

## Policy Matters

### Twenty State Policies to Enhance States' Prosperity and Create Bright Futures for America's Children, Families and Communities

[www.policymatters.us](http://www.policymatters.us)

Key to a state's prosperity are the strength of its work force, the health of communities, and the efficiency of government investment, all of which can be enhanced by adopting policies that improve opportunities for children and families. As state leaders pursue these goals, they need strong research evidence to help them assess which policies can produce results most effectively and give states a high rate of return on their policy investments.

The *Policy Matters* report serves as such a guide by assembling research on effective policies in the areas most important to a family's opportunity and stability: employment, income and asset growth, health, education, and healthy family relationships. The Center for the Study of Social Policy (CSSP), working with a broad group of state and national policy experts, conducted extensive research to identify the most effective policies in each of these areas. The policies included in this report not only rest on a strong body of objective evidence, they also offer the advantage of taking an early investment and preventive approach so that relatively small investments now can reduce more costly interventions later.

The policies presented in this document offer a critical point of entry for discussions of state-level policy that can promote opportunities for children and families. By doing so, this report aims to help state leaders with divergent viewpoints join together in support of a common set of policy priorities.

The research findings of *Policy Matters* are presented in multiple formats:

- **Full Report** – This report provides an overview of the challenges that states and families face in the current economy, and outlines 20 policy areas that research shows are essential to enhance opportunities for children and families, strengthen communities, and build a stronger state economy.

For each of the 20 policy areas, this report provides a research summary on policy effectiveness, highlights key policy measures, and presents the status of policy in each state and the District of Columbia according to these policy measures.

- **State Policy Briefs** – For each state, an eight-page brief highlights a subset of key policy measures (from the broader set of policy areas discussed in the policy overview), and graphically presents current state policies according to those measures.
- **State Fact Sheets** – The State Policy Briefs are supplemented by a one-page summary for each state that highlights the state's key policy strengths and opportunities. **A State Fact Sheet can be found on the reverse side of this page.**

The research basis for these recommendations is presented more fully in six companion volumes available at [www.policymatters.us](http://www.policymatters.us). Based on these original reports, a number of states already are using the comprehensive *Policy Matters* framework. For additional information on this project and related state policy work, please contact:

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# OKLAHOMA – Policy Matters State Fact Sheet

## State Policy Strengths

- *Targeted Tax Relief.* Oklahoma is one of 19 states in the nation that offer a state Earned Income Tax Credit (EITC). Oklahoma also makes the credit refundable, which allows more low-wage families to access this credit (Oklahoma is one of 15 states to do so). Additionally, the state offers a child and dependent care tax credit that assists low-wage families with the high costs of child and dependent care. But Oklahoma's credit is non-refundable, and so it denies a number of low-wage families access to the credit.
- *Child Care Subsidies.* Oklahoma sets its child care eligibility level at 67% of the state median income (SMI), allowing a number of low-wage families access to affordable child care. Research shows that providing low-wage families critical work supports like child care as they are transitioning from welfare to work reduces the likelihood that they will return to public assistance.
- *Prekindergarten.* Oklahoma is a national leader in early childhood education. The state ranks among the top five states in the nation for investing in pre-k for 4-year-olds. Oklahoma invests \$1,406 per 4-year-old in the state. Research shows that funding early childhood education is a particularly cost-effective investment, producing economic benefits to society that far exceed the amount of the initial cost.

## State Policy Opportunities

- *Health Insurance Coverage.* Oklahoma sets its child eligibility level for health insurance at 185% of the federal poverty level, but all of Oklahoma's neighboring states set higher eligibility levels. The eligibility level for Arkansas, Kansas and Texas is 200% of poverty; New Mexico sets eligibility at 235% of poverty and Missouri at 300% of poverty. In addition, Oklahoma sets parent eligibility for state health insurance at just 44% of poverty. Covering parents is important because research shows that even when children are insured, they are more likely to receive needed health care if their parents are insured as well. Recently, in response to growing health care needs among low-wage adults with access to employer-based health insurance, the state developed a premium assistance program that will allow Medicaid to pay a portion of private health care premiums for these workers.
- *Food Security.* Oklahoma does not provide any food assistance to recent legal immigrants who are ineligible for federal food stamps. Research shows that without this assistance, low-wage immigrant families face an increased risk of hunger. In addition, Oklahoma does not provide five months of transitional food stamp benefits for any families leaving cash assistance. Research shows that providing these low-wage families critical work supports like food stamps reduces the likelihood that they will return to public assistance. Neighboring Colorado provides five months of transitional food stamp benefits.
- *Protection against Predatory Lending.* Oklahoma has relatively weak policies in place to deal with the growing industry of unfair and abusive lending practices that punish low-wage families by cheating them out of their wages, savings and homes. Oklahoma's state laws provide minimal protection against predatory mortgage lending beyond that provided by federal law. In addition, state law provides some minimal protection against payday lending practices, but more comprehensive payday lending restrictions are needed to ensure that low-wage families keep their hard earned wages.
- *Child Support.* Although child support collections have increased in recent years, Oklahoma does not pass any child support through to custodial families who receive public assistance. Neighboring Texas and New Mexico pass these child support payments through, and disregard them in public assistance benefit determinations, thereby enhancing support for low-wage custodial parents. In addition, research shows that if non-custodial parents believe child support distribution rules are fair – as is the case with pass-through options – they are more likely to pay their child support.