Family Income & Childhood Poverty in California

What It Is
On kidsdata.org, family income and poverty are measured against a variety of income, resource, and self-sufficiency criteria:
- Federal Poverty Threshold
- Federal Poverty Guideline
- Supplemental Poverty Measure
- California Poverty Measure
- Self-Sufficiency Standard

For each of these measures, kidsdata.org provides estimates of the share of children (or families with children) without the economic means necessary for an adequate standard of living. Depending on the data source, additional measures and breakdowns also are available.

Why This Topic Is Important
Income and well being are intricately linked. Poverty can alter children's developmental trajectories in cognitive, socio-emotional, and physical health. The effects of poverty on child health and well being can begin during pregnancy, as low-income women are more likely to experience malnutrition and stress, and are less likely to receive adequate prenatal care. Children who face economic hardship when they are young, or who experience deep and prolonged poverty, are at greatest risk for poor outcomes. The effects of poverty and the stress associated with it can be lasting, contributing to increased risk of not completing high school, poor adult health, and poor employment outcomes, among other adverse consequences.

The impacts extend beyond individuals, too. It is estimated that child poverty costs the U.S. more than $1 trillion annually in direct and indirect health costs, increased child homelessness and maltreatment, loss of economic productivity, and costs associated with crime and incarceration. Every dollar spent on childhood poverty reduction strategies could reduce this economic fallout by seven dollars.

How Children Are Faring
In 2016-2020, an estimated 17% of California children lived below the federal poverty threshold ($26,246 annually for a family of two adults and two children in 2020). Across counties with data, official child poverty rates ranged from 6% in San Mateo to more than 30% in Imperial. In Tehama County in 2016-2020, more than one in six children lived in deep poverty—i.e., on annual income lower than half the federal poverty threshold ($13,123 for two adults and two children in...
Children Living in Poverty, by Race/Ethnicity - Supplemental Poverty Measure: 2018-2020

Definition: Estimated percentage of children ages 0-17 in living situations with incomes below their Supplemental Poverty Measure (SPM) threshold, by race/ethnicity (e.g., in 2018-2020, 23.8% of Hispanic/Latino children in California lived in poverty, according to the SPM).


Poverty-Reducing Effects of the Social Safety Net - California Poverty Measure: Fall 2021

<table>
<thead>
<tr>
<th>Safety Net Program</th>
<th>Child Deep Poverty</th>
<th>Child Poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>CalFresh</td>
<td>0.8</td>
<td>4.6</td>
</tr>
<tr>
<td>CalWORKs</td>
<td>0.2</td>
<td>1.1</td>
</tr>
<tr>
<td>Earned Income Tax Credit; Child Tax Credit</td>
<td>1.3</td>
<td>7.4</td>
</tr>
<tr>
<td>Free or Reduced Price School Meals; WIC</td>
<td>0.3</td>
<td>1.6</td>
</tr>
<tr>
<td>Housing Subsidies</td>
<td>0.8</td>
<td>1.5</td>
</tr>
<tr>
<td>Supplemental Security Income</td>
<td>0.1</td>
<td>0.5</td>
</tr>
<tr>
<td>All Safety Net Programs</td>
<td>9.2</td>
<td>19.7</td>
</tr>
</tbody>
</table>

Definition: Difference between the percentage of children ages 0-17 estimated to be in poverty in the absence of social safety net programs and the percentage of children estimated to be in poverty, according to the California Poverty Measure (CPM), by program type and CPM poverty level (e.g., in the absence of the CalFresh program, the child poverty rate in California would have been 4.6 percentage points higher in fall 2021, according to the CPM).

Data Source: Public Policy Institute of California & Stanford Center on Poverty and Inequality, California Poverty Measure (May 2023).

The Supplemental Poverty Measure (SPM) accounts for expenses (e.g., state-level differences in housing costs) and resources (e.g., government safety net program benefits) not captured in the official poverty measure. According to SPM estimates, 13% of California children lived in poverty in 2020. California's SPM child poverty rate consistently exceeds comparable U.S. figures. More than one in five African American/black and Hispanic/Latino children in California lived below their SPM threshold in 2018-2020, compared with fewer than one in twelve of their white and multiracial peers.

The California Poverty Measure (CPM) builds on the SPM by adjusting for California-specific safety net policies and for regional variation in the cost of living within the state. CPM data for fall 2021 show that 9% of children statewide lived in poverty and 1.7% lived in deep poverty. In the absence of social safety net programs, it is estimated that the child poverty rate would have been nearly 20 percentage points higher and the deep poverty rate more than 9 percentage points higher. Local CPM child poverty rates varied from 7% to 12% across the state's ten most populous counties and from 3% to 17% across legislative districts with data. Overall, children whose parents are single, non-U.S. citizens, or who did not finish high school tend to experience higher rates of CPM poverty and deep poverty than children in families with married parents, U.S. citizens, and higher levels of educational attainment.

The Self-Sufficiency Standard (SSS) represents the estimated income a family needs to adequately meet its basic needs without public or private assistance. Across California counties, the SSS for a family of two adults and two school-aged children in 2018 ranged from $52,566 (Modoc) to $114,215 (Marin) annually. In 2016, nearly half (48%) of all families with children statewide lived on incomes below their SSS.

View references for this text and additional research on this topic: https://www.kidsdata.org/topic/38/family-income-and-poverty/summary