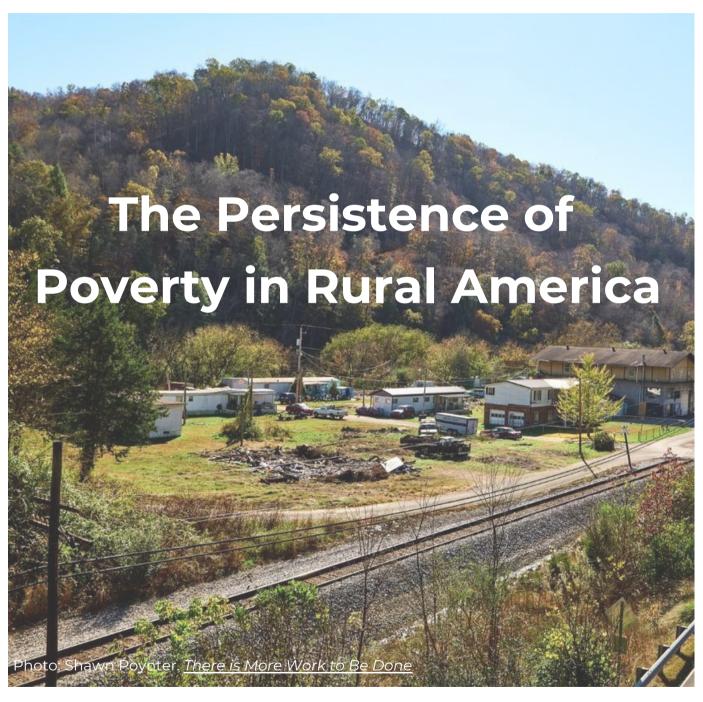
Washington, DC

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RURAL RESEARCH BRIEF



A Preliminary Update From The 2020 Data



THE PERSISTENCE OF POVERTY IN RURAL AMERICA

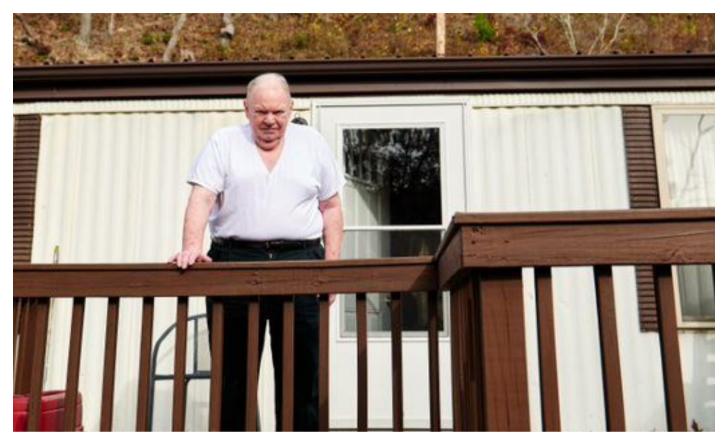


Photo: Shawn Poynter. <u>There is More Work to Be Done</u>

The issue of poverty is complex, but it is much more than an abstract condition for the over 37 million Americans. who face daily struggles with food insecurity, access to health care, and search for basic shelter. Another aspect of poverty in the United States is the persistence of high poverty rates over a long period of time.

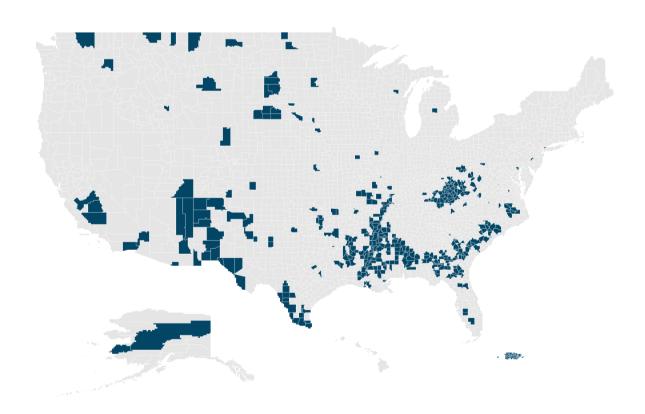
Identified as "Persistent Poverty Counties," these communities are generally rural, isolated geographically, lack resources and economic opportunities, and suffer from decades of disinvestment and double- digit poverty rates. Forgotten or hidden from mainstream America, many of these areas and populations have had high poverty rates for decades.



THERE ARE 377 PERSISTENT POVERTY COUNTIES IN THE UNITED STATES

Persistently poor counties are classified as having poverty rates of 20 percent or more for three consecutive decades. Using this metric, the Housing Assistance Council estimates there were 377 persistently poor counties in 2020 using data from the Census Bureau's recently released 2016-2020 American Community Survey, the 2006-2010 American Community Survey and the 2000 Decennial Census of Population and Housing. For the first time, HAC also calculated persistent poverty status for Puerto Rico. All 78 of Puerto Rico's Municipios (county equivalents) were classified as having persistent poverty status as of the 2020 data. With the island territory included, there are a total of 455 Persistent Poverty Counties.

Persistent Poverty Counties, 2020 Counties with 20% or higher poverty rate in 2000, 2010, and 2020





Source: Housing Assistance Council Tabulations of the U.S Census Bureau's 2000 Census of Population and Housing, 2006-2010 American Community Survey, and 2016-2020 American Community Survey.

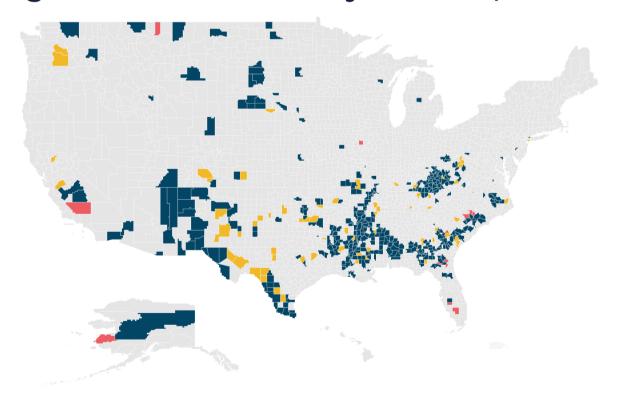


BETWEEN 2010 AND 2020 THE OVERALL NUMBER OF PERSISTENT POVERTY COUNTIES DECLINED, BUT SOME COUNTIES WERE ADDED TO THE LIST

The number of Persistent Poverty Counties declined from 433 in 2010 to 377 using the 2020 data and the updated decades (2000, 2010, and 2020). Overall, 70 counties moved off the persistent poverty list while 13 counties that were not classified as having persistent poverty in 2010, reached that threshold in 2020. Three-hundred and sixty-three (363) counties were classified as persistently poor in both 2010 and 2020.

HAC plans a more thorough analysis of Persistent Poverty Counties, but initial observations indicate change in persistent poverty status was somewhat random - at least in terms of geography. Yet, one of the initial findings from the new analysis is the continuation of many counties classified with persistent poverty status. Approximately 78 percent of Persistent Poverty Counties in 2020 have been in this status consistently since 1980.

Change in Persistent Poverty Counties, 2010 - 2020





Persistent Poverty County in 2020, not in 2010 Persistent Poverty County in 2010, not in 2020

Source: Housing Assistance Council Tabulations of the U.S Census Bureau's 1990, and 2000 Census of Population and Housing, and 2006-2010 American Community Survey, and 2016-2020 American Community Survey.

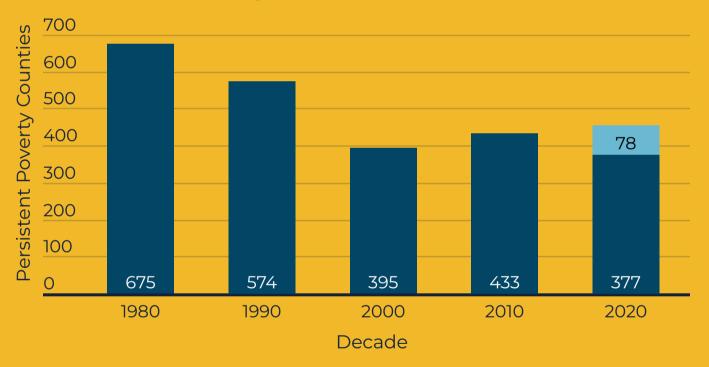


HOW IS "PERSISTENT POVERTY" DEFINED?

"Persistent Poverty Counties" are classified as counties, including county equivalent areas in Alaska, Louisiana, Virginia, and Puerto Rico, that have had 20 percent or more of their population living in poverty over the past 30 years, as measured by the 2000 Census of Population and Housing and the 2006-2010 and 2016–2020 five-year data from the U.S. Census Bureau's American Community Survey.

HAC generally follows this 'three-decade' classification for defining persistent poverty status that has been adopted by entities such as the U.S. Treasury Department.² Other researchers and agencies, such as the U.S. Department of Agriculture's Economic Research Service (ERS), rely on methodologies that incorporate longer periods of high poverty of four or more decades. ³

Persistent Poverty Counties, 1980-2020



United States - Excluding Territories
Puerto Ricc

Source: Housing Assistance Council Tabulations of the U.S Census Bureau's 1960, 1970, 1980, 1990, and 2000 Census of Population and Housing, and 2006-2010 and 2016-2020 American Community Survey.

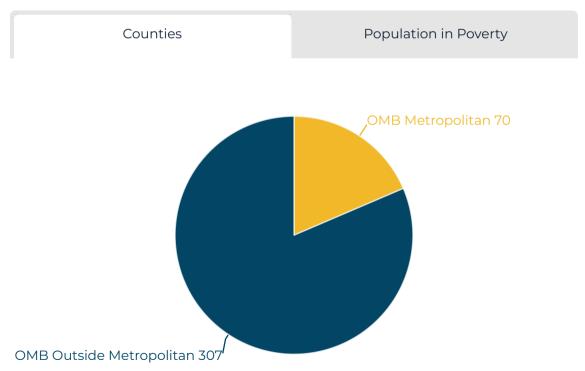


PERSISTENT POVERTY COUNTIES ARE OFTEN GEOGRAPHICALLY CLUSTERED AND HAVE VARIED RURAL AND URBAN DYNAMICS

One of the consistent features of many Persistent Poverty Counties is their clustering within several rural geographic regions that have a large footprint over the United States. Persistent Poverty Counties make up one-tenth of all US counties, or county equivalents, and 15 percent of the U.S. landmass.

In terms of rural and urban communities, approximately 81 percent of Persistent Poverty Counties are located outside of OMB defined metropolitan areas, a geography often used as a proxy for rural areas. Overall, there are 1.7 million people experiencing poverty in rural Persistent Poverty Counties. While the vast majority of these counties are rural, most of the population in poverty in Persistent Poverty Counties are located in metropolitan areas. Of the 4.6 million persons with below poverty incomes in these areas, nearly 3 million, or 64 percent, live in metropolitan areas. This incongruity is partially explained by the existence of several high-population persistent poverty counties such as Bronx County, NY, Philadelphia County, PA, Baltimore City, MD, St. Louis County, MO, and Hidalgo County, TX. These five generally urbanized counties alone have approximately 1.2 million residents in poverty.

Persistent Poverty Counties By Residence, 2020



Source: Housing Assistance Council Tabulations of the U.S Census Bureau's 2000 Census of Population and Housing, 2006-2010 American Community Survey, and 2016-2020 American Community Survey.



RuralSTATs

Persistent Poverty

377

Persistent Poverty Counties in 2020

81%

Persistent Poverty Counties located Outside of a Metropolitan Area

1,658,459

Population with below poverty income in rural Persistent Poverty Counties

70

Number of counties that lost Persistent Poverty status in 2020

4,608,646

Population in poverty in all Persistent Poverty Counties

78

Municipios in Puerto Rico with Persistent Poverty status

Source: Housing Assistance Council Tabulations of the U.S Census Bureau's 1990, and 2000 Census of Population and Housing, 2006-2010 American Community Survey, and 2016-2020 American Community Survey.



ABOUT THE AUTHORS



Lance George is the Director of Research and Information at the Housing Assistance Council. Lance works at the intersection of housing, research, and data to help Americans who have quality and safe homes, understand and care about those who do not. Lance's research encompasses a wide array of issues and topics related to affordable housing.



Keith Wiley is the Senior Researcher at the Housing Assistance Council. His areas of expertise include the Community Reinvestment Act, assisted and subsidized housing data analysis, Home Mortgage Disclosure Act, smart growth planning and policies, and environmental economics. Keith holds an M.A. in Public Policy from American University and a Ph.D. in Public Policy from the University of Maryland, Baltimore County.

Notes

1. U.S Census Bureau. *Income and Poverty in the United States: 2020*https://www.census.gov/newsroom/stories/poverty-awareness-month.html#:~:text=In%202020%2C%20there%20were%2037.2,and%20Table%20B%2D1).

2. U.S. Department of the Treasury. Persistent Poverty Counties.

https://home.treasury.gov/system/files/136/Persistent-Poverty-Counties-and-County-Equivalents.xlsx
3. USDA Economic Research Service. Rural counties with high and persistent poverty in 2019 were

3. USDA Economic Research Service. Rural counties with high and persistent poverty in 2019 were mostly located across the South. https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=101781



ABOUT THE DATA

Defining Persistent Poverty. "Persistent Poverty Counties" in this Brief are classified as counties, including county equivalent areas in Alaska, Louisiana, Virginia, and Puerto Rico, that have had 20 percent or more of their population living in poverty over the past 30 years, as measured by the 2000 Census of Population and Housing and the 2006-2010 and 2016–2020 five-year data from the U.S. Census Bureau's American Community Survey.

Defining Poverty. The U.S. Census Bureau follows the <u>Office of Management and Budget's (OMB) Statistical Policy Directive 14</u>, and uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the family's threshold, then that family and every individual in it is considered in poverty. The official poverty thresholds do not vary geographically, but they are updated for inflation using the Consumer Price Index (CPI-U). The official poverty definition uses money income before taxes and does not include capital gains or noncash benefits (such as public housing, Medicaid, and food stamps).

To calculate total family income, the incomes of all related family members that live together are added up to determine poverty status. If an individual or group of individuals (such as housemates) are not living with family members, their own individual income is compared with their individual poverty threshold. Thus, all family members have the same poverty status, and some families may be composed of single unrelated individuals. If total family income: Is less than the poverty threshold for that family - that family and everyone in it is considered to be in poverty. If family income equals or is greater than the poverty threshold - the family is not considered to be in poverty.

People whose poverty status cannot be determined include people in Institutional group quarters (such as prisons or nursing homes); college dormitories; military barracks; living situations without conventional housing (and who are not in shelters). Additionally, poverty status cannot be determined for unrelated individuals under age 15 (such as foster children) because income questions are asked of people age 15 and older and, if someone is under age 15 and not living with a family member, the Census Bureau does not know their income. Since Census cannot determine their poverty status, they are excluded from the "poverty universe".

For more information on how the Census Bureau measures poverty, visit: https://www.census.gov/topics/income-poverty/poverty/guidance/poverty-measures.html



The **Housing Assistance Council** is a national nonprofit organization that helps build homes and communities across rural America

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www.ruralhome.org



Photo: Jennifer Emerling. <u>There is More Work to Be Done</u>

