

## 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 \$24,300 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 most recent low of 12.4% 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, 19.4% of Californians (about 7.4 million) lacked enough resources to meet basic needs in 2016—about \$31,000 per year for a family of four, nearly \$7,000 higher than the official poverty line. Poverty was highest among children (21.3%) and lower among adults age 18–64 (18.8%) and those age 65 and older (18.7%). The overall poverty rate went unchanged between 2015 and 2016, following two years of decreases.

➤ **About four in ten Californians are living in or near poverty.**

Nearly one in five (18.9%) 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 (38.2%) of state residents were poor or near poor in 2016. But the share of Californians in families with less than half the resources needed to meet basic needs was 5.6%, 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 programs kept an estimated 7.8% of Californians out of poverty in 2016. These programs include CalFresh (California’s main food assistance program), CalWORKs (cash assistance for families with children), the Earned Income Tax Credit (the federal EITC and state 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 school meals. CalFresh and the combined EITCs lowered the poverty rate most, by 2.1 and 2.0 percentage points, respectively. CalWORKs lowered the rate by 1.0 point. 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 (24.3%) and Santa Cruz (23.8%) Counties had the highest poverty rates in California (2014–2016 average). El Dorado County had the lowest rate, at 11.8%. Rates vary even more widely (from 7.8% to 40.7%) 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, 13.9% more people in the Central Valley and Sierra would be poor, compared with 4.0% more in the Bay Area.

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

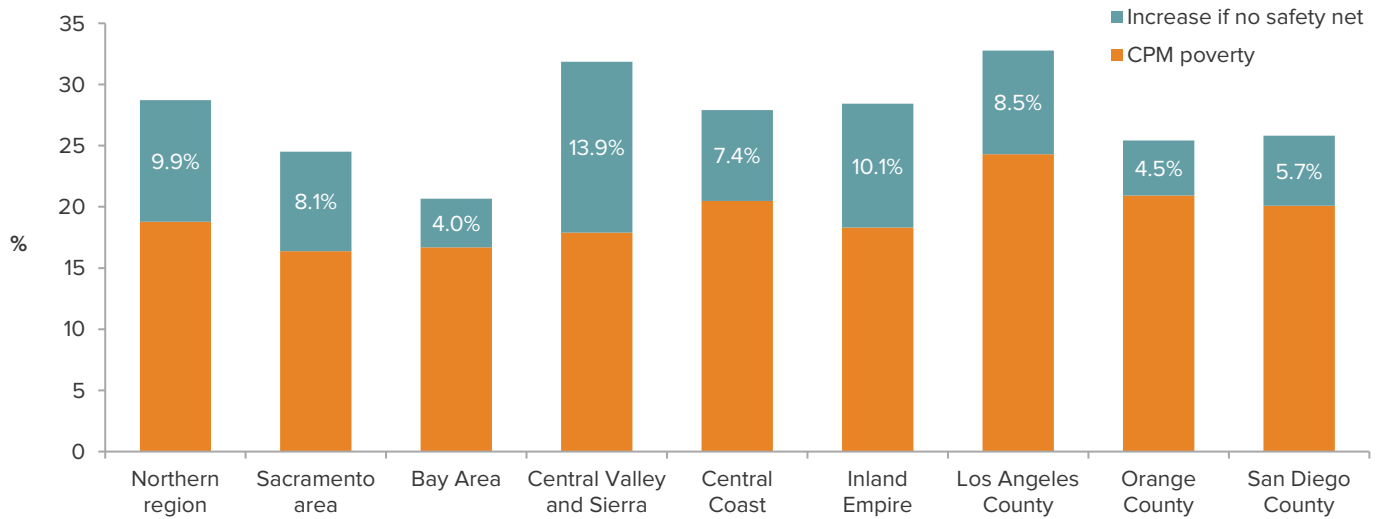
In 2016, 26.1% of Latinos lived in poverty, compared with 18.9% of African Americans, 17.6% of Asian Americans, and 13.5% of whites. Though poverty among Latinos is down from 30.9% in 2011, Latinos remain disproportionately poor (making up 52.8% of poor Californians but 39.2% of all Californians). More education continues to be associated with strikingly lower poverty rates: the rate for adults age 25–64 with a college degree was 8.4%, compared with 34.5% for those without a high school diploma.

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

In 2016, 79.5% of poor Californians lived in families with at least one working adult, excluding families of only adults age 65 and older. For 46.1% of those in poverty, at least one family member reported working full time for the entire year, while 33.4% had a family member who worked part time and/or part of the year.



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



Source: Estimates from the 2016 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 and are not simply additive. Northern region 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	16.7	Madera	16.6	San Luis Obispo	18.5
Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne	13.4	Marin	17.0	San Mateo	16.6
Butte	20.6	Merced	18.4	Santa Barbara	23.0
Colusa, Glenn, Tehama, Trinity	17.2	Monterey, San Benito	19.3	Santa Clara	16.0
Contra Costa	14.8	Napa	16.7	Santa Cruz	23.8
Del Norte, Lassen, Modoc, Plumas, Siskiyou	15.5	Nevada, Sierra	17.2	Shasta	17.8
El Dorado	11.8	Orange	20.9	Solano	15.6
Fresno	19.6	Placer	12.9	Sonoma	17.1
Humboldt	19.6	Riverside	18.3	Stanislaus	15.7
Imperial	20.3	Sacramento	17.3	Sutter, Yuba	16.4
Kern	18.9	San Bernardino	18.2	Tulare	20.3
Kings	16.8	San Diego	20.1	Ventura	18.3
Lake, Mendocino	21.6	San Francisco	18.9	Yolo	20.2
Los Angeles	24.3	San Joaquin	15.8		

Source: Estimates from the 2014–2016 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 median county margin of error is ±2.1 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 [interactive maps](#).

Sources: All estimates are based on the California Poverty Measure (CPM) unless otherwise noted. Official poverty statistics are from the [American Community Survey](#). For more about the CPM, see Bohn et al., *The California Poverty Measure* (PPIC, 2013). For methodological changes that affect comparability with publications prior to 2016, see Bohn et al., *The California Poverty Measure: 2014* (Stanford Center on Poverty and Inequality, 2017).

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