

A Basic Needs Budget Approach to Counting Poverty with the American Community Survey



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Why the need for the Self-Sufficiency Standard?

- > The official poverty measure provides a deprivation threshold
- > Training programs need a threshold that reflect actual costs of living faced by working parents
 - Are clients exiting training programs with an income high enough to meet basic needs?
 - What are basic needs and how do you quantify them?



The Self-Sufficiency Standard calculates how much income working adults need to meet basic needs *without* public or private assistance, varied geographically and by family type



Housing



Child Care



Health Care



Groceries



Miscellaneous



**Taxes &
Tax Credits**



**Emergency
Savings**



Transportation



***Goal:* Estimate number of households with incomes below the Self-Sufficiency Standard**

- > **Datasets = ACS PUMS 1-year dataset (5-year for WY)**
- > **Create new housing units with working-age adults**
 - **Exclude: Group Quarters, households with no adults, persons not expected to work (e.g. seniors & adults with work-limiting disability)**
- > **Calculate new household income of eligible persons**
- > **Code new household for family type:**
 - **Number of adults, number and ages of children**



Issue: ACS PUMS dataset uses unique geographies

- > Public Use Microdata Areas (PUMAs)**
 - Definition: Census defined non-overlapping, statistical areas that partition each state into geographic areas containing no fewer than 100,000 people each

- > Self-Sufficiency Standard is calculated at *county* level**
 - Solution: Use PUMS equivalency file to calculate weighted average

Example: NYC Boroughs vs. PUMAs

Households below the Standard by Borough

Select borough to zoom in on community district

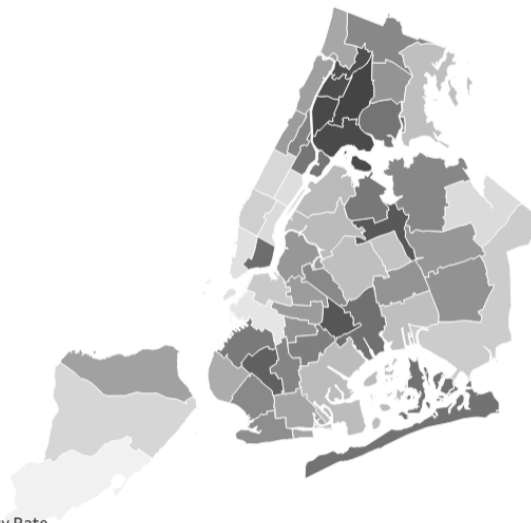


Income Inadequacy Rate



Households below the Standard by PUMA*

Hover over community district for more details



Income Inadequacy Rate



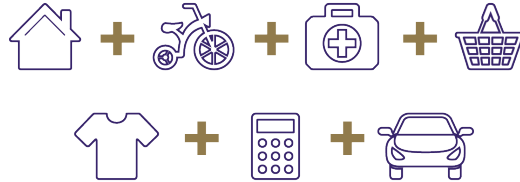
*Public Use Microdata Areas (PUMA) are similar to community districts

Final Step: Compare new household income to Standard for the family type and geographic area

Household Income



Self-Sufficiency Standard



Adequate Income

Household Income
> Self-Sufficiency Standard

OR

Inadequate Income

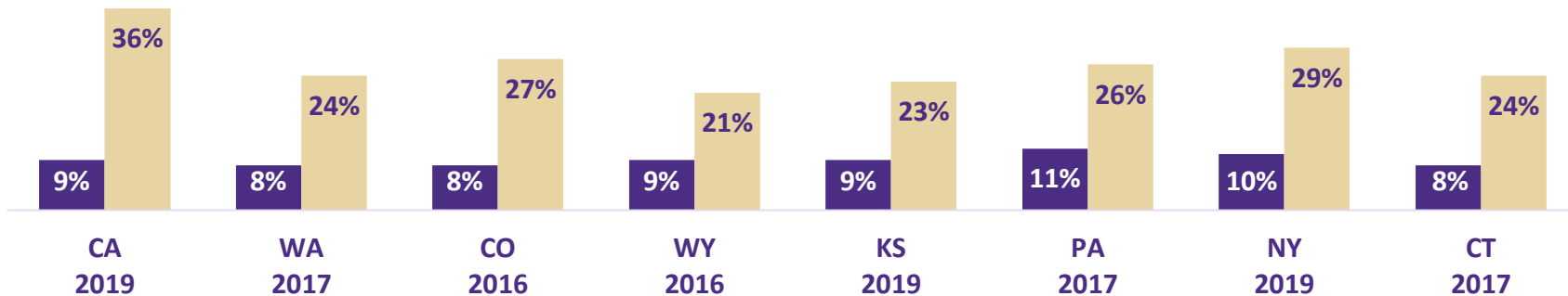
Household Income
< Self-Sufficiency Standard

The Self-Sufficiency Standard Changes the Picture of Income Inadequacy

Percentage of Households with Inadequate Income

■ Below Poverty Threshold

■ Below Self-Sufficiency Standard



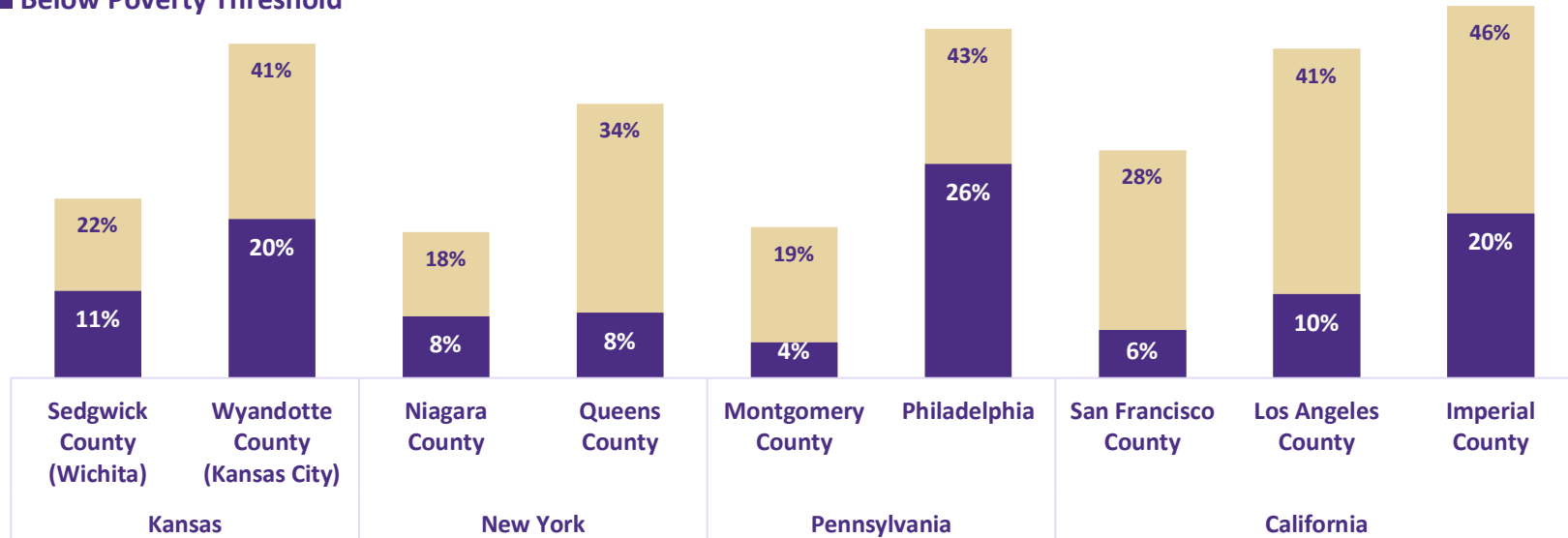
Source: U.S. Census Bureau, 1-Year American Community Survey PUMS data (5-Year ACS PUMS for WY).

Geographic Variation in Income Inadequacy

Percentage of Households with Inadequate Income

■ Below Self-Sufficiency Standard

■ Below Poverty Threshold



Western urban Washington is more expensive but higher proportions of rural eastern households lack adequate income

Percentage of Households Below the Self-Sufficiency Standard for Washington, 2013



21% - 29%



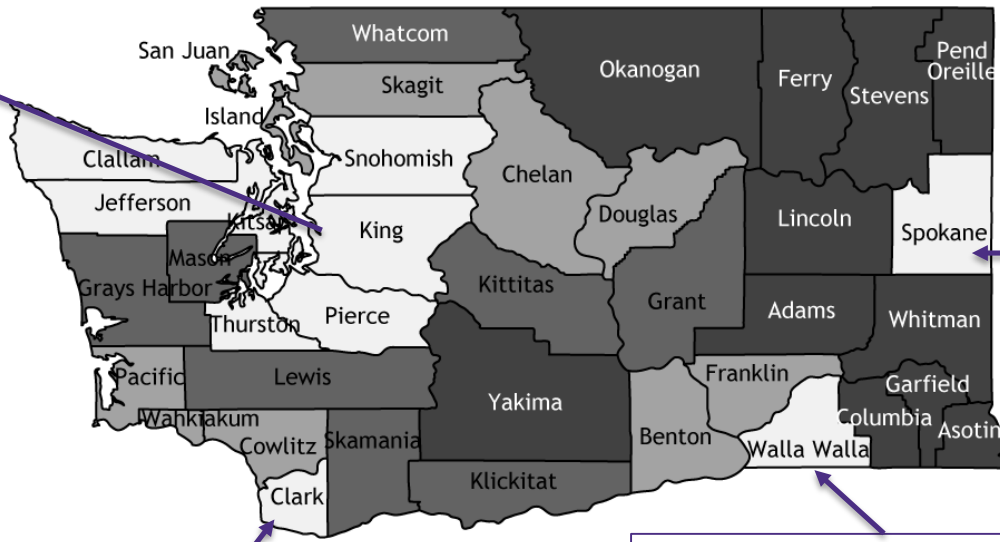
30% - 32%



33% - 36%



38% - 39%



Seattle Metro Area

Higher costs but also higher wages

Spokane City

Portland, OR Metro Area

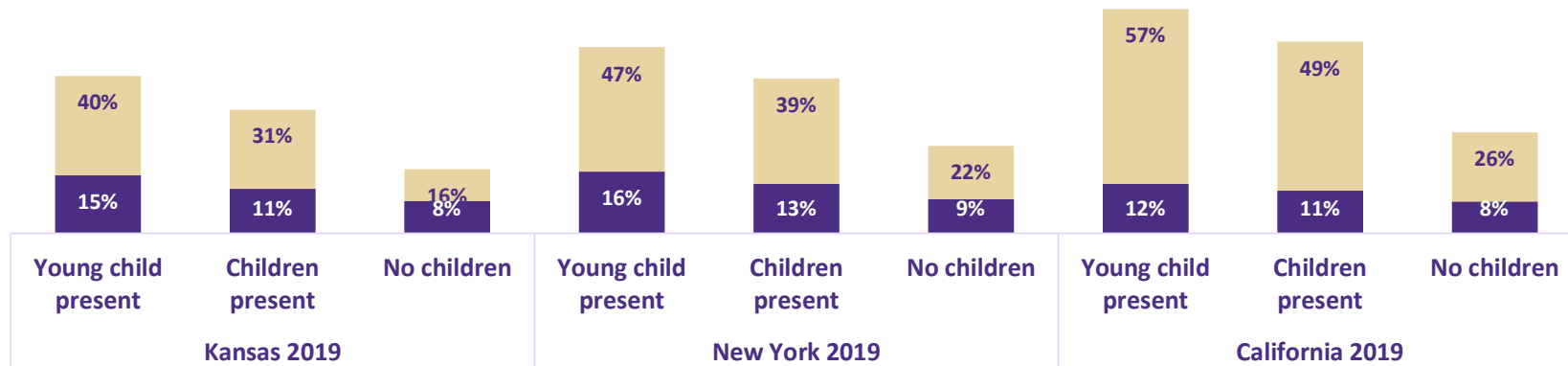
Wine & Liberal Arts College

Families with Children Experience Disproportionate Burden of Insufficient Income

Percentage of Households with Inadequate Income by Presence of Children

■ Below Self-Sufficiency Standard

■ Below Poverty Threshold

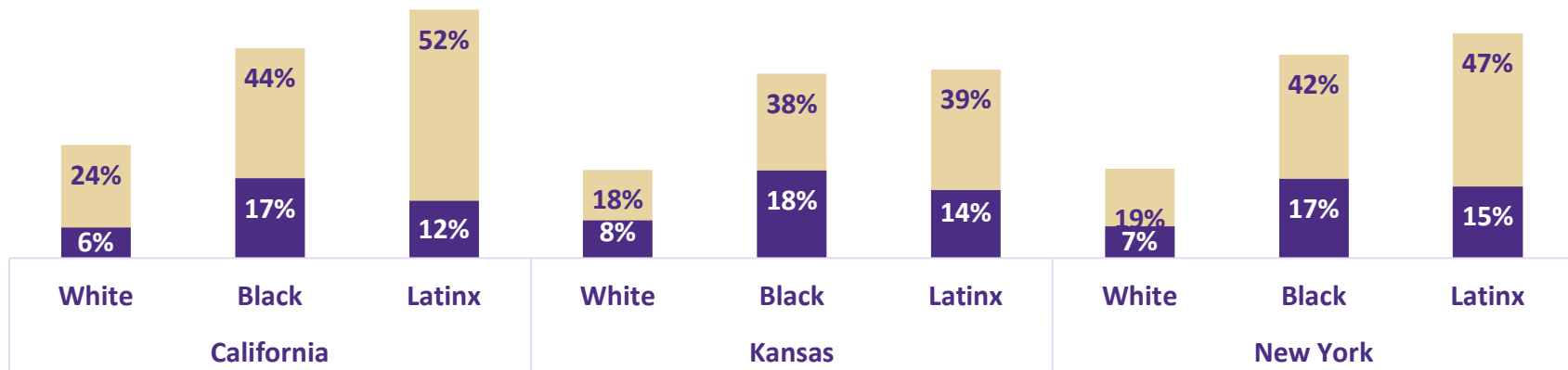


Source: U.S. Census Bureau, 2019 1-Year American Community Survey PUMS data.

Race and ethnicity of householder through the lens of the Self-Sufficiency Standard

Percentage of Households with Inadequate Income

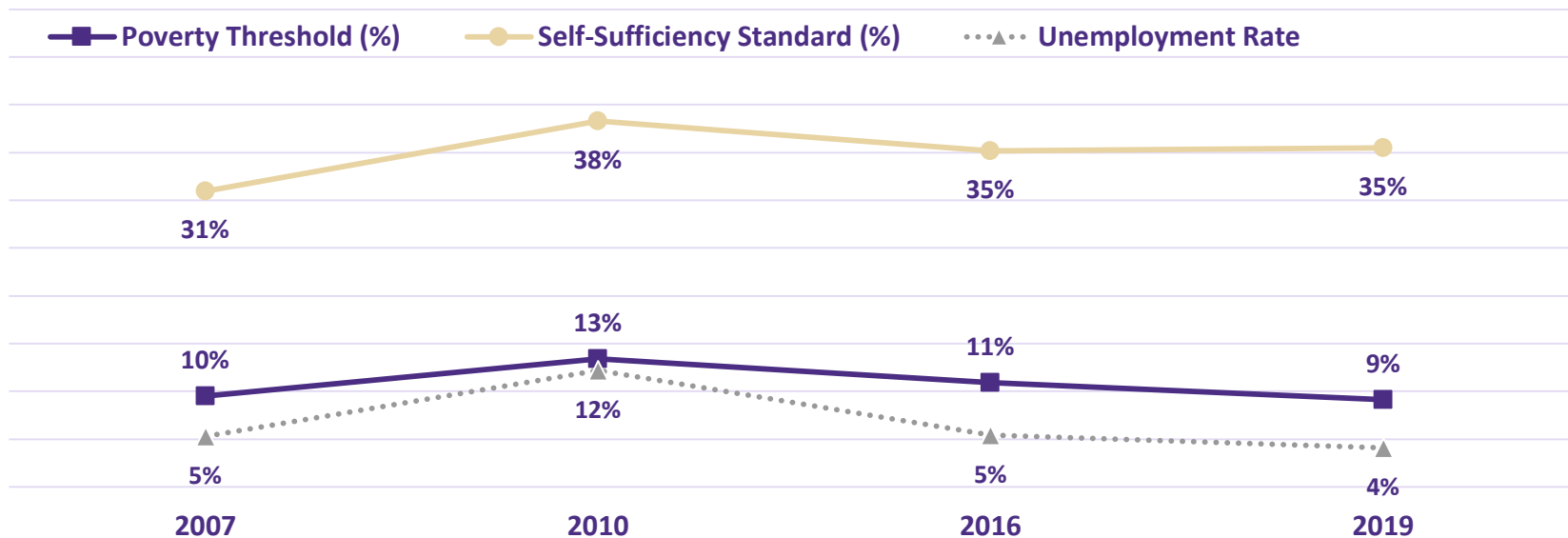
- Below Self-Sufficiency Standard
- Below Poverty Threshold



Source: U.S. Census Bureau, 2019 1-Year American Community Survey PUMS data.

Assessing the Impact of the Great Recession: Changes in Income Inadequacy Overtime

Percentage of Households with Inadequate Income in California



Modeling Policy Changes with the ACS PUMS

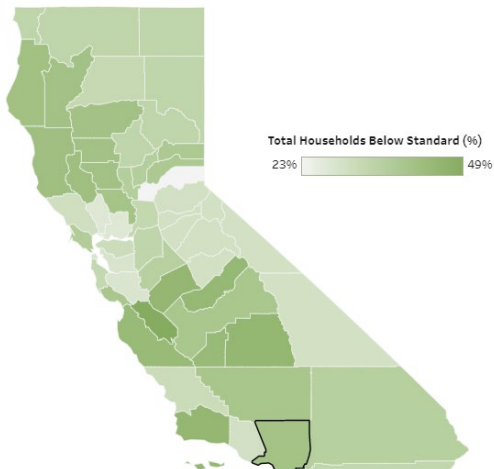


- > ***NYC* expansion of universal pre-k decreases count of income inadequacy for over 5,500 families**
- > ***WA* minimum wage increase in 2014 decreased the count of households below the Self-Sufficiency Standard by 6.9 percentage points**
- > ***In Progress* Impact of tax credit changes included in the American Relief Plan Act**

Tableau dashboards provide tools for further exploring ACS data results

Look Up SSS | Map | Poverty vs SSS | Demographics | Methods

Percentage of Households Below the Standard by County: California 2019



Los Angeles County

41% of households are below the Standard
10% of households are below the poverty threshold

Look Up SSS | Map | Poverty vs SSS | Demographics | Methods

Exploring Income Inadequacy Rates in California, 2019

Overall, 35% of households in California struggle to make ends but some households are at higher risk of not meeting basic needs.

Select Demographic Variable

Educational attainment of householder

Educational attainment of householder

Income Inadequacy Rate

Less than high school 69%

High school graduate

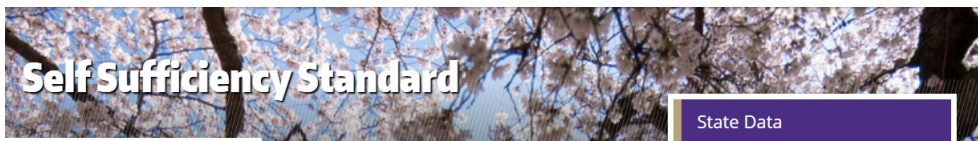
Some college

College graduate and above

Educational attainment of householder

Less than high school:
69% are below Standard

	Less than high school
Total Households (N)	1,140,281
Total Households (%)	12%
Below Poverty (N)	231,602
Below Poverty (%)	20%
Above Poverty & Below Standard (N)	554,876
Above Poverty & Below Standard (%)	49%
Below Standard (N)	786,478
Below Standard (%)	69%
Above Standard (N)	353,803
Above Standard (%)	31%

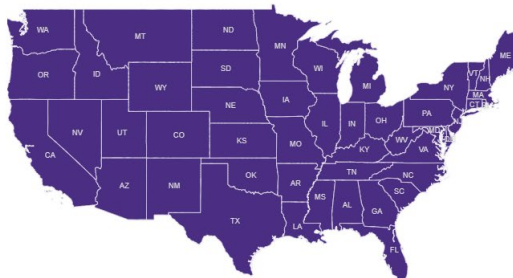


🏠 > [Self-Sufficiency Standard by State](#)

Self-Sufficiency Standard by State

Find the Self-Sufficiency Standard for Your State

The Self-Sufficiency Standard defines how much families need to meet basic needs without the help of public or private assistance. Click on a state or see the [Self-Sufficiency Standard page for your state](#).



State Data

[Resources By State](#)

[Resources by Topic](#)

OTHER RESOURCES

Find Demographic Reports, Self-Sufficiency Calculators, and other [research and resources](#).

GET A SELF-SUFFICIENCY STANDARD FOR YOUR STATE

The Self-Sufficiency Standard has been calculated for [41 states](#). For information about calculating a new Standard or updating an existing Standard, please contact the Center for Women's Welfare at cwssss@uw.edu or (206) 685-5264.

www.selfsufficiencystandard.org/

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