Estimating Resources for Poverty Measurement, 1993 - 2003

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In 1995 the National Academy of Sciences (NAS) released a report recommending revisions to the official measure of poverty. Since then, the Census Bureau has conducted research, and published in a series of reports, a large set of experimental measures that are comparable in concept to these recommendations. In 2004, the NAS held a workshop to gain consensus among experts in the field on a narrower set of experimental measures. This paper presents a limited number of these measures for illustrative purposes. Of interest here are the trends presented in various poverty statistics over a ten-year period. Also shown are the trends in the noncash benefits and necessary expenses that are included in the experimental measures over the same period of time.

In 1995 the National Academy of Sciences Panel on Poverty and Family Assistance released a report recommending revising the current official poverty measure. Their revised measure, though narrowly defined, broadened the scope of the poverty measure to include non-cash benefits and spending on such items as work-related expenses including child care, taxes, and medical expenses -- items not explicitly included in the current measure. Following the release of their 1995 report the Census Bureau published two reports and numerous working papers that presented a series of measures that incorporated many of the recommendations and discussed the relevant measurement issues. This effort led to regular publication of a large set of experimental poverty measures by the Census Bureau and some dissatisfaction with the complexity of the

presentations. Further, there was interest in preparing a time series of experimental measures in order to examine the trends in poverty that would be suggested by a different measure. The large number of experimental measures made this task prohibitive.

In June of 2004, a second workshop was held to discuss the merits of the various experimental measures that had been presented and the measurement choices available. This paper follows the discussion at that workshop with a presentation of time series estimates of only a few experimental poverty measures. The resource definitions chosen for the paper are illustrative of some possible definitions of resources that followed the discussions at the workshop and are not exhaustive. An issue in at least some of the choices was the facilitation of the creation of a 10-year time series.

Poverty thresholds for this experimental series were also addressed at the 2004 workshop. Construction of those thresholds is described in a companion paper (Garner, 2005). Two conceptual approaches are presented there, a spending approach and a consumption approach. Consumption of a good may exceed spending if the good is subsidized in some way or if payments were made in an earlier period of time. For example, families may receive a housing subsidy, allowing them to consume greater housing services than they pay for. Also, families may enjoy housing services from homes already paid off. This distinction guides the concepts in the calculation of the thresholds. The two resource measures presented here represent an attempt to construct consistent measures of the ability of families to meet those needs.

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[1] This paper is released to inform interested parties of ongoing research and to encourage discussion of work in progress. The views expressed on statistical, methodological, technical, or operational issues are those of the author and not necessarily those of the U.S. Census Bureau.

The paper begins with a discussion of many elements that might make up the resource or income side of an experimental poverty measure. The marginal effects on poverty measures are shown for some of the individual elements in order to understand the relative contribution of each element. Finally, a time series of two experimental measures is presented over the period from 1993 to 2003 to illustrate any differences in trends over this period from the current official measure.

This paper uses several surveys to construct alternative poverty measures. First, the Consumer Expenditure Survey (CE) quarterly interview data are used to construct alternative poverty thresholds as recommended by the NAS panel; this procedure is not covered in detail in this paper (see Garner, 2005). Second, to measure family income or, as more broadly defined, family resources, the analysis uses the Current Population Survey Annual Social and Economic Supplement (CPS ASEC) for the income years from 1993 to 2003. Information from the Survey of Income and Program Participation (SIPP) 1996 and 2001 panels is used to value some of the elements in the experimental measures. Data from the 1985 and 1995 American Housing Survey (AHS) contribute housing information to the calculations.

1. The Experimental Family Income or Resource Definition

The current official definition of poverty finds a family to be in poverty if total family pre-tax money income is below that family's poverty threshold, defined to be a particular dollar amount depending upon the family size and composition. The official poverty threshold for a two-adult two-child family was $18,660 in 2003. Following the NAS panel, family income is the sum of money income from all sources plus the value of near-money benefits that meet spending or consumption needs, less expenses that cannot be used to buy the threshold bundle of goods and services. This alternative concept of family income is referred to as "discretionary income" -- income that can be used to meet a family's basic needs (food, clothing, shelter, utilities plus a little bit more) after subtracting necessary expenses such as taxes and work-related expenses.

The next sections of this paper describe the calculation of family resources in experimental poverty measures. This exercise illustrates some of the differences between the official and the experimental measures and sheds light on problems encountered and needed measurement research. This process reveals the steps taken to measure poverty, beginning with a particular

set of poverty thresholds that then determines the appropriate resource measure.

2. Gross Money Income From All Public and Private Sources

The calculation of resources for experimental poverty measures starts with current money income as defined and measured in the CPS ASEC and used to calculate official poverty statistics. This is cash income received on a regular basis and includes income from earnings, any cash transfers, and property income. This is money income received in the previous calendar year of the family residing together as of February, March, or April [the interview date] of the current year. It is before-tax income, regularly received, and as such does not include net capital gains, gifts, lump sum inheritances, or insurance payments.

The CPS ASEC measures income on an annual basis. Respondents report income received in the previous calendar year and their families' participation in most government programs. All dollar figures are reported as the amount received in the previous calendar year. These data are collected in March of each year, near the date when income taxes are due, under the assumption that annual income amounts are available to individual respondents at that time. The income measure that is used in the official poverty measures is defined, according to an Office of Management and Budget (OMB) directive,[2] as income received on a 'regular' basis. Non-means-tested cash transfers such as Social Security benefits and means-tested cash transfers such as Temporary Assistance to Needy Families (TANF) benefits are included in this definition.

3. Addition of the Value of Noncash Benefits

Constructing experimental measures of poverty starts with this definition of gross cash money income, calculated in the CPS, and adds various in-kind transfer payments. The noncash benefits considered are primarily federal programs that are means-tested and aimed at helping poor families meet their basic needs as defined in the poverty thresholds. These may include the transfers received for the acquisition of food, shelter, and utilities if needs are measured as consumption; such as the food stamp program and housing subsidies. In this section of the paper, each program is considered in turn and compared in terms of data collection methods and resulting benefit estimates.

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[2] Office of Management and Budget, 1978.

Food Stamps

Food stamps are designed to allow eligible low-income households to afford a nutritionally adequate diet. Households who participate in the food stamp program are assumed to devote 30 percent of their countable monthly cash income to the purchase of food, and food stamps make up the remaining cost of an adequate low-cost diet. This amount is set at the level of the U.S. Department of Agriculture's Thrifty Food Plan. Total food stamp expenditures in 2002 were reported to be $19 billion, excluding all federal and state administrative costs.[3]

Experimental poverty thresholds calculated from the CE include all expenditures for food including purchases with food stamps. Further, all food is typically consumed soon after the time of purchase so that expenditures on food are a good measure of consumption of food. It is appropriate to include food stamps in a measure of resources and they will be added to both the spending and consumption measures of poverty.

Food stamp benefits are by far the easiest non-cash program to value. Respondents report if they ever received food stamps in the previous calendar year and if so, how much. The calculation of food stamp benefits is straightforward, using the reported face value amounts that are added directly to income. In the CPS calculation, the method adds an annual dollar amount to family income.

As with most of the information on income in household surveys, both cash and non-cash, there is generally evidence of underreporting of transfer receipt in household surveys when compared with administrative data.[4] Aggregate amounts of food stamps received summed across all families reported in the CPS of $11.2 billion are lower than the $19 billion total food stamp expenditures for 2002. Table 1 also shows the aggregate dollar amounts that families received from the food stamp program as reported in the CPS over the period from 1993 to 2003.

Housing Subsidies

Federal housing assistance consists of a number of programs administered primarily by the Department of Housing and Urban Development (HUD). These traditionally take the form of rental subsidies, targeted to very-low-income renters and are either project-based (public housing) or household-based subsidies. The programs generally reduce tenants' rent payments to a fixed percentage of their income after certain deductions, currently 30 percent. In 2002, $22.5 billion was spent on direct housing assistance.[5] In a poverty measure, housing subsidies are only included to meet housing consumption needs. Subsidies do not help the family meet their out-of-pocket costs. For example, a family in the Section 8 housing program pays 30 percent of their income and receives a subsidy for the remainder of the rent. The family spends 30 percent of their income, while they consume housing equal to their expense plus the subsidy.

Including the value of housing subsidies is a more complex task than including the value of food stamps. Respondents are asked to report their current status as of the interview date concerning whether or not they live in public housing or receive help from the government with rent. There is no further information collected that helps to determine a dollar amount to add to family income. Furthermore, since only current status is reported we must make assumptions about the duration of receipt of subsidies. In this case we assume the subsidy was received for all 12 months in the previous calendar year.

The current Census Bureau method uses the 1985 AHS as the source of subsidy value information. A simple regression of unsubsidized two-bedroom units on a small set of characteristics is used to predict the mean monthly rent for two bedroom units by region.[6] The mean rent paid in each region is then subtracted from the mean predicted monthly rent to determine the subsidy amount for a two-bedroom unit. Given adjustments for the number of bedrooms and income of the households, a 36-cell matrix determines a subsidy amount appropriate for a given set of characteristics. Each year the subsidy values are updated for inflation using the Consumer Price Index for Residential Rent. Each family in the CPS is assigned a subsidy from the matrix of values according to its own family income, number of bedrooms, and region. The number of bedrooms for which a family is eligible is based on the composition of the primary family and the related subfamilies.

The Census Bureau has conducted research to investigate improving the methods to value housing subsides. At this time, none have been fully

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[3] Green Book 2004, table 15, http://waysandmeans. house.gov/Documents.asp?section=813.

[4] Roemer, 2000.

[5] Green Book 2004, http://waysandmeans.house.gov/ Documents.asp?section=813.

[6] See Stern, 2001, for a detailed description of current procedures and some work on improving these measures.

implemented.[7] Using the current method, the aggregate value assigned as income to families for housing subsidies in 2003 was about $13 billion. Table 1 shows trends over time of these assigned values.

4. Implicit Income From Owned Homes

Discussion at the 2004 NAS Workshop concerned the notion that homeowners often consume more housing than they pay for out-of-pocket. Homeowners are "better off" than renters and this advantage should be accounted for in a poverty measure. This discussion often arises in the context of comparing poverty rates across age group since elderly families, whose retirement income may be below the poverty line, face lower shelter costs since they own their home outright. Out-of-pocket shelter costs for these families may be near zero and only include property taxes. An out-of-pocket threshold reflects the lower costs that homeowners face.

On the other hand, homeowners are treated as renters in the thresholds if consumption of housing services is used. As a balance, they are treated as landlords on the resource side, to capture income from their rental property. This calculation attempts to monetize the advantages of home ownership. As the landlord, the family receives a net implicit income from their home, which is the amount they receive over and above their costs, such as maintenance and repairs, interest on mortgage, and property taxes paid. Assigning a rate of return to home equity may approximate this value.

Valuing net implicit income from an owned home is difficult. The CPS only collects information on whether the housing unit is owned or rented but does not collect any other information on the residence. The rate of return approach is implemented by conducting a statistical match to the AHS based on characteristics such as age of householder, state, Metropolitan Statistical Area (MSA), and central city status of the household, household income, household size, number of living quarters in the building, and the race, sex, and educational attainment of the householder. For 2003 the match was to the 1995 AHS. The variables obtained from this statistical match are *market value* of owned residence and land, and the amount of the *balance remaining on any mortgage*. The return to home equity is calculated using the average rate of return on high-grade municipal bonds from the Standard and Poor's series. This was 4.73 percent in 2003.[8]

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[7] Stern, 2004.

[8] Unlike the Census Bureau calculation, property taxes are not subtracted as they are assumed to be accounted

As seen in table 1, the aggregate amount for 2003 valued as net implicit income from owned home was $318 billion. The table also shows trends over time of these assigned values. Note that the values are lower in 2003 than in many previous years, including 1994. This anomalous result suggests that the assigned values may be problematic. Additionally, comparisons with similar estimates from the Bureau of Economic Analysis show large discrepancies. A review of this process is currently underway at the Census Bureau.

5. Subtracting Necessary Expenses

The items described above represent all of the additions to income or family resources that are made to calculate an experimental poverty measure. Following the NAS recommendations, the next step is to subtract expenses that must be paid before determining how much money is available to purchase basic necessities. The NAS panel noted that families must first pay taxes and expenses required to work.

They further suggested that child support monies that are paid out should be deducted from income since it is included as income by the receiving family. In Census Bureau income statistics using the CPS this is not done because the amount of child support paid by one household is not collected, while the amount received by another household is collected and added into income. The consequence of this is that child support transfers are doubly counted in household income and official poverty statistics. Previous calculations from the SIPP showed that these expenses were about $22 billion in 2001.

Modeled taxes are subtracted from income whether the thresholds are based on spending or consumption, since taxes must be paid and are not available in either case. In the CPS no information on taxes or work expenses is collected. All of these items, in current calculations of experimental poverty measures, are either assigned or modeled, as discussed below.

Subtraction of Taxes Paid

The NAS panel recommended that the calculation of family resources for poverty measurement should subtract federal, state, and local income taxes, and Social Security payroll taxes (FICA) before assessing the ability of a family to obtain basic necessities such as food, clothing, and shelter. Taking account of tax liability also allows us to account for receipt of an

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for in the applied interest rate along with other landlord costs.

earned income credit (EIC). The EIC is available to low-income working taxpayers.

The CPS collects no information on taxes paid so a tax model is required. These simulations are based on a tax calculator. Also, net realized capital gains are simulated and added to income in the computation of adjusted gross income (AGI). A new tax model for income years 2002 and 2003 better addresses many of the needs identified above. The new tax model has a more complete and accurate calculation of state and local taxes, imputes the presence and amount of capital gains simultaneously using IRS data, and calculates more exclusions and deductions than the earlier model used with the CPS. There are some important differences from the earlier model. Net capital gains assigned are much different. There appear to be problems with the assignment of capital gains and losses with the new model particularly for filers at the lower end of the income distribution. Table 2 shows much higher net capital gains for poor families with the new model than were assigned under the old model. This method is being reviewed to address this problem. Using this model, average federal income tax liability for 2003 is estimated to be about $9,000 for families who paid taxes, and average payroll tax of about $4,000.[9]

Expenses Related to Work

Earning a wage may entail incurring expenses, such as travel to work and purchase of uniforms or tools. For work-related expenses (other than child care) the NAS panel recommended subtracting a fixed amount, $750 for 52-week work-year per earner 18 years of age or older (or about $14.42 per week worked) in 1992. Their calculation was based on 1987 SIPP that collected amounts spent on work expenses in a set of supplementary questions. They calculated 85% of median weekly expenses -- $14.42 per week worked for anyone over 18 in the family in 1992. Total expenses were obtained by multiplying this fixed amount by the number of weeks respondents reported working in the year. The panel argued that, since many families make other sacrifices, move near work, work opposing shifts, to minimize work expenses, reported expenses wouldn't reflect these costs. They reasoned that it would be better to use a fixed dollar amount.

In the 1996 and subsequent panels of SIPP, a new topical module, similar to the one last administered in 1987, was included to collect work-related expenses. In 2003, the value was $18.98 per week worked. This calculation suggests that 78% of families incurred

work expenses on average of approximately $1,300 per year. This sums across all families to about $128 billion for 2003. Trends over time are shown in table 1.

An additional work-related expense for families with children is paying someone to care for young children while parents work. These expenses have become more relevant as labor force participation rates have increased for women with children. Accounting for childcare expenses while parents worked in the CPS followed the method used above for other work-related expenses with one difference. Only those families who had indicated that someone paid for childcare while they worked were assigned these amounts. This question is available in the CPS from 1999 forward. For the years before that the payment of childcare is modeled following the procedure used by the NAS panel and described in Census Bureau publications on these measures.[10]

These expenses are also assigned whether the poverty thresholds are spending or consumption measures, since they are necessary and are not available for meeting other needs. In 2001, the SIPP included a small set of questions to be asked every year about childcare expenses while parents worked. Responses to those questions are used here to compute a median amount for families of different sizes. Using this information, 5 percent of families are assigned childcare expenses resulting in an average amount of about $3,000 for the year 2003. Table 1 lists the assigned amounts over the period from 1993 to 2003.

6. How It All Adds Up and Changes Over Time

This paper has described in some detail all of the calculations that might be included in a measure of family resources similar to that recommended by the NAS panel in 1995 and the 2004 workshop. Calculations of the aggregate amounts for all families, regardless of income, are shown (see table 1). Noteworthy in this table, are the changes in aggregate amounts generated by the new tax model.

Further comparison across aggregate values for subgroups sheds light on how the calculations affect poverty statistics. Tables 2 and 3 show family incomes or resources for those people who are classified as poor and as near poor using the official measure. The additions and subtractions for those who are classified as poor under the official thresholds are in table 2. The table displays trends over time in the various elements of the experimental measures. For the officially poor the main additions to family resources are return to

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[9] O'Hara, 2004.

[10] Short et al., 1999 and Short, 2001.

home equity, the EIC, food stamps, and housing subsidies. The major subtractions are work expenses and payroll taxes.

Finally, a closer look at the "near poor", a group most likely to become poor by the changes to income calculations, is provided in table 3. These calculations are for people with gross money family income just above the official poverty line; family income is between 100 and 125 percent of the official poverty thresholds. Table 3 shows subtractions and additions and suggests that at least some "near-poor" people will be classified as in poverty under this new measure, caused by deductions of necessary expenses from income. The main additions to income for this group include return to home equity and the EIC. The main subtractions are payroll taxes and work expenses.

7. Experimental Poverty Rates

To determine poverty status, total family resources are compared to a measure of the cost of basic needs or poverty thresholds. If family resources are below the amount needed as measured in the thresholds, then they are classified as poor. The official thresholds were originally developed by Mollie Orshansky in the 1960s and updated over time, with some changes, by the Consumer Price Index. These thresholds are used to calculate current official poverty statistics. These measures show the percent of people in families with before tax cash income below official poverty thresholds. In 2003, this measure showed that 12.5 percent of people were in poverty.

Other calculations in Table 4 illustrate the effect of the various additions and subtractions to gross money income. All are compared to the official thresholds and make one change at a time to the definition of income. These measures are useful to understand, ceteris paribus, the effect of valuing inkind federal anti-poverty programs on poverty statistics. For example, adding the value of food stamps to family resources results in a smaller percentage of people, 12.0 percent compared with 12.5 percent, below the official poverty thresholds. Including housing subsidies and return to home equity results in 10.9 percent of people with resources below the official thresholds. A measure that uses after-tax income, with the EIC, shows the anti-poverty effect of this tax program, resulting in 12.0 percent with resources below official thresholds. Subtracting work-related expenses increases the poverty rate to 13.5 percent. These calculations are of interest as they allow an assessment of the relative effectiveness of federal poverty programs and measurement issues on the poverty population.

The NAS measures use poverty thresholds that provide a more current estimate of the cost of an explicitly defined set of basic needs. Taking account of necessary out-of-pocket expenses provides information about families who, while not poor using a cash income measure, may have difficulty meeting basic needs. To this end, two experimental poverty measures are shown that are similar to those that have appeared in previous Census Bureau reports.[11] The first measure uses a threshold representing out-of-pocket spending on food, clothing, shelter and medical costs using CE definitions (see Garner 2005 for details) and is referred to as FCSUM-CE. The resource measure includes the value of food stamps, net tax liabilities, and work expenses. For consistency, the measure adds subsidies that help meet spending needs. This measure classifies 16.0 percent of people to be in poverty in 2003.

The second measure uses a threshold that reflects housing consumption needs. This measure is termed FCSUMR. In this case, homeowners receive net implicit income from their owned home, to help pay for the housing they consume. Also, housing subsidies are added to meet shelter consumption needs. This calculation results in 18.0 percent of people classified as poor in 2003.

Table 4 also shows these measures for the period of time from 1993 to 2003. This allows us to examine trends over time based on the different measures. Before discussing the trends, there should be some caution noted about the inconsistency of these measures as surveys change over time. Changes to the CPS ASEC, the CE, the SIPP, and the AHS are all relevant to these measures. The text box lists several changes to the CPS that affected income measures and demographic groups that occurred over that period of time.

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[11] Short, 2001.

1993	Data collection method changed from paper and pencil to computer-assisted interviewing. In addition, the March 1994 income supplement was revised to allow for the coding of different income amounts on selected questionnaire items. Limits either increased or decreased in the following categories: earnings increased to $999,999; social security increased to $49,999; supplemental security income and public assistance increased to $24,999; veterans' benefits increased to $99,999; child support and alimony decreased to $49,999.
1994	Introduction of 1990 census-based sample design.
1995	Full implementation of the 1990 census-based sample design and metropolitan definitions, 7,000 household sample reduction, and revised race edits.
1999	Starting in 1999, alternative income definition 7 includes federal EIC and EIC for the nine states that use federal eligibility rules to compute the state credit as a percentage of the federal EIC. The nine states are: Iowa, Kansas, Massachusetts, Maryland, New York, Oregon, Rhode Island, Vermont, and Wisconsin. Also starting in 1999, when looking at the quintiles in the historical income series, you will notice that the 50th percentile is based on micro-sorted data and may differ from the median published in the income report which is based on linearly interpolated grouped data. The Census Bureau started using the Bureau of Labor Statistics' CPI-U-RS series as an inflation factor in income year 2000. You may access information on the CPI-U-RS series and the differences between this series and the CPI-U-X1 series at http://www.census.gov/hhes/income/income01/cpiurstxt.html
2000	There are two versions of the 2000 income data available. One version is based on the traditional sample of about 50,000 households and reflects the use of 1990 census population controls. The second version is based on a sample of 78,000 households, reflecting a 28,000 household sample expansion and the use of Census 2000 population controls. Please check the table footnotes and headnotes to ascertain which data is being displayed.

More recent changes to the tax model also affect these calculations. Earlier tables show important changes over time in these estimates while more up-to-date valuation procedures may yield different results. These caveats should be kept in mind when examining the trends shown in table 4.

The figures show that the official poverty rate fell across the period from 1993 to 2000 from 15.1 to 11.3 percent. At this point the official rate began to increase, reaching 12.5 percent in 2003. The pattern is generally paralleled by all of the measures. The two experimental poverty measures display a similar pattern though more pronounced. While not discussed in this paper, the differences are mainly due to the changes in relative prices of the basic goods captured in the experimental thresholds (see Garner, 2005, paper presented in our session in August).

Finally, table 5 shows trends in poverty measures for three age and race population subgroups. While levels vary in expected ways, there are also some differences in trends for these groups that parallel those for the total population.

8. Summary and Conclusions

This paper describes the calculation of family resources following discussions from a 2004 workshop held by the NAS. These calculations follow several years of experimentation at the Census Bureau, BLS, and other government agencies in bringing the current official poverty measure up-to-date. As has been done in previous work, the various elements of a poverty measure were presented individually, with discussion about the measurements relevant for each part. These elements consist of additions and subtractions to money income that are not currently used to calculate poverty statistics.

Following the discussion of the individual additions or subtractions to family resources, the elements were included separately in order to understand the effect that each might have on the calculation of a poverty rate, holding all else constant. This exercise is useful because it allows an assessment of the relative effectiveness of various anti-poverty programs.

Included in the discussion of a resource measure for poverty statistics was an emphasis on consistency with the selected threshold. Depending upon the thresholds selected, effort should be made to calculate a resource measure that represents the ability of the family to meet needs as measured in the thresholds. The distinction between spending and consumption is relevant to the development of poverty measures. Finally, experimental poverty thresholds were used to compare to a measure of family resources that included noncash benefits and equalized the treatment of homeowners and renters. These experimental poverty measures, calculated over a ten-year period, showed trends and levels of poverty that differed from the official measure for the overall population and for some specific subgroups of the population.

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Table 1:Aggregate Additions and Subtractions to Family Resources: 1993 to 2003

(bil$)	Additions							Subtractions				
Total Population	Food stamps	School lunch	Housing Subsidies	Energy Assist.	Home Equity	Net capital gains	EIC	Federal Income Tax	State Income Tax	Payroll taxes	Work Expenses	Childcare
1993	15.0	5.6	10.7	0.8	274.0	106.4	9.8	492.0	128.6	216.0	84.8	15.2
1994	15.3	6.0	10.2	0.7	324.0	123.2	16.0	532.0	140.6	231.0	88.8	17.0
1995	14.5	6.1	10.0	0.5	310.0	135.6	18.6	567.0	149.5	241.0	93.0	17.6
1996	14.2	6.2	10.6	0.5	304.0	179.4	21.6	627.0	163.2	257.0	98.0	19.2
1997	12.3	5.8	10.4	0.5	311.0	239.6	21.7	703.0	180.4	275.0	102.0	20.5
1998	10.8	6.4	10.7	0.4	295.0	339.9	22.5	757.0	200.6	293.0	106.0	21.7
1999	9.6	6.2	10.1	0.6	327.0	457.7	23.5	858.0	224.6	317.0	106.0	18.3
2000	8.7	6.1	10.2	0.7	369.0	468.8	22.5	907.5	237.0	331.0	105.0	18.9
2001	9.7	6.7	11.7	0.8	331.0	483.8	23.7	923.0	248.7	346.0	120.0	19.5
2002	11.2	6.9	12.4	0.7	323.0	58.3	25.7	744.0	179.3	368.0	128.0	18.9
2003	12.9	6.3	12.8	0.9	318.0	71.8	26.1	749.0	188.4	378.0	128.0	18.9

Source: Authors tabulations of 1994 - 2004 CPS ASEC.

Table 2: Aggregate Additions and Subtractions to Family Resources of Official Poor Families: 1993 to 2003

(bil$)	Additions							Subtractions				
Official Poor	Food stamps	School lunch	Housing Subsidies	Energy Assist.	Home Equity	Net capital gains	EIC	Federal Income Tax	Payroll taxes	State Income Tax	Work Expenses	Childcare
1993	11.6	2.5	7.6	0.5	15.1	0.7	3.7	0.1	3.5	0.2	4.3	1.2
1994	11.8	2.6	7.1	0.4	18.2	0.4	6.3	0.1	3.6	0.2	4.2	1.4
1995	10.8	2.5	6.8	0.3	17.5	0.3	7.5	0.2	3.7	0.3	4.4	1.3
1996	10.7	2.6	7.3	0.3	16.7	0.2	8.7	0.2	3.9	0.3	4.7	1.6
1997	9.5	2.3	7.5	0.3	17.2	0.5	8.9	0.1	3.8	0.3	4.7	1.7
1998	8.1	2.5	7.6	0.3	15.5	1.1	9.4	0.2	3.9	0.3	4.7	2.0
1999	7.0	2.3	7.1	0.3	17.3	1.2	9.1	0.2	4.0	0.3	4.5	1.2
2000	6.3	2.1	6.8	0.3	20.1	0.7	8.8	0.1	3.8	0.3	4.2	1.1
2001	7.2	2.2	8.0	0.4	17.9	0.8	9.0	0.2	4.1	0.4	4.9	1.2
2002	7.8	2.4	8.4	0.3	19.3	5.4	9.3	0.6	4.5	0.0	5.4	1.2
2003	9.4	2.1	8.9	0.4	18.1	6.3	9.7	0.8	4.5	0.0	5.4	1.3

Source: Authors tabulations of 1994 - 2004 CPS ASEC.

Table 3:Aggregate Additions and Subtractions to Family Resources of Near Poor Families: 1993 to 2003

(bil$)	Additions							Subtractions				
Near Poor	Food stamps	School lunch	Housing Subsidies	Energy Assist.	Home Equity	Net capital gains	EIC	Federal Income Tax	Payroll taxes	State Income Tax	Work Expenses	Childcare
1993	1.3	0.6	1.2	0.1	7.8	0.2	1.9	0.5	2.8	0.4	2.4	0.7
1994	1.3	0.6	1.2	0.1	8.2	0.2	2.7	0.5	2.9	0.3	2.5	0.7
1995	1.3	0.7	1.3	0.1	8.8	0.3	3.2	0.5	2.7	0.3	2.5	0.7
1996	1.3	0.6	1.3	0.1	9.0	0.2	3.7	0.6	3.1	0.4	2.8	0.8
1997	1.1	0.6	1.3	0.1	7.3	0.4	3.9	0.6	3.2	0.4	2.8	0.8
1998	0.9	0.7	1.3	0.1	6.7	0.6	3.8	0.5	3.1	0.5	2.7	0.8
1999	0.9	0.7	1.2	0.1	7.7	0.5	4.2	0.5	3.4	0.5	2.7	0.7
2000	0.8	0.6	1.2	0.2	9.5	0.7	4.0	0.6	3.5	0.5	2.7	0.8
2001	0.9	0.7	1.3	0.1	8.1	0.5	4.3	0.0	3.5	0.6	3.0	0.7

| 2002 | 1.1 | 0.7 | 1.3 | 0.1 | 8.3 | 1.3 | 4.4 | 0.0 | 3.7 | 0.2 | 3.2 | 0.7 |
| 2003 | 1.2 | 0.6 | 1.4 | 0.2 | 8.6 | 1.9 | 4.6 | 0.1 | 3.9 | 0.2 | 3.4 | 0.7 |

Table 4: Poverty Rates Using Different Resource Measures and Thresholds: 1993-2003

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Official	15.1	14.6	13.8	13.7	13.3	12.7	11.9	11.3	11.7	12.1	12.5
Food stamps	14.4	13.7	13.0	13.1	12.7	12.2	11.4	10.9	11.3	11.7	12.0
Housing	13.1	12.4	11.9	11.9	11.4	10.9	10.3	9.5	10.0	10.4	10.9
Aftertax	15.5	14.6	13.4	13.3	12.7	12.0	11.3	10.8	11.3	11.6	12.0
Work expenses	16.3	15.7	14.9	14.8	14.3	13.6	12.8	12.2	12.6	13.1	13.5
FCSUM-CE	18.7	17.7	16.6	16.5	15.2	14.3	13.5	13.5	14.1	14.9	16.0
FCSUMR	19.4	17.9	17.1	17.6	16.6	15.8	15.3	14.6	15.3	16.4	18.0

Source: Authors tabulations of 1994 - 2004 CPS ASEC.

Table 5: Poverty rates for specific groups: 1993 - 2003

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003
Children Official	22.7	21.8	20.8	20.5	19.9	18.9	17.1	16.1	16.3	16.7	17.6
FCSUM-CE	25.7	24.1	22.2	22.1	20.6	19.3	17.6	17.3	17.7	18.2	19.9
FCSUMR	28.2	26.0	24.5	25.1	23.5	22.2	21.3	20.1	20.4	21.4	23.4
Nonelderly Adults	12.4	11.9	11.4	11.4	10.9	10.5	10.1	9.4	10.1	10.6	10.8
FCSUM-CE	15.5	14.6	13.9	13.8	12.8	12.1	11.7	11.4	12.2	12.9	13.8
FCSUMR	16.6	15.3	14.8	15.2	14.4	13.6	13.5	12.7	13.7	14.7	16.0
Elderly Official	12.2	11.7	10.5	10.8	10.5	10.5	9.7	10.2	10.1	10.5	10.3
FCSUM-CE	19.7	18.7	17.9	18.0	15.9	14.9	14.4	15.9	16.3	18.0	19.1
FCSUMR	14.6	13.3	12.4	13.3	12.7	12.9	11.6	12.1	13.2	15.1	16.8
White Official	12.2	11.7	11.2	11.2	11.0	10.5	9.8	9.4	9.9	10.2	10.5
FCSUM-CE	15.6	14.8	14.0	13.9	12.9	12.1	11.4	11.6	12.2	12.9	13.9
FCSUMR	16.1	14.9	14.3	14.8	14.3	13.4	13.0	12.4	13.2	14.2	15.6
Blacks Official	33.1	30.6	29.3	28.4	26.5	26.1	23.6	22.0	22.7	23.9	24.3
FCSUM-CE	37.9	34.3	32.3	31.9	29.1	27.8	25.6	24.7	25.4	26.8	28.4
FCSUMR	39.5	34.7	33.8	34.5	30.7	29.9	28.2	26.9	28.2	29.6	31.8
Other races	18.9	21.1	17.8	17.6	16.1	14.5	14.5	13.8	12.8	12.5	13.6
FCSUM-CE	22.5	23.7	20.5	20.2	17.7	16.5	16.3	15.5	15.4	15.3	17.1
FCSUMR	24.3	25.4	21.0	21.6	19.7	18.9	18.7	17.5	17.1	17.3	19.2

Source: Authors tabulations of 1994 - 2004 CPS ASEC.