What if Every Eligible Person in Colorado Received Safety Net Benefits?

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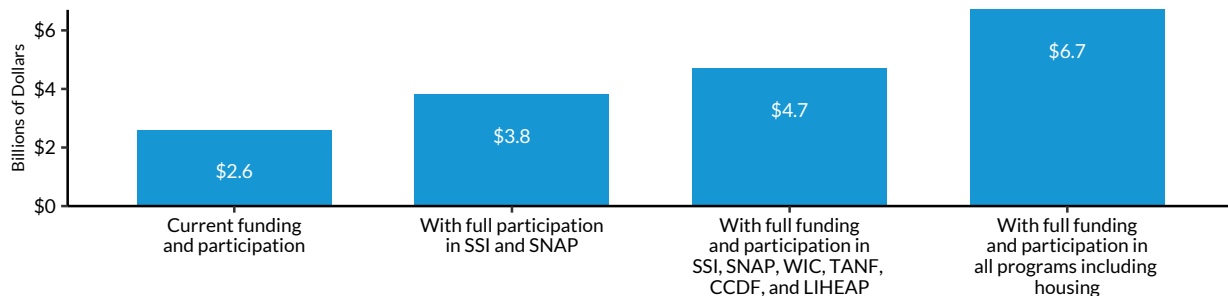
Though social safety net programs provide critical support for families with lower incomes in the US, many people eligible for these programs do not receive assistance because of limited funding, lack of awareness of programs, administrative barriers, and other reasons. But what if everyone who qualified for these programs actually received help? We examine the effects on poverty and benefit amounts if safety net programs were fully funded and everyone eligible received assistance in Colorado. Our analysis includes the following seven programs: Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP, commonly known as food stamps), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), Temporary Assistance for Needy Families (TANF), child care subsidies supported by the Child Care and Development Fund (CCDF), Low Income Home Energy Assistance Program (LIHEAP), and public and subsidized housing.

Potential Benefit Increase for Colorado Residents

With full funding and participation in the safety net programs, the aggregate benefits in Colorado would be 2.6 times higher than the amount received under current funding and participation levels, based on our projections. Figure 1 shows the benefits residents could receive under three scenarios: (1) if all eligible people received benefits in programs already fully funded as entitlement programs (SSI and SNAP); (2) if all programs, except housing, were fully funded and all eligible people received benefits; and (3) if all seven programs were fully funded and all eligible people received benefits.

FIGURE 1

Colorado Residents Would Have Received $4.1 Billion More in Benefits under Full Funding and Participation across Seven Safety Net Programs

2022, without pandemic policies

Source: Urban Institute, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to the 2018 American Community Survey, IPUMS USA, University of Minnesota, www.ipums.org, projected to 2022.

Note: SNAP estimates exclude pandemic policies. SSI, TANF, and CCDF estimates include the impact of state-funded benefits when applicable. Estimates exclude people in nursing homes, homeless shelters, or other group quarters. Amounts received under current funding and participation are consistent with administrative caseload data but are not precise representations of actual program expenditures.
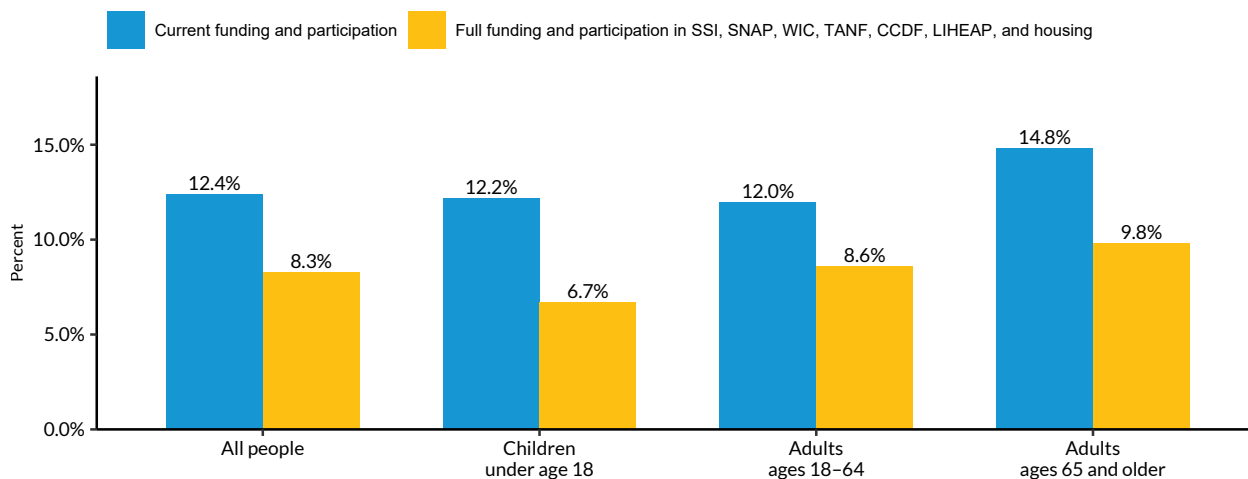
Potential Poverty Reduction for Colorado Residents

With current levels of participation and funding, we estimate that 12.4 percent of Colorado residents had resources below the poverty level, as measured by the Supplemental Poverty Measure (SPM), and 12.2 percent of children in the state were living in poverty. If the seven programs were fully funded and all eligible people received benefits, the poverty rate in Colorado would have declined to 8.3 percent, and the child poverty rate would have declined to 6.7 percent (figure 2).

FIGURE 2

Full Funding and Participation across Seven Safety Net Programs Would Have Reduced Poverty for Residents of all Ages in Colorado
2022, without pandemic policies

■ Current funding and participation   ■ Full funding and participation in SSI, SNAP, WIC, TANF, CCDF, LIHEAP, and housing

Source: Urban Institute, applying the ATTIS (Analysis of Transfers, Taxes, and Income Security) model to the 2018 American Community Survey, IPUMS USA, University of Minnesota, www.ipums.org, projected to 2022.
Note: SNAP estimates do not include pandemic policies. SSI, TANF, and CCDF estimates include the impact of state-funded benefits when applicable. WIC estimates exclude benefits due to pregnancy. Estimates exclude people in nursing homes, homeless shelters, or other group quarters.

Full funding and full participation in all seven safety net programs would reduce the number of Colorado residents living below the SPM poverty level across racial and ethnic groups. Our results (for groups with sufficient sample sizes) show that poverty would fall by

- 15 percent for non-Hispanic Asian American and Pacific Islander residents,
- 37 percent for non-Hispanic Black residents,
- 43 percent for residents who are Hispanic, and
- 28 percent for non-Hispanic white residents.

For more information about this analysis, see "A Safety Net with 100 Percent Participation: How Much Would Benefits Increase and Poverty Decline?" (https://urbn.is/46S7Ty2).