



Press Release
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Teen Childbearing in Minnesota Costs Taxpayers \$142 Million Annually **New State and National Data Released**

(Washington, DC) — Despite a 28% decline in the state teen birth rate between 1991 and 2004, teen childbearing in Minnesota cost taxpayers (federal, state, and local) at least **\$142 million** in 2004, according to a new analysis released by the National Campaign to Prevent Teen Pregnancy. Of these costs, 35% were federal costs and 65% were state and local costs. The national public sector costs of teen childbearing total \$9.1 billion.

Most of the public sector costs of teen childbearing are associated with negative consequences for the children of teen mothers. In Minnesota in 2004, annual taxpayer costs associated with children born to teen mothers included: \$38 million for public health care; \$56 million for child welfare; \$18 million for incarceration; and \$37 million in lost tax revenue due to decreased earnings over the children's career. There are also costs and savings associated with teen mothers and fathers of their children which are factored into the \$142 million total.

The analysis, *By the Numbers: The Public Costs of Teen Childbearing*, is authored by Saul Hoffman, Ph.D., Professor of Economics and Department Chair at the University of Delaware. The new analysis is the first comprehensive national estimate of the public costs of teen childbearing since the 1996 publication of *Kids Having Kids*, a ground-breaking report edited by Rebecca Maynard, Ph.D. It is also the first-ever analysis of what teen childbearing costs in every state.

Between 1991 and 2004, there have been more than 75,200 teen births in Minnesota, costing taxpayers an estimated **\$2.3 billion** over that period. The 28% decline in the teen birth rate between 1991 and 2004 in Minnesota has yielded substantial costs savings. The progress Minnesota has made in reducing teen childbearing saved taxpayers an estimated **\$72 million** in 2004 alone.

“This report makes clear that teen pregnancy and child-bearing have significant economic and social costs,” said Sarah Brown, Director of the National Campaign to Prevent Teen Pregnancy. “Making further progress in reducing teen pregnancy will benefit taxpayers and the economy, as well as improve the educational, health, and social prospects for this generation of young people and the next.”

The analysis provides a cautious estimate of the costs of teen childbearing and reflects only those costs clearly associated with a teen birth rather than other associated risks. Specifically, the analysis compares costs associated with teen mothers (aged 19 and younger), their partners, and their children with the same costs for women who delay childbearing until they are aged 20-21.

For more information: Visit the National Campaign's *By the Numbers* website at www.teenpregnancy.org/costs for a fact sheet detailing teen childbearing costs in Minnesota and other states and Washington, DC as well as the national *By the Numbers* report.

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About the National Campaign: Founded in 1996, the National Campaign is a private, nonprofit organization that seeks to improve the well-being of children, youth, and families by reducing teen pregnancy. The organization's goal is to reduce the teen pregnancy rate by one-third between 2006 and 2015.

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