

MEASURING POVERTY

Yearly U.S. measure shows 10.4% of Alaskans live below the line

By **MALI ABRAHAMSON**

According to yearly national poverty data, 10.4 percent of Alaskans lived below the federal poverty threshold in 2015, compared to 14.7 percent nationally.

Alaska's poverty rate was down a full percentage point from the prior year but slightly above the past two decades' average of 9.8 percent. (See Exhibit 1.)

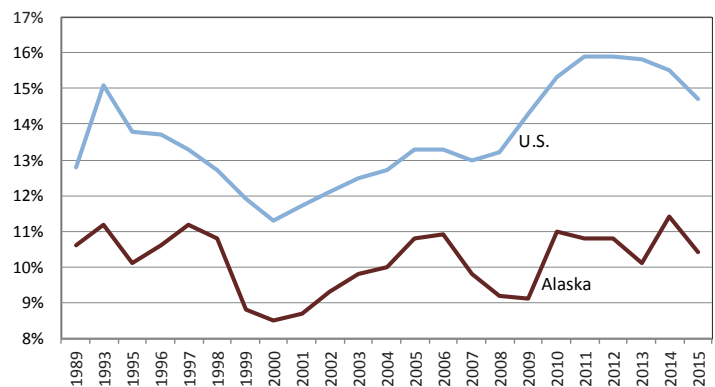
Among states, Alaska had the fourth-lowest poverty rate after New Hampshire, Maryland, and Minnesota. States with the highest poverty rates in 2015 were Mississippi, New Mexico, Louisiana, and Arkansas. (See Exhibit 3.)

Poverty rates are higher everywhere for children. In 2015, 14.5 percent of Alaskans under age 18 and 15.8 percent younger than 5 lived below the threshold. For child poverty, that put Alaska at ninth-lowest among states for everyone under 18 and eighth-lowest for children under 5. (See Exhibit 4.)

Nationally, the rates were 20.7 percent for children under 18 and 22.8 percent for those younger than 5.

1 Alaska Rate Trends Lower Than U.S.

TOTAL POVERTY RATE, 1989 TO 2015



Source: U.S. Census Bureau, *Small Area Income and Poverty Estimates*

Same thresholds apply nationwide

Alaska has historically trended well below the national poverty rate, but because the data source this article uses applies the same poverty thresholds nationwide, Alaska's higher incomes mean lower poverty rates.

Poverty thresholds shouldn't be confused with bene-

2

National Poverty Thresholds for 2015

BY HOUSEHOLD SIZE

Size of family unit	Weighted avg poverty threshold	With related children under 18 years						
		None	One	Two	Three	Four	Five	Six
One person	\$12,082							
Under 65 years	\$12,331	\$12,331	–	–	–	–	–	–
65 years and over	\$11,367	\$11,367	–	–	–	–	–	–
Two people	\$15,391							
Householder under 65 years	\$15,952	\$15,871	\$16,337	–	–	–	–	–
Householder 65 years and over	\$14,342	\$14,326	\$16,275	–	–	–	–	–
Three people	\$18,871	\$18,540	\$19,078	\$19,096	–	–	–	–
Four people	\$24,257	\$24,447	\$24,847	\$24,036	\$24,120	–	–	–
Five people	\$28,741	\$29,482	\$29,911	\$28,995	\$28,286	\$27,853	–	–
Six people	\$32,542	\$33,909	\$34,044	\$33,342	\$32,670	\$31,670	\$31,078	–
Seven people	\$36,998	\$39,017	\$39,260	\$38,421	\$37,835	\$36,745	\$35,473	\$34,077
Eight people	\$41,029	\$43,637	\$44,023	\$43,230	\$42,536	\$41,551	\$40,300	\$38,999
Nine people or more	\$49,177	\$52,493	\$52,747	\$52,046	\$51,457	\$50,490	\$49,159	\$47,956

Source: U.S. Census Bureau, 2015 Small Area Income and Poverty Estimates

About the data

This article's data come from the U.S. Census Bureau's Small Area Income and Poverty Estimates program, or SAIPE, which the bureau established in 1996 to help the U.S. Department of Education determine federal funding allocations for state and local governments. Before SAIPE, no precise yearly poverty measures were available.

SAIPE estimates combine administrative data, postcensal population estimates, and the decennial census with direct estimates from the Census Bureau's American Community Survey to provide single-year estimates of median household income and poverty for all states and county equivalents as well as poverty estimates for school districts. (See Exhibit 8 for poverty rates by Alaska school district.)

The Census Bureau's American Community Survey is another common measure of poverty and the source we used for our February 2012 poverty article, but because ACS is a five-year measure, it isn't comparable to annual SAIPE thresholds. Unlike SAIPE, ACS takes age and area cost-of-living differences into account.

While SAIPE thresholds are the same nationwide, it's important to note that when determining benefit eligibility, many social and economic programs also apply their own poverty guidelines that account for a range of other factors, such as cost of living, pregnancy, age, and rental costs. For example, the U.S. Department of Health and Human Services uses the SAIPE thresholds but applies different poverty guidelines to Alaska and Hawaii. HHS guidelines determine eligibility for programs such as Head Start, the Supplemental Nutrition Assistance Program or SNAP, the National School Lunch Program, the Low-Income Home Energy Assistance Program, and the Children's Health Insurance Program.

Note that margins of error can be large for small places, although when the data used here were cross-checked with more precise administrative data, such as population estimates, they matched well. In Alaska, the larger error range also comes from people misreporting their income on surveys, such as forgetting to include Alaska Permanent Fund Dividends.

fit eligibility, however — agencies using these thresholds as a baseline often add their own guidelines when determining eligibility for benefits or funding allocation.

Poverty thresholds are more of a statistical measure to track changes over time and to look at poverty rates among different groups within a population and, to a lesser degree, between areas. For more on how poverty is measured and how these rates are used, see the sidebar on this page.

Lower-income areas have highest rates

At the county level, states with the highest concentrations of impoverished counties were in the south, with 70 percent of counties in Alabama, Georgia, Louisiana, Mississippi, and New Mexico registering higher-than-average poverty rates.

Eleven of Alaska's 29 boroughs or census areas' poverty rates topped the national average. Western Alaska, which has some of the lowest incomes in the state, had the highest poverty

3

Mississippi Leads States for Rate of Poverty

ALL STATES AND DISTRICT OF COLUMBIA, 2015

Name	Poverty estimate, all ages	Poverty percent, all ages	Poverty estimate, under 18	Poverty percent, under 18	Median household income	Poverty estimate, under age 5	Poverty percent, under age 5
Mississippi	638,919	22.1%	225,347	31.5%	\$40,630	65,706	34.6%
New Mexico	405,364	19.8%	133,471	27.2%	\$45,524	40,192	30.3%
Louisiana	885,846	19.5%	309,187	28.1%	\$45,829	94,525	30.9%
Arkansas	540,733	18.7%	182,238	26.4%	\$42,046	56,199	30.5%
Alabama	875,853	18.5%	288,450	26.5%	\$44,833	84,382	29.4%
Kentucky	786,345	18.3%	250,180	25.3%	\$45,178	75,486	27.9%
West Virginia	322,589	18.0%	91,962	24.7%	\$41,969	28,552	28.2%
District of Columbia	113,185	17.7%	32,947	28.3%	\$73,115	10,892	25.6%
Arizona	1,159,046	17.4%	394,337	24.7%	\$51,473	113,218	27.0%
Georgia	1,705,831	17.2%	610,161	24.7%	\$51,225	174,035	26.9%
South Carolina	796,609	16.8%	260,646	24.4%	\$47,308	73,420	26.1%
Tennessee	1,077,866	16.7%	355,680	24.1%	\$47,243	108,782	27.7%
North Carolina	1,607,249	16.4%	528,760	23.4%	\$47,884	156,403	26.4%
Oklahoma	608,507	16.0%	207,539	22.0%	\$48,595	64,648	24.7%
Texas	4,255,690	15.9%	1,634,149	22.9%	\$55,668	484,428	24.8%
Florida	3,129,061	15.8%	944,415	23.4%	\$49,416	280,519	26.0%
Michigan	1,524,330	15.7%	481,421	22.2%	\$51,063	138,623	24.9%
New York	2,985,604	15.5%	921,512	22.3%	\$60,805	275,702	23.9%
California	5,896,255	15.4%	1,901,985	21.2%	\$64,483	547,759	22.3%
Oregon	601,626	15.2%	167,322	19.8%	\$54,074	50,109	22.4%
Nevada	424,824	14.9%	142,071	21.6%	\$52,544	42,203	24.4%
Missouri	875,704	14.8%	277,687	20.4%	\$50,200	84,223	23.0%
Ohio	1,670,487	14.8%	546,968	21.2%	\$51,086	170,403	25.1%
United States	46,153,077	14.7%	15,000,273	20.7%	\$55,775	4,448,211	22.8%
Idaho	238,646	14.7%	75,056	17.7%	\$48,311	23,270	20.9%
Indiana	924,428	14.4%	314,486	20.4%	\$50,510	95,156	23.2%
Montana	144,634	14.4%	41,503	18.8%	\$49,650	13,432	22.3%
Rhode Island	143,724	14.1%	43,057	20.6%	\$57,265	12,497	23.1%
Illinois	1,702,210	13.6%	557,787	19.1%	\$59,590	163,741	21.3%
South Dakota	111,697	13.5%	36,584	17.7%	\$53,263	12,239	20.5%
Maine	171,266	13.2%	43,683	17.5%	\$51,419	12,196	19.5%
Pennsylvania	1,624,991	13.1%	505,576	19.1%	\$55,683	146,932	21.0%
Kansas	366,069	12.9%	119,994	16.9%	\$53,802	38,465	19.8%
Delaware	115,655	12.6%	38,446	19.1%	\$61,327	11,404	20.7%
Washington	860,734	12.2%	248,383	15.7%	\$64,080	73,455	16.8%
Nebraska	224,696	12.2%	73,349	15.9%	\$55,073	22,837	17.8%
Iowa	366,453	12.1%	106,192	14.9%	\$54,843	31,492	16.3%
Wisconsin	679,937	12.1%	209,382	16.5%	\$55,623	63,928	19.1%
Colorado	614,410	11.5%	183,216	14.8%	\$63,945	55,162	16.7%
Massachusetts	752,453	11.5%	203,789	14.9%	\$70,659	59,018	16.4%
Virginia	914,226	11.2%	275,747	15.0%	\$66,263	82,761	16.4%
Utah	331,233	11.2%	115,511	12.8%	\$62,961	36,805	14.9%
New Jersey	945,989	10.8%	306,606	15.5%	\$72,337	89,504	17.3%
North Dakota	78,613	10.7%	20,716	12.1%	\$61,674	7,437	14.3%
Hawaii	149,091	10.7%	44,299	14.5%	\$73,097	13,836	15.4%
Wyoming	60,787	10.6%	17,725	13.0%	\$61,213	5,977	15.8%
Connecticut	367,867	10.6%	110,143	14.6%	\$71,333	30,085	16.4%
Vermont	62,643	10.4%	16,009	13.7%	\$56,883	4,561	15.6%
Alaska	74,941	10.4%	26,564	14.5%	\$73,391	8,535	15.8%
Minnesota	546,499	10.2%	165,217	13.1%	\$63,459	48,782	14.2%
Maryland	583,369	9.9%	184,229	13.9%	\$75,784	56,181	15.5%
New Hampshire	108,293	8.4%	28,590	11.0%	\$70,003	8,116	12.9%

Source: U.S. Census Bureau, 2015 Small Area Income and Poverty Estimates

4 How Alaska and U.S. Child Poverty Rates Compare

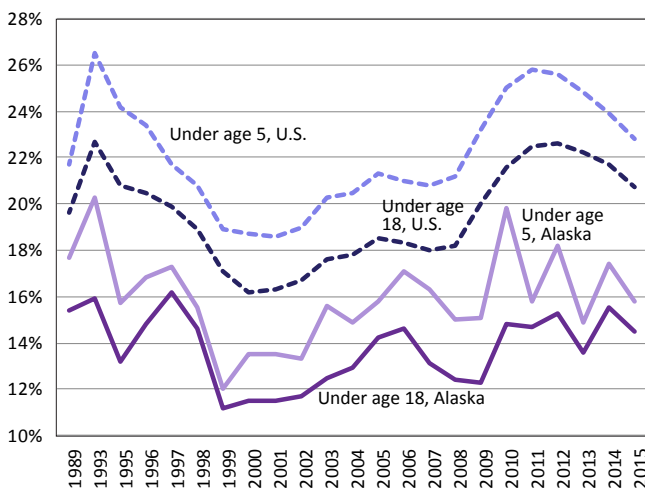
UNDER 18 AND UNDER 5 RATES, ALASKA AND THE U.S., 2015

	Total number in poverty	Poverty rate, total	Under 18, in poverty	Under 18, rate	Under 5 in poverty	Under 5, rate
United States	46,153,077	14.7%	15,000,273	20.7%	4,448,211	22.8%
Alaska	74,941	10.4%	26,564	14.5%	8,535	15.8%

Source: U.S. Census Bureau, 2015 Small Area Income and Poverty Estimates

5 Child Poverty Trends

ALASKA AND THE U.S., 1989 TO 2015



Source: U.S. Census Bureau, 2015 Small Area Income and Poverty Estimates

rates overall as well as the highest child poverty rates.

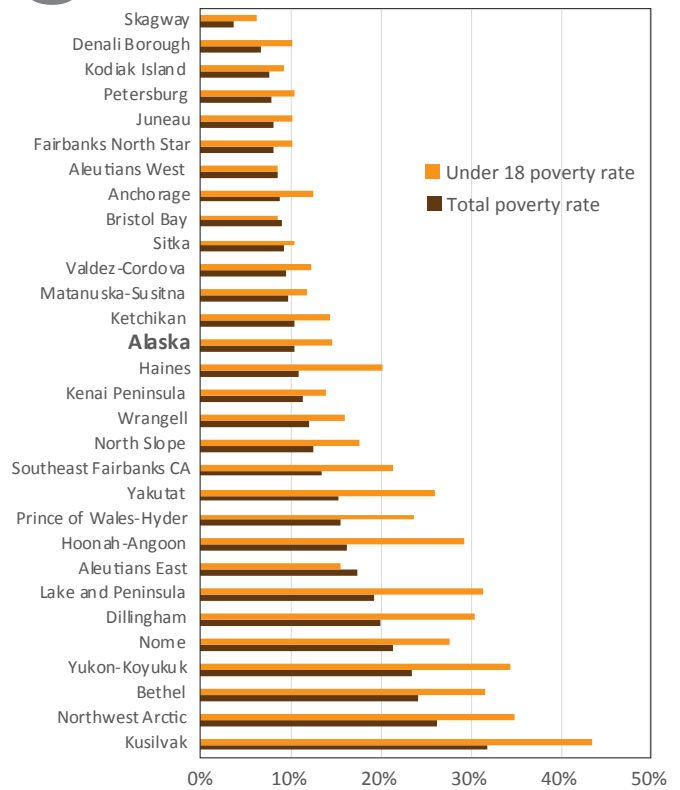
The Kusilvak Census Area was highest at 31.8 percent overall and 43.4 percent among those under age 18.¹ (See exhibits 6 and 7.) Out of the nation's 3,141 county equivalents, Kusilvak's total poverty rate ranked 84th.

In addition to lower median incomes, the areas with higher rates and especially higher child poverty rates tend to have more children per household and a younger population overall than the rest of the state. Poverty status is determined by the total household income of everyone over age 15 except foster children, regardless of family size or location. Note that because Alaska Permanent Fund Dividends for children under 15 don't count toward total family

¹Rates for children under 5 aren't produced at the county-equivalent level.

6 Higher in Southwest Alaska

POVERTY BY AREA, 2015



Source: U.S. Census Bureau, 2015 Small Area Income and Poverty Estimates

income, actual household income may sometimes be underestimated, especially in rural Alaska.

Many low rates are in Southeast

The places with the lowest poverty rates had among the highest incomes, led by Skagway at 4 percent.

Anchorage, which has the state's largest population and its third-highest median income, had the highest

7 Income by Alaska Area

TOTAL HOUSEHOLD, 2015

	Median household income
Kusilvak Census Area	\$33,511
Yukon-Koyukuk Census Area	\$37,755
Lake and Peninsula Borough	\$42,120
Bethel Census Area	\$44,849
Prince of Wales-Hyder CA	\$45,305
Dillingham Census Area	\$50,753
Nome Census Area	\$52,952
Hoonah-Angoon Census Area	\$53,726
Northwest Arctic Borough	\$53,774
Yakutat, City and Borough	\$53,795
Wrangell, City and Borough	\$54,500
United States	\$55,775
Aleutians East Borough	\$57,015
Haines Borough	\$57,876
Southeast Fairbanks CA	\$60,203
Kenai Peninsula Borough	\$62,025
Petersburg Borough	\$63,098
Ketchikan Gateway Borough	\$65,314
Skagway, Municipality	\$65,878
Bristol Bay Borough	\$66,373
Kodiak Island Borough	\$67,515
Sitka, City and Borough	\$68,472
Valdez-Cordova Census Area	\$70,101
North Slope Borough	\$70,834
Fairbanks North Star Borough	\$70,881
Denali Borough	\$73,000
Alaska	\$73,391
Matanuska-Susitna Borough	\$76,601
Anchorage, Municipality	\$77,791
Aleutians West Census Area	\$80,695
Juneau, City and Borough	\$82,892

Source: U.S. Census Bureau, 2015 Small Area Income and Poverty Estimates

number of people living in poverty but a low rate of 8.7 percent.

Small areas with transient workers also trend low, including Denali Borough, North Slope Borough, and Aleutians West Census Area. Income is higher in these areas, and any transient workers whose income is below the poverty line would be counted where they live, not where they work.

Mali Abrahamson is a research analyst in Juneau. Reach her at (907) 465-6029 or mali.abrahamson@alaska.gov.

8 Child Poverty by School District

AND ALASKA DISTRICT POPULATIONS, 2015

School district	District population	Total ages 5 to 17	Poverty rate, 5-17
Alaska Gateway School District (Tok area)	2,280	390	23%
Aleutian Region School District	619	27	41%
Aleutians East Borough School District	3,341	221	13%
Anchorage School District	298,695	51,599	11%
Annette Island School District	1,500	285	19%
Bering Strait School District	6,114	1,622	30%
Bristol Bay Borough School District	892	121	7%
Chatham School District	1,287	187	24%
Chugach School District	455	59	37%
Copper River School District	2,746	476	20%
Cordova City School District	2,175	358	4%
Craig City School District	1,234	236	26%
Delta/Greely School District	4,680	824	20%
Denali Borough School District	1,919	253	9%
Dillingham City School District	2,401	434	22%
Fairbanks North Star Borough School District	99,631	16,209	9%
Galena City School District	465	102	19%
Haines Borough School District	2,534	400	16%
Hoonah City School District	758	117	29%
Hydaburg City School District	385	70	29%
Iditarod Area School District (McGrath)	1,094	221	28%
Juneau Borough School District	32,756	5,234	8%
Kake City School District	572	97	27%
Kashunamiut School District	1,021	290	46%
Kenai Peninsula Borough School District	58,059	9,626	12%
Ketchikan Gateway Borough School District	13,709	2,197	12%
Klawock City School District	776	153	19%
Kodiak Island Borough School District	13,889	2,507	8%
Kuspuk School District	1,483	339	32%
Lake and Peninsula Borough School District	1,563	309	30%
Lower Kuskokwim School District	14,997	3,731	29%
Lower Yukon School District	6,546	1,812	42%
Matanuska-Susitna Borough School District	101,095	20,248	10%
Nenana City School District	374	67	16%
Nome School District	3,732	732	16%
North Slope Borough School District	9,687	1,708	16%
Northwest Arctic Borough School District	7,752	1,902	32%
Pelican City School District	88	12	25%
Petersburg Borough School District	3,177	497	10%
Pribilof School District	596	83	10%
Sitka School District	8,863	1,459	9%
Skagway School District	1,057	89	7%
Southeast Island School District	1,874	281	15%
Southwest Region School District	2,596	594	36%
St. Marys City School District	552	144	36%
Tanana City School District	244	47	19%
Unalaska City School District	4,487	352	5%
Valdez City School District	3,864	660	6%
Wrangell School District	2,382	361	13%
Yakutat School District	613	81	26%
Yukon Flats School District	1,425	260	35%
Yukon-Koyukuk School District	1,978	370	38%
Yupiiit School District (Aklachak, Akiak, Tuluksak)	1,420	364	42%

Source: U.S. Census Bureau, 2015 Small Area Income and Poverty Estimates