

Poverty: 2007 and 2008

American Community Surveys

Issued September 2009

American Community Survey Reports

ACSBR/08-1

Introduction

This report is one of a series produced to highlight results from the 2008 American Community Survey (ACS), focusing on changes between the 2007 ACS and the 2008 ACS. The report series is designed to cover a variety of economic topics, such as poverty, occupation, home values, and labor force participation. This series provides information about the changing economic characteristics of the nation and states, the District of Columbia, and Puerto Rico. The ACS also provides detailed estimates of demographic, social, economic, and housing characteristics for congressional districts, counties, places, and other localities every year. A description of the ACS is provided in the text box "What Is the American Community Survey?"

This report provides comparisons at the national and state levels for poverty during the 2007 to 2008 time period. Such comparisons should be interpreted with caution. Since adjacent ACS years have income reference months in common, comparing the 2008 ACS with the 2007 ACS estimates is not an exact comparison of the economic conditions in 2008 with those in 2007.¹

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

What Is the American Community Survey?

The American Community Survey (ACS) is a nationwide survey designed to provide communities with reliable and timely demographic, social, economic, and housing data every year. It has an annual sample size of about 3 million addresses across the United States and Puerto Rico and includes both housing units and group quarters. The ACS is conducted in every county throughout the nation and every municipio in Puerto Rico, where it is called the Puerto Rico Community Survey.

Beginning in 2006, ACS data for 2005 were released for geographic areas with populations of 65,000 and greater. In 2008, the first set of multiyear estimates was released for data collected between January 2005 and December 2007.

These 3-year estimates were published for geographic areas with populations of 20,000 and greater. The U.S. Census Bureau is planning to release the first 5-year estimates in late 2010 for the smallest geographic areas based on data collected between January 2005 and December 2009.

The data contained in this report are based on the ACS sample interviewed in 2007 and 2008. For information on the ACS sample design and other topics, visit www.census.gov/acs/www.

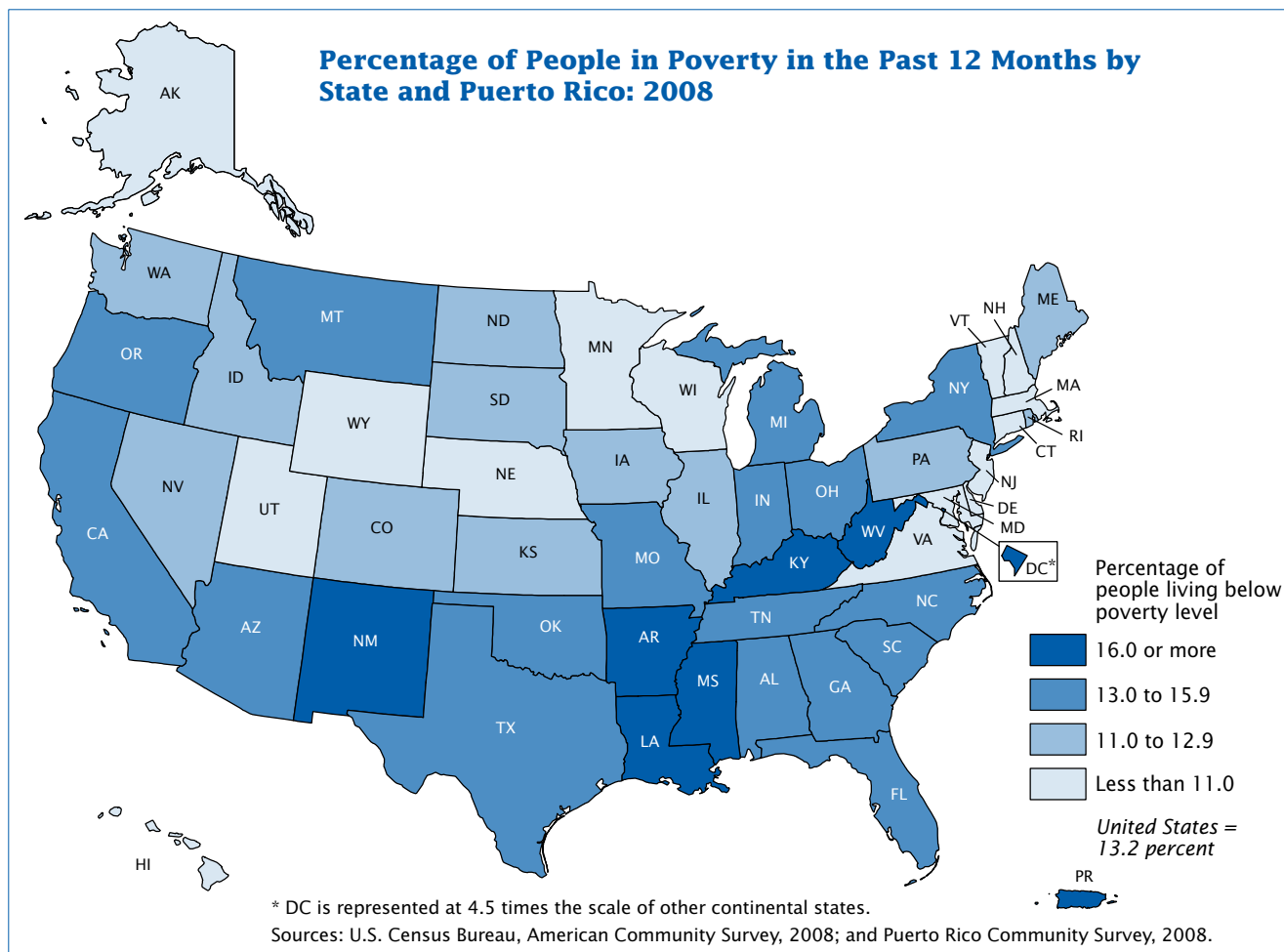
By
Alemayehu Bishaw
and Trudi J. Renwick

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



The data contained in this report are based on ACS samples that were selected for interview in 2007 and 2008 and are estimates of the actual figures that could have been obtained by interviewing the entire population using the same methodology. All comparisons presented in this report have taken sampling error into account and are significant at the 90 percent confidence level unless noted otherwise. Due to rounding, some details may not sum to totals. For information on sampling and estimation methods, confidentiality protection, and sampling and nonsampling errors, please see the "2008 ACS Accuracy of the Data" document located at www.census.gov/acs/www/Downloads/ACS/accuracy2008.pdf.

Poverty

The 2008 ACS data show that an estimated 13.2 percent of the U.S. population had income below the poverty threshold in the past 12 months. This is 0.2 percentage points higher than the 13.0 percent poverty rate estimated for 2007. The estimated number of people in poverty increased by 1.1 million to 39.1 million in 2008.

This report presents data on poverty at the national and state levels based on the 2007 ACS and 2008 ACS. Poverty estimates compare family income to a set of thresholds that vary by family size and composition and age of householder. If a family's total pretax cash income is less than the dollar value of the appropriate threshold, then that

family and every individual in it are considered to be in poverty. Poverty status is determined for all people except unrelated children under 15 and individuals living in institutions, military group quarters, and college dormitories.²

The table shows the number and percentage of people in poverty by state for the 2007 ACS and 2008 ACS. The map displays the variation in poverty rates by state for 2008.

Poverty rates among the 50 states and the District of Columbia ranged from a low of 7.6 percent in

² For more information, see "How Poverty Is Calculated in the ACS" at www.census.gov/hhes/www/poverty/definitions.html.

New Hampshire to a high of 21.2 percent in Mississippi.³

Seven states (California, Connecticut, Florida, Hawaii, Indiana, Oregon, and Pennsylvania) had increases in the number and percentage of people in poverty between 2007 and 2008. In Michigan, the poverty rate increased, but the number of people in poverty did not show a significant change. In Arizona, Georgia, and South Carolina, the number of people in poverty increased, but the rate was statistically unchanged. In Alabama, both the number and percentage of people in poverty went down. In Louisiana and Texas, there was a decline in the poverty rate but no significant change in the number of people in poverty. All the remaining states and the District of Columbia had 2008 estimates of poverty

³ New Hampshire's 2008 ACS poverty rate was not statistically different from the poverty rates for Maryland (8.1 percent) and Alaska (8.4 percent).

rates and the number of people in poverty that were not statistically different from the 2007 estimates.

These poverty statistics only partially reflect the impact of the current economic downturn on 2008 personal income. According to the National Bureau of Economic Research, the recession began in December 2007.⁴ The income reported in the 2008 ACS spans the period from January 2007 through November 2008, which includes the months in 2007 before the official start of the recession.⁵

⁴ The Business Cycle Dating Committee of the National Bureau of Economic Research determined that a peak in economic activity occurred in the U.S. economy in December 2007. The peak marks the end of the expansion that began in November 2001 and the beginning of a recession.

⁵ Between January and December 2008, people 15 years and older were asked about income for the previous 12-month period. For example, income data collected in January 2008 referred to the period from January 2007 to December 2007, while data collected in December 2008 referred to the period December 2007 to November 2008.

The Census Bureau also publishes poverty estimates based on the Current Population Survey Annual Social and Economic Supplement (CPS ASEC).⁶ Following the standard specified by the Office of Management and Budget (OMB) in Statistical Policy Directive 14, data from the CPS ASEC are used to estimate the official national poverty rate, which can be found in the report *Income, Poverty, and Health Insurance Coverage in the United States: 2008*, available at <www.census.gov/prod/2009pubs/p60-236.pdf>.

⁶ For information on poverty estimates from the ACS and how they differ from those based on the CPS ASEC, see "Differences Between the Income and Poverty Estimates From the American Community Survey and the Annual Social and Economic Supplement to the Current Population Survey" at <www.census.gov/hhes/www/poverty/factsheet.html>.

Number and Percentage of People in Poverty in the Past 12 Months by State and Puerto Rico: 2007 and 2008

(For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/acs/www/Downloads/ACS/accuracy2008.pdf)

State	Below poverty in 2007				Below poverty in 2008				Change in poverty (2008 less 2007)			
	Number ¹	Margin of error ² (±)	Per- centage ¹	Margin of error ² (±)	Number ¹	Margin of error ² (±)	Per- centage ¹	Margin of error ² (±)	Number ¹	Margin of error ² (±)	Per- centage ¹	Margin of error ² (±)
United States . . .	38,052,247	222,964	13.0	0.1	39,108,422	249,680	13.2	0.1	*1,056,175	334,744	*0.2	0.1
Alabama	759,835	22,998	16.9	0.5	712,835	22,418	15.7	0.5	*-47,000	32,117	*-1.2	0.7
Alaska	59,625	5,440	8.9	0.8	56,396	5,471	8.4	0.8	-3,229	7,715	-0.5	1.2
Arizona	881,257	31,475	14.2	0.5	938,924	27,514	14.7	0.4	*57,667	41,804	0.5	0.7
Arkansas	492,052	16,318	17.9	0.6	480,551	18,818	17.3	0.7	-11,501	24,909	-0.6	0.9
California	4,433,014	63,400	12.4	0.2	4,778,118	75,892	13.3	0.2	*345,104	98,889	*0.9	0.3
Colorado	569,386	19,957	12.0	0.4	552,889	22,387	11.4	0.5	-16,497	29,992	-0.6	0.6
Connecticut	268,880	12,898	7.9	0.4	314,806	14,745	9.3	0.4	*45,926	19,590	*1.4	0.6
Delaware	87,956	7,512	10.5	0.9	85,094	7,055	10.0	0.8	-2,862	10,306	-0.5	1.2
District of Columbia	91,934	7,937	16.4	1.4	96,769	7,324	17.2	1.3	4,835	10,799	0.8	1.9
Florida	2,158,832	38,730	12.1	0.2	2,370,808	41,243	13.2	0.2	*211,976	56,578	*1.1	0.3
Georgia	1,323,828	31,219	14.3	0.3	1,380,842	31,340	14.7	0.3	*57,014	44,236	0.4	0.5
Hawaii	100,051	6,916	8.0	0.5	115,131	8,921	9.1	0.7	*15,080	11,288	*1.1	0.9
Idaho	177,806	9,436	12.1	0.6	187,805	12,824	12.6	0.9	9,999	15,922	0.5	1.1
Illinois	1,496,248	34,817	11.9	0.3	1,532,238	26,674	12.2	0.2	35,990	43,861	0.3	0.3
Indiana	757,813	19,999	12.3	0.3	807,506	21,723	13.1	0.4	*49,693	29,528	*0.8	0.5
Iowa	317,946	14,131	11.0	0.5	334,919	13,360	11.5	0.5	16,973	19,447	0.5	0.7
Kansas	300,210	13,334	11.2	0.5	307,478	12,785	11.3	0.5	7,268	18,473	0.1	0.7
Kentucky	714,080	22,283	17.3	0.5	720,586	21,372	17.3	0.5	6,506	30,875	-	0.7
Louisiana	775,425	20,200	18.6	0.5	744,218	23,972	17.3	0.6	-31,207	31,349	*-1.3	0.7
Maine	154,224	8,137	12.0	0.6	157,553	8,278	12.3	0.6	3,329	11,607	0.3	0.9
Maryland	453,699	20,647	8.3	0.4	442,994	15,596	8.1	0.3	-10,705	25,876	-0.2	0.5
Massachusetts	621,286	20,753	9.9	0.3	626,670	19,668	10.0	0.3	5,384	28,592	0.1	0.5
Michigan	1,376,658	27,786	14.0	0.3	1,410,276	24,724	14.4	0.3	33,618	37,193	*0.4	0.4
Minnesota	481,947	15,332	9.5	0.3	490,911	14,694	9.6	0.3	8,964	21,237	0.1	0.4
Mississippi	581,534	18,361	20.6	0.7	601,617	24,259	21.2	0.9	20,083	30,424	0.6	1.1
Missouri	742,486	20,360	13.0	0.4	768,092	18,921	13.4	0.3	25,606	27,794	0.4	0.5
Montana	131,790	7,822	14.1	0.8	139,707	8,881	14.8	0.9	7,917	11,834	0.7	1.3
Nebraska	192,822	8,554	11.2	0.5	186,727	9,256	10.8	0.5	-6,095	12,602	-0.4	0.7
Nevada	269,953	16,905	10.7	0.7	290,197	15,922	11.3	0.6	20,244	23,222	0.6	0.9
New Hampshire	90,204	7,516	7.1	0.6	97,158	7,932	7.6	0.6	6,954	10,928	0.5	0.9
New Jersey	729,211	23,123	8.6	0.3	741,472	23,119	8.7	0.3	12,261	32,698	0.1	0.4
New Mexico	349,159	15,809	18.1	0.8	332,769	14,316	17.1	0.7	-16,390	21,327	-1.0	1.1
New York	2,570,014	41,542	13.7	0.2	2,581,491	39,884	13.6	0.2	11,477	57,588	-0.1	0.3
North Carolina	1,258,988	29,318	14.3	0.3	1,301,929	34,042	14.6	0.4	42,941	44,927	0.3	0.5
North Dakota	74,035	5,225	12.1	0.9	73,622	5,620	12.0	0.9	-413	7,674	-0.1	1.3
Ohio	1,464,133	29,352	13.1	0.3	1,492,154	29,624	13.4	0.3	28,021	41,702	0.3	0.4
Oklahoma	557,030	16,561	15.9	0.5	561,666	18,584	15.9	0.5	4,636	24,892	-	0.7
Oregon	474,189	18,770	12.9	0.5	506,145	17,700	13.6	0.5	*31,956	25,800	*0.7	0.7
Pennsylvania	1,393,026	32,592	11.6	0.3	1,458,394	26,463	12.1	0.2	*65,368	41,982	*0.5	0.3
Rhode Island	122,128	9,249	12.0	0.9	118,556	8,064	11.7	0.8	-3,572	12,270	-0.3	1.2
South Carolina	641,758	19,916	15.0	0.5	679,584	21,508	15.7	0.5	*37,826	29,314	0.7	0.7
South Dakota	100,699	5,842	13.1	0.8	96,490	6,997	12.5	0.9	-4,209	9,115	-0.6	1.2
Tennessee	953,865	28,631	15.9	0.5	938,077	26,905	15.5	0.4	-15,788	39,289	-0.4	0.7
Texas	3,791,183	49,333	16.3	0.2	3,760,431	54,049	15.8	0.2	-30,752	73,179	*-0.5	0.3
Utah	251,084	13,213	9.7	0.5	257,649	13,167	9.6	0.5	6,565	18,653	-0.1	0.7
Vermont	60,589	5,292	10.1	0.9	63,288	5,151	10.6	0.9	2,699	7,384	0.5	1.2
Virginia	742,680	23,107	9.9	0.3	768,031	24,701	10.2	0.3	2,5351	33,824	0.3	0.4
Washington	725,172	19,934	11.4	0.3	728,323	21,530	11.3	0.3	3,151	29,342	-0.1	0.5
West Virginia	298,172	11,487	16.9	0.6	300,670	13,037	17.0	0.7	2,498	17,376	0.1	1.0
Wisconsin	588,287	17,948	10.8	0.3	569,090	17,752	10.4	0.3	-19,197	25,244	-0.4	0.5
Wyoming	44,064	5,986	8.7	1.2	48,776	4,527	9.4	0.9	4,712	7,504	0.7	1.5
Puerto Rico	1,763,078	26,535	45.5	0.7	1,750,559	28,973	44.8	0.7	-12,519	39,288	-0.7	1.0

* Statistically different from zero at the 90 percent confidence level.

- Represents or rounds to zero.

¹ Poverty status determined for individuals in housing units and noninstitutionalized group quarters except people living in college dormitories or military barracks. Unrelated individuals under 15 years old are also excluded from the poverty universe.

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

Sources: U.S. Census Bureau, American Community Survey, 2007 and 2008; and Puerto Rico Community Survey, 2007 and 2008.