MORIE THAN A HEALTH CRISIS:
LONG-TERM EFFECTS OF THE COVID-19 PANDEMIC ON CONNECTICUT YOUTH AND FAMILIES

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The COVID-19 pandemic and the precautionary measures that states had to take to contain the virus—while critical from a public health perspective—greatly disrupted the economy, leading to an economic downturn with the potential of being more devastating that the 2007-2009 Great Recession. The Great Recession impacted the economic stability of young adults and families at the time, made it harder for parents to provide for their children, and set the earnings of young adults who joined the workforce at the time to the point that they have yet to fully recover. To ensure that the effects of the current pandemic and pandemic-induced recession do not create a Connecticut that is inhospitable to its population of young people—which increasingly includes children and youth of color—Connecticut must act now to ensure that youth and families’ needs are met during the pandemic, so that they are ready and able to fully return to their work and education when the state’s institutions completely reopen.

In order to understand the severity of the pandemic-induced recession on Connecticut’s youth and families, Connecticut Voices for Children (CT Voices) examined data from the weekly Household Pulse Surveys conducted by the U.S. Census Bureau, focusing on responses from households with children, young adults, and households of color. The Census Household Pulse Survey (CHPS) asked households to report on a variety of questions related to employment, housing, education, and health. This report looks at the survey data collected between August 19, 2020 and March 1, 2021. Through analyzing survey responses, the report found that young adults reported some of the highest rates of unemployment in the state, while households of color and households with children were more likely to report having lost employment income than white households and households without children. These disruptions in income led to many groups being unable to afford basic necessities, causing households to fall behind in rent payments and unable to afford sufficient food for themselves. Changes in income also disrupted education—both K-12 and post-secondary—for many, causing people throughout Connecticut to put off or cancel their plans for higher education.

The report also found that:

**EMPLOYMENT**

- Over 50 percent of young adults reported a decrease in income since the pandemic began. Adults aged 18 to 24 were the second most likely age group to report being unemployed, only surpassed adults 65 years of age or older.

- Over 50 percent of households with children reported a decrease in income since the pandemic began, and households with children were 18 percent more likely than households without children to report an income decrease.

- About 58 percent of Hispanic households and 50 percent of Black households reported losing income since the pandemic began, compared to 43 percent of white households.
## BASIC NEEDS

- More than 1 in 4 households with children in Connecticut reported being behind on rent payments. Households with children were 2.4 times more likely to be behind on rent payments than households without children.

- About one-fifth of Black and Hispanic households reported being behind on rent payments, compared to about one-tenth of white households.

- Nearly 20 percent of Black and Hispanic households with children reported being food insecure, or sometimes or often not having enough food to eat, making them 2.3 times more likely than their white counterparts to be food insecure.

## EDUCATION

- 73 percent of Black households and 75 percent of Hispanic households reported always having access to a computer device for educational purposes, compared to 85 percent of white households.

- Only 68 percent of Black households and 74 percent of Hispanic households reported that students always had access to the internet for educational purposes, compared to 81 percent of white households. Additionally, while only three percent of white households reported that internet access was usually not available for educational purposes, that number more than doubled for Hispanic households and more than tripled for Black households.

- Black and Hispanic households were 17 and 30 percent more likely than white households to report a member had cancelled their secondary education plans. Households with children were more likely than households without children to cancel their secondary education plans as well.

- The two biggest reasons for cancelling secondary education plans, by far, were having contracted/fear of contracting COVID-19 and being unable to afford classes due to income changes caused by the pandemic.

## POLICY RECOMMENDATIONS

If the safety and stability of Connecticut’s youth and families are not prioritized in the state’s recovery planning, we potentially risk another decade of Connecticut experiencing high unemployment, low wage growth, and some of the slowest economic growth in the country. To help ensure the well-being and prosperity of Connecticut’s youth and families:

- **Connecticut must ensure that young adults are a focus in its recovery plan and policymaking.** The 2007-2009 Great Recession was one of the single most devastating events in the then and future economic stability of young adults. Connecticut must establish ways to recover and protect not only young adult employment, but also young adult earnings. The State should assume responsibility for finding ways to connect academic work with occupational-focused education, while supporting youth as they transition from school to the workforce by providing subsidized jobs and career guidance and advising systems. Connecticut must find ways to connect its young people with new work opportunities and re-engage students who have lost a year of education in the unprecedented shift to online learning.
• **Connecticut should not reopen before ensuring its young workers are safe.** Vaccine scheduling in Connecticut opened to people age 16 and over on April 1, 2021, while many institutions and businesses that employ young adults, like restaurants and fitness centers, are already open. The delay between scheduling and being fully protected by vaccination means that young adults will be vulnerable when they return to work. Additionally, children age 15 and younger are not currently approved to receive vaccines.

• **Connecticut must prioritize racial and ethnic equity in its response to the pandemic.** Data shows that the coronavirus pandemic has disproportionately hurt Connecticut’s Black and Brown communities. As of 2017, children of color make up over 40 percent of Connecticut’s children. Without intentional focus and action, the existing systemic and structural racial inequities will be compounded by the negative effects of the pandemic.

• **Connecticut needs a fair tax system that works for everyone.** Connecticut has a regressive tax system that exacerbates rising economic inequality and slows economic growth. This means that working- and middle-class families pay a larger share of their income to taxes than the wealthiest families in Connecticut. A fair tax system will address the class and race disparities in wealth and income.

  - **Connecticut should restore the applicable percentage of the state Earned Income Tax Credit (EITC) to 30 percent, or increase it to 40 or 50 percent.**

  - **Connecticut should create a state Child Tax Credit (CTC).** Connecticut does not currently have a state-level counterpart to the federal CTC like it does for the EITC. Connecticut also does not currently provide any tax breaks to aid residents and help offset the high cost of raising children. The creation of state CTC coupled with an expanded state EITC will help alleviate poverty and make Connecticut a desirable place for families to root and grow.

• **Connecticut must increase its share of available affordable housing, and municipal governments must be part of the solution.** CT Voices continues to support the cause of the Connecticut Cancel Rent Now coalition. Connecticut should halt and forgive all rent obligations from March 11, 2020, when the state health emergency was first declared, until at least 45 days after the state of emergency has been resolved. Additionally, the state should set aside funds to aid landlords who cannot and/or do not collect rent. For long-term solutions, the Connecticut General Assembly should strengthen the authority of Conn. Gen. Stat. § 8-30g, which mandates municipalities have at least 10 percent affordable housing stock and allows affordable housing developers to override exclusionary zoning policies in towns that have not met their quota. Also, the Connecticut General Assembly should incentivize the development of “missing middle housing” and the first-time homeownership for underrepresented group. These and other recommendations are included in CT Voices report, *Separate and Unequal: The Interactive Effects of Housing and Education Policies on School Segregation in Connecticut.*

• **Connecticut must do its best to protect education funding from the effects of the pandemic.** In order to meet the needs of students that have experienced learning loss, additional remediation for high-needs students, and a large increase in student socio-emotional needs, it is estimated that Connecticut will need to spend about $12,300 per student over the next five years in addition to current funding. This would come out to about $1.3 billion every year for the next five years. Connecticut should use incoming federal funding to address the inequities widened by the pandemic, while also raising funding for its disenfranchised and vulnerable students in the Economic Cost Sharing formula. Furthermore, Connecticut must work to make state colleges and universities affordable to avoid subjecting the next generation to an increasing student debt crisis as family resources shrink during the pandemic. Connecticut should increase need-based student aid. Need-based aid would target students who have been financially impacted by the pandemic.