

## Poverty in California

Sarah Bohn, Caroline Danielson, and Patricia Malagon

JULY 2021

*This year's California Poverty Measure estimates describe poverty in 2019—using the most up-to-date data available—and so do not cover the economic impact of COVID-19 or subsequent policies.*

### ► **Poverty in California declined in 2019, but the effects of COVID-19 are still uncertain.**

Unlike the official poverty measure, the California Poverty Measure (CPM), a joint research effort by PPIC and the Stanford Center on Poverty and Inequality, accounts for the cost of living and a range of family needs and resources, including safety net benefits. According to the CPM, 16.4% of Californians (about 6.3 million) lacked enough resources—\$35,600 per year for a family of four, on average—to meet basic needs in 2019. The poverty rate dropped from 17.6% in 2018. In 2020, COVID-19 is likely to have increased poverty due to severely constrained employment opportunity. However, state and federal responses like the CARES Act in 2020 and the American Rescue Plan Act (ARPA) in 2021 **could have mitigated poverty surges** by providing economic support.

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

Nearly one in six (16.4%) 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 (34.0%) of state residents were poor or near poor in 2019. The share of Californians in families with less than half the resources needed to meet basic needs (the deep poverty rate) was 4.6%.

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

Without the largest social safety net programs, we estimate 6.6% more Californians would have been in poverty in 2019. Most safety net programs are designed to prioritize children, and in 2019 they kept 12.1% of children out of poverty. The federal Earned Income Tax Credit (EITC) lowered poverty rates most, by 1.6 points overall, and CalFresh lowered the overall poverty rate by 1.3 points. The federal Child Tax Credit (CTC) lowered the rate by 1.1 points; CalWORKs and General Assistance (GA) together lowered the rate by 0.8 points. Among children under age 6, the combined California EITC and Young Child Tax Credit (YCTC) lowered the rate by 0.6 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.**

Yolo (20.9%) and Los Angeles (20.8%) Counties had the highest poverty rates (2017–2019 average). El Dorado County had the lowest rate, at 10.4%. Rates vary even more widely (5.1% to 40.3%) **across local areas and legislative districts**. Safety net programs reduce poverty much more in inland areas: without them, poverty would be 12.1 points higher in the Central Valley and Sierra, but only 3.1 points higher in the Bay Area.

### ► **Poverty remains higher among children, seniors, Latinos, and less-educated adults.**

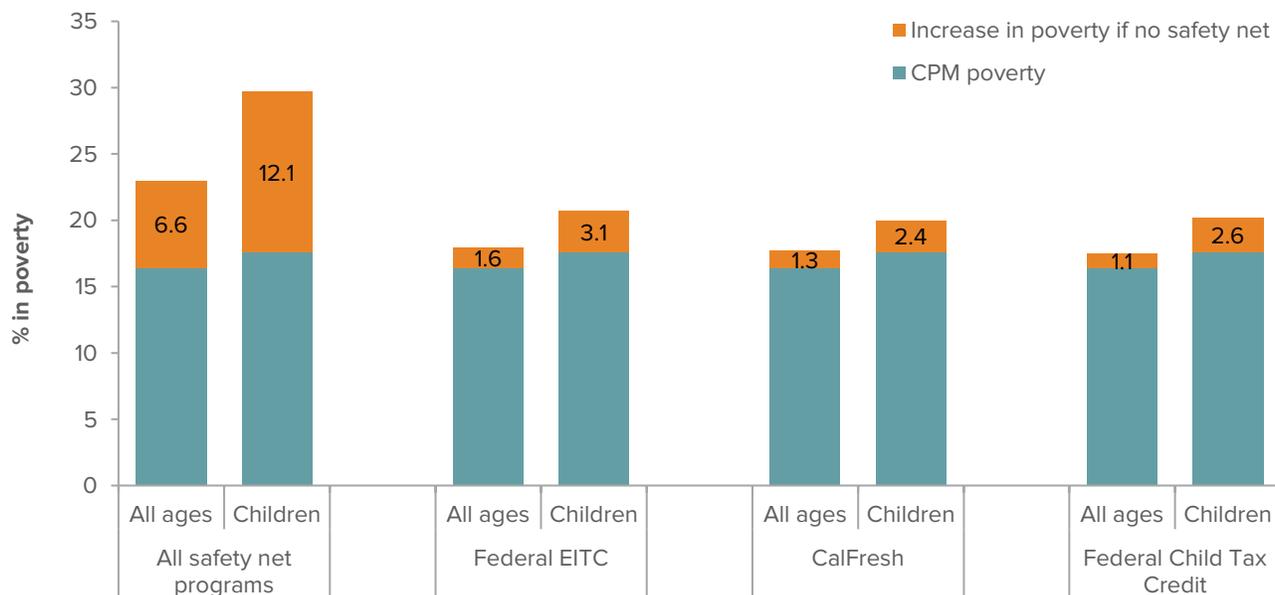
Poverty rates vary dramatically **across demographic groups**. In 2019, adults 65 and older (18.0%) and children (17.6%) had higher rates of poverty than adults age 18–64 (15.6%). The poverty rate for immigrant Californians was 21.6%, compared to 14.4% for non-immigrants, and poverty among undocumented immigrants was 35.7%. More than one in five (21.4%) Latinos lived in poverty, compared to 17.4% of African Americans, 14.5% of Asian Americans/Pacific Islanders, and 12.1% of whites. Though the Latino poverty rate has fallen from 30.9% in 2011, Latinos remain disproportionately poor—comprising 51.6% of poor Californians but only 39.7% of the state population. Poverty was 7.2% among college graduates age 25–64 and 29.1% among adults age 25–64 without a high school diploma.

### ► **Most poor families in California are working.**

In 2019, nearly 80.0% of poor Californians lived in families with at least one working adult, excluding families made up of adults age 65 and older. For 46.8% of those in poverty, at least one family member reported working full time for the entire year, while 32.4% 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 2019 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 Supplemental Nutrition Assistance Program), CalWORKs (California’s Temporary Assistance for Needy Families program), federal and state Earned Income Tax Credits (EITC), the state Young Child Tax Credit (YCTC), the federal Child Tax Credit, 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	14.1%	Madera	18.5%	San Luis Obispo	15.5%
Alpine, Amador, Calaveras, Inyo, Mariposa, Mono, Tuolumne	13.2%	Marin	15.8%	San Mateo	15.1%
Butte	17.9%	Merced	13.4%	Santa Barbara	20.7%
Colusa, Glenn, Tehama, Trinity	14.3%	Monterey, San Benito	17.3%	Santa Clara	14.3%
Contra Costa	13.8%	Napa	13.7%	Santa Cruz	17.0%
Del Norte, Lassen, Modoc, Plumas, Siskiyou	12.8%	Nevada, Sierra	17.3%	Shasta	15.9%
El Dorado	10.4%	Orange	19.1%	Solano	11.8%
Fresno	17.2%	Placer	11.5%	Sonoma	14.4%
Humboldt	19.5%	Riverside	16.1%	Stanislaus	14.4%
Imperial	19.5%	Sacramento	14.8%	Sutter, Yuba	11.9%
Kern	16.7%	San Bernardino	15.3%	Tulare	16.4%
Kings	14.3%	San Diego	17.8%	Ventura	16.3%
Lake, Mendocino	15.8%	San Francisco	17.0%	Yolo	20.9%
Los Angeles	20.8%	San Joaquin	15.4%		

Source: Estimates from the 2017–2019 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 ±0.4 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. 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).

Contact: [bohn@ppic.org](mailto:bohn@ppic.org), [danielson@ppic.org](mailto:danielson@ppic.org), [malagon@ppic.org](mailto:malagon@ppic.org)

Supported with funding from the James Irvine Foundation

