

Poverty: 2008 and 2009

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INTRODUCTION

This report is one of a series produced to highlight results from the 2009 American Community Survey (ACS). It presents poverty estimates based on data from the 2008 and the 2009 ACS. The report compares national and state level poverty rates and summarizes the distribution of income-to-poverty ratios for each state and the District of Columbia.

The ACS also provides poverty estimates for counties, places, and other localities.

HIGHLIGHTS

- In the 2009 ACS, 14.3 percent of the U.S. population had income below their respective poverty thresholds. The number of people in poverty increased to 42.9 million.
- Thirty-one states saw increases in both the number and percentage of people in poverty between the 2008 and the 2009 ACS.
- No state had a statistically significant decline in either the number in poverty or the poverty rate.
- In the 2009 ACS, 18.9 percent of people in the United States had income less than 125 percent of their poverty threshold, compared to 17.6 percent in the 2008 ACS.

How Poverty Is Measured

Poverty status is determined by comparing annual income to a set of dollar values called thresholds that vary by family size, number of children, and age of householder. If a family's before tax money income is less than the dollar value of their threshold, then that family and every individual in it are considered to be in poverty. For people not living in families, poverty status is determined by comparing the individual's income to his or her threshold.

The poverty thresholds are updated annually to allow for changes in the cost of living using the Consumer Price Index (CPI-U). They do not vary geographically.

The ACS is a continuous survey, and people respond throughout the year. Since income is reported for the previous 12 months, the appropriate poverty threshold for each family is determined by multiplying the base-year poverty threshold (1982) by the average of monthly CPI values for the 12 months preceding the survey month.

For more information, see "How Poverty Is Calculated in the ACS" at www.census.gov/hhes/www/poverty/methods/definitions.html.

- The percent of people with income less than 50 percent of their poverty threshold increased from 5.6 percent in the 2008 ACS to 6.3 in the 2009 ACS.

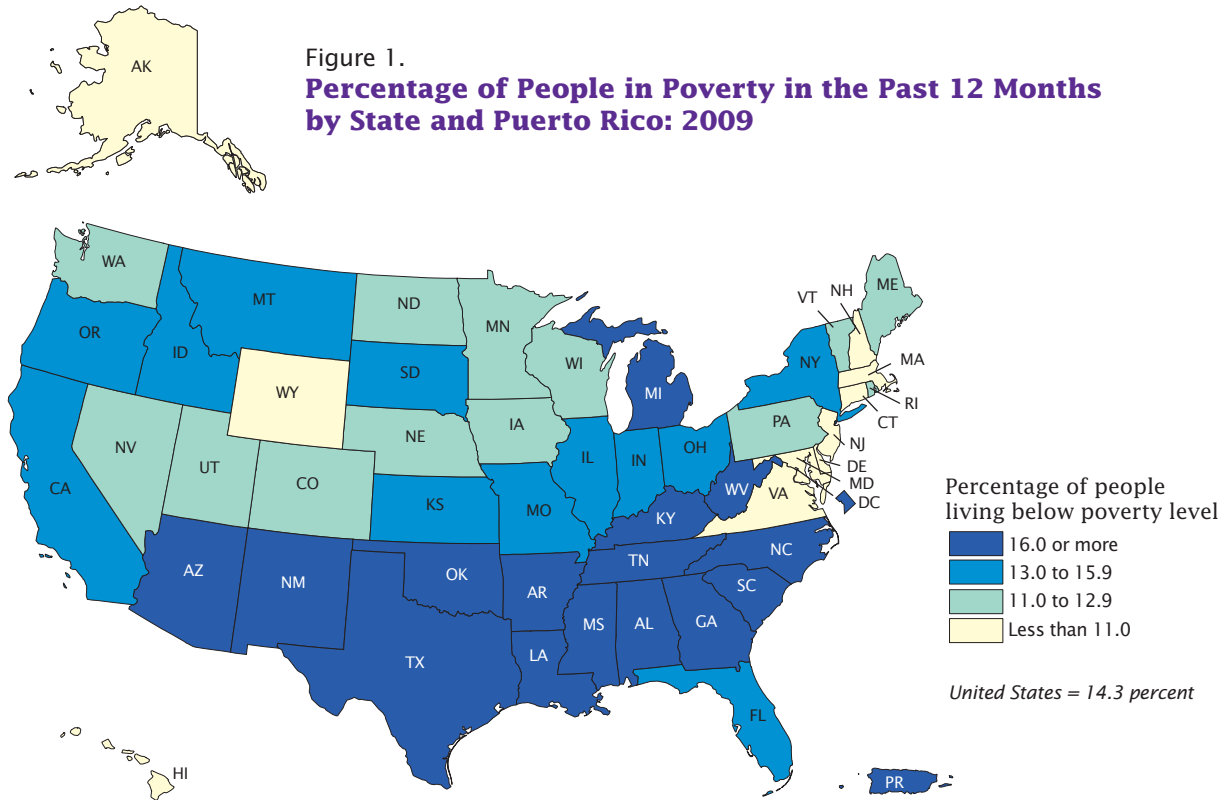
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Figure 1.
**Percentage of People in Poverty in the Past 12 Months
 by State and Puerto Rico: 2009**



Sources: U.S. Census Bureau, American Community Survey, 2009, Puerto Rico Community Survey, 2009.

The estimates contained in this report are based on the 2008 and 2009 ACS samples. The ACS is conducted every month with income data collected for the 12 months preceding the interview. Because the survey is continuous, adjacent ACS years have income reference months in common. For these reasons, comparing the 2008 ACS with the 2009 ACS is not an exact comparison of the economic conditions in 2008 with those in 2009. Comparisons should be interpreted with care.¹ For more information on the ACS sample design and other topics visit <www.census.gov/acs/www>.

¹ For a discussion of this and related issues see Hogan, Howard, "Measuring Population Change Using the American Community Survey," *Applied Demography in the 21st Century*, eds., Steven H. Murdock and David A. Swanson, Springer Netherlands, 2008.

POVERTY

The 2009 ACS data indicate an estimated 14.3 percent of the U.S. population had income below their poverty threshold in the past 12 months. This is 1.0 percentage point higher than the 13.3 percent poverty rate estimated for the 2008 ACS. The estimated number of people in poverty increased by 3.5 million to 42.9 million in the 2009 ACS.²

The map displays the variation in poverty rates by state for the 2009 ACS. The table presented at the end of this report shows the number

² The poverty universe is a subset of the total population covered by the ACS. Specifically, the universe excludes children younger than age 15 who are not related to the householder, people living in institutional group quarters, and those living in college dormitories or military barracks.

and the percentage of people in poverty by state in the 2008 and 2009 ACS.

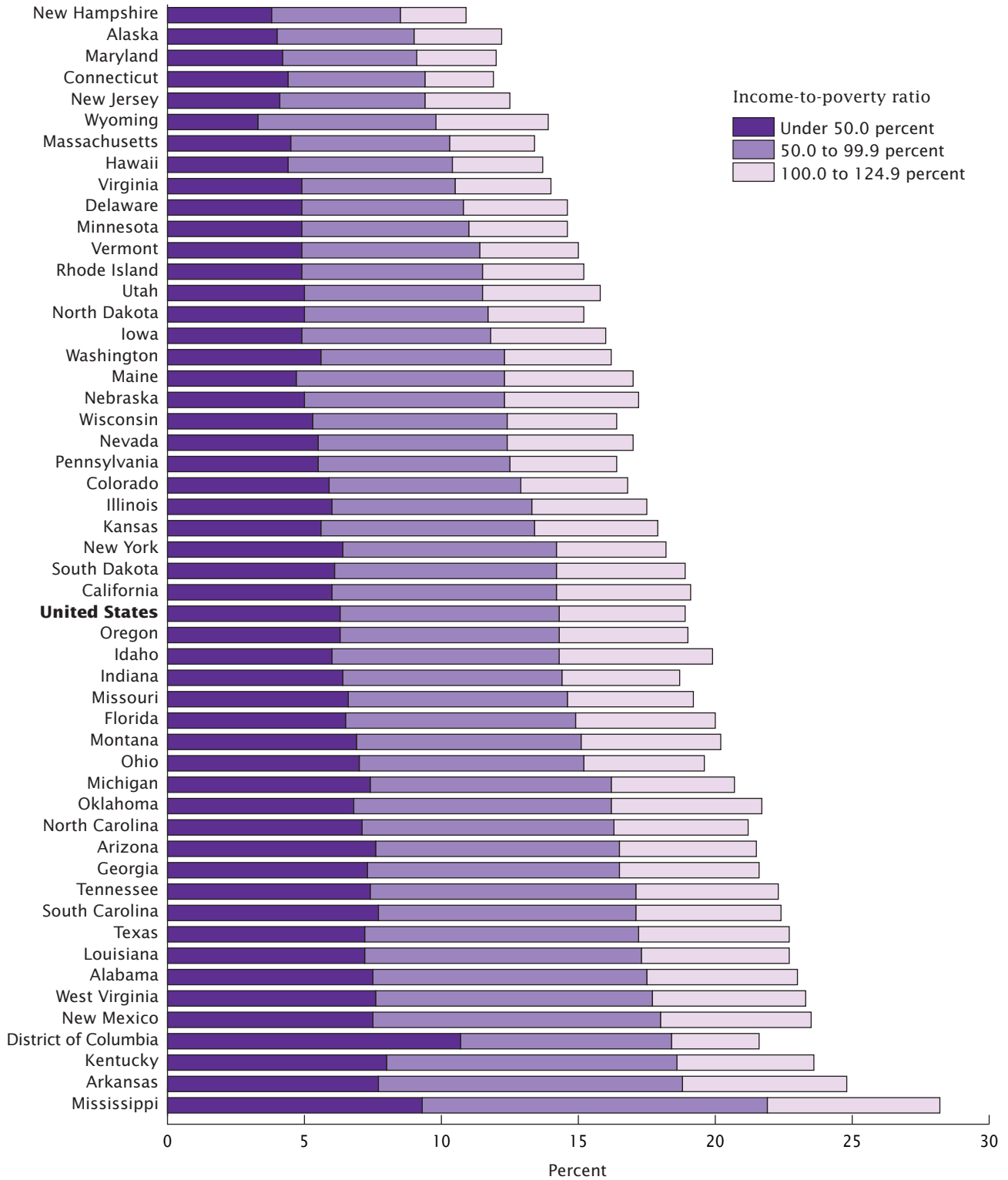
Poverty rates from the 2009 ACS for the 50 states and the District of Columbia ranged from a low of 8.5 percent in New Hampshire to a high of 21.9 percent in Mississippi.³

Only five states had estimated poverty rates lower than 10 percent—Alaska, Connecticut, Maryland, New Hampshire, and New Jersey. On the other side of the distribution five states had estimated poverty rates at or above 17 percent in 2009—Alabama, Arkansas, Kentucky, Mississippi, and West Virginia.

³ New Hampshire's 2009 ACS poverty rate was not statistically different from the poverty rates for Alaska (9.0 percent) and Maryland (9.1 percent).

Figure 2.

Percentage of People by Income-to-Poverty Ratio in the Past 12 Months by State: 2009



Source: U.S. Census Bureau, American Community Survey, 2009.

Thirty-one states experienced increases in both the number and percentage of people in poverty between the 2008 ACS and the 2009 ACS. No state had a statistically significant decline in either the number in poverty or the poverty rate.

Seventeen states and the District of Columbia saw no statistically significant differences in either the number of people in poverty or the poverty rate from the 2008 ACS to the 2009 ACS—Alaska, Connecticut, Delaware, Iowa, Louisiana, Maine, Massachusetts, Mississippi, Montana, New Mexico, North Dakota, Oklahoma, Rhode Island, Vermont, Virginia, West Virginia, and Wyoming.

DEPTH OF POVERTY

The poverty rate is an estimate of the proportion of people with family or personal income below the appropriate poverty threshold. Another measure, the income-to-poverty ratio, gauges how close a family's income is to their poverty threshold. It measures the depth of poverty for those with income below their threshold and the proximity to poverty for those with income above their threshold.

In this report the income-to-poverty ratio is reported as a percentage. To illustrate, a family or individual with income equal to twice their poverty threshold has an income-to-poverty ratio of 200 percent. A family or individual with income equal to one-half of their poverty threshold has an income-to-poverty ratio of 50 percent.

The 2009 ACS data indicate that 18.9 percent of people in the United States had an annual income-to-poverty ratio less than 125 percent. This compares to 17.6 percent of people in the 2008 ACS. Similarly, in the 2009 ACS 6.3 percent of people had

WHAT IS THE AMERICAN COMMUNITY SURVEY?

The American Community Survey (ACS) is a nationwide survey designed to provide communities with reliable and timely demographic, social, economic, and housing data for the nation, states, congressional districts, counties, places, and other localities every year. It has an annual sample size of about 3 million addresses across the United States and Puerto Rico and includes both housing units and group quarters (e.g., nursing facilities and prisons). The ACS is conducted in every county throughout the nation, and every municipio in Puerto Rico, where it is called the Puerto Rico Community Survey. Beginning in 2006, ACS data for 2005 were released for geographic areas with populations of 65,000 and greater. For information on the ACS sample design and other topics, visit www.census.gov/acs/www.

income-to-poverty ratios less than 50 percent, compared to 5.6 percent in the 2008 ACS.

At the state level, the share of the population with income-to-poverty ratios less than 125 percent ranged from a low of 10.9 percent in New Hampshire to a high of 28.2 percent in Mississippi in the 2009 ACS. The proportion of people with income-to-poverty ratios less than 50 percent ranged from a low of 3.3 percent in Wyoming to a high of 10.7 percent in the District of Columbia.⁴

SOURCE AND ACCURACY

Data presented in this report are based on people and households that responded to the ACS in 2008 and 2009. The resulting estimates are representative of the entire population. All comparisons presented in this report have taken sampling error into account and are significant at the 90 percent confidence level unless otherwise noted. Due to rounding, some details may not sum to totals. For information on sampling and estimation methods, confidentiality protection, and

⁴ Wyoming's 2009 ACS estimate for the proportion of people with income-to-poverty ratios less than 50 percent was not statistically different from the estimates for Alaska or New Hampshire.

sampling and nonsampling errors, please see the "2009 ACS Accuracy of the Data" document located at www.census.gov/acs/www/Downloads/data_documentation/Accuracy/ACS_Accuracy_of_Data_2009.pdf.

NOTES

The Census Bureau also publishes poverty estimates based on the Current Population Survey's Annual Social and Economic Supplement (CPS ASEC). Following the standard specified by the Office of Management and Budget (OMB) in Statistical Policy Directive 14, data from the CPS ASEC are used to estimate the official national poverty rate, which can be found in the report *Income, Poverty, and Health Insurance Coverage in the United States: 2009*, available at www.census.gov/prod/2010pubs/p60-238.pdf.

For information on poverty estimates from the ACS and how they differ from those based on the CPS ASEC, see "Differences Between the Income and Poverty Estimates From the American Community Survey and the Annual Social and Economic Supplement to the Current Population Survey" at www.census.gov/hhes/www/poverty/about/datasources/index.html.

Number and Percentage of People in Poverty in the Past 12 Months by State and Puerto Rico: 2008 and 2009

Area	Below poverty in 2008				Below poverty in 2009				Change in poverty (2009 less 2008)			
	Number ¹	Margin of error ² (±)	Percentage ¹	Margin of error ² (±)	Number ¹	Margin of error ² (±)	Percentage ¹	Margin of error ² (±)	Number ¹	Margin of error ² (±)	Percentage ¹	Margin of error ² (±)
United States . . .	39,328,443	248,194	13.3	0.1	42,868,163	236,589	14.3	0.1	*3,539,720	342,892	*1.0	0.1
Alabama	711,205	21,859	15.7	0.5	804,683	22,895	17.5	0.5	*93,478	31,655	*1.8	0.7
Alaska	55,129	5,348	8.2	0.8	61,653	5,417	9.0	0.8	6,524	7,612	0.8	1.1
Arizona	950,189	29,215	14.9	0.5	1,069,897	28,715	16.5	0.4	*119,708	40,964	*1.6	0.6
Arkansas	481,121	19,455	17.3	0.7	527,378	17,322	18.8	0.6	*46,257	26,049	*1.5	0.9
California	4,813,999	72,549	13.4	0.2	5,128,708	60,936	14.2	0.2	*314,709	94,745	*0.8	0.3
Colorado	552,563	22,029	11.4	0.5	634,387	21,625	12.9	0.4	*81,824	30,869	*1.5	0.6
Connecticut	316,619	14,899	9.3	0.4	320,554	16,151	9.4	0.5	3,935	21,973	0.1	0.6
Delaware	88,253	6,813	10.4	0.8	93,251	9,829	10.8	1.1	4,998	11,960	0.4	1.4
District of Columbia	98,670	7,369	17.6	1.3	104,901	9,224	18.4	1.6	6,231	11,807	0.8	2.1
Florida	2,384,852	39,547	13.3	0.2	2,707,925	39,754	14.9	0.2	*323,073	56,075	*1.6	0.3
Georgia	1,376,646	31,633	14.6	0.3	1,574,649	36,922	16.5	0.4	*198,003	48,620	*1.9	0.5
Hawaii	115,828	9,217	9.2	0.7	131,007	9,277	10.4	0.7	*15,179	13,077	*1.2	1.0
Idaho	191,704	13,448	12.9	0.9	216,115	12,490	14.3	0.8	*24,411	18,353	*1.4	1.2
Illinois	1,546,407	28,381	12.3	0.2	1,677,093	37,391	13.3	0.3	*130,686	46,942	*1.0	0.4
Indiana	803,514	20,242	13.0	0.3	896,972	23,765	14.4	0.4	*93,458	31,217	*1.4	0.5
Iowa	335,311	13,188	11.6	0.5	342,934	13,024	11.8	0.4	7,623	18,535	0.2	0.6
Kansas	308,031	13,298	11.3	0.5	365,033	15,162	13.4	0.6	*57,002	20,167	*2.1	0.7
Kentucky	718,092	21,593	17.3	0.5	777,295	21,970	18.6	0.5	*59,203	30,805	*1.3	0.7
Louisiana	748,410	24,921	17.4	0.6	755,460	23,513	17.3	0.5	7,050	34,263	-0.1	0.8
Maine	159,028	8,250	12.4	0.6	157,685	8,398	12.3	0.7	-1,343	11,773	-0.1	0.9
Maryland	442,095	16,444	8.0	0.3	505,286	18,824	9.1	0.3	*63,191	24,995	*1.1	0.5
Massachusetts	632,381	20,615	10.1	0.3	654,983	20,720	10.3	0.3	22,602	29,228	0.2	0.5
Michigan	1,417,701	24,516	14.5	0.3	1,576,704	30,948	16.2	0.3	*159,003	39,481	*1.7	0.4
Minnesota	498,502	15,279	9.8	0.3	563,006	17,470	11.0	0.3	*64,504	23,209	*1.2	0.5
Mississippi	606,203	24,657	21.4	0.9	624,360	17,712	21.9	0.6	18,157	30,359	0.5	1.1
Missouri	768,925	20,620	13.4	0.4	849,009	24,710	14.6	0.4	*80,084	32,184	*1.2	0.6
Montana	136,364	9,051	14.5	1.0	143,028	9,517	15.1	1.0	6,664	13,134	0.6	1.4
Nebraska	185,957	8,918	10.8	0.5	214,765	9,539	12.3	0.6	*28,808	13,059	*1.5	0.8
Nevada	296,858	16,528	11.6	0.6	321,940	18,092	12.4	0.7	*25,082	24,505	0.8	0.9
New Hampshire	96,041	8,115	7.5	0.6	109,213	8,221	8.5	0.6	*13,172	11,551	*1.0	0.9
New Jersey	752,514	22,729	8.8	0.3	799,099	26,131	9.4	0.3	*46,585	34,633	*0.6	0.4
New Mexico	332,449	15,052	17.1	0.8	353,594	19,626	18.0	1.0	21,145	24,733	0.9	1.3
New York	2,616,642	35,663	13.8	0.2	2,691,757	43,874	14.2	0.2	*75,115	56,540	*0.4	0.3
North Carolina	1,309,342	35,177	14.6	0.4	1,478,214	29,213	16.3	0.3	*168,872	45,725	*1.7	0.5
North Dakota	74,258	5,334	12.1	0.9	72,342	4,796	11.7	0.8	-1,916	7,173	-0.4	1.2
Ohio	1,495,292	32,053	13.4	0.3	1,709,971	33,382	15.2	0.3	*214,679	46,279	*1.8	0.4
Oklahoma	554,406	18,504	15.7	0.5	577,956	18,136	16.2	0.5	23,550	25,910	0.5	0.7
Oregon	499,670	16,704	13.4	0.4	534,594	17,909	14.3	0.5	*34,924	24,490	*0.9	0.7
Pennsylvania	1,472,577	26,492	12.3	0.2	1,516,705	25,949	12.5	0.2	*44,128	37,084	0.2	0.3
Rhode Island	121,924	8,493	12.0	0.8	116,378	8,258	11.5	0.8	-5,546	11,846	-0.5	1.2
South Carolina	681,131	23,104	15.7	0.5	753,739	21,608	17.1	0.5	*72,608	31,634	*1.4	0.7
South Dakota	93,920	6,797	12.1	0.9	111,305	8,178	14.2	1.0	*17,385	10,634	*2.1	1.4
Tennessee	950,605	27,031	15.7	0.4	1,052,144	23,735	17.1	0.4	*101,539	35,973	*1.4	0.6
Texas	3,791,569	53,287	16.0	0.2	4,150,242	58,989	17.2	0.2	*358,673	79,494	*1.2	0.3
Utah	257,081	13,922	9.5	0.5	316,217	14,867	11.5	0.5	*59,136	20,368	*2.0	0.8
Vermont	63,918	4,921	10.7	0.8	68,246	5,148	11.4	0.9	4,328	7,122	0.7	1.2
Virginia	771,424	24,154	10.3	0.3	802,578	26,888	10.5	0.4	31,154	36,144	0.2	0.5
Washington	731,115	22,092	11.4	0.3	804,237	23,667	12.3	0.4	*73,122	32,376	*0.9	0.5
West Virginia	301,530	13,055	17.1	0.7	313,419	11,866	17.7	0.7	11,889	17,642	0.6	1.0
Wisconsin	570,583	16,590	10.4	0.3	683,408	19,384	12.4	0.4	*112,825	25,514	*2.0	0.5
Wyoming	49,895	4,656	9.6	0.9	52,144	5,517	9.8	1.0	2,249	7,219	0.2	1.4
Puerto Rico	1,754,250	28,052	44.9	0.7	1,764,635	24,829	45.0	0.6	10,385	37,462	0.1	1.0

* Statistically different at the 90 percent confidence level.

¹Poverty status is determined for individuals in housing units and noninstitutional group quarters. The poverty universe excludes children under age 15 who are not related to the householder, people living in institutional group quarters, and people living in college dormitories or military barracks.

²Data are based on a sample and are subject to sampling variability. A margin of error is a measure of an estimate's variability. The larger the margin of error in relation to the size of the estimate, the less reliable the estimate. This number when added to or subtracted from the estimate forms the 90 percent confidence interval.

Sources: U.S. Census Bureau, American Community Surveys, 2008 and 2009, Puerto Rico Community Surveys, 2008 and 2009.