

2022

Burke County, NC

Community

Assessment

**Federal Poverty Definitions**

The **poverty thresholds** are the federal poverty measure use to determine the prevalence of poverty in America. They are updated each year by the Census Bureau and are used mainly for statistical purposes (e.g., preparing estimates of the number of American’s living in poverty each year). The poverty thresholds for 2021 are listed below.

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Poverty Thresholds for 2021 by Size of Family and Number of Related Children Under 18 Years | | | | | | | | | |
| Size of family unit | Related children under 18 years | | | | | | | | |
| None | One | Two | Three | Four | Five | Six | Seven | Eight or more |
| One person  (unrelated individual): |  |  |  |  |  |  |  |  |  |
| Under age 65 | 14,097 |  |  |  |  |  |  |  |  |
| Aged 65 and older | 12,996 |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Two people: |  |  |  |  |  |  |  |  |  |
| Householder under age 65 | 18,145 | 18,677 |  |  |  |  |  |  |  |
| Householder aged 65 and older | 16,379 | 18,606 |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |
| Three people | 21,196 | 21,811 | 21,831 |  |  |  |  |  |  |
| Four people | 27,949 | 28,406 | 27,479 | 27,575 |  |  |  |  |  |
| Five people | 33,705 | 34,195 | 33,148 | 32,338 | 31,843 |  |  |  |  |
| Six people | 38,767 | 38,921 | 38,119 | 37,350 | 36,207 | 35,529 |  |  |  |
| Seven people | 44,606 | 44,885 | 43,925 | 43,255 | 42,009 | 40,554 | 38,958 |  |  |
| Eight people | 49,888 | 50,329 | 49,423 | 48,629 | 47,503 | 46,073 | 44,585 | 44,207 |  |
| Nine people or more | 60,012 | 60,303 | 59,501 | 58,828 | 57,722 | 56,201 | 54,826 | 54,485 | 52,386 |
| Source: U.S. Census Bureau  https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html | | | | | | | | | |

The **poverty guidelines** are simplification of the previous year’s poverty thresholds and are used for administrative purposes (e.g., determining financial edibility for certain federal programs). The poverty guidelines are issued each year in the Federal Register by the Department of Health and Human Services. The poverty guidelines for 2022 are listed below.

|  |
| --- |
| 2022 Poverty Guidelines for the 48 Contiguous States and the District of Columbia |
| Persons in family/household Poverty guideline |
| 1 .................................................. $13,590 |
| 2 .................................................. 18,310 |
| 3 .................................................. 23,030 |
| 4 .................................................. 27,750 |
| 5 .................................................. 32,470 |
| 6 .................................................. 37,190 |
| 7 .................................................. 41,910 |
| 8 .................................................. 46,630 |
| For families/households with more than 8 persons, add $4,720 for each additional person. |
| Source: Federal Register, Vol. 87, No. 4 Friday, January 21, 2022/Notices https://www.govinfo.gov/content/pkg/FR-2022-01-21/pdf/2022-01166.pdf |

Families are considered to be living in **extreme poverty** when their household earnings are less than half of their assigned poverty threshold, also referred to as below 50% poverty (Annie E. Casey Foundation).

Families who earn less than 200% of their assigned poverty threshold are considered to be living in poverty or low income (also referred to as below 200% poverty). Families earning more than 200% of their assigned poverty threshold are typically not considered low-income (Annie E. Casey Foundation).

Areas of **concentrated poverty** (also referred to as high-poverty areas) are census tracts where poverty rates for the local population are 30% or high, meaning that at least 30% of the population falls below 200% of their assigned poverty threshold. Areas of concentrated poverty are more likely to have high rates of crime, violence, health issues, and unemployment (Annie E. Casey Foundation).

The U.S. Census Bureau uses the poverty threshold when reporting the statistical levels of poverty in any geographic area, such as cities, counties, and states. However, poverty threshold and guidelines are also criteria for participation in programs targeting lower-income families. These programs often have eligibility requirements that are higher than the poverty threshold but generally are a multiplier of it. A common example is eligibility for the National School Lunch Program (free and reduced-price lunch) and related federal programs. Children can participate if they come from a household with an income up to 185% of the federal poverty guidelines. The percentage of children in schools who qualify for a free or reduced-price lunch is a commonly used measure of childhood poverty in program administration decisions. Being deemed as poor or needy by the free and reduced-price lunch or similar program standards often serves as the criterion for eligibility in other programs: a child who is deemed eligible for a free or reduced-price lunch may automatically be eligible for other assistance.

The same logic applies at other levels of program administration. Programs targeting high-poverty areas, such as the Community Development Block Grant program, may base area eligibility on the percentage of children in the school system who quality for the free and reduced-price lunch program. In other words, the poverty guidelines measure is the fundamental building block upon which most other definitions of poverty and need are based.