

# Virginia's Poverty Overview

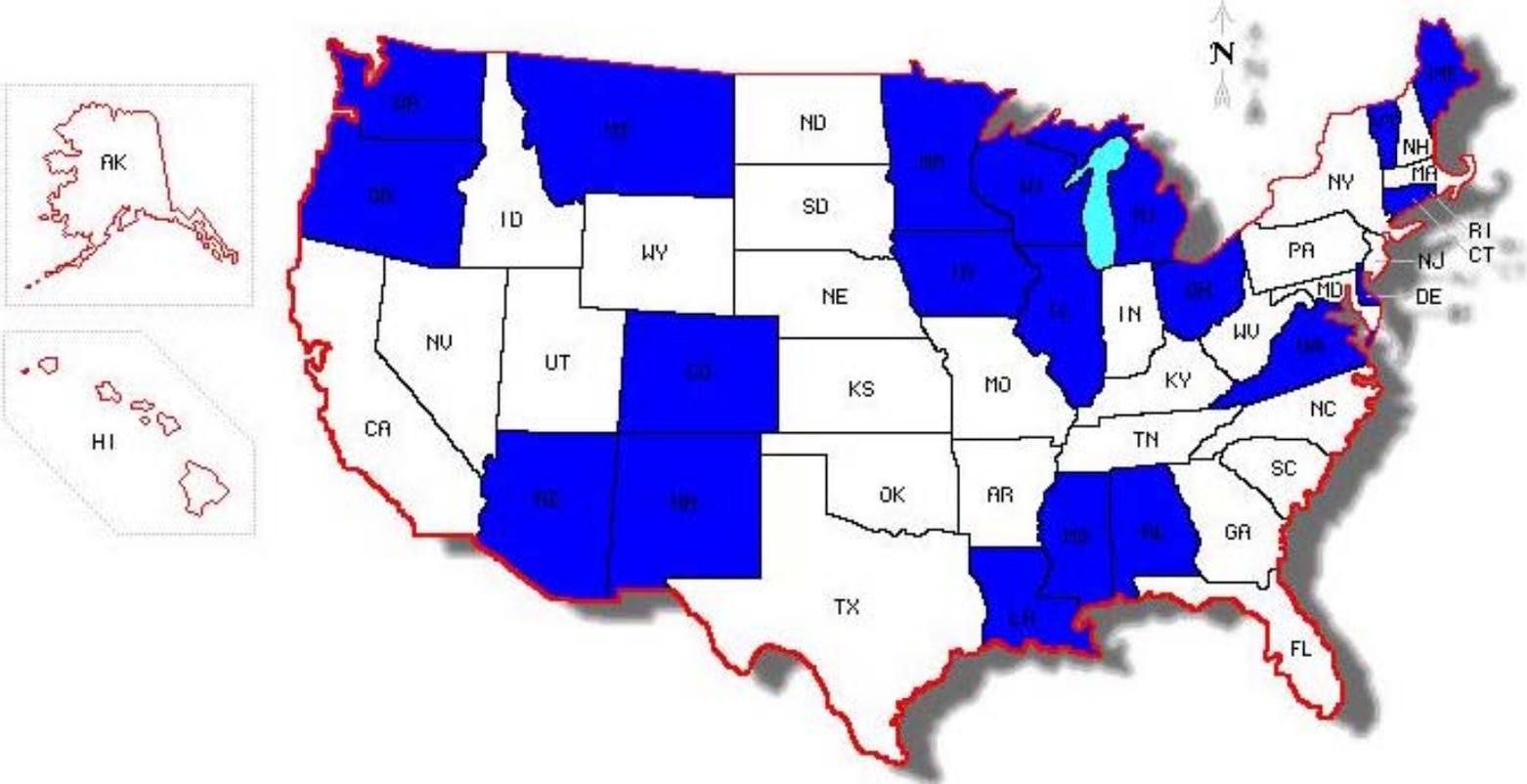


August 20<sup>th</sup>, 2009

Michael Cassidy, Executive Director

The Commonwealth Institute for Fiscal Analysis

# 21 States are Engaged in Poverty Reduction Efforts



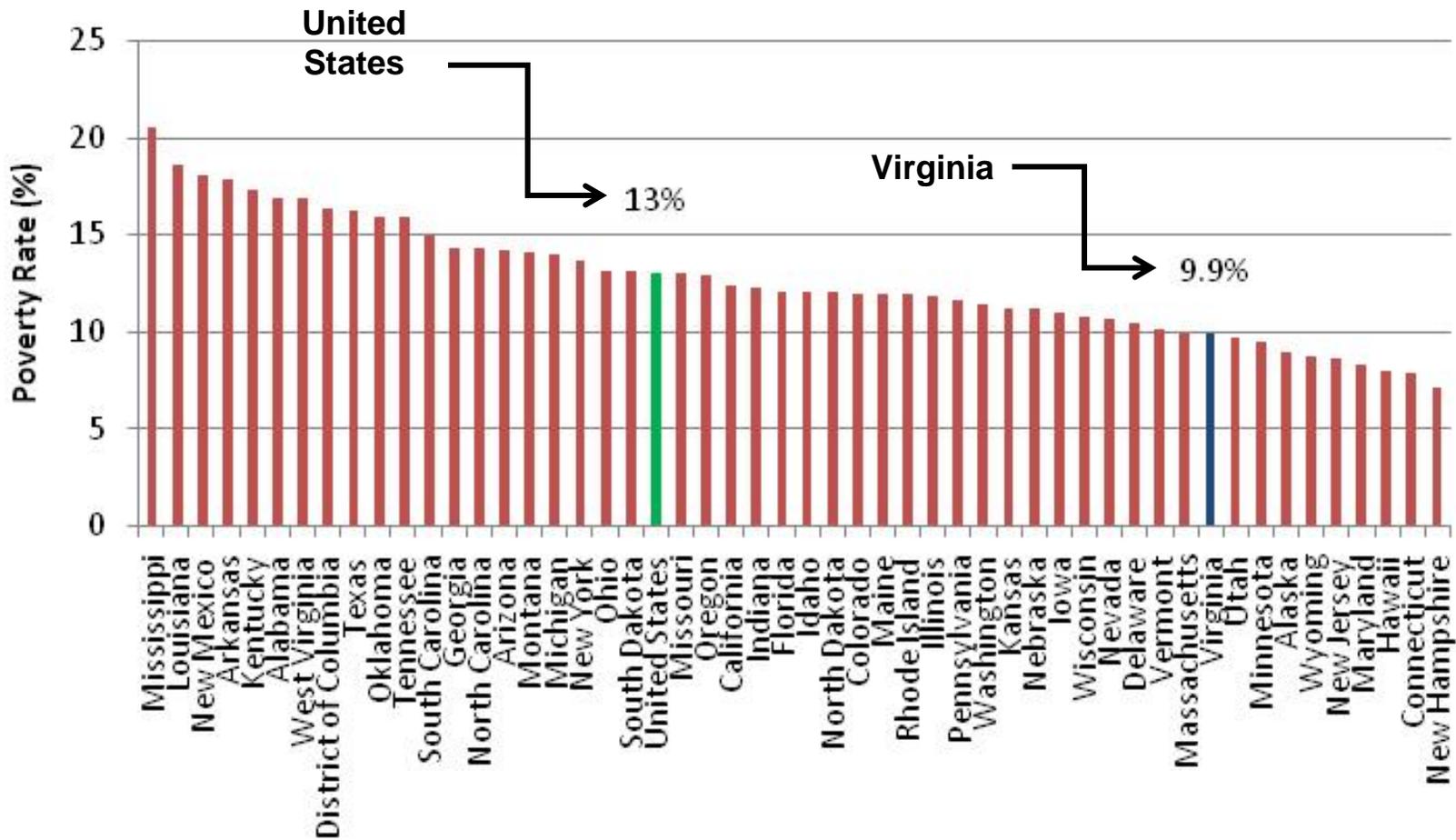
14 Commissions or Task Forces

11 Summits

8 Poverty Reduction Targets

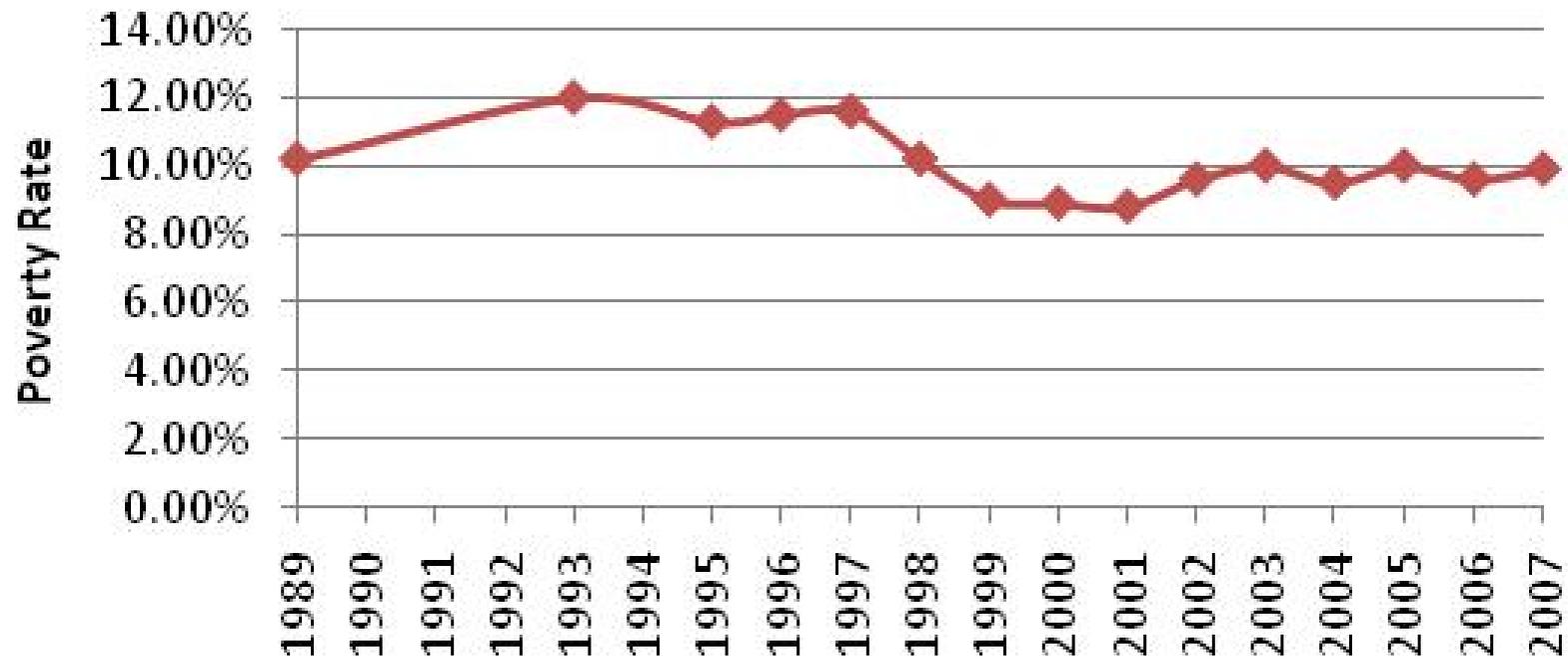
3 Legislative Caucuses

## Virginia 10th Lowest Nationally Poverty Rates by State, 2007



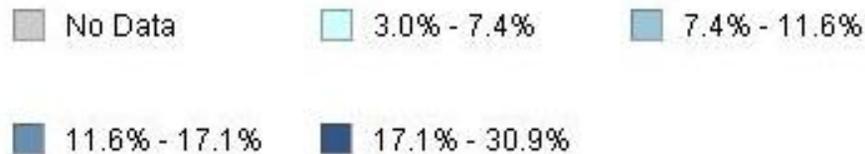
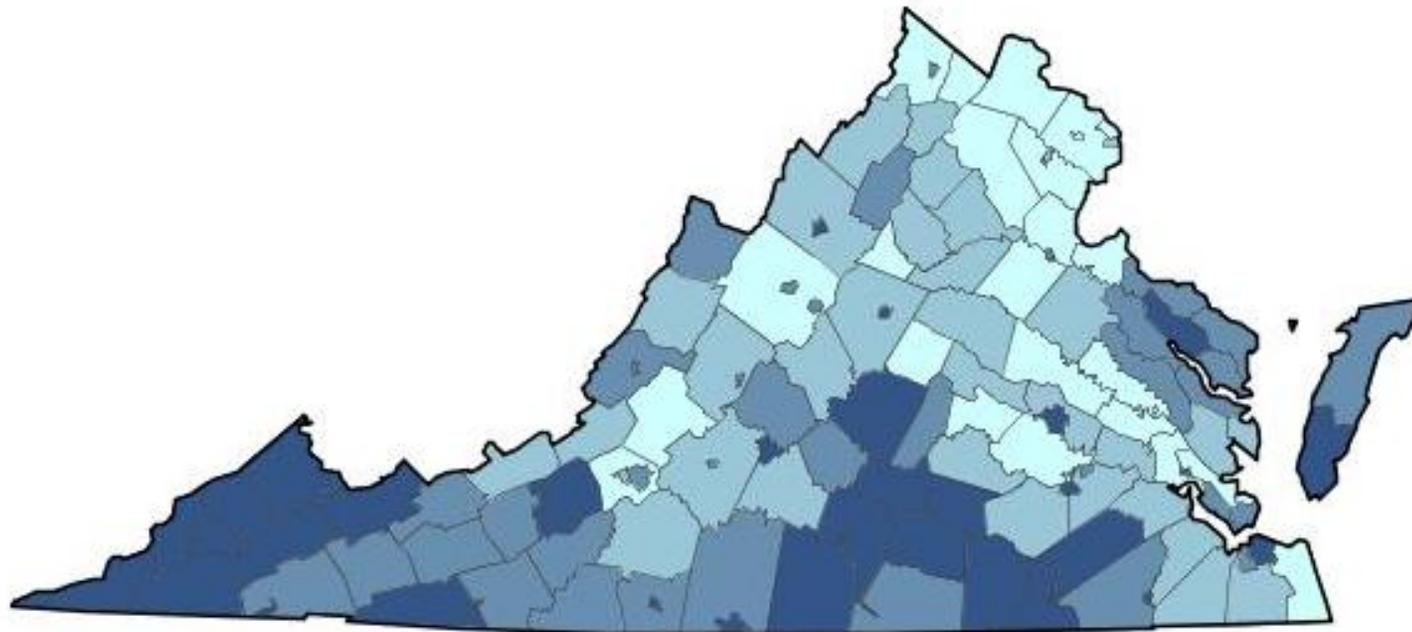
Source: American Community Survey

## Little Progress Made: Virginia's Poverty Rate, 1989-2007



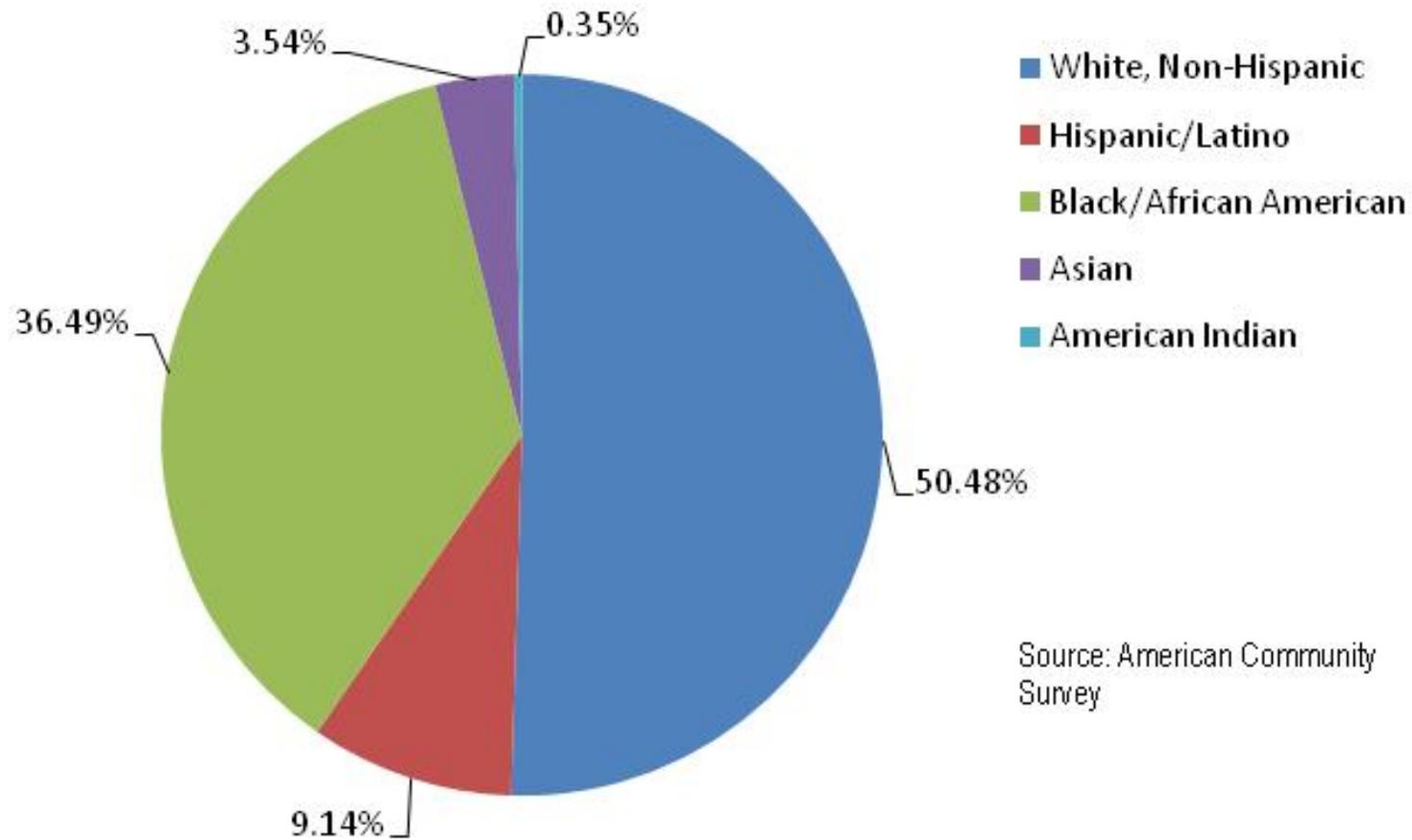
Source: BLS and ACS.

# Virginia Poverty, 2007



Source: Voices for Virginia's Children, 2009. KIDS COUNT data center, a project of the Annie E. Casey Foundation.

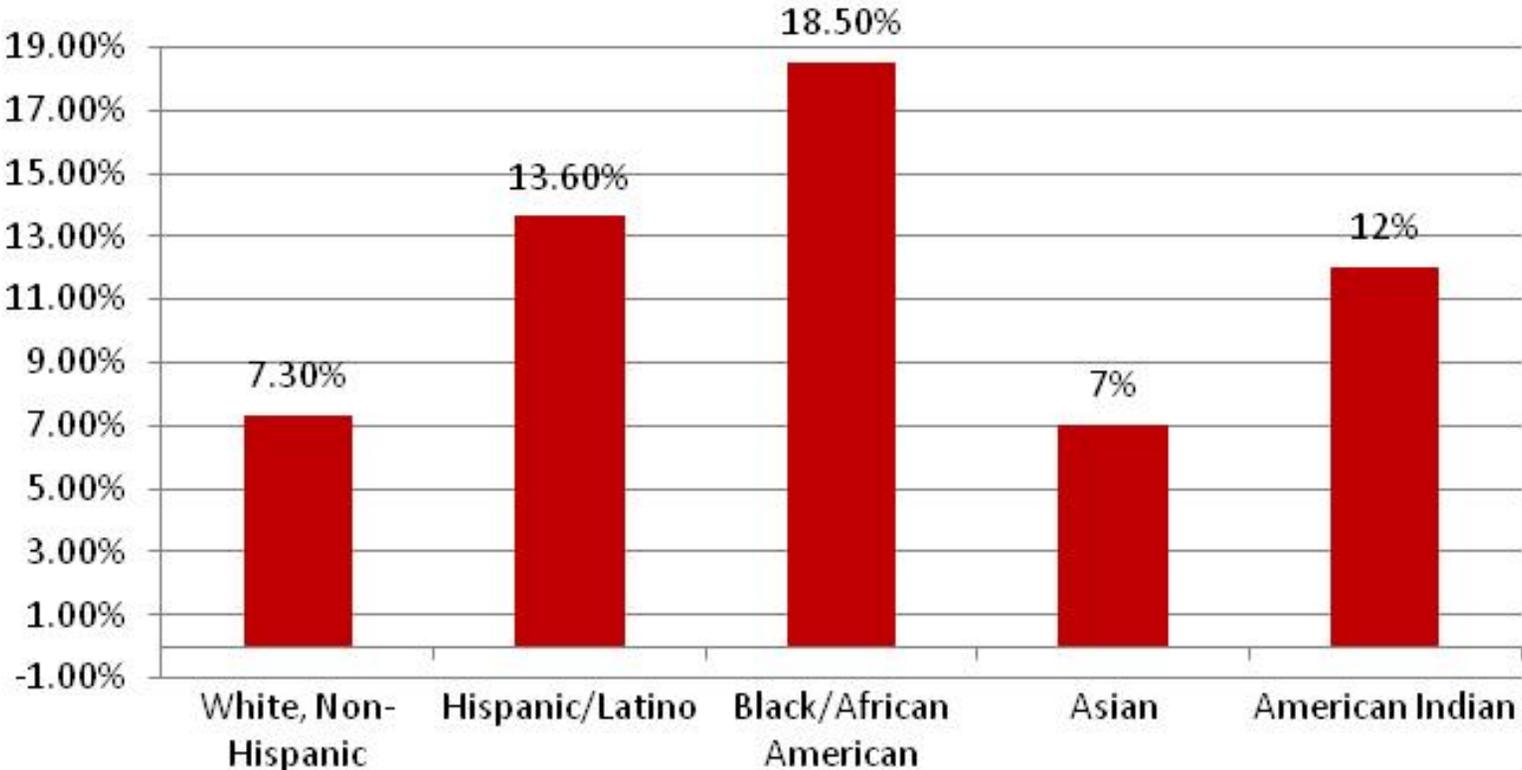
### Poverty By Race/Ethnicity Percentage of Virginia's Total Population in Poverty by Race/Ethnicity, 2007



Source: American Community Survey

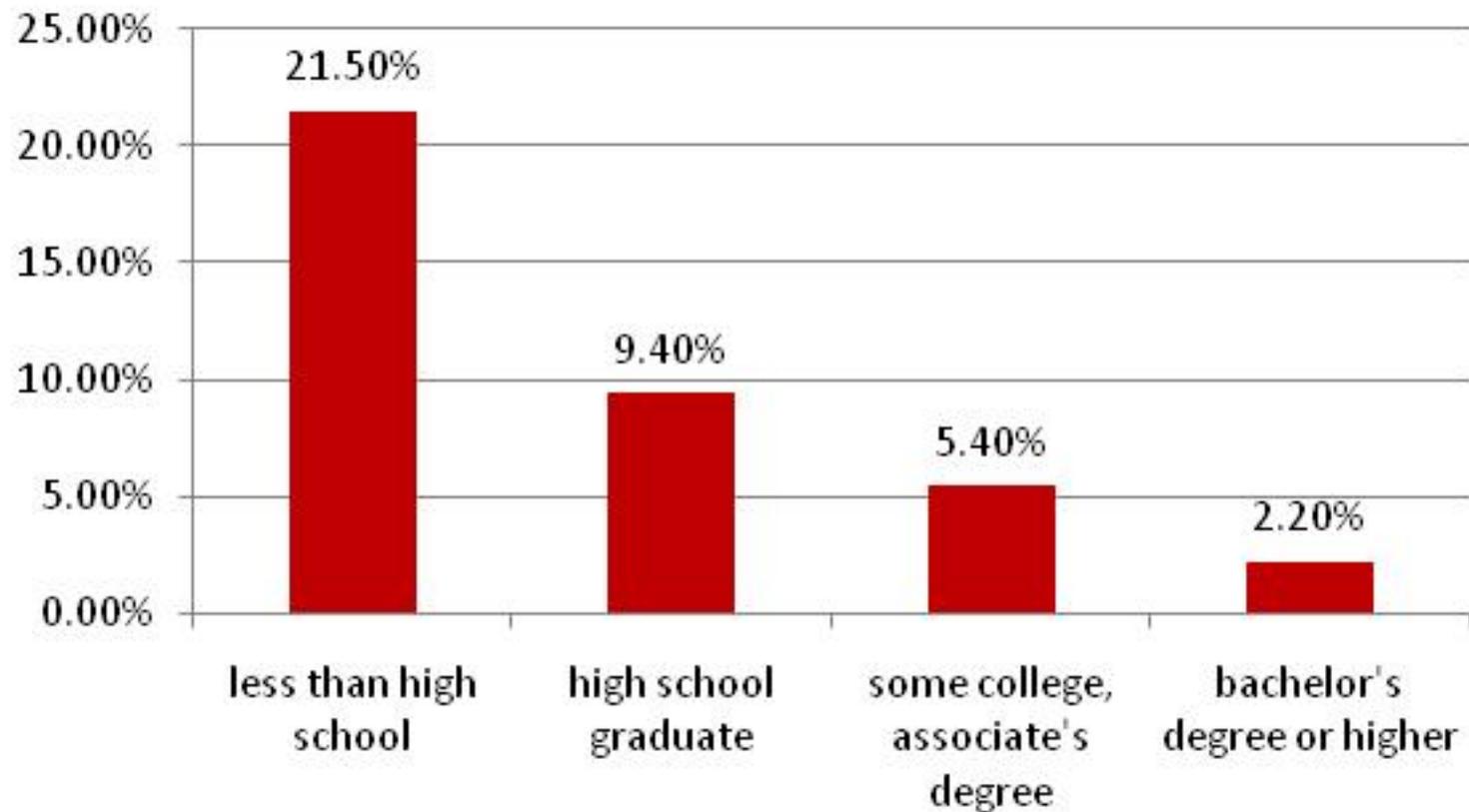
# Poverty Level by Race/Ethnicity

## Percent Living Below Poverty, 2007



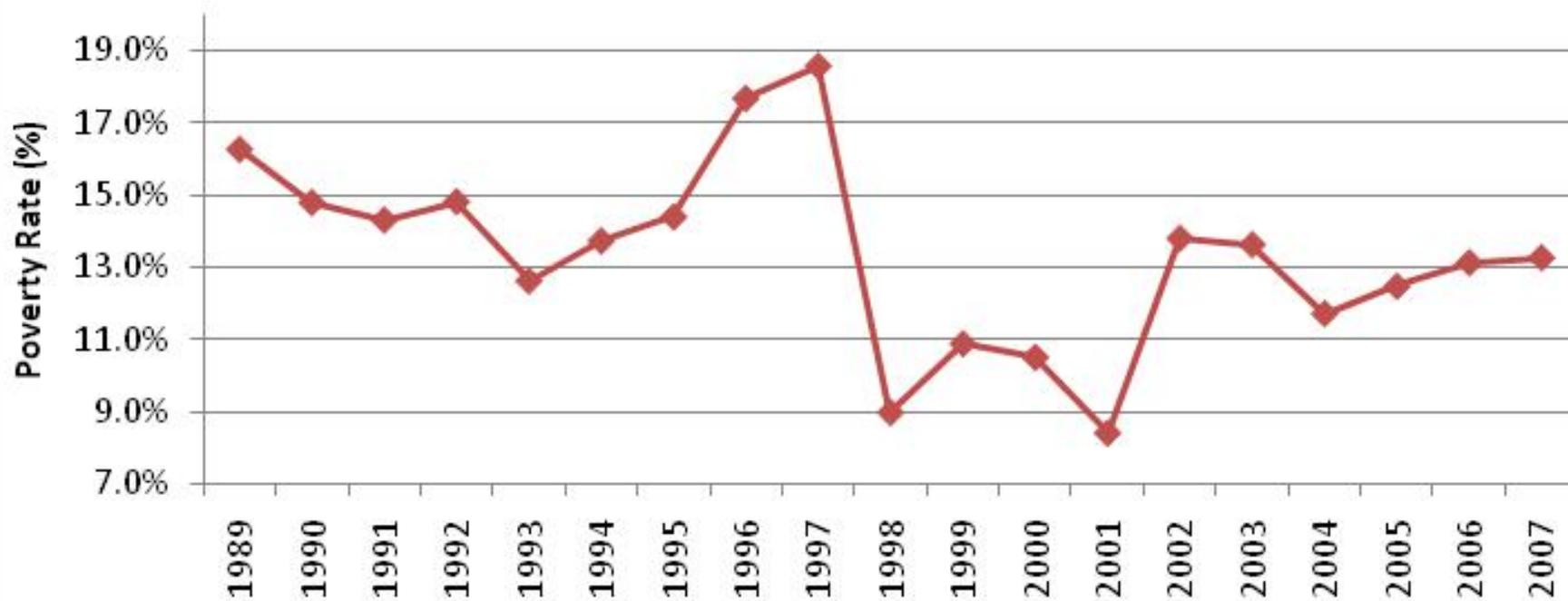
Source: American Community Survey.

## Poverty by Education Level Percentage Living Below Poverty, 2007



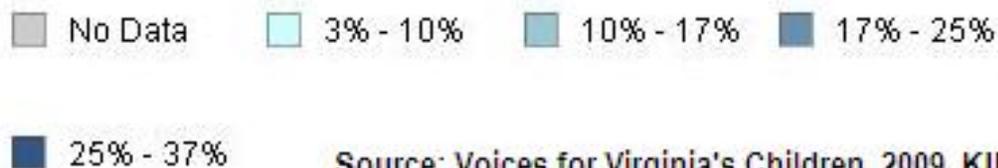
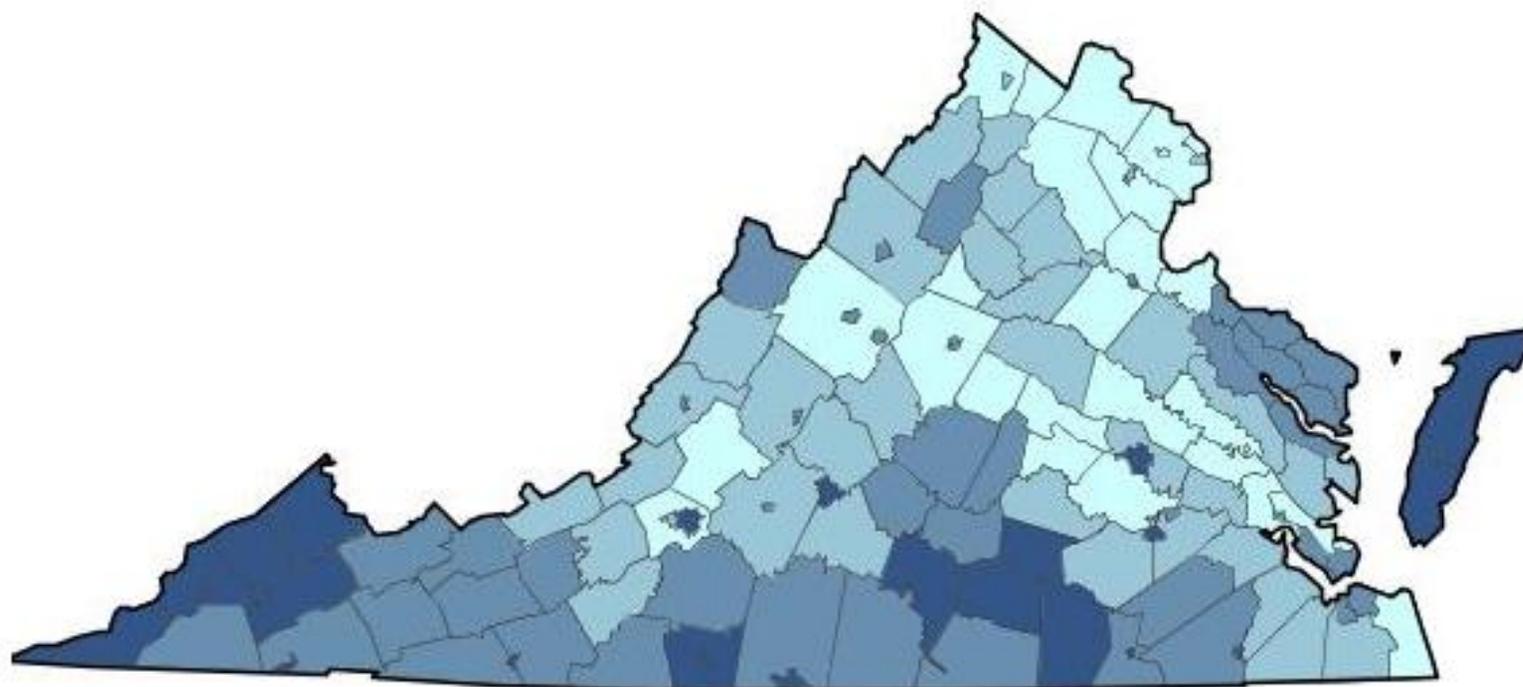
Source: American Community Survey.

### Child Poverty Rising: Virginia Child Poverty Rates, 1989-2007



Source: EPI analysis of CPS

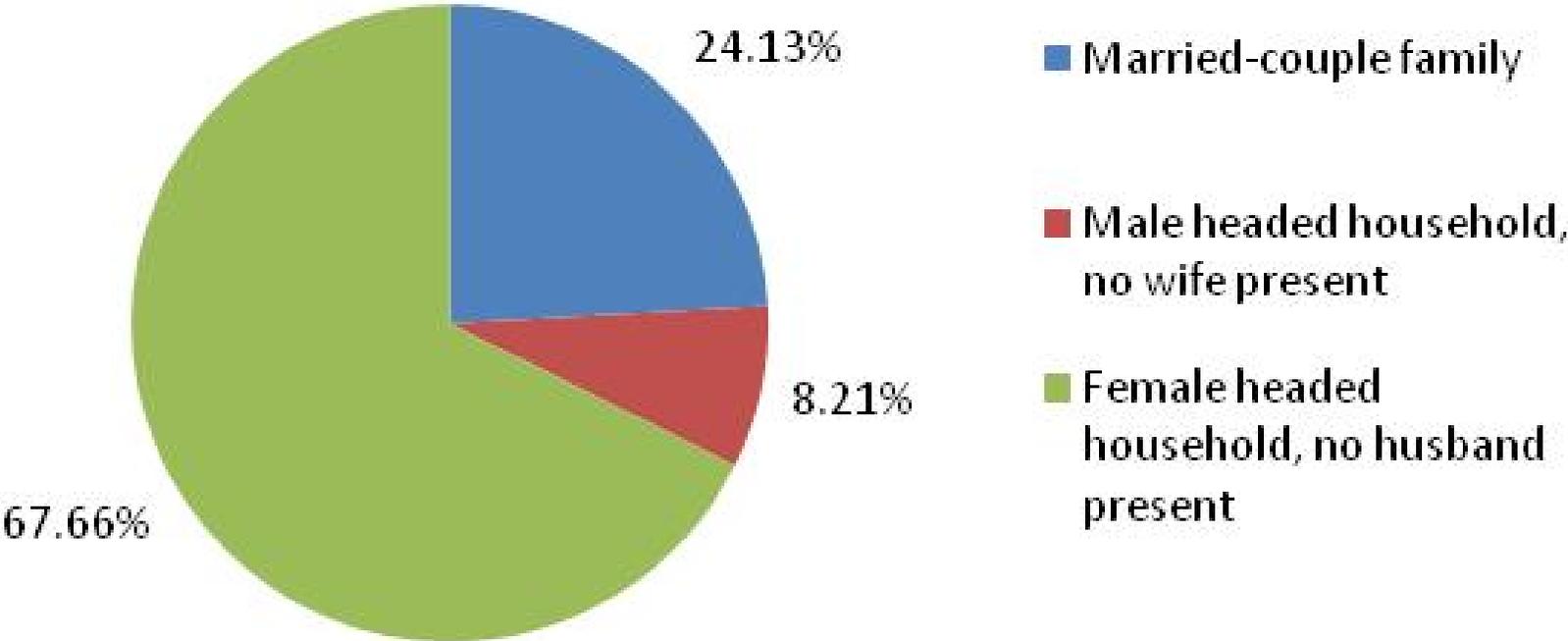
# Virginia's Child Poverty, 2007



Source: Voices for Virginia's Children, 2009. KIDS COUNT data center, a project of the Annie E. Casey Foundation.

# More Children in Poverty in Single Parent Homes

## Virginia's Child Poverty by Family Structure



Source: American Community Survey

# Putting Poverty in Perspective

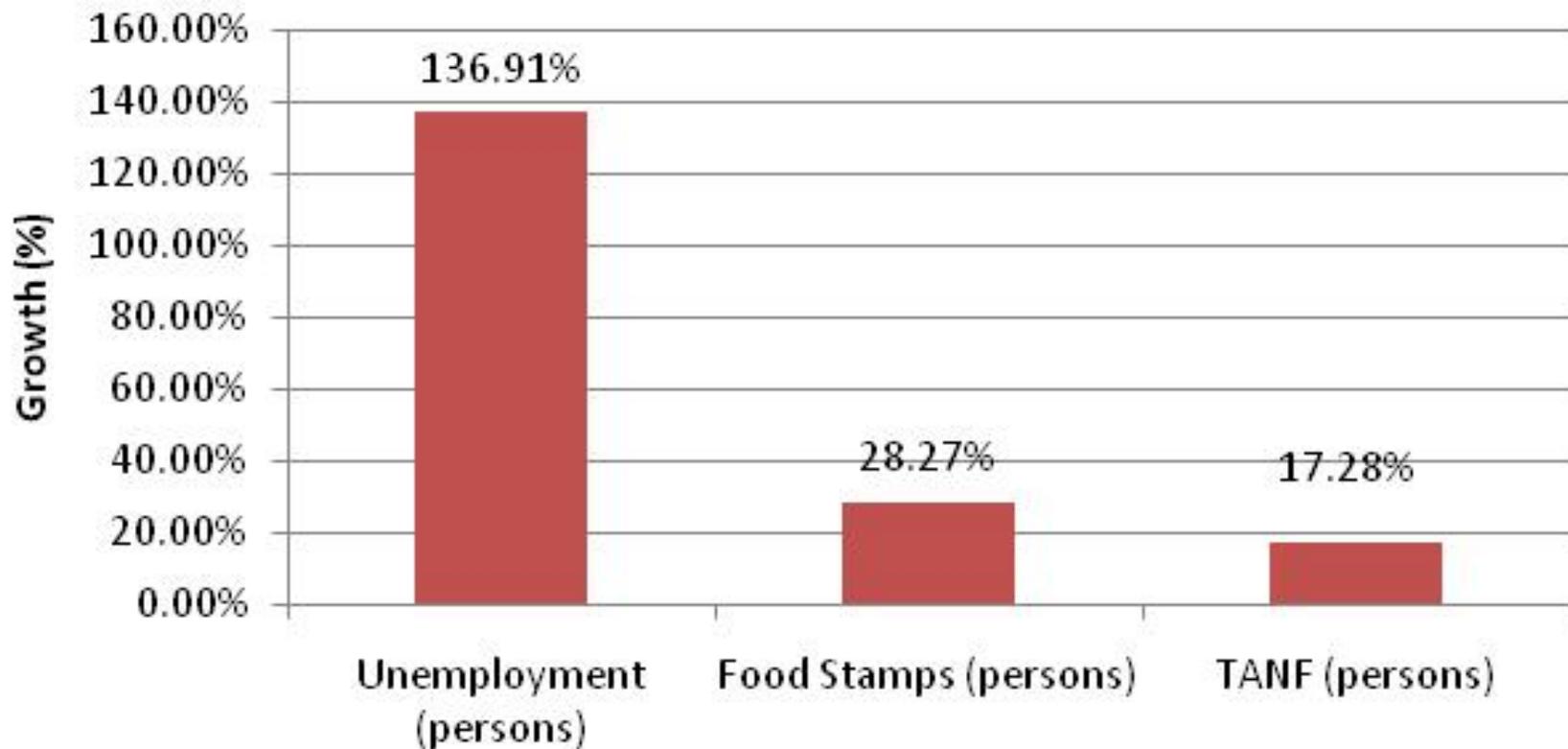


- Richmond International Raceway (RIR): home to Virginia's largest sporting events
- Seating capacity: 107,097

- RIR could be filled **more than twice** with the number of **Virginia children** living in poverty
- RIR could be filled **almost 7 times** with the number of **Virginians** living in poverty

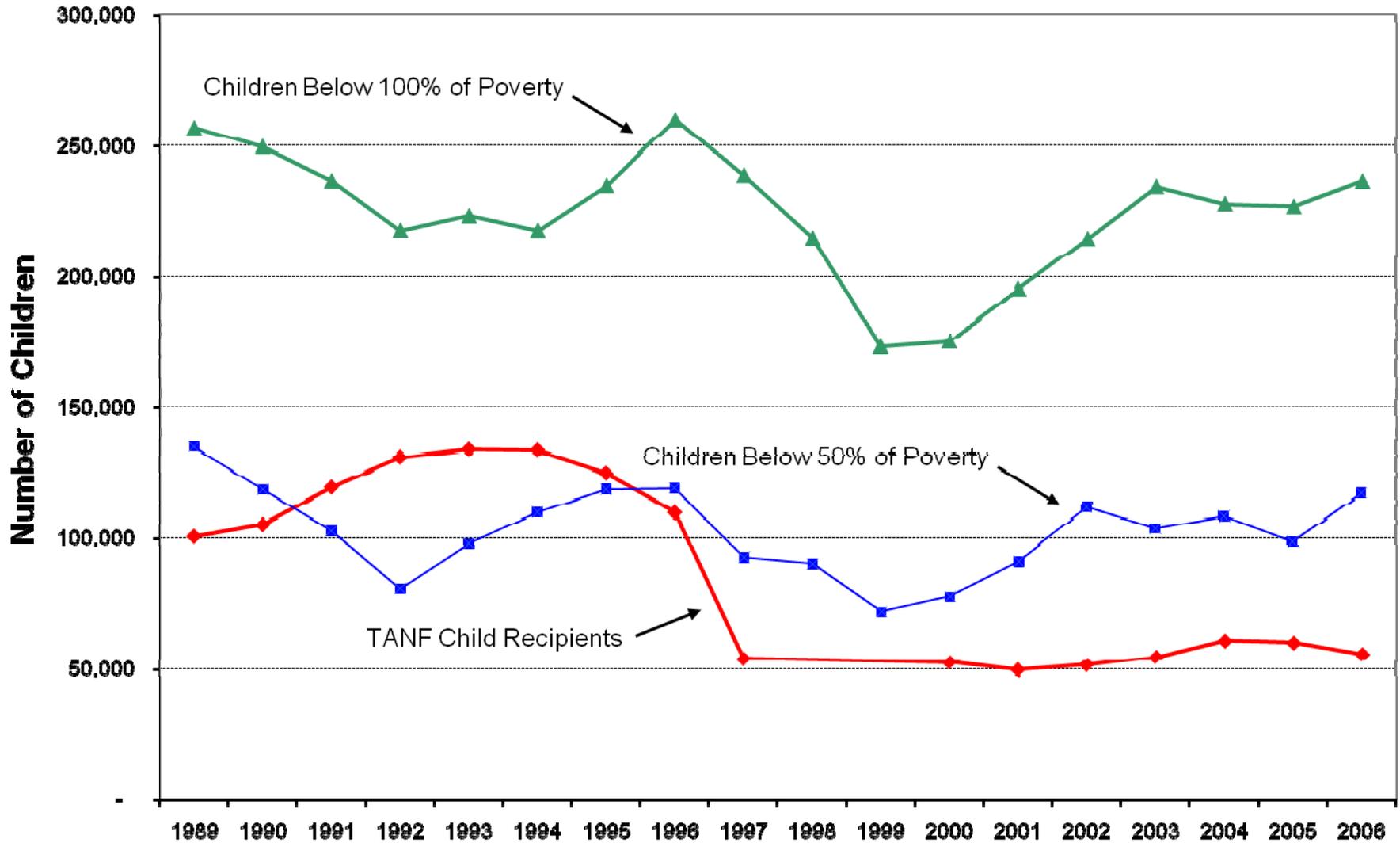
## Key Programs Lagging:

Growth in the Unemployed, Food Stamp Reciprocity, and TANF Reciprocity Since the Start of the Recession, December '07 to April '09



Source: VEC and Virginia DSS.

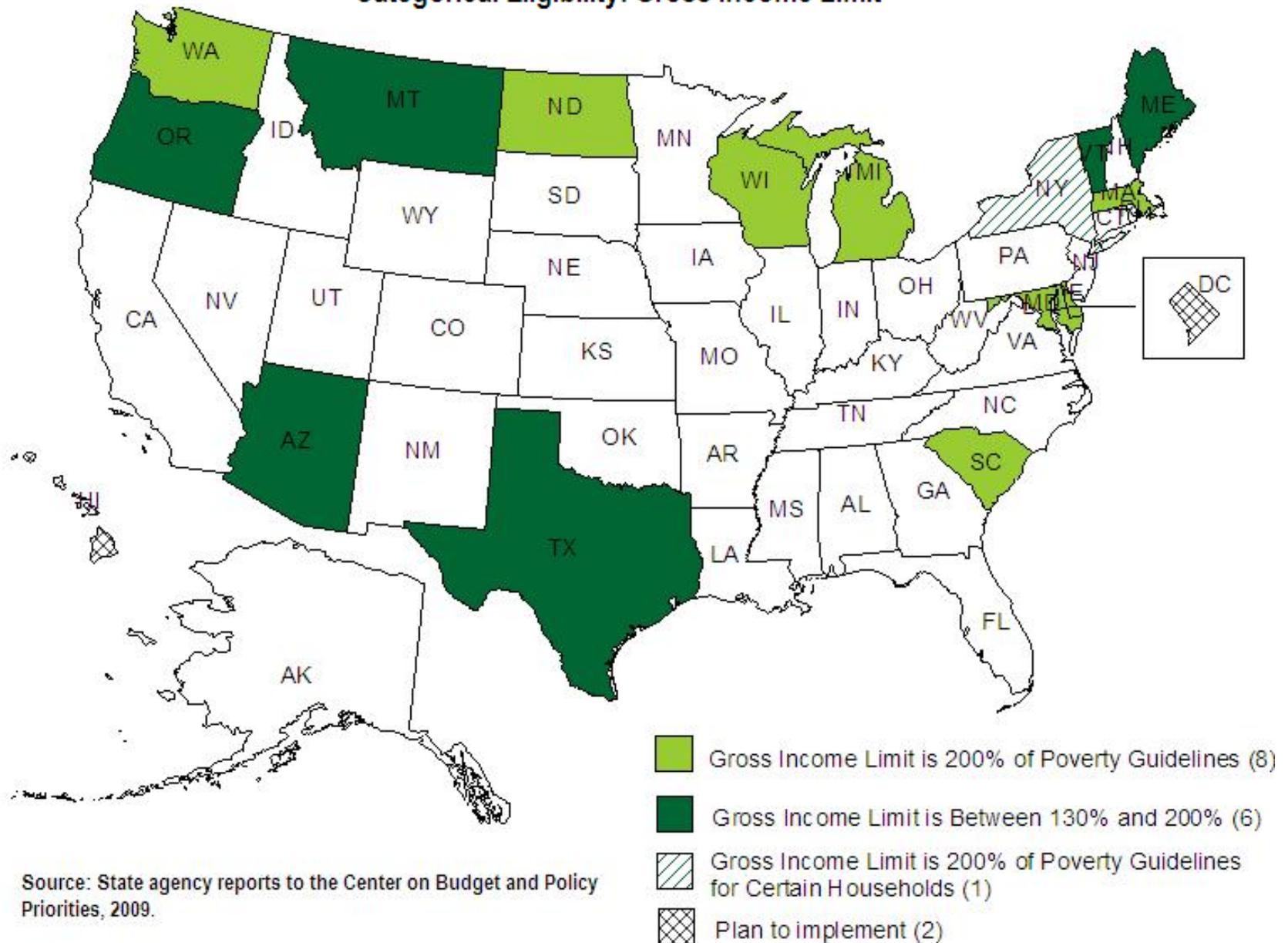
## Comparison of Virginia Children In Poverty and TANF Child Recipients



**Methodology:** Annual number of Virginia children in poverty was estimated using 3 year averages from the March Supplement of the Current Population Survey.

# Strict Food Stamp Eligibility

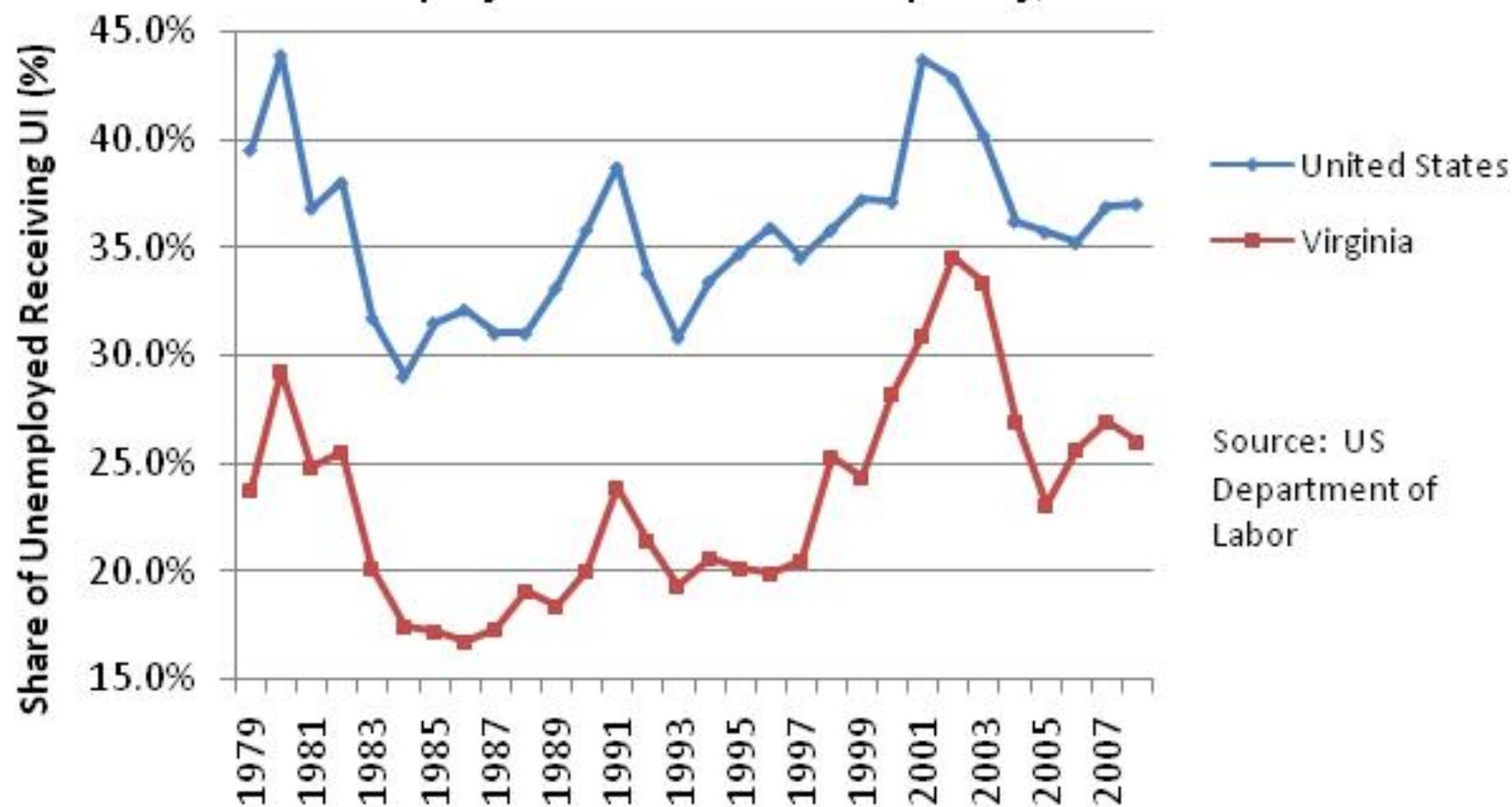
## Categorical Eligibility: Gross Income Limit



Source: State agency reports to the Center on Budget and Policy Priorities, 2009.

## Virginia Already Lags in the Share of Unemployed Workers Receiving Benefits

Unemployment Insurance Reciprocity, 1979-2008



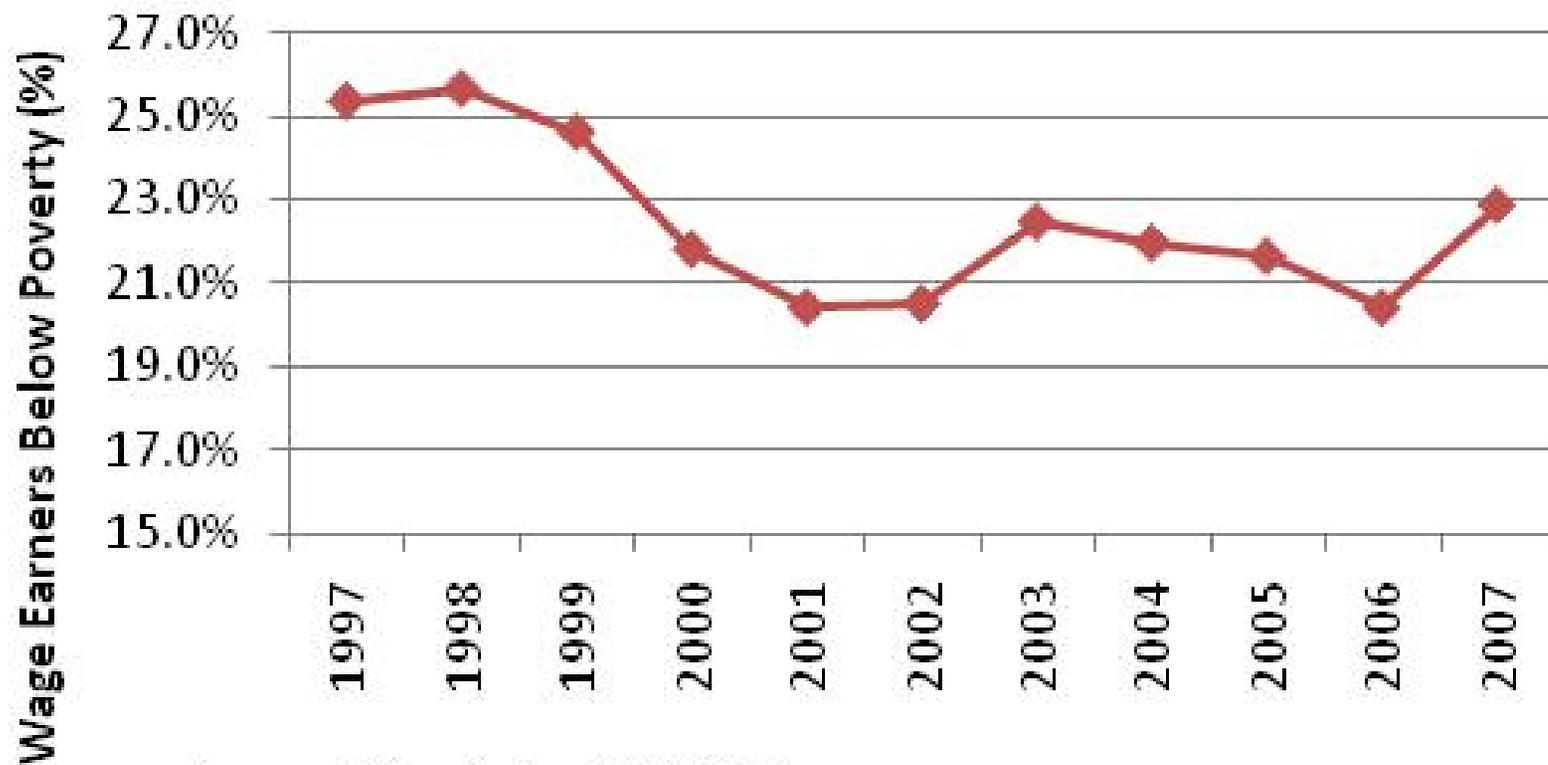
# Unemployment Insurance Reciprocity: Only 4 States Extend Fewer Benefits

**Unemployment Reciprocity Rates by State, for 12-Month Period as of 4th Quarter, 2008**

1 Idaho	61%	27 South Carolina	36%
2 Wisconsin	57%	28 Washington	36%
3 Massachusetts	56%	29 Alabama	35%
4 Pennsylvania	56%	30 New Hampshire	34%
5 New Jersey	54%	31 Kansas	33%
6 Delaware	51%	32 Maine	33%
7 Oregon	51%	33 Nebraska	33%
8 Arkansas	49%	34 Florida	32%
9 Montana	47%	35 Missouri	32%
10 Alaska	46%	36 Ohio	32%
11 Vermont	46%	37 Utah	32%
12 Hawaii	45%	38 Wyoming	32%
13 Connecticut	44%	39 Kentucky	31%
14 Iowa	44%	40 Arizona	30%
15 Nevada	43%	41 North Dakota	30%
16 New York	41%	42 Georgia	29%
17 West Virginia	40%	43 Louisiana	29%
18 Indiana	39%	44 Mississippi	28%
19 Maryland	39%	45 Tennessee	28%
20 Michigan	39%	<b>46 Virginia</b>	<b>26%</b>
21 California	38%	47 Oklahoma	25%
22 New Mexico	38%	48 District of Columbia	23%
23 North Carolina	38%	49 Colorado	22%
24 Illinois	37%	50 Texas	22%
25 Minnesota	37%	51 South Dakota	18%
26 Rhode Island	36%		
		<i>United States Average</i>	37%

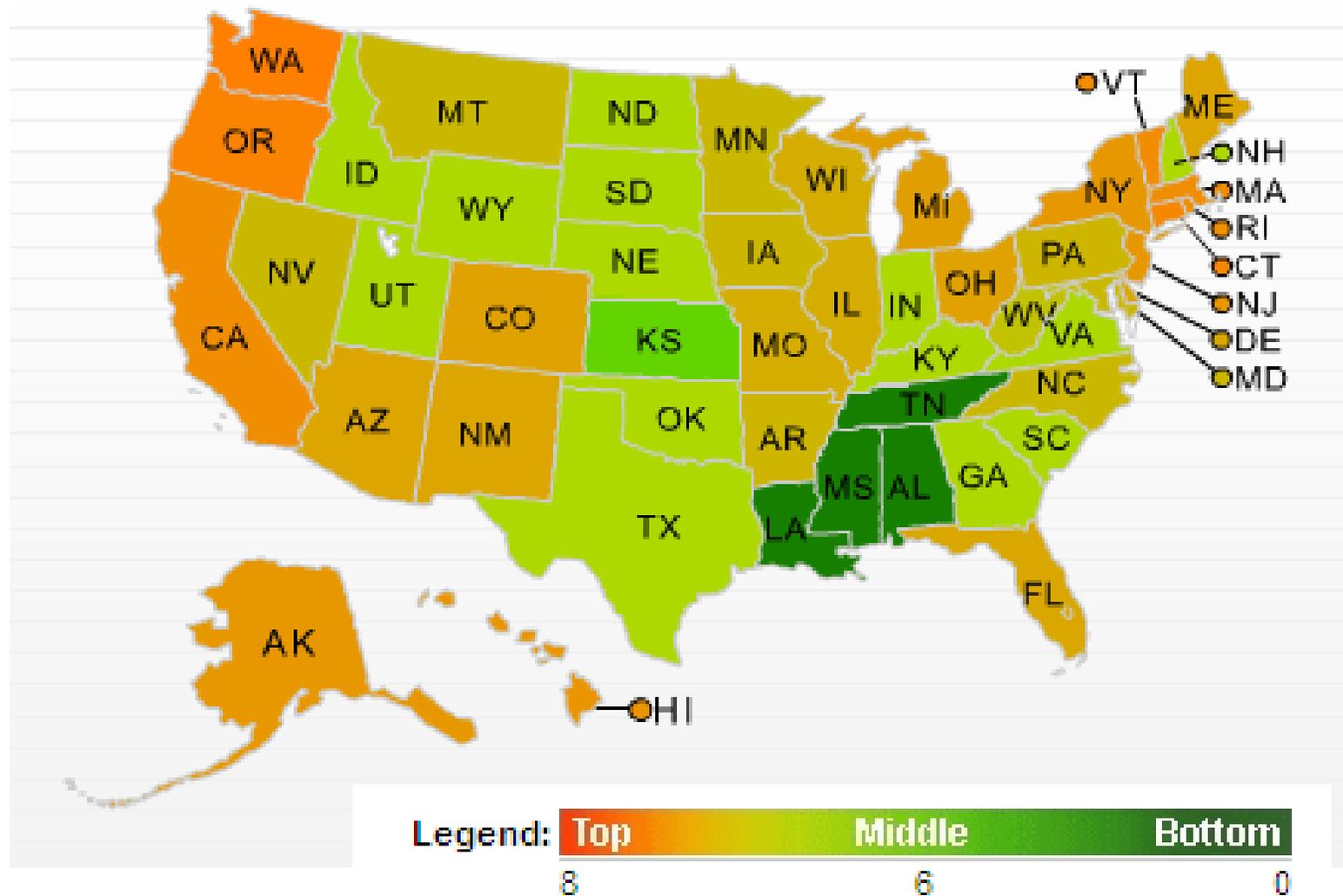
Source: US DOL.

## Not Making It: Percentage of Wage Earners Below Poverty, 1997-2007



Source: EPI analysis of CPS-ORG

# State Minimum Wage Levels



# Medicaid Spending: Only 3 States Spend Less

**Per Capita Medicaid Spending by State, FY 2006**

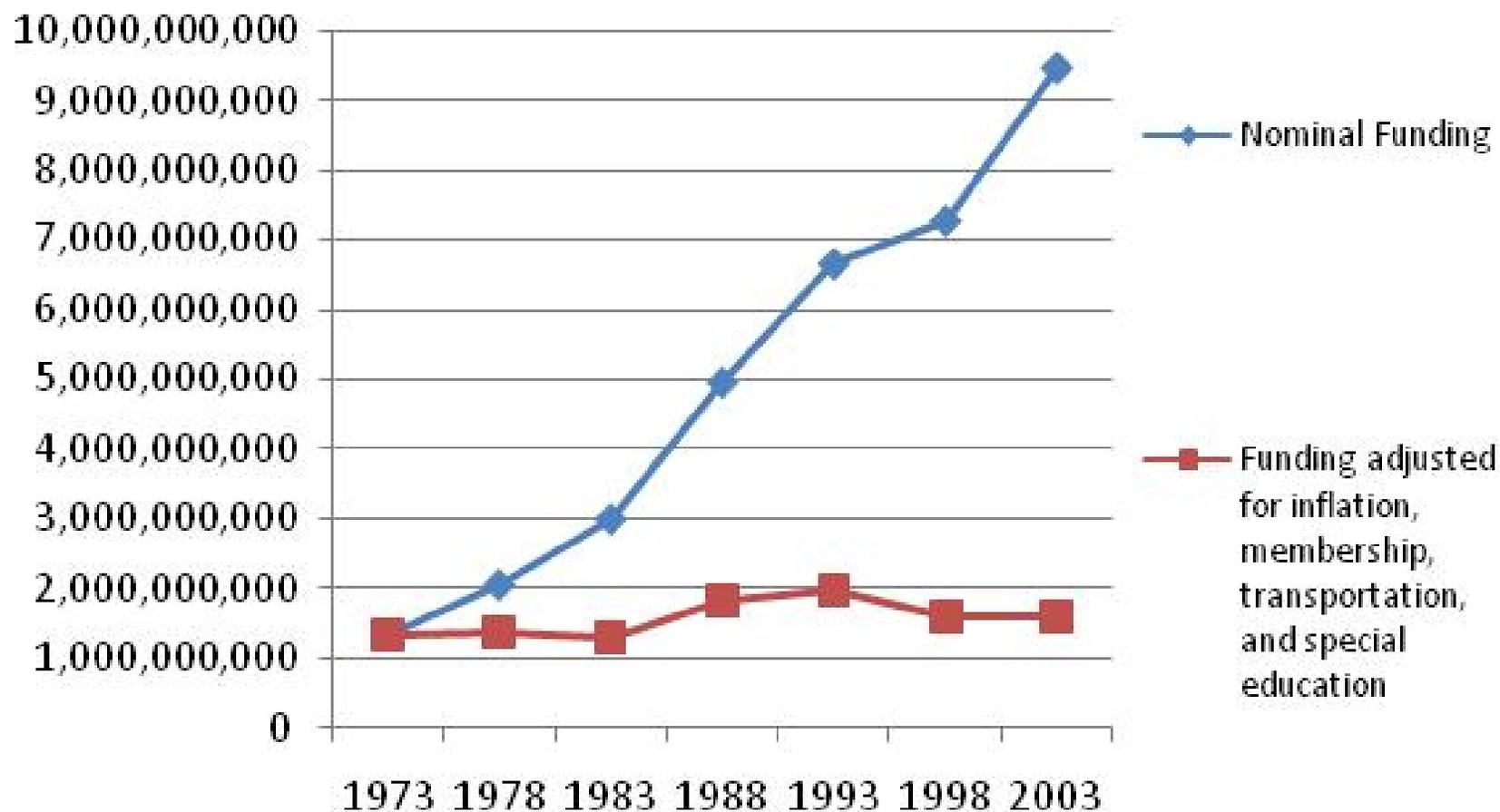
United States	\$1,015		
1. New York	\$2,316	26. Maryland	\$890
2. Rhode Island	\$1,589	27. Iowa	\$877
3. Vermont	\$1,519	28. Washington	\$872
4. Massachusetts	\$1,506	29. Nebraska	\$869
5. Maine	\$1,478	30. Hawaii	\$856
6. Alaska	\$1,433	31. Alabama	\$845
7. New Mexico	\$1,274	32. New Hampshire	\$842
8. Pennsylvania	\$1,247	33. Wisconsin	\$837
9. Connecticut	\$1,202	34. Oklahoma	\$831
10. West Virginia	\$1,154	35. Michigan	\$821
11. Louisiana	\$1,134	36. Wyoming	\$818
12. Mississippi	\$1,124	37. Oregon	\$795
13. Delaware	\$1,109	38. North Dakota	\$793
14. Missouri	\$1,109	39. Illinois	\$789
15. Minnesota	\$1,097	40. South Dakota	\$777
16. Ohio	\$1,067	41. Texas	\$771
17. New Jersey	\$1,041	42. Montana	\$768
18. Kentucky	\$1,041	43. Kansas	\$752
19. North Carolina	\$1,032	44. Georgia	\$731
20. Arkansas	\$1,030	45. Idaho	\$712
21. Arizona	\$1,005	46. Florida	\$706
22. Tennessee	\$1,004	<b>47. Virginia</b>	<b>\$609</b>
23. South Carolina	\$942	48. Colorado	\$604
24. California	\$939	49. Utah	\$578
25. Indiana	\$899	50. Nevada	\$472

# Medicaid Eligibility: Only 7 States Have More Stringent Rules

Income Limits for Parents in Medicaid (using the percent of the federal poverty level)			
United States	68%		
1. Minnesota	275%	26. Utah	68%
2. District of Columbia	207%	27. Colorado	66%
3. Maine	206%	28. Michigan	66%
4. Arizona	200%	29. Kentucky	62%
5. New Jersey	200%	30. North Dakota	62%
6. Wisconsin	200%	31. Montana	58%
7. Connecticut	191%	32. Nebraska	58%
8. Vermont	191%	33. Florida	55%
9. Illinois	185%	34. South Dakota	54%
10. Rhode Island	181%	35. Wyoming	54%
11. New York	150%	36. Georgia	52%
12. Tennessee	134%	37. New Hampshire	51%
13. Massachusetts	133%	38. North Carolina	51%
14. Delaware	121%	39. Oklahoma	48%
15. Maryland	116%	40. Mississippi	46%
16. California	106%	41. Pennsylvania	36%
17. Hawaii	100%	42. Kansas	34%
18. Oregon	100%	43. West Virginia	34%
19. Nevada	91%	<b>44. Virginia</b>	<b>30%</b>
20. Ohio	90%	45. Idaho	28%
21. South Carolina	90%	46. Texas	27%
22. Iowa	86%	47. Indiana	26%
23. Alaska	85%	48. Louisiana	26%
24. Washington	77%	49. Missouri	26%
25. New Mexico	69%	50. Alabama	25%
		51. Arkansas	17%

## Virginia's Investment in Education Minimal

Figure 14: K-12 Education Funding in Virginia, 1973-2003

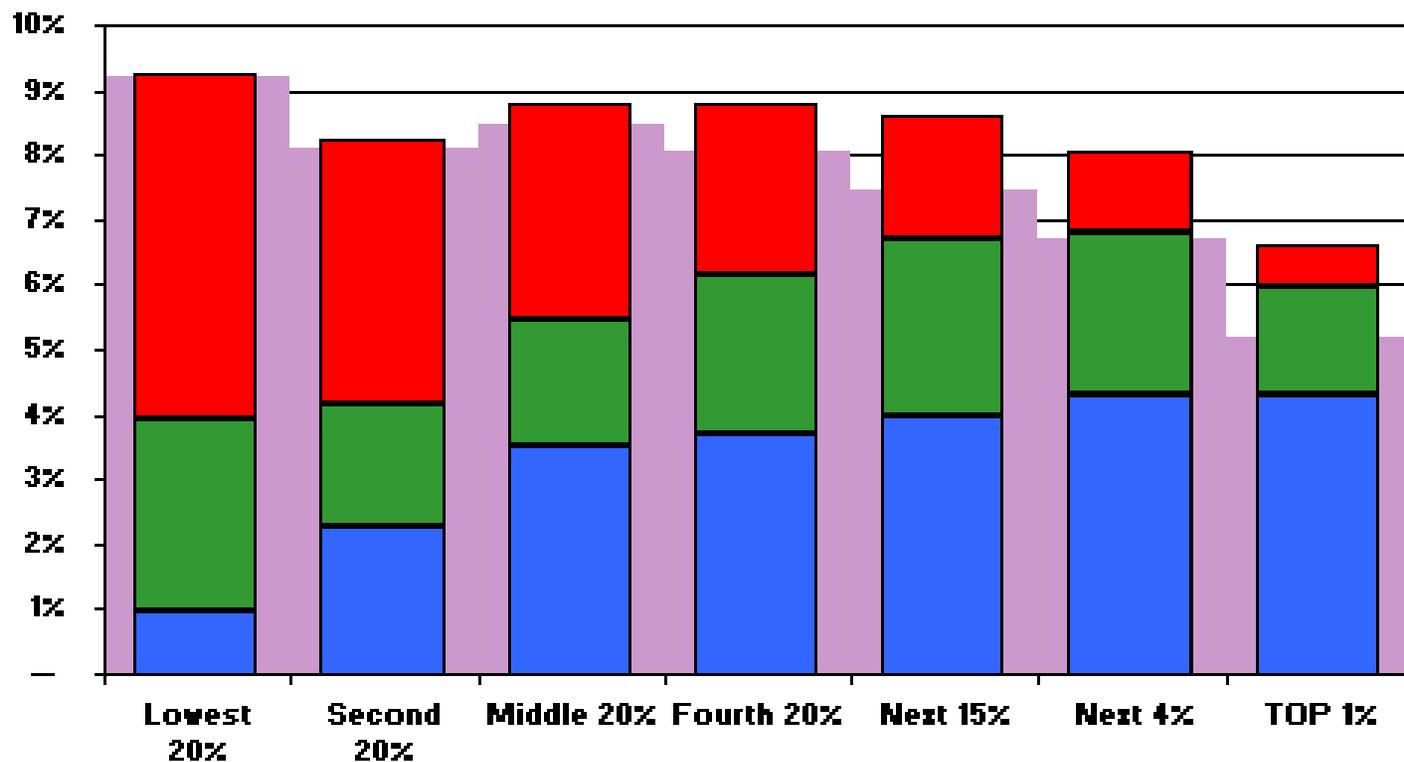


Source: VDOE, Superintendent's Annual Reports

# Virginia

## State & Local Taxes in 2006

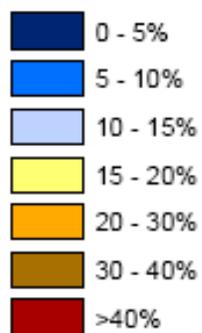
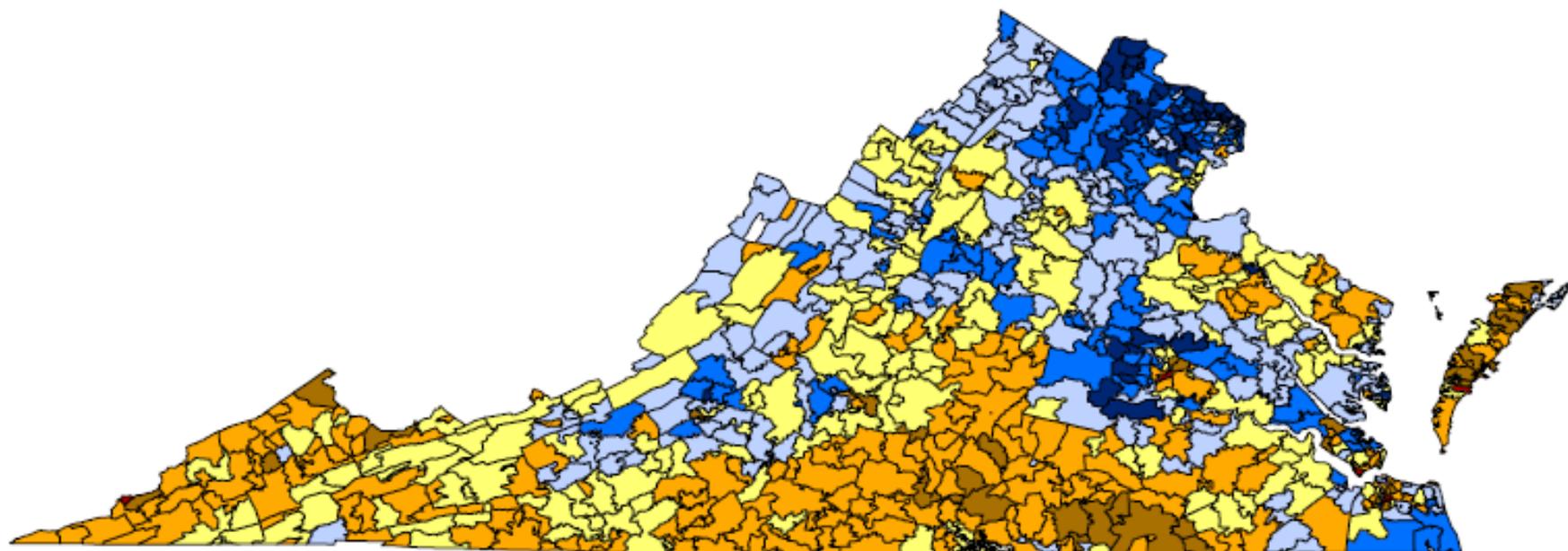
Shares of family income for non-elderly taxpayers



Source: Institute on Taxation & Economic Policy, 2008.

-Sales & Excise Taxes  
-Property Taxes  
-Income Taxes

### EITC Recipients as a Percentage of Total Returns by ZIP Code, Tax Year 2006



Source: Brookings Institution analysis of IRS data

# Recommendations:

- Make VA Earned Income Credit refundable
- Expand Medicaid coverage
- Raise minimum wage
- Reform unemployment insurance
- Expand food stamps
- Improve TANF