# Living in Near Poverty in the United States: 1966-2012 

## Current Population Reports

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## INTRODUCTION

The official U.S. poverty thresholds create an explicit boundary that defines who lives in poverty, and the U.S. Census Bureau reports annually on this vulnerable population (DeNavas-Walt, Proctor, and Smith, 2013). Less is known about the low-income population living just above official poverty thresholds. This report describes individuals and families living near poverty-those individuals whose family incomes are close to, but not below, official poverty thresholds.

Unlike the definition of poverty, there is no legislative mandate or policy directive defining near poverty. Historically, the Census Bureau has provided detailed tables of the number and proportion of the population with family income between 100 and 125 percent of the poverty thresholds and referred to this group as near poor. For consistency, this report defines individuals in near poverty in the same way, and it relies on data from the 1967-2013 Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC) spanning over 45 years. ${ }^{2}$

This report provides descriptive characteristics of individuals in near poverty covering 1966-2012. It also provides a comparison with characteristics of individuals living in poverty. The demographic characteristics include age, sex, race, family type, and region, as well as educational attainment, employment status, and health insurance coverage.

[^0]Since federal and state assistance programs are targeted to the low-income population, including those in near poverty, this report also gives assistance program participation rates of those in near poverty. These programs include public assistance, Temporary Assistance to Needy Families (TANF), the Supplemental Nutrition Assistance Program (SNAP, formerly known as Food Stamps), the Earned Income Tax Credit (EITC), and the National School Lunch Program. ${ }^{3}$

## HIGHLIGHTS

- In 2012, 14.7 million people in the United States had family incomes between 100 and 125 percent of their poverty threshold. The near-poverty rate for individuals decreased from 6.3 percent in 1966 to 4.7 percent in 2012.
- Individuals with less than a high school degree had a near-poverty rate of 10.0 percent in 2012 , while individuals with a college degree or more had a near-poverty rate of 1.6 percent during the same year.
- Approximately 32.5 percent of individuals living near poverty in 2012 received SNAP benefits, while 84.6 percent of individuals in near poverty lived with a family member receiving a free or reduced lunch in school.

[^1][^2]- In 2012, about 20.7 percent of individuals in near poverty qualified for the EITC. In contrast, 16.7 percent of individuals in poverty qualified for the EITC.
- In 2012, the share of the nearpoverty population covered by public health insurance was 43.6 percent, while the share of the poverty population covered by public health insurance was
50.2 percent.
- From 2011 to 2012, the flow of individuals exiting near poverty was statistically unchanged from the flow of individuals entering near poverty.
- From 2010 to 2012, 18 states had a 3-year average near-poverty rate lower than the national average; 12 states had a 3-year average near-poverty rate higher than the national rate; and 20 states and the District of Columbia had a 3-year average near-poverty rate not statistically different from the national average.


## BACKGROUND

There has been interest in understanding the dynamics of those individuals living in near poverty since the development of poverty measurement in the 1960's. Mollie Orshansky was known as a federal employee of the Social Security Administration (SSA) who in the 1960's developed what is the modern day poverty measure. Less well known is Orshansky's interest in the near poor, even during the development of the official poverty measure. Orshansky in a 1966 Social Security Bulletin article wrote:
> "What is perhaps more striking than the steady reduction in the number of the very poor is the failure to reduce the number just above the minimum poverty line: There are today, just as there were in 1959, about 15-3/4 million persons in households with income that is above the poverty level but still below what might be considered

## SOURCE OF ESTIMATES

The data in this report are from the CPS ASEC covering 1967-2013 and were collected in the 50 states and the District of Columbia. The data do not represent residents in Puerto Rico and the U.S. Island Areas.* The data are based on a sample of about 100,000 addresses. The estimates in this report are controlled to independent national population estimates by age, sex, race, and Hispanic origin for March 2013. The estimates for 2011 and 2012 use population controls based on the 2010 Census.

The CPS is a household survey primarily used to collect employment data. The sample universe for the basic CPS consists of the resident civilian noninstitutionalized population of the United States. People in institutions, such as prisons, long-term care hospitals, and nursing homes, are not eligible to be interviewed in the CPS. Students living in dormitories are included in the estimates only if information about them is reported in an interview at their parents' home. Since the CPS is a household survey, persons who are homeless and not living in shelters are not included in the sample. The sample universe for the CPS ASEC is slightly larger than that of the basic CPS since it includes military personnel who live in a household with at least one other civilian adult, regardless of whether they live off post or on post. All other Armed Forces are excluded. For further documentation about the CPS ASEC, see <www.census.gov/prod/techdoc/cps /cpsmarl3.pdf>.

* U.S. Island Areas include American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands of the United States.


## STATISTICAL ACCURACY

Most of the data from the CPS ASEC were collected in March (with some data collected in February and April). The estimates in this report (which may be shown in text, figures, and tables) are based on responses from a sampling of the population and may differ from actual values because of sampling variability or other factors. As a result, apparent differences between the estimates for two or more groups may not be statistically significant. All comparative statements have undergone statistical testing and are significant at the 90 percent confidence level, unless otherwise noted. In this report, the variances of estimates were calculated using both the Successive Difference Replication method and the Generalized Variance Function approach. Further information about the source and accuracy of the estimates is available at <www.census.gov/hhes/www/p60_245sa.pdf>.
a reasonable minimum. It will be noticed that from 1959 to 1960, as the count of the poor rose, the number just above the poverty line did drop, only to climb again the following year as the poverty rolls started down. This reciprocal trend suggests that there may be a sizable group in the population living always on the margin-wavering between dire poverty and a level only slightly higher but never really free from the threat of [de]privation. (25)"

In the same article, Orshansky also discussed the SSA's two levels of poverty thresholds. They are the "economy" level, which includes just those living under poverty thresholds, and the "low-income" level, which includes both those living under poverty thresholds and those living under 133 percent of poverty thresholds. She defined the near poor as those living at 100 to 133 percent of poverty thresholds (Orshansky, 1966).

In January 1969, an interagency Poverty Level Review committee formed to study price and geographic adjustments related to the poverty measure proposed to index poverty thresholds to the Consumer Price Index (CPI) and to set farm thresholds at 85 percent of nonfarm thresholds. The committee also agreed to compute additional poverty tabulations for 125 percent of the poverty level, slightly lower than Orshansky's original 133 percent of poverty thresholds for the near poor (Fisher, 1992). Later that year, the Bureau of the Budget issued a memorandum directing all Federal Executive Branch agencies to use thresholds with the CPI and farm adjustments (Fisher, 1992). This memorandum established Orshansky's thresholds with these adjustments as the federal government's official poverty thresholds.

The memorandum did not include Orshanky's "low-income" level definition of the near poor. Instead, there was a provision to publish statistics on the population below 125 percent of the poverty threshold, recognizing that this level was essentially the same as Orshansky's "low-income" level (Fisher 1992).

By 1971, the Census Bureau's Current Population Reports included tables about persons below the "near-poverty" level using this 125 percent of poverty threshold definition (Table 9, U.S. Census Bureau, 1971). Tables reporting the number and proportion of the population in near poverty are regularly published on the Census Bureau Web site with the release of the annual poverty estimates. ${ }^{4}$ To be consistent with this reporting of those in near poverty, this report defines the near poor using the 125 percent definition. ${ }^{5}$

## DEFINING NEAR POVERTY

The same family income used to determine who is in poverty is also used to determine who is in near poverty. ${ }^{6}$ For information about how the Census Bureau determines who is in poverty each year, see the "Definition of Official Poverty" box on this page. Family income is compared to a near-poverty threshold range. If family income falls in the nearpoverty threshold range, the family and every individual in it are considered in near poverty. The lower

[^3]bound of this range is the poverty threshold, while the upper bound for this range is 125 percent of the poverty threshold. Table A-1 gives the near-poverty threshold range for 2012. Like poverty thresholds, these ranges vary by family size and composition.

As an example, consider a family of four including two adults and two children. For this family the poverty threshold is $\$ 23,283$. Individuals in a two adult, two child family below $\$ 23,283$ in 2012 live in official poverty. Therefore, the lower bound of the near-poverty threshold range is $\$ 23,283$. Multiplying $\$ 23,283$ by 1.25 gives the upper bound for

## DEFINITION OF OFFICIAL POVERTY

Following the Office of Management and Budget's Statistical Policy Directive 14, the U.S. Census Bureau uses a set of dollar value thresholds that vary by family size and composition to determine who is in poverty. If a family's total money income is less than the applicable threshold, then that family and every individual in it are considered in poverty. The official poverty thresholds are updated annually for inflation using the Consumer Price Index (CPI-U). The official poverty definition uses money income before taxes and tax credits and excludes capital gains and noncash benefits (such as SNAP benefits and housing assistance). The thresholds do not vary geographically.

Figure 1.
Near-Poverty and Poverty Rate: 1966-2011


Note: For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>. Shaded areas indicate recessions.
Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 1967-2013 Annual Social and Economic Supplements.
the near-poverty threshold range, or $\$ 29,104$. Therefore, the nearpoverty threshold range for a family of four with two adults and two children is $\$ 23,283-\$ 29,104$.

## RESULTS

## NEAR-POVERTY RATES BY SELECTED CHARACTERISTICS: 1966 AND 2012

Figure 1 shows the rates of individuals in poverty and in near poverty from 1966 to $2012 .{ }^{7}$ While the poverty rate has fluctuated between 11 percent and 15 percent over this

[^4]time period, the near-poverty rate has been less variable. The nearpoverty rate decreased from 6.3 percent in 1966 to 4.7 percent in 2012 (Table A-2). Notably, while the poverty rate appears to move with the business cycle, the near-poverty rate does not.

Figure 2 shows the near-poverty rate for individuals by selected characteristics for 1966 (blue square) and 2012 (pink square). Arrows connect the squares to indicate the size and direction of the change. Black arrows represent a percentage point decrease from 1966 to 2012, while green arrows
represent a percentage point increase from 1966 to 2012.

## Age, Sex, Race, and Marital Status

In 2012, individuals aged 65 years and older had near-poverty rates not statistically different from those of children under 18 years old (5.5 percent and 5.7 percent, respectively). While adults aged 18 to 64 had lower near-poverty rates (4.2 percent) than children ( 5.7 percent) and those aged 65 and older ( 5.5 percent) in 2012 , all age groups experienced a decline in near-poverty rates between 1966 and 2012. Those aged 65 years and older experienced the largest

Figure 2.
Individuals in Near Poverty by Selected Characteristics: 1966 and 2012 ■ 1966 2012


Note: For information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>. Source: Authors' calculations. U.S. Census Bureau, 1967 and 2013 Annual Social and Economic Supplements.
decrease in near-poverty status, from 10.8 percent in 1966 down to 5.5 percent in 2012 (Figure 2 and Table A-2). For children, the nearpoverty rate decreased from 7.4 percent to 5.7 percent. While adults aged 18 to 64 had the lowest rates
in both years, they also experienced the smallest decrease in near-poverty status, about 0.6 percentage points.

Women had higher rates of near poverty than men in 2012, 5.1
percent and 4.4 percent, respectively. The near-poverty rate for women in 1966 (6.4 percent) was not statistically different from the near-poverty rate for men (6.1 percent). The near-poverty rate fell for both men and women (1.7
percentage points for men and 1.4 percentage points for women).

The near-poverty rate for Blacks was 6.3 percent in 2012, higher than near-poverty rates for Whites and individuals from other races. ${ }^{8}$ Blacks and individuals from other races experienced larger declines in near poverty than Whites. In 1966, 11.1 percent of Black individuals were in near poverty, compared with 6.3 percent in 2012 , and 9.1 percent of individuals from other races were in near poverty, compared with 3.9 percent in 2012.

Near-poverty rates were highest among widowed in 2012 (8.7 percent) and lowest among married individuals (3.0 percent). Married persons experienced the largest decrease in near poverty, a fall of about 2.3 percentage points from 1966 to 2012. The changes in the near-poverty rates for other marital groups were not statistically significant.
${ }^{8}$ Though categorical definitions of race and ethnicity have changed over time in nationally representative household survey data, this report categorizes individuals based on the more basic coding scheme to be compatible with CPS ASEC data covering 1966. Individuals are grouped into the following categories for the purposes of this report: White, Black, and Other race. In 2012, we group White only into White, Black only into Black, and all other racial categories (including multiple categories) into Other race. Data on Hispanic individuals that use the current 2012 definition of Hispanic ethnicity are not available in the 1966 data.

## Educational Attainment, Labor Force Participation, and Regional Differences

In 2012, individuals with the most educational attainment were the least vulnerable to being in near poverty, while individuals with the least educational attainment were the most vulnerable. Those with less than a high school degree faced a near-poverty rate of 10.0 percent, and those with a college degree or more faced a nearpoverty rate of 1.6 percent. While more education reduces the likelihood of near poverty, near-poverty rates increased for those with less than a high school degree ( 1.8 percentage points), those with a high school degree ( 1.2 percentage points), and those with some college or associate's degree ( 0.9 percentage points) from 1966 to 2012. The change in the near-poverty rate of individuals who completed college or higher education from 1966 to 2012 was not statistically significant.

In 2012, adults in the labor force had a lower near-poverty rate than adults not in the labor force. While the rate of near poverty decreased slightly for adults in the labor force from 1966 to 2012 (4.2 percent in 1966 compared with 3.3 percent in 2012), there was no significant change in the rate of near poverty for adults not in the labor force ( 6.5 percent compared to 6.7 percent, respectively).

The South and West experienced higher near poverty than the Northeast and Midwest in 2012. The Northeast had the lowest nearpoverty rate in 1966 ( 5.1 percent). ${ }^{9}$ All regions experienced declines in near poverty from 1966 to 2012. The South, with the highest nearpoverty rate in 1966, experienced the largest decline in near poverty, down to 5.1 percent in 2012 from 8.0 percent in 1966.

## Family Type

Figure 3 displays the near-poverty rate of families in 1966 and 2012 by family type and the change in the near-poverty rate over this time. In 2012, the near-poverty rate for all families was 3.9 percent (Table A-3). That year, 7.3 percent of families with a female householder, no husband present; 5.8 percent of families with a male householder, no wife present; and 2.8 percent of married-couple families lived in near poverty. Married-couple families had the largest decline in near poverty, down 2.5 percentage points from 1966 to 2012. The changes in nearpoverty rates for other family types were not statistically significant.

## NEAR-POVERTY AND POVERTY RATES BY SELECTED CHARACTERISTICS: 2012

Those in poverty and near poverty are often intertwined with each other, so this section provides a comparison of these two

[^5]Figure 3.
Family Near-Poverty Rates by Family Type: 1966 and 2012


Note: For information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>. Source: Authors' calculations. U.S. Census Bureau, 1967 and 2013 Annual Social and Economic Supplements.
low-income groups. Figures 4 and 5 along with Tables A-4 and A-5 compare these groups along several characteristics and family types. In Figures 4 and 5, red squares indicate the poverty rate and green squares indicate the near-poverty rate. In 2012, the official poverty rate was 15.0 percent, and 46.5 million people lived in poverty. At the same time, the near-poverty rate was 4.7 percent, and 14.7 million people lived in near poverty.

## Age, Sex, Race, and Marital Status

All age groups were more likely to be in poverty than in near poverty. Compared with other age groups, children had the highest poverty rate; however, they did not have the highest near-poverty rate. The near-poverty rate for children is not statistically different from
the near-poverty rate for those aged 65 and older.

Both women and men were more than three times as likely to live in poverty than in near poverty. Just as women had higher rates of living near poverty compared with men (5.1 percent compared with 4.4 percent), they also had higher rates of living in poverty ( 16.3 percent compared to 13.6 percent).

Black individuals were over twice as likely to live in poverty in 2012 as White individuals (27.0 percent compared to 13.0 percent). However, this is not true for individuals living near poverty. Blacks were 1.4 times more likely to live in near poverty than their White counterparts.

In 2012, rates of near poverty were highest among widowed (8.7
percent) and lowest among married individuals ( 3.0 percent). This compares with living in poverty, where the highest rates were for those individuals who are single, nevermarried (20.6 percent) and separated or divorced (19.5 percent). Furthermore, individuals who are married are the least likely to be in poverty (6.9 percent).

## Educational Attainment, Labor Force Participation, and Health Insurance Coverage

For both those living in and near poverty, educational attainment matters. Individuals with less than a high school degree or a high school degree had higher rates of living in near poverty and poverty than their counterparts with some college/associates degree or college completed. Approximately 29.7 percent of individuals with

Figure 4.
Near-Poverty and Poverty Rates by Selected Characteristics: 2012


Note: For information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>. Source: Authors' calculations. U.S. Census Bureau, 2013 Annual Social and Economic Supplement.

Figure 5.
Family Near-Poverty and Poverty Rates by Family Type: 2012


[^6]less than a high school degree lived in poverty and 10.0 percent lived in near poverty. This compares with approximately 4.5 percent of individuals with college degrees living in poverty and 1.6 percent living near poverty.

Not being in the labor force is associated with being over three times more likely to live in poverty than being in the labor force ( 28.4 percent compared to 8.7 percent). Not being in the labor force is associated with being two times more likely to live in near poverty than being in the labor force (6.7 percent compared to 3.3 percent).

Poverty and near-poverty rates vary by type of health insurance coverage. In 2012, 36.4 percent of individuals with public (no private) health insurance coverage lived in poverty, 28.5 percent of individuals with no health insurance coverage lived in poverty, and 4.8 percent of individuals with private coverage
lived in poverty. During this time, 10.0 percent of individuals with public (no private) coverage lived in near poverty, 8.0 percent of individuals with no health insurance coverage lived in near poverty, and 2.3 percent of individuals with private coverage lived in poverty.

## Family Type

Approximately four times as many families lived in poverty than in near poverty in 2012 (11.8 percent and 3.9 percent, respectively). Just as families composed of a female householder, no husband present had the highest rate of living near poverty by family type (7.3 percent), they also had the highest rate of living in poverty (30.9 percent). The near-poverty and poverty rates for families with a male householder, no wife present were 5.8 percent and 16.4 percent, respectively.

## DISTRIBUTION OF NEAR POVERTY BY SELECTED CHARACTERISTICS: 1966 AND 2012

Another way to describe the nearpoverty population is to examine the distribution of people in near poverty by selected characteristics. Figures 6 a and 6 b show how the distribution of people in near poverty and the total population has changed from 1966 to 2012. These estimates are also in Table A-6. Each bar in the figure shows the representation of each group within the near-poverty population, or the proportion of the near poor having that characteristic. For example, the first panel shows the distribution by age category. In 1966, children under 18 years old composed 42.8 percent of the near-poverty population, adults aged 18 to 64 composed 41.2 percent of the near-poverty population, and those aged 65 and older composed 16.0 percent of that

Figure 6a.
Distribution of Individuals in Near Poverty: 1966 and 2012


## Marital Status




Note: For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>. Source: Authors' calculations. U.S. Census Bureau, 1967 and 2013 Annual Social and Economic Supplements.

Figure 6b.
Distribution of Total Population: 1966 and 2012


Educational Attainment





Labor Force Status


Note: For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>.
Source: Authors' calculations. U.S. Census Bureau, 1967 and 2013 Annual Social and Economic Supplements.
population. ${ }^{10}$ The bars representing these shares sum to 100 percent. A comparison to the shares in 2012 shows children composed a smaller share of the near-poverty population (28.8 percent), and nonelderly adults composed a larger share of the near-poverty population (55.0 percent) in 2012 compared with 1966.

The distribution of the near-poverty population by marital status has changed from 1966 to 2012. Most notably, the proportion of the near poor that was married decreased from 67.3 percent in 1966 to 35.7 percent in 2012. The proportion that was separated or divorced tripled from 6.2 percent in 1966 to 18.6 percent in 2012 . The proportion that was single, never married increased from 13.0 percent in 1966 to 33.8 percent in 2012.

The near-poverty population has seen dramatic shifts in shares by educational attainment. In 1966, the share of the near-poverty population that had less than a high school degree was 70.1 percent, a share that has fallen to 27.8 percent in 2012. All other educational attainment groups make up a larger share of the near-poverty population in 2012 than in 1966. The share for those with a high school diploma increased to 35.5 percent from 21.6 percent. The share for those with some college or an associate's degree increased from 5.1 percent to 24.6 percent, while the share for those with college or
${ }^{10}$ The difference between 42.8 percent of the near-poverty population as children and 41.2 percent of the near-poverty population as adults aged 18 to 64 is not statistically significant.
more increased from 3.3 percent to 12.1 percent.

A larger proportion of the nearpoverty population is not in the labor force in 2012 (59.2 percent) compared with 1966 (34.6 percent), while the proportion of the near-poverty population in the labor force is smaller ( 40.8 percent in 2012 compared with 65.4 percent in 1966).

## DISTRIBUTION OF INDIVIDUALS IN POVERTY AND NEAR POVERTY BY SELECTED CHARACTERISTICS: 2012

As previously mentioned, those in poverty and near poverty are often intertwined with each other. This section provides another comparison of these two low-income groups by examining their distributions by selected characteristics for 2012 in Figure 7 and Table A-7. Children and adults compose a smaller proportion of the nearpoverty population than the poverty population, while those aged 65 and older compose a larger proportion of the nearpoverty population.

White individuals represent a larger share of the near-poverty population than the poverty population ( 76.4 percent compared with 68.8 percent), while Black individuals represent a smaller share ( 17.7 percent compared with 23.8 percent).

Comparing the distribution by marital status shows married individuals make up a larger share of the near-poverty population ( 35.7 percent compared with 28.4 percent), and single, never married individuals make up a smaller share
of the near-poverty population (33.8 percent compared to 44.5 percent).

Interestingly, the difference in shares of each population by educational attainment are either not statistically significant (high school degree and college or more) or differ by a small magnitude (less than high school and some college/associate's degree).

Differences in shares exist by type of health insurance. The share of the near-poverty population covered by public (no private) health insurance ( 43.6 percent) is smaller than the share of the poverty population ( 50.2 percent) covered by public (no private) health insurance. The opposite is true for private coverage, where the share of the near-poverty population with private coverage ( 30.4 percent) exceeds the share of the poverty population with private coverage (20.4 percent). The difference in shares for those without health insurance is 3.4 percentage points.

## PROGRAM PARTICIPATION

Though individuals in near poverty do not have incomes below poverty thresholds, they still participate in a multitude of needs-based federal and local assistance programs. The eligibility for most of these programs typically include income above poverty thresholds. Figure 8 shows trends in program participation of those in near poverty covering 1981-2012. ${ }^{11}$ Table A-8 gives the estimates for 1981 and 2012. The near-poverty measure

[^7]Figure 7.

## Distribution of Individuals in Near Poverty, Poverty, and Total Population: 2012



## Educational Attainment



Labor Force Satus


## Health Insurance Coverage

| Population | Private health insuran | Public health insurance | Not insured |
| :---: | :---: | :---: | :---: |
|  | 15.4 | 63.9 | 20.7 |
| Near poverty | 30.4 | 43.6 | 26.0 |
| Poverty | 20.4 | 50.2 | 29.4 |

Note: For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>. Source: Authors' calculations. U.S. Census Bureau, 2013 Annual Social and Economic Supplement.

in this report does not account for income from all assistance programs. The Research Supplemental Poverty Measure, published for 2009-2012, does account for benefits from assistance programs. Heggeness and Hokayem (2013) show the near-poverty rate using this measure.

For over 3 decades covering 19812012, the most popular assistance program among the near poor is the National School Lunch Program. In 2012, 84.6 percent of individuals in near poverty lived with a family member who received free or reduced lunch in school. This is not surprising since the National School Lunch Program covers children living with families whose income
is below 185 percent of the poverty guidelines. Another popular program in 2012 among those in near poverty was the SNAP. Nearly one-third of those in near poverty, 32.5 percent, lived in a household receiving SNAP benefits in 2012, compared with 22.6 percent in 1981. About 1 in 5 qualified for the EITC in 2012, compared with less than 1 in 10 in 1981.

Figure 9 and Table A-9 compare the participation in assistance programs of individuals in near poverty and individuals in poverty for 2012 . Individuals in poverty tend to participate in these programs more than individuals in near poverty; however, a higher percentage of individuals in near
poverty qualified for the EITC. In 2012, the SNAP participation rate for individuals in poverty was 50.6 percent, 18.2 percentage points higher than the SNAP participation rate for individuals in near poverty. During this year, 8.2 percent of individuals in poverty received public assistance (TANF), while 3.4 percent of individuals in near poverty received public assistance.

## TRANSITIONS INTO AND OUT OF NEAR POVERTY

Earlier in this report, Figure 1 showed trends in the near-poverty rate and the poverty rate over 4 decades. Interestingly, the nearpoverty rate remains more stable over this time period than the poverty rate, even across business

Figure 9.
Proportion of Individuals in Near Poverty and Poverty Receiving Assistance: 2012


Note: For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>. Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 2013 Annual Social and Economic Supplement.
cycles. One might ask why the rate of individuals living near poverty is relatively flat. Figure 10 depicts transitions into and out of near poverty from 2011 to 2012. This figure takes advantage of the interview structure of the CPS that allows linking an individual across 2 consecutive years. ${ }^{12}$ The figure

[^8]is based on the group of individuals in both 2011 and 2012, not the entire sample each year. The horizontal line in the figure divides the population into three groups (poverty, near poverty, and above near poverty), and the arrows indicate the number of individuals who enter near poverty (green), exit near poverty (red), and stay in near poverty (blue). ${ }^{13}$ In 2011, 3.9 million individuals were in near poverty, and 4.1 million individuals were in near poverty in 2012 . From 2011 to 2012, 3.3 million individuals entered near poverty, which is not statistically different from the 3.1 million individuals who exited

[^9]near poverty. During this time period, 783,000 individuals stayed in near poverty.

Figure 10 provides some evidence showing that the near-poverty rate remains stable over time because the flow of individuals exiting near poverty is statistically unchanged from the flow of individuals entering near poverty. Hokayem and Heggeness (2014) provide a more detailed analysis of transitions into and out of near poverty for the period 2004 to 2012.

## NEAR-POVERTY RATES BY STATE, 3-YEAR AVERAGE, 2010-2012

For state-level poverty and nearpoverty rates calculated from

Figure 10.


Note: For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>.
Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 2012 and 2013 Annual Social and Economic Supplements.
the CPS ASEC, the Census Bureau recommends using a 3-year average. ${ }^{14}$ Figure 11 shows a map of state near-poverty rates compared with the national 3-year average using data referring to 2010, 2011, and 2012. Table A-11 also presents the number of individuals in near poverty by state. The 3-year average near-poverty rate for the United States was 4.7 percent. Figure 11 classifies each state into one of three categories: higher than the national 3-year average (blue shade), lower than the national 3-year average (yellow

[^10]shade), or not statistically different from the national 3-year average (green shade). Eighteen states had a 3-year average near-poverty rate lower than the national average, including Alaska (3.5 percent), Maryland (2.9 percent), and Virginia (3.7 percent). Twelve states had a 3-year average rate that is higher than the 3-year average national rate, including California (5.3 percent), Florida (5.1 percent), and Kentucky (6.3 percent). Twenty states and the District of Columbia had a 3-year average near-poverty rate that is not statistically different, including Alabama (4.7 percent), Georgia (4.9 percent), and New York (5.0 percent).

## CONCLUSION

When considering individuals living in the low-income population, it is relevant to understand the group living in poverty as well as the group living just above poverty thresholds. This report provides timely and relevant descriptive information on individuals living just above poverty thresholds, the near poor. While there is no legislative mandate or official definition of near poverty, this report defines near poverty as individuals with family income between 100 and 125 of percent of official poverty thresholds. It reports on individuals in near poverty using data from the CPS ASEC covering over 45 years, 1966-2012.

The rate of individuals in near poverty has remained more stable than the rate of individuals in poverty over the past 4 decades. Approximately 1 in 20 individuals, 4.7 percent, lived in near poverty in the United States in 2012. Children, adults aged 18 to 64 , and those aged 65 and older were less likely to be in near poverty in 2012 than in 1966; married-couple families were also less likely to be living near poverty. Individuals with higher educational attainment had lower near-poverty rates. The nearpoverty population participated in federal and state assistance programs with participation highest in the National School Lunch Program and the SNAP in 2012. A higher percentage of the near-poverty population than the poverty population qualified for the EITC.


Source: U.S. Census Bureau, Current Population Survey, 2011-2013 Annual Social and Economic Supplements.

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Table A-1.
Near-Poverty Threshold Range for 2012 by Size of Family and Number of Related Children Under 18 Years
(In dollars)

| Size of family unit | Related children under 18 years |  |  |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | None | One | Two | Three | Four | Five | Six | Seven | Eight or more |
| One person (unrelated individual) <br> Under 65 years 65 years and over | $\begin{aligned} & 11,945-14,931 \\ & 11,011-13,764 \end{aligned}$ |  |  |  |  |  |  |  |  |
| Two people Householder under 65 years . . . Householder 65 years and over. | 15,374-19,218 | $\begin{aligned} & 15,825-19,781 \\ & 15,765-19,706 \end{aligned}$ |  |  |  |  |  |  |  |
| Three people | 17,959-22,449 | 18,480-23,100 | 18,498-23,123 |  |  |  |  |  |  |
| Four people | 23,681-29,601 | 24,069-30,086 | 23,283-29,104 | 23,364-29,205 |  |  |  |  |  |
| Five people. | 28,558-35,698 | 28,974-36,218 | 28,087-35,109 | 27,400-34,250 | 26,981-33,726 |  |  |  |  |
| Six people. | 32,847-41,059 | 32,978-41,223 | 32,298-40,373 | 31,647-39,559 | 30,678-38,348 | 30,104-37,630 |  |  |  |
| Seven people | 37,795-47,244 | 38,031-47,539 | 37,217-46,521 | 36,651-45,814 | 35,594-44,493 | 34,362-42,953 | 33,009-41,261 |  |  |
| Eight people . . . . . . . . . . . . . . . | 42,271-52,839 | 42,644-53,305 | 41,876-52,345 | 41,204-51,505 | 40,249-50,311 | 39,038-48,798 | 37,777-47,221 | 37,457-46,821 |  |
| Nine people or more . . . . . . . . . | 50,849-63,561 | 51,095-63,869 | 50,416-63,020 | 49,845-62,306 | 48,908-61,135 | 47,620-59,525 | 46,454-58,068 | 46,165-57,706 | 44,387-55,484 |

[^11]Table A-2.
Individuals in Near Poverty by Selected Characteristics: 1966 and 2012
(Numbers in thousands)


* Statistically different from zero at the 90 percent confidence level.
${ }^{1}$ SE Standard error.
Note: Standard errors for 1966 estimated using generalized variance function parameters. Standard errors for 2012 are estimated using replicate weights (Fay's Method).

Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 1967 and 2013 Annual Social and Economic Supplements. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.

Table A-3.
Families in Near Poverty by Family Type: 1966 and 2012
(Numbers in thousands)

| Characteristic | 1966 |  |  |  |  | 2012 |  |  |  |  | Change |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Number | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ | Total | Number | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ | Number | Percentage point |
| All families. | 58,915 | 3,564 | 76 | 6.0 | 0.1 | 80,944 | 3,149 | 82 | 3.9 | 0.1 | * -415 | *-2.2 |
| Family Type |  |  |  |  |  |  |  |  |  |  |  |  |
| Married-couple. | 42,697 | 2,264 | 62 | 5.3 | 0.1 | 59,224 | 1,656 | 59 | 2.8 | 0.1 | *-608 | *-2.5 |
| Female householder, no husband present. | 5,154 | 407 | 27 | 7.9 | 0.5 | 15,489 | 1,132 | 48 | 7.3 | 0.3 | *725 | -0.6 |
| Male householder, no wife present | 1,130 | 58 | 10 | 5.1 | 0.9 | 6,231 | 361 | 24 | 5.8 | 0.4 | *303 | 0.7 |

* Statistically different from zero at the 90 percent confidence level.
${ }^{1}$ SE Standard error.
Note: Standard errors for 1966 estimated using generalized variance function parameters. Standard errors for 2012 are estimated using replicate weights (Fay's Method).

Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 1967 and 2013 Annual Social and Economic Supplements. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.

Table A-4.
Individuals in Near Poverty and Poverty by Selected Characteristics: 2012
(Numbers in thousands)

| Characteristic | Near poverty |  |  |  |  | Poverty |  |  |  |  | Difference |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Number | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ | Total | Number | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ | Number | Percentage point |
| All people. | 310,648 | 14,706 | 320 | 4.7 | 0.1 | 310,648 | 46,496 | 546 | 15.0 | 0.2 | *31,790 | *10.2 |
| Age |  |  |  |  |  |  |  |  |  |  |  |  |
| Under 18 years | 73,719 | 4,234 | 140 | 5.7 | 0.2 | 73,719 | 16,073 | 272 | 21.8 | 0.4 | *11,840 | *16.1 |
| 18 to 64 years | 193,642 | 8,091 | 192 | 4.2 | 0.1 | 193,642 | 26,497 | 317 | 13.7 | 0.2 | *18,406 | *9.5 |
| 65 years and older. | 43,287 | 2,381 | 84 | 5.5 | 0.2 | 43,287 | 3,926 | 106 | 9.1 | 0.2 | *1,545 | *3.6 |
| Gender |  |  |  |  |  |  |  |  |  |  |  |  |
| Men | 152,058 | 6,675 | 159 | 4.4 | 0.1 | 152,058 | 20,656 | 282 | 13.6 | 0.2 | *13,982 | *9.2 |
| Women | 158,590 | 8,031 | 190 | 5.1 | 0.1 | 158,590 | 25,840 | 321 | 16.3 | 0.2 | *17,809 | *11.2 |
| Race |  |  |  |  |  |  |  |  |  |  |  |  |
| White | 246,935 | 11,228 | 260 | 4.5 | 0.1 | 246,935 | 31,982 | 449 | 13.0 | 0.2 | *20,754 | *8.4 |
| Black | 40,974 | 2,600 | 129 | 6.3 | 0.3 | 40,974 | 11,079 | 256 | 27.0 | 0.6 | *8,480 | *20.7 |
| Other | 22,739 | 878 | 75 | 3.9 | 0.3 | 22,739 | 3,435 | 156 | 15.1 | 0.6 | *2,556 | *11.2 |
| Marital Status (Aged 18 and older) |  |  |  |  |  |  |  |  |  |  |  |  |
| Married | 126,043 | 3,739 | 129 | 3.0 | 0.1 | 126,043 | 8,636 | 198 | 6.9 | 0.2 | *4,898 | *3.9 |
| Separated or divorced | 30,900 | 1,944 | 74 | 6.3 | 0.2 | 30,900 | 6,040 | 124 | 19.5 | 0.3 | *4,096 | *13.3 |
| Widowed | 14,353 | 1,253 | 56 | 8.7 | 0.4 | 14,353 | 2,198 | 72 | 15.3 | 0.5 | *945 | *6.6 |
| Single, never married. | 65,634 | 3,536 | 106 | 5.4 | 0.2 | 65,634 | 13,548 | 219 | 20.6 | 0.3 | *10,012 | *15.3 |
| Educational Attainment (Aged 25 and older) |  |  |  |  |  |  |  |  |  |  |  |  |
| Less than high school | 24,517 | 2,456 | 98 | 10.0 | 0.4 | 24,517 | 7,275 | 151 | 29.7 | 0.5 | *4,819 | *19.7 |
| High school completed | 61,704 | 3,128 | 102 | 5.1 | 0.2 | 61,704 | 8,562 | 169 | 13.9 | 0.3 | *5,434 | *8.8 |
| Some college/associate's degree | 55,173 | 2,171 | 73 | 3.9 | 0.1 | 55,173 | 5,520 | 115 | 10.0 | 0.2 | *3,350 | *6.1 |
| College completed or more | 65,506 | 1,065 | 63 | 1.6 | 0.1 | 65,506 | 2,949 | 87 | 4.5 | 0.1 | *1,884 | *2.9 |
| Labor Force (Aged 18-64) |  |  |  |  |  |  |  |  |  |  |  |  |
| Not in labor force | 144,571 49,071 | 4,792 3,299 | 123 104 | 3.3 6.7 | 0.1 0.2 | 144,571 49,071 | 12,546 13,951 | 208 | 8.7 28.4 | 0.1 0.3 | *10,652 | * *21.4 |
| Health Insurance Coverage |  |  |  |  |  |  |  |  |  |  |  |  |
| With private coverage.. | 198,678 | 4,476 | 146 | 2.3 | 0.1 | 198,678 | 9,481 | 232 | 4.8 | 0.1 | *5,005 | *2.5 |
| With public, no private coverage | 64,095 | 6,413 | 186 | 10.0 | 0.3 | 64,095 | 23,355 | 374 | 36.4 | 0.4 | *16,942 | *26.4 |
| Not insured | 47,876 | 3,816 | 147 | 8.0 | 0.3 | 47,876 | 13,660 | 246 | 28.5 | 0.4 | *9,844 | *20.6 |
| Region |  |  |  |  |  |  |  |  |  |  |  |  |
| Northeast. | 55,050 | 2,440 | 132 | 4.4 | 0.2 | 55,050 | 7,490 | 183 | 13.6 | 0.3 | *5,050 | *9.2 |
| West | 73,303 | 3,631 | 155 | 5.0 | 0.2 | 73,303 | 11,049 | 249 | 15.1 | 0.3 | *7,418 | *10.1 |
| Midwest | 66,337 | 2,690 | 119 | 4.1 | 0.2 | 66,337 | 8,851 | 236 | 13.3 | 0.4 | *6,161 | *9.3 |
| South . | 115,957 | 5,945 | 198 | 5.1 | 0.2 | 115,957 | 19,106 | 417 | 16.5 | 0.4 | *13,161 | *11.3 |

* Statistically different from zero at the 90 percent confidence level.
${ }^{1}$ SE Standard error.
Note: Standard errors for 2012 are estimated using replicate weights (Fay's Method).
Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 2013 Annual Social and Economic Supplement. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.

Table A-5.
Families in Near Poverty and Poverty by Family Type: 2012
(Numbers in thousands)

| Characteristic | Near poverty |  |  |  |  | Poverty |  |  |  |  | Difference |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Number | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ | Total | Number | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ | Number | Percentage point |
| All families. | 80,944 | 3,149 | 82 | 3.9 | 0.1 | 80,944 | 9,520 | 140 | 11.8 | 0.2 | * 6,371 | * 7.9 |
| Family Type |  |  |  |  |  |  |  |  |  |  |  |  |
| Married-couple. | 59,224 | 1,656 | 59 | 2.8 | 0.1 | 59,224 | 3,705 | 88 | 6.3 | 0.1 | *2,049 | *3.5 |
| Female householder, no husband present. | 15,489 | 1,132 | 48 | 7.3 | 0.3 | 15,489 | 4,793 | 119 | 30.9 | 0.6 | *3,661 | *23.6 |
| Male householder, no wife present | 6,231 | 361 | 24 | 5.8 | 0.4 | 6,231 | 1,023 | 49 | 16.4 | 0.7 | *662 | *10.6 |

* Statistically different from zero at the 90 percent confidence level.
${ }^{1}$ SE Standard error.
Note: Standard errors for 2012 are estimated using replicate weights (Fay's Method).
Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 2013 Annual Social and Economic Supplement. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.

Table A-6.
Distribution of Individuals in Near Poverty: 1966 and 2012
(Numbers in thousands)


* Statistically different from zero at the 90 percent confidence level.
${ }^{1}$ SE Standard error.
Note: Standard errors for 1966 estimated using generalized variance function parameters. Standard errors for 2012 are estimated using replicate weights (Fay's Method).

Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 1967 and 2013 Annual Social and Economic Supplements. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.

Table A-7.
Distribution of Individuals in Near Poverty and Poverty: 2012
(Numbers in thousands)

| Characteristic | Near poverty |  | Poverty |  | Percentage point difference | Total population |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Percent | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ |  | Percent | SE ${ }^{1}$ |
| Age |  |  |  |  |  |  |  |
| Under 18 years | 28.8 | 0.59 | 34.6 | 0.33 | *5.8 | 23.9 | 0.03 |
| 18 to 64 years | 55.0 | 0.57 | 57.0 | 0.29 | *2.0 | 62.2 | 0.04 |
| 65 years and older. | 16.2 | 0.53 | 8.4 | 0.22 | *-7.8 | 13.9 | 0.03 |
| Gender |  |  |  |  |  |  |  |
| Men | 45.4 | 0.47 | 44.4 | 0.28 | *-1.0 | 49.0 | 0.01 |
| Women | 54.6 | 0.47 | 55.6 | 0.28 | *1.0 | 51.0 | 0.01 |
| Race |  |  |  |  |  |  |  |
| White | 76.4 | 0.86 | 68.8 | 0.54 | *-7.6 | 79.5 | 0.05 |
| Black | 17.7 | 0.77 | 23.8 | 0.47 | *6.2 | 13.2 | 0.02 |
| Other | 6.0 | 0.47 | 7.4 | 0.32 | *1.4 | 7.3 | 0.06 |
| Marital Status (Aged 18 and older) |  |  |  |  |  |  |  |
| Married . . . . . . . . . . . . . . | 35.7 | 0.81 | 28.4 | 0.52 | *-7.3 | 53.2 | 0.21 |
| Separated or divorced | 18.6 | 0.65 | 19.9 | 0.38 | *1.3 | 13.0 | 0.13 |
| Widowed | 12.0 | 0.53 | 7.2 | 0.22 | *-4.7 | 6.1 | 0.08 |
| Single, never married. | 33.8 | 0.65 | 44.5 | 0.52 | *10.8 | 27.7 | 0.15 |
| Educational Attainment (Aged 25 and older) |  |  |  |  |  |  |  |
| Less than high school | 27.8 | 0.89 | 29.9 | 0.47 | *2.1 | 11.9 | 0.14 |
| High school completed | 35.5 | 0.87 | 35.2 | 0.49 | -0.2 | 29.8 | 0.20 |
| Some college/associate's |  |  |  |  |  |  |  |
| College completed or more | 12.1 | 0.65 | 12.1 | 0.36 | 0.1 | 31.7 | 0.21 |
| Labor Force (Aged 18-64) |  |  |  |  |  |  |  |
| In labor force | 40.8 | 0.74 | 47.4 | 0.49 | *6.6 | 74.7 | 0.17 |
| Not in labor force | 59.2 | 0.74 | 52.7 | 0.49 | *-6.6 | 25.3 | 0.17 |
| Health Insurance Coverage |  |  |  |  |  |  |  |
| With private coverage | 30.4 | 0.83 | 20.4 | 0.45 | *-10.1 | 15.4 | 0.13 |
| With public, no private coverage | 43.6 | 0.84 | 50.2 | 0.50 | *6.6 | 63.9 | 0.22 |
| Not insured | 26.0 | 0.75 | 29.4 | 0.42 | *3.4 | 20.7 | 0.17 |
| Region |  |  |  |  |  |  |  |
| Northeast. | 16.6 | 0.77 | 16.1 | 0.36 | -0.5 | 17.7 | 0.03 |
| West | 24.7 | 0.92 | 23.8 | 0.49 | *-0.9 | 21.4 | 0.04 |
| Midwest | 18.3 | 0.75 | 19.0 | 0.50 | *0.8 | 37.3 | 0.04 |
| South. | 40.4 | 1.02 | 41.1 | 0.64 | 0.7 | 23.6 | 0.04 |

* Statistically different from zero at the 90 percent confidence level.
${ }^{1}$ SE Standard error.
Note: Standard errors for 1966 estimated using generalized variance function parameters. Standard errors for 2012 are estimated using replicate weights (Fay's Method).

Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 1967 and 2013 Annual Social and Economic Supplements. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.

Table A-8.

## Program Participation of Individuals in Near Poverty: 1981 and 2012

(Numbers in thousands)

| Program | 1981 |  |  |  |  | 2012 |  |  |  |  | Change |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Number | $\mathrm{SE}^{1}$ | Percent | $\mathrm{SE}^{1}$ | Total | Number | $\mathrm{SE}^{1}$ | Percent | $\mathrm{SE}^{1}$ | Number | Percentage point |
| Public assistance. | 11,926 | 1,582 | 112 | 13.3 | 0.9 | 14,706 | 496 | 62 | 3.4 | 0.4 | *-1,086 | *-9.9 |
| Food stamps/SNAP | 11,926 | 2,691 | 146 | 22.6 | 1.1 | 14,706 | 4,772 | 186 | 32.5 | 1.1 | *2,082 | *9.9 |
| Housing subsidies | 4,659 | 248 | 45 | 5.3 | 0.9 | 7,218 | 510 | 60 | 7.1 | 0.8 | *263 | 1.8 |
| Energy assistance. | 11,926 | 1,233 | 99 | 10.3 | 0.8 | 14,706 | 1,451 | 96 | 9.9 | 0.6 | 217 | -0.5 |
| Earned Income Tax Credit | 11,926 | 976 | 88 | 8.2 | 0.7 | 14,706 | 3,047 | 84 | 20.7 | 0.4 | *2,071 | *12.5 |
| School lunch program | 4,579 | 3,144 | 158 | 68.7 | 1.9 | 6,029 | 5,103 | 203 | 84.6 | 1.2 | *1,959 | *16.0 |
| WIC (only since 2000) | 7,430 | 1,659 | 115 | 22.3 | 1.4 | 8,500 | 1,679 | 120 | 19.8 | 1.1 | 20 | -2.6 |

* Statistically different from zero at the 90 percent confidence level.
${ }^{1}$ SE Standard error.
Note: Standard errors for 1981 estimated using generalized variance function parameters. Standard errors for 2012 are estimated using replicate weights (Fay's Method).

Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 1982 and 2013 Annual Social and Economic Supplements. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.

Table A-9.
Program Participation of Individuals in Near Poverty and Poverty: 2012
(Numbers in thousands)

| Program | Near poverty |  |  |  |  | Poverty |  |  |  |  | Difference |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Total | Number | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ | Total | Number | SE ${ }^{1}$ | Percent | SE ${ }^{1}$ | Number | Percentage point |
| Public assistance. | 14,706 | 496 | 62 | 3.4 | 0.4 | 46,496 | 3,821 | 186 | 8.2 | 0.4 | *3,325 | *4.8 |
| Food stamps/SNAP | 14,706 | 4,772 | 186 | 32.5 | 1.1 | 46,496 | 23,550 | 459 | 50.6 | 0.6 | *18,778 | *18.2 |
| Housing subsidies | 7,218 | 510 | 60 | 7.1 | 0.8 | 25,525 | 2,122 | 112 | 8.3 | 0.4 | *1,612 | *1.2 |
| Energy assistance. | 14,706 | 1,451 | 96 | 9.9 | 0.6 | 46,496 | 5,515 | 205 | 11.9 | 0.4 | *4,065 | *2.0 |
| Earned Income Tax Credit | 14,706 | 3,047 | 84 | 20.7 | 0.4 | 46,496 | 7,745 | 138 | 16.7 | 0.2 | *4,698 | *-4.1 |
| School lunch program | 6,029 | 5,103 | 203 | 84.6 | 1.2 | 21,923 | 19,405 | 412 | 88.5 | 0.6 | *14,302 | *3.9 |
| WIC | 8,500 | 1,679 | 120 | 19.8 | 1.1 | 30,258 | 7,921 | 254 | 26.2 | 0.7 | *6,242 | *6.4 |

* Statistically different from zero at the 90 percent confidence level.
${ }^{1}$ SE Standard error.
Note: Standard errors for 2012 are estimated using replicate weights (Fay's Method).
Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 2013 Annual Social and Economic Supplement. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.

Table A-10.
Near Poverty Entrances and Exits: 2011 and 2012
(Numbers in thousands)

| 2011 Status | 2012 Status |  |  |
| :---: | :---: | :---: | :---: |
|  | Poverty (below 100 percent) | Near poverty (100-125 percent) | Above near poverty (above 125 percent) |
| Poverty (below 100 percent) | 6,618 | 1,146 | 3,858 |
| Standard error | 217 | 85 | 136 |
| Near poverty (100-125 percent) | 1,045 | 783 | 2,095 |
| Standard error | 76 | 60 | 112 |
| Above near poverty (above 125 percent) | 4,012 | 2,150 | 76,000 |
| Standard error | 155 | 109 | 658 |

Note: Standard errors are estimated using replicate weights (Fay's method).
Source: U.S. Census Bureau, Current Population Survey, 2012 and 2013 Annual Social and Economic Supplement. For information on sampling and nonsampling error, see <www.census.gov/prod//techdoc/cps/cpsmar13.pdf>.

Table A-11.
Individuals in Near Poverty by State, 3-Year Average: 2010-2012

| State | 3 -year average |  |  |  |  | Difference from national rate |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 2010-2012 |  |  |  |  |  |
|  | Total | Number | Standard error | Percent | Standard error |  |
| United States. | 308,411 | 14,578 | 182 | 4.7 | 0.1 |  |
| Alabama | 4,764 | 225 | 30 | 4.7 | 0.6 | 0.0 |
| Alaska | 703 | 25 | 3 | 3.5 | 0.4 | *-1.2 |
| Arizona | 6,538 | 318 | 28 | 4.9 | 0.4 | 0.1 |
| Arkansas | 2,899 | 197 | 16 | 6.8 | 0.6 | *2.1 |
| California | 37,582 | 1,973 | 76 | 5.3 | 0.2 | *0.5 |
| Colorado | 5,055 | 197 | 15 | 3.9 | 0.3 | *-0.8 |
| Connecticut | 3,524 | 105 | 10 | 3.0 | 0.3 | *-1.7 |
| Delaware | 897 | 44 | 4 | 4.9 | 0.5 | 0.2 |
| District of Columbia | 619 | 26 | 3 | 4.2 | 0.5 | -0.5 |
| Florida | 18,970 | 971 | 51 | 5.1 | 0.3 | *0.4 |
| Georgia | 9,665 | 470 | 34 | 4.9 | 0.4 | 0.1 |
| Hawaii | 1,335 | 58 | 6 | 4.4 | 0.5 | -0.4 |
| Idaho. | 1,568 | 99 | 8 | 6.3 | 0.5 | *1.6 |
| Illinois. | 12,736 | 608 | 38 | 4.8 | 0.3 | 0.0 |
| Indiana. | 6,359 | 234 | 27 | 3.7 | 0.4 | *-1.0 |
| lowa. | 3,005 | 130 | 11 | 4.3 | 0.4 | -0.4 |
| Kansas. | 2,800 | 134 | 10 | 4.8 | 0.4 | 0.1 |
| Kentucky | 4,305 | 269 | 18 | 6.3 | 0.4 | *1.5 |
| Louisiana | 4,459 | 263 | 23 | 5.9 | 0.5 | *1.2 |
| Maine. | 1,318 | 47 | 5 | 3.6 | 0.3 | *-1.1 |
| Maryland | 5,828 | 167 | 17 | 2.9 | 0.3 | *-1.9 |
| Massachusetts. | 6,537 | 245 | 23 | 3.8 | 0.4 | *-1.0 |
| Michigan | 9,724 | 449 | 35 | 4.6 | 0.4 | -0.1 |
| Minnesota | 5,282 | 198 | 14 | 3.8 | 0.3 | *-1.0 |
| Mississippi . | 2,915 | 180 | 17 | 6.2 | 0.6 | *1.5 |
| Missouri. | 5,926 | 227 | 23 | 3.8 | 0.4 | *-0.9 |
| Montana. | 988 | 58 | 6 | 5.8 | 0.7 | *1.1 |
| Nebraska | 1,825 | 74 | 6 | 4.0 | 0.3 | *-0.7 |
| Nevada | 2,704 | 133 | 12 | 4.9 | 0.5 | 0.2 |
| New Hampshire. | 1,301 | 38 | 4 | 2.9 | 0.3 | *-1.8 |
| New Jersey | 8,698 | 342 | 33 | 3.9 | 0.4 | *-0.8 |
| New Mexico. | 2,045 | 115 | 12 | 5.6 | 0.6 | *0.9 |
| New York | 19,248 | 961 | 52 | 5.0 | 0.3 | 0.3 |
| North Carolina . | 9,499 | 496 | 33 | 5.2 | 0.4 | 0.5 |
| North Dakota . | 673 | 21 | 3 | 3.2 | 0.4 | *-1.6 |
| Ohio..... | 11,350 | 471 | 37 | 4.1 | 0.3 | *-0.6 |
| Oklahoma | 3,720 | 161 | 17 | 4.3 | 0.5 | -0.4 |
| Oregon. | 3,824 | 184 | 16 | 4.8 | 0.4 | 0.1 |
| Pennsylvania | 12,630 | 502 | 35 | 4.0 | 0.3 | *-0.7 |
| Rhode Island . | 1,038 | 44 | 4 | 4.3 | 0.4 | -0.5 |
| South Carolina. | 4,612 | 245 | 17 | 5.3 | 0.4 | *0.6 |
| South Dakota. | 810 | 36 | 3 | 4.4 | 0.4 | -0.3 |
| Tennessee. | 6,354 | 343 | 22 | 5.4 | 0.3 | *0.7 |
| Texas. | 25,606 | 1,422 | 66 | 5.6 | 0.3 | *0.8 |
| Utah. | 2,810 | 115 | 13 | 4.1 | 0.5 | -0.6 |
| Vermont. | 618 | 22 | 2 | 3.6 | 0.3 | *-1.1 |
| Virginia. . | 7,934 | 290 | 25 | 3.7 | 0.3 | *-1.1 |
| Washington | 6,794 | 317 | 26 | 4.7 | 0.4 | -0.1 |
| West Virginia | 1,813 | 98 | 13 | 5.4 | 0.7 | 0.7 |
| Wisconsin | 5,643 | 205 | 15 | 3.6 | 0.3 | *-1.1 |
| Wyoming | 563 | 24 | 3 | 4.3 | 0.5 | -0.4 |

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

Note: Standard errors for 2012 are estimated using replicate weights (Fay's Method).
Source: Author's calculations. U.S. Census Bureau, Current Population Survey, 2011-2013 Annual Social and Economic Supplements. For more information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmar13.pdf>.


[^0]:    ${ }^{1}$ Charles Hokayem is an Economist in the Poverty Statistics Branch at the U.S. Census Bureau. Misty L. Heggeness is a Labor Economist at the National Institutes of Health. The analysis in this report was conducted while Misty Heggeness was employed by the U.S. Census Bureau.
    ${ }_{2}$ This report uses the first available and most recently available CPS ASEC, 1967 and 2013, respectively.

[^1]:    ${ }^{3}$ Public assistance programs include Aid to Families With Dependent Children (AFDC) and TANF.

[^2]:    U.S. Department of Commerce

    Economics and Statistics Administration
    U.S. CENSUS BUREAU

[^3]:    ${ }^{4}$ The most recent table can be found in Table 6, "Historical Poverty Tables-People," at <www.census.gov/hhes/www/poverty /data/historical/hstpov6.xls>.
    ${ }^{5}$ For an analysis using alternative near-poor definitions, see Heggeness and Hokayem (2013).
    ${ }^{6}$ Family income refers to the income of members in a family where a family is defined as a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together. Household income refers to income of members in a household where a household consists of all occupiers of a housing unit.

[^4]:    ${ }^{7}$ Heggeness and Hokayem (2013) show the near-poverty rate for alternative definitions ( 133 percent, 150 percent, and 200 percent).

[^5]:    ${ }^{9}$ The West and Midwest were not statistically different from each other in 1966.

[^6]:    Note: For information on sampling and nonsampling error, see <www.census.gov/apsd/techdoc/cps/cpsmarl3.pdf>. Source: Authors' calculations, U.S. Census Bureau, 2013 Annual Social and Economic Supplement.

[^7]:    ${ }^{11}$ The CPS ASEC began collecting program participation data in the early 1980's.

[^8]:    ${ }^{12}$ The Current Population Survey uses a rotating sample design where a household address is in the sample for 4 months, out for 8 months, and back in for 4 months. This sample design allows the linking of households and individuals from one ASEC interview to the next. More details about linking CPS data files can be found here:
    <www.census.gov/cps/files/How\%20 To\%20Link\%20CPS\%20Public\%20Use\%20Files .pdf>. The CPS does not follow individuals who move which may influence rates of entering and exiting near poverty. The Survey of Income and Program Participation does follow individuals who move and can also be used to study transitions into and out of near poverty over a longer period of time.

[^9]:    ${ }^{13}$ Table A-10 shows the entrances and exits by poverty and near-poverty status for 2011 to 2012.

[^10]:    ${ }^{14}$ See Current Population Survey, 2013 Annual Social and Economic Supplement Technical Documentation at <www.census .gov/prod/techdoc/cps/cpsmarl3.pdf> for a discussion on calculating state estimates.

[^11]:    Source: Authors' calculations.

