



Poverty in the United States: 2011

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Summary

In 2011, 46.2 million people were counted as poor in the United States, the same number as in 2010 and the largest number of persons counted as poor in the measure's 53-year recorded history. The *poverty rate*, or percent of the population considered poor under the official definition, was reported at 15.0% in 2011, statistically unchanged from 2010. The 2011 poverty rate of 15.0% is well above its most recent pre-recession low of 12.3% in 2006, and has reached the highest level seen in the past 18 years (1993). The increase in poverty over the past four years reflects the effects of the economic recession that began in December 2007. Some analysts expect poverty to remain above pre-recessionary levels for as long as a decade, and perhaps longer, given the depth of the recession and slow pace of economic recovery. The pre-recession poverty rate of 12.3% in 2006 was well above the 11.3% rate at the beginning of the decade, in 2000, which marked a historical low previously attained in 1973 (11.1%, a rate statistically tied with the 2000 poverty rate).

The incidence of poverty varies widely across the population according to age, education, labor force attachment, family living arrangements, and area of residence, among other factors. Under the official poverty definition, an average family of four was considered poor in 2011 if its pre-tax cash income for the year was below \$23,021.

The measure of poverty currently in use was developed nearly 50 years ago, and was adopted as the "official" U.S. statistical measure of poverty in 1969. Except for minor technical changes, and adjustments for price changes in the economy, the "poverty line" (i.e., the income thresholds by which families or individuals with incomes that fall below are deemed to be poor) is the same as that developed nearly a half century ago, reflecting a notion of economic need based on living standards that prevailed in the mid-1950s.

Moreover, poverty as it is currently measured only counts families' and individuals' pre-tax money income against the poverty line in determining whether or not they are poor. In-kind benefits, such as benefits under the Supplemental Nutrition Assistance Program (SNAP, formerly named the Food Stamp program) and housing assistance are not accounted for under the "official" poverty definition, nor are the effects of taxes or tax credits, such as the Earned Income Tax Credit (EITC) or Child Tax Credit (CTC). In this sense, the "official" measure fails to capture the effects of a variety of programs and policies specifically designed to address income poverty.

A congressionally commissioned study conducted by a National Academy of Sciences (NAS) panel of experts recommended, some 16 years ago, that a new U.S. poverty measure be developed, offering a number of specific recommendations. The Census Bureau, in partnership with the Bureau of Labor Statistics (BLS), has developed a Supplemental Poverty Measure (SPM) designed to implement many of the NAS panel recommendations. The SPM is to be considered a "research" measure, to supplement the "official" poverty measure. Guided by new research, the Census Bureau and BLS intend to improve the SPM over time. The "official" statistical poverty measure will continue to be used by programs that use it as the basis for allocating funds under formula and matching grant programs. The Department of Health and Human Services (HHS) will continue to issue poverty income guidelines derived from "official" Census Bureau poverty thresholds. HHS poverty guidelines are used in determining individual and family income eligibility under a number of federal and state programs. Estimates from the SPM differ from the "official" poverty measure and are presented in a final section of this report.

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Trends in Poverty¹

In 2011, the U.S. poverty rate was 15.0%—46.2 million persons were estimated as having income below the official poverty line. Neither the poverty rate nor the number of persons counted as poor differed statistically from a year earlier. Since 2006, when the poverty rate stood at 12.3%, marking its most recent low, the number of poor has grown by 9.7 million persons. The 46.2 million persons counted as poor in both 2011 and 2010 are the largest numbers counted in the measure's recorded history, which goes back as far as 1959. The 2011 poverty rate of 15.0%, statistically tied with the 2010 rate, is the highest seen in the past 18 years (1993). (See **Figure 1**.)

The increase in poverty since 2006 reflects the effects of the economic recession that began in December 2007.² The level of poverty tends to follow the economic cycle quite closely, tending to rise when the economy is faltering and fall when the economy is in sustained growth. This most recent recession, which officially ended in June 2009, was the longest recorded (18 months) in the post-World War II period. Even as the economy recovers, poverty is expected to remain high, as poverty rates generally do not begin to fall until economic expansion is well underway. Given the depth and duration of the recession, and the projected slow recovery, it will take several years or more before poverty rates recede to their 2006 pre-recession level.

The poverty rate increased markedly over the past decade, in part a response to two economic recessions. A strong economy during most of the 1990s is generally credited with the declines in poverty that occurred over the latter half of the previous decade, resulting in a record-tying, historical low poverty rate of 11.3% in 2000 (a rate statistically tied with the previous lowest recorded rate of 11.1% in 1973). The poverty rate increased each year from 2001 through 2004, a trend generally attributed to economic recession (March 2001 to November 2001), and failed to recede appreciably before the onset of the December 2007 recession. Over the course of 2008, the unemployment rate increased from 4.9% (January 2008) to 7.2% (December 2008). The unemployment rate continued to rise over most of 2009, peaking at 10.1% in October. From December 2009 to December 2010, the unemployment rate fell 0.5%, from 9.9% to 9.4%, and the poverty rate in 2010 increased over 2009. From December 2010 to December 2011, the unemployment rate fell 0.9%, from 9.4% to 8.5%, and the poverty rate remained in check. The seasonally adjusted unemployment rate in August 2012 (the most recent estimate available) was 8.1%, a full percentage point below the August 2011 rate, suggesting that poverty in 2012 may continue to stay in check, and perhaps begin to fall. Poverty estimates for 2012 will not be available until the late summer of 2013.

The recession has especially affected non-aged adults (persons age 18 to 64) and children. (See **Figure 2**.) The poverty rate of non-aged adults reached 13.8% in 2010, the highest it has been since the early 1960s.³ In 2011, the non-aged poverty rate of 13.7% was statistically no different than in 2010. The poverty rate for non-aged adults will need to fall to 10.8% to reach its 2006 pre-recession level.

¹ Supporting data are based on the following: U.S. Census Bureau, *Income, Poverty, and Health Insurance Coverage in the United States: 2010*; Current Population Report No. P60-239, September 2011; and unpublished Census Bureau tables, available on the Internet at <http://www.census.gov/hhes/www/poverty/data/incpovhlth/2010/index.html>.

² Periods of recession are officially defined by the National Bureau of Economic Research (NBER) Business Cycle Dating Committee. See <http://www.nber.org/cycles/main.html>.

³ The poverty rate of non-aged adults was 17.0% in 1959. Comparable estimates are not available from 1960 through 1965. By 1966, the non-aged poverty rate stood at 10.5%. See **Table A-1**.

In 2011, over one in five children (21.4%) were poor, a rate statistically unchanged from the year prior, but significantly above its 2006 pre-recession low, at which time about one in six children (16.9%) were counted as poor. Child poverty appears to be especially sensitive to economic cycles, as it often takes two working parents to support a family, and a loss of work by one may put the family at risk of falling into poverty.⁴ Moreover, one-third of all children in the country live with only one parent, making them even more prone to falling into poverty when the economy falters.

In 2011, the aged poverty rate (8.7%) was statistically tied with the previous year, and remained at a historical low of 8.7%, in spite of the recession. The longer-term secular trend in poverty has been affected by changes in household and family composition and by government income security and transfer programs. In 1959, over one-third (35.2%) of persons age 65 and over were poor, a rate well above that of children (26.9%). Social Security, in combination with a maturing pension system, has helped greatly to reduce the incidence of poverty among the aged over the years, and as recent evidence seems to show, it has helped protect them during the economic downturn.

The U.S. “Official” Definition of Poverty⁵

The Census Bureau’s poverty thresholds form the basis for statistical estimates of poverty in the United States.⁶ The thresholds reflect crude estimates of the amount of money individuals or families, of various size and composition, need per year to purchase a basket of goods and services deemed as “minimally adequate,” according to the living standards of the early 1960s. The thresholds are updated each year for changes in consumer prices. In 2011, for example, the average poverty threshold for an individual living alone was \$11,484; for a two-person family, \$14,657; and for a family of four, \$23,021.⁷

The current official U.S. poverty measure was developed in the early 1960s using data available at the time. It was based on the concept of a minimal standard of food consumption, derived from research that used data from the U.S. Department of Agriculture’s (USDA’s) 1955 Food Consumption Survey. That research showed that the average U.S. family spent one-third of its pre-tax income on food. A standard of food adequacy was set by pricing out the USDA’s Economy Food Plan—a bare-bones plan designed to provide a healthy diet for a temporary period when funds are low. An overall poverty income level was then set by multiplying the food plan by three, to correspond to the findings from the 1955 USDA Survey that an average family spent one-third of its pre-tax income on food and two-thirds on everything else.

⁴ CRS Report RL33615, *Parents’ Work and Family Economic Well-Being*, by Thomas Gabe and Gene Falk.

⁵ For a more complete discussion of the U.S. poverty measure, see CRS Report R41187, *Poverty Measurement in the United States: History, Current Practice, and Proposed Changes*, by Thomas Gabe.

⁶ The Department of Health and Human Services (HHS) releases poverty income guidelines that are derived directly from Census poverty thresholds. These guidelines, a simplified approximation of the Census poverty thresholds, are used by HHS and other federal agencies for administering programs, particularly for determining program eligibility. For current guidelines and methods for their computation, see <http://aspe.hhs.gov/poverty/index.shtml>.

⁷ See <http://www.census.gov/hhes/www/poverty/data/threshld/index.html>.

The “official” U.S. poverty measure⁸ has changed little since it was originally adopted in 1969, with the exception of annual adjustments for overall price changes in the economy, as measured by the Consumer Price Index for all Urban Consumers (CPI-U). Thus, the poverty line reflects a measure of economic need based on living standards that prevailed in the mid-1950s. It is often characterized as an “absolute” poverty measure, in that it is not adjusted to reflect changes in needs associated with improved standards of living that have occurred over the decades since the measure was first developed. If the same basic methodology developed in the early 1960s was applied today, the poverty thresholds would be over three times higher than the current thresholds.⁹

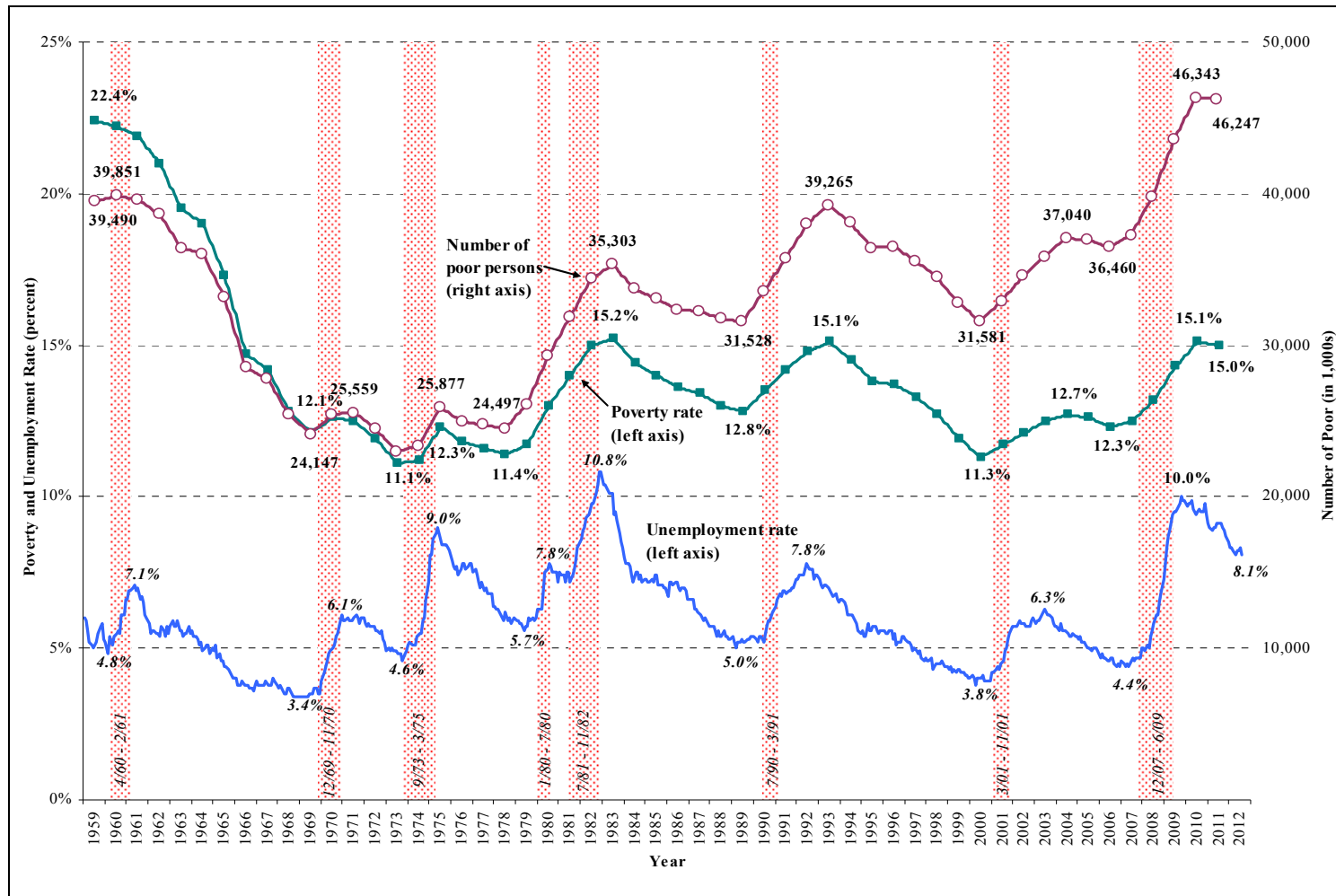
Persons are considered poor, for statistical purposes, if their family’s countable money income is below its corresponding poverty threshold. Annual poverty estimates are based on a Census Bureau household survey (Annual Social and Economic Supplement to the Current Population Survey, CPS/ASEC, conducted February through April). The official definition of poverty counts most sources of money income received by families during the prior year (e.g., earnings, social security, pensions, cash public assistance, interest and dividends, alimony and child support, among others). For purposes of officially counting the poor, noncash benefits (such as the value of Medicare and Medicaid, public housing, or employer provided health care) and “near cash” benefits (e.g., food stamps, renamed Supplemental Assistance Nutrition (SNAP) benefits beginning in FY2009) are not counted as income, nor are tax payments subtracted from income, nor are tax credits added (e.g., Earned Income Tax Credit (EITC)). Many believe that these and other benefits should be included in a poverty measure so as to better reflect the effects of government programs on poverty.

The Census Bureau, in partnership with the Bureau of Labor Statistics (BLS), has recently released a Supplemental Poverty Measure (SPM), designed to address many of the perceived flaws of the “official” measure. The SPM is discussed in a separate section at the end this report (see “The Research Supplemental Poverty Measure”).

⁸ The poverty measure was adopted as the “official poverty measure” by a directive issued in 1969 by the Bureau of the Budget, now the Office of Management and Budget (OMB). The directive was revised in 1978 to include revisions to poverty thresholds and procedures for updating thresholds for inflation using the Consumer Price Index (CPI). See OMB Statistical Policy Directive 14, available on the Internet at <http://www.census.gov/hhes/povmeas/methodology/ombdir14.html>.

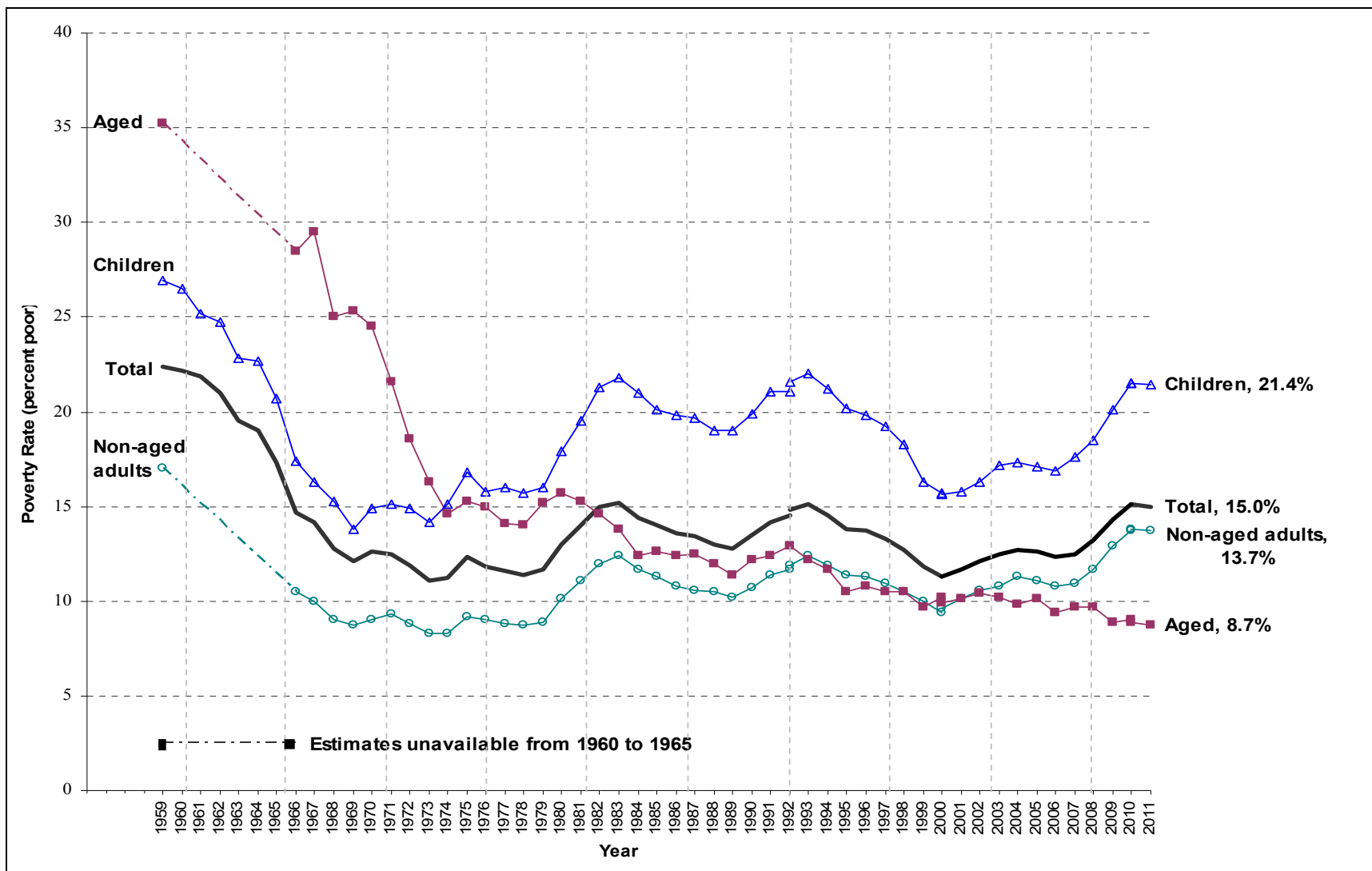
⁹ Based on U.S. Department of Labor Bureau of Labor Statistics Consumer Expenditure Survey data, in 2010 the average family spent an estimated 9.8% of pre-tax income on food (including food consumed at home and away from home), or about one-eighth of total income, as opposed to one-third in the mid-1950s. This implies that the multiplier for updating poverty thresholds based on food consumption would be 10.2 (i.e., $1/0.98$), or 3.4 times the multiplier of 3 subsumed under poverty thresholds developed in the 1960s.

Figure I. Trend in Poverty Rate and Number of Poor Persons: 1959-2011, and Unemployment Rate from January 1959 through August 2012
(recessionary periods marked in red)



Source: Prepared by the Congressional Research Service (CRS) using U.S. Census Bureau, “Income, Poverty, and Health Insurance Coverage in the United States: 2011,” Table B-1, Current Population Report P60-243, September 2012 available on the internet at <http://www.census.gov/prod/2012pubs/p60-243.pdf>. Unemployment rates are available on the internet at <http://www.bls.gov/cps/>. Recessionary periods defined by National Bureau of Economic Research Business Cycle Dating Committee: <http://www.nber.org/cycles/main.html>.

Figure 2. U.S. Poverty Rates by Age Group, 1959-2011



Source: Prepared by the Congressional Research Service using U.S. Census Bureau, "Income, Poverty, and Health Insurance Coverage in the United States: 2011," Tables B-1 and B-2, Current Population Report P60-243, September 2012, available on the Internet at <http://www.census.gov/prod/2012pubs/p60-243.pdf>.

Poverty Among Selected Groups

Even during periods of general prosperity, poverty is concentrated among certain groups and in certain areas. Minorities; women and children; the very old; the unemployed; and those with low levels of educational attainment, low skills, or disability, among others, are especially prone to poverty.

Racial and Ethnic Minorities¹⁰

The incidence of poverty among African Americans and Hispanics exceeds that of whites by several times. In 2011, 27.6% of blacks (10.9 million) and 25.3% of Hispanics (13.2 million) had incomes below poverty, compared to 9.8% of non-Hispanic whites (19.2 million) and 12.3% of Asians (2.0 million). Although blacks represent only 12.8% of the total population, they make up 23.6% of the poor population; Hispanics, who represent 16.5% of the population, account for 28.6% of the poor. The poverty rate among Hispanics fell from 26.5% in 2010 to 25.3% in 2011; poverty rates for all other groups mentioned above were statistically unchanged over the period.

Nativity and Citizenship Status

In 2011, among the native-born population, 14.4% (38.7 million) were poor—a rate statistically unchanged from 2010. Among the foreign-born population, 19.0% (7.6 million) were poor in 2011. The poverty rate among foreign-born naturalized citizens (12.5%, in 2011) was lower than that of the native-born U.S. population, but their poverty rate in 2011 increased from 2010 (11.3%) and their number counted as poor increased by over a quarter million. In 2011, the poverty rate of non-citizens (24.3%) was nearly 10 percentage points above that of the native-born population (14.4%). In that year, the 5.4 million non-citizens who were counted as poor accounted for about one in nine of all poor persons (46.2 million). Among non-citizens, both the number counted as poor, as well as their poverty rate, fell from 2010 to 2011; over a half-million fewer non-citizens were counted among the poor in 2011 than the year before, and their poverty rate fell from 26.8% to 24.3%.

Children

In 2011, over one in five children (21.4%) in the United States, some 15.5 million, were poor—both numbers were statistically unchanged from 2010. The lowest recorded rate of child poverty was in 1969, when 13.8% of children were counted as poor.

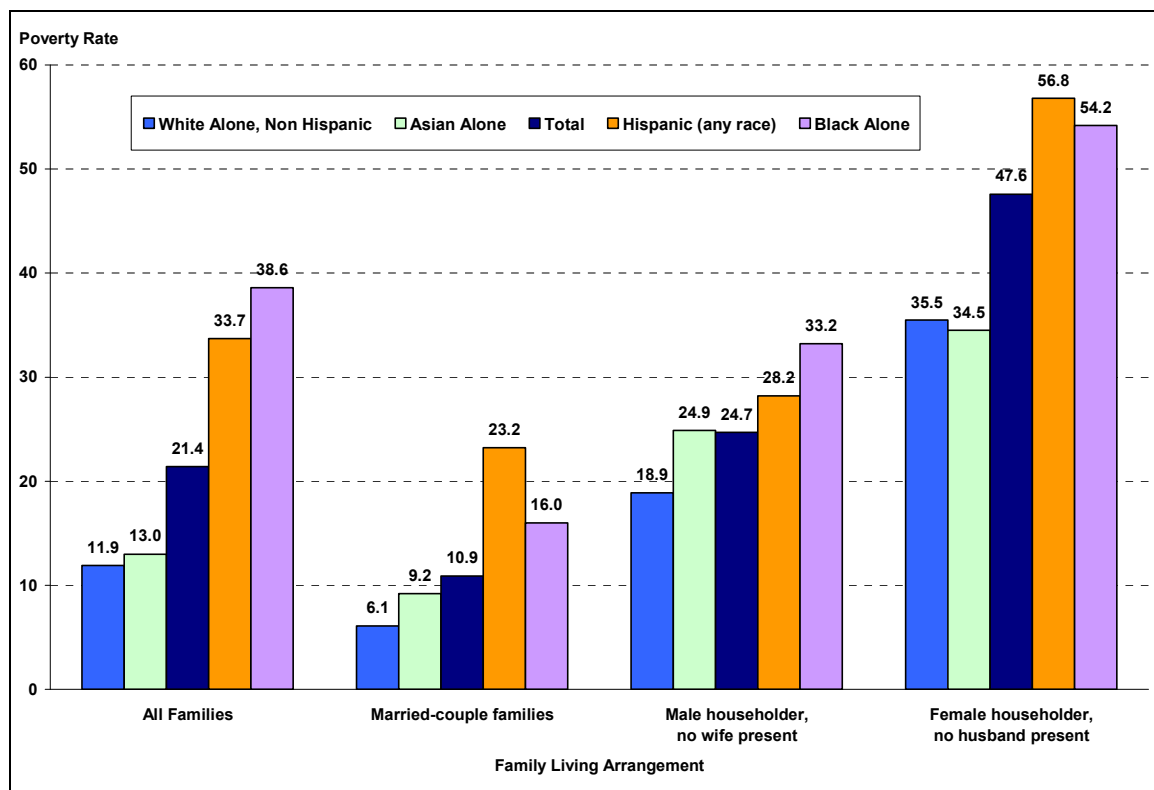
Children living in single female-headed families are especially prone to poverty. In 2011 a child living in a single female-headed family was over four times more likely to be poor than a child living in a married-couple family. In 2011 among all children living in single female-headed

¹⁰ Beginning with the March 2003 CPS, the Census Bureau allows survey respondents to identify themselves as belonging to one or more racial groups. In prior years, respondents could select only one racial category. Consequently, poverty statistics for different racial groups for 2002 and after are not directly comparable to earlier years' data. The terms black and white, above, refers to persons who identified with only a single racial group. The term Hispanic refers to individuals' ethnic, as opposed to racial, identification. Hispanics may be of any race.

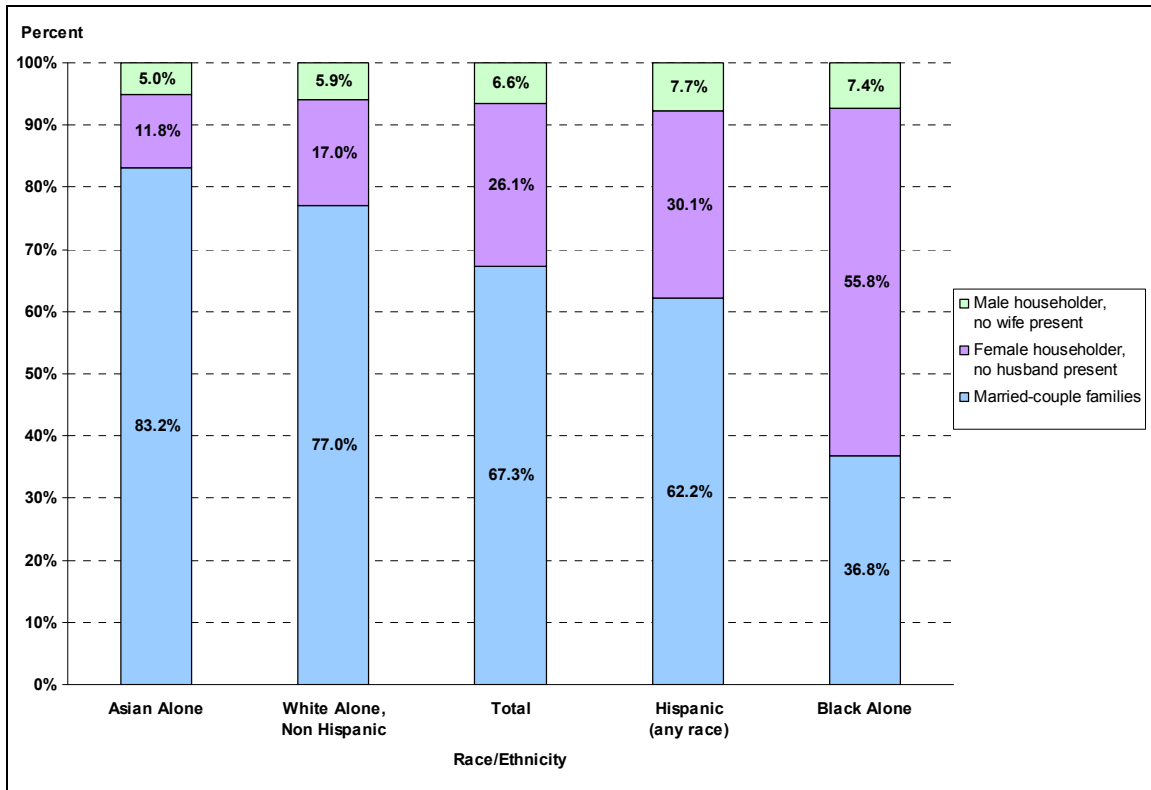
families, 47.6% were poor (up from 46.6% in 2010). In contrast, among children living in married-couple families, 10.9% were poor (down from 11.6% in 2010). The increased share of children who live in single female-headed families has contributed to the high overall child poverty rate. In 2011, one quarter (26.1%) of children were living in single female-headed families, more than double the share who lived in such families when the *overall* child poverty rate was at a historical low (1969). Among all poor children, nearly six in ten (58.1%) were living in single female-headed families in 2011.

In 2011, 38.6% of black children were poor (4.2 million), compared to 33.7% of Hispanic children (5.8 million) and 11.9% of non-Hispanic white children (4.6 million). (See **Figure 3**.) Among children living in single female-headed families, more than half of black children (54.2%) and Hispanic children (56.8%) were poor; in contrast, over one-third of non-Hispanic white children (35.3%) were poor. The poverty rate among Hispanic children who live in married-couple families (23.2%) was about half-again as high as that of black children (16.0%), and nearly four times that of non-Hispanic white children (6.1%) who live in such families. Contributing to the high rate of overall black child poverty is the large share of black children who live in single female-headed families (55.8%) compared to Hispanic children (30.1%) or non-Hispanic white children (17.0%). (See **Figure 4**.)

Figure 3. Child Poverty Rates by Family Living Arrangement, Race and Hispanic Origin, 2011



Source: Figure prepared by the Congressional Research Service (CRS) based on U.S. Census Bureau data from the 2012 Current Population Survey Annual Social and Economic Supplement, available at http://www.census.gov/hhes/www/cpstables/032012/pov/POV05_100.htm.

Figure 4. Composition of Children, by Family Type, Race and Hispanic Origin, 2011

Source: Figure prepared by the Congressional Research Service (CRS) based on U.S. Census Bureau data from the 2012 Current Population Survey Annual Social and Economic Supplement, available at http://www.census.gov/hhes/www/cpstables/032012/pov/POV05_100.htm.

Adults with Low Education, Unemployment, or Disability

Adults with low education, those who are unemployed, or those who have a work-related disability are especially prone to poverty. In 2011 among 25- to 34-year-olds without a high school diploma, about two out of five (39.2%) were poor. Within the same age group, one of five (20.2%) whose highest level of educational attainment was a high school diploma were poor. In contrast, only about one in 16 (6.4%) of 25- to 34-year-olds with at least a bachelor's degree were found to be living below the poverty line. (About 11% of 25- to 34-year-olds lack a high school diploma.) Among persons between the ages of 16 and 64 who were unemployed in March 2012, over one in four (27.6%) were poor based on their families' incomes in 2011; among those who were employed, 6.9% were poor. In 2011, persons who had a work disability¹¹ represented 11.3%

¹¹ The CPS asks several questions to determine whether individuals are considered to have a work disability. Persons are identified as having a work disability if they (1) reported having a health problem or disability that prevents them from working or that limits the kind or amount of work they can do; (2) ever retired or left a job for health reasons; (3) did not work in the survey week because of long-term physical or mental illness or disability which prevents the performance of any kind of work; (4) did not work at all in the previous year because they were ill or disabled; (5) are under 65 years of age and covered by Medicare; (6) are under age 65 years of age and a recipient of Supplemental Security Income (SSI); or (7) received veteran's disability compensation. Persons are considered to have a severe work disability if they meet any of the criteria in (3) through (6), above. See <http://www.census.gov/hhes/www/disability/disabcps.html>.

of the 16- to 64-year-old population, and 24.8% of the poor population within this age range. Among those with a severe work disability, 34.7% were poor, compared to 16.3% of those with a less severe disability and 11.7% who reported having no work-related disability.

The Aged

In spite of the recession, the poverty rate among the aged remained at a historic low of 8.7% in 2011 (statistically tied with a rate of 8.9% in both 2009 and 2010). In 2011, an estimated 3.6 million persons age 65 and older were considered poor under the “official” poverty measure. Among persons age 75 and over, 10.4% were poor in 2011, compared to 7.4% of those ages 65 to 74. Many of the aged live just slightly above the poverty line. As measured by a slightly raised poverty standard (125% of the poverty threshold), 14.5% of the aged could be considered poor or “near poor;” 12.1% who are ages 65 to 74, and 17.7% who are 75 years of age and over could be considered poor or “near poor.”

Receipt of Need-Tested Assistance Among the Poor

In 2011, among poor persons, nearly three of every four (74.3%) lived in households that received any means-tested assistance during the year.¹² Such assistance could include cash aid, such as Temporary Assistance for Needy Families (TANF), Supplemental Security Income (SSI) payments, SNAP benefits (Food Stamps), Medicaid, subsidized housing, free or reduced price school lunches, and other programs. In 2011, about one in five (19.8%) poor persons lived in households that received *cash aid*, nearly half (46.8%) received SNAP benefits (formerly named Food Stamps), and six of ten (61.3%) lived in households where one or more household members were covered by Medicaid, and 15.4% lived in subsidized housing. Poor single-parent families with children are among those families most likely to receive cash aid. Among poor children who were living in single female-headed families, one quarter (25.5%) were in households that received government cash aid in 2010. The share of poor children in single female-headed families receiving cash aid is well below historical levels. In 1993, 70.2% of these children’s families received cash aid. In 1995, the year prior to passage of sweeping welfare changes under PRWORA, 65% of such children were in families receiving cash aid.

The Geography of Poverty

Poverty is more highly concentrated in some areas than in others; it is about twice as high in center cities as it is in suburban areas and nearly three times as high in the poorest states as it is in the least poor states. Some neighborhoods may be characterized as having high concentrations of poverty. Among the poor, the likelihood of living in an area of concentrated or extreme poverty varies by race and ethnicity.

¹² See https://www.census.gov/hhes/www/cpstables/032012/pov/POV26_000.htm.

Poverty in Metropolitan and Nonmetropolitan Areas, Center Cities and Suburbs

Within metropolitan areas, the incidence of poverty in central city areas is considerably higher than in suburban areas—20.0% versus 11.3%, respectively, in 2011. Nonmetropolitan areas had a poverty rate of 17.0%. A typical pattern is for poverty rates to be highest in center city areas, with poverty rates dropping off in suburban areas, and then rising with increasing distance from an urban core. The suburban area poverty rate fell from 2010 (11.9%) to 2011 (11.3%), but poverty rates in center city and nonmetropolitan areas remained statistically unchanged.

Poverty by Region

In 2011, poverty rates were lowest in the Northeast (13.1%), followed by the Midwest (14.0%), and the West (15.8%), which was statistically tied with the South (16.0%). Among the four regions, only the South showed a statistically significant decrease in its poverty rate from 2010 to 2011, with its rate falling from 16.8% to 16.0% over the period.

State Poverty Rates

The estimates that follow are based on U.S. Census Bureau American Community Survey (ACS) data for 2010. This section will be updated subsequent to release of 2011 estimates.

American Community Survey (ACS) State Poverty Estimates—2010

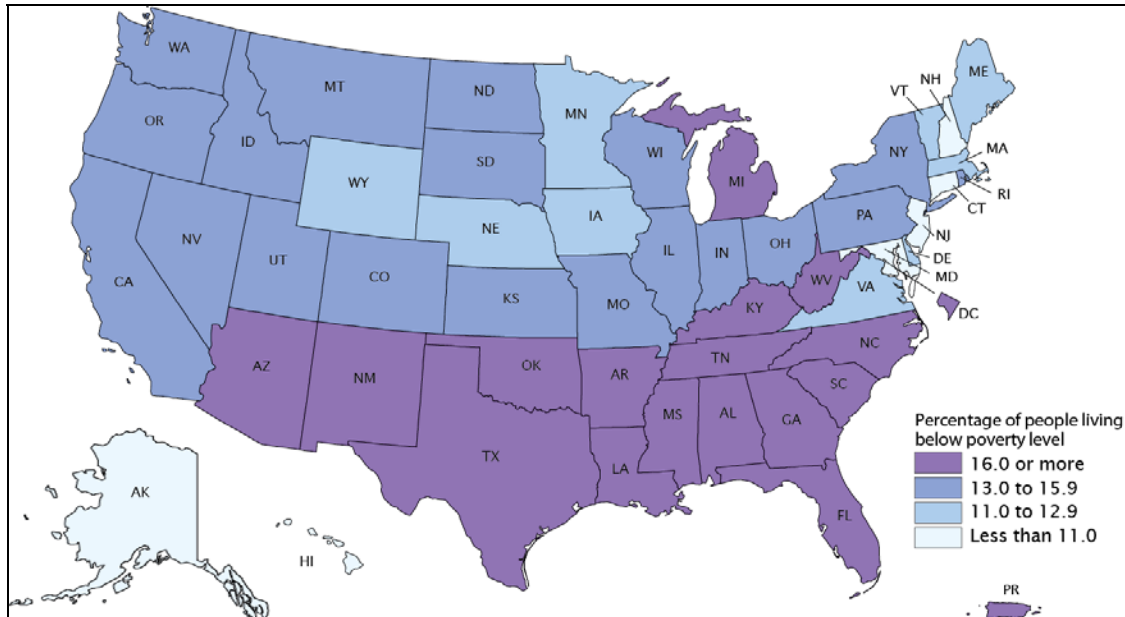
Up to this point, the poverty statistics presented in this report come from the U.S. Census Bureau's Annual Social and Economic Supplement (ASEC) to the Current Population Survey (CPS). For purposes of producing state and sub-state poverty estimates, the Census Bureau now recommends using the American Community Survey (ACS)—because of its much larger sample size, the ACS produces estimates with a much smaller margin of statistical error than that of the CPS/ASEC. Note, that the Census Bureau has not yet released ACS estimates for 2011. However, it should be noted that the ACS survey design differs from the CPS/ASEC in a variety of ways, and may produce somewhat different estimates than those obtained from the ASEC/CPS. Based on the 2010 ACS, the U.S. poverty rate was estimated to be 15.3%, compared to 15.1% based on the 2011 CPS/ASEC. The CPS/ASEC estimates are based on a survey conducted in February through April 2010, and account for income reported for the previous year. In contrast, the ACS estimates are based on income information collected between January and December 2010, for the prior 12 months. For example, for the sample with data collected in January, the reference period is from January 2009 to December 2010, and for the sample with data collected in December, from December 2009 to November 2010. The ACS data consequently cover a time span of 23 months, with the data centered at mid-December 2009.

Based on 2010 American Community Survey (ACS) data, poverty rates were highest in the South (with the exception of Virginia), in two Appalachian states (Kentucky and West Virginia), and Southwestern states bordering Mexico (Texas, New Mexico, and Arizona). (See **Figure 5**.) Michigan also stood out as a state having a relatively high poverty rate. The District of Columbia's poverty rate was exceeded only by New Mexico and Mississippi.

States in the Northeast, with the exception of New York, Rhode Island, and Pennsylvania, were among those with comparatively low poverty rates. Three Mid-Atlantic states—Delaware, Maryland, and Virginia—also were among states with comparatively low poverty rates. Two

states in the upper Midwest—Iowa and Minnesota—had comparatively low poverty rates, as did Nebraska and Wyoming.

Figure 5. Percentage of People in Poverty in the Past 12 Months by State and Puerto Rico: 2010



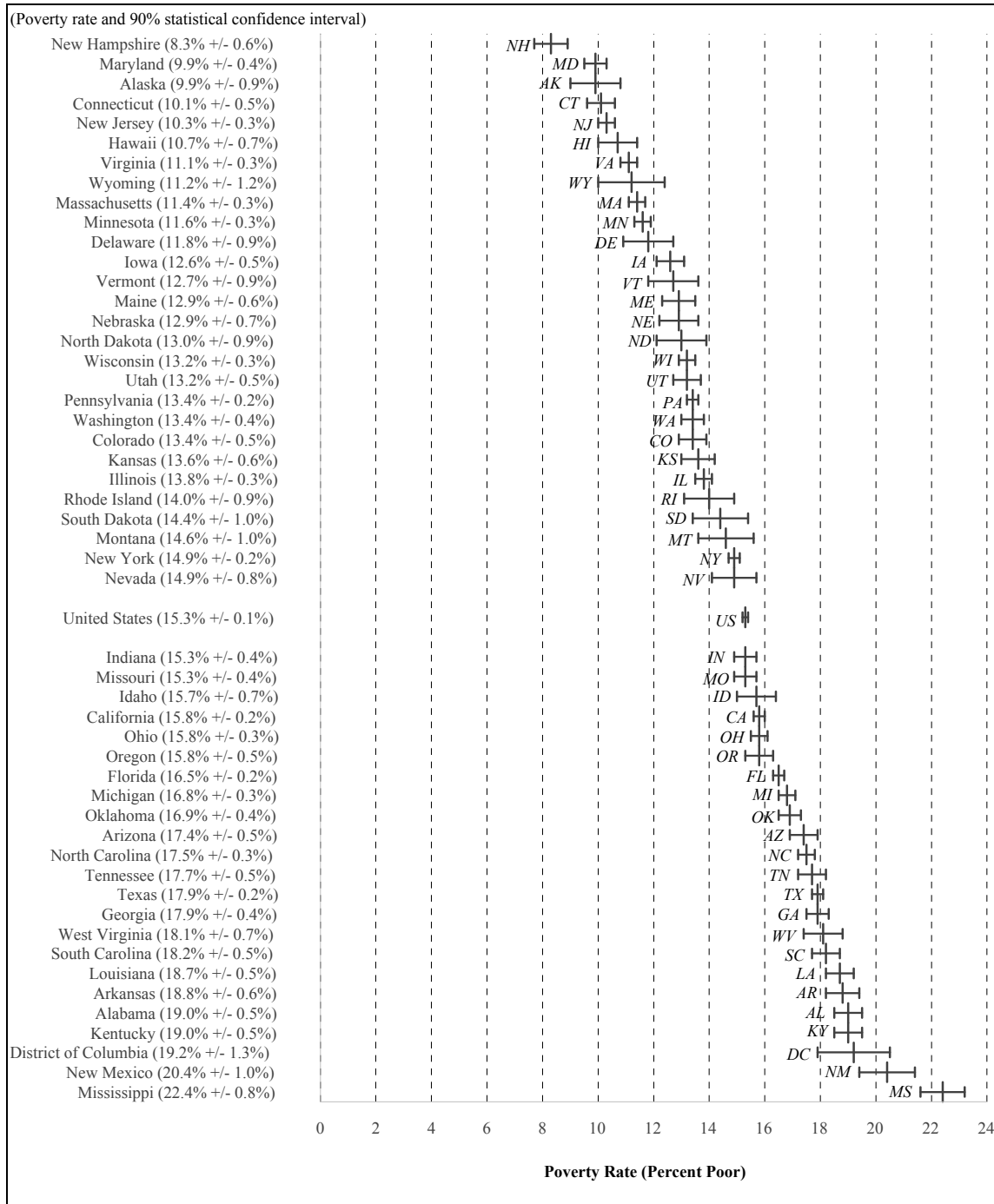
Source: U.S. Census Bureau, 2010 American Community Survey, 2010 Puerto Rico Community Survey.

Figure 6 shows estimated poverty rates for the United States and for each of the 50 states and the District of Columbia on the basis of the 2010 American Community Survey (ACS), the most recent ACS data currently available. In addition to the point estimates, the figure displays a 90% statistical confidence interval around each state's estimate, indicating the degree to which these estimates might be expected to vary based on sample size.¹³ Although the states are sorted from lowest to highest by their respective poverty rate point estimates, the precise ranking of each state is not possible because of the depicted margin of error around each state's estimate. For example, New Hampshire stands out as having the lowest poverty rate (8.3%), however, Maryland's poverty rate (9.9%) is statistically tied with five other states: Alaska (9.9%), Connecticut (10.1%), New Jersey (10.3%), Hawaii (10.7%), and Wyoming (11.1%). Mississippi stands out as having the highest poverty rate (22.4%), whereas New Mexico, the state with the apparent second-highest poverty rate (20.4%), is statistically tied with the District of Columbia (19.2%). In turn, the District of Columbia is statistically tied with eight other states besides New Mexico:

¹³ Two states' poverty rates are statistically different at the 90% statistical confidence interval if the confidence intervals bounding their respective poverty rates do not overlap with one another. However, some states with overlapping confidence intervals may also statistically differ at the 90% statistical confidence interval. In order to precisely determine whether two states' poverty rates differ from one another, a statistical test of differences must be performed. The standard error for the difference between two estimates may be calculated as: $SE_{StateA} - SE_{StateB} = \sqrt{SE_{StateA}^2 + SE_{StateB}^2}$. Two estimates are considered statistically different if at the 90% statistical confidence interval the absolute value of the difference is greater than 1.645 times the standard error of the difference (i.e., $|Povrate_{StateA} - Povrate_{StateB}| > 1.645 \times (SE_{StateA} - SE_{StateB})$). Note that the standard error for a state's poverty estimate may be obtained by dividing the margin of error depicted in **Figure 6** by 1.645.

Kentucky (19.0%), Alabama (19.0%), Arkansas (18.8%), Louisiana (18.7%), South Carolina (18.2%), West Virginia (18.1%), Georgia (17.9%), and Texas (17.9%).

Figure 6. Poverty Rates for the 50 States and the District of Columbia: 2010 American Community Survey (ACS) Data



Source: Prepared by the Congressional Research Service on the basis of U.S. Census Bureau 2010 American Community Survey (ACS) data.

Change in State Poverty Rates: 2002-2010

Table 1 provides estimates of state and national poverty rates from 2002 through 2010 from the ACS. Statistically significant changes from one year to the next are indicated by an upward-pointing arrow (▲) if a state's poverty rate was statistically higher, and by a downward-pointing arrow (▼) if statistically lower, than in the immediately preceding year or for other selected periods (i.e., 2005 vs. 2002, 2010 vs. 2007).¹⁴ It should be noted that ACS poverty estimates for 2006 and later are not strictly comparable to those of earlier years, due to a change in ACS methodology that began in 2006 to include some persons living in non-institutionalized group quarters who were not included in earlier years.¹⁵

Table 1 shows that 34 states experienced statistically significant increases in their poverty rates from the 2009 to 2010 ACS—no state showed a statistically significant decrease in its poverty rate over the period.

The table shows that poverty among states generally increased over the 2002 to 2005 period, as measured by the ACS, consequent to the 2001 (March to November) economic recession. From the 2002 to 2003 ACS, five states (including the District of Columbia) experienced statistically significant increases in their poverty rates, whereas none experienced a statistically significant decrease. From 2003 to 2004, eight states saw their poverty rates increase, whereas two saw decreases. From 2004 to 2005, 13 states saw their poverty rates increase, whereas only one saw its poverty rate decrease. Comparing poverty rates from the 2005 ACS to those from the 2002 ACS, poverty was statistically higher in 25 states, and lower in only two.

By 2007, poverty rates among states were beginning to improve, with 13 states (including the District of Columbia) experiencing statistically significant declines in their poverty rates from 2006; only Michigan experienced a statistically significant increase in its poverty rate in 2007 compared to a year earlier.

Since 2007, state poverty rates have generally increased as a consequence of the 18-month recession (December 2007 to June 2009). By 2008, the ACS data showed eight states (California, Connecticut, Florida, Hawaii, Indiana, Michigan, Oregon, and Pennsylvania) as experiencing statistically significant increases in their poverty rates, whereas three states (Alabama, Louisiana, and Texas) experienced statistically significant decreases. By 2009, 32 states saw their poverty rates increase to an extent deemed to be statistically significant over 2008, and no state experienced a statistically significant decrease. As noted above, from 2009 to 2010, 34 states experienced statistically significant increases in poverty. Comparing 2010 to 2007, poverty rates are statistically higher in 46 states (including the District of Columbia)—in 2010, no state has a poverty rate statistically below its prerecession rate.

¹⁴ Statistically significant differences are based on a 90% statistical confidence interval.

¹⁵ Beginning in 2006, a portion of the population living in non-institutional group quarters has been included in the ACS in estimating poverty. The population living in institutional group quarters, military barracks, and college dormitories has been excluded in the ACS poverty estimates for all years. The part of the non-institutional group quarters population that has been included in the poverty universe since 2006 (e.g., people living in group homes or those living in agriculture workers' dormitories) is considerably more likely to be in poverty than people living in households. Consequently, estimates of poverty in 2006 and after are somewhat higher than would be the case if all group quarters residents were excluded—thus, comparisons with earlier year estimates are not strictly comparable.

Table I. Poverty Rates for the 50 States and the District of Columbia, 2002 to 2010
Estimates from the American Community Survey (ACS)

(percent poor)

	Estimated Poverty Rate and Statistically Significant Differences over Previous Year									Change in Poverty Rates over Selected Periods and Statistically Significant Differences	
	2002	2003	2004	2005	2006 ^a	2007 ^a	2008 ^a	2009 ^a	2010 ^a	2005 vs. 2002	2010 vs. 2007
United States	12.4	12.7 ▲	13.1 ▲	13.3 ▲	13.3	13.0 ▼	13.2 ▲	14.3 ▲	15.3 ▲	0.9 ▲	2.3 ▲
Alabama	16.6	17.1	16.1	17.0 ▲	16.6	16.9	15.7 ▼	17.5 ▲	19.0 ▲	-0.1	2.1 ▲
Alaska	7.7	9.7 ▲	8.2 ▼	11.2 ▲	10.9	8.9 ▼	8.4	9.0	9.9	3.2 ▲	1.0
Arizona	14.2	15.4 ▲	14.2	14.2	14.2	14.2	14.7	16.5 ▲	17.4 ▲	0.0	3.2 ▲
Arkansas	15.3	16.0	17.9 ▲	17.2	17.3	17.9	17.3	18.8 ▲	18.8	2.0 ▲	0.9 ▲
California	13.0	13.4	13.3	13.3	13.1	12.4 ▼	13.3 ▲	14.2 ▲	15.8 ▲	0.1	3.4 ▲
Colorado	9.7	9.8	11.1	11.1	12.0 ▲	12.0	11.4	12.9 ▲	13.4	2.3 ▲	1.4 ▲
Connecticut	7.5	8.1	7.6	8.3	8.3	7.9	9.3 ▲	9.4	10.1 ▲	0.8	2.2 ▲
Delaware	8.2	8.7	9.9	10.4	11.1	10.5	10.0	10.8	11.8	2.9 ▲	1.3 ▲
Dist. of Col.	17.5	19.9 ▲	18.9	19.0	19.6	16.4 ▼	17.2	18.4	19.2	2.2	2.8 ▲
Florida	12.8	13.1	12.2 ▼	12.8 ▲	12.6	12.1 ▼	13.2 ▲	14.9 ▲	16.5 ▲	-0.2	4.4 ▲
Georgia	12.7	13.4	14.8 ▲	14.4	14.7	14.3	14.7	16.5 ▲	17.9 ▲	2.0 ▲	3.6 ▲
Hawaii	10.1	10.9	10.6	9.8	9.3	8.0 ▼	9.1 ▲	10.4 ▲	10.7	-0.8	2.7 ▲
Idaho	13.8	13.8	14.5	13.9	12.6 ▼	12.1	12.6	14.3 ▲	15.7 ▲	-1.2	3.6 ▲
Illinois	11.6	11.3	11.9	12.0	12.3	11.9	12.2	13.3 ▲	13.8 ▲	0.7 ▲	1.9 ▲
Indiana	10.9	10.6	10.8	12.2 ▲	12.7	12.3	13.1 ▲	14.4 ▲	15.3 ▲	1.8 ▲	3.0 ▲
Iowa	11.2	10.1	9.9	10.9 ▲	11.0	11.0	11.5	11.8	12.6 ▲	-0.2	1.6 ▲
Kansas	12.1	10.8	10.5	11.7 ▲	12.4	11.2 ▼	11.3	13.4 ▲	13.6	0.3	2.4 ▲
Kentucky	15.6	17.4	17.4	16.8	17.0	17.3	17.3	18.6 ▲	19.0	1.3 ▲	1.7 ▲

	Estimated Poverty Rate and Statistically Significant Differences over Previous Year									Change in Poverty Rates over Selected Periods and Statistically Significant Differences	
	2002	2003	2004	2005	2006 ^a	2007 ^a	2008 ^a	2009 ^a	2010 ^a	2005 vs. 2002	2010 vs. 2007
Louisiana	18.8	20.3	19.4	19.8	19.0	18.6	17.3 ▼	17.3	18.7 ▲	0.2	0.1
Maine	11.1	10.5	12.3 ▲	12.6	12.9	12.0	12.3	12.3	12.9	1.8 ▲	0.9
Maryland	8.1	8.2	8.8	8.2	7.8	8.3	8.1	9.1 ▲	9.9 ▲	-0.3	1.6 ▲
Massachusetts	8.9	9.4	9.2	10.3 ▲	9.9	9.9	10.0	10.3	11.4 ▲	1.0 ▲	1.5 ▲
Michigan	11.0	11.4	12.3	13.2 ▲	13.5	14.0 ▲	14.4 ▲	16.2 ▲	16.8 ▲	2.5 ▲	2.8 ▲
Minnesota	8.5	7.8	8.3	9.2 ▲	9.8 ▲	9.5	9.6	11.0 ▲	11.6 ▲	1.2 ▲	2.1 ▲
Mississippi	19.9	19.9	21.6 ▲	21.3	21.1	20.6	21.2	21.9	22.4	1.2 ▲	1.8 ▲
Missouri	11.9	11.7	11.8	13.3 ▲	13.6	13.0 ▼	13.4	14.6 ▲	15.3 ▲	1.6 ▲	2.3 ▲
Montana	14.6	14.2	14.2	14.4	13.6	14.1	14.8	15.1	14.6	-1.0	0.5
Nebraska	11.0	10.8	11.0	10.9	11.5	11.2	10.8	12.3 ▲	12.9	0.5	1.7 ▲
Nevada	11.8	11.5	12.6	11.1	10.3	10.7	11.3	12.4 ▲	14.9 ▲	-1.5 ▼	4.2 ▲
New Hampshire	6.4	7.7 ▲	7.6	7.5	8.0	7.1 ▼	7.6	8.5 ▲	8.3	1.6 ▲	1.2 ▲
New Jersey	7.5	8.4 ▲	8.5	8.7	8.7	8.6	8.7	9.4 ▲	10.3 ▲	1.2 ▲	1.7 ▲
New Mexico	18.9	18.6	19.3	18.5	18.5	18.1	17.1	18.0	20.4 ▲	-0.4	2.3 ▲
New York	13.1	13.5	14.2 ▲	13.8	14.2 ▲	13.7 ▼	13.6	14.2 ▲	14.9 ▲	1.1 ▲	1.2 ▲
North Carolina	14.2	14.0	15.2	15.1	14.7	14.3	14.6	16.3 ▲	17.5 ▲	0.4	3.2 ▲
North Dakota	12.5	11.7	12.1	11.2	11.4	12.1	12.0	11.7	13.0 ▲	-1.1	0.9
Ohio	11.9	12.1	12.5	13.0	13.3	13.1	13.4	15.2 ▲	15.8 ▲	1.5 ▲	2.7 ▲
Oklahoma	15.0	16.1	15.3	16.5	17.0	15.9 ▼	15.9	16.2	16.9 ▲	2.0 ▲	1.0 ▲
Oregon	13.2	13.9	14.1	14.1	13.3 ▼	12.9	13.6 ▲	14.3	15.8 ▲	0.0	2.9 ▲
Pennsylvania	10.5	10.9	11.7 ▲	11.9	12.1	11.6 ▼	12.1 ▲	12.5 ▲	13.4 ▲	1.5 ▲	1.8 ▲
Rhode Island	10.7	11.3	12.8 ▲	12.3	11.1	12.0	11.7	11.5	14.0 ▲	0.4	2.0 ▲

	Estimated Poverty Rate and Statistically Significant Differences over Previous Year									Change in Poverty Rates over Selected Periods and Statistically Significant Differences	
	2002	2003	2004	2005	2006 ^a	2007 ^a	2008 ^a	2009 ^a	2010 ^a	2005 vs. 2002	2010 vs. 2007
South Carolina	14.2	14.1	15.7	15.6	15.7	15.0	15.7	17.1 ▲	18.2 ▲	1.4 ▲	3.2 ▲
South Dakota	11.4	11.1	11.0	13.6 ▲	13.6	13.1	12.5	14.2 ▲	14.4	2.2	1.3 ▲
Tennessee	14.5	13.8	14.5	15.5	16.2	15.9	15.5	17.1 ▲	17.7	1.7 ▲	1.8 ▲
Texas	15.6	16.3	16.6	17.6 ▲	16.9 ▼	16.3 ▼	15.8 ▼	17.2 ▲	17.9 ▲	1.3 ▲	1.6 ▲
Utah	10.5	10.6	10.9	10.2	10.6	9.7 ▼	9.6	11.5 ▲	13.2 ▲	0.1	3.5 ▲
Vermont	8.5	9.7	9.0	11.5 ▲	10.3	10.1	10.6	11.4	12.7 ▲	1.8 ▲	2.6 ▲
Virginia	9.9	9.0	9.5	10.0	9.6	9.9	10.2	10.5	11.1 ▲	-0.4	1.2 ▲
Washington	11.4	11.0	13.1 ▲	11.9 ▼	11.8	11.4	11.3	12.3 ▲	13.4 ▲	0.4	2.0 ▲
West Virginia	17.2	18.5	17.9	18.0	17.3	16.9	17.0	17.7	18.1	0.1	1.2 ▲
Wisconsin	9.7	10.5	10.7	10.2	11.0 ▲	10.8	10.4	12.4 ▲	13.2 ▲	1.2 ▲	2.4 ▲
Wyoming	11.0	9.7	10.3	9.5	9.4	8.7	9.4	9.8	11.2	-1.6 ▼	2.5 ▲
Number of states with statistically significant change in poverty:		5	10	14	7	14	11	32	34	27	46
Increase in poverty		5 ▲	8 ▲	13 ▲	4 ▲	1 ▲	8 ▲	32 ▲	34 ▲	25 ▲	46 ▲
Decrease in poverty		0 ▼	2 ▼	1 ▼	3 ▼	13 ▼	3 ▼	0 ▼	0 ▼	2 ▼	0 ▼

Source: Congressional Research Service (CRS) estimates from U.S. Census Bureau American Community Survey (ACS) data, 2002 to 2010.

Notes: ▲ Statistically significant increase in poverty rate at the 90% statistical confidence level.

▼ Statistically significant decrease in poverty rate at the 90% statistical confidence level.

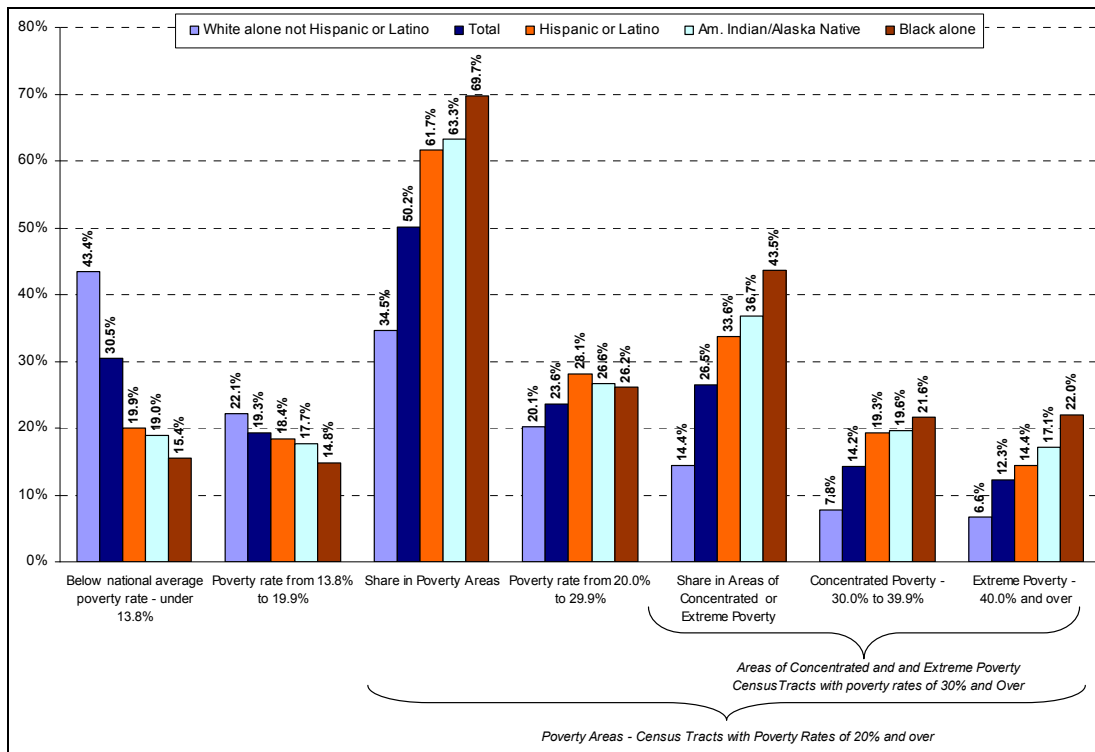
- a. Comparisons to 2002 through 2005 estimates are not strictly comparable, due to inclusion of persons living in some non-institutional group quarters beginning in 2006 and after.

“Neighborhood” Poverty – Poverty Areas and Areas of Concentrated and Extreme Poverty

Neighborhoods can be delineated from U.S. Census Bureau census tracts. Census tracts usually have between 2,500 and 8,000 persons and, when first delineated, are designed to be homogeneous with respect to population characteristics, economic status, and living conditions. The Census Bureau defines “poverty areas” as census tracts having poverty rates of 20% or more.

Figure 7 groups census tracts according to their level of poverty. The first two groupings are based on persons living in census tracts with poverty rates below the national average (13.5% based on the five-year ACS data), and from 13.5% to less than 20.0%. Persons living in census tracts with poverty rates of 20% or more meet the Census Bureau definition of living in “poverty areas.” Poverty areas are further demarcated in terms of persons living in areas of “concentrated” poverty (i.e., census tracts with poverty rates of 30% to 39.9%), and areas of “extreme” poverty (i.e., census tracts with poverty rates of 40% or more). The figure is based on five years of data (2006–2010) from the U.S. Census Bureau’s American Community Survey (ACS). Five years of data are required in order to get reasonably reliable statistical data at the census tract level while at the same time preserving the confidentiality of survey respondents.

Figure 7. Distribution of Poor People by Race and Hispanic Origin, by Level of Neighborhood (Census Tract) Poverty, 2006-2010



Source: Congressional Research Service (CRS) analysis of U.S. Census Bureau American Community Survey, five-year (2006-2010) data.

Figure 7 shows that over the five-year period, 2006–2010, half of all poor persons (50.2%) lived in “poverty areas” (i.e., census tracts with poverty rates of 20% or more). Over one-quarter (26.5%) lived in areas with poverty of 30% or more, and about one-in-eight (12.3%) lived in areas of “extreme” poverty, having poverty rates of 40% or more. Among the poor, African Americans, American Indian and Alaska Natives, and Hispanics are more likely to live in poverty areas than either Asians or white non-Hispanics. Among poor blacks, over two of every five (43.5%) live in neighborhoods with poverty rates of 30% or more, and over one-in-five (22.0%) live in “extreme” poverty areas, with poverty rates of 40% or more. Among Hispanics, one-third (33.6%) live in areas with poverty rates of 30% or more, and about one-in-seven (14.4%) live in areas of “extreme” poverty. Among white non-Hispanics, close to two-thirds (64.5%) live outside poverty areas, while about one-in-seven (14.4%) live in areas with poverty rates of 30% or more.

The Research Supplemental Poverty Measure

On November 7, 2011, the Census Bureau released its first report using a new Supplemental Poverty Measure (SPM).¹⁶ As its name implies, the SPM is intended to “supplement,” rather than replace, the “official” poverty measure. The “official” Census Bureau statistical measure of poverty will continue to be used by programs that allocate funds to states or other jurisdictions on the basis of poverty, and the Department of Health and Human Services (HHS) will continue to derive Poverty Income Guidelines from the “official” Census Bureau measure.

Many experts consider the “official” poverty measure to be flawed and outmoded.¹⁷ In 1990, Congress commissioned a study on how poverty is measured in the United States, resulting in the National Academy of Sciences (NAS) convening a 12-member expert panel to study the issue. The NAS panel issued a wide range of specific recommendations to develop an improved statistical measure of poverty in its 1995 report *Measuring Poverty: A New Approach*.¹⁸

In late 2009, the Office of Management and Budget (OMB) formed an Interagency Technical Working Group¹⁹ (ITWG) to suggest how the Census Bureau, in cooperation with the Bureau of Labor Statistics (BLS), should develop a new Supplemental Poverty Measure, using the NAS expert panel’s recommendations as a starting point. Referencing the work of the ITWG,²⁰ the Department of Commerce announced in March 2010 that the Census Bureau was developing a new Supplemental Poverty Measure, as “an alternative lens to understand poverty and measure

¹⁶ Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

¹⁷ For a discussion of the history and development of the U.S. poverty measure, and efforts to improve poverty measurement, see CRS Report R41187, *Poverty Measurement in the United States: History, Current Practice, and Proposed Changes*, by Thomas Gabe.

¹⁸ National Research Council, Panel on Poverty and Family Assistance, “Measuring Poverty: A New Approach,” Constance F. Citro and Robert T. Michael, eds. (Washington, DC: National Academy Press, 1995). (Hereinafter cited as Citro and Michael, *Measuring Poverty*...)

¹⁹ The working group included representatives from BLS, the Census Bureau, the Council of Economic Advisors, the Department of Commerce, the Department of Health and Human Services, and OMB.

²⁰ The ITWG’s guidance is available at http://www.census.gov/hhes/www/poverty/SPM_TWGObservations.pdf

the effects of anti-poverty policies,” with the intention that the new measure “will be dynamic and will benefit from improvements over time based on new data and new methodologies.”²¹

The SPM is intended to address a number of weaknesses of the “official” measure. Criticisms of the “official” poverty measure raised by the NAS expert panel include the following:

- *The “official” poverty measure, by counting only families’ total cash, pre-tax income as a resource in determining poverty status, ignores a host of government programs and policies that affect the disposable income families may actually have available.* For example, the official measure ignores the effects of payroll taxes paid by families, and tax benefits they may receive such as the EITC and the Child Tax Credit. It ignores a variety of in-kind benefits, such as SNAP benefits and free or reduced-price lunches under the National School Lunch Program, that free up resources to meet other needs. Similarly, it ignores housing subsidies that help make housing more affordable.
- *The “official” poverty income thresholds used in determining families’ and individuals’ poverty status, devised in the early 1960s, have changed little since.* Except for minor technical changes and adjustments for price inflation, poverty income thresholds have essentially been frozen in time, reflecting living standards of a half-century ago.
- *The “official” poverty measure does not take into account necessary work-related expenses, such as child care and transportation costs that are associated with getting to work.* Child care expenses are much more common today than when the “official” poverty measure was originally developed, as mothers’ labor force participation has since increased.
- *The “official” poverty measure does not take into account medical expenses that individuals and families may incur, affecting their ability to meet other basic needs.* These costs, which tend to vary by age, health status, and insurance coverage of individuals, may differentially affect families’ abilities to meet other basic needs, especially given rising health care costs.
- *The “official” poverty measure does not take into account changing family situations, such as cohabitation among unmarried couples, or child support payments.*
- *The “official” poverty measure does not adjust for differences in prices across geographic areas, which may affect the cost of living from one area to another.*

The ITWG, using the NAS-panel recommendations as a starting point, suggested an approach to developing the SPM that addressed how income thresholds should be set and resources counted in measuring poverty. Conceptual differences between the “official” and supplemental poverty measures are summarized in **Table 2**.

²¹ *Census Bureau to Develop Supplemental Poverty Measure*, March 2, 2009 News Release, Economics and Statistics Administration, U.S. Department of Commerce. Available on the internet at <http://www.esa.doc.gov/news/2010/03/02/census-bureau-develop-supplemental-poverty-measure>.

Table 2. Poverty Measure Concepts Under “Official” and Supplemental Measures

	“Official” Poverty Measure	Supplemental Poverty Measure
Measurement units	Families and unrelated individuals	All related individuals who live at the same address, including any co-resident unrelated children who are cared for by the family (such as foster children) and any cohabitators and their children
Poverty threshold	Three times the cost of a minimum food diet in 1963	The 33 rd percentile of expenditures on food, shelter, clothing, and utilities (FCSU) for consumer units with exactly two children multiplied by 1.2 to account for other family needs (e.g., household supplies, personal care, non-transportation-related expenses) Based on data from the U.S. Bureau of Labor Statistics Consumer Expenditure Survey (BLS CE) Separate thresholds developed for - homeowners with a mortgage, - homeowners without a mortgage, - renters
Threshold adjustments	Vary by family size, composition, and age of householder	A three parameter equivalence scale for number of adults and children in the family Geographic adjustments for differences in housing costs
Updating thresholds	Consumer Price Index for Urban Consumers (CPI-U) based on all items	Five-year moving average of expenditures on FCSU from the BLS CE

	“Official” Poverty Measure	Supplemental Poverty Measure
Resource measures	Gross before-tax cash income	Sum of cash income Plus in-kind benefits that families can use to meet their FCSU needs: <ul style="list-style-type: none"> • Supplemental Nutritional Assistance (SNAP) • National School Lunch Program • Supplementary Nutrition Program for Women, Infants, and Children (WIC) • Housing Subsidies • Low-Income Home Energy Assistance (LIHEAP) Plus refundable tax credits: <ul style="list-style-type: none"> • Earned Income Tax Credit (EITC) • Refundable portion of the Child Tax Credit (CTC), known as the Additional Child Tax Credit (ACTC) Minus nondiscretionary expenses: <ul style="list-style-type: none"> • federal and state income taxes • payroll taxes • work-related expenses, including work-related child care expenses • medical out-of-pocket expenses (MOOP), including insurance premiums paid • child support paid

Source: Congressional Research Service (CRS). Adapted from Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

The SPM incorporates a more comprehensive income/resource definition than that used by the “official” poverty measure, including in-kind benefits (e.g., SNAP) and refundable tax credits (e.g., EITC). It also expands upon the traditional family definition based on blood, marriage, and adoption to include cohabiting partners and their family relatives as part of a broader economic unit for assessing poverty status. The SPM subtracts necessary expenses (i.e., taxes, work-related expenses including child-care, child support paid, medical out-of-pocket (MOOP) expenses) from resources to arrive at a measure of an economic unit’s disposable income/resources that may be applied to a standard of need based on food, clothing, shelter, and utilities (FCSU), plus “a little bit more” for everything else. The SPM income/resource thresholds are initially set at a point in the distribution (33rd percentile) of what reference families (families with exactly two children) actually spend on FCSU. Separate thresholds are derived for homeowners with a mortgage and those without a mortgage, and for renters. Thresholds are adjusted for price differences in housing costs by geographic area (metropolitan and nonmetropolitan areas in a state). Thresholds for economic units other than initial reference units (i.e., those with exactly two children) are adjusted upwards or downwards for the number of adults and number of children in the unit.

Poverty Thresholds

As described earlier, the “official” U.S. poverty measure measures cash—pre-tax—income against income thresholds that vary by family size and composition. The thresholds were derived from research that showed that the average U.S. family spent one-third of its pre-tax income on food, based on a USDA 1955 Food Consumption Survey. After pricing minimally adequate food plans for families of varying sizes and compositions, poverty thresholds were derived by multiplying the cost of those food plans by a factor of three (i.e., one-third of the thresholds were assumed to address families’ food needs, and two-thirds addressed everything else). The thresholds, established in 1963, are adjusted each year for price inflation.

SPM Poverty Thresholds

The SPM poverty thresholds are based on the NAS panel recommendation that thresholds be based on a point in the empirical distribution that “reference” families spend on food, clothing, shelter, and utilities (FCSU). Based on ITWG’s suggestions, the Census Bureau derives FCSU thresholds for “reference” units with exactly two children, at the 33rd percentile of what such units spend on FCSU, averaged over five years of survey data from the BLS Consumer Expenditure (CE) Survey.²² Whereas “official” poverty thresholds are based on initial thresholds adjusted for price changes over time, the SPM thresholds are based on changes in reference consumer units’ actual spending on FCSU over time.

Following the ITWG’s suggestion, three separate sets of thresholds are established: one set for homeowners with a mortgage, another set for homeowners without a mortgage, and a third set for renters. Following NAS panel recommendations, the ITWG suggested that initial poverty thresholds based on FCSU be multiplied by a factor of 1.2, to account for all other needs (e.g., household supplies, personal care, non-work-related transportation).²³ Additionally, thresholds are adjusted upward and downward based on SPM reference unit size using a three parameter equivalence scale based on the number of adults and children in the unit.

Lastly, the thresholds are adjusted to account for variation in geographic price differences across metropolitan and nonmetropolitan areas, by state, based on differences in median housing costs across areas relative to the nation. The geographic housing cost adjustment is applied to the shelter portion of the FCSU-based thresholds.

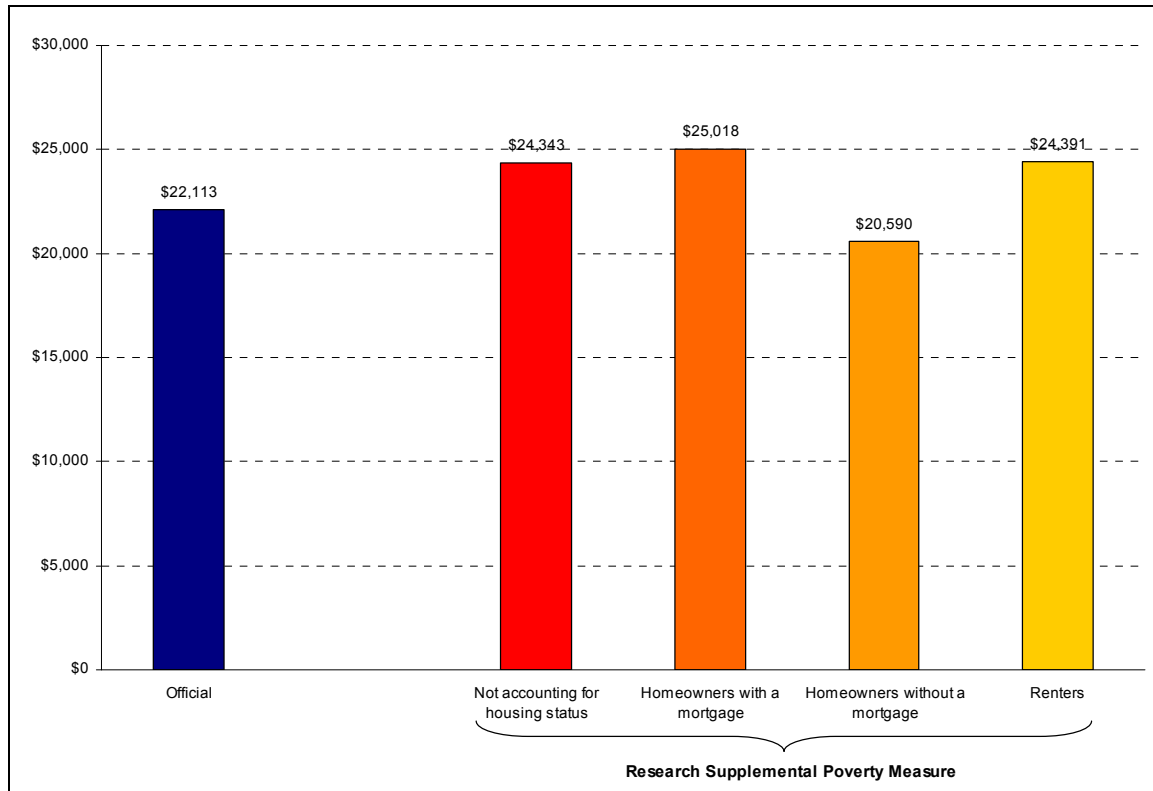
Figure 8 depicts poverty threshold levels under the “official” poverty measure and under the Research SPM for a resource unit consisting of two adults and two children. The figure shows that in 2010, the SPM poverty threshold not accounting for housing status (\$24,343) was \$2,230, or 10.1%, above the official threshold (\$22,113). For homeowners with a mortgage, the poverty

²² The NAS panel recommended that the reference family for establishing initial thresholds be based on families with two adults and two children. The ITWG suggested that initial thresholds be based on consumer units with exactly two children, as children reside in a variety of family types (such as single parent families, presence of one or more grandparents, and families with cohabiting adult partners). The NAS panel recommended that initial thresholds be established at between 78% and 83% of median expenditures on FCSU of reference families, which empirically ranged between the 30th and 35th percentiles. The ITWG suggested that initial thresholds be set at the 33rd percentile of expenditures on FCSU for the reference consumer units. The ITWG suggested that five years of CE data be used in establishing thresholds to smooth the change in the thresholds from one year to the next.

²³ The 1.2 multiplier applied to FCSU equals the midpoint of the NAS panel’s recommended multiplier of between 1.15 and 1.25.

threshold (\$25,018) was \$2,905, or 13.1%, *above* the official threshold, but for homeowners with a mortgage (\$20,509), it was \$1,523, or 6.9%, *below* the official threshold. The SPM poverty threshold for renters (\$24,391) was \$2,278, or 10.3%, *above* the official measure.

Figure 8. Poverty Thresholds Under the “Official” Measure and the Research Supplemental Poverty Measure for Units with Two Adults and Two Children: 2010



Source: Figure prepared by the Congressional Research Service (CRS), based on Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

Resources and Expenses Included in the SPM

As discussed earlier, the “official” poverty measure is based on counting families’ and unrelated individuals’ pre-tax cash income against poverty thresholds that vary by family size and composition. The SPM expands upon the pre-tax cash income resource definition used by the “official” measure to develop a more comprehensive measure of “disposable” income that SPM units might use to help meet basic needs (i.e., poverty thresholds based on FCSU, plus “a little more”). The SPM resource measure includes the value of a number of federal in-kind benefits, such as Supplemental Nutrition Assistance Program (SNAP, formerly Food Stamp) benefits; free and reduced-price school lunches; nutrition assistance for women, infants, and children (WIC); federal housing assistance; and energy assistance under the Low Income Home Energy Assistance Program (LIHEAP). It also includes federal tax benefits administered by the Internal Revenue Service, such as the Earned Income Tax Credit (EITC) and the partially refundable portion of the Child Tax Credit (CTC), known as the Additional Child Tax Credit (ACTC).

The SPM subtracts a number of necessary expenses from SPM units' resources to arrive at a measure of "disposable" income that units might have available to meet basic needs. Necessary expenses subtracted from resources on the SPM include child support paid; estimated federal, state, and local income taxes; estimated social security payroll (FICA) taxes; estimated work-related expenses other than child care (e.g., work-related commuting costs, purchase of uniforms or tools required for work); reported work-related child care expenses; reported medical out of pocket (MOOP) expenses, including the employee share of health insurance premiums plus other medically necessary items such as prescription drugs and doctor copayments.

The effects of counting each of these resources and expenses in the SPM are assessed later in this report (see "Marginal Effects of Counting Specified Resources and Expenses on Poverty Under the SPM").

Poverty Estimates Under the Research SPM Compared to the "Official" Measure

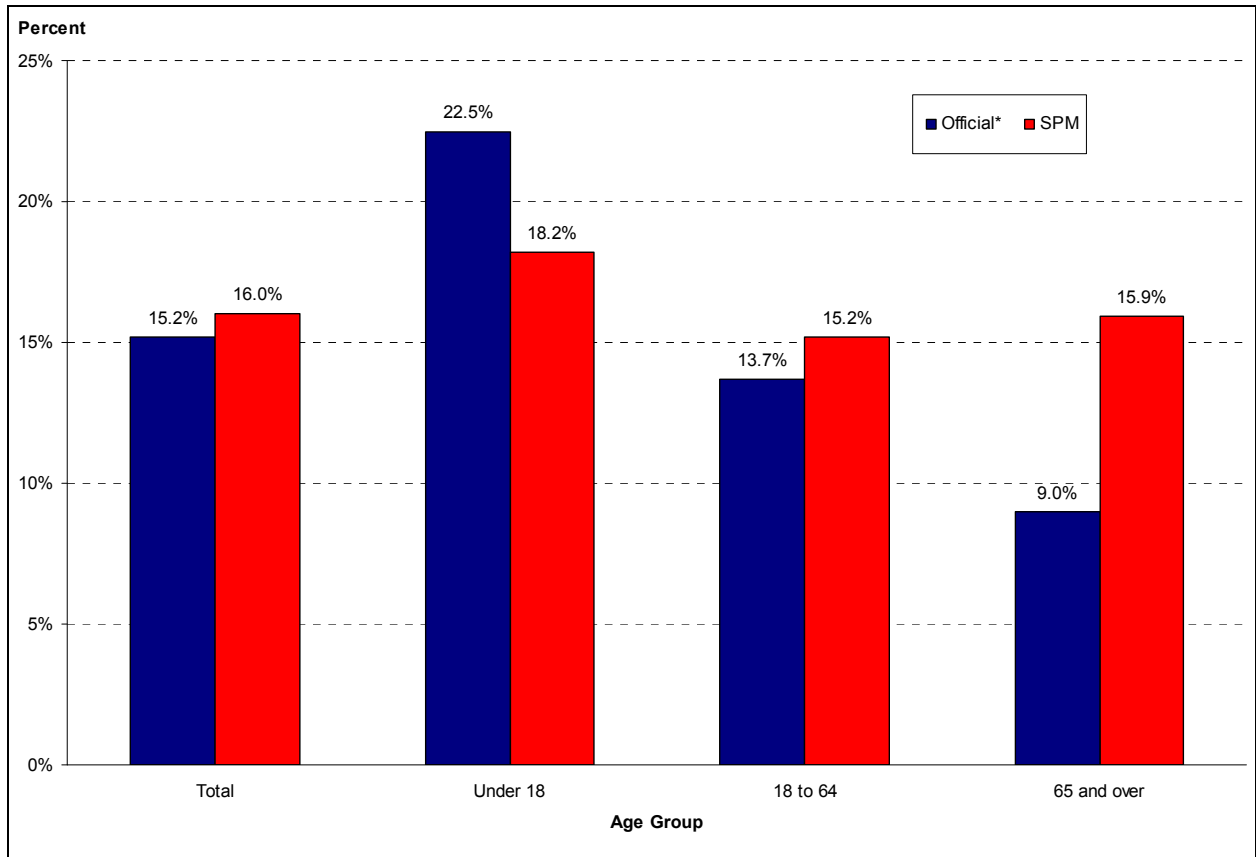
In 2010, the overall poverty rate was somewhat higher under the SPM (16.0%), compared to 15.2% under an "official" poverty measure "adjusted" to include unrelated children typically excluded from the "official" measure.²⁴ In 2010, an estimated 49.1 million people were poor under the SPM; 2.5 million people over the 46.6 million estimated under the "official" (adjusted) poverty measure. The remainder of this report focuses on differences in poverty rates among and between various groups under the two measures.

Poverty by Age

The SPM yields a very different impression of the incidence of poverty with respect to age than that portrayed by the "official" measure. **Figure 9** compares poverty rates by age group under the SPM and the "official" measure in 2010. The poverty rate for adults ages 18 to 64 is somewhat higher under the SPM than under the "official" measure (15.2% compared to 13.7%). The figure shows that the poverty rate for children (under age 18) is lower under the SPM than under the "official" measure (18.2% compared to 22.5%). In contrast, the poverty rate among persons age 65 and over is much higher under the SPM than under the "official" measure (15.9% compared to 9.0%). Although the child poverty rate is lower under the SPM than under the "official" measure, and the aged poverty rate is considerably higher, the incidence of poverty among children still exceeds that of the aged under the SPM, as it did under the "official" measure. The SPM paints a much different picture of poverty among the aged than that conveyed by the "official" measure. As will be shown later, much of the difference between the aged poverty rate measured under the SPM compared to the "official" measure is attributable to the effect of medical expenses on the disposable income among aged units to meet basic needs represented by the SPM resource thresholds.

²⁴ "Official" published estimates of poverty exclude unrelated children under the age of 15 in the universe for whom poverty is determined. For comparison with the SPM measure, these children are included in both the "adjusted official" poverty measure and the SPM. Under the "official" published poverty measure, the overall poverty rate was 15.1% in 2010; under the adjusted measure shown in this report, the overall "official" poverty rate in 2010 was 15.2%.

Figure 9. Poverty Rates Under the “Official”* and Research Supplemental Poverty Measures, by Age: 2010
(Percent poor)



Source: Figure prepared by the Congressional Research Service (CRS), based on Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

* Differs from published “official” poverty rates as unrelated individuals under age 15 are included in the universe.

Poverty by Type of Economic Unit

As noted above, the SPM expands the definition of the economic unit considered for poverty measurement purposes over that used under the “official” poverty measure. The “official” poverty measure groups all co-residing household members related by marriage, birth, or adoption as sharing resources for purposes of poverty determination. Unrelated individuals, whether living alone as a single person household or with other unrelated members, are treated as separate economic units under the “official” poverty measure. The “official” measure also excludes unrelated children under age 15 from the universe for poverty determination. As noted earlier, the “adjusted official” poverty measure presented in this section of the report includes unrelated children, resulting in a 15.2% poverty rate as opposed to the published rate of 15.1% in 2010.

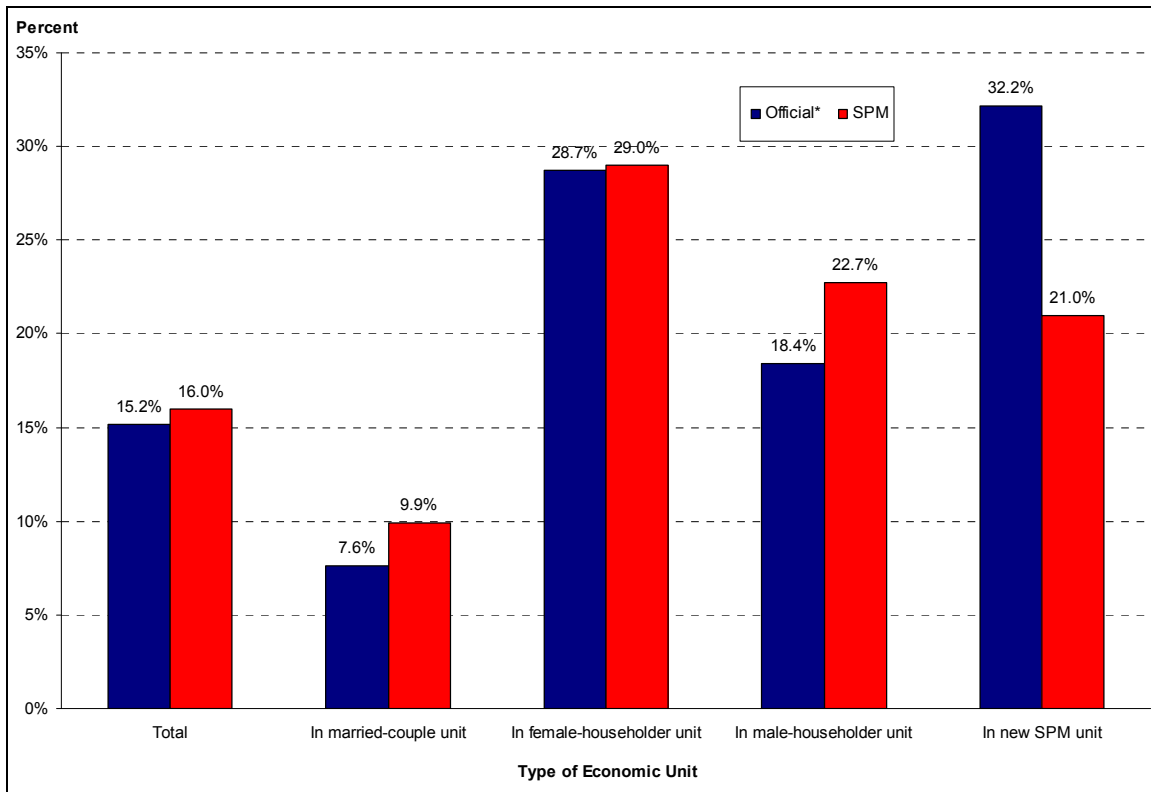
The SPM expands the economic unit used for poverty determination beyond that used by the “official” measure.²⁵ The SPM assesses the relationship of unrelated household members to others in the household to determine whether they will be joined with others to construct expanded economic units. For example, the SPM combines unrelated co-residing household members age 14 and older who are not married and who identify each other as boyfriend, girlfriend, or partner as cohabiting partners. Cohabiting partners, as well as any of their co-resident family members, are combined as an economic unit under the SPM. The SPM also combines unmarried co-residing parents of a child living in the household as an economic unit, even if the parents do not identify as a cohabiting couple. Any unrelated children who are under age 15 and are not foster children are assigned to the householder’s economic unit, as are foster children under the age of 22. Additionally, the SPM combines children over age 18 living in a household with a parent, and any younger children of the parent, as an economic unit. Under the “official” poverty measure, a child age 18 and over is treated as an unrelated individual, and the child’s parent is also treated as an unrelated individual if no other family members are present, or as an unrelated subfamily head if a spouse or other children (under age 18) are also residing in the household.

In 2011, about 26.2 million persons, 8.6% of the 306.1 million persons represented in the CPS/ASEC, were classified as either joining an economic unit or having members added to their economic unit under the SPM measure, compared to how they would have been classified under the “official” measure’s economic unit definition. Combining the resources of these additional household members had the effect of reducing poverty under the SPM measure, compared to the “official” measure, in 2010.

Figure 10 shows poverty rates in 2010 by type of economic unit. Persons identified as being in a married-couple unit, or in female- or male-householder units, are persons in those economic units whose members remained unchanged under the SPM compared to the “official” poverty measure. Persons who were added to an economic unit, or were part of an economic unit that had members added to it under the SPM definition, are labeled as being in a “new SPM unit.” The figure shows that poverty rates for persons in married-couple units, and in male-householder units, are higher under the SPM than under the “official” poverty measure (9.9% versus 7.6% for persons in married-couple units, and 22.7% versus 18.4% for persons in male-householder units). Poverty rates were no different statistically between the two measures for persons living in female-householder units. In contrast, poverty among persons who were members of “new SPM units” fell by over one-third, from 32.2% under the “official” measure to 21.0% under the SPM.

²⁵ For further discussion, see Ashley J. Provencher, *Unit of Analysis for Poverty Measurement: A Comparison of the Supplemental Poverty Measure and the Official Poverty Measure*, U.S. Census Bureau, SEHSD Working Paper # 2011-22, Washington, DC, August 2, 2011, http://www.census.gov/hhes/povmeas/methodology/supplemental/research/Provencher_JSM.pdf

Figure 10. Poverty Rates Under the “Official”* and Research Supplemental Poverty Measures, by Type of Economic Unit: 2010



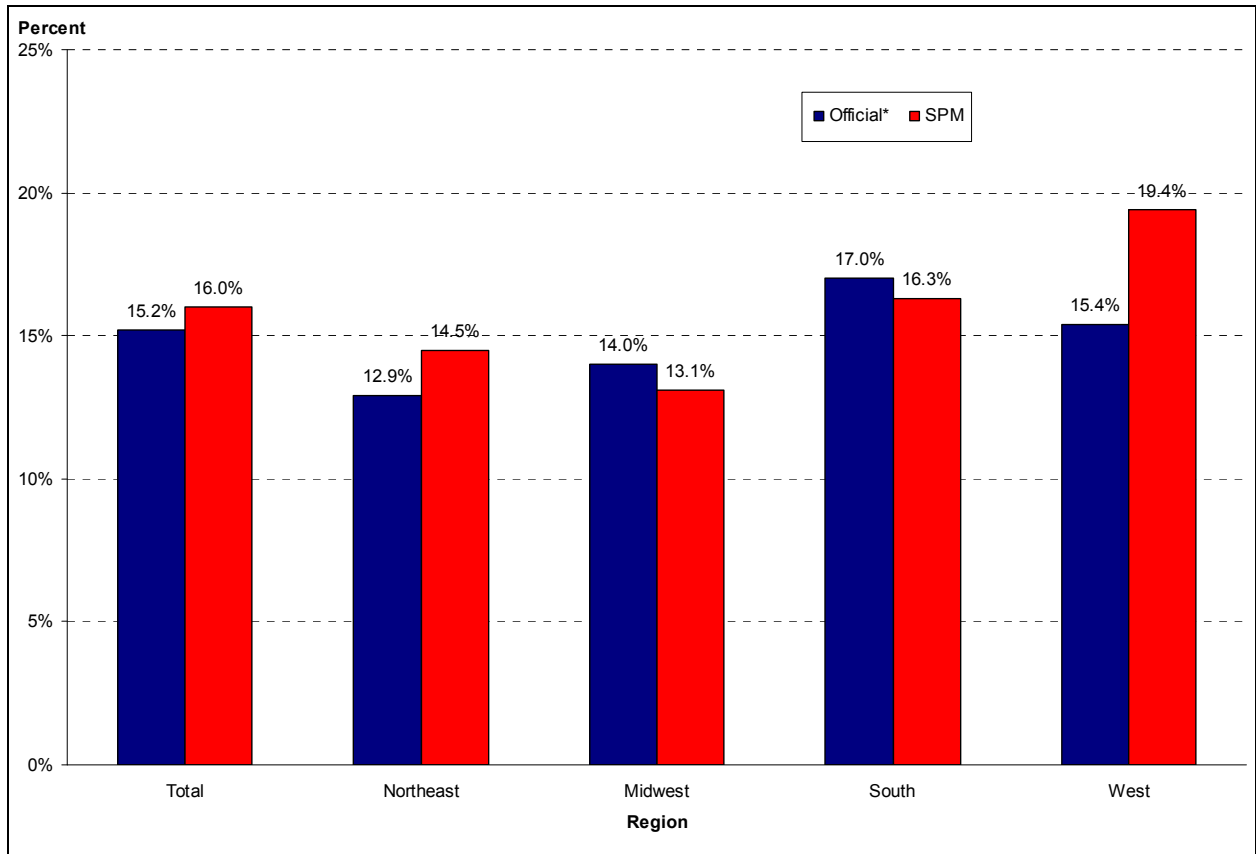
Source: Figure prepared by the Congressional Research Service (CRS), based on Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

* Differs from published “official” poverty rates as unrelated individuals under age 15 are included in the universe.

Poverty by Region

Figure 11 compares poverty rates in 2010 under the SPM with the “official” measure by Census region. The figure shows that poverty rates in the West are considerably higher (about 25% higher) under the SPM (19.4%) than under the “official” measure (15.4%). Poverty rates are about 12% higher in the Northeast under the SPM (14.5%) compared to the “official” measure (12.9%). Poverty rates in both the Midwest and South are lower under the SPM than under the “official” measure. Under the SPM, poverty is highest in the West, followed by the South, then the Northeast, and the Midwest. The differences in poverty rates within and between regions based on the SPM compared to the “official” measure are most directly due to the SPM’s geographic price adjustments to poverty thresholds for differences in the cost of housing in metropolitan and nonmetropolitan areas across states. The cost of housing tends to be higher in the West and Northeast, causing their poverty rates to rise under the SPM relative to the “official” measure and relative to the South and Midwest, where housing tends to be less expensive.

Figure 11. Poverty Rates Under the “Official”* and Research Supplemental Poverty Measures, by Region: 2010
(Percent poor)



Source: Figure prepared by the Congressional Research Service (CRS), based on Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

* Differs from published “official” poverty rates as unrelated individuals under age 15 are included in the universe.

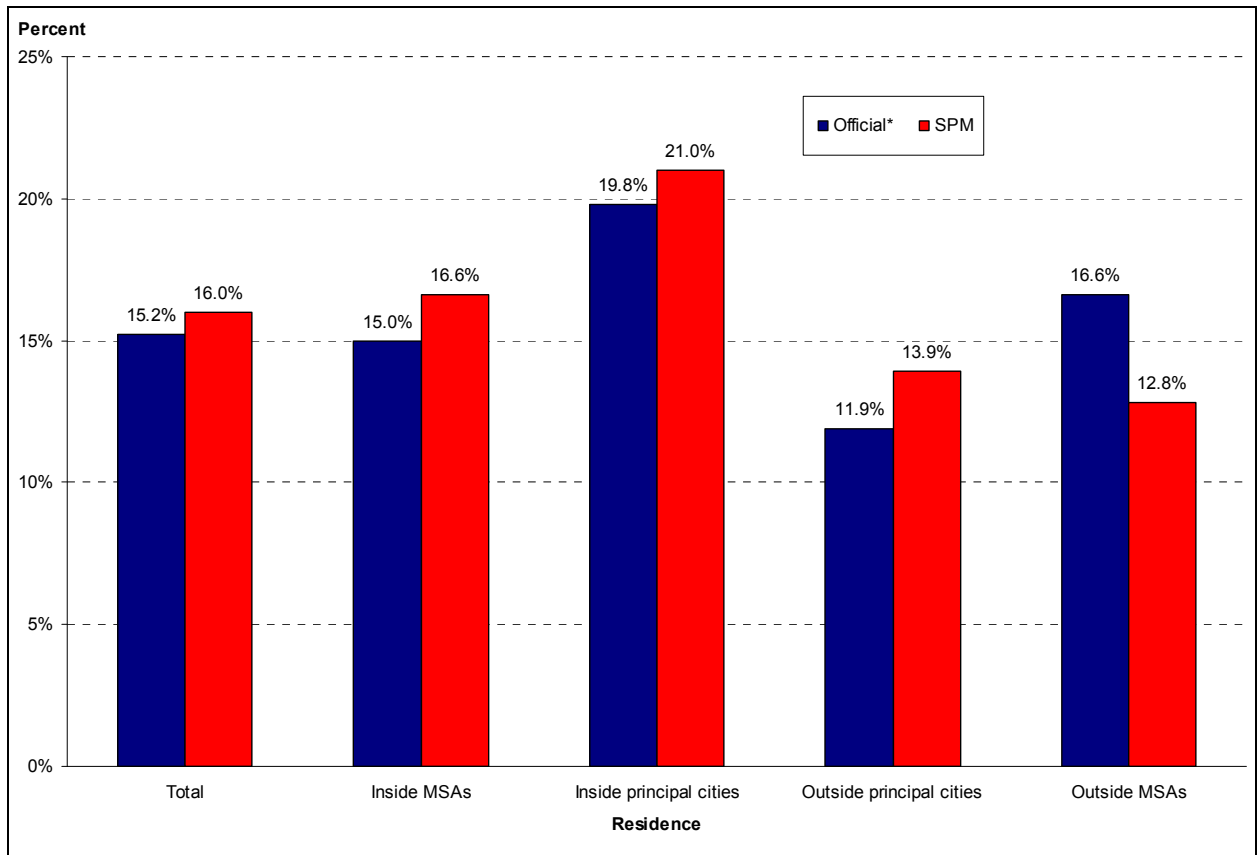
Poverty by Residence

Figure 12 depicts poverty rates by residence in metropolitan (principal city, and outside principal city (i.e., “suburban”)) and nonmetropolitan areas in 2010.²⁶ The figure shows that under the SPM, the poverty rate for persons living in Metropolitan Statistical Areas (MSAs) (16.6%) is somewhat higher than under the “official” measure (15.0%), whereas for persons living outside MSAs, the poverty rate is lower under the SPM (16.6%) than under the “official” measure (12.8%). Again, this most likely reflects differences in the cost of housing between MSAs and

²⁶ The Census Bureau defines Metropolitan Statistical Areas (MSAs) containing a core urban area with a population of 50,000 or more, consisting of one or more counties, that includes the counties containing the urban core area as well as any adjacent counties that have a high degree of social and economic integration (as measured by commuting to work) with the urban core. See <http://www.census.gov/population/metro/>.

non-MSAs. Within MSAs, poverty rates are higher for persons living within principal cities under both measures than for people living outside them in “suburban” or “ex-urban” areas.

Figure 12. Poverty Rates Under the “Official”* and Research Supplemental Poverty Measures, by Residence: 2010
(Percent poor)



Source: Figure prepared by the Congressional Research Service (CRS), based on Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

* Differs from published “official” poverty rates as unrelated individuals under age 15 are included in the universe.

Marginal Effects of Counting Specified Resources and Expenses on Poverty Under the SPM

Figure 13 focuses strictly on the SPM, examining the marginal effects on poverty rates attributable to the inclusion of each selected income/resource or expenditure element on the measure. The marginal effects of each element on the SPM are displayed by age group. Elements that marginally contribute resources, and thereby have a poverty reducing effect when included in the SPM, are ranked from left to right in terms of their effect on poverty reduction among all persons. Similarly, expenditure elements, which are subtracted from resources and thereby

marginally increase poverty as measured by the SPM, are ranked from left to right by their marginal poverty increasing effects on all persons.

The figure shows, for example, that the EITC has a greater poverty reducing effect than any of the other depicted resource elements. Overall, the EITC lowers the SPM poverty rate for all persons by 2.0 percentage points. The EITC is followed by SNAP benefits (1.7 percentage point reduction), housing subsidies (0.9 percentage point reduction), school lunch (0.4 percentage point reduction), and WIC and LIHEAP (each with a 0.1 percentage point reduction).

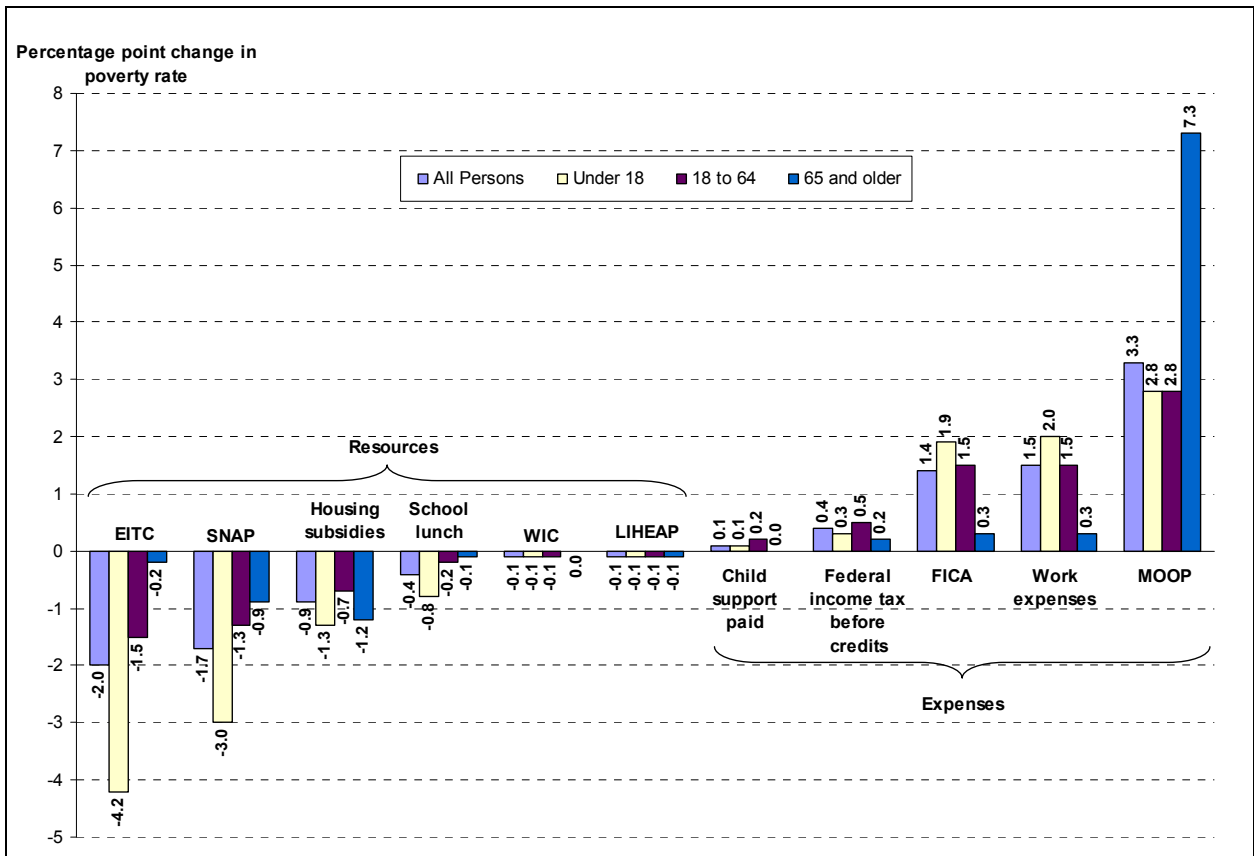
In contrast, on the expenditure side, child support paid to members outside the household has a relatively small effect on increasing the overall poverty rate. Federal income taxes before considering refundable credits, such as the EITC (counted on the resource side), result in an increase in overall poverty of 0.4 percentage points. FICA payroll taxes have a larger effect on marginal poverty (1.4 percentage point increase) than federal income taxes, as do work expenses (1.5 percentage points). Among all of the expense elements presented, medical out of pocket expenses (MOOP) contribute to the largest increase in poverty (3.3 percentage point increase for all persons).

Among the three age groups, the additional resources included in the SPM have a greater effect on reducing poverty among children (persons under age 18) and poverty among working age adults (ages 18 to 64) than on the aged (age 65 and older), with the exception of housing subsidies, which reduce the aged poverty rate by about the same amount as that of children.

On the expenditure side, FICA payroll taxes and work expenses have a greater effect on increasing poverty among children (due to a working parent) and non-aged adults than on the aged, who are less likely to be in the labor force and incur work-related taxes and expenses. Notably, under the SPM, MOOP expenses contribute to a substantial increase in poverty among the aged, contributing to a 7.3 percentage point increase in their poverty rate.

The relative distribution of additional resources and expenses in the SPM by age group helps to explain why poverty among children is lower under the SPM than it is under the “official” measure, whereas it is considerably higher for the aged.

Figure 13. Percentage Point Change in Poverty Rates Attributable to Selected Income and Expenditure Elements Under the Research Supplemental Poverty Measure, by Age Group: 2010



Source: Figure prepared by the Congressional Research Service (CRS), based on data adapted from Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

Distribution of the Population by Ratio of Income/Resources Relative to Poverty

Figure 14 shows the distribution of the population by age group according to the degree to which their income and resources fall below or above poverty under the “official” and SPM definitions. The figure breaks out the poor population, depicted by brackets, into the share whose income and resources fall below half of their respective poverty lines (a classification sometimes referred to as “deep poverty”) and the remainder. Others are categorized by the extent to which their income/resources exceed poverty under the two definitions, with those who fall below twice the poverty line also demarcated by brackets.

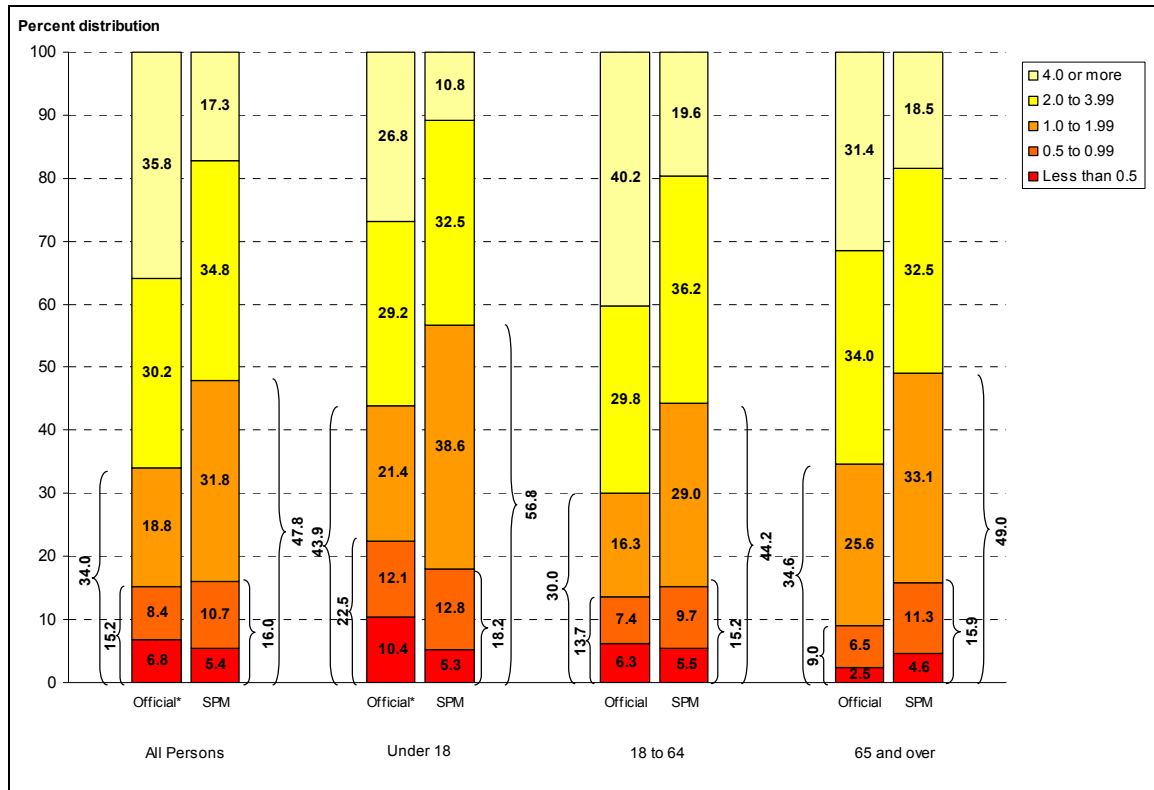
The figure shows, for example, that the share of children in “deep poverty” under the SPM is considerably lower than under the “official” measure (5.3% compared to 10.4%). As shown earlier, the SPM child poverty rate (18.2%) is lower than the “official” rate (22.5%). However, under the SPM, a much greater share of children live in “families” with income/resources between one and two times the poverty line than under the “official” measure (38.6% and 21.4%). All together, well over half of the children live in “families” having income/resources below

twice the poverty line under the SPM (56.8%) compared to just over two-fifths (43.9%) under the “official” measure. Thus, while the SPM appears to result in fewer children being counted as poor than under the “official” measure, under the SPM a greater share than under the “official” measure are concentrated at income levels just above poverty.

Among persons age 65 and over, a greater share are poor under the SPM than under the “official” measure, as shown earlier (15.9% compared to 9.0%), and a greater share are in “deep poverty” under the SPM (4.6%) than under the “official” measure (2.5%). In contrast to the “official” measure, under which over one-third (34.6%) of the aged have income below 200% of poverty, nearly half (49.0%) have income/resources below that level under the SPM.

Figure 14. Distribution of the Population by Income/Resources to Poverty Ratios Under the “Official”* and Research Supplemental Poverty Measures, by Age Group: 2010

(Percent distribution)



Source: Figure prepared by the Congressional Research Service (CRS), based on Kathleen Short, *The Research SUPPLEMENTAL POVERTY MEASURE: 2010*, U.S. Census Bureau, P60-241, Washington, DC, November 2011, <http://www.census.gov/prod/2011pubs/p60-241.pdf>.

* Differs from published “official” poverty rates as unrelated individuals under age 15 are included in the universe.

Discussion

As a research measure, the SPM offers potential for improved insight leading to better understanding of the nature and circumstances of those deemed to be among the nation's most economically and socially vulnerable. The SPM offers the means to better assess the performance of the economy, government policies, and programs with regard to the population's ability to secure sufficient income/resources to be able to meet basic expenditures for food, clothing, shelter, and utilities (plus "a little bit more").

The SPM counts considerably more elderly as poor than does the "official" measure. Medical expenses appear to be the driving factor in increasing poverty among the elderly under the SPM (see **Figure 13**). While not negating the improvement in the poverty status of the aged over the years, based on the "official" measure (see **Figure 2**), the SPM points more directly to the economic vulnerability of the aged, based not on income/resources alone, but rather, medical expenses competing for income that might otherwise be used to meet basic needs (i.e., FCSU plus "a little bit more"). Rising medical costs in society overall and individuals' personal health and insurance statuses pose potential economic risk to the aged being able to meet basic needs, as captured by FCSU-based poverty thresholds. The SPM provides additional insight that poverty reduction among the elderly depends not only on improving income, but also on their ability to reduce exposure to high medical expenses through "affordable" insurance. Rising medical costs in society also place the aged at increased risk of poverty under the SPM. It is worth noting that the SPM does not consider financial assets, other than interest, dividends, and annuity income from those assets, nor non-liquid assets (e.g., home equity) in determining poverty status. The SPM therefore does not address the means or extent to which the aged might tap those assets to meet medical or other needs.

The SPM results in fewer children being counted as poor than under the "official" measure. Still, the incidence of poverty under the SPM, as under the "official" measure, exceeds that of the aged, but by a much slimmer margin (see **Figure 9**). Work-based supports, which both encourage work and help to offset the costs of going to work, appear to be especially important to families with children, as captured by the SPM. The EITC, not counted under the "official" measure, significantly reduces child poverty as measured by the SPM, helping to offset taxes and work-related expenses working families with children incur (also captured by the SPM, but not under the "official" measure) (see **Figure 13**). The lack of safe, reliable, and affordable child care may limit parents' attachment to the labor force, contributing to poverty by reducing earnings that parents might otherwise secure. The SPM recognizes child care as a necessary expense many families face in their decisions relating to work by subtracting work-related child care expenses from income/resources that might otherwise go to meeting basic needs (i.e., FCSU plus "a little bit more"). As a consequence, the SPM should be sensitive to measuring the effects of child care programs and policies on child care affordability and poverty. The SPM captures the policy effects of assisting the poor through the provision of in-kind benefits, as opposed to just cash, whereas the "official" measure does not. For example, SNAP benefits, not captured under the "official" poverty measure, appear to have a sizeable effect in reducing child poverty under the SPM. Additionally, the expansion of the economic unit under the SPM to include cohabiting partners and their relatives may also contribute to lower child poverty rates under the SPM than under the "official" poverty measure, which is based on family ties defined by blood, marriage, and adoption.

The Census Bureau's first release of statistics based on the SPM provides a glimpse of how the nation might begin to better measure progress against poverty than that offered by the "official" measure. At this point, comparable SPM estimates are available only for 2009 and 2010. The Census Bureau is scheduled to release SPM estimates for 2011 in November 2012. As more data are released and analyzed, the SPM will likely set a new standard of comparison to supplement the current understanding of the nature and extent of poverty in the United States, and ways that programs and policies address it.

Appendix. U.S. Poverty Statistics: 1959-2011

Table A-1. Poverty Rates (Percent Poor) for Selected Groups, 1959-2011

Year	All Persons	Related Children Under Age 18 ^a		Adults		Race/Ethnicity ^b —All Ages					
		Total	In Female-Headed Families	In All Other Families	Ages 18-64	Age 65+	White ^b	White Non-Hispanic ^b	Black ^b	Hispanic	Asian ^b
2011	15.1	21.4	47.6	12.1	13.7	8.7	12.8 ^b	9.8 ^b	27.6 ^b	25.3	12.3 ^b
2010r	15.0	21.5	46.6	12.9	13.8	8.9	13.0 ^b	9.9 ^b	27.4 ^b	26.5	12.2 ^b
2009	14.3	20.1	44.4	12.3	12.9	8.9	12.3 ^b	9.4 ^b	25.8 ^b	25.3	12.5 ^b
2008	13.2	18.5	43.5	10.7	11.7	9.7	11.2 ^b	8.6 ^b	24.7 ^b	23.2	11.8 ^b
2007	12.5	17.6	43.0	9.5	10.9	9.7	10.5 ^b	8.2 ^b	24.5 ^b	21.5	10.2 ^b
2006	12.3	16.9	42.1	9.0	10.8	9.4	10.3 ^b	8.2 ^b	24.3 ^b	20.6	10.3 ^b
2005	12.6	17.1	42.8	9.3	11.1	10.1	10.6 ^b	8.3 ^b	24.9 ^b	21.8	11.1 ^b
2004r	12.7	17.3	41.9	9.7	11.3	9.8	10.8 ^b	8.7 ^b	24.7 ^b	21.9	9.8 ^b
2003	12.5	17.2	41.8	9.6	10.8	10.2	10.5 ^b	8.2 ^b	24.4 ^b	22.5	11.8 ^b
2002	12.1	16.3	39.6	9.2	10.6	10.4	10.2 ^b	8.0 ^b	24.1 ^b	21.8	10.1 ^b
2001	11.7	15.8	39.3	8.8	10.1	10.1	9.9	7.8	22.7	21.4	n/a
2000r	11.3	15.6	40.1	8.6	9.6	9.9	9.5	7.4	22.5	21.5	n/a
1999	11.8	16.3	41.9	9.0	10.0	9.7	9.8	7.7	23.6	22.8	n/a
1998	12.7	18.3	46.1	9.7	10.5	10.5	10.5	8.2	26.1	25.6	n/a
1997	13.3	19.2	49.0	10.2	10.9	10.5	11.0	8.6	26.5	27.1	n/a
1996	13.7	19.8	49.3	10.9	11.3	10.8	11.2	8.6	28.4	29.4	n/a
1995	13.8	20.2	50.3	10.7	11.4	10.5	11.2	8.5	29.3	30.3	n/a
1994	14.5	21.2	52.9	11.7	11.9	11.7	11.7	9.4	30.6	30.7	n/a
1993	15.1	22.0	53.7	12.4	12.4	12.2	12.2	9.9	33.1	30.6	n/a
1992r	14.8	21.6	54.6	11.8	11.9	12.9	11.9	9.6	33.4	29.6	n/a
1991r	14.2	21.1	55.5	11.1	11.4	12.4	11.3	9.4	32.7	28.7	n/a
1990	13.5	19.9	53.4	10.7	10.7	12.2	10.7	8.8	31.9	28.1	n/a
1989	12.8	19.0	51.1	10.4	10.2	11.4	10.0	8.3	30.7	26.2	n/a
1988r	13.0	19.0	52.9	10.0	10.5	12.0	10.1	8.4	31.3	26.7	n/a
1987r	13.4	19.7	54.7	10.9	10.6	12.5	10.4	8.7	32.4	28.0	n/a
1986	13.6	19.8	54.4	10.8	10.8	12.4	11.0	9.4	31.1	27.3	n/a
1985	14.0	20.1	53.6	11.7	11.3	12.6	11.4	9.7	31.3	29.0	n/a
1984	14.4	21.0	54.0	12.5	11.7	12.4	11.5	10.0	33.8	28.4	n/a
1983	15.2	21.8	55.5	13.5	12.4	13.8	12.2	10.8	35.7	28.1	n/a
1982	15.0	21.3	56.0	13.0	12.0	14.6	12.0	10.6	35.6	29.9	n/a

Year	All Persons	Related Children Under Age 18 ^a		Adults		Race/Ethnicity ^b —All Ages					
		Total	In Female-Headed Families	In All Other Families	Ages 18-64	Age 65+	White ^b	White Non-Hispanic ^b	Black ^b	Hispanic	Asian ^b
1981	14.0	19.5	52.3	11.6	11.1	15.3	11.1	9.9	34.2	26.5	n/a
1980	13.0	17.9	50.8	10.4	10.1	15.7	10.2	9.1	32.5	25.7	n/a
1979	11.7	16.0	48.6	8.5	8.9	15.2	9.0	8.1	31.0	21.8	n/a
1978	11.4	15.7	50.6	7.9	8.7	14.0	8.7	7.9	30.6	21.6	n/a
1977	11.6	16.0	50.3	8.5	8.8	14.1	8.9	8.0	31.3	22.4	n/a
1976	11.8	15.8	52.0	8.5	9.0	15.0	9.1	8.1	31.1	24.7	n/a
1975	12.3	16.8	52.7	9.8	9.2	15.3	9.7	8.6	31.3	26.9	n/a
1974	11.2	15.1	51.5	8.3	8.3	14.6	8.6	7.7	30.3	23.0	n/a
1973	11.1	14.2	52.1	7.6	8.3	16.3	8.4	7.5	31.4	21.9	n/a
1972	11.9	14.9	53.1	8.6	8.8	18.6	9.0	n/a	33.3	n/a	n/a
1971	12.5	15.1	53.1	9.3	9.3	21.6	9.9	n/a	32.5	n/a	n/a
1970	12.6	14.9	53.0	9.2	9.0	24.6	9.9	n/a	33.5	n/a	n/a
1969	12.1	13.8	54.4	8.6	8.7	25.3	9.5	n/a	32.2	n/a	n/a
1968	12.8	15.3	55.2	10.2	9.0	25.0	10.0	n/a	34.7	n/a	n/a
1967	14.2	16.3	54.3	11.5	10.0	29.5	11.0	n/a	39.3	n/a	n/a
1966	14.7	17.4	58.2	12.6	10.5	28.5	11.3	n/a	41.8	n/a	n/a
1959	22.4	26.9	72.2	22.4	17.0	35.2	18.1	n/a	55.1	n/a	n/a

Source: Prepared by the Congressional Research Service using U.S. Bureau of the Census data based on the “official” measure of poverty.

Notes: r = revised estimates. n/a = not available.

- a. Beginning in 1979, restricted to children in primary families only. Before 1979, includes children in unrelated subfamilies.
- b. Beginning in 2002, CPS respondents could identify themselves as being of more than one race. Consequently, racial data for 2002 and after are not comparable to earlier years. Here, in 2002 and after, the term white means of white race alone, the term black means of black race alone, and the term Asian means asian alone. Hispanics, who may be of any race, are included among whites and blacks unless otherwise noted.

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