Kids’ Share 2015:
Report on Federal Expenditures on Children through 2014
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Kids’ Share Report Series

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First Focus and Annie E. Casey Foundation
Children as a 21st Century Agenda

Not a time of austerity but of extraordinary opportunity

But dead men (yes, they were mainly men) rule over us

• Using past agendas to control the future
• And leaving out tomorrow’s children
Steuerle-Roeper Fiscal Democracy Index

Percentage of federal receipts left after mandatory and interest spending

Notes: Calculations from CBO January 2015 Budget and Economic Outlook data. Projected years assume the extension of certain tax provisions and maintenance of current Medicare payment rates to physicians.
Are we investing in our future?

How $1.4 trillion in increased outlays will be spent in 10 years

- **Non-child Social Security, Medicare, and Medicaid**: 59%
- **Interest on the debt**: 30%
- **Defense**: -2%
- **Children**: 2%
- **All other spending**: 10%

Broad Budget Trends – Share of Federal Budget

Historical Trends in Federal Spending on Children

Shift from...

dependent exemption  →  other tax reductions/credits

cash (tax) payment  →  in-kind benefits

universal programs  →  means-tested programs
The 10 Spending and Tax Programs with the Highest Expenditures on Children, 2014

- Medicaid: 78 billions of 2014 dollars
- EITC: 54 billions of 2014 dollars
- Dependent exemption: 26 billions of 2014 dollars
- Child tax credit: 21 billions of 2014 dollars
- Employer-sponsored insurance: 38 billions of 2014 dollars
- SNAP: 34 billions of 2014 dollars
- Social Security: 33 billions of 2014 dollars
- Child nutrition: 21 billions of 2014 dollars
- Title I: 19 billions of 2014 dollars
- Special education: 16 billions of 2014 dollars
- Outlays: 13 billions of 2014 dollars

Federal, state and local spending per child, 2007-11

Federal and state/local spending in 2008, per capita, by age

- **Birth to 18**: 68% State/Local, 32% Federal
- **12-18**: 74% State/Local, 26% Federal
- **6-11**: 73% State/Local, 27% Federal
- **3-5**: 53% State/Local, 47% Federal
- **0-2**: 24% State/Local, 76% Federal

Federal expenditures on children as a share of GDP, by category, 2014 and 2025

Source: Isaacs et al, Kids Share 2015
Summary

Children could be a 21st Century priority

The opportunity: economic growth provides additional resources

But children’s share of the federal pie is squeezed & declining

And its share of the state pie is also likely declining