Researchers: Suggestions for Improving Economic State of the Union

New York City – When President Obama delivers his State of the Union speech tonight, regardless of whatever political maneuvers he will need to make, his focus will most certainly be on the economy and how to get Americans working again and the country back on a path to prosperity. Researchers at the National Center for Children in Poverty (NCCP), a think tank at Columbia University’s Mailman School of Public Health, have a few ideas of their own on how to address the part of his speech pertaining to the economy:

1. **Sustain** unemployment benefits for families in need. With the national unemployment rate hovering near 10 percent for more than 18 months and long-term unemployment at the highest level on record, UI benefits provide a crucial lifeline to unemployed workers and their families. Research shows that unemployment benefits are quickly spent and provide a strong boost to the economy. For each dollar invested in the program $1.60 or more is added to Gross Domestic Product over the course of a year through multiple rounds of spending.

2. **Sustain** state-level child care subsidy programs for low-income working families, meeting—and if possible exceeding—the matches necessary to receive their full federal allocations from the Child Care and Development Fund. This two-pronged program supports children’s healthy development while it also enables their parents’ to secure and maintain employment.

3. **Keep** co-payments for child care subsidies below 10 percent of family income, making child care not only more affordable, but also allowing parents more money for other necessities – and further stimulating the economy.

4. **Maintain** and expand access to health care for low-income children and families through publicly financed health insurance programs including Medicaid, the Children’s Health Insurance Program, and health insurance premium subsidy programs for low wage workers and small businesses. Health insurance enables timely access to preventive and other care necessary for healthy development and health maintenance. Good health is fundamental for school readiness, school achievement and participation in the labor force.

5. **Maintain** support for programs that work to prevent child abuse and neglect and strengthen families’ ability to nurture children. At a time when families may be especially fragile, it is even more important to make sure they have the supports they need to keep children safe.

*The National Center for Children in Poverty (NCCP) is the nation’s leading public policy center dedicated to promoting the economic security, health and well-being of America’s low-income families and children. Part of Columbia University’s Mailman School of Public Health, NCCP uses research to inform policy and practice with the goal of ensuring positive outcomes for the next generation.*