State policies that promote the economic security of our nation’s families can help offset larger economic and social conditions that make it difficult for families to get by and get ahead. This four-part profile provides data on Massachusetts’s low-income children and families and highlights state policy choices regarding families’ work attachment and advancement, income adequacy, and asset development.

In Massachusetts, there are 778,393 families, with 1,381,694 children. Among these children, 29 percent live in families that are low-income, defined as income below twice the federal poverty level (nationally, 45 percent of children live in low-income families). Young children are particularly likely to live in low-income families.

Low wages and a lack of higher education contribute to families having insufficient incomes. Nationally, 48 percent of low-income children have at least one parent who works full-time, year-round; in Massachusetts, the figure is 35 percent.

Parents without a college education often struggle to earn enough to support a family, but only 37 percent of adults in Massachusetts have a bachelor’s degree. A substantial portion of children in Massachusetts whose parents only have a high school diploma—54 percent—are low income.

Children of foreign-born parents are also more likely to be low income than children of native-born parents.

Percent of children who are low-income by parental education, 2011

<table>
<thead>
<tr>
<th>Educational Level</th>
<th>Massachusetts</th>
<th>U.S.</th>
</tr>
</thead>
<tbody>
<tr>
<td>No high school degree</td>
<td>79%</td>
<td>86%</td>
</tr>
<tr>
<td>Only a high school degree</td>
<td>54%</td>
<td>66%</td>
</tr>
<tr>
<td>Beyond a high school degree</td>
<td>18%</td>
<td>31%</td>
</tr>
</tbody>
</table>
Children in Massachusetts by income level, 2011

- Above low income: 71%
- Less than 100% FPL: 14%
- 100-200% FPL: 15%

Employment status of parents of low-income children, 2011

- Massachusetts:
  - Not employed: 27%
  - Part-time or part-year: 37%
  - Full-time, year-round: 36%

- U.S.:
  - Not employed: 37%
  - Part-time or part-year: 27%
  - Full-time, year-round: 36%

Percent of children who are low-income by parents' nativity, 2011

- Massachusetts:
  - Children with native-born parents: 26%
  - Children with immigrant parents: 45%

- U.S.:
  - Children with native-born parents: 41%
  - Children with immigrant parents: 63%

WORK ATTACHMENT AND ADVANCEMENT

State Choices to Promote Child Care Affordability and Access

**Child Care and Development Fund (CCDF) Subsidies**

- Earnings limit for a single-parent family of 3: $34,680/year
- Co-payment as percent of income for family of 3 at 150% FPL, 1 child in care: 9%
- Providers prohibited from charging additional fees: Yes

**Provider payment rates at least 75th percentile of market rate**: No
Low-income children who have parents working full- or part-time, 2011

- Massachusetts: 37% employed part-time, 35% employed full-time
- U.S.: 32% employed part-time, 48% employed full-time

State Child and Dependent Care Tax Credit
- Refundable credit available: No
- Benefit structure: Deduction of eligible expenses: $509/year

State Choices to Promote Access to Health Insurance

Public Health Insurance for Parents
- Applicant earnings limit for single parent with 2 children: $23,400/year
- Parents eligible up to same limit as children, single parent with 2 children: No
- Legal immigrants eligible for state-funded benefits when barred from federal: Yes
- Legal immigrants otherwise barred from benefits eligible for prenatal care: Yes (no immigration test)

Public Health Insurance for Children
- Medicaid income eligibility limit as % of FPL for children ages 1-5 in family of 3: 150%
- Medicaid income eligibility limit as % of FPL for children ages 6-19 in family of 3: 150%
- SCHIP (separate program) income eligibility as % of FPL for children in family of 3: 300%
State Choices to Promote Access to Benefits for the Under- and Unemployed

**Unemployment Insurance**

State counts most recent earnings when determining eligibility\(^1^9\)

Eligible if seeking part-time work\(^2^1\)

State has general provision recognizing "good cause" for quitting work\(^2^2\)

**Temporary Assistance for Needy Families (TANF) Cash Assistance**

Earnings limit for a single-parent family of 3\(^2^4\) $8,496/year\(^2^3\)

**Official unemployment rate, 2007\(^2^5\)**

\[\text{U.S.: } 4.6\% \quad \text{Massachusetts: } 4.5\%\]

**Part-time workers who want full-time work, 2003\(^2^6\)**

\[\text{U.S.: } 13\% \quad \text{Massachusetts: } 8\%\]

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**INCOME ADEQUACY**

State Choices to Increase and Supplement Wages

**Minimum Wage Standards**

Indexed to inflation\(^2^7\)

No

**State Earned Income Tax Credit**

Refundable credit available\(^2^8\)

Yes

Percent of federal EITC\(^2^8\)

15%

**State Choices to Reduce Tax Burdens**

**Income Tax Liability**

Income tax threshold for single-parent family of 3\(^2^9\) $25,100/year

Income tax threshold for two-parent family of 4\(^2^9\) $27,100/year

Income tax burden for single-parent family of 3 at 100% FPL\(^2^9\) $-672/year

Income tax burden for two-parent family of 4 at 100% FPL\(^2^9\) $-474/year
Median annual household income for family of four, 2006:

- U.S.: $70,354
- Massachusetts: $89,347

Workers covered by a union, 1987 and 2007:

- 1987:
  - Massachusetts: 19%
  - U.S.: 14%
- 2007:
  - Massachusetts: 19%
  - U.S.: 13%
State Choices to Promote Access to Paid Leave

Family and Medical Leave

State provisions for paid leave\(^{32}\) None

State Choices to Promote Adequate Benefits for the Under- and Unemployed

Unemployment Insurance

Minimum weekly benefit (no dependents)\(^{33}\) $31/week
Additional dependent allowance provided\(^{33}\) Yes
Weekly benefit amount is indexed to average weekly wage\(^{34}\) Yes
Potential duration of benefits\(^{35}\) 10 - 30 weeks

Food Stamps

Legal immigrants eligible for state-funded benefits when barred from federal\(^{37}\) No

Temporary Assistance for Needy Families (TANF) Cash Assistance

Annual maximum benefit for family of 3\(^{24}\) $7,416/year\(^{38}\)
Treatment of child support income\(^{40}\) Up to $50 passed through. Amount disregarded for purposes of eligibility and benefits.\(^{39}\)
ASSET DEVELOPMENT AND PROTECTION

State Policy Choices to Promote Asset Development

**Individual Development Accounts**

State-supported IDA program in operation

No

**State Choices to Promote Asset Protection**

**Public Health Insurance for Parents**

Assets disregarded for eligibility determination

Yes

**Public Health Insurance for Children**

Assets disregarded for Medicaid eligibility

Yes

Assets disregarded for SCHIP (separate program) eligibility

Yes

**Food Stamps**

Treatment of vehicles in asset test

Aligned to TANF child care assistance rules

**Temporary Assistance for Needy Families (TANF) Cash Assistance**

Assets disregarded for eligibility determination

No

Treatment of vehicles in asset test

Counts greater of fair market value in excess of $10,000 or equity value in excess of $5,000 of 1 vehicle; counts full equity value of additional vehicles

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**Children who are “asset poor,” 2004**

- U.S.: 30%
- Massachusetts: 18%

**Homeownership rate, 2007**

- U.S.: 68%
- Massachusetts: 64%
DATA NOTES AND SOURCES

Data were compiled from 50-state sources. Some state policy decisions may have changed since these data were collected.

1. National data were calculated from the 2011 American Community Survey, representing information from 2011. State data were calculated from the 2009-2011 American Community Survey, representing information from the years 2009 to 2011.
3. If the state calculates co-payments based on the cost of care, figure reflects the co-payment for a 4-year-old in licensed, nonaccredited center care at the maximum state payment rate. Karen Schulman and Helen Blank, State Child Care Assistance Policies 2007: Some Steps Forward, More Progress Needed, National Women's Law Center, September 2007.
5. States were asked to report state reimbursement rates and the 75th percentile of market rates for their state's most populous city, country, or region. Data reflect basic provider payment rates (higher rates may be available for particular types of care). Rates are considered below the 75th percentile if they are based on an out-dated market rate survey (more than 2 years old). Karen Schulman and Helen Blank, State Child Care Assistance Policies 2007: Some Steps Forward, More Progress Needed, National Women's Law Center, September 2007.
7. Tax deductions are subtracted from a claimant's income before calculating taxes, while credits are subtracted from the claimant's tax liability after taxes are calculated. Massachusetts' top tax rate is 5.3 percent.
8. The benefit cannot exceed the claimant's tax liability.
11. Lawful permanent residents (LPRs) are generally barred from federal benefits during their first 5 years as LPRs, unless they entered the U.S. before 6/22/96. Exceptions include refugees and U.S. veterans (and their families). See data source for more details.

12. States have the option of using federal State Children's Health Insurance Program (SCHIP) funds to provide prenatal care to women regardless of immigration status. They can also extend prenatal care to immigrant women using state funds.
13. Limit includes SCHIP-funded Medicaid expansions, where applicable.
14. Massachusetts also provides state-funded coverage to children in families with income up to 400 percent of the poverty level ($73,240 per year for a family of 3). In some cases, family income may exceed this limit.
15. Figures reflect the percent of of children (under age 18) and adults (ages 18-64) who did not have health insurance coverage at any point during the year.
16. 2000:
Figures reflect the percent of children under age 18 and the percent of adults under 65 who were covered by employer-based health insurance during at least part of the year.
2006:
Figures reflect the percent of children under age 18 and the percent of adults under 65 who were covered by employer-based health insurance during at least part of the year.
17. In most states, the base period consists of the first 4 of the 5 most recently completed quarters. Some states allow claimants to use an alternative base period that includes more recent earnings.
18. State extends eligibility to persons seeking part-time work only if they have a history of part-time work or meet other limited criteria.

22. A general "good cause" provision extends eligibility to persons who leave their jobs for "personal emergencies" or "compelling circumstances", which should include--among others--child care conflicts, illness, domestic violence, and spousal relocation. Eligibility determinations, however, may vary in practice. States may also specifically recognize certain reasons as "good cause"; for more information see Appendix B in Rebecca Smith, Rick McHugh, Andrew Stettner, and Nancy Segal, *Between a Rock and a Hard Place: Confronting the Failure of State Unemployment Insurance Systems to Serve Women and Working Families*, National Employment Law Project, 2003. Rebecca Smith, Rick McHugh, Andrew Stettner, and Nancy Segal, *Between a Rock and a Hard Place: Confronting the Failure of State Unemployment Insurance Systems to Serve Women and Working Families*, National Employment Law Project, July 2003.

23. Figure reflects limit for "nonexempt" recipients. The limit for recipients who are exempt from work requirements and time limits due to reasons such as disability, or caring for a child under the age of two is $8,676 per year.


26. Figure reflects the percent of part-time workers who are available to work full-time, but usually work less than 35 hours per week due to slack work or unfavorable business conditions, inability to find full-time work, or seasonal declines in demand. U.S. Department of Labor, Bureau of Labor Statistics, *Geographic Profile of Employment and Unemployment*, 2003, "Estimates for States, Table 16: Employed and Unemployed Persons by Full- and Part-Time Status, Sex, Age, Race, and Hispanic or Latino Ethnicity," [http://www.bls.gov](http://www.bls.gov) (accessed March 14, 2008).


28. State EITC Online Resource Center, [http://www.stateeitc.com](http://www.stateeitc.com) (accessed June 3, 2009); with additional information from NCCP.

29. Calculations include income tax credits that are available to all low-income families in the state, such as state earned income tax credits.


35. Potential duration is the maximum number of weeks of benefits that a claimant is eligible for under the regular state program. In most states, it is determined based on the amount and distribution of the recipient's earnings in the base period; eight states have a uniform potential duration for all claimants.


37. Immigrant residents (LPRs) are generally subject to federal benefits during their first 5 years as LPRs. Exceptions include refugees and U.S. veterans (and their families). See data source for more details.


39. Figure reflects maximum benefit for "nonexempt" recipients. The maximum benefit for recipients who are exempt from work requirements and time limits due to reasons such as disability, or caring for a child under the age of two is $7,596 per year.

40. If a child is excluded from grant by family cap, then all child support collected is passed through and $90 is disregarded.

41. A child support pass-through is the amount of collected child support that the state gives to families on whose behalf the child support was collected. A child support disregard is the amount of child support that the family can keep without lowering their TANF benefits.

42. Rule applies to SCHIP-funded Medicaid expansions, where applicable.
Households in which all members receive TANF cash assistance or SSI benefits do not have to meet gross income or asset eligibility criteria. Most states also waive these criteria for recipients of certain other benefits; some states waive these criteria for nearly all applicants.


The equity value equals the fair market value minus the amount still owed on the vehicle.

Figure reflects the percent of children in households that have insufficient net worth to subsist at the federal poverty level for three months in the absence of income.


Figure reflects the percent of households who are homeowners.