

Poverty in California

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This year's California Poverty Measure estimates describe poverty in 2018—using the most up-to-date data available—and so do not cover the economic impact of COVID-19.

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

According to official federal poverty statistics, 12.8% of Californians lacked enough resources—about \$25,500 per year for a family of four—to meet basic needs in 2018. This represents a modest decline from 13.3% in 2017 and is slightly above the lowest recent rate of 12.4% (in 2007). Moreover, the **official poverty measure** does not account for California's housing costs or other critical family expenses and resources.

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

The California Poverty Measure (CPM), a joint research effort by PPIC and the Stanford Center on Poverty and Inequality, takes a comprehensive approach to poverty across the state. It accounts for the cost of living and a range of family needs and resources, including safety net benefits. According to the CPM, 17.6% of Californians (about 6.8 million) lacked enough resources—\$34,200 per year for a family of four, on average—to meet basic needs in 2018. This is nearly identical to the rate in 2017. Poverty was higher among children (18.8%) and adults age 65 and older (19.0%), and lower among adults age 18–64 (16.8%).

➤ **More than a third of Californians are living in or near poverty.**

Nearly one in five (17.6%) Californians were not in poverty but lived fairly close to the poverty line (up to one and a half times above it). All told, more than a third (35.2%) of state residents were poor or near poor in 2018. But the share of Californians in families with less than half the resources needed to meet basic needs was 5.1%, a deep poverty rate that is about the same as official poverty statistics indicate.

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

The largest social safety net programs kept an estimated 7.0% of Californians out of poverty in 2018. Most safety net programs are designed to prioritize children, and in 2018 kept 12.8% of children out of poverty. The combined federal and state Earned Income Tax Credits (EITCs) lowered poverty rates most, by 1.7 points overall, and CalFresh lowered the overall poverty rate by 1.6 points; the federal Child Tax Credit (CTC) lowered the rate by 1.2 points. CalWORKs lowered the rate by 0.8 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 widely across the state.**

Los Angeles (22.3%) and Santa Barbara (21.1%) Counties had the highest poverty rates (2016–2018 average). El Dorado County had the lowest rate, at 10.5%. As shown by **PPIC's interactive maps**, rates vary even more widely (4.5% to 40.5%) across local areas and legislative districts. Safety net programs reduce poverty much more in inland areas: without them, poverty would be 12.6 points higher in the Central Valley and Sierra, but only 3.4 points higher in the Bay Area. In part, these differences reflect variations in eligibility driven by the cost of living.

➤ **Poverty remains dramatically higher among Latinos and less-educated adults.**

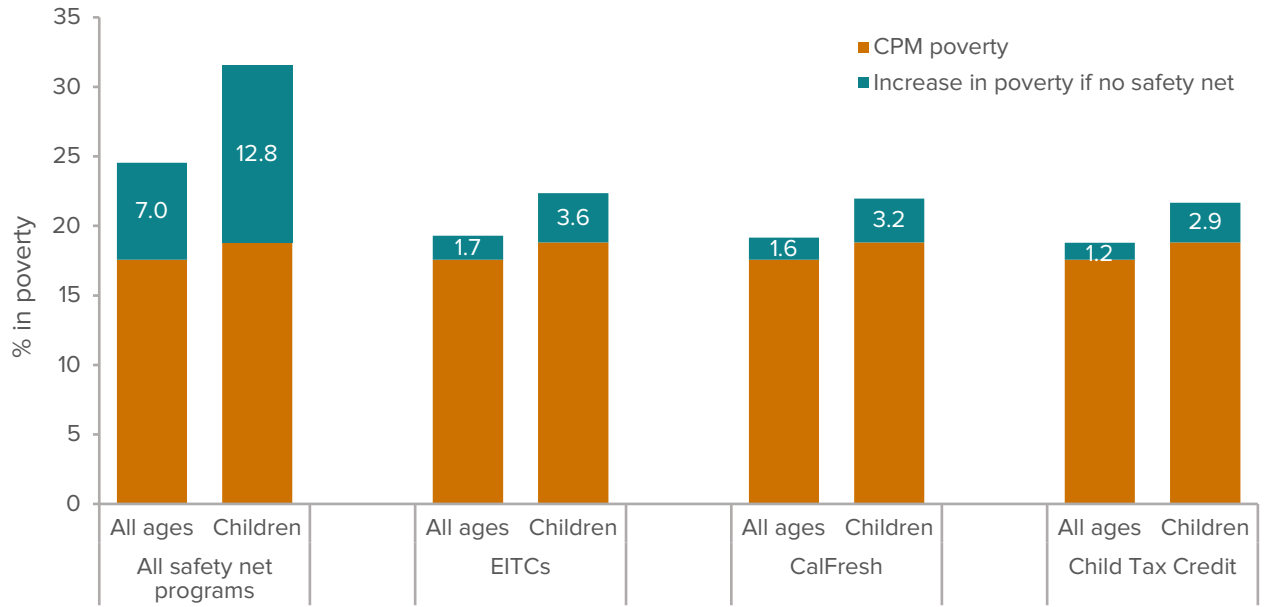
In 2018, 22.9% of Latinos lived in poverty, compared to 18.2% of African Americans, 15.9% of Asian Americans/Pacific Islanders, and 12.8% of whites, as **PPIC's interactive shows**. Though the Latino poverty rate has fallen from 30.9% in 2011, Latinos remain disproportionately poor—comprising 51.4% of poor Californians but only 39.6% of the state population. Education continues to be tied to poverty rates: poverty was 7.7% among college graduates age 25–64 and 30.6% among adults age 25–64 without a high school diploma.

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

In 2018, 79.0% of poor Californians lived in families with at least one working adult, excluding families made up of adults age 65 and older. For 44.7% of those in poverty, at least one family member reported working full time for the entire year, while 33.9% had a family member who worked part time and/or part of the year.



Poverty would be even higher without the safety net, especially among children



Source: Estimates from the 2018 CPM.

Notes: “Increase in poverty if no safety net” segments show the estimated increment to the poverty rate if safety net resources are not counted. Program effects may overlap and are not simply additive. Children are ages 0–17. “All safety net programs” includes CalFresh (California’s main food assistance program), Earned Income Tax Credits (federal and state), CalWORKs (cash assistance for families with children), 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.

Poverty rates vary widely across California’s counties

County	Poverty rate (%)	County	Poverty rate (%)	County	Poverty rate (%)
Alameda	14.5	Madera	18.3	San Luis Obispo	14.9
Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne	14.1	Marin	15.5	San Mateo	16.0
Butte	18.3	Merced	15.6	Santa Barbara	21.1
Colusa, Glenn, Tehama, Trinity	15.9	Monterey, San Benito	17.4	Santa Clara	15.5
Contra Costa	13.9	Napa	13.8	Santa Cruz	18.6
Del Norte, Lassen, Modoc, Plumas, Siskiyou	14.0	Nevada, Sierra	18.1	Shasta	18.0
El Dorado	10.5	Orange	19.7	Solano	12.8
Fresno	17.7	Placer	12.1	Sonoma	15.1
Humboldt	19.5	Riverside	17.1	Stanislaus	14.5
Imperial	18.9	Sacramento	16.1	Sutter, Yuba	13.1
Kern	17.6	San Bernardino	16.3	Tulare	18.3
Kings	13.9	San Diego	19.0	Ventura	17.0
Lake, Mendocino	17.3	San Francisco	17.5	Yolo	20.6
Los Angeles	22.3	San Joaquin	15.2		

Source: Estimates from the 2016–2018 CPM combined.

Notes: 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 ±0.3 percentage points. The median county margin of error is ±2.0 percentage points. Margins of error calculated for a 99% confidence interval. For more county-level information and poverty rates by local area and state assembly, state senate, and federal congressional district, see our [interactive maps](#).

Sources: All estimates are based on the California Poverty Measure (CPM) unless otherwise noted. Official poverty statistics in 2018 are from the ACS 1-year estimates available at data.census.gov. 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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