Child Poverty in North Carolina: 
The Scope of the Problem

Children living in financially secure families are more likely to succeed in school, stay healthy, and to become economically self-sufficient as adults.1 Unfortunately, nearly half of North Carolina’s children (43%) live in poor or low-income homes.2 Growing up in poverty increases the likelihood that a child will be exposed to factors that can harm brain development, making success in school and life harder to achieve. Promoting financial health is critical to making sure every child in North Carolina has the opportunity to succeed.

Understanding Poverty
The United States measures poverty by a standard known as the federal poverty line (FPL). The FPL uses food costs from 1962 to estimate basic income levels for families of various sizes.3 The same standard from the 1960s is still in use today. Research suggests that most families now need an income approximately twice the FPL to meet their basic needs.4 Children living in families with incomes below that level are referred to as “low income”.5 In 2018, twice the FPL was $50,200 for a family of four with two children. Approximately 1 million children in North Carolina live in poor or low-income households.6

Disparities Exist by Race, Place, and Age
Historic barriers to family financial security and economic mobility still persist today. These barriers have resulted in child poverty rates that vary across race and ethnicity, geography, and age statewide.

- Young children are more likely than older children to live below the poverty line. In 2016, nearly one in four children ages 0-5 lived in poverty, compared to one in five older children in the state7;
- American Indian, Black, and Hispanic children are more likely to live in low-income families. Despite making up only 41 percent of the child population, Black and Hispanic children account for 63 percent of North Carolina’s children in poverty8;
- Among all 100 counties in 2014, the 20 highest poverty rates in the state were all in rural counties.9

The Effects of Childhood Poverty Can Last a Lifetime
Growing up in poverty is one of the greatest threats to healthy child development. Research shows that children living in poverty are more likely than their peers to be exposed to events that can harm healthy brain development. Without protective factors to soften the blow, childhood poverty has been strongly linked to a variety of negative outcomes across a child’s life: reduced success in school, more exposure to violence, hunger, parents in the justice system, as well as abuse and neglect.10

Ultimately, children thrive when their families are financially secure. Children’s lifelong economics are deeply tied to those of their families and communities. To ensure opportunity for every child, North Carolina should make family financial health a top policy priority.
Endnotes


