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February 27, 2020

## Deep Poverty Among Children Rose in TANF's First Decade, Then Fell as Other Programs Strengthened

Stronger Income Support Policies Needed to Make Further Progress

By Danilo Trisi and Matt Saenz

A close examination of the effectiveness of economic security programs, using more complete income figures than are widely available, reveals that policy shifts in aid for children in families with the least income have had a significant impact. In the decade after policymakers altered the public assistance system in the mid-1990s, it became much less effective at protecting children from deep poverty — that is, at lifting their incomes above *half* of the poverty line — and children's deep poverty rose. But during the Great Recession, assistance policies for children in poverty and deep poverty grew stronger, bolstered by temporary recovery initiatives, and prevented what likely would have been a large surge in deep poverty among children.

Deep poverty among children remains a significant problem. Some 2 million children live in families with income and benefits (net of taxes paid) below half the poverty line, or below just \$14,000 a year for a typical family of four. To make significant progress in protecting children from this level of economic hardship will require strengthening income supports for families in deep poverty, including those where parents are out of work, either temporarily or over a longer period.

#### Our analysis finds:

- The deep poverty rate among children rose in the decade after the 1996 law that created the Temporary Assistance for Needy Families (TANF) program, from 3.1 percent in 1995 to 3.5 percent in 2005. All of the increase occurred among the children most affected by the 1996 law: those in single-mother families. In 2005, an additional 300,000 children lived in deep poverty due to this increase.
- Deep poverty among children was lower in 2016 (2.7 percent) than in 2005 (3.5 percent), due to stronger government assistance programs and, since the Great Recession, an improving economy. However, government assistance programs did less in 2016 than they did two decades earlier, in 1995, to reduce deep poverty among children. Among children whose families were below half the poverty line before counting benefits from economic security programs, those benefits lifted 79 percent of them above half the poverty line in 2016, as opposed to 82 percent of such children in 1995.

- In contrast to the trends in deep poverty, overall child poverty fell between 1995 and 2005 and government assistance became *more* effective at lifting children above the poverty line. In 2005, government programs lifted 34 percent of children above the poverty line who'd otherwise be below it, as opposed to 24 percent in 1995. These contrasting trends suggest a shift in the focus of government assistance, away from helping children in families with the least income and toward those modestly higher on the income ladder. Between 2005 and 2016, government assistance programs continued to strengthen and helped drive the overall child poverty rate down further.
- While a majority of children in deep poverty in 2016 lived in single-parent families, and immigration status, race, and disability were other key risk factors, the group was diverse. Nearly half (45 percent) lived in the suburbs, for example.
- Twice as many children would live in deep poverty without the food assistance that the Supplemental Nutrition Assistance Program (SNAP, formerly food stamps) provides. SNAP lifted 1.9 million children above half of the poverty line in 2016, more than any other program.

These findings emerge from a comprehensive assessment of poverty that blends the Supplemental Poverty Measure (SPM) — which counts more forms of income than the "official" poverty measure (among other differences) and therefore more accurately reflects the resources available to lowincome households — with corrections for underreporting of key government benefits in survey data. The SPM counts income from SNAP, rental subsidies, and other federal non-cash benefits and refundable tax credits, which the official poverty measure omits. The SPM also subtracts federal and state income taxes, federal payroll taxes, and certain expenses (such as child care) from income when calculating a family's available income for basics such as food, clothing, and shelter. A family is considered poor if its resources are below a poverty threshold that accounts for differences in family composition and geographic differences in housing costs. Our analysis ends in 2016 since that's the most recent year for which we have data that correct for underreporting of key government benefits.

We created a poverty series merging data files from the Census Bureau's Current Population Survey (CPS) with historical SPM data produced by a Columbia University research team<sup>1</sup> and corrections for underreporting created by the Urban Institute. We use the Census Bureau's SPM data for 2009 through 2016, and the Columbia SPM data for prior years. Our poverty series uses the 2018 SPM poverty line, adjusted in years before for inflation.<sup>2</sup> In 2018, the deep poverty threshold

<sup>&</sup>lt;sup>1</sup> Chris Wimer et al., Historical Supplemental Poverty Measure Data, Columbia Population Research Center, 2017, https://www.povertycenter.columbia.edu/data-release/2016/8/23/historical-spm-data.

<sup>&</sup>lt;sup>2</sup> Using a recent year's SPM threshold and adjusting it back for inflation creates an "anchored" SPM series. Some analysts prefer it to the standard or "relative" SPM, which allows thresholds to grow slightly faster than inflation as living standards rise across decades. For this analysis, we used an anchored series to ensure that the trends we find are purely due to changes in families' resources, not changes in the poverty thresholds. Chris Wimer et al., "Trends in Poverty with an Anchored Supplemental Poverty Measure," Columbia Population Research Center Working Paper No. 13-01, December 2013, https://academiccommons.columbia.edu/doi/10.7916/D8RN3853. We anchored all poverty thresholds to 2018 since it is the latest SPM threshold available, and to make this analysis consistent with the methodology we used in Danilo Trisi and Matt Saenz, "Economic Security Programs Cut Poverty Nearly in Half Over Last 50 Years," Center on Budget and Policy Priorities, updated November 26, 2019, https://www.cbpp.org/research/poverty-and-inequality/economic-security-programs-cut-poverty-nearly-in-half-over-<u>last-50</u>.

(defined as half of the SPM poverty line) for a two-adult, two-child family renting in an average-cost community was \$14,083.

We provide a fuller picture of the public income support system for low-income families by correcting for the underreporting of key government benefits in the Census data.<sup>3</sup> These corrections expose the increase in deep poverty for children during the first decade after the creation of TANF. This increase is masked in the *uncorrected* data because changes in the degree of underreporting make it appear that benefits fell less than they actually did. (See Appendix II for more details.) One final adjustment to our data addresses the concern that some people who appear to be in deep poverty are self-employed business owners who may possess substantial assets but are experiencing temporary business losses. To reduce this concern, this report omits families with negative cash income from our counts of families in deep poverty.

The National Academy of Sciences, in its landmark report on child poverty released last year, used the same survey data and the same source for corrections for underreporting of key government benefits that we use in this report.<sup>4</sup>

Our findings are consistent with other recent academic research showing that deep poverty among children declined between 1993 and 2016.<sup>5</sup> Our analysis, however, provides a closer — and more troubling — view of the years and families most affected by the 1996 law. By doing this, we can identify the kinds of policies that raise or lower deep poverty and highlight policy changes that could help the 2 million children living in families below half of the poverty line.

Our findings are also consistent with earlier evaluations of the impact of imposing work requirements on cash assistance recipients. Evidence from welfare-to-work pilot programs in the early 1990s — based on rigorous, random-assignment study design and with income measured carefully using administrative records — showed that those programs tended to increase deep poverty. Those programs were, if anything, less harsh than the 1996 law. See Appendix I for more details.

### Deep Poverty Among Children Rose in First Decade After 1996 Law

The decade from 1995 to 2005 is the most suitable period for examining the effects of the 1996 law that replaced Aid to Families with Dependent Children (AFDC), which had chiefly served families with little or no earnings, with TANF, which offers less assistance and includes stricter work

<sup>&</sup>lt;sup>3</sup> We correct for the tendency of Census Bureau data to underreport income from three government assistance programs: AFDC/TANF, Supplemental Security Income, and SNAP. The corrections come from the Transfer Income Model (TRIM) policy micro-simulation model developed by the Urban Institute with primary funding from the U.S. Department of Health and Human Services Office of the Assistance Secretary for Planning and Evaluation. TRIM starts with Census survey data but adjusts those data to more closely match actual numbers and characteristics of benefit recipients shown in program records. Our analysis ends in 2016 because that is the last year for which these corrections are available.

<sup>&</sup>lt;sup>4</sup> National Academies of Sciences, Engineering, and Medicine, A Roadmap to Reducing Child Poverty, National Academies Press, 2019, <a href="https://www.nap.edu/read/25246">https://www.nap.edu/read/25246</a>.

<sup>&</sup>lt;sup>5</sup> David Brady and Zachary Parolin, "The Levels and Trends in Deep and Extreme Poverty in the U.S., 1993-2016," Forthcoming at *Demography*, November 10, 2019, <a href="https://osf.io/utpg2/">https://osf.io/utpg2/</a>. Consistent with their analysis, we also find that deep poverty for childless adults increased between 1993 and 2016 (see Appendix Table 4a).

requirements and time limits. This decade extends from the year before the law's enactment until ten years later, when its major changes had mostly played out and before significant additional changes in low-income policies began blunting its negative impact on deep poverty. Further, 1995 and 2005 had similar overall unemployment rates and represent similar stages in the business cycle; comparing years with similar economic conditions makes it easier to see the effects of policy changes.

We estimate that the share of children in deep poverty rose from 3.1 percent to 3.5 percent between 1995 and 2005. (See Figure 1.) The number of children in deep poverty climbed from 2.2 million to 2.6 million.

Children in single-mother families, who make up the majority of TANF participants, showed a large increase in deep poverty rates from 1995 to 2005: from 5.4 percent to 7.4 percent. In contrast, the deep poverty rate appeared to fall slightly for children in married-couple families, although the change was not statistically significant.

Our finding that deep poverty rose for children in single-mother families during TANF's first decade is consistent with administrative caseload data showing that the number of families receiving cash assistance (most of whom are single-parent families) fell by 2.7 million from 1995 to 2005, even though the number of single mothers without a job fell by only 0.4 million.<sup>8</sup>

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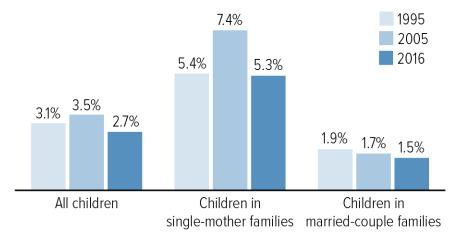
<sup>&</sup>lt;sup>6</sup> Unemployment stood at 5.6 percent in 1995 and 5.1 percent in 2005. Each year represented the fourth full year of economic growth following a recession.

<sup>&</sup>lt;sup>7</sup> Figures are based on the marital status of the child's parent (or other family head if no parent is present). An unmarried partner may or may not be present. An alternative approach is to look at the marital status of the head of the SPM family — a larger family unit that could include grandparents, aunts or uncles, or other relatives. Among children in SPM family units headed by a woman with no spouse and no partner present, the children's deep poverty rate rose from 5.9 percent in 1995 to 7.9 percent in 2005.

<sup>&</sup>lt;sup>8</sup> LaDonna Pavetti, "TANF Studies Show Work Requirement Proposals for Other Programs Would Harm Millions, Do Little to Increase Work," Center on Budget and Policy Priorities, November 13, 2018, <a href="https://www.cbpp.org/research/family-income-support/tanf-studies-show-work-requirement-proposals-for-other-programs-would">https://www.cbpp.org/research/family-income-support/tanf-studies-show-work-requirement-proposals-for-other-programs-would</a>.

### Deep Poverty Rose Among Children in Single-Mother Families in Decade After 1996 Law Created TANF

Percent of children below half the poverty line, by family type



Note: Deep poverty = Those in families with incomes below 50 percent of the poverty line. Figures use Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation. Figures correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Source: CBPP analysis of SPM data from Columbia University Population Research Center (for 1995 and 2005) and U.S. Census Bureau (for 2016). Corrections for underreported benefits from Department of Health and Human Services/Urban Institute Transfer Income Model (TRIM).

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### Rise in Deep Poverty Largely Reflected TANF's Weakening as Safety Net

Deep poverty for children rose in the decade after 1995 largely because government benefits became less effective at protecting children from deep poverty. In 1995, public benefits lifted above half of the poverty line 82 percent of children who otherwise would have been in deep poverty; by 2005, this figure had dropped to 74 percent. The main reason was the loss of cash assistance following the 1996 law.

The number of families served by AFDC/TANF fell by more than half from 1995 to 2005,<sup>9</sup> largely due to the 1996 law's policies taking away cash assistance when a parent didn't meet a work requirement, imposing time limits, erecting access barriers that made it hard for families to apply for and be approved for benefits, and making other changes. As a result, TANF cash assistance

<sup>&</sup>lt;sup>9</sup> U.S. Department of Health and Human Services Administration for Children and Families, "Temporary Assistance for Needy Families – 12th Annual Report to Congress," January 2018, <a href="https://www.acf.hhs.gov/sites/default/files/ofa/12th annual tanf report to congress final.pdf">https://www.acf.hhs.gov/sites/default/files/ofa/12th annual tanf report to congress final.pdf</a>, Fig. 2-A.

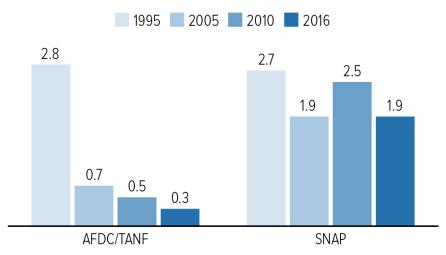
programs served a shrinking share of families with children in poverty over the decade.<sup>10</sup> The value of TANF benefits per recipient also fell: the maximum benefit for a three-person family in the median state declined 18 percent from January 1996 to January 2005, after adjusting for inflation.

In 1995, AFDC lifted 2.8 million children out of deep poverty. In 2005, TANF lifted only 700,000 children out of deep poverty, and in 2016 it lifted only 300,000. (See Figure 2.)

FIGURE 2

# TANF Has Weakened, While SNAP Still Protects Millions of Children From Deep Poverty

Millions of children lifted above half the poverty line



Note: Deep poverty = Those in families with incomes below 50 percent of the poverty line. Temporary Assistance for Needy Families (TANF), created in 1996, replaced Aid to Families with Dependent Children (AFDC). Figures use Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation. Figures correct for underreporting of benefits from SNAP, Supplemental Security Income, and AFDC/TANF.

Source: CBPP analysis of SPM data from Columbia University Population Research Center (for 1995 and 2005) and U.S. Census Bureau (for 2010 and 2016). Corrections for underreported benefits from Department of Health and Human Services/Urban Institute Transfer Income Model (TRIM).

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The 1996 law also imposed large cuts on SNAP and other programs, further weakening the safety net for families with the least income. The SNAP cuts included both across-the-board benefit reductions and targeted eligibility changes that denied benefits to many legal immigrants, unemployed childless adults, and others. While policymakers later restored some of the SNAP cuts, others remain in place. Another reason why SNAP rolls dropped sharply in TANF's initial years is that families traditionally had enrolled in SNAP and cash assistance jointly; as cash assistance plummeted, many families also stopped receiving SNAP despite remaining eligible. As a result, the

6

<sup>&</sup>lt;sup>10</sup> Ife Floyd, Ashley Burnside, and Liz Schott, "TANF Reaching Few Poor Families," Center on Budget and Policy Priorities, updated November 28, 2018, <a href="https://www.cbpp.org/research/family-income-support/tanf-reaching-few-poor-families">https://www.cbpp.org/research/family-income-support/tanf-reaching-few-poor-families</a>.

number of children whom SNAP lifted out of deep poverty fell from 2.7 million in 1995 to 1.9 million in 2005.

#### Overall Poverty Rate Among Children Fell in TANF's First Decade

In contrast to deep poverty, overall child poverty fell between 1995 and 2005, from 21.9 percent to 16.0 percent. This decline reflected increases both in earnings and in the effectiveness of government assistance at lifting children above the poverty line. In 2005, government programs lifted 34 percent of children above the poverty line who'd otherwise be below it, as opposed to 24 percent in 1995.

These contrasting trends suggest there was a shift in the focus of government assistance, away from helping children in families with the least income (particularly with regard to TANF) and toward those modestly higher on the income ladder (particularly with the expansion of tax credits for low- and modest-income working families). Leading academic experts have noted this shift as well. See Appendix Table 2 for more detailed data on deep and overall poverty trends for children and the effect of government assistance.

## More Recently, Stronger Programs Helped Reduce Deep Poverty Among Children

The deep poverty rate among children fell from 3.5 percent in 2005 to 2.7 percent in 2016. This decline was largely driven by the improved anti-poverty effectiveness of government assistance programs other than TANF. In 2016, public benefits lifted above half of the poverty line 79 percent of children who would otherwise have been in deep poverty, up from 74 percent in 2005. (Of note, however, the 2016 figure still fell short of the 1995 figure of 82 percent. If government assistance programs had been as effective at lifting children above half the poverty line in 2016 as in 1995, some 300,000 fewer children would have lived in families in deep poverty.)

A key reason that government assistance became more effective between 2005 and 2016 at protecting children from deep poverty is that SNAP became significantly more effective: in 2016 it lifted 49 percent of children above half the poverty line who would otherwise have been in deep poverty, up from 42 percent in 2005. In contrast, TANF's effectiveness continued declining: in 2016 it lifted just 13 percent of children who would otherwise have been in deep poverty above half the poverty line, down from 22 percent in 2005.

Stronger economic security programs helped prevent deep poverty among children from rising during the Great Recession. In fact, the deep poverty rate among children *dropped* from 3.2 percent to 2.6 percent between 2007 (the year before the recession took hold) and 2010 (the year after it officially ended but when the job market remained weak). A major reason was SNAP, which lifted more children out of deep poverty during the recession due to a combination of factors: the sharp increase in the number of eligible families as household incomes declined, bipartisan measures to

<sup>&</sup>lt;sup>11</sup> Robert A. Moffitt, "The Deserving Poor, the Family, and the U.S. Welfare System," *Demography*, Vol. 52, No. 3, June 2015, <a href="https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4487675/pdf/nihms699516.pdf">https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4487675/pdf/nihms699516.pdf</a>; Hilary W. Hoynes and Diane Whitmore Schanzenbach, "Safety Net Investments in Children," Brookings Papers on Economic Activity, Spring 2018, <a href="https://www.brookings.edu/wp-content/uploads/2018/03/HoynesSchanzenbach">https://www.brookings.edu/wp-content/uploads/2018/03/HoynesSchanzenbach</a> Text.pdf.

improve program access that helped raise the participation rate among eligible households, and the 2009 Recovery Act's temporary benefit increase, which expired in November 2013.<sup>12</sup>

The benefits from SNAP's increased effectiveness during the Great Recession went well beyond reducing deep poverty among children. After the 2009 Recovery Act raised SNAP benefits, low-income households' food spending rose and food insecurity fell.<sup>13</sup> This shows that increasing struggling families' economic security can have immediate, positive impacts.

More broadly, the important steps that policymakers took to supplement economic security programs' responsiveness during the Great Recession, including expanding tax credits and unemployment insurance as well as SNAP,<sup>14</sup> blunted the recession's poverty-related impacts, shielding millions from falling into poverty or deep poverty.

#### Government Assistance Also Doing More to Reduce Overall Child Poverty

In terms of reducing overall child poverty, government assistance programs continued to strengthen over the last two decades. In 2016 they lifted above the poverty line 49 percent of children who would otherwise have been below it, compared to 34 percent in 2005 and 24 percent in 1995. This improvement helped drive the overall child poverty rate to record lows in the late 2010s.<sup>15</sup>

## Deep Poverty Increased Among Black and Latino Children in TANF's First Decade

All children, regardless of race or ethnicity, should have the opportunity to thrive. Yet steep barriers remain for families of color, including discrimination and bias in the labor market and in government policies. These factors contributed to Black and Latino children experiencing a higher increase in deep poverty than white children between 1995 and 2005.

In the first decade under the 1996 law, the deep poverty rate for Black and Latino children rose from 4.9 percent in 1995 to 6.3 percent in 2005;<sup>16</sup> among white children it appeared to dip slightly (from 2.2 percent to 1.8 percent), although the drop was not statistically significant. (See Figure 3.) Unequal declines in the government's effectiveness at protecting children from deep poverty largely

8

<sup>&</sup>lt;sup>12</sup> Robert Greenstein, Brynne Keith-Jennings, and Dottie Rosenbaum, "Factors Affecting SNAP Caseloads," Center on Budget and Policy Priorities, August 8, 2018, <a href="https://www.cbpp.org/research/food-assistance/factors-affecting-snap-caseloads">https://www.cbpp.org/research/food-assistance/factors-affecting-snap-caseloads</a>.

<sup>&</sup>lt;sup>13</sup> Mark Nord and Mark Prell, "Food Security of SNAP Recipients Improved Following the 2009 Stimulus Package," *Amber Waves*, Vol. 9, No. 2, June 2011, <a href="https://ageconsearch.umn.edu/bitstream/121096/2/02FoodSecuritySNAP.pdf">https://ageconsearch.umn.edu/bitstream/121096/2/02FoodSecuritySNAP.pdf</a>.

<sup>&</sup>lt;sup>14</sup> Arloc Sherman, "Poverty and Financial Distress Would Have Been Substantially Worse in 2010 Without Government Action, New Census Data Show," Center on Budget and Policy Priorities, November 7, 2011, <a href="https://www.cbpp.org/cms/?fa=view&id=3610">www.cbpp.org/cms/?fa=view&id=3610</a>.

<sup>&</sup>lt;sup>15</sup> Danilo Trisi and Matt Saenz, "Economic Security Programs Cut Poverty Nearly in Half Over Last 50 Years," Center on Budget and Policy Priorities, updated November 26, 2019, <a href="https://www.cbpp.org/research/poverty-and-inequality/economic-security-programs-cut-poverty-nearly-in-half-over-last-50">https://www.cbpp.org/research/poverty-and-inequality/economic-security-programs-cut-poverty-nearly-in-half-over-last-50</a>.

<sup>&</sup>lt;sup>16</sup> Sample sizes for children in deep poverty from other racial and ethnic groups in the Current Population Survey were too small to draw reliable conclusions about trends over time, so we focused our analysis on Black and Latino children.

explain these trends. In 1995, public benefits lifted above half the poverty line 86 percent of Black and Latino children who would otherwise have been in deep poverty; by 2005, this figure had fallen to 74 percent. The comparable figure for white children remained statistically unchanged over this period.<sup>17</sup>

Among Black children specifically, the deep poverty rate rose from 4.1 percent in 1995 to 5.8 percent in 2005. This was largely because public assistance became less effective at protecting Black children from deep poverty: the share of Black children otherwise in deep poverty whom public assistance lifted above half the poverty line fell from 89 percent in 1995 to 81 percent in 2005. Black families were at particular risk of deep poverty as economic security programs weakened, partly because they lacked equal access to employment opportunities and because of historical and ongoing racial disparities in the design and implementation of government assistance policies. Similarly, Black families face steeper barriers to finding and keeping good jobs due to historical and ongoing discrimination in education, employment, and wages. One study, for example, found that job candidates with white-sounding names were 50 percent more likely to make it to the interview stage than comparable candidates with Black-sounding names.

Another reason why public assistance lifted a shrinking share of Black children out of deep poverty is the decline in TANF's reach, which disproportionately harmed Black families. The 25 states where AFDC/TANF caseloads declined by more than 75 percent between 1995 and 2016 were home to 61 percent of the nation's Black children in 1995, compared to 48 percent of white children. TANF policy changes that cut families' income, such as establishing harsher sanctions for failure to meet program requirements, were also implemented in racially discriminatory ways. Nearly every study comparing the race and ethnicity of sanctioned and non-sanctioned TANF recipients finds that Black recipients are significantly more likely to be sanctioned than their white

<sup>17</sup> The figure in 2005 was 76 percent, not statistically different from 1995's figure of 74 percent.

<sup>&</sup>lt;sup>18</sup> For more on the role of government in such discrimination, see Elizabeth Hinton, From the War on Poverty to the War on Crime, Harvard University Press, 2016; Michelle Alexander, The New Jim Crow, The New Press, 2012; and Richard Rothstein, The Color of Law, Liveright, 2017.

<sup>&</sup>lt;sup>19</sup> Marianne Bertrand and Sendhil Mullainathan, "Are Emily and Greg More Employable than Lakisha and Jamal? A Field Experiment on Labor Market Discrimination," NBER Working Paper No. 9873, July 2003, <a href="http://www.nber.org/papers/w9873">http://www.nber.org/papers/w9873</a>. Another study found that among low-wage job seekers, Black applicants with no criminal record were no more likely to receive a call back or job offer than white applicants with the same qualifications and a criminal record. Devah Pager, Bruce Western, and Bart Bonikowski, "Discrimination in a Low-Wage Labor Market: A Field Experiment," IZA Discussion Paper No. 4469, October 2009, <a href="http://ftp.iza.org/dp4469.pdf">http://ftp.iza.org/dp4469.pdf</a>.

A meta-analysis of every available field experiment of recent decades that tested job discrimination in hiring found no change in discrimination against African American job applicants today compared to 1989. Lincoln Quillian *et al.*, "Meta-analysis of field experiments shows no change in racial discrimination in hiring over time," *Proceedings of the National Academy of Sciences*, September 12, 2017, <a href="http://www.pnas.org/content/early/2017/09/11/1706255114">http://www.pnas.org/content/early/2017/09/11/1706255114</a>.

<sup>&</sup>lt;sup>20</sup> Unpublished CBPP analysis based on population data from the Census Bureau's Current Population Survey and caseload data from the U.S. Department of Health and Human Services and state agencies. For more information on the caseload data used and the decline in TANF's reach, see Floyd, Burnside, and Schott, *ap. cit.* Nationwide, AFDC/TANF caseloads declined by 71 percent between 1995 and 2016. Caseloads in the median state declined 75 percent. For population totals, we averaged three years of CPS data centered on 1995.

counterparts.<sup>21</sup> In a direct test of racial bias, when asked whether they would sanction a fictional client with multiple violations of program requirements, TANF caseworkers (whether white or Black) were much more likely to sanction a Black client than an otherwise-identical white client.<sup>22</sup>

For Latino children, the 1996 law's reduction in access to government assistance for immigrant families had a major effect on deep poverty. In 1995, 55 percent of Latino children lived in a family that included a non-citizen and 12 percent were non-citizens themselves. For Latino children living in a family that included a non-citizen, deep poverty rose from 6.0 percent in 1995 to 8.7 percent in 2005. For Latino children who were non-citizens themselves, deep poverty rose from 8.4 percent to 14.9 percent over that period.

These increases were driven by the decline in the effectiveness of public assistance at protecting these children from deep poverty. In 1995, public benefits lifted above half of the poverty line 82 percent of Latino children who lived in a family with a non-citizen and would otherwise have been in deep poverty; by 2005, this figure had dropped to 56 percent. For non-citizen Latino children, the drop was even larger, from 77 percent in 1995 to 41 percent in 2005. For citizen Latino children in families where everyone is a citizen, the decline was smaller, from 83 percent to 75 percent; their increase in family earnings outweighed the drop in the effectiveness of government assistance, and their likelihood of living in deep poverty appeared to fall from 5.4 percent to 4.6 percent between 1995 and 2005, although this drop was not statistically significant. Overall, deep poverty for Latino children appeared to increase between 1995 and 2005, from 5.8 percent to 6.8 percent, also not a statistically significant change.

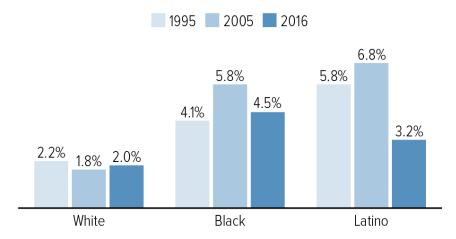
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<sup>&</sup>lt;sup>21</sup> See for example, Ariel Kalil, Kristin S. Seefeldt, and Hui-chen Wang, "Sanctions and Material Hardship under TANF," *Social Service Review*, December 2002, <a href="https://www.jstor.org/stable/10.1086/342998">https://www.jstor.org/stable/10.1086/342998</a>; and Chi-Fang Wu *et al.*, "How Do Welfare Sanctions Work?" Institute for Research on Poverty, June 2004, <a href="https://www.irp.wisc.edu/publications/dps/pdfs/dp128204.pdf">https://www.irp.wisc.edu/publications/dps/pdfs/dp128204.pdf</a>.

<sup>&</sup>lt;sup>22</sup> Joe Soss, "The Racial Biases of the Welfare System," Spotlight on Poverty & Opportunity, April 28, 2014, <a href="https://spotlightonpoverty.org/spotlight-exclusives/the-racial-biases-of-the-welfare-system">https://spotlightonpoverty.org/spotlight-exclusives/the-racial-biases-of-the-welfare-system</a>.

## Deep Poverty Rose Among Black and Latino Children in Decade After 1996 Law Created TANF

Percent of children below half the poverty line, by race and ethnicity



Note: Deep poverty = Those in families with incomes below 50 percent of the poverty line. Figures use Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation. Figures correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Source: CBPP analysis of SPM data from Columbia University Population Research Center (for 1995 and 2005) and U.S. Census Bureau (for 2016). Corrections for underreported benefits from Department of Health and Human Services/Urban Institute Transfer Income Model (TRIM).

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More recently, deep poverty rates receded for Black and Latino children due to stronger economic security programs and an improving economy, but racial disparities remain high. For Black children, the rate was lower in 2016 (4.5 percent) than in 2005 (5.8 percent) but remained twice the rate for non-Hispanic white children (2.0 percent). For Latino children, deep poverty fell to 3.2 percent in 2016, the lowest since 1993, when these data (which correct for underreporting) begin. Latino children living in families that include a non-citizen particularly benefited from bipartisan efforts to reverse some of the 1996 law's immigration-related restrictions on government assistance; deep poverty among Latino children living in a family that includes a non-citizen fell to 4.1 percent in 2016, also the lowest since 1993. Nevertheless, government policies could do far more to undo the harmful legacies of past racism and the damage from continuing racial bias and discrimination.

### 2 Million Children Living in Deep Poverty Are Diverse Group

About 2 million children, or 2.7 percent of all children, lived in deep poverty in 2016 when using the SPM and data that correct for the underreporting of key government benefits. These figures are lower than those using uncorrected SPM data or the official poverty measure for two reasons.<sup>23</sup> Using the SPM lowers deep poverty by accounting for non-cash benefits such as SNAP and housing

<sup>&</sup>lt;sup>23</sup> According to the official poverty measure, 6.0 million children, or 8.2 percent of all children, were in deep poverty in 2016. According the SPM data without any corrections, 3.3 million children, or 4.4 percent of all children, were in deep poverty in 2016.

assistance, which are often particularly important for families with cash incomes far below the poverty line. Correcting for underreported benefits lowers deep poverty further by accounting for more of the assistance that households receive.

Children living in deep poverty are a diverse group and face varying challenges. In 2016:

- 37 percent were white, 30 percent were Latino, 23 percent were Black, and 6 percent were Asian;
- 45 percent lived in suburban areas, 32 percent in urban areas, and 11 percent in rural areas;
- 51 percent lived in a single-mother family, 37 percent in a married-couple family, and 6 percent in a single-father family,
- 16 percent lived in a family where someone had a work-limiting disability; and
- 89 percent were U.S. citizens and 31 percent lived in a family with a non-citizen.

However, deep poverty is far more likely for some children than for others. In 2016:

- The deep poverty rate was 4.5 percent for Black children, 3.5 percent for Asian children, 3.2 percent for Latino children, and 2.0 percent for white children.
- The deep poverty rate for children was 3.1 percent in urban areas, 2.7 percent in suburban areas, and 2.2 percent in rural areas.
- Children in single-mother families had a deep poverty rate of 5.3 percent, versus 3.1 percent for children in single-father families and 1.5 percent for children in married-couple families.
- The deep poverty rate for children in a family where someone had a work-limiting disability was 3.8 percent, versus 2.6 percent for children in families where no one had a work-limiting disability.
- The deep poverty rate was 10.8 percent for non-citizen children, 3.6 percent for citizen children in families with a non-citizen, and 2.5 percent for citizen children.

### **SNAP Protects More Children From Deep Poverty Than Any Other Program**

SNAP lifted 1.9 million children out of deep poverty in 2016, almost twice as many as any other government assistance program. (See Figure 4.) SNAP's effectiveness against deep poverty reflects its targeting the largest benefits to families with the least income and its high participation rate. An estimated 95 percent of eligible individuals living with children participated in SNAP in 2017.<sup>24</sup>

The next most important program protecting children from deep poverty is Social Security, which lifted 1.1 million children out of deep poverty in 2016. Social Security for children often replaces earnings for a breadwinner who has died or become disabled so that they cannot work; without Social Security to replace that income, the family would fall below half of the poverty line. Social

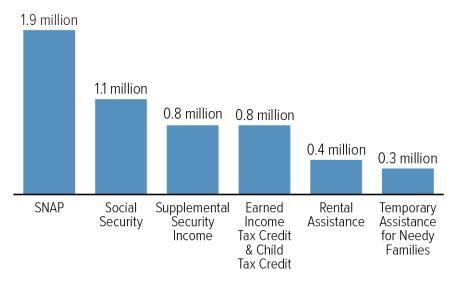
<sup>&</sup>lt;sup>24</sup> Alma Vigil, "Trends in Supplemental Nutrition Assistance Program Participation Rates: Fiscal Year 2010 to Fiscal Year 2017," prepared for the Food and Nutrition Service, United States Department of Agriculture, September 2019, Table A.5A, <a href="https://fns-prod.azureedge.net/sites/default/files/resource-files/Trends2010-2017.pdf">https://fns-prod.azureedge.net/sites/default/files/resource-files/Trends2010-2017.pdf</a>.

Security can also reduce poverty for children living in a family that includes a retiree who receives Social Security benefits.

FIGURE 4

# SNAP Protects More Children From Deep Poverty Than Any Other Program

Children lifted above half the poverty line, by program, 2016



Note: Deep poverty = Those in families with incomes below 50 percent of the poverty line. Figures use Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation. Figures correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families.

Source: CBPP analysis of U.S. Census Bureau's March 2017 Current Population Survey and SPM public use files. Corrections for underreported benefits from Department of Health and Human Services/Urban Institute Transfer Income Model (TRIM).

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Rental assistance programs reach relatively few eligible households due to limited funding — 10 million people in 5 million low-income households in 2016, well below several other major government programs — but protect from deep poverty a larger share of those children they reach. Rental assistance lifted above half the poverty line 98 percent of children receiving rental assistance who otherwise would have been in deep poverty without this assistance. The next-highest program by this measure is Social Security, at 89 percent.

### **Policy Changes Could Sharply Reduce Deep Child Poverty**

The experience of the last two decades shows that government policies can have a large impact on the number of children with family incomes below half of the poverty line. While deep poverty among children fell between 2005 and 2016, economic security programs do less today than in 1995 to protect children from deep poverty. To make more substantial progress in reducing the number of children in deep poverty will require further action.

A groundbreaking report from a National Academies of Sciences (NAS) committee that Congress charged with recommending ways to reduce child poverty found that either of two separate policy packages could cut children's deep poverty — as well as child poverty overall — in half.<sup>25</sup> One plan expanded SNAP benefits, housing vouchers, the Earned Income Tax Credit (EITC), and child care assistance. The other plan created a "child allowance" of \$2,700 a year per child, expanded the EITC and child care assistance, created a child support assurance program, ended certain restrictions on lawfully present immigrants' eligibility for government assistance, and raised the minimum wage.

Comparing elements from these packages, the three policy changes with the largest impact on reducing child deep poverty are creating a child allowance, increasing SNAP benefits, and expanding housing vouchers.

One way to essentially create a child allowance would be to make the Child Tax Credit fully refundable — that is, fully available to children in low-income families regardless of whether their families have earnings. This idea is gaining some momentum among policymakers. The credit now provides little or no help to millions of children in families with the least income — those who need it most. Making it fully refundable would allow children in lower-income households, including those with little or no income, to benefit fully from it.

The American Family Act of 2019, introduced by Rep. Rosa DeLauro, Senator Michael Bennet, and others, would reduce deep child poverty by over 40 percent by making the full \$2,000-per-child Child Tax Credit fully refundable and expanding it further, especially for children under age 6. The Working Families Tax Relief Act, introduced in 2019 by Senators Sherrod Brown, Michael Bennet, Richard Durbin, and Ron Wyden, would reduce deep child poverty by more than one-third by making the Child Tax Credit fully refundable, expanding it for young children, and expanding the EITC. <sup>26</sup> (The two bills have a number of features in common; the American Family Act would reduce deep child poverty somewhat more, while the Working Families Tax Relief Act would reduce poverty more among adults not raising children.) As a down payment on these approaches, the House Ways and Means Committee in 2019 approved Chairman Richard Neal's Economic Mobility Act, which would make the Child Tax Credit fully refundable for the next two years and enhance the credit for children under age 4, while also expanding the EITC.

Raising SNAP benefits also would reduce deep child poverty substantially. Research links receipt of SNAP benefits with long-term advances in health and well-being,<sup>27</sup> but roughly half of all households participating in SNAP are still "food insecure," meaning they lack consistent access to enough food to support an active, healthy life.<sup>28</sup> This suggests that SNAP's quite-modest benefits —

<sup>&</sup>lt;sup>25</sup> National Academies, op. cit.

<sup>&</sup>lt;sup>26</sup> Chuck Marr *et al.*, "Working Families Tax Relief Act Would Raise Incomes of 46 Million Households, Reduce Child Poverty," Center on Budget and Policy Priorities, April 10, 2019, <a href="https://www.cbpp.org/research/federal-tax/working-families-tax-relief-act-would-raise-incomes-of-46-million-households">https://www.cbpp.org/research/federal-tax/working-families-tax-relief-act-would-raise-incomes-of-46-million-households</a>.

<sup>&</sup>lt;sup>27</sup> Brynne Keith-Jennings, Joseph Llobrera, and Stacy Dean, "Links of the Supplemental Nutrition Assistance Program With Food Insecurity, Poverty, and Health: Evidence and Potential," *American Journal of Public Health*, December 1, 2019, <a href="https://doi.org/10.2105/AJPH.2019.305325">https://doi.org/10.2105/AJPH.2019.305325</a>.

<sup>&</sup>lt;sup>28</sup> Alisha Coleman-Jensen *et al.*, "Household Food Security in the United States in 2018," U.S. Department of Agriculture Economic Research Service, September 2019, <a href="https://www.ers.usda.gov/webdocs/publications/94849/err-270.pdf">https://www.ers.usda.gov/webdocs/publications/94849/err-270.pdf</a>.

which average less than \$1.40 per person per meal — may not be sufficient to meet the needs of families in poverty. Additional benefits would increase families' food spending and improve food security.<sup>29</sup> The NAS report finds that a 35 percent increase in the SNAP maximum benefit would, by itself, reduce the number of children in deep poverty by more than one-fourth.<sup>30</sup>

Similarly, stable affordable housing is essential to families' economic stability and children's healthy development. Research shows that housing vouchers reduce hardship, and particularly benefit young children whose families use the vouchers to move to low-poverty, high-opportunity areas.<sup>31</sup> Due to inadequate funding, however, just 1 in 4 families with children eligible for housing assistance receives it.<sup>32</sup> The NAS report finds that providing vouchers to more low-income families with children, so that 70 percent of the eligible families with children not currently receiving housing assistance finally get it, would itself reduce the number of children in deep poverty by more than one-fourth.<sup>33</sup> A separate study finds that creating an additional 500,000 housing vouchers for families with children under age 6 — and assisting them in moving to high-opportunity areas — could largely eliminate homelessness among families with young children and substantially reduce the number of children growing up in neighborhoods of concentrated poverty.<sup>34</sup>

Increasing the number of families receiving TANF and the amount of direct cash assistance they receive would also lessen deep poverty. TANF reached just 23 families for every 100 families with children in poverty in 2017, down from 68 in 100 families in 1996; if TANF had the same reach as it did upon its creation in 1996, about 2.5 million more families nationwide would have received cash assistance in 2017. TANF benefit levels have declined as well; in 33 states they have dropped by at least 20 percent in inflation-adjusted value since 1996. In a positive trend, 14 states plus the District of Columbia have raised benefits since July 2018; New Hampshire has set its benefit level at 60

<sup>&</sup>lt;sup>29</sup> Steven Carlson, Brynne Keith-Jennings, and Joseph Llobrera, "Policy Brief: More Adequate SNAP Benefits Would Help Millions of Participants Better Afford Food," Center on Budget and Policy Priorities, July 30, 2019, <a href="https://www.cbpp.org/research/food-assistance/policy-brief-more-adequate-snap-benefits-would-help-millions-of">https://www.cbpp.org/research/food-assistance/policy-brief-more-adequate-snap-benefits-would-help-millions-of</a>.

<sup>&</sup>lt;sup>30</sup> National Academies, op. cit., Table 6-3.

<sup>&</sup>lt;sup>31</sup> Will Fischer, "Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children," Center on Budget and Policy Priorities, October 7, 2015, <a href="https://www.cbpp.org/research/housing/research-shows-housing-vouchers-reduce-hardship-and-provide-platform-for-long-term">https://www.cbpp.org/research/housing/research-shows-housing-vouchers-reduce-hardship-and-provide-platform-for-long-term</a>.

<sup>&</sup>lt;sup>32</sup> CBPP analysis of Department of Housing and Urban Development (HUD) custom tabulations of the 2017 American Housing Survey; 2017 HUD administrative data; fiscal year 2018 McKinney-Vento Permanent Supportive Housing bed counts; and the USDA FY2018 Multi-Family Fair Housing Occupancy Report.

<sup>&</sup>lt;sup>33</sup> National Academies, op. cit., Table 6-3.

<sup>&</sup>lt;sup>34</sup> Barbara Sard, Mary K. Cunningham, Robert Greenstein, "Helping Young Children Move out of Poverty by Creating a New Type of Rental Voucher," US Partnership on Mobility from Poverty, February 2018, <a href="https://www.mobilitypartnership.org/helping-young-children-move-out-poverty-creating-new-type-rental-voucher">https://www.mobilitypartnership.org/helping-young-children-move-out-poverty-creating-new-type-rental-voucher</a>.

<sup>&</sup>lt;sup>35</sup> Ashley Burnside, "TANF at 23: Over 2.5 Million More Families Could Be Getting Cash Assistance, Work Supports," Center on Budget and Policy Priorities, August 20, 2019, <a href="https://www.cbpp.org/blog/tanf-at-23-over-25-million-more-families-could-be-getting-cash-assistance-work-supports">https://www.cbpp.org/blog/tanf-at-23-over-25-million-more-families-could-be-getting-cash-assistance-work-supports</a>.

<sup>&</sup>lt;sup>36</sup> Ashley Burnside and Ife Floyd, "More States Raising TANF Benefits to Boost Families' Economic Security," Center on Budget and Policy Priorities, December 9, 2019, <a href="https://www.cbpp.org/research/family-income-support/more-states-raising-tanf-benefits-to-boost-families-economic-security">https://www.cbpp.org/research/family-income-support/more-states-raising-tanf-benefits-to-boost-families-economic-security</a>.

percent of the poverty line and California is on a path to increase benefits to about half of the poverty line. More states should follow their lead.

#### Reducing Deep Poverty Among Children Would Bring Long-Term Benefits

"[P]overty in early childhood, prolonged poverty, and deep poverty are all associated with worse child and adult outcomes," the NAS committee explained. Moreover, the weight of the evidence indicates that "income poverty itself causes negative child outcomes, especially when poverty occurs in early childhood or persists throughout a large portion of childhood."

Research indicates that toxic stress — the activation of the body's stress response system when a child experiences frequent, persistent, or excessive fear or anxiety due to abuse, neglect, violence, or severe hardship — can pose serious risks for young children, whose brains are in a critical stage of development. Leading researchers at Harvard's Center on the Developing Child explain that the early years of life are a "period of both great opportunity and great vulnerability." Children in poverty have significantly higher rates of harmful stress than other children, research shows. 38

The NAS panel noted that reducing child poverty — especially deep or prolonged poverty among young children — should provide longer-term benefits for both children and society by leading to reductions in future medical expenditures and other costs of poverty and by increasing the children's earnings and contributions to the economy in adulthood. Research suggests that various economic security programs not only help families address their basic needs today, but also can have longer-term positive effects on children, improving their health and helping them do better (and go farther) in school, thereby boosting their expected earnings as adults. The better outcomes linked with stronger income assistance include healthier birth weights, lower maternal stress (measured by reduced stress hormone levels in the bloodstream), better childhood nutrition, higher school enrollment, higher reading and math test scores, higher high school graduation rates, less use of drugs and alcohol, more positive behavior, and higher rates of college entry, the committee noted.

<sup>&</sup>lt;sup>37</sup> Center on the Developing Child at Harvard University, "From Best Practices to Breakthrough Impacts: A Science-Based Approach to Building a More Promising Future for Young Children and Families," May 2016, <a href="http://developingchild.harvard.edu/resources/from-best-practices-to-breakthrough-impacts/">http://developingchild.harvard.edu/resources/from-best-practices-to-breakthrough-impacts/</a>.

<sup>&</sup>lt;sup>38</sup> Greg Duncan, Katherine Magnuson, and Elizabeth Votruba-Drzal, "Boosting Family Income to Promote Child Development," *Future of Children*, Vol. 24, No. 1, Spring 2014, <a href="https://www.fcd-us.org/assets/2014/07/24">https://www.fcd-us.org/assets/2014/07/24</a> 01 05.pdf.

<sup>&</sup>lt;sup>39</sup> National Academies, op. cit.

<sup>&</sup>lt;sup>40</sup> Arloc Sherman and Tazra Mitchell, "Economic Security Programs Help Low-Income Children Succeed Over Long Term, Many Studies Find," Center on Budget and Policy Priorities, July 17, 2017, <a href="https://www.cbpp.org/research/poverty-and-inequality/economic-security-programs-help-low-income-children-succeed-over.">https://www.cbpp.org/research/poverty-and-inequality/economic-security-programs-help-low-income-children-succeed-over.</a>

#### Deep Poverty Is Key Indicator of Well-Being of Children in Lowest-Income Families

Some researchers interested in measuring the well-being of children in families with the least income have focused on extreme poverty, usually defined as income below \$2 per person per day.<sup>a</sup> This paper focuses on deep poverty, another relevant indicator of the well-being of children at the bottom of the income distribution.

Using an extreme poverty threshold can be revealing when analyzing trends in monthly cash income. It can show the number of people who could not get by without significant non-cash assistance and help document the degree to which certain groups of individuals lack cash income support. However, most families with children with very low cash incomes receive enough non-cash benefits — like SNAP — to keep them above the extreme poverty measure of \$2/day when those benefits are considered. Using that standard alone to examine how many families with children struggle on very meager total (cash and non-cash) incomes would miss many families with significant resource deficits. For that reason, it is also important to consider families whose total resources are above \$2/day but well below the poverty line.

For a four-person family, a \$2/day threshold amounts to \$2,920 per year. If that family received the maximum SNAP benefit for just five months of the year, this by itself would lift them above the annual extreme poverty threshold. Therefore, it's not surprising that if one counts SNAP benefits, some have found that the number of children in extreme poverty falls to near zero on an annual basis; this just shows that SNAP participation is high for families with very low incomes. It's also not surprising that those below the extreme poverty threshold are mostly childless adults or immigrants, since both groups face eligibility restrictions in SNAP.

A bipartisan consensus among federal policymakers to improve eligible households' access to SNAP led to program changes in 2002 and 2008 that, along with state administrative improvements, raised program participation. For eligible families with children and incomes below half of the poverty line, participation is close to 100 percent.<sup>b</sup>

a For examples of this literature, see Luke Shaefer and Kathryn Edin, "Rising Extreme Poverty in the United States and the Response of Federal Means-Tested Transfer Programs," *Social Service Review*, 2013, <a href="http://npc.umich.edu/publications/u/2013-06-npc-working-paper.pdf">http://npc.umich.edu/publications/u/2013-06-npc-working-paper.pdf</a>; Zach Parolin and David Brady, "Extreme Child Poverty and the Role of Social Policy in the United States," *Journal of Poverty & Social Justice*, 2019, <a href="https://osf.io/preprints/socarxiv/u5ecn/">https://osf.io/preprints/socarxiv/u5ecn/</a>; Bruce D. Meyer et al., "The Use and Misuse of Income Data and Extreme Poverty in the United States," National Bureau of Economic Research Working Paper 25907, May 2019, <a href="http://www.nber.org/papers/w25907">http://www.nber.org/papers/w25907</a>. Meyer et al. make additional assumptions about who can be considered in monthly extreme poverty. For example, they assume that no one with home equity above \$25,000 a year is in extreme poverty, and that individuals' annual earnings are spread equally across every month of the year even when that is not the case.

<sup>b</sup> Karen Cunnyngham, "Trends in Supplemental Nutrition Assistance Program Participation Rates: Fiscal Year 2010 to Fiscal Year 2016," U.S. Department of Agriculture, July 2018, <a href="https://fns-prod.azureedge.net/sites/default/files/snap/Trends2010-2016.pdf">https://fns-prod.azureedge.net/sites/default/files/snap/Trends2010-2016.pdf</a>.

## Appendix I: Work Requirements for Cash Assistance Fueled Rise in Deep Poverty, Rigorous Evidence From 1990s Shows

A rise in deep poverty is consistent with earlier findings about the impact of imposing work requirements on cash assistance recipients. Rigorous random-assignment evidence from welfare-to-work pilot programs in the early 1990s showed that those programs — which were, if anything, less harsh than the 1996 nationwide legislation — tended to increase deep poverty. 41

The largest federally funded study of work-requirement pilot programs for cash assistance recipients in the 1990s examined 11 programs — local forerunners of the work requirements in the 1996 welfare law. Most raised employment rates somewhat in the short term, but many recipients did not find work and many families were pushed off the program or had their benefits reduced by sanctions. As a result, deep poverty rose by a statistically significant amount in six of the 11 programs — and fell significantly in none — relative to randomly assigned control groups. (See Appendix Figure 1.)

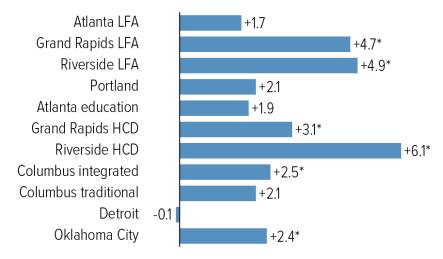
The pilot programs were similar to the policies established under TANF but were generally less punitive toward low-income families. For example, the pilot programs excluded more families with young children from work requirements than TANF did, exempted recipients with substantial employment barriers, and required fewer hours of participation per week.

18

<sup>&</sup>lt;sup>41</sup> Arloc Sherman, "Work Requirements for Cash Assistance Fueled Rise in Deep Poverty," Center on Budget and Policy Priorities, November 13, 2018, <a href="https://www.cbpp.org/blog/work-requirements-for-cash-assistance-fueled-rise-in-deep-poverty">https://www.cbpp.org/blog/work-requirements-for-cash-assistance-fueled-rise-in-deep-poverty</a>.

## 1990s Pilot Programs With Work Requirements Raised Deep Poverty

Percentage-point difference in deep poverty vs. those not assigned to work requirements



\*Statistically significant

Note: "Deep poverty" = those below one-half of poverty line, counting earnings, SNAP (then called food stamps), and tax credits. LFA = Labor force attachment; HCD = human capital development. Under "integrated" pilots, enrollees had a single case manager to perform income maintenance, such as determining eligibility, and welfare-to-work functions, such as assigning enrollees to employment activities. "Traditional" pilots had two case managers to perform these functions.

Source: MDRC, https://www.mdrc.org/sites/default/files/full\_93.pdf, table ES-10

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The findings reflect the most rigorous form of evidence: a comparison between program participants and control groups randomly assigned to more traditional welfare programs, which reveals the impact of the pilot programs distinct from other factors (such as the shifting economy). To measure income carefully, the evaluators used agencies' administrative benefits data and employers' payroll records rather than individuals' recollections on a survey, which can be imprecise.

The findings also showed that work requirements can raise *deep* poverty even while, in some cases, reducing the share of participants below the poverty line. One program in particular (Riverside, California's labor force attachment program) simultaneously increased the deep poverty rate by 4.9 percentage points and lowered the poverty rate by 2.4 percentage points, with both changes being statistically significant. In seven of the other ten pilot programs, deep poverty rose while poverty fell, although not by statistically significant amounts in both cases.

Averaging across all sites, the 11 programs lowered poverty by an average of 2.1 percentage points but raised deep poverty by 2.9 percentage points. This pattern suggests that the programs raised the stakes for families in poverty, pushing some to find more employment and perhaps climb above the poverty line, while letting other families — or the same families in unluckier months — fall into deeper financial hardship when they failed to find work or earnings were especially low. Consistent

with that interpretation, the programs tended to increase the share of parents with jobs in any given three-month period but also the share with neither earnings nor assistance.

Importantly, the improvements in employment and traditional poverty did not last. The results above reflect the programs' second year; a follow-up study found that, over five years, employment gains weakened and, "because the earnings gains were offset by reductions in welfare benefits," the 11 programs did not yield "systematically greater income or reduced poverty for welfare recipients" and "did not generally improve the economic well-being of the welfare recipients."

<sup>&</sup>lt;sup>42</sup> Gayle Hamilton and Charles Michalopoulos, "Job Search or Basic Education Participation First: Which Improves Welfare Recipients' Earnings More in the Long Term?" MDRC, October 2016, <a href="https://www.mdrc.org/sites/default/files/NEWWS-final-Web.pdf">https://www.mdrc.org/sites/default/files/NEWWS-final-Web.pdf</a>.

#### Appendix II: Underreporting of Income Can Mask Rise in Deep Poverty

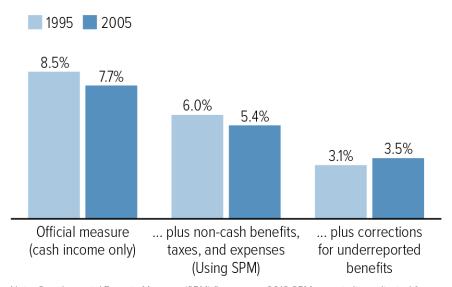
The Census Bureau's counts of program participants in survey data typically fall well short of the totals shown in actual administrative records. Such underreporting is common in household surveys; survey respondents tend to underreport benefits out of forgetfulness, embarrassment about receiving benefits, or other reasons. Underreporting affects estimates of poverty and, in particular, deep poverty because underreported benefits make up a larger share of the total income of those with the lowest reported incomes. While respondents may also underreport *earned* income, the net rate of underreporting in the Current Population Survey (CPS) is thought to be much lower for earnings than for benefits.

In data for 1995 to 2005, uncorrected CPS figures — whether using the official poverty definition or the SPM — do not show the rise in deep child poverty. The share of children below half of the poverty line fell from 8.5 percent to 7.7 percent under the official measure and from 6.0 percent to 5.4 percent under the SPM. But using the SPM and correcting for underreporting, the deep poverty rate among children rose over this period, from 3.1 percent to 3.5 percent. (See Appendix Figure 2.)

**APPENDIX FIGURE 2** 

## Correcting for Underreporting Exposes Rise in Children's Deep Poverty Rate From 1995 to 2005

Percent of children below half of poverty line, by three measures



Note: Supplemental Poverty Measure (SPM) figures use 2018 SPM poverty line adjusted for inflation. Figures that correct for underreporting of benefits do so for SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families.

Source: CBPP analysis of SPM data from Columbia University Population Research Center. Corrections for underreported benefits from Department of Health and Human Services/Urban Institute Transfer Income Model (TRIM).

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21

<sup>&</sup>lt;sup>43</sup> Bruce D. Meyer and Nikolas Mittag, "Using Linked Survey and Administrative Data to Better Measure Income: Implications for Poverty, Program Effectiveness and Holes in the Safety Net," National Bureau of Economic Research Working Paper 21676, October 2015, <a href="https://www.nber.org/papers/w21676">https://www.nber.org/papers/w21676</a>.

Correcting for underreporting has such a large impact on these figures because it accounts for billions of dollars per year of income from government benefit programs that the uncorrected figures miss. In particular, AFDC kept 2.8 million children above half of the poverty line in the corrected CPS data. By 2005, TANF was a much smaller program, keeping only about 700,000 children out of deep poverty using the corrected data. Correcting the CPS trend for missing cash assistance payments thus reveals the extent to which the old AFDC program lessened deep poverty in 1995, as well as the subsequent increase in deep poverty after its replacement by the much less effective TANF program.

Some recent research has suggested that the Transfer Income Model policy micro-simulation model, from which our corrected figures are derived, might overestimate the amount of TANF and SNAP that families with very low incomes receive.<sup>44</sup> If that is true, then the deep poverty rates presented in this paper may be too low and the true situation facing children may be even more severe.

<sup>&</sup>lt;sup>44</sup> Kathryn Shantz and Liana E. Fox, "Precision in Measurement: Using State-Level SNAP Administrative Records and the Transfer Income Model (TRIM3) to Evaluate Poverty Measurement," U.S. Census Bureau Social, Economic, and Housing Statistics Division Working Paper #2018-30, November 2018, <a href="https://www.census.gov/content/dam/Census/library/working-papers/2018/demo/SEHSD-WP2018-15.pdf">https://www.census.gov/content/dam/Census/library/working-papers/2018/demo/SEHSD-WP2018-15.pdf</a>.

## Appendix III

APPENDIX TABLE 1

#### Children in Deep Poverty, Counting and Not Counting Government Assistance and Taxes

Figures use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

		Children		Children in	Single-Mother	Families	Children in Married-Couple Families			
Year	Counting No Government Assistance or Taxes	Counting Government Assistance and Taxes	Percent Reduction in Deep Poverty	Counting No Government Assistance or Taxes	Counting Government Assistance and Taxes	Percent Reduction in Deep Poverty	Counting No Government Assistance or Taxes	Counting Government Assistance and Taxes	Percent Reduction in Deep Poverty	
1993	19.4%	5.1%	73.7%	48.6%	8.8%	81.9%	8.6%	3.5%	58.9%	
1994	18.2%	4.1%	77.4%	46.4%	6.8%	85.3%	7.7%	2.9%	62.2%	
1995	17.4%	3.1%	82.2%	43.7%	5.4%	87.7%	7.2%	1.9%	74.1%	
1996	17.3%	3.2%	81.3%	43.2%	6.4%	85.1%	7.5%	1.7%	77.7%	
1997	16.6%	3.9%	76.3%	42.6%	8.9%	79.2%	6.8%	1.7%	74.3%	
1998	14.4%	3.6%	74.9%	37.2%	8.5%	77.2%	6.0%	1.6%	73.5%	
1999	12.8%	3.4%	73.1%	34.1%	7.6%	77.6%	5.2%	1.7%	67.7%	
2000	11.6%	3.4%	71.1%	29.5%	6.8%	76.9%	5.2%	1.8%	65.5%	
2001	12.5%	3.8%	69.4%	31.4%	8.5%	73.0%	5.4%	1.8%	67.3%	
2002	12.4%	3.4%	72.2%	31.1%	7.1%	77.0%	5.5%	1.8%	66.8%	
2003	13.2%	3.8%	71.4%	32.6%	7.9%	75.8%	5.6%	1.9%	66.5%	
2004	13.1%	3.4%	74.3%	33.3%	7.3%	78.2%	5.6%	1.7%	69.4%	
2005	13.4%	3.5%	73.8%	33.4%	7.4%	77.9%	5.7%	1.7%	69.7%	
2006	12.7%	3.2%	74.8%	31.5%	6.7%	78.6%	5.5%	1.7%	69.4%	

#### Children in Deep Poverty, Counting and Not Counting Government Assistance and Taxes

Figures use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

		Children		Children in	Single-Mother	Families	Children in Married-Couple Families			
Year	Counting No Government Assistance or Taxes	Counting Government Assistance and Taxes	Percent Reduction in Deep Poverty	Counting No Government Assistance or Taxes	Counting Government Assistance and Taxes	Percent Reduction in Deep Poverty	Counting No Government Assistance or Taxes	Counting Government Assistance and Taxes	Percent Reduction in Deep Poverty	
2007	12.9%	3.2%	75.2%	30.8%	6.2%	79.8%	5.6%	1.8%	67.5%	
2008	14.5%	3.4%	76.9%	33.2%	6.9%	79.1%	7.1%	1.8%	74.3%	
2009	15.9%	3.0%	81.4%	34.0%	4.6%	86.5%	8.2%	2.0%	75.7%	
2010	16.4%	2.6%	84.1%	35.3%	4.7%	86.8%	8.2%	1.6%	80.4%	
2011	16.0%	2.5%	84.4%	34.7%	4.8%	86.3%	7.5%	1.3%	82.2%	
2012	16.4%	2.5%	84.5%	34.9%	4.5%	87.2%	8.2%	1.6%	80.7%	
2013	15.7%	2.7%	82.9%	35.5%	5.2%	85.4%	7.2%	1.5%	79.4%	
2014	15.1%	2.6%	82.5%	33.4%	5.0%	85.0%	7.1%	1.5%	78.7%	
2015	14.7%	2.9%	80.0%	32.0%	4.9%	84.6%	7.1%	1.7%	76.1%	
2016	13.1%	2.7%	79.2%	29.9%	5.3%	82.4%	6.0%	1.5%	74.4%	

Note: Government benefits include Social Security, unemployment insurance, workers' compensation, veterans' benefits, TANF, state General Assistance, Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (SNAP, formerly food stamps), National School Lunch Program, Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), rental assistance (such as Section 8 and public housing), home energy assistance, the Earned Income Tax Credit (EITC), and the Child Tax Credit. Benefit figures for 2008-2010 also reflect a number of temporary federal benefits enacted in response to the Great Recession: 2008 stimulus payment, 2009 Economic Recovery Payment, and the 2009-2010 Making Work Pay Tax Credit. Taxes, subtracted from family resources, are family members' federal and state income and payroll taxes.

#### Effect of Specified Income Sources on Poverty and Deep Poverty (Under Age 18)

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

	E	Below 100% o	f Poverty Line	Below 50% of Poverty Line				
	1995	2005	2010	1995	2005	2010	2016	
Population	71,142	73,973	74,916	74,047	71,142	73,973	74,916	74,047
Number in poverty or deep poverty	15,599	11,807	10,350	9,767	2,209	2,599	1,944	2,010
As a percentage of the population	21.9%	16.0%	13.8%	13.2%	3.1%	3.5%	2.6%	2.7%

#### Would be living in poverty or in deep poverty if the following family income were not counted:

All public benefits*	20,446	17,894	22,434	19,007	12,384	9,923	12,261	9,666
Social Security	16,900	13,000	11,947	11,463	3,278	3,664	3,122	3,075
Unemployment Insurance	16,085	12,178	11,777	9,995	2,372	2,688	2,588	2,065
Means-tested benefits*	20,909	18,046	21,479	19,352	11,186	8,715	9,765	8,456
TANF	17,008	12,469	11,157	10,369	4,992	3,312	2,489	2,297
SSI	16,666	12,685	11,628	10,844	3,052	3,445	2,687	2,812
SNAP (formerly food stamps)	17,571	13,603	14,870	13,052	4,911	4,449	4,423	3,933
Rental assistance	16,420	12,553	11,756	11,032	2,894	3,382	2,254	2,415
EITC and Child Tax Credit:**	17,967	15,624	15,303	14,824	2,940	3,493	2,660	2,806

(Example: In 2016, 3.9 million children lived in families whose non-SNAP income was below half the SPM poverty line.)

#### Effect of Specified Income Sources on Poverty and Deep Poverty (Under Age 18)

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

	E	Below 100% o	f Poverty Line	Below 50% of Poverty Line				
	1995	2005	2010	2016	1995	2005	2010	2016
Lifted above the poverty line or above h	alf the poverty	y line by the	following fan	nily income	9:***			
All public benefits*	4,848	6,087	12,085	9,241	10,176	7,324	10,317	7,655
Social Security	1,301	1,193	1,597	1,696	1,069	1,066	1,178	1,065
Unemployment Insurance	487	371	1,427	229	164	89	645	55
Means-tested benefits*	5,311	6,239	11,130	9,585	8,977	6,116	7,822	6,446
TANF	1,410	662	807	602	2,783	714	545	287
SSI	1,067	878	1,279	1,077	843	847	743	802
SNAP (formerly food stamps)	1,973	1,796	4,521	3,286	2,703	1,850	2,480	1,923
Rental assistance	821	746	1,406	1,265	686	784	310	405
EITC and Child Tax Credit:**	2,369	3,817	4,954	5,057	732	894	716	796

(Example: In 2016, 1.9 million children lived in families whose income was lifted above half the poverty line by SNAP.)

### Lifted above, as a percentage of those who would be living in poverty or in deep poverty without the specified income source:

All public benefits*	24%	34%	54%	49%	82%	74%	84%	79%
Social Security	8%	9%	13%	15%	33%	29%	38%	35%
Unemployment Insurance	3%	3%	12%	2%	7%	3%	25%	3%
Means-tested benefits*	25%	35%	52%	50%	80%	70%	80%	76%
TANF	8%	5%	7%	6%	56%	22%	22%	13%

#### Effect of Specified Income Sources on Poverty and Deep Poverty (Under Age 18)

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

	1	Below 100% of Poverty Line					<b>Below 50% of Poverty Line</b>			
	1995	2005	2010	1995	2005	2010	2016			
SSI	6%	7%	11%	10%	28%	25%	28%	29%		
SNAP (formerly food stamps)	11%	13%	30%	25%	55%	42%	56%	49%		
Rental Assistance	5%	6%	12%	11%	24%	23%	14%	17%		
EITC and Child Tax Credit:**	13%	24%	32%	34%	25%	26%	27%	28%		

(Example: In 2016, SNAP lifted above half the poverty line 49% of children who would otherwise have been living in deep poverty.)

<sup>\*&</sup>quot;All public benefits" includes the listed programs plus workers' compensation, veterans' benefits, home energy assistance, the 2009 Economic Recovery Payment, the 2009-2010 Making Working Pay Tax Credit, and the net effect of taxes paid. "Means-tested benefits" are TANF, SSI, SNAP, rental and energy assistance, means-tested veterans' benefits, the EITC, and the refundable portion of the Child Tax Credit.

<sup>\*\*</sup>Includes both the refundable (low-income) and non-refundable parts of the Child Tax Credit.

<sup>\*\*\*</sup>Equals the number that would be poor without this income minus the actual number in poverty.

#### Effect of Specified Income Sources on Poverty and Deep Poverty (All Ages)

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

	Ве	elow 100% d	of Poverty Li	ne	В	elow 50% o	f Poverty Lir	ne
	1995	2005	2010	2016	1995	2005	2010	2016
Population	264,234	293,672	306,110	320,372	264,234	293,672	306,110	320,372
Number in poverty or deep poverty	44,998	41,664	42,277	43,175	8,965	11,364	11,267	12,611
As a percentage of the population	17.0%	14.2%	13.8%	13.5%	3.4%	3.9%	3.7%	3.9%

#### Would be living in poverty or in deep poverty if the following family income were not counted:

All public benefits*	69,013	70,260	88,039	83,020	44,682	45,298	56,755	53,584
Social Security	63,360	62,376	66,576	69,862	26,584	31,117	33,739	36,930
Unemployment Insurance	46,333	42,716	47,312	43,893	9,496	11,720	13,931	12,906
Means-tested benefits*	56,477	55,190	66,709	65,052	27,092	25,484	29,897	29,234
TANF	47,584	42,836	43,743	44,244	13,384	12,545	12,182	13,138
SSI	47,935	44,640	46,822	47,687	12,551	15,303	15,194	16,824
SNAP (formerly food stamps)	48,696	45,056	51,991	50,408	13,665	14,955	16,912	17,020
Rental assistance	46,662	43,294	45,909	46,756	10,447	13,096	12,158	13,858
EITC and Child Tax Credit:**	49,614	48,953	51,766	52,825	10,440	13,123	12,770	14,254

(Example: In 2016, 17.0 million Americans lived in families whose non-SNAP income was below half the SPM poverty line.)

#### Effect of Specified Income Sources on Poverty and Deep Poverty (All Ages)

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

	Ве	elow 100% d	of Poverty Li	ne	В	elow 50% o	f Poverty Lir	ne
	1995	2005	2010	2016	1995	2005	2010	2016
Lifted above the poverty line or above	half the pov	erty line by	the follow	ing family i	ncome:**	*		
All public benefits*	24,015	28,596	45,762	39,845	35,717	33,934	45,488	40,973
Social Security	18,362	20,713	24,299	26,687	17,620	19,753	22,472	24,319
Unemployment Insurance	1,335	1,053	5,035	718	531	355	2,664	295
Means-tested benefits*	11,478	13,526	24,432	21,877	18,127	14,120	18,630	16,623
TANF	2,586	1,172	1,466	1,069	4,420	1,181	915	527
SSI	2,937	2,976	4,545	4,512	3,586	3,939	3,927	4,213
SNAP (formerly food stamps)	3,698	3,392	9,714	7,233	4,700	3,590	5,645	4,409
Rental assistance	1,664	1,631	3,632	3,581	1,483	1,732	891	1,247
EITC and Child Tax Credit:**	4,616	7,289	9,489	9,650	1,476	1,758	1,503	1,643

#### Lifted above, as a percentage of those who would be living in poverty without the specified income source:

All public benefits*	35%	41%	52%	48%	80%	75%	80%	76%
Social Security	29%	33%	36%	38%	66%	63%	67%	66%
Unemployment Insurance	3%	2%	11%	2%	6%	3%	19%	2%
Means-tested benefits*	20%	25%	37%	34%	67%	55%	62%	57%
TANF	5%	3%	3%	2%	33%	9%	8%	4%

#### Effect of Specified Income Sources on Poverty and Deep Poverty (All Ages)

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

	Ве	elow 100% d	of Poverty Li	ne	В	elow 50% o	f Poverty Lir	ne
	1995 2005 2010 2016				1995	2005	2010	2016
SSI	6%	7%	10%	9%	29%	26%	26%	25%
SNAP (formerly food stamps)	8%	8%	19%	14%	34%	24%	33%	26%
Rental assistance	4%	4%	8%	8%	14%	13%	7%	9%
EITC and Child Tax Credit:**	9% 15% 18% 18%				14%	13%	12%	12%

(Example: In 2016, SNAP lifted above half the poverty line 26% of Americans who would otherwise have been living in deep poverty.)

<sup>\*&</sup>quot;All public benefits" includes the listed programs plus workers' compensation, veterans' benefits, home energy assistance, the 2009 Economic Recovery Payment, the 2009-2010 Making Working Pay Tax Credit, and the net effect of taxes paid. "Means-tested benefits" are TANF, SSI, SNAP, rental and energy assistance, means-tested veterans' benefits, the EITC, and the refundable portion of the Child Tax Credit.

<sup>\*\*</sup>Includes both the refundable (low-income) and non-refundable parts of the Child Tax Credit.

<sup>\*\*\*</sup>Equals the number that would be poor without this income minus the actual number in poverty.

Figures use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

'ear	All persons	Under 18, in married-couple family	Under 18, in single-mother family	Under 18, in single-father family	18 to 64, with kids in SPM unit	18 to 64, with no kids in SPM unit	65 and over
.993	4.6%	3.5%	8.8%	5.1%	4.0%	4.7%	4.6%
.994	4.1%	2.9%	6.8%	3.4%	3.1%	4.9%	4.7%
.995	3.4%	1.9%	5.4%	3.9%	2.1%	4.6%	4.0%
.996	3.5%	1.7%	6.4%	3.8%	2.1%	4.4%	4.7%
.997	3.7%	1.7%	8.9%	4.0%	2.6%	4.3%	4.4%
.998	3.5%	1.6%	8.5%	3.0%	2.3%	4.2%	4.4%
.999	3.5%	1.7%	7.6%	3.3%	2.4%	4.1%	4.2%
000	3.3%	1.8%	6.8%	3.8%	2.2%	4.0%	4.0%
001	3.7%	1.8%	8.5%	4.5%	2.5%	4.5%	4.1%
002	3.7%	1.8%	7.1%	3.4%	2.5%	4.7%	4.3%
2003	4.0%	1.9%	7.9%	4.8%	2.7%	4.8%	5.0%
2004	3.9%	1.7%	7.3%	3.3%	2.4%	5.2%	4.7%
2005	3.9%	1.7%	7.4%	3.2%	2.4%	5.1%	4.6%
2006	4.0%	1.7%	6.7%	3.4%	2.4%	5.3%	5.9%
2007	3.9%	1.8%	6.2%	3.4%	2.5%	5.0%	5.5%
800	3.9%	1.8%	6.9%	2.6%	2.4%	5.0%	4.7%
2009	3.8%	2.0%	4.6%	3.3%	2.4%	5.3%	3.9%
010	3.7%	1.6%	4.7%	2.6%	2.3%	5.5%	3.4%

Figures use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All persons	Under 18, in married-couple family	Under 18, in single-mother family	Under 18, in single-father family	18 to 64, with kids in SPM unit	18 to 64, with no kids in SPM unit	65 and over
2011	3.7%	1.3%	4.8%	2.9%	2.2%	5.6%	3.3%
2012	3.8%	1.6%	4.5%	2.4%	2.3%	5.7%	3.6%
2013	4.0%	1.5%	5.2%	2.6%	2.3%	6.1%	4.1%
2014	4.1%	1.5%	5.0%	2.9%	2.3%	6.3%	4.3%
2015	3.9%	1.7%	4.9%	4.1%	2.4%	5.7%	3.6%
2016	3.9%	1.5%	5.3%	3.1%	2.3%	5.7%	4.4%

Note: Due to small sample sizes, this table does not provide a separate column for persons under 18 who are spouses, heads of families, or who don't live with any individuals they're related to biologically or by adoption. However, this group is still counted in the "All persons" column. In 2016, they made up about 0.3 percent of the total population and 0.7 percent of persons living in deep poverty.

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All persons	Under 18, in married- couple family	Under 18, in single-mother family	Under 18, in single-father family	18 to 64, with kids in SPM unit	18 to 64, with no kids in SPM unit	65 and over
1993	11,917	1,738	1,515	122	3,007	3,938	1,417
1994	10,816	1,444	1,198	89	2,352	4,098	1,461
1995	8,965	920	973	114	1,574	3,908	1,274
1996	9,233	821	1,140	122	1,609	3,846	1,483
1997	10,014	864	1,556	133	2,013	3,772	1,414
1998	9,599	792	1,505	99	1,762	3,799	1,429
1999	9,505	858	1,305	106	1,879	3,766	1,372
2000	9,251	918	1,139	130	1,708	3,770	1,330
2001	10,409	902	1,471	156	1,977	4,290	1,372
2002	10,617	936	1,266	122	2,015	4,611	1,466
2003	11,399	948	1,437	173	2,144	4,762	1,721
2004	11,378	863	1,336	121	1,984	5,245	1,653
2005	11,364	879	1,338	120	1,922	5,230	1,614
2006	11,996	853	1,268	120	2,032	5,477	2,115
2007	11,702	918	1,197	132	1,991	5,324	2,014
2008	11,651	919	1,331	98	1,963	5,410	1,780
2009	11,471	1,009	902	137	2,009	5,737	1,511
2010	11,267	792	945	112	1,879	6,099	1,346

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All persons	Under 18, in married- couple family	Under 18, in single-mother family	Under 18, in single-father family	18 to 64, with kids in SPM unit	18 to 64, with no kids in SPM unit	65 and over
2011	11,297	649	981	132	1,795	6,264	1,382
2012	11,681	771	894	115	1,864	6,384	1,550
2013	12,519	725	1,037	120	1,853	6,871	1,802
2014	12,968	742	998	130	1,891	7,143	1,980
2015	12,415	829	974	193	1,962	6,555	1,717
2016	12,611	749	1,019	148	1,855	6,597	2,149

Note: Due to small sample sizes, this table does not provide a separate column for persons under 18 who are heads of families, spouses, or who don't live with any individuals they're related to biologically or by adoption. However, this group is still counted in the "All persons" column. In 2016, they made up about 0.3 percent of the total population and 0.7 percent of persons living in deep poverty.

Figures use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All persons	Under 18, in married- couple family	Under 18, in single-mother family	Under 18, in single-father family	18 to 64, with kids in SPM unit	18 to 64, with no kids in SPM unit	65 and over
1993	20.3%	18.0%	52.9%	30.5%	20.6%	13.7%	20.9%
1994	18.6%	15.3%	47.9%	27.1%	17.7%	14.0%	20.2%
1995	17.0%	13.5%	43.5%	21.9%	15.7%	13.5%	18.9%
1996	16.7%	13.0%	42.5%	23.5%	15.7%	12.9%	19.0%
1997	16.4%	12.6%	43.6%	20.3%	15.3%	13.1%	18.2%
1998	15.2%	11.7%	40.4%	18.3%	14.1%	12.0%	17.3%
1999	14.5%	11.0%	36.7%	18.2%	13.2%	12.2%	16.5%
2000	14.0%	11.0%	34.0%	20.2%	12.4%	11.5%	17.8%
2001	14.6%	10.9%	35.4%	18.9%	13.1%	12.4%	17.6%
2002	14.5%	11.6%	33.0%	18.6%	13.0%	12.4%	17.7%
2003	14.6%	10.1%	34.6%	20.3%	12.9%	12.9%	17.9%
2004	14.2%	9.4%	32.3%	14.2%	12.0%	13.6%	17.6%
2005	14.2%	9.4%	32.7%	16.7%	12.1%	13.3%	17.8%
2006	14.2%	9.4%	32.5%	15.6%	12.4%	13.0%	18.3%
2007	14.3%	10.1%	30.5%	18.8%	13.0%	12.9%	18.0%
2008	14.3%	10.2%	30.4%	17.1%	12.8%	13.2%	17.4%
2009	13.6%	9.1%	24.7%	17.6%	12.2%	14.1%	14.3%
2010	13.8%	8.5%	25.8%	16.1%	12.0%	14.5%	15.5%

Figures use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All persons	Under 18, in married- couple family	Under 18, in single-mother family	Under 18, in single-father family	18 to 64, with kids in SPM unit	18 to 64, with no kids in SPM unit	65 and over
2011	14.3%	8.7%	26.7%	16.0%	13.0%	15.1%	14.8%
2012	14.7%	9.1%	27.1%	17.6%	13.4%	15.4%	15.2%
2013	15.4%	9.0%	29.0%	16.8%	13.5%	16.5%	16.1%
2014	15.5%	9.8%	27.9%	18.3%	13.6%	16.7%	15.9%
2015	14.1%	9.2%	24.9%	17.6%	12.4%	14.9%	14.6%
2016	13.5%	8.1%	25.3%	13.4%	11.5%	14.2%	15.3%

Note: Due to small sample sizes, this table does not provide a separate column for persons under 18 who are heads of families, spouses, or who don't live with any individuals they're related to biologically or by adoption. However, this group is still counted in the "All persons" column. In 2016, they made up about 0.3 percent of the total population and 0.6 percent of persons living in poverty.

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All persons	Under 18, in married-couple family	Under 18, in single-mother family	Under 18, in single-father family	18 to 64, with kids in SPM unit	18 to 64, with no kids in SPM unit	65 and over
1993	52,662	8,850	9,109	737	15,662	11,411	6,434
1994	48,662	7,549	8,425	709	13,436	11,810	6,321
1995	44,998	6,633	7,863	636	11,904	11,513	5,982
1996	44,521	6,431	7,516	750	12,002	11,264	6,056
1997	44,207	6,241	7,668	675	11,741	11,556	5,825
1998	41,343	5,810	7,159	597	10,776	10,894	5,614
1999	39,659	5,580	6,275	595	10,226	11,174	5,382
2000	38,718	5,616	5,692	684	9,641	10,759	5,862
2001	41,028	5,524	6,139	662	10,398	11,938	5,938
2002	41,450	5,887	5,847	661	10,451	12,167	6,043
2003	42,004	5,130	6,302	727	10,420	12,815	6,196
2004	41,191	4,762	5,931	525	9,810	13,584	6,199
2005	41,664	4,768	5,933	624	9,886	13,665	6,305
2006	42,068	4,771	6,118	548	10,291	13,498	6,585
2007	42,864	5,094	5,850	739	10,527	13,745	6,612
2008	43,182	5,151	5,841	647	10,506	14,174	6,567
2009	41,313	4,598	4,857	724	10,130	15,182	5,527
2010	42,277	4,205	5,236	682	9,881	15,978	6,069

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All persons	Under 18, in married-couple family	Under 18, in single-mother family	Under 18, in single-father family	18 to 64, with kids in SPM unit	18 to 64, with no kids in SPM unit	65 and over
2011	44,203	4,214	5,492	721	10,580	16,824	6,162
2012	45,761	4,448	5,423	837	10,928	17,321	6,569
2013	48,121	4,375	5,791	775	11,098	18,659	7,142
2014	48,938	4,769	5,572	808	11,252	19,036	7,303
2015	44,833	4,464	4,927	824	10,119	17,255	6,955
2016	43,175	3,979	4,890	654	9,301	16,583	7,524

Note: Due to small sample sizes, this table does not provide a separate column for persons under 18 who are heads of families, spouses, or who don't live with any individuals they're related to biologically or by adoption. However, this group is still counted in the "All persons" column. In 2016, they made up about 0.3 percent of the total population and 0.6 percent of persons living in poverty.

#### Children in Deep Poverty (Below 50% of Poverty Line), By Race and Ethnicity

Figures use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All children	White only, not Latino	Black only, not Latino	Latino (any race)	Asian only, not Latino
1993	5.1%	3.6%	6.7%	9.9%	8.0%
1994	4.1%	3.3%	4.1%	7.5%	7.9%
1995	3.1%	2.2%	4.1%	5.8%	4.8%
1996	3.2%	2.1%	5.2%	5.3%	4.1%
1997	3.9%	2.4%	6.1%	7.8%	4.3%
1998	3.6%	1.9%	6.0%	7.6%	4.9%
1999	3.4%	2.0%	5.0%	7.2%	3.1%
2000	3.4%	2.0%	6.1%	6.2%	3.0%
2001	3.8%	2.2%	6.7%	6.9%	3.3%
2002	3.4%	2.0%	6.2%	5.8%	3.8%
2003	3.8%	2.1%	6.4%	6.4%	5.4%
2004	3.4%	2.1%	5.2%	6.0%	3.9%
2005	3.5%	1.8%	5.8%	6.8%	3.7%
2006	3.2%	1.7%	5.1%	6.1%	3.4%
2007	3.2%	1.9%	4.5%	5.6%	3.7%
2008	3.4%	1.8%	5.0%	6.2%	3.8%
2009	3.0%	2.0%	3.4%	4.7%	4.4%
2010	2.6%	1.6%	3.4%	4.4%	2.3%
2011	2.5%	1.4%	3.3%	4.6%	2.6%
2012	2.5%	1.6%	3.1%	4.1%	3.2%
2013	2.7%	1.8%	3.6%	4.1%	3.1%
2014	2.6%	1.8%	3.7%	3.8%	3.3%
2015	2.9%	2.2%	4.0%	3.8%	4.1%
2016	2.7%	2.0%	4.5%	3.2%	3.5%

### Children in Deep Poverty (Below 50% of Poverty Line), By Race and Ethnicity

Figures are in thousands and use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All children	White only, not Latino	Black only, not Latino	Latino (any race)	Asian only, not Latino
1993	3,554	1,666	745	942	162
1994	2,906	1,531	460	740	136
1995	2,209	999	455	594	138
1996	2,295	987	578	562	120
1997	2,815	1,110	685	850	132
1998	2,610	885	674	861	149
1999	2,488	915	554	838	91
2000	2,443	888	681	741	92
2001	2,770	991	747	887	105
2002	2,526	894	681	774	102
2003	2,772	926	712	879	148
2004	2,495	890	564	861	110
2005	2,599	791	625	1,003	106
2006	2,372	716	556	924	99
2007	2,372	805	491	889	109
2008	2,498	764	532	1,020	111
2009	2,214	835	359	797	140
2010	1,944	644	352	780	73
2011	1,856	546	339	817	90
2012	1,884	629	312	727	109
2013	1,993	683	364	729	108
2014	1,954	694	377	679	118
2015	2,181	822	415	698	151
2016	2,010	744	462	598	130

#### Children in Poverty (Below 100% of Poverty Line), By Race and Ethnicity

Figures use the Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All children	White only, not Latino	Black only, not Latino	Latino (any race)	Asian only, not Latino
1993	27.5%	18.0%	47.2%	50.6%	26.8%
1994	24.2%	15.6%	40.7%	45.8%	25.0%
1995	21.9%	12.6%	38.2%	44.4%	25.6%
1996	21.3%	12.6%	35.6%	43.1%	22.7%
1997	21.0%	12.0%	36.3%	42.4%	23.2%
1998	19.5%	10.8%	33.5%	39.7%	21.7%
1999	17.8%	9.8%	31.6%	34.7%	17.4%
2000	17.2%	9.4%	29.5%	34.2%	18.8%
2001	17.6%	9.9%	30.5%	32.4%	16.4%
2002	17.5%	9.7%	30.1%	32.4%	17.9%
2003	17.1%	9.3%	30.0%	31.6%	15.8%
2004	15.7%	8.6%	26.3%	29.7%	14.0%
2005	16.0%	8.5%	28.2%	28.7%	16.0%
2006	15.8%	8.1%	26.8%	29.2%	15.4%
2007	16.1%	8.3%	24.8%	31.1%	17.0%
2008	16.0%	8.2%	24.9%	30.1%	16.1%
2009	14.0%	8.1%	19.1%	24.9%	15.7%
2010	13.8%	7.3%	22.4%	24.0%	12.6%
2011	14.4%	7.7%	22.3%	24.9%	13.2%
2012	14.8%	8.0%	21.2%	25.9%	14.6%
2013	15.2%	8.5%	23.4%	25.6%	13.8%
2014	15.4%	8.9%	23.0%	25.2%	15.1%
2015	14.2%	9.1%	20.2%	21.9%	14.2%
2016	13.2%	7.8%	20.9%	20.5%	11.6%

#### Children in Poverty (Below 100% of Poverty Line), By Race and Ethnicity

Figures are in thousands and use Supplemental Poverty Measure (SPM) and 2018 SPM poverty line adjusted for inflation with the Consumer Price Index Research Series. We correct for underreporting of benefits from SNAP, Supplemental Security Income, and Temporary Assistance for Needy Families (TANF).

Year	All children	White only, not Latino	Black only, not Latino	Latino (any race)	Asian only, not Latino
1993	19,154	8,330	5,219	4,816	544
1994	17,095	7,303	4,568	4,530	431
1995	15,599	5,801	4,282	4,575	732
1996	15,200	5,788	3,950	4,565	657
1997	15,084	5,475	4,069	4,636	711
1998	14,059	4,932	3,741	4,488	660
1999	12,877	4,475	3,522	4,060	521
2000	12,456	4,263	3,291	4,114	570
2001	12,754	4,401	3,420	4,179	516
2002	12,789	4,248	3,290	4,326	476
2003	12,572	4,039	3,315	4,381	429
2004	11,599	3,732	2,872	4,254	397
2005	11,807	3,653	3,070	4,248	453
2006	11,693	3,449	2,920	4,448	448
2007	11,981	3,485	2,699	4,894	497
2008	11,935	3,400	2,670	4,953	476
2009	10,474	3,346	2,033	4,246	502
2010	10,350	2,976	2,351	4,206	403
2011	10,636	3,009	2,270	4,406	448
2012	10,943	3,111	2,160	4,614	500
2013	11,222	3,262	2,356	4,604	482
2014	11,347	3,412	2,356	4,562	545
2015	10,505	3,462	2,071	4,006	515
2016	9,767	2,960	2,135	3,785	432