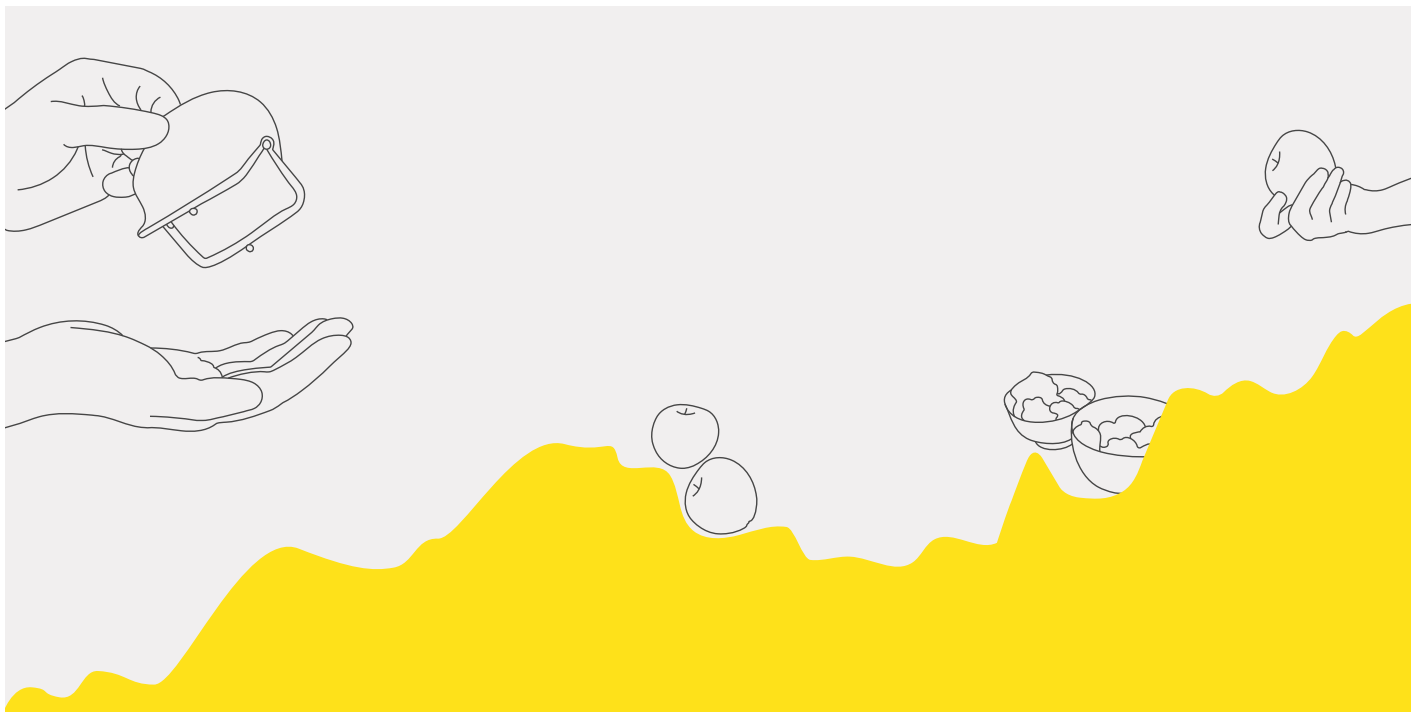


HIGH MATERIAL HARDSHIP PERSISTS FOR FAMILIES WITH YOUNG CHILDREN

Since April 2020, RAPID has measured material hardship by asking families if they are having difficulty paying for basic needs in one or more of the following categories: food, housing (mortgage or rent), utilities, child care, healthcare, and well-being needs (e.g., mental health services). The rate of material hardship among families with young children rose steadily over 2022 and, for the past nine months, the rate has remained around 40%. In December 2022, the rate reached its highest level since we began the survey in April 2020.

Material hardship data add important context to understanding families' experiences and well-being.

For nearly a year, two out of every five households in the survey have been experiencing hardship in at least one area of basic need.



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MATERIAL HARDSHIP HAS STABILIZED AT A HIGHER RATE IN RECENT MONTHS

We recently reported that RAPID data showed a consistent increase in the rate of material hardship throughout 2022. The upward trend began in April 2022 and the rate of material hardship reached as high as 44% of households with young children in July 2022. Since July, this rate has held steady at around 40%. In December 2022, however, it spiked to 47% of households in the RAPID survey reporting difficulty paying for at least one area of basic need.* This is the highest rate of hardship since RAPID first collected these data in April 2020.

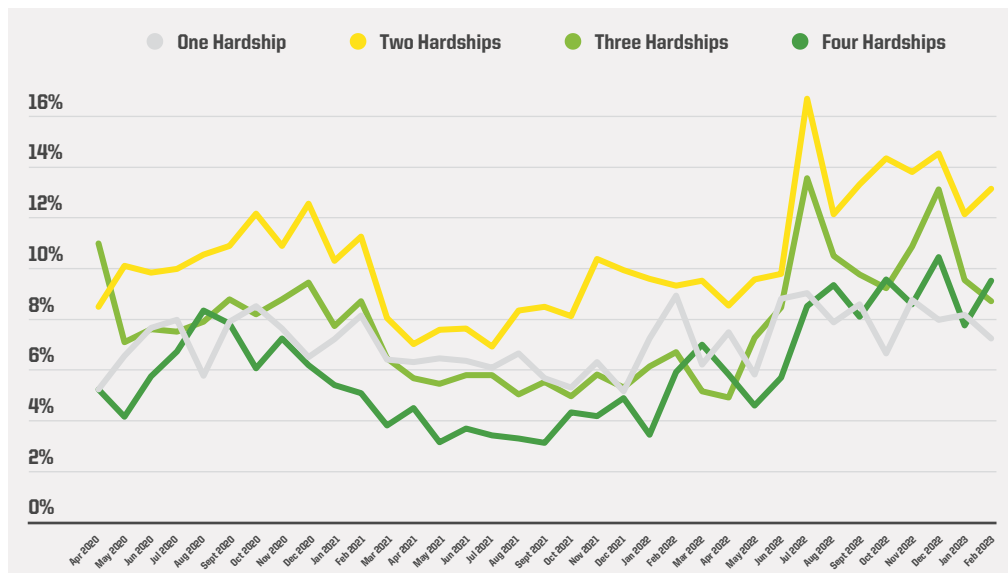
Since July 2022, the data also show an increase in the number of RAPID households reporting hardship in two, three, and even four categories of basic need. This indicates a sustained, high level of hardship among households with young children, and increasing

hardship for families that are already experiencing difficulty affording basic needs.

We analyzed responses to RAPID’s open-ended questions, where parents are invited to share more information and detail about their experiences. In those responses, parents shared that financial difficulties were a major challenge during this period, including not being able to pay bills, struggles with high cost of living, and concerns about their jobs and income insecurity.

Though we cannot say why hardship rates have increased, or how they compare to hardship rates prior to the pandemic, RAPID data show a clear trend of sustained, high levels of hardship among RAPID households throughout 2022 and early 2023.

Trend of the number of hardships among all participants



“Affording the daily living, because things are getting so expensive, like the rent, utilities, outdoor activities with the family etc.”
Parent in Arizona

“The increasing costs of everything is making it difficult to survive.”
Parent in Connecticut

“The biggest concerns are about how expensive everything is right now - food, gas, bills and how much longer we’ll be able to afford everything.”
Parent in Pennsylvania

* It is noteworthy that RAPID’s December 2022 data had more Black, Latinx, and lower-income households than the nationally representative population data. This analysis is weighted to adjust for participants’ race/ethnicity, income levels, and geographic locations to account for any sample biases.

ALL SOURCES OF HARDSHIP INCREASED IN DECEMBER, BUT DIFFICULTY PAYING FOR WELL-BEING NEEDS, FOOD, AND UTILITIES INCREASED THE MOST

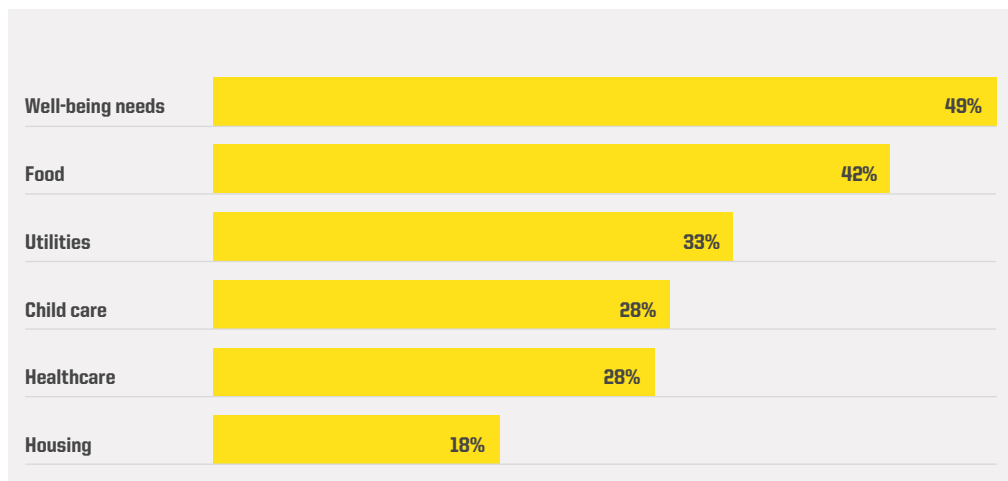
RAPID data show a peak in material hardship in December 2022. Participants reported increased hardship across all categories of basic need, but difficulty paying for well-being needs (defined as recreational, community, and mental health needs), food, and utilities increased the most.

In December 2022, 23% of all RAPID households reported difficulty paying for well-being related needs. This was a 6-percentage point increase from November 2022. Similarly, 28% of households reported difficulty paying for utilities, a 12-percentage point increase from May 2022.

During fall and early winter 2022, the percentage of parents who reported anxiety and stress also

rose. In December 2022 alone, 35% of parents reported feeling anxiety and 52% reported feeling significant stress when asked about their well-being. RAPID has consistently found evidence of a chain reaction of hardship, where increases in material hardship are associated with increases in parents' emotional distress (a composite of parent depression, anxiety, loneliness, and stress symptoms) which are, in turn, associated with increases in child emotional distress (a composite of child fussiness, fearfulness and anxiety). Nearly half (48%) of parents reported that their child had been fussy or defiant in the past week when surveyed in December 2022, while a quarter reported that their child was fearful or anxious.

Percentage of parents reporting increases in each hardship types among those who had increased numbers of hardships



“Paying bills, getting food and keeping kids from worrying about any of it. Plus not knowing if kids will have any presents for Christmas.”

Parent in Oregon

“My car has been breaking down a lot and every time we take it to get fixed it puts us behind on our finances. It needs new tires but we put it off until we can save enough to afford it.”

Parent in California

“Our food bill has more than doubled for the same basic items and the food pantry drive through lines are crazy. People start lining up at 7 am for noon distribution.”

Parent in New York

Steady increases in both material hardship and symptoms of emotional distress are concerning and show that this chain reaction is still very much in play. This period coincides with the holiday season in the United States, which can be a stressful time for many households for a variety of reasons. Families may be overextended by the expectations

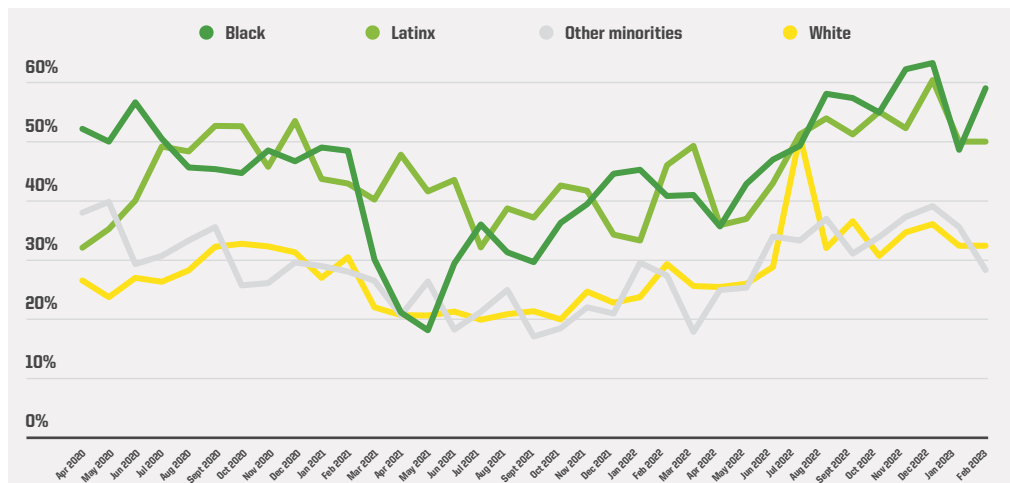
of gift-giving, shared meals, travel, and holiday gatherings. The increased darkness and short days in some parts of the country may impact mental health. The rising costs of basic goods throughout 2022 also strained families financially. Difficulty purchasing essential items to meet children’s and families’ needs takes a significant toll on parents.

BLACK AND LATINX PARTICIPANTS, AND FAMILIES BELOW 400% FPL REPORTED THE MOST SUBSTANTIAL INCREASES IN HARDSHIP IN DECEMBER

In December 2022, Black and Latinx families experienced more substantial increases in hardship than white families, particularly in food, housing, and utilities. The December 2022 increase in hardship was observed across all income levels, but lower and middle-income households were particularly hard hit.

There were increases in healthcare, housing, and well-being related hardships for lower-income households, and child care, food, utilities, and hardships for middle income households. It’s noteworthy that more than 20% of higher-income families also experienced material hardship in December 2022.

Trend of material hardship rate by race/ethnicity

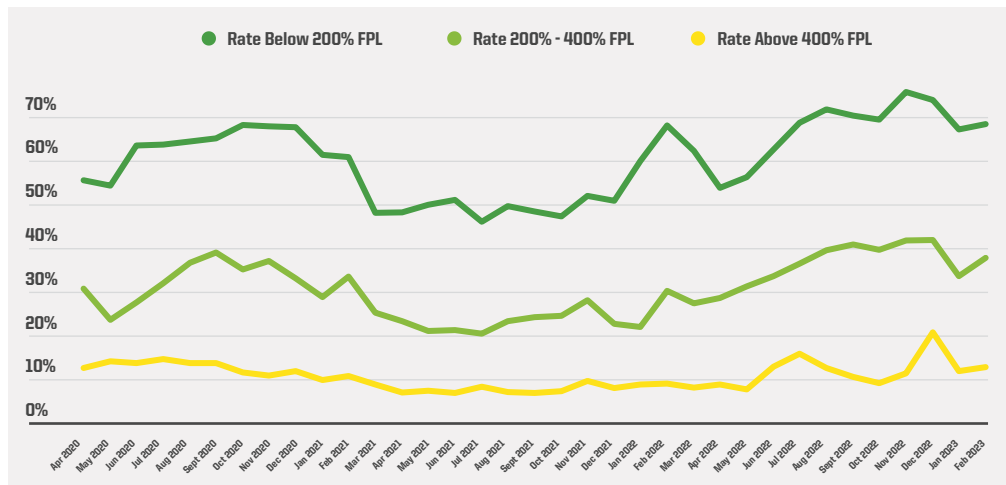


“Affording groceries, resuming student loan payments. We can’t afford them and will lose our home if those payments resume or loans aren’t forgiven. We are so scared and anxious about the PSLF and general loan forgiveness. Will dramatically impact our family.”
Parent in Tennessee

“My biggest concerns are just keeping my kids and myself healthy so I don’t miss work. I recently got sick for 2 weeks and was out of work with no pay so I’m struggling to recover.”
Parent in Florida

“My mortgage and credit card bills are due, but I don’t have the money to pay them, and our income is just enough to cover our daily expenses and child care needs.”
Parent in California

Trend of material hardship rate by income levels



CONCLUSION

Through the RAPID Survey we continue to see a sustained, high level of material hardship among households with young children. This trend is particularly troubling as we approach the end of COVID-19 emergency declarations in May and many pandemic-era supports have been removed or rolled back. One example of such policies already impacting families includes the expiration of The Supplemental Nutrition Assistance Program's (SNAP) emergency allotments, which ended after the February 2023 issuances. Congress enacted these temporary benefit increases to address rising food insecurity and provide economic stimulus during the pandemic. The expiration of these temporary benefits

may increase food hardship for many families, especially given the recent increases in food prices.

Evidence suggests that policies enacted in 2020 and 2021 like the Child Tax Credit and pandemic relief payments helped families with young children, reduced poverty, and buffered families from material hardship. Throughout 2022, these family supports ceased to be available, which likely removed or reduced the hardship buffer for families.

It will be critical to continue to assess how families are faring throughout 2023 and to act to address the needs of families and young children.

ABOUT THE RAPID PROJECT

Data presented in this fact sheet are based on RAPID household surveys. Analyses are based on responses collected from 16,514 caregivers between April 2020 and February 2023.

These caregivers represent a range of voices:

9.3% are Black/African American, 13.6% are Latinx, and 33.1% live at or below 200% of the federal poverty level. Proportions/percentages are calculated based on the item-level response rates, not on the total sample.

The RAPID project includes a survey of caregivers with children under age 6 and a survey of child care providers and other adults who care for children under age 6.

These surveys are designed to gather essential information continuously regarding the needs, health-promoting behaviors, and well-being of children and their families and important adults in their lives.

RAPID collects data monthly from 1,000 caregivers and child care providers in all 50 states. The surveys are national in scope, though not technically nationally representative. RAPID collects snapshots of data across time and can also assess trends longitudinally.

For more information about RAPID study design and methods, [see here](#).

RAPID is under the direction of Philip Fisher, PhD, Director of the Center on Early Childhood at Stanford University

3,100+

providers

16,000+

households

50

US states

