

## **CARSEY RESEARCH**

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# Cause for Optimism? Child Poverty Declines for the First Time Since Before the Great Recession

#### **Patterns Across America**

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ew data released on September 18, 2014, by the U.S. Census Bureau indicate that child poverty fell by 0.4 percentage point between 2012 and 2013, to 22.2 percent. Though still significantly higher than in 2007 when the Great Recession hit (18.0 percent), and higher than at its conclusion (20.0 percent) in 2009, the decline from 2012 may be cause for optimism. Estimates suggest the number of poor children declined by roughly 300,000 between 2012 and 2013.

Child poverty fell in every region except the Northeast, where the rate was already lowest. These declines were largely driven by changes in urban America, where child poverty fell by 0.5 percentage point. In contrast, there was no significant change in the child poverty rate in rural or suburban places (for place definitions, see Box 1). Child poverty remains highest in urban places (29.1 percent), followed by rural places (26.2 percent). Child poverty is lowest in the suburbs (17.2 percent), though these areas are home to more of our nation's poor children than are urban or rural places.

#### **Child Poverty by State and Place**

Child poverty declined significantly in ten states: Alaska, Colorado, Florida, Hawaii, Maine, Michigan, New Hampshire, Ohio, Texas, and Wyoming. In contrast, it increased in three states: New Jersey, New Mexico, and West Virginia (see Table 1 and Map 1). With more than one-third of its children living in poverty, Mississippi continues to have the highest child poverty rate (34.0 percent), 2.8 percentage points higher than the next highest state (New Mexico).

#### **KEY FINDINGS**

For the first time since before the onset of the Great Recession in 2007, child poverty fell across America. According to the 2013 American Community Survey released on September 18, 2014, 22.2 percent of children were poor in 2013, down 0.4 percentage point since 2012. However, the latest rate still remains higher than in 2007 (18.0 percent).

The drop in child poverty between 2012 and 2013 was largely driven by declines in urban America. There was no significant change in rural or suburban places. However, there were wide variations across states in poverty by place—some states saw significant growth in urban or rural poverty while others saw sharp declines.

Child poverty remains highest in urban places (29.1 percent), followed by rural places (26.2 percent). Suburban poverty (17.2 percent) is lowest, but more poor children reside in the suburbs than in urban or rural places.

More than half (51.8 percent) of rural black children are growing up in poverty, while just over one in five (20.5 percent) such non-Hispanic white children are poor.

Young child poverty also fell slightly, but it remains significantly higher than it was in 2009, the year in which the economy stopped shrinking and the Great Recession officially ended. In 2013, nearly one in four young children was growing up in poverty.

Poverty fell for all racial-ethnic groups except among non-Hispanic whites. Declines were highest among Hispanics, Asians, and those of other or multiple races. The decline in black child poverty was smaller.

**TABLE 1: CHILD POVERTY BY STATE AND PLACE TYPE IN 2013** 

	ALL PLACES				RURAL			SUBURBAN	I	URBAN			
	PERCENT POOR 2013	CHANGE SINCE 2012	CHANGE SINCE 2009										
UNITED STATES	22.2	-0.4	2.2	26.2	0.0	2.0	17.2	0.0	2.4	29.1	-0.5	2.7	
NORTHEAST	19.2	0.0	2.7	19.9	-0.8	2.5	12.7	0.3	2.0	33.0	0.2	4.9	
MIDWEST	20.5	-0.4	1.3	21.4	0.1	1.1	14.2	-0.5	1.3	31.7	-0.2	2.1	
SOUTH	24.6	-0.4	2.1	32.0	0.6	2.8	19.6	0.0	2.6	29.8	-0.7	2.1	
WEST	22.0	-0.5	2.9	23.7	-0.3	2.5	19.5	0.0	3.2	24.9	-1.0	2.8	
ALABAMA	27.2	-0.3	2.5	32.7	0.2	1.5	21.9	0.9	4.8	32.0	-1.5	1.6	
ALASKA	12.1	-1.8	-0.7	20.7	1.0	4.2	9.7	1.4	-0.4	7.1	-5.4	-4.5	
ARIZONA	26.5	-0.5	3.1	37.9	4.2	4.1	21.6	3.5	4.6	29.8	-3.4	2.5	
ARKANSAS	29.0	0.5	1.9	33.5	-0.3	3.1	22.0	1.7	0.4	31.4	0.4	2.5	
CALIFORNIA	23.5	-0.3	3.6	23.4	-1.9	3.2	21.8	-0.5	3.7	25.6	0.2	3.7	
COLORADO	16.9	-1.6	-0.5	20.6	-1.3	1.1	11.5	-2.0	-0.6	22.4	-1.4	-1.3	
CONNECTICUT	14.5	-0.3	2.4	7.9	-2.8	-1.9	10.4	0.1	2.0	25.2	-1.0	3.9	
DELAWARE	18.0	0.6	1.5		N/A		15.6	4.4	1.8	35.0	2.0	4.3	
DISTRICT OF COLOMBIA	27.2	0.6	-2.3		N/A			N/A		27.2	0.6	-2.3	
FLORIDA	24.5	-0.9	3.2	34.4	-0.6	4.8	22.2	-1.0	3.0	29.6	0.5	4.4	
GEORGIA	26.5	-0.7	4.2	34.9	-0.4	3.5	21.8	-0.6	4.2	36.4	-2.6	4.3	
HAWAII	13.3	-3.8	-0.5	21.4	0.1	7.0	10.8	-2.8	-3.5	12.9	-6.4	1.2	
IDAH0	19.1	-1.5	1.0	19.2	-4.2	0.2	20.4	4.9	5.4	16.6	-8.1	-4.7	
ILLINOIS	20.7	0.0	1.8	21.8	1.0	-0.9	15.6	0.2	2.6	29.8	0.4	2.7	
INDIANA	22.2	-0.2	2.3	21.3	-1.3	0.7	15.6	-0.2	2.8	32.5	0.4	2.0	
IOWA	16.2	0.3	0.5	17.3	-0.3	1.7	7.9	-1.9	-0.9	23.5	4.1	0.7	
KANSAS	18.7	-0.4	1.0	20.6	-1.3	1.3	11.0	-1.1	-0.1	24.8	0.6	1.2	
KENTUCKY	25.3	-1.3	-0.3	30.8	-1.9	-1.1	19.5	0.3	0.7	24.3	-2.9	-0.7	
LOUISIANA	27.7	-0.4	3.5	35.1	4.6	5.4	22.6	-0.5	3.8	33.6	-0.5	5.8	
MAINE	17.7	-3.2	0.6	19.7	-4.0	0.0	13.4	-0.9	1.8	27.3	-5.9	0.7	
MARYLAND	13.6	-0.2	2.0	23.6	9.9	8.7	10.6	-0.2	1.8	24.0	-3.8	0.6	
MASSACHUSETTS	16.3	0.9	3.2	18.6	N/A		13.0	1.1	3.1	30.5	3.7	6.4	
MICHIGAN	23.8	-1.1	1.3	25.0	1.2	2.3	16.1	-1.4	1.2	39.8	-1.6	2.7	
MINNESOTA	14.0	-0.5	0.0	16.0	-1.0	0.0	10.5	0.5	1.4	20.9	-1.7	-2.3	
MISSISSIPPI	34.0	-0.7	3.0	39.6	-0.9	1.8	20.9	-1.3	2.0	47.7	1.9	14.9	
MISSOURI	22.2	-0.4	1.5	30.0	2.9	3.7	15.2	-1.8	0.1	31.7	-0.3	2.7	
MONTANA	21.3	1.0	-0.1	22.9	1.9	0.6	12.1	0.1	1.0	22.4	-0.6	-2.3	
NEBRASKA	17.7	-0.2	2.4	17.4	-0.1	2.3	8.5	-3.2	0.3	24.2	1.6	4.9	
NEVADA	22.7	-1.3	5.1	22.1	0.8	8.4	21.4	-1.2	5.1	23.8	-2.2	4.1	
NEW HAMPSHIRE	10.2	-5.3	-0.6	11.8	-6.7	0.1	6.3	-3.2	-1.0	19.5	-9.5	-0.8	
NEW JERSEY	16.7	1.3	3.2	20.7	N/A	0.4	13.1	0.1	1.4	43.1	2.4	15.3	
NEW MEXICO	31.2	1.8	5.9	32.7	2.3	8.4	33.2	2.8	5.3	28.0	0.6	4.1	
NEW YORK	22.8	0.0	2.8	24.9	1.6	3.9	12.7	1.0	2.5	31.8	-0.8	3.5	
NORTH CAROLINA NORTH DAKOTA	25.2 12.0	-0.8 -1.1	<b>2.7</b> -1.0	33.0 12.5	1.7 <b>-2.9</b>	4.3 -2.7	20.7 7.5	-0.6 0.7	2.9	26.7 14.5	-0.4 1.2	<b>3.7</b> 0.4	
OHIO		-1.1 -1.0							1.9				
OKLAHOMA	22.7	-0.1	0.9	23.5 26.7	-0.8 -0.1	0.5	15.1	-0.7	0.5	42.0	-0.8	4.0	
	24.0	-1.4	1.8		-0.1 -0.1	1.3	17.2	0.4	1.6	29.5	-0.6 -1.2	2.6	
OREGON PENNSYLVANIA	21.6		2.4	26.4	-0.1	2.1	18.7	-1.5	2.5	23.5	-1.2	3.5	
RHODE ISLAND	19.4 21.5	-0.4 2.1	2.2 4.7	20.0	-0.7 N/A	2.6	12.8 16.2	-0.2 -0.5	1.6	38.5 35.9	-0.2 <b>10.8</b>	4.0 15.8	
SOUTH CAROLINA	27.5	0.5	3.0	39.8	5.7	6.3	24.4	0.6	0.9 <b>4.4</b>	29.1	0.1	0.1	
SOUTH CAROLINA SOUTH DAKOTA	18.6	1.1	0.1	22.2	1.5	-0.4	11.9	4.3	3.4	17.3	-1.4	-0.7	
TENNESSEE	26.5	0.7	2.7	28.4	0.2	-0.4 <b>3.4</b>	18.3	1.8	2.5	35.6	0.5	-0.7 <b>3.3</b>	
TEXAS	25.0	- <b>0.7</b>	0.6	29.5	1.0	2.4	20.0	-0.1	1.4	29.1	-1.4	0.1	
UTAH	14.8	-0.7 -0.4	2.6	16.3	2.7	-0.1	12.7	0.0	3.5	21.8	-4.1	0.1	
VERMONT	15.3	-0.4	2.0	17.4	-0.4	2.4	12.7	3.0	2.9	21.0	-4.1 N/A	0.5	
VIRGINIA	15.7	0.4		23.7	-0.4	1.8	11.2	0.7		24.4		3.5	
WASHINGTON	18.8	0.4	1.8	24.1	-0.8		15.6		1.6	22.9	1.3 -0.6	3.5 4.1	
	27.0	0.3 <b>2.4</b>	2.6	29.5	0.9	0.8	21.6	1.1 2.6	2.0 4.4	40.4	-0.6 <b>8.5</b>	12.7	
WEST VIRGINIA WISCONSIN	18.4	0.2	3.4			0.3		0.7		31.4		2.6	
			1.7	17.1	-0.2	1.2	10.7	0.7 N/A	1.1		-0.5		
WYOMING	13.2	-3.7	0.6	13.7	-3.5	0.7		IV/A		12.8	-7.1	2.0	

**Note:** Change is displayed in percentage points and based on unrounded percentages. Results may differ slightly from those that would be obtained using rounded figures. Bold font indicates a statistically significant change (p<0.05). **Source:** American Community Survey, 1-Year Estimates, 2009, 2012, and 2013

The South includes most of the nation's other high-poverty states including Alabama, Arkansas, Georgia, Louisiana, North Carolina, South Carolina, Tennessee, and West Virginia. States with historically low levels of child poverty typically continued to have the lowest rates in 2013, with the notable exception of New Jersey, where child poverty rose 1.3 percentage points in one year.

Followers of state trends may recall the dramatic increase observed in New Hampshire last year. In 2012, child poverty grew to over 15.6 percent, up 3.6 percentage points since 2011 and costing New Hampshire its rank as the state with the lowest child poverty. In 2013, with a poverty rate of 10.2 percent (down 5.3 percentage points from 2012), New Hampshire returned to the bottom of the child-poverty rankings. Note that the relatively small size of New Hampshire means there is great variability in the estimates, so much of the change in child poverty observed may be due to survey sampling error.

#### Young Child Poverty by Region and Place

Child poverty is our primary focus in this brief because of the long-term implications of experiencing poverty before age 18.<sup>2</sup> Research suggests that early childhood poverty is particularly harmful. Critical brain development<sup>3</sup> may be impeded by a lack of resources, and social science research documents the long term educational, occupational, health, and family consequences of poverty in the early years.<sup>4</sup> Thus, poverty among young children—those under age 6—merits special attention.

Young children have long been the age group at the greatest risk of living in poverty. This remains true in the most recent data, which show about one in four young children growing up poor (24.8 percent). The rate of young-child poverty fell slightly from 2012 to 2013, as shown in Table 2, and the number of poor young children dropped by more than an estimated

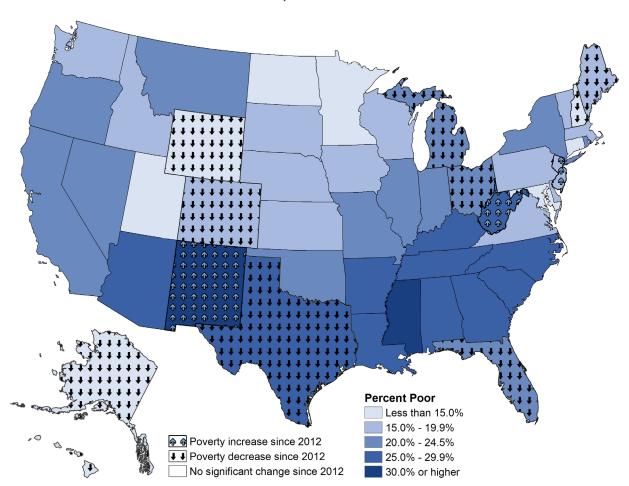


FIGURE 1: PERCENT OF CHILDREN IN POVERTY, 2013

Source: Carsey School of Public Policy Analysis of 2012 and 2013 ACS, U.S Census Bureau

	ALL PLACES			RURAL				SUBURBAN	1	URBAN			
	PERCENT POOR 2013	CHANGE SINCE 2012	CHANGE SINCE 2009										
UNITED STATES	24.8	-0.7	1.9	30.3	0.2	1.7	19.2	-0.6	2.0	30.9	-0.7	2.3	
NORTHEAST	21.5	-0.3	2.6	23.4	-1.2	1.4	14.7	0.0	2.1	33.1	-0.3	4.0	
MIDWEST	23.4	-1.1	0.8	24.8	-0.5	-0.6	16.3	-1.2	0.9	34.0	-0.7	2.0	
SOUTH	27.7	-0.5	1.9	36.8	1.6	3.5	22.0	-0.4	2.2	32.4	-0.7	1.7	
WEST	23.5	-1.0	2.3	27.1	-0.4	2.8	20.7	-0.9	2.4	26.2	-1.0	2.2	

**TABLE 2: YOUNG CHILD POVERTY BY REGION AND PLACE TYPE IN 2013** 

**Note:** Change is displayed in percentage points and based on unrounded percentages. Results may differ slightly from those that would be obtained using rounded figures. Bold font indicates a statistically significant change (p<0.05). **Source:** American Community Survey, 1-Year Estimates, 2009, 2012, and 2013

200,000. Declines in young child poverty are evident across the Midwest, South, and West as well as across America's suburban and urban places. Young children are most at risk of living in poverty in the rural South, where more than one in three children under age 6 is poor (36.8 percent). In the rural Northeast and Midwest, poverty is no longer significantly higher than in 2009, the year the Great Recession ended, though rates there remain somewhat higher than in 2007, before the recession began.<sup>5</sup>

## Race-Ethnicity and Nativity by Region and Place

Poverty varies dramatically by race-ethnicity. Black child poverty is highest (39.1 percent), followed by Hispanic child poverty (32.8 percent), and child poverty among those of other or multiple races (30.4 percent). Poverty is lower among non-Hispanic whites and lowest among Asians, at 13.5 and 13.1 percent, respectively. Child poverty declined between 2012 and 2013 among all racial-ethnic groups except non-Hispanic whites, although blacks realized smaller declines than did Asians, Hispanics, and those of other or multiple races.

Overall child poverty is highest in urban places. Most racial-ethnic groups living in rural places experience child poverty rates similar to or higher than their urban peers. It is the lower concentration of blacks and Hispanics in rural America and relatively lower concentration of whites in urban places that account for this paradox. Non-Hispanic whites and blacks both have higher poverty in rural places than in urban places (20.5 versus 14.4 percent and 51.8 versus 45.0 percent, respectively), and poverty is only higher in urban places among Hispanics (37.1 versus 36.0 percent).

Child poverty rates by race-ethnicity also vary dramatically by region and place type. Southern black children fare the worst, with poverty at 38.8 percent, largely driven by the extremely high rate among rural Southern black children (52.8 percent). Black children in the rural Midwest also experience considerable disadvantage with a poverty rate of 43.4 percent in 2013. Black child poverty rates are also high in urban places, in the South, Northeast, and the Midwest.

We also find evidence of significant declines in poverty among children living with at least one foreign-born parent (not shown). Our analyses indicate that the poverty rate declined for these children from 27.4 percent in 2012 to 26.5 percent in 2013. As for all children, poverty among this group is highest in rural (31.5 percent) and urban (31.3 percent) places. Additionally, regional variations are evident. Children with at least one foreignborn parent have the highest poverty rates in the South and West, particularly in rural and urban places, and in urban parts of the Northeast, Midwest, and West, where the rate exceeds 30 percent in each place.

#### **Discussion**

This research shows that rural poverty remains persistently high, suggesting the importance of anti-poverty efforts that consider rural challenges, like transportation, child care, lack of jobs, and in some regions, very high heating costs. Young children continue to weather particular risk of poverty, and even with a slight decline in the aggregate rate, nearly one in four children continue to live below the poverty threshold. Given the long-term implications of early childhood poverty, solutions that target this group of vulnerable Americans, as well

TABLE 3: CHILD POVERTY BY RACE/ETHNICITY, REGION, AND PLACE TYPE IN 2013

		ALL PLAC	ES		RURAL			SUBURBAN			URBAN		
	PERCENT POOR 2013	CHANGE SINCE 2012	CHANGE SINCE 2009										
UNITED STATES													
WHITE	17.7	-0.2	-2.1	22.1	0.2	-1.9	14.5	0.1	-2.3	22.3	-0.6	-2.2	
WHITE, NOT HISPANIC/LATINO	13.5	-0.1	-1.6	20.5	0.3	-2.0	11.0	0.0	-1.5	14.4	-0.1	-1.8	
BLACK	39.1	-0.5	-2.8	51.8	0.3	-2.8	29.7	-0.1	-2.6	45.0	-0.1	-3.9	
ASIAN	13.1	-0.8	-0.7	15.7	0.6	-1.5	9.5	-0.4	-0.2	17.3	-1.1	-1.7	
OTHER RACE/MULTIRACIAL	30.4	-0.8	-2.4	36.8	-0.5	-1.6	25.0	-0.5	-2.5	35.0	-0.7	-3.1	
HISPANIC	32.8	-0.9	-2.0	36.0	-1.5	0.6	28.5	-0.5	-2.6	37.1	-0.7	-2.4	
NORTHEAST													
WHITE	13.8	-0.1	-2.2	19.3	-0.6	-2.6	10.2	0.2	-1.7	25.0	0.6	-5.3	
WHITE, NOT HISPANIC/LATINO	11.5	0.0	-1.8	18.9	-0.4	-2.6	8.9	0.2	-1.5	19.2	1.0	-4.4	
BLACK	34.4	0.6	-3.3	45.7	15.6	-20.6	26.1	0.7	-1.6	39.1	0.3	-4.2	
ASIAN	15.6	-0.9	-1.6	8.8	-3.6	7.5	7.6	-0.8	-0.1	26.9	-1.4	-5.4	
OTHER RACE/MULTIRACIAL	33.1	-0.7	-1.7	25.7	-6.0	2.8	24.0	8.0	-3.0	41.8	-1.3	-1.9	
HISPANIC	34.3	-0.3	-2.3	32.5	-3.6	-2.2	24.9	0.2	-1.9	43.2	-0.2	-3.5	
MIDWEST													
WHITE	15.4	-0.3	-0.9	19.7	0.1	-1.0	11.4	-0.5	-0.7	20.7	0.2	-1.7	
WHITE, NOT HISPANIC/LATINO	13.9	-0.2	-0.8	19.0	0.3	-1.1	10.5	-0.3	-0.6	16.8	-0.1	-1.3	
BLACK	45.7	-1.5	-1.7	43.4	0.7	-3.6	33.5	-2.2	-1.5	52.6	-0.9	-3.0	
ASIAN	14.3	-1.3	0.2	20.4	4.8	-5.3	9.2	-1.4	-1.2	19.8	-1.5	2.1	
OTHER RACE/MULTIRACIAL	31.8	0.0	-2.3	36.7	-1.1	2.2	24.9	0.2	-3.2	37.3	0.7	-3.7	
HISPANIC	31.4	-0.8	-0.9	32.8	-1.5	1.5	24.7	-1.7	-1.9	38.0	0.7	-1.5	
SOUTH													
WHITE	19.7	-0.2	-2.3	25.9	1.1	-2.9	16.6	0.0	-2.8	22.4	-0.9	-2.0	
WHITE, NOT HISPANIC/LATINO	14.9	-0.1	-1.9	23.7	1.3	-3.1	12.6	0.0	-2.0	12.7	-0.1	-1.5	
BLACK	38.8	-0.5	-2.5	52.8	0.1	-2.5	29.5	0.2	-3.0	44.7	0.2	-3.8	
ASIAN	12.1	-0.7	-1.1	13.9	-1.7	0.3	10.4	-0.3	-1.0	15.0	-1.1	-1.7	
OTHER RACE/MULTIRACIAL	30.0	-1.1	0.1	38.8	-1.1	-1.7	25.7	-0.6	-0.7	32.8	-1.3	1.0	
HISPANIC	33.3	-1.4	-0.2	39.5	-1.6	1.7	29.8	-0.5	-1.6	36.3	-2.0	0.0	
WEST													
WHITE	19.8	-0.3	-2.6	20.2	-0.5	-2.0	18.2	0.3	-3.5	22.1	-1.1	-1.8	
WHITE, NOT HISPANIC/LATINO	12.3	-0.3	-1.8	16.6	-1.0	-1.3	11.2	0.1	-2.0	12.5	-0.4	-1.7	
BLACK	35.4	-0.5	-5.0	26.3	-6.3	0.7	29.8	0.2	-3.2	40.2	-0.5	-6.9	
ASIAN	12.0	-0.7	-0.4	15.4	0.3	-2.7	10.2	0.1	0.7	13.5	-1.2	-1.4	
OTHER RACE/MULTIRACIAL	29.2	-1.0	-4.1	36.3	1.4	-4.3	25.0	-1.2	-3.5	32.3	-0.8	-5.2	
HISPANIC	32.2	-0.7	-3.5	32.7	-0.8	-1.7	29.3	-0.5	-3.9	35.4	-0.5	-3.8	

Note: Change is displayed in percentage points and based on unrounded percentages. Results may differ slightly from those that would be obtained using rounded figures. Bold font indicates a statistically significant change (p<0.05). **Source:** American Community Survey, 1-Year Estimates, 2009, 2012, and 2013

as their parents who need the resources to raise them, may be especially influential. Dollars spent in the short term may save money in the long run on reduced health care, safety net, and criminal justice costs. Finally, it is striking that most rural, black children are growing up in poverty, driven by rates in the South. Long-standing racial inequalities in this region may require targeted interventions to alter the fate of these children.

The statistics presented in this brief suggest an improving economic outlook for America's most vulnerable children. With nearly one in five children still living in poverty, however, there is a pressing need to improve the outcomes of these more than 16 million children. This is underscored by recognition that the poverty threshold is arbitrary and outdated, and is widely considered conservative in its assessment of families' real needs. Basic needs budgets that estimate a family's necessary expenses (including food, shelter, and utilities, but excluding luxuries like restaurant meals and child care outside of work hours) typically find that families need between 1.5 and 3.5 times the poverty threshold, depending on where they live, to cover the cost of a family's minimum day-to-day needs.6 Social safety net programs bridge a portion of this gap for some families. However, even when supplemental poverty measures (see Box 2) account for the value of non-cash assistance and post-tax transfer programs, children are still the age group most likely to be poor, with rates estimated at 18.0 percent (somewhat lower than the official measure suggests) in 2012.7 Many poor children are ineligible to receive all or some forms of social assistance because of restrictions with respect to citizenship and/or parents' or guardians' employment.

Parents face challenging obstacles to work including health or disability issues, access to child care, and transportation. In addition, many struggle to find sufficient employment to meet their family's needs. The nation's unemployment rate of 6.1 percent in August 2014 is dramatically lower than its postrecession peak of 10 percent in 2009, but it remains substantially higher than the 4.7 percent rate in 2007 before the Great Recession began.8 This rate, calculated only among those actively seeking work, masks the true employment situation for many Americans. In addition to those "discouraged" workers who have given up finding work, countless others are working fewer hours than desired<sup>10</sup> or are "stuck" in low-wage jobs with little room for advancement. These jobs may not offer sufficient hours for employees, and they often lack key employment related benefits like access to paid sick leave, health insurance coverage, and retirement savings plans.11 Additionally, many parents struggle with inconsistent hours, which make things like budgeting and securing child care difficult. Rural America has been hit especially hard by these challenges, as many historically vibrant communities decline in the wake of lost jobs in natural resource extraction and manufacturing.12 Places where middle class jobs were once available are now often plagued by a diminishing supply of low paying jobs in the service sector that make it difficult to make ends meet.

In this context, it is important to consider how America's poor children and families are affected by geographic variations in employment and by historical and cultural patterns of persistent poverty. It is also important to recognize that improvements in child well-being and further reductions in child poverty will likely require creative policy initiatives and the cooperation of the business sector, as well as the political will to improve the well-being of America's families.

#### **Data**

This analysis is based on estimates from the 2009, 2012, and 2013 American Community Survey. Tables were produced by aggregating information from detailed tables available on American FactFinder (http://fact-finder2.census.gov/faces/nav/jsf/pages/index.xhtml). These estimates give perspective on child poverty, but they are based on survey data, so caution must be exercised in comparing across years or places. All differences highlighted in this brief and bolded in the tables are statistically significant (*p*<0.05).

### Box 1: Definition of the Terms Rural, Suburban, and Urban

Data for this brief are derived from the American Community Survey, which locates each address as being within one of several geographic components. As used here, "urban" designates households in the principal city of a given metropolitan statistical area, and "suburban" includes those in metropolitan areas, but not within the principal city of that area. "Rural" consists of the addresses that are not within a metropolitan area.

#### Box 2: A Dated Poverty Measure, and a New **Alternative**

We use official poverty rates to compare child poverty across places, providing a consistent method for assessing the adequacy of families' incomes for meeting children's needs. However, the official poverty measure has important limitations. The measure is dated, relying on a foodspending-based formula established over fifty years ago to calculate annual poverty rates. It does not consider how work-related expenses (such as transportation and child care), in-kind assistance (for example, the Supplemental Nutrition Assistance Program, also known as food stamps), medical costs (such as insurance premiums), posttax transfers (for example, the Earned Income Tax Credit), or geographic differences in the cost of housing impact families' resources and expenses.<sup>13</sup> The Census Bureau began producing an alternate measure, the Research Supplemental Poverty Measure, in 2009. It is an updated and more nuanced alternative that considers both the aforementioned expenses and assets when calculating poverty rates. When updates to this measure are released later in the fall of 2014, we will compare these newly measured poverty rates to the official poverty rates, and consider how these alternate calculations influence our understanding of the landscape of poverty.

#### Endnotes

- 1. New Hampshire's child poverty rate is statistically lower than all other states but no different from North Dakota.
- 2. Jeanne Brooks-Gunn, Greg J. Duncan, and Nancy Maritato, "Poor Families, Poor Outcomes: The Well-Being of Children and Youth," Chapter 1 in Consequences of Growing Up Poor, edited by Greg J. Duncan and Jeanne Brooks-Gunn (New York: Russell Sage Foundation, 1997).
- 3. For a review of this literature, see Sebastian J. Lipina and Michael I. Posner, "The Impact of Poverty on the Development of Brain Networks," Frontiers in Human Neuroscience, vol. 6 (2012).
- 4. Brooks-Gunn, Duncan, and Maritato, "Poor Families, Poor Outcomes."
- 5. Authors' calculation of 2007 American Community Survey data, available upon request.
- 6. Kinsey Aldon Dinan, "Budgeting for Basic Needs: A Struggle for Working Families," National Center for Children in Poverty, Mailman School of Public Health: Columbia University (2009).
- 7. Kathleen Short, "The Research Supplemental Poverty Measure: 2012," P60-247, Current Population Reports, U.S. Census Bureau, November 2013. Note that 2013 estimates will be available later in 2014.
- 8. See http://data.bls.gov/timeseries/LNS14000000.
- 9. See the most recent Bureau of Labor Statistics "Economic News Release," Table A-16.
- 10. Rebecca Glauber, "Wanting More But Working Less: Involuntary Part-Time Employment and Economic Vulnerability," Issue Brief No. 64 (Durham, NH: Carsey Institute, 2013).
- 11. Arne L. Kalleberg, Good Jobs, Bad Jobs: The Rise of Polarization and Precarious Employment Systems in the United States, 1970s-2000s (New York: Russell Sage Foundation, 2011).
- 12. For a detailed summary of rural employment trends over the past decade, see Tom Hertz et al., "Rural Employment Trends in Recession and Recovery," ERR-172, U.S. Department of Agriculture, Economic Research Service, August 2014.
- 13. For a detailed description of the differences between official and supplemental poverty measures see Kathleen Short, "The Research Supplemental Poverty Measure: 2012," P60-247, Current Population Reports, U.S. Census Bureau, November 2013.

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