

Poverty in California

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➤ **Despite improvements, the official poverty rate remains high.**

According to official poverty statistics, 14.3% of Californians lacked enough resources—about \$24,000 per year for a family of four—to meet basic needs in 2016. The rate has declined significantly from 15.3% in 2015, but it is well above the recent low of 12.4% reached in 2007. Moreover, the official poverty line does not account for California's housing costs or other critical family expenses and resources.

➤ **Poverty in California is even higher when factoring in key family needs and resources.**

The California Poverty Measure (CPM), a joint research effort by PPIC and the Stanford Center on Poverty and Inequality, is a more comprehensive approach to gauging poverty in California. It accounts for the cost of living and a range of family needs and resources, including social safety net benefits. According to the CPM, 19.5% of Californians (about 7.5 million) lacked enough resources—about \$30,000 per year for a family of four, roughly \$6,000 higher than the official poverty line—to meet basic needs in 2015, a substantially smaller share than in 2014 (20.6%). Poverty was highest among children (21.6%) and lower among adults age 18–64 (19.0%) and those age 65 and older (18.1%).

➤ **Overall, about four in ten Californians are living in or near poverty.**

Nearly one in five (19.2%) Californians were not in poverty but lived fairly close to the poverty line (up to one and a half times above it). All told, two-fifths (38.7%) of state residents were poor or near poor in 2015. But the share of Californians in families with less than half the resources needed to meet basic needs was 5.5%, a deep poverty rate that is smaller than official poverty statistics indicate.

➤ **Without social safety net programs, more Californians would live in poverty.**

The largest social safety net and low-income tax programs kept an estimated 8.2% of Californians out of poverty in 2015. These programs include CalFresh (California's food stamp program), CalWORKs (cash assistance for families with children), the Earned Income Tax Credit (both the federal EITC and, as of 2015, the new CalEITC), the Child Tax Credit (CTC), Supplemental Security Income (SSI/SSP), General Assistance (GA), federal housing subsidies, the Supplemental Nutrition Program for Women, Infants, and Children (WIC), and free or low-cost school meals. CalFresh and the combined EITCs lowered the poverty rate most, by 2.1 percentage points each. CalWORKs lowered the rate by 1.1 points. These differing effects reflect program scale and scope, as well as participation rates among eligible families.

➤ **Poverty rates and the effect of safety net programs vary regionally.**

Los Angeles (24.9%) and Santa Cruz (24.8%) Counties had the highest poverty rates in California (2013–2015 average). Placer and El Dorado Counties had the lowest rates at 13.1% and 13.2%, respectively. Rates vary even more widely (from 8% to 44%) across [state assembly](#), [state senate](#), and [US congressional districts](#). Safety net programs reduce poverty much more in inland areas: if we subtract these resources from family budgets, 14.2% more people in the Central Valley and Sierra would be poor, compared with 4.5% more in the Bay Area.

➤ **Latinos and less educated Californians have dramatically higher poverty rates.**

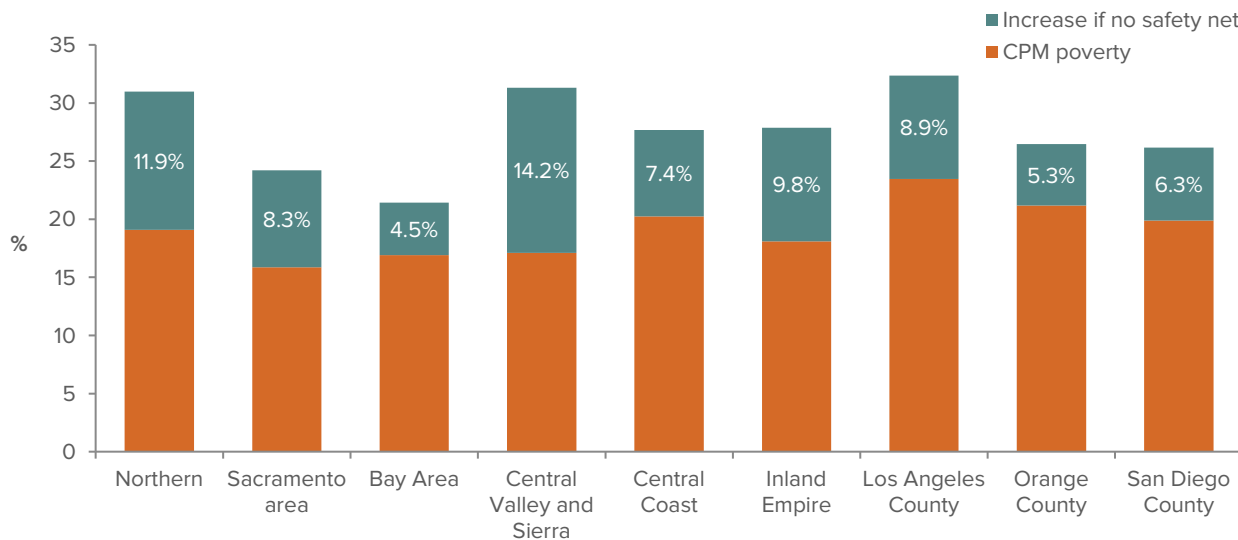
Latinos (27.0%) had much higher poverty rates than whites (13.5%) in 2015. The poverty rate among African Americans (17.1%) and Asian Americans (17.0%) fell in between. More education is associated with strikingly lower poverty rates: the rate for adults age 25–64 with a college degree was 8.2%, compared with 35.5% for those without a high school diploma.

➤ **Most poor families in California are working.**

In 2015, 79.4% of poor Californians lived in families with at least one working adult, excluding families made up only of adults age 65 and older. For 55.8% of those in poverty, at least one family member reported working full-time. For another quarter (23.6%), at least one adult was working part-time.



Poverty would be even higher without the social safety net, especially in inland and northern areas



Source: Estimates from the 2015 CPM.

Note: "No safety net" bars show the estimated increment to the poverty rate if resources from safety net programs are not counted. Program effects may be overlapping, not simply additive. Northern counties: Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Mendocino, Modoc, Nevada, Plumas, Shasta, Sierra, Siskiyou, Tehama, and Trinity. Sacramento area counties: El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba. Bay Area counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma. Central Valley and Sierra counties: Alpine, Amador, Calaveras, Fresno, Inyo, Kern, Kings, Madera, Mariposa, Merced, Mono, San Joaquin, Stanislaus, Tulare, and Tuolumne. Central Coast counties: Monterey, San Benito, San Luis Obispo, Santa Barbara, and Ventura. Inland Empire counties: Imperial, Riverside, and San Bernardino.

Poverty rates vary widely across California's counties

County	Poverty rate (%)	County	Poverty rate (%)	County	Poverty rate (%)
Alameda	17.1	Madera	19.2	San Luis Obispo	19.7
Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne	13.4	Marin	16.3	San Mateo	16.6
Butte	21.6	Merced	20.4	Santa Barbara	24.6
Colusa, Glenn, Tehama, Trinity	16.6	Monterey, San Benito	21.1	Santa Clara	16.2
Contra Costa	15.5	Napa	17.0	Santa Cruz	24.8
Del Norte, Lassen, Modoc, Plumas, Siskiyou	16.8	Nevada, Sierra	18.0	Shasta	17.7
El Dorado	13.2	Orange	21.3	Solano	16.1
Fresno	20.4	Placer	13.1	Sonoma	17.6
Humboldt	20.5	Riverside	19.0	Stanislaus	17.6
Imperial	18.8	Sacramento	17.5	Sutter, Yuba	16.3
Kern	18.9	San Bernardino	18.7	Tulare	22.1
Kings	19.0	San Diego	20.4	Ventura	18.6
Lake, Mendocino	22.7	San Francisco	20.7	Yolo	20.0
Los Angeles	24.9	San Joaquin	17.8		

Source: Estimates from the 2013–2015 CPM combined.

Note: For some counties, poverty rates cannot be calculated individually. Those counties are grouped. All estimates are subject to uncertainty due to sampling variability. The uncertainty is greater for less populous counties and county groups (because of smaller survey sample sizes). The statewide margin of error is ±0.2 percentage points. The median county margin of error is ±2.3 percentage points. Margins of error calculated for a 99 percent confidence interval. For more county-level information and poverty rates by state assembly, state senate, and federal congressional districts, see our data page.

Sources: All estimates are based on the California Poverty Measure unless otherwise noted. Official poverty statistics are from the American FactFinder. For more on the CPM, including methodological changes that affect the comparability with prior publications, see Bohn et al., *The California Poverty Measure* (PPIC, 2013) and Wimer et al., *CPM 2012: Poverty Rates and Safety Net Impacts across the State* (2015).

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