

The AMOS TEST 2015 (but referring to 2014!)

Please fill in the following:

2014 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND THE DISTRICT OF COLUMBIA	
Persons in family/household	Poverty guideline
For families/households with more than 8 persons, add \$4,060 for each additional person.	
1	
2	
3	
4	
5	
6	
7	
8	

According to the Stanford Center for Poverty and Inequality:

The official poverty rate increased from 12.5 percent in 2007 to ____ percent in 2012, and the child poverty rate increased from 18.0 percent in 2007 to _____ percent in 2012.

Poverty Official Poverty Rate Full population _____

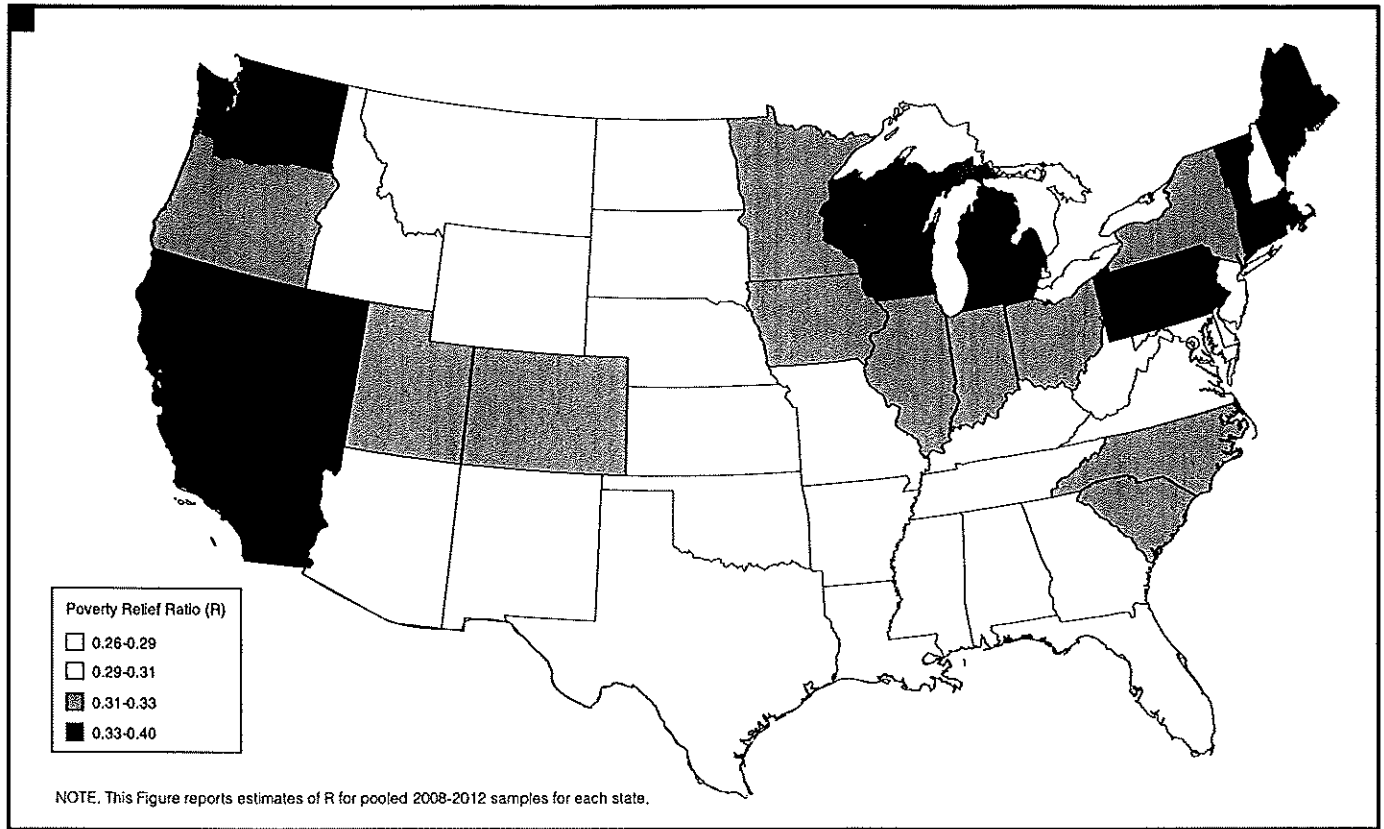
Children _____

Black non-Hispanic _____

Hispanic _____

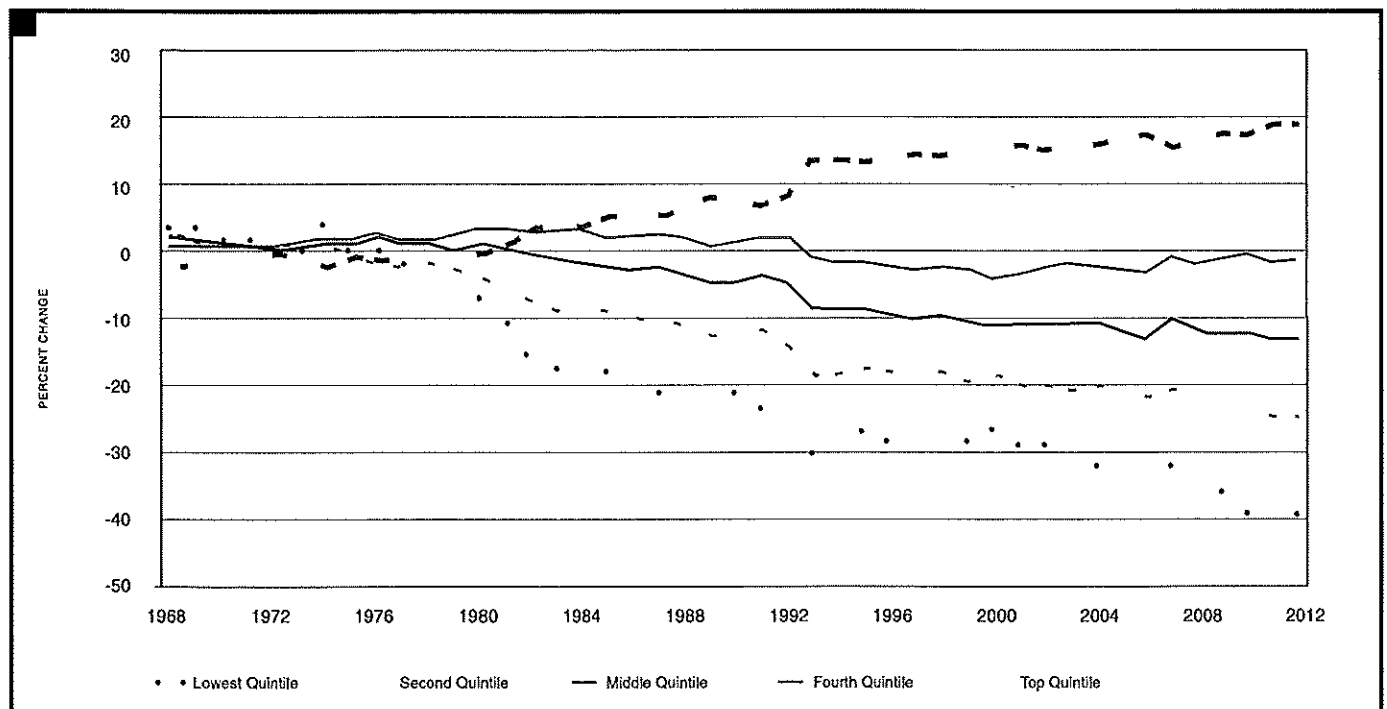
The current poverty rates for the full population and for children rank among the very worst over the 13 years since 2000

FIGURE 4. Estimates of R, by State (2008-2012)



Source: CPS 2008-2012.

FIGURE 2. Percent Change in Shares of Adjusted Household Income by Quintile (Share of Income of Each Quintile Relative to Share in 1967)



Source: DeNavas-Walt, Proctor, and Smith (2013), Table A-2, pages 40-44.

POVERTY

January 2014

The Stanford Center on Poverty and Inequality

BY SHELDON DANZIGER AND CHRISTOPHER WIMER¹

KEY FINDINGS

- While the official poverty rate has declined from 22 percent to 15 percent since 1959, most of this progress occurred before the early 1970s. Since then, the direct connection between poverty and economic growth has weakened.
- Some subgroups, like young adults and less-educated Americans, have fared worse than others, as poverty rates for these subgroups have risen over time. Others, such as the elderly, have fared much better than others.
- The Official Poverty Measure masks important progress that has been made in fighting poverty because it doesn't count many of the antipoverty programs that have accounted for an increasing share of all safety net benefits in recent years.
- If the benefits from noncash programs like food stamps and the Earned Income Tax Credit are counted, the poverty rate would stand at about 11 percent today instead of 15.
- Poverty remains high primarily because the economy has failed the poor. The expanded safety net has kept poverty from being even higher than it is today.

What has happened since President Lyndon Johnson declared an unconditional War on Poverty in his January 8, 1964 State of the Union Address? There is no doubt that the United States has become a more affluent nation since that famous declaration: Real gross domestic product (GDP) per capita has in fact *doubled* over the past 50 years. Despite this growth, the official poverty rate for 2012 now stands at 15 percent, a full 4 percentage points higher than it was during the early 1970s. And the poverty rate is only 4 percentage points lower than the 19 percent rate of 1964.

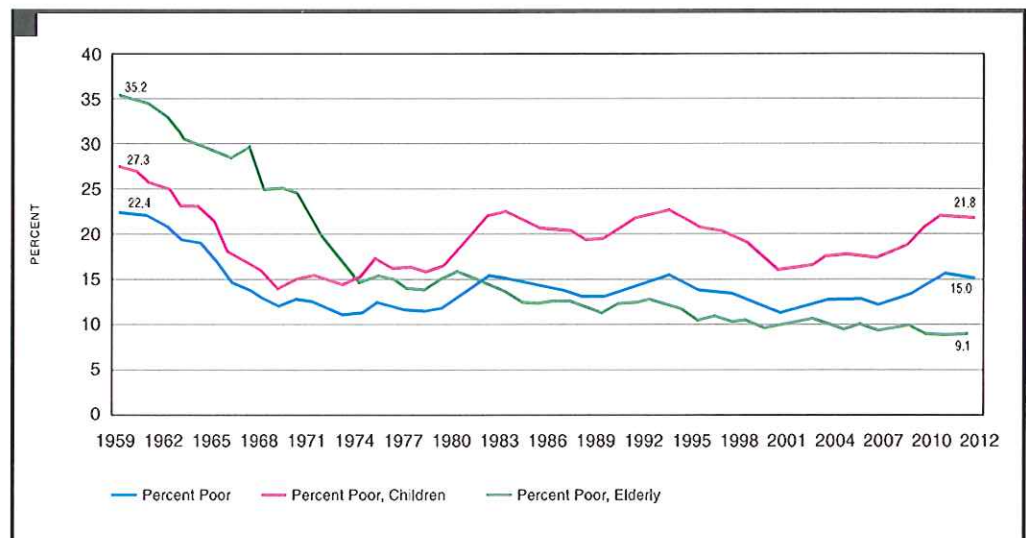
This apparent lack of progress against poverty cannot be blamed on the economic devastation wrought by the Great Recession, although that certainly increased poverty over the last five years. Rather, the direct connection between economic growth and

poverty reduction is now much weaker than in the past. Poverty remains high because many workers have not shared in the economic gains of the past 40 years; instead most of those gains have been captured by the economic elite.

Over these same decades, the official poverty measure has increasingly obscured some of the progress that *has* been made in reducing poverty because it fails to account for many government benefits the poor now receive, such as Food Stamps and the Earned Income Tax Credit. If these safety net benefits were counted as family income, today's official poverty rate would fall from 15 to about 11 percent.

The purpose of this research brief is to lay out where we now stand on the war on poverty. We first describe long-term trends in

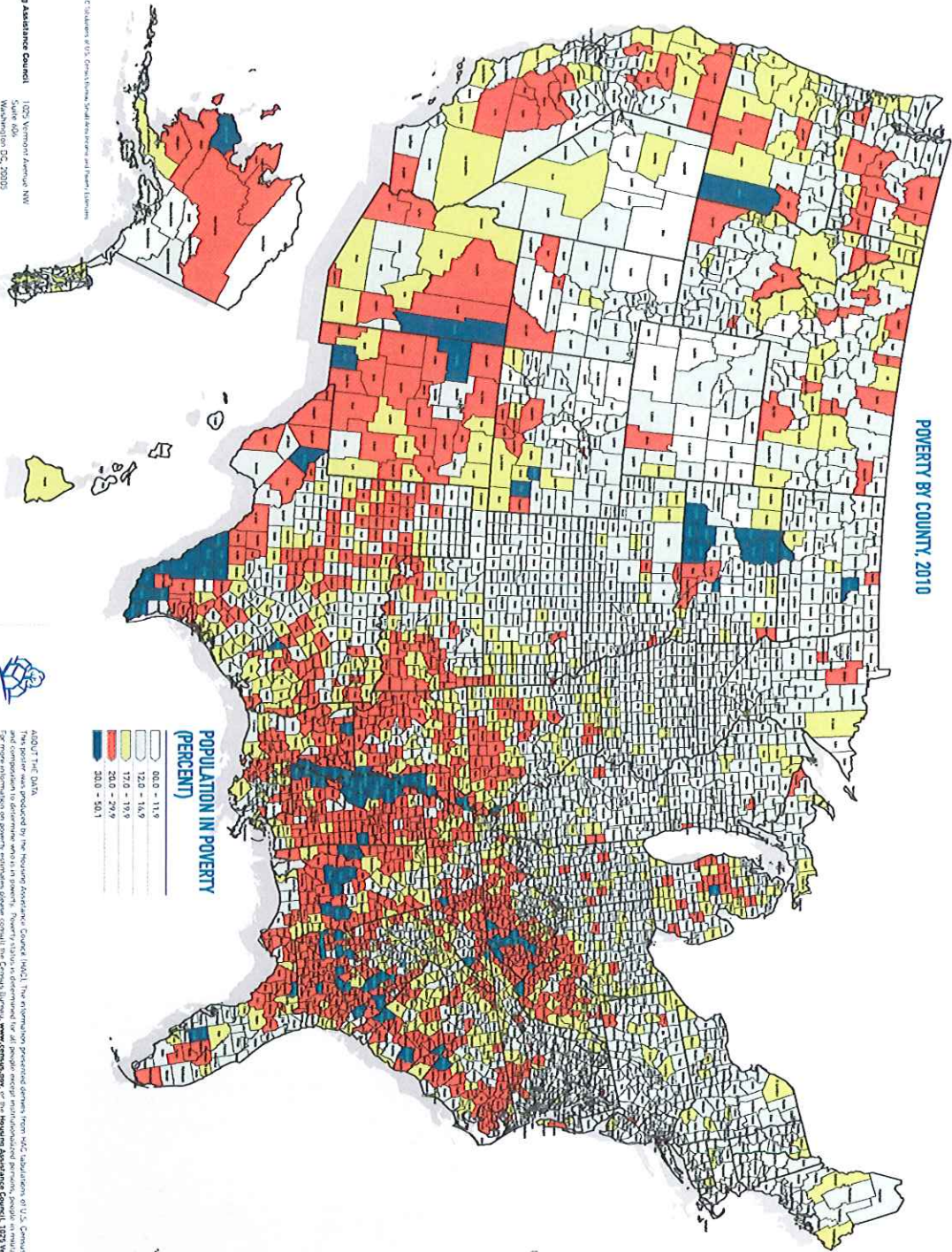
FIGURE 1. Trends in Official Poverty



Source: U.S. Census Bureau, Historical Poverty Tables

POVERTY IN THE UNITED STATES

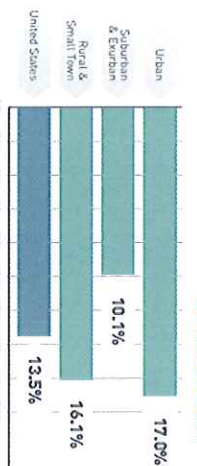
POVERTY BY COUNTY, 2010



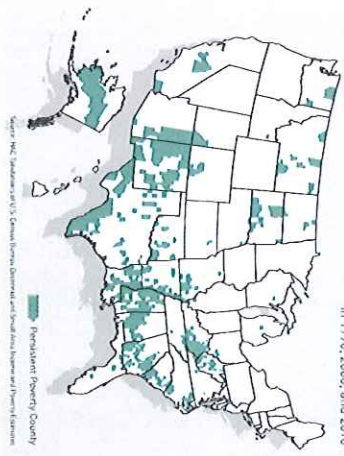
Housing Assistance Council
 1225 Vermont Avenue, NW
 Suite 605
 Washington, DC, 20005
 202-842-4400
www.urahome.org



ABOUT THE DATA
 The information presented herein is derived from the Census Bureau data. The Census Bureau data is based on a set of dollar value thresholds that vary by family size and are used to determine the poverty status of individuals and families. For more information on poverty estimates please consult the Census Bureau, www.census.gov, or the Housing Assistance Council, 1225 Vermont Avenue, N.W., Suite 605, Washington, DC, 20005, 202-842-4400, www.urahome.org.



PERSISTENT POVERTY, 1990 - 2010
 Counties with Poverty Rates of 20% or more in 1990, 2000, and 2010

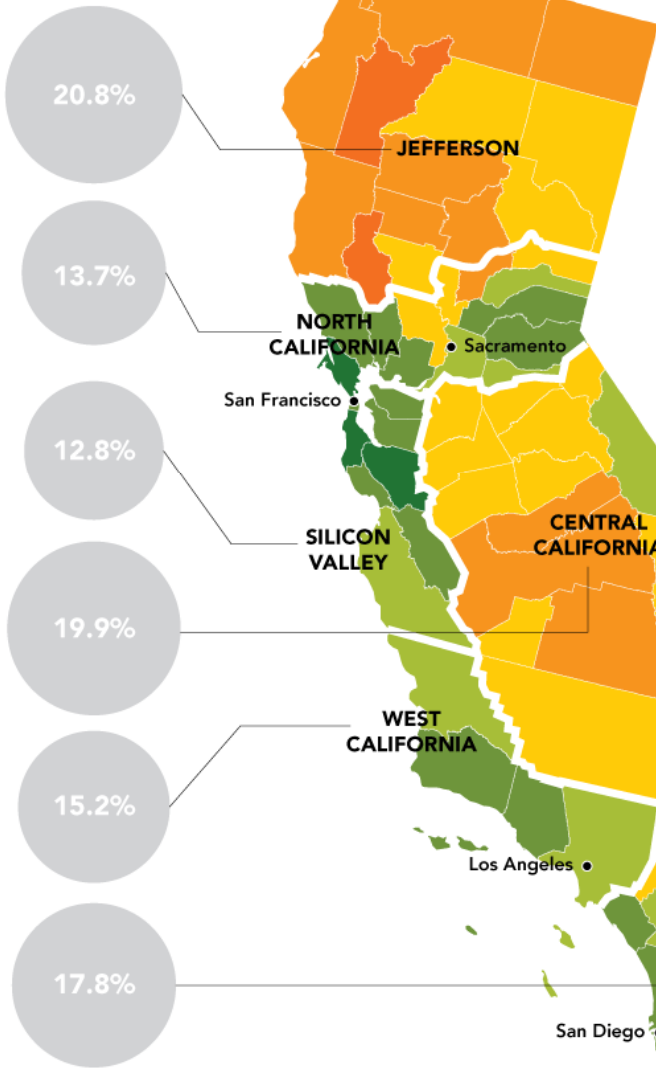


Source: HAC, Studies of U.S. Census Bureau, Decennial and Special Area Reports and Family Estimates

The Real Problem With Breaking Up California

A Silicon Valley investor's proposal to divide California into six separate states would create stark divides along lines of poverty and income.

Percent living in poverty in each proposed new state, 2012



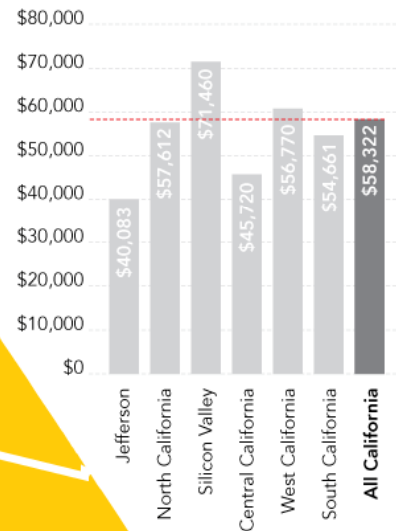
Median household income, 2012



Percent living in poverty in all of California, 2012



Median household income of each proposed new state, 2012



Sources: San Jose Mercury News, Census Bureau

Poverty in California

By Sarah Bohn and Matt Levin

- **Poverty rates continue to soar in the aftermath of the Great Recession.**

After declining to a 20-year low of 12% in 2006, the official poverty rate in California spiked upward in the wake of the Great Recession: as of 2011, it was 16.9%. This amounts to more than six million Californians living in households with incomes below the federal poverty level (about \$23,000 for a family of four). The Census "Supplemental Poverty Measure," which incorporates California's high cost of living and the effect of safety net programs such as food stamps, suggests that California's poverty rate is even higher: 23.5% during 2009-2011.

- **California's poverty rate has not yet matched its early 1990s peak.**

Despite the prolonged impact of the Great Recession, a smaller percentage of Californians are in poverty now than during the recession of the early 1990s; in 1993 the poverty rate reached 18.1%. Given the persistently high rate and duration of unemployment in 2011, it is unsurprising that high poverty rates persisted into the recovery. But even if poverty rates start to decline as the state's economy gains steam, they will likely be higher than they were in non-recessionary periods in the state's past.

- **California typically has a higher poverty rate than the rest of the nation.**

For most of the past two decades, California's poverty rate has exceeded that of the nations. By 2006, the two rates had nearly converged, with California's rate declining and the rate in the rest of the U.S. rising. But during the Great Recession, the states poverty rate grew faster, and now California's rate is higher (16.9%) than the rate in the rest of the country (14.7%).

- **Latinos and African Americans have higher poverty rates than other groups.**

Latinos (23.6%) and African Americans (24.2%) have much higher poverty rates than Asians (12.6%) and whites (9.8%) in California. The statewide poverty rate among Latinos living in families with a foreign-born head of household is 26.9%; for the same group outside of California, it is significantly higher (30.1%). Poverty rates increased for all racial and ethnic groups in California between 2010 and 2011.

- **Poverty varies dramatically in accordance with education level.**

In California, education has provided a buffer against poverty in the wake of the Great Recession. In 2011, the poverty rate among families headed by an adult lacking a high school diploma was 36.7%, a 5 percentage point jump from 2010. At the other extreme, in families headed by a college degree holder, the poverty rate was only 5.4%. For families in which the highest level of education is a high school diploma, the poverty rate was 19.9%.

- **Most poor families in California are working.**

The majority of poor people in California live in working families. In 37.3% of poor families, at least one family member is working full time, and in another 25.6% someone is working part time.

- **Poverty varies considerably across California's counties.**

In 2011, the lowest poverty rate in California was in San Mateo County (7.2%) and the highest was in Merced County (30.0%). Many Bay Area counties in addition to San Mateo (Marin, Santa Clara, Sonoma, Contra Costa, and Alameda) had poverty rates below 13%, placing them in the bottom quarter of all counties. At the other end of the spectrum, several Central Valley counties in addition to Merced (Tulare, Kern, Fresno, Stanislaus, Madera, Yolo, and Butte) were in the top quarter, with poverty rates in excess of 20%. Nearly 30% of all poor people in California lived in Los Angeles County (1.8 million people) in 2011—by far the largest number in the state.

Sources: American Community Survey (2011) for demographic and geographic breakdown, Current Population Survey Annual Social and Economic Supplement (1970-2011) for trends, both from the U.S. Census Bureau. Census Bureau Supplemental Poverty Measure resources ("The Research Supplemental Poverty Measure: 2011" Kathleen Short, November 2012, U.S. Census Bureau Current Population Reports).