

Key Facts About Poverty and Income in Texas

U.S. Census American Community Survey
2013 data

Why care about poverty?

Research shows living in poverty is connected to negative outcomes, both for individuals and society

- **Poverty is connected to people experiencing worse health outcomes.**
 - Mothers living in poverty are more likely to have low-birthweight babies, increasing babies' chances of developmental delays and disabilities.¹
 - According to parent reports, children living in poverty have worse health than children not living in poverty.²
 - People living in poverty experience higher rates of chronic illness such as asthma, diabetes and heart disease.³
- **Poverty is connected to greater challenges in education.⁴**
 - Children living in poverty are less likely to complete high school, attend college and complete college.
 - Children living in poverty tend to perform less well on standardized tests.
- **Children who are born into poverty are more likely to live in poverty and less likely to have consistent employment as adults.⁵**

2013 Poverty Thresholds²

The U.S. Census Bureau uses the federal poverty thresholds to estimate the number of poor people in the United States. People in families with incomes below these thresholds are considered to be “living below the poverty line.”

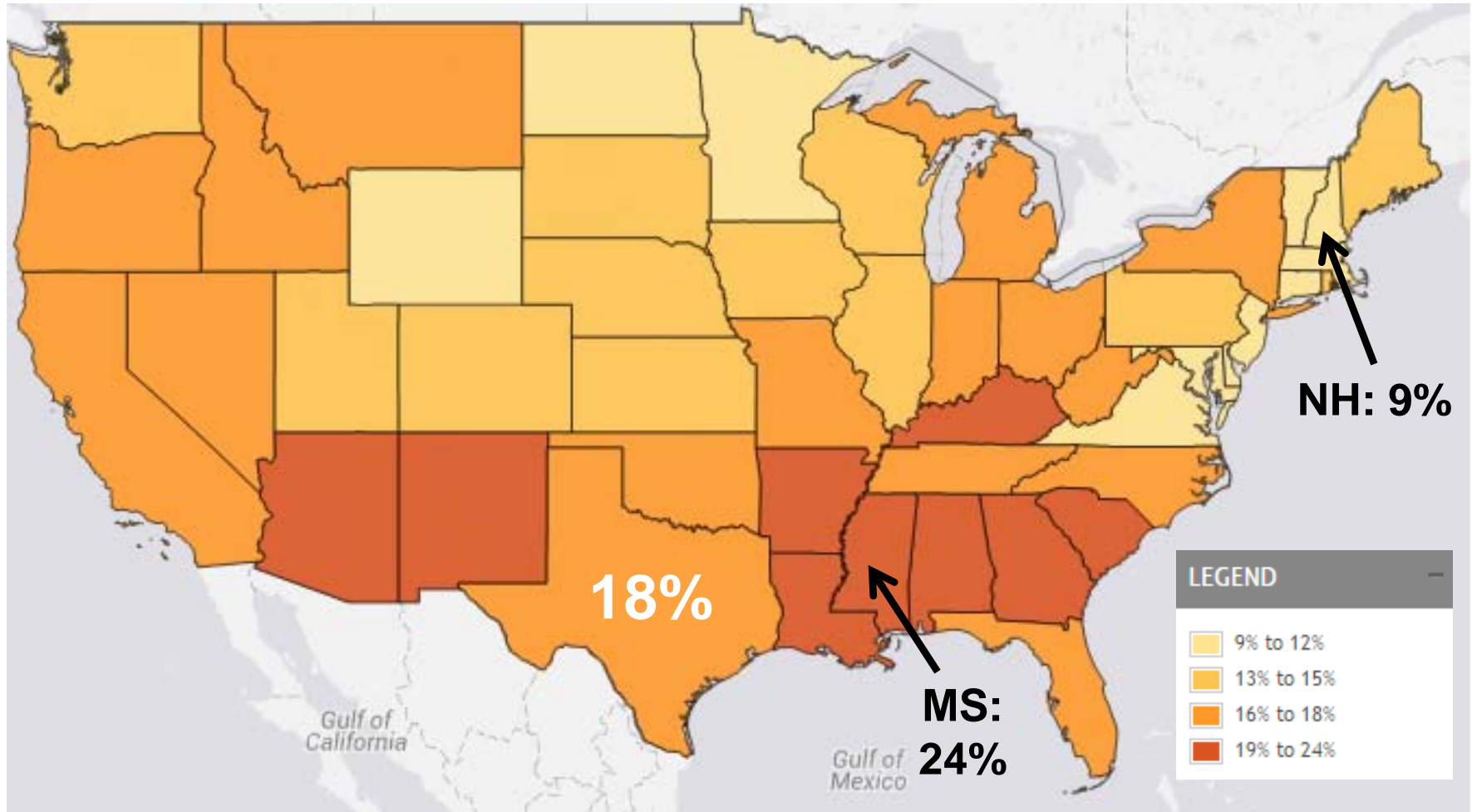
Size of Family	Poverty Thresholds (total annual income)
One person (Under 65)	\$12,119
Family of Two (one adult, one child)	\$16,057
Family of Three (one adult, two children)	\$18,769
Family of Four (two adults, two children)	\$23,624

Source: U.S. Census Bureau.

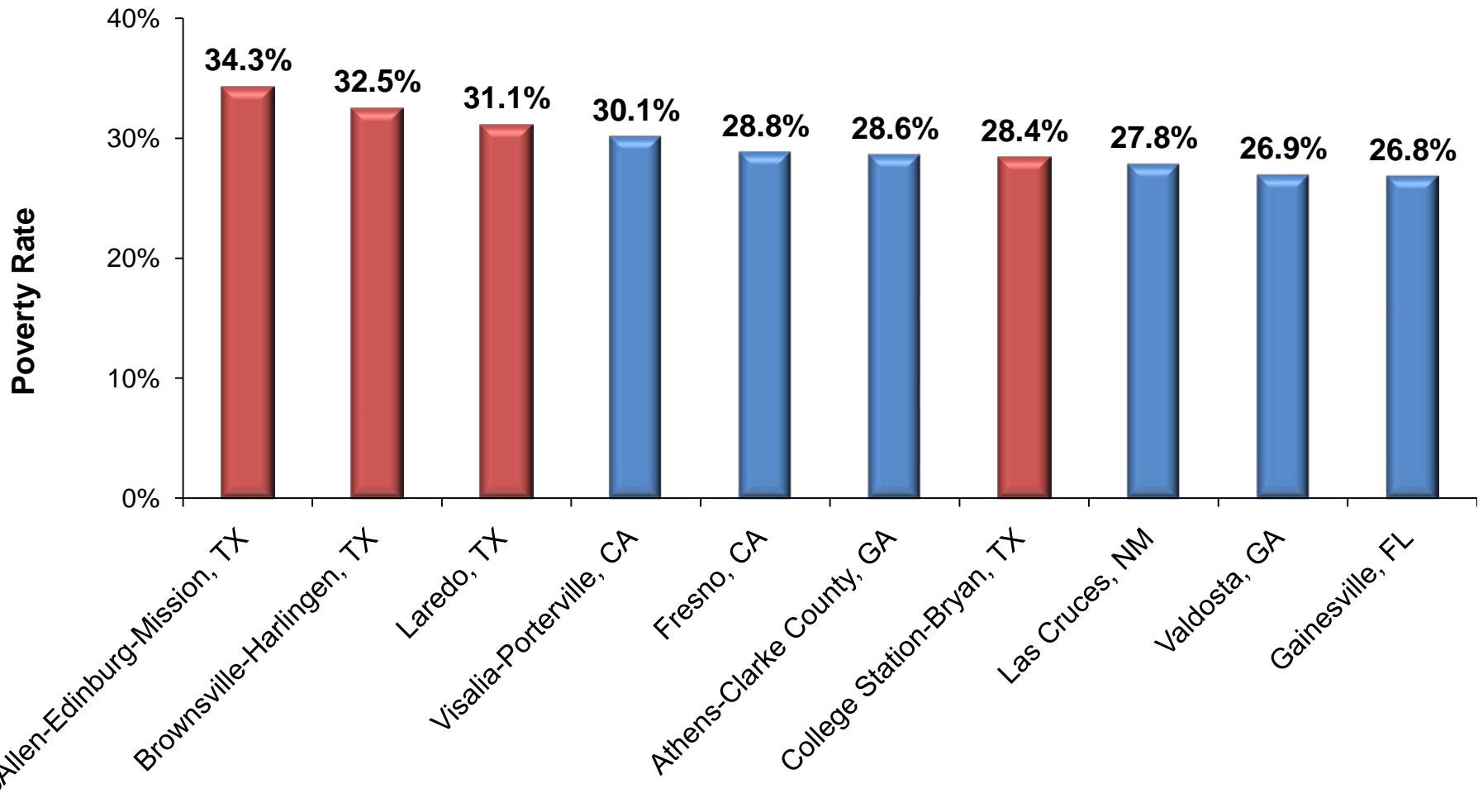
Slightly different from the thresholds, the Poverty Guidelines are used to determine eligibility for various government programs and services. To learn more, visit <http://aspe.hhs.gov/poverty/index.cfm>.

Texas' total poverty rate ranks 38th in U.S.

US poverty = 16%



The Three Poorest Metropolitan Areas in the U.S. Are in Texas

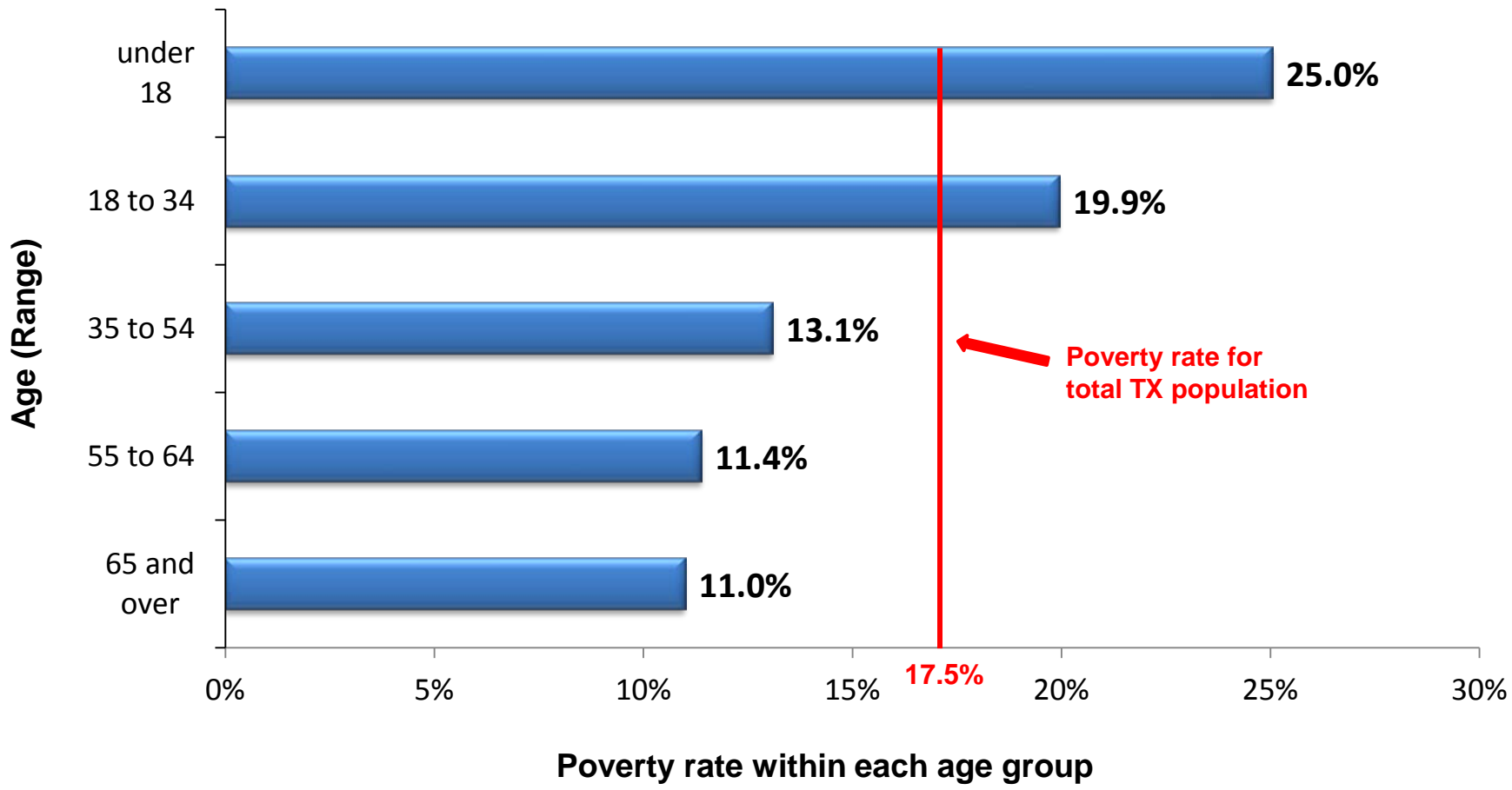


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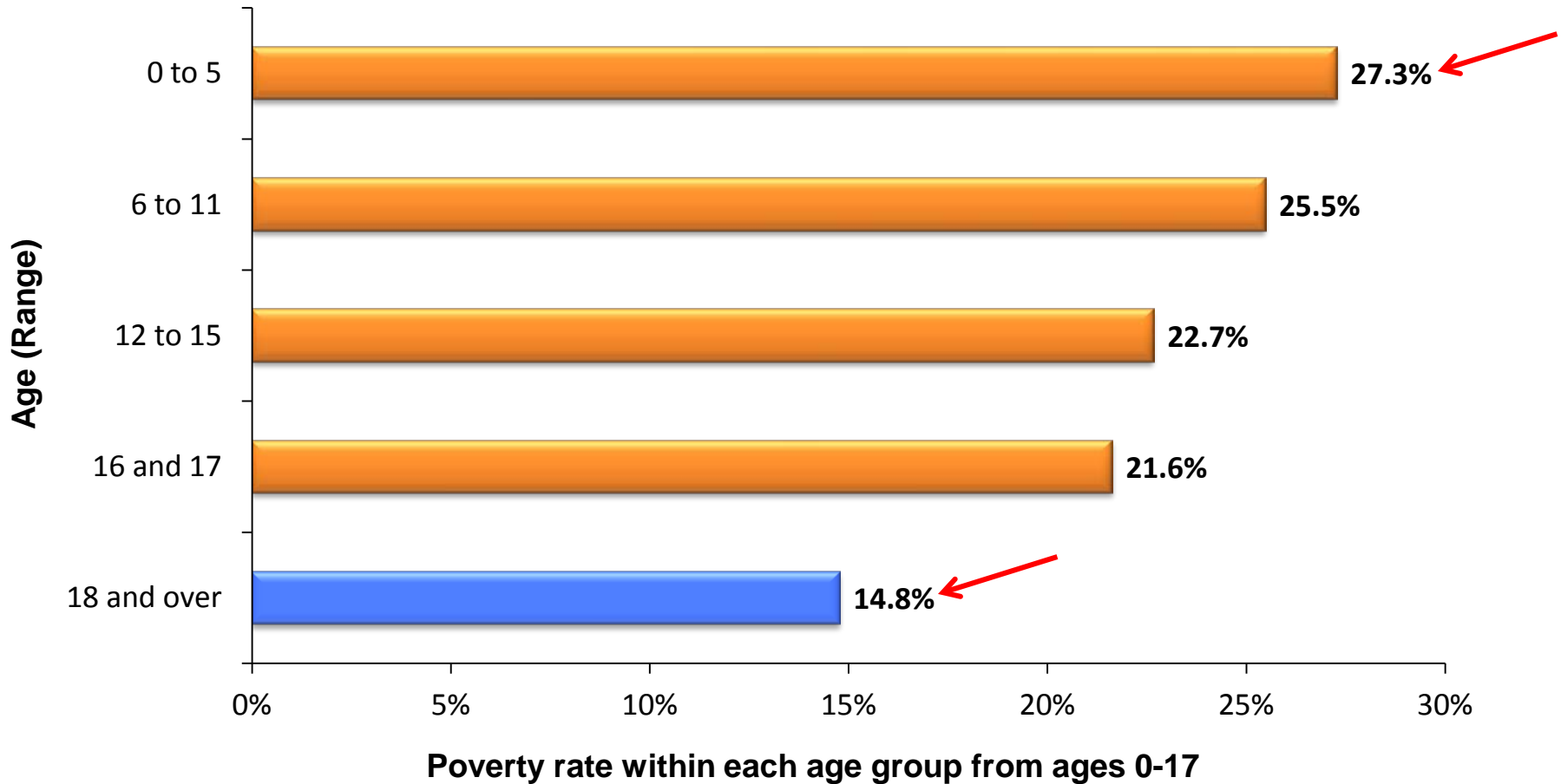
ACS Table GCT1701 (Metropolitan and Micropolitan Statistical Area), 1-Year Estimates (2013).

In Texas, Children Have the Highest Poverty Rate

The poverty rate of Texas children is **7.5 percentage points higher** than the poverty rate of the total Texas population.

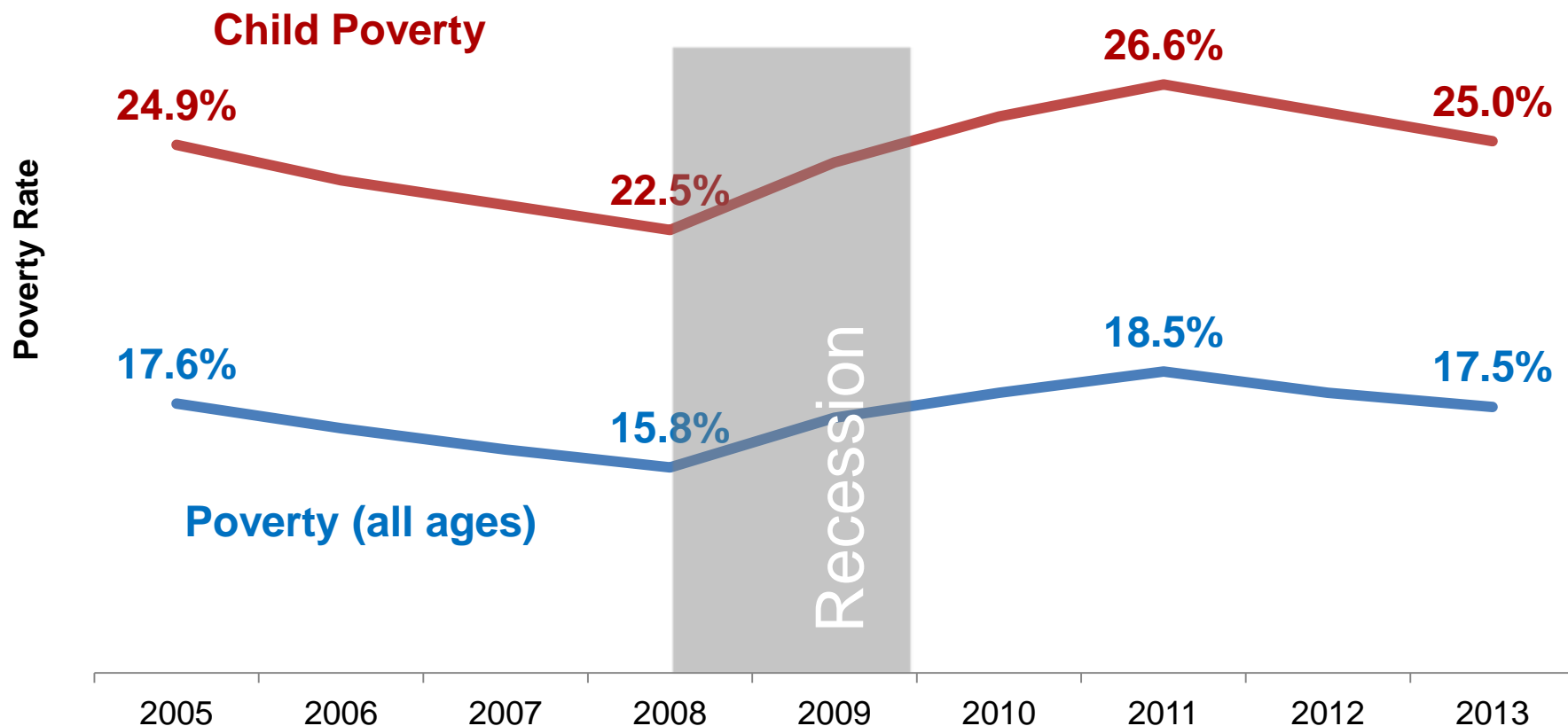


In Texas, the Poverty Rate of Children Under 5 is Almost Double That of Adults 18

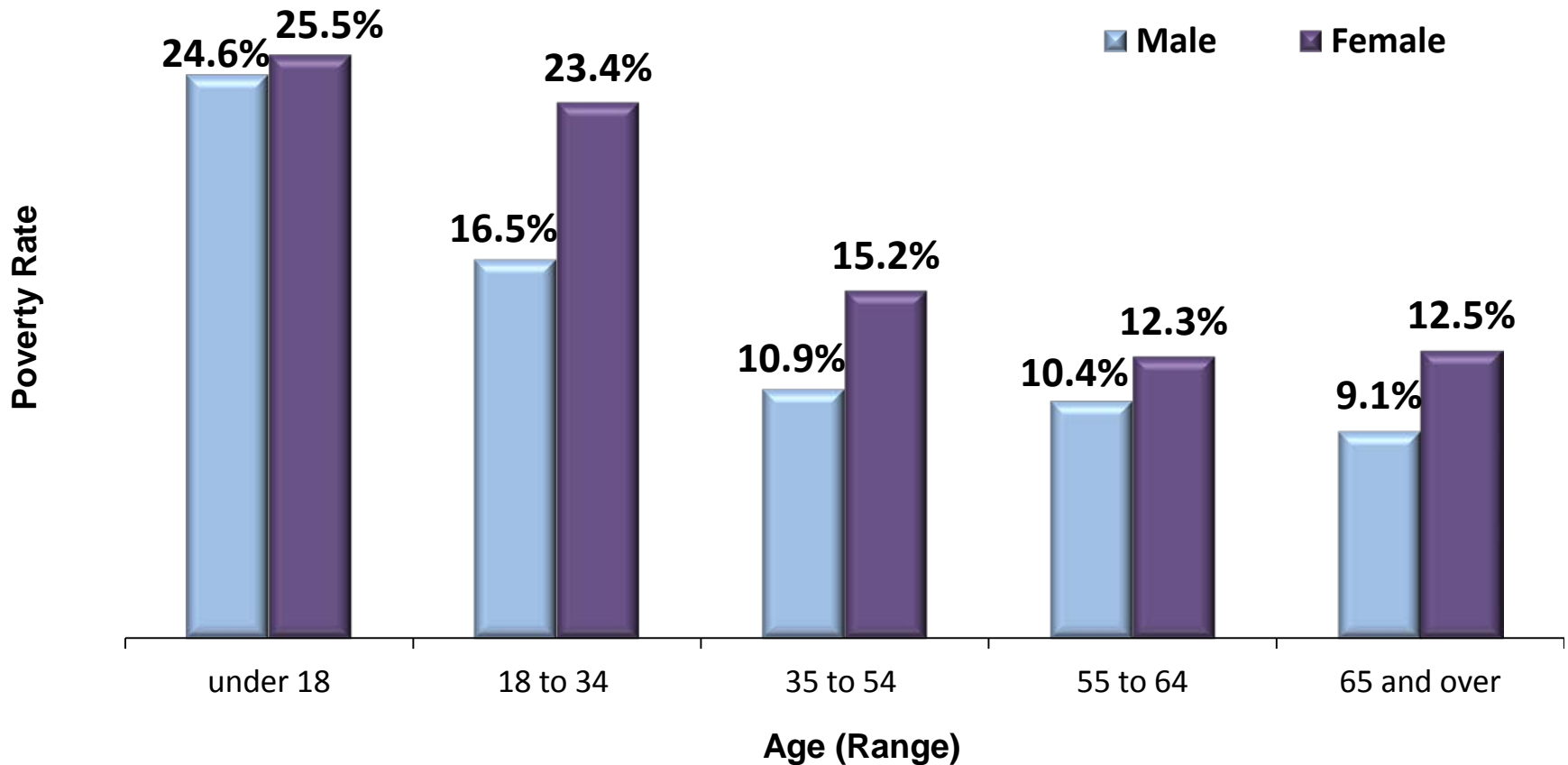


Texas Child Poverty Rates Consistently Higher than Total Population Poverty Rates

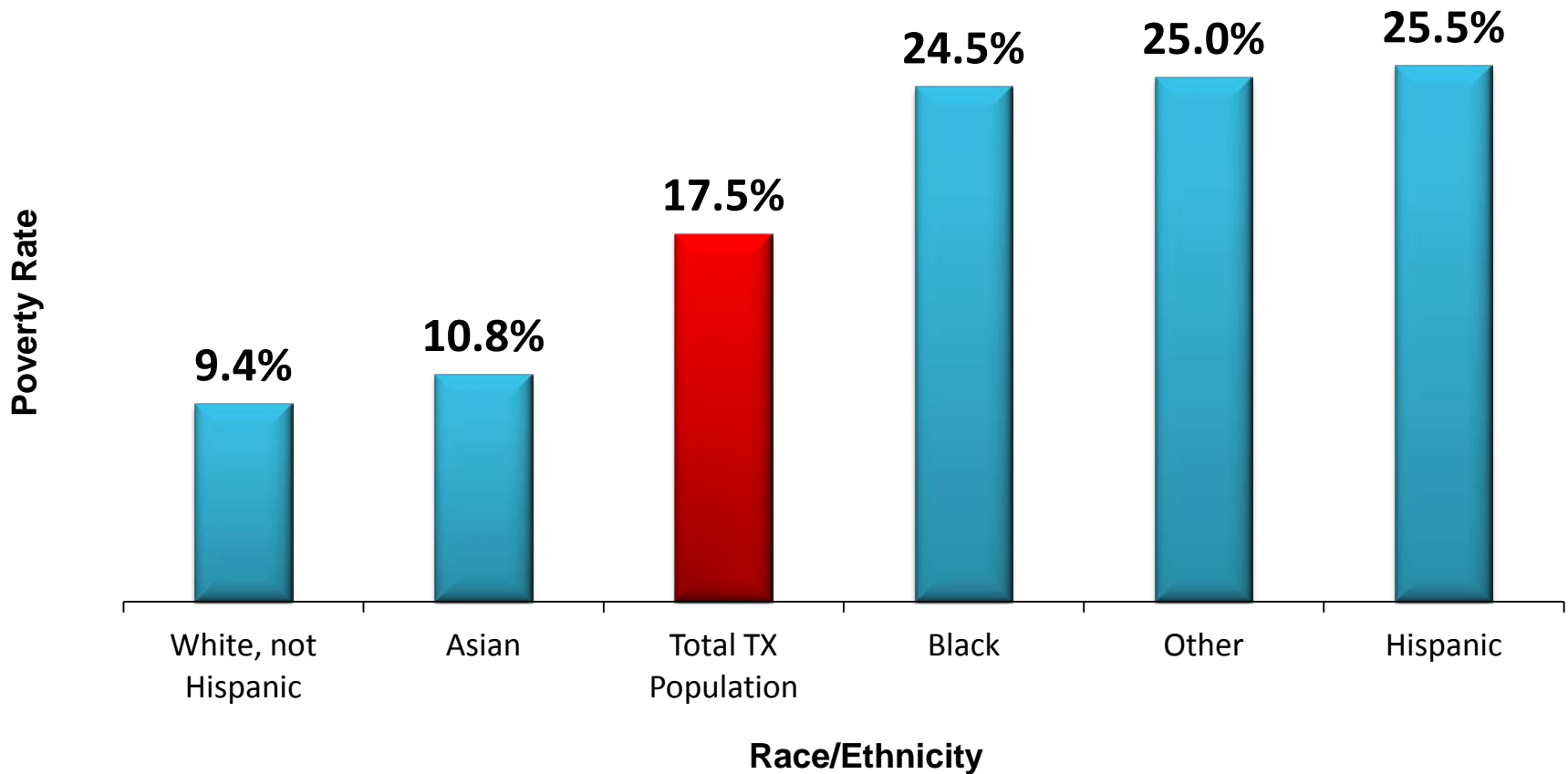
Both rates increased after initial recession impact in 2008



Texas Women Have a Higher Poverty Rate Within Every Age Group



Texas Poverty Rates Strongly Linked to Race/Ethnicity

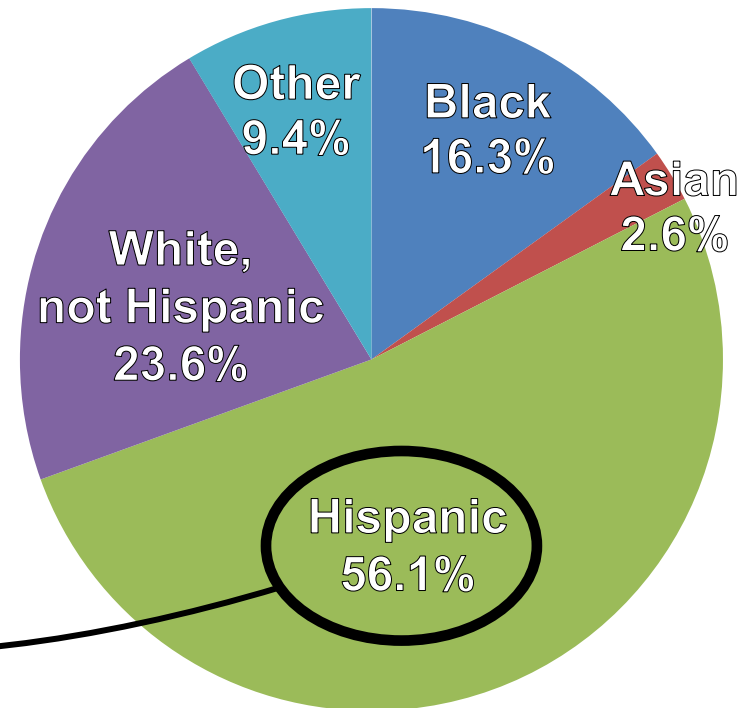
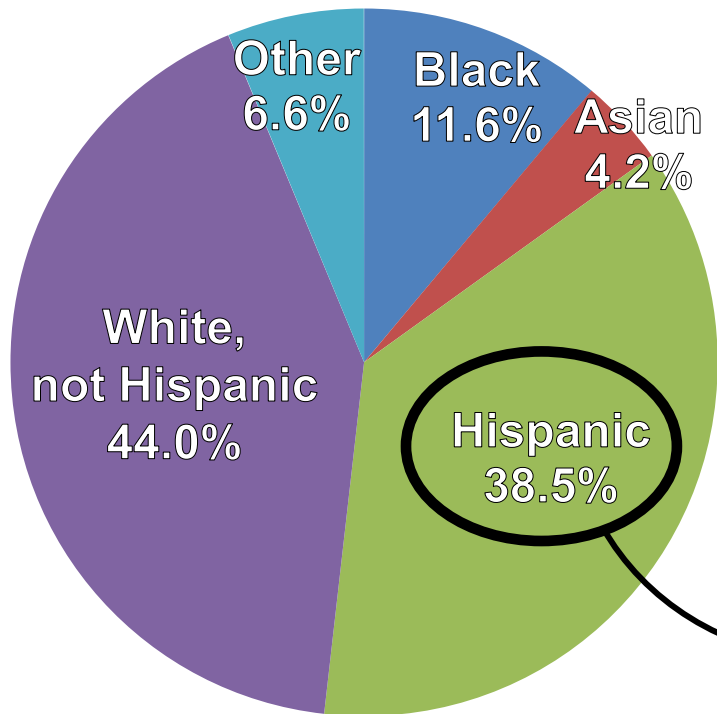


Hispanics are Over-Represented in TX Poverty Population

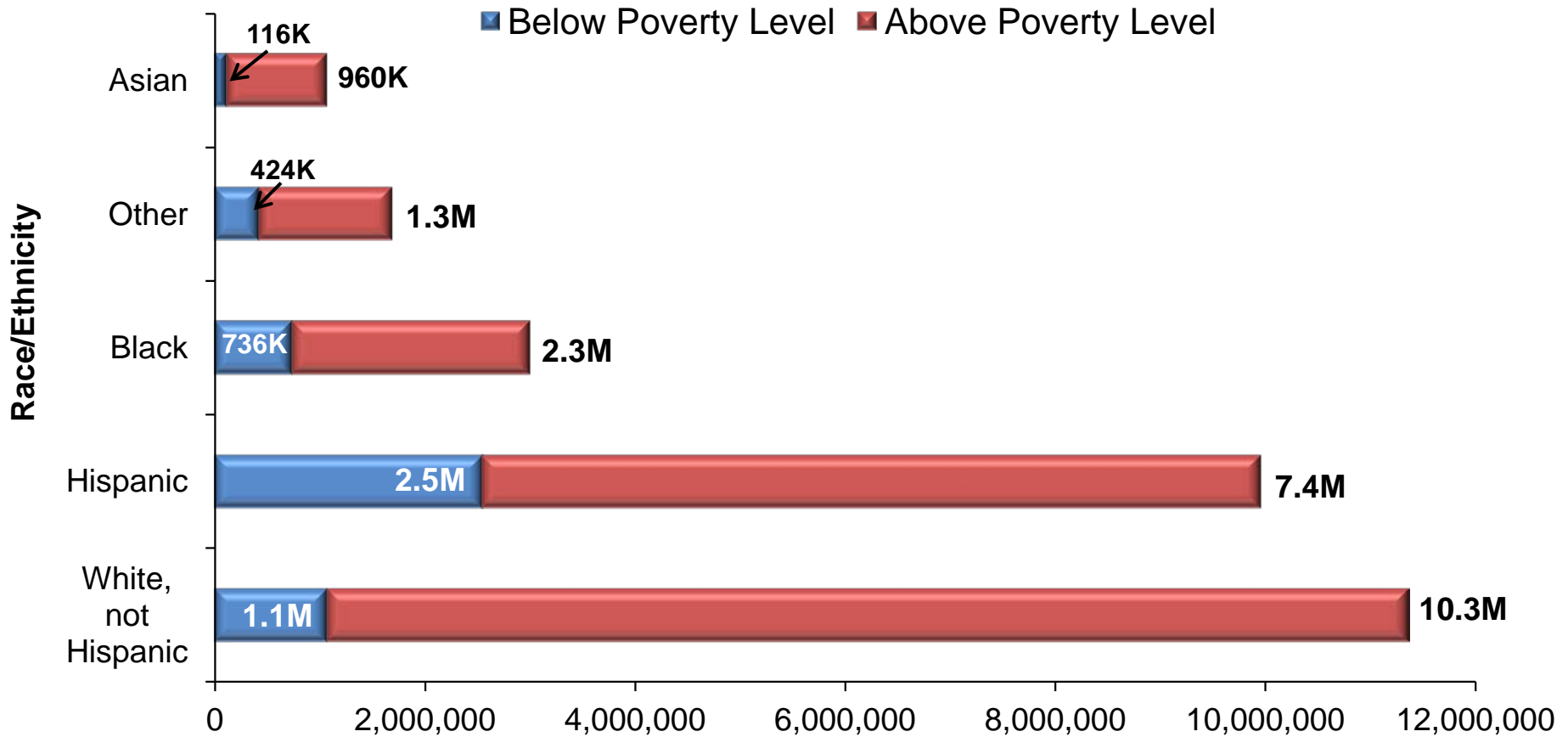
Total TX Population by Race/Ethnicity

vs.

TX Poverty Population by Race/ Ethnicity

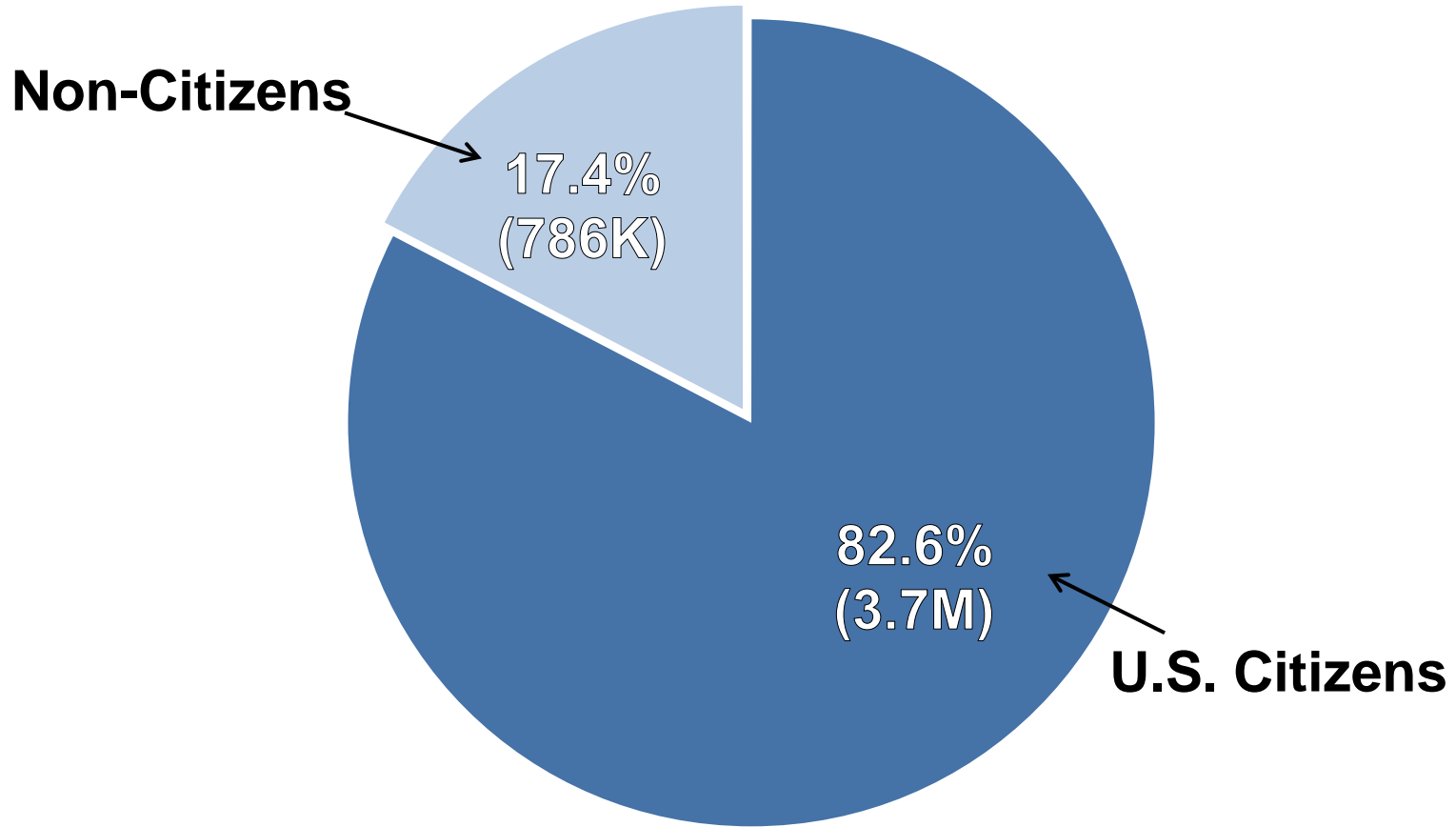


Number of Texans in Poverty by Race/Ethnicity

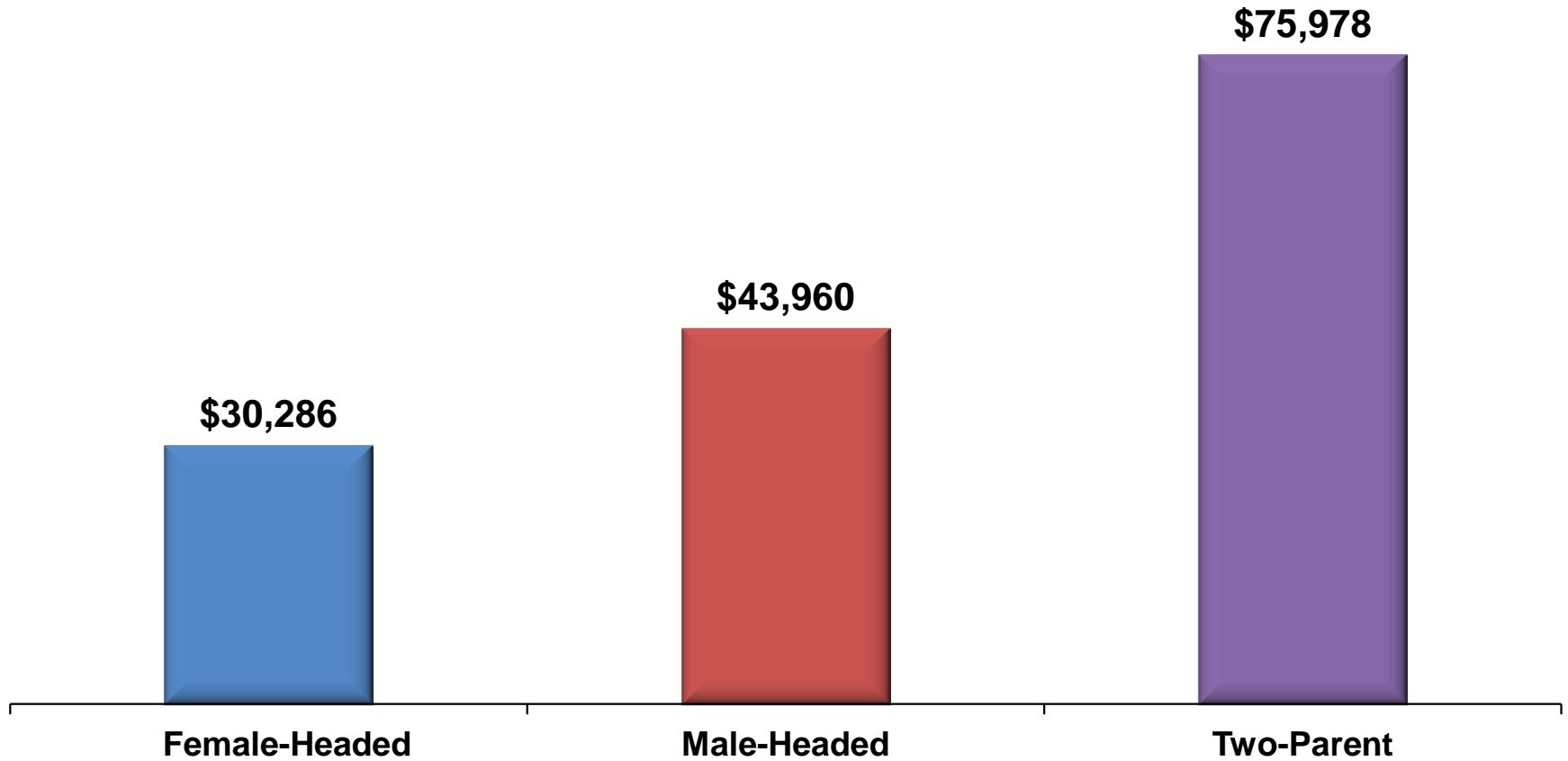


Most Texans Living in Poverty are U.S. Citizens

Citizenship status within TX poverty population



Average Annual Household Income in TX, by Household Type

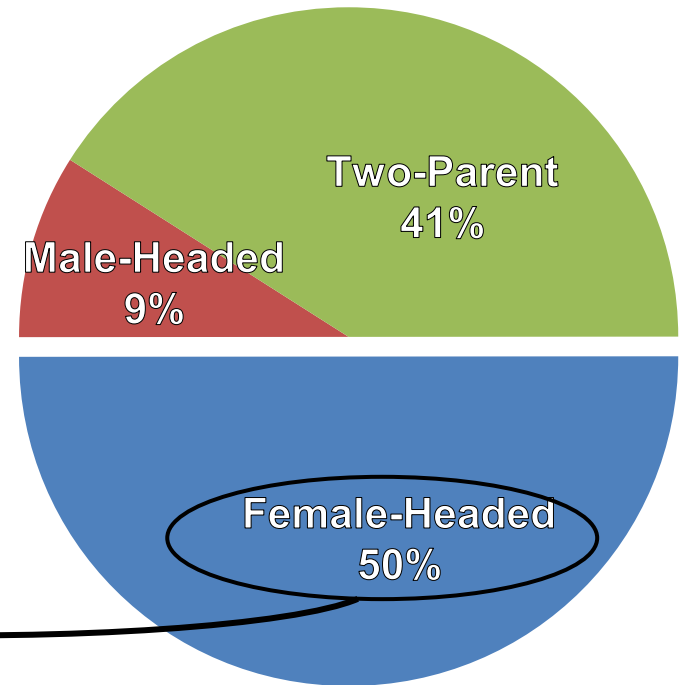
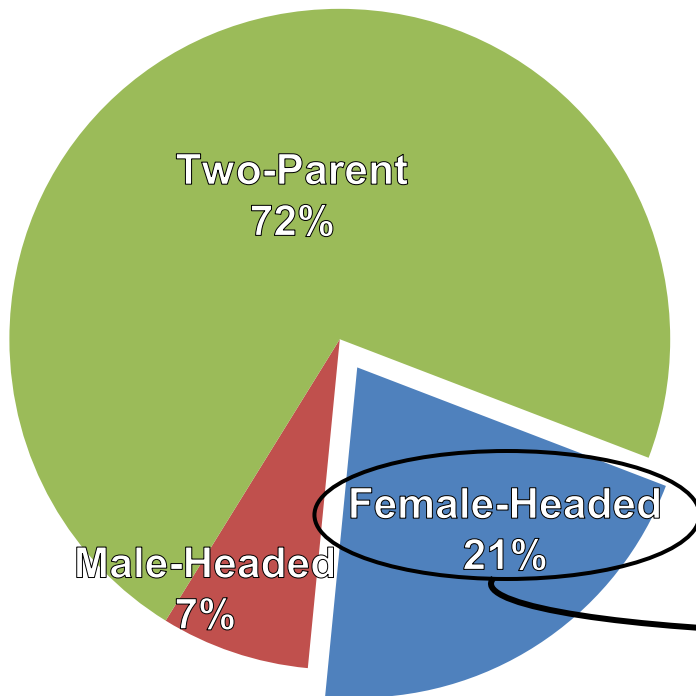


Female-Headed Households Over-Represented in TX Poverty Population

Total Texas Households

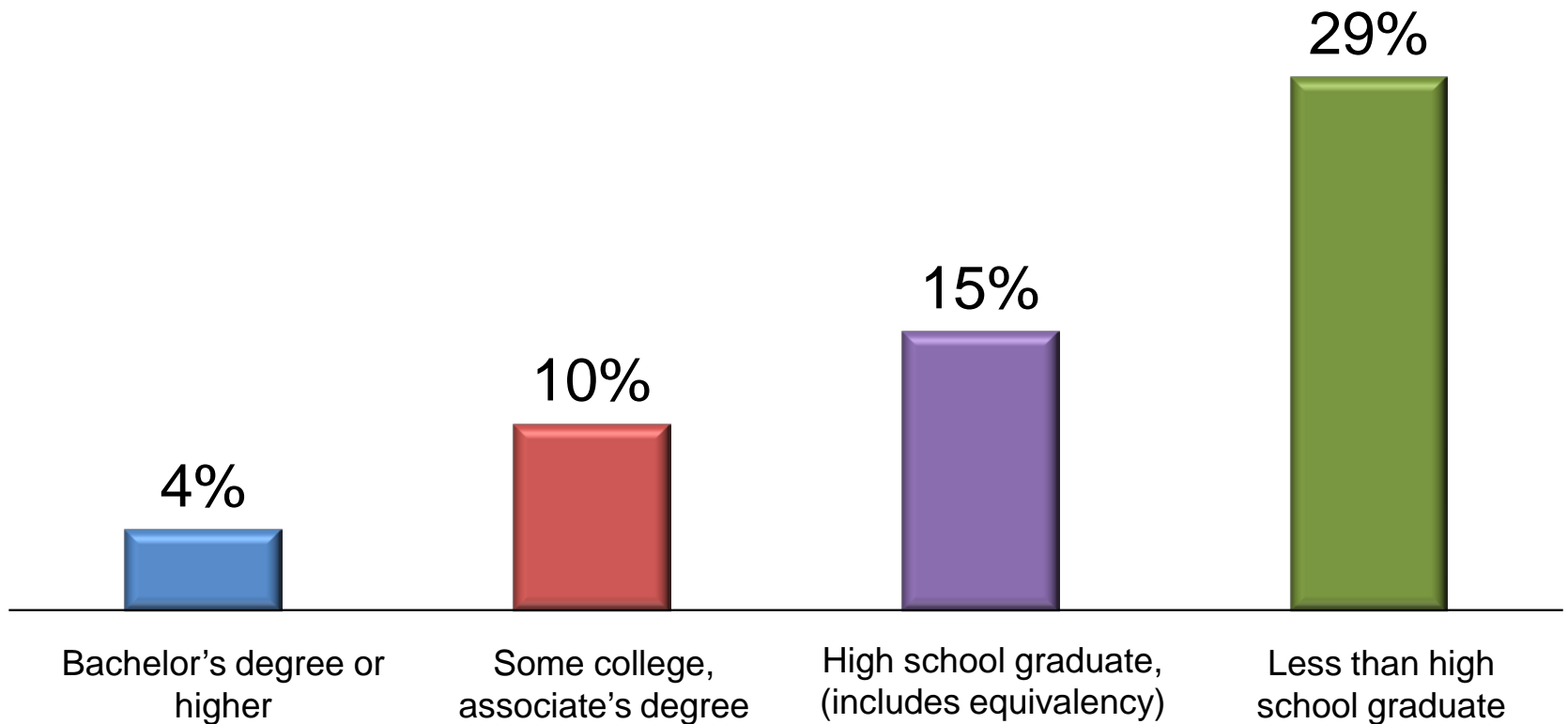
VS.

Total Texas Households in Poverty

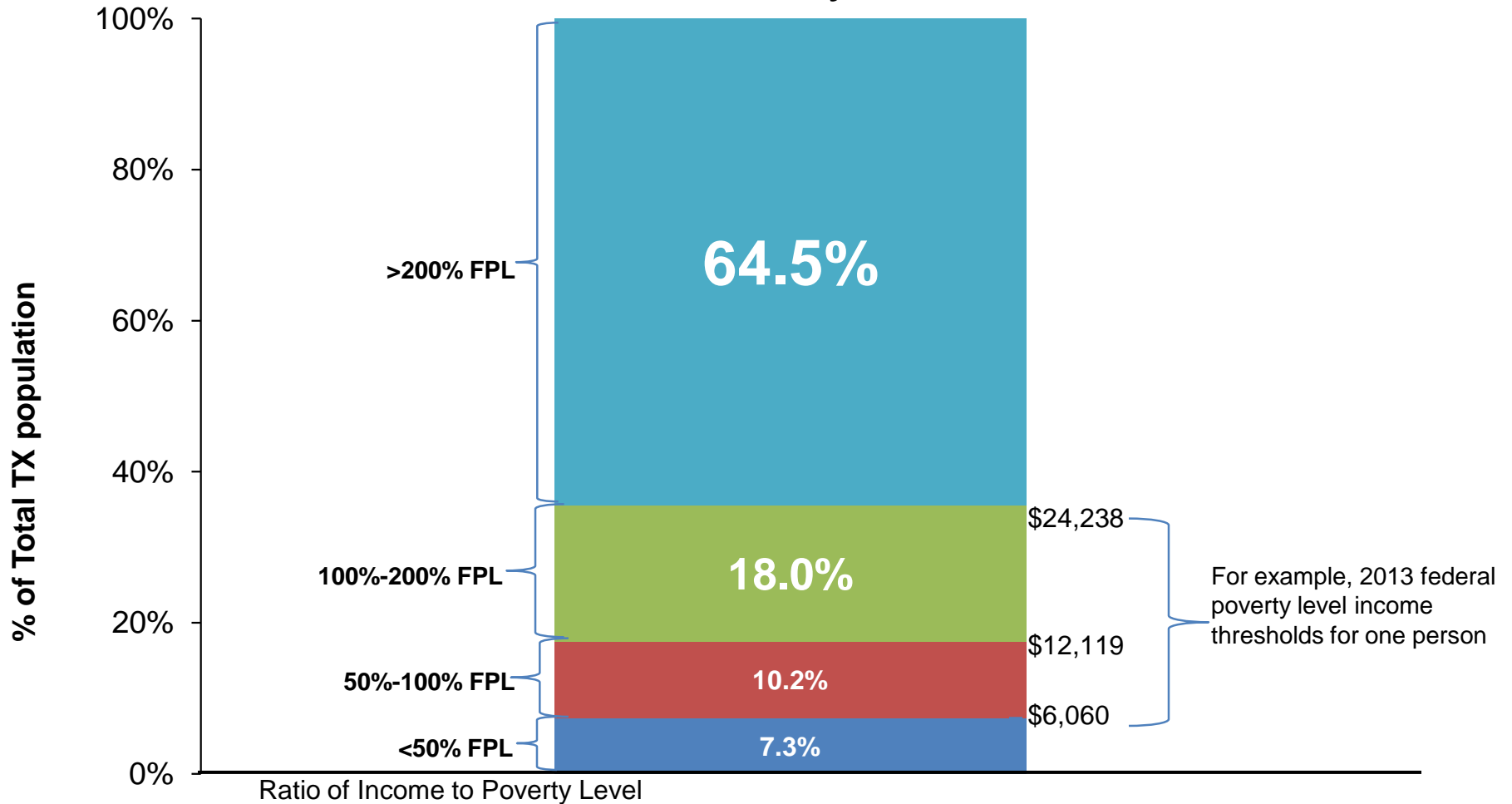


In Texas, Poverty Strongly Linked to Level of Educational Attainment

% in Poverty by Educational Attainment

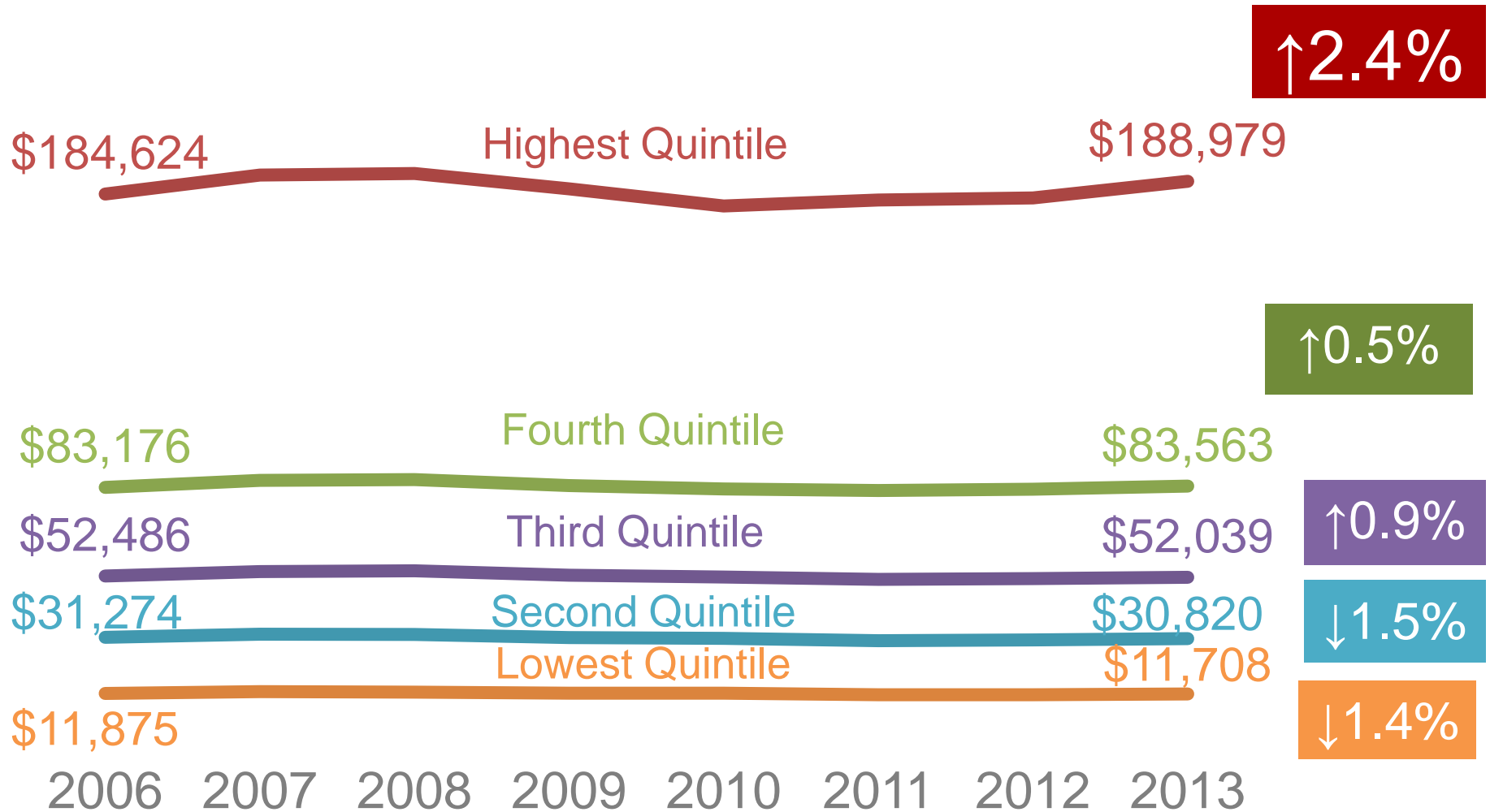


More Than One-Third of Texans Live Below 200% of the Federal Poverty Threshold



Note: 200% federal poverty line is \$24,238 for one person; \$32,114 for family of two; \$37,502 for family of three.

Average income has risen only for the wealthiest of Texas households



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ACS Table B19081, One-year estimates 2006-2013. Adjusted for inflation and expressed in 2013 dollars.

The **Supplemental Poverty Measure (SPM)** is an alternative measure of poverty that includes benefits used to meet basic needs, such as:



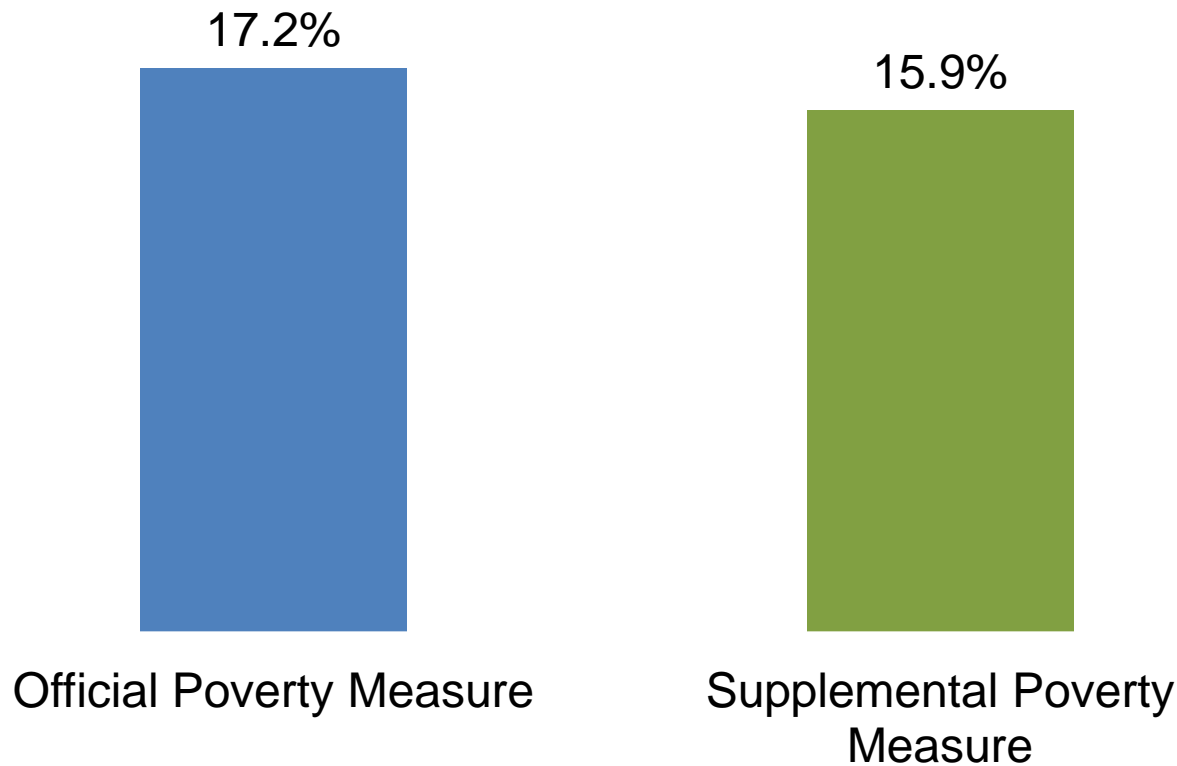
SNAP benefits (food stamps), Social Security, refundable tax credits (Earned Income Tax Credit, Child Tax Credit), housing subsidies

... and subtracts necessary expenses from income, such as...

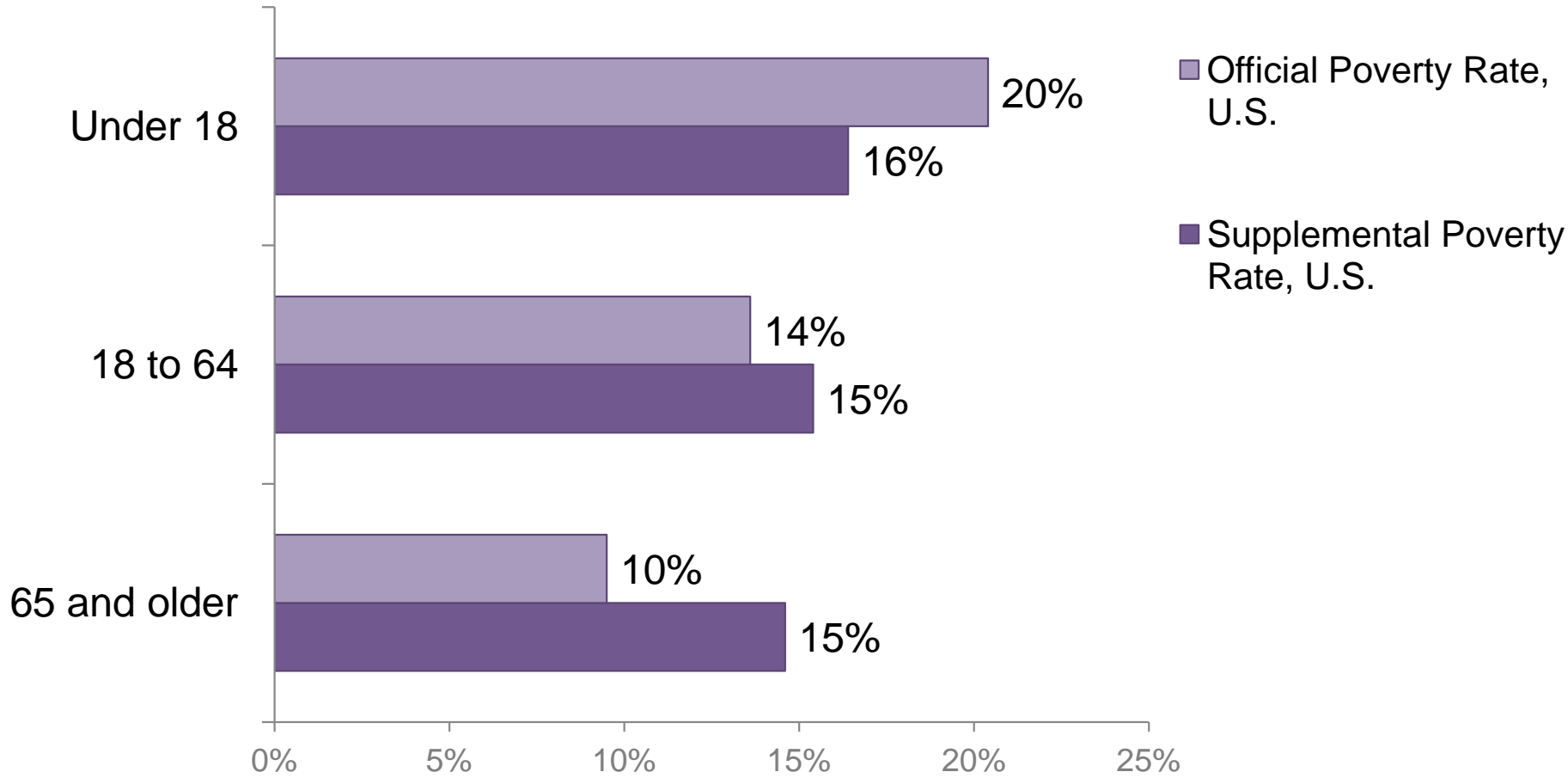


Taxes, work expenses, medical out-of-pocket expenses, child care expenses, child support paid

Texas' poverty rate drops when factoring in benefits and costs

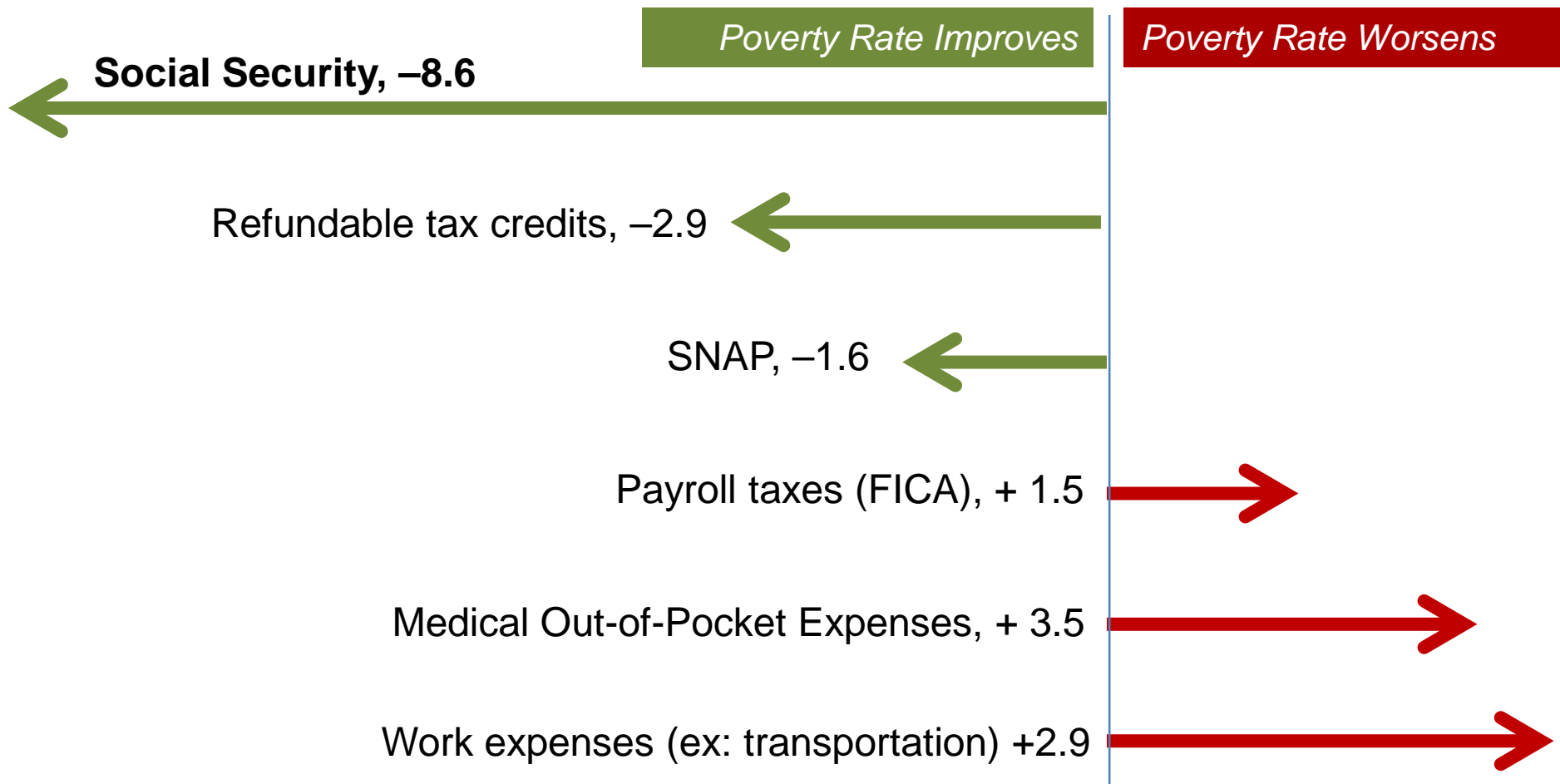


Under the Supplemental Poverty Measure (SPM), national poverty rates **improve** for **children**, **worsen** for **adults and seniors**



Social Security has the strongest anti-poverty effect under the Supplemental Poverty Measure

National percentage point difference in SPM rates (all ages) after including each individual element, holding all else constant



End Notes

1. Strulley, K.W., Rehkopf, D.H, and Xuan, Z. (2010). Effects of prenatal poverty on infant health: State earned income tax credits and birth weight. *American Sociological Review* 75(4), 534-562, Retrieved from <http://www.irp.wisc.edu/newsevents/workshops/2011/participants/papers/15-Strully.pdf>. For effects of low-birthweight on future health problems see Child Trends Databank (2014), Low and very low birthweight infants. Retrieved from <http://www.childtrends.org/?indicators=low-and-very-low-birthweight-infants>
2. U.S. Department of Health and Human Services, Health Resources and Services Administration, Maternal and Child Health Bureau. (2014) The health and well-being of children: A portrait of states and the nation, 2011-2012. Retrieved from <http://mchb.hrsa.gov/nsch/2011-12/health/index.html>
3. Currie. J. and Lin, W. (2007) Chipping away at health: More on the relationship between income and child health. *Health Affairs*, (26)2, 331-44. Retrieved from http://www.princeton.edu/~jcurrie/publications/Currie_tables_galleys.pdf
4. Ladd, H.F. (2012). Education and Poverty: Confronting the Evidence, Presidential address to the Association for Public Policy Analysis and Management. *Journal of Policy Analysis and Management*, 31(2), 203-227. Retrieved from <http://fds.duke.edu/db/attachment/1979>
5. Ratcliffe, C. and McKernan, S. (2010). Childhood poverty persistence: Facts and consequences. (Urban Institute's Brief Series, Perspectives on Low-income Working Families(Retrieved from <http://www.urban.org/uploadedpdf/412126-child-poverty-persistence.pdf>
6. “**Poverty thresholds** are used for calculating all official poverty population **statistics** — for instance, figures on the number of Americans in poverty each year. They are updated each year by the **Census Bureau**. [Poverty thresholds since 1973 \(and for selected earlier years\)](#) and [weighted average poverty thresholds since 1959](#) are available on the Census Bureau's web site. For an example of how the Census Bureau applies the thresholds to a family's income to determine its poverty status, see “[How the Census Bureau Measures Poverty](#)” on the Census Bureau's web site. The **poverty guidelines** are a simplified version of the federal poverty thresholds used for **administrative** purposes — for instance, determining financial eligibility for certain federal programs. They are issued each year in the *Federal Register* by the **Department of Health and Human Services** (HHS).” (<http://aspe.hhs.gov/poverty/faq.cfm#thrifty>)

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