inability to pay rent or mortgage	7.1	4.4	15.3	9.9
Inability to pay utility bill	10.4	6.8	20.9	14.0
Any of the above	19.7	15.0	34.8	25.9

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.

Table A2.

Percent of households with children, by income group	Latino	Black	White
Bottom third	58.6	56.4	29.5
Middle third	28.8	29.4	35.1
Top third	12.6	14.2	35.4

Notes: Race is of household reference person. Reliable estimates for other race groups were not available to due inadequate sample size.

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.

Table A3.

Percent of households with children experiencing major forms of hardship and financial strains, by race of household reference person

	All		Latino		Black		White	
	In one year	In three years	In one year	In three years	In one year	In three years	In one year	In three years
Major forms of hardship								
Food insecurity	12.4	23.2	14.5	30.3	18.4	33.9	10.6	18.8
Inability to pay rent or mortgage	7.1	15.3	8.9	20.0	10.9	25.4	5.7	11.5
Inability to pay utility bill	10.4	20.9	12.4	25.6	15.3	32.6	9.0	17.3
Any of the above	19.7	34.8	24.1	45.9	30.1	52.9	16.3	27.9
Financial strains								
One or more household members uninsured	25.3	43.3	44.3	63.6	25.2	46.0	18.4	35.2
Severe housing cost burden	14.0	27.8	19.7	38.2	21.2	39.8	10.3	21.4
Child or dependent care costs exceed 10 percent of household income	11.1	22.5	9.4	19.4	15.7	31.2	10.5	21.2

Notes: Reliable estimates for other race groups were not available to due inadequate sample size.

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.

Table A4.

Percent of households with children experiencing major forms of hardship and financial strains, by presence of children under age 6

	In one year		In three years	
	With children under age 6	No children under age 6	With children under age 6	No children under age 6
Major forms of hardship				
Food insecurity	12.6	12.3	23.7	22.7
Inability to pay rent or mortgage	7.4	6.9	15.9	14.8
Inability to pay utility bill	10.7	10.2	22.4	19.8
Any of the above	20.0	19.5	35.6	34.3
Financial strains				
One or more household members uninsured	26.7	24.2	44.7	42.4
Severe housing cost burden	14.3	13.8	27.7	27.9
Child or dependent care costs exceed 10 percent of household income	20.0	4.5	36.2	12.4

Source: Authors' analysis of U.S. Census Bureau Survey of Income and Program Participation public use files for reference years 2014, 2015, and 2016.