

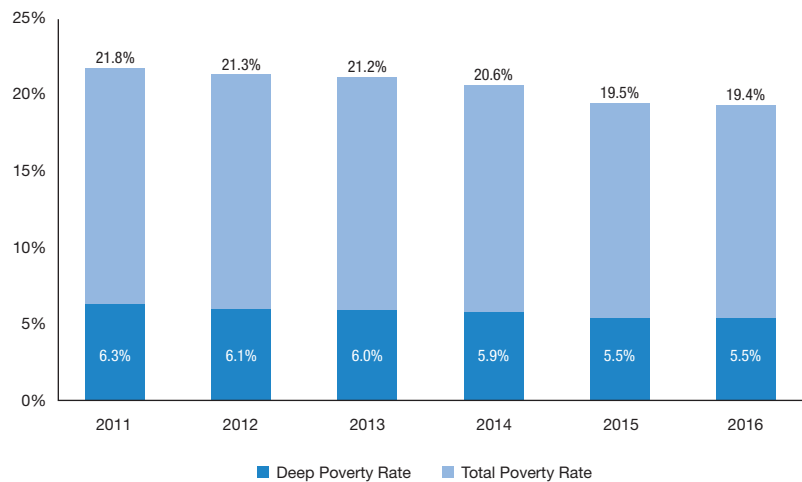
2.1 Million Californians in Deep Poverty

Christopher Wimer, Marybeth Mattingly, Sara Kimberlin, Jonathan Fisher, Caroline Danielson, and Sarah Bohn

The California Poverty Measure (CPM), a joint research product of the Public Policy Institute of California and the Stanford Center on Poverty and Inequality, draws on administrative and survey data to deliver the state’s most comprehensive measure of poverty. We summarize here the key results coming out of our analysis of the 2016 data.

- **1 in 5 Californians are poor:** 7.4 million Californians lived in poverty in 2016. The poverty rate for 2016 (19.4%) is little changed from the rate for 2015 (19.5%). Over the last five years, California poverty has declined just 11 percent.
- **The deep poverty rate is high and unchanged:** 2.1 million Californians lived in deep poverty in 2016. The threshold for being in deep poverty is half the regular poverty threshold.

Figure 1. California poverty has declined only modestly since 2011.



Note: Poverty thresholds under the CPM vary widely due to regional housing cost differences. For a renting family of two adults and two children, for example, the 2016 threshold is approximately \$24,000 in rural counties (e.g., Tulare, Merced), \$31,000 in Los Angeles, and \$38,000 in San Francisco.

A Primer on the California Poverty Measure

The California Poverty Measure is a new index that improves upon conventional poverty measures. The CPM tracks necessary expenditures, adjusts for geographic differences in housing costs, and includes food stamps and other non-cash benefits as resources available to poor families. Do you want to learn more? Check out inequality.stanford.edu/cpm.

- Poverty is higher among some racial-ethnic groups:** Hispanics have a poverty rate of 26.1 percent, blacks have a poverty rate of 18.9 percent, and whites have a poverty rate of 13.5 percent.
- Immigrants also face an especially high poverty rate:** Immigrants have a poverty rate of 25.7 percent, more than 50 percent higher than the poverty rate for U.S.-born Californians (16.8%).
- Poverty affects children at a greater rate than it does adults:** The poverty rate for children (21.3%) remains higher than the rates for working-age adults (18.8%) and elderly adults (18.7%).
- Family structure matters:** Families headed by a married couple are less than half as likely as single-parent families to be in poverty (15.8% vs. 33.7%).
- Work continues to protect against poverty:** Only 11.5 percent of those in families with at least one person working full time (for the full year) are in poverty.
- Education is also protective:** The poverty rate among those in families with at least one college graduate is 8.6 percent. Among those in families where no adult has a high school degree, the poverty rate is 5.6 times higher (48.0%).
- The safety net prevents many Californians from falling into poverty:** Without the safety net programs shown in Figure 3, an additional 4.8 million Californians would be poor.

Figure 2. California poverty by demographic group, 2016.

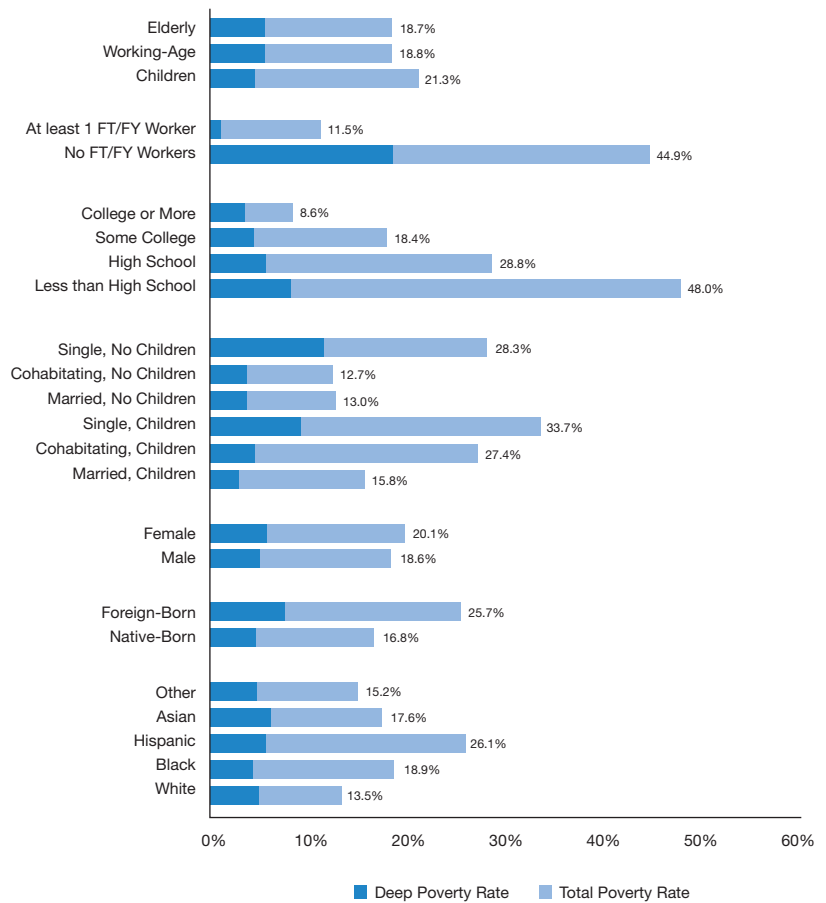


Figure 3. California poverty would be even higher without key safety net programs.

