

Poverty & Opportunity in Oklahoma

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**OKLAHOMA
ASSETS
NETWORK**

Building financial foundations for Oklahomans



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- Poverty: Definitions & Key Concepts
- Safety Nets vs. Asset Building
- Asset Poverty in Oklahoma
- Intergenerational Wealth & Wealth Gaps
- Expanding Opportunity

Poverty: Definitions & Key Concepts

Poverty is Relative

Merriam Webster's Definition

(a): the state of one who lacks a usual or socially acceptable amount of money or material possessions

Poverty: Definitions & Key Concepts

poor

(adjective)

when you have too
much month at the
end of your money.



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Poverty: Definitions & Key Concepts

Central feature

Difficulty meeting basic
human needs



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Poverty: Definitions & Key Concepts

2014 Federal Poverty Level

Household Size		100%	133%	150%	200%	250%	300%	400%
	1	\$11,670	\$15,521	\$17,505	\$23,340	\$29,175	\$35,010	\$46,680
	2	\$15,730	\$20,921	\$23,595	\$31,460	\$39,325	\$47,190	\$62,920
	3	\$19,790	\$26,321	\$29,685	\$39,580	\$49,475	\$59,370	\$79,160
	4	\$23,850	\$31,721	\$35,775	\$47,700	\$59,625	\$71,550	\$95,400
	5	\$27,910	\$37,120	\$41,865	\$55,820	\$69,775	\$83,730	\$111,640
	6	\$31,970	\$42,520	\$47,955	\$63,940	\$79,925	\$95,910	\$127,880
	7	\$36,030	\$47,920	\$54,045	\$72,060	\$90,075	\$108,090	\$144,120
	8	\$40,090	\$53,320	\$60,135	\$80,180	\$100,225	\$120,270	\$160,360

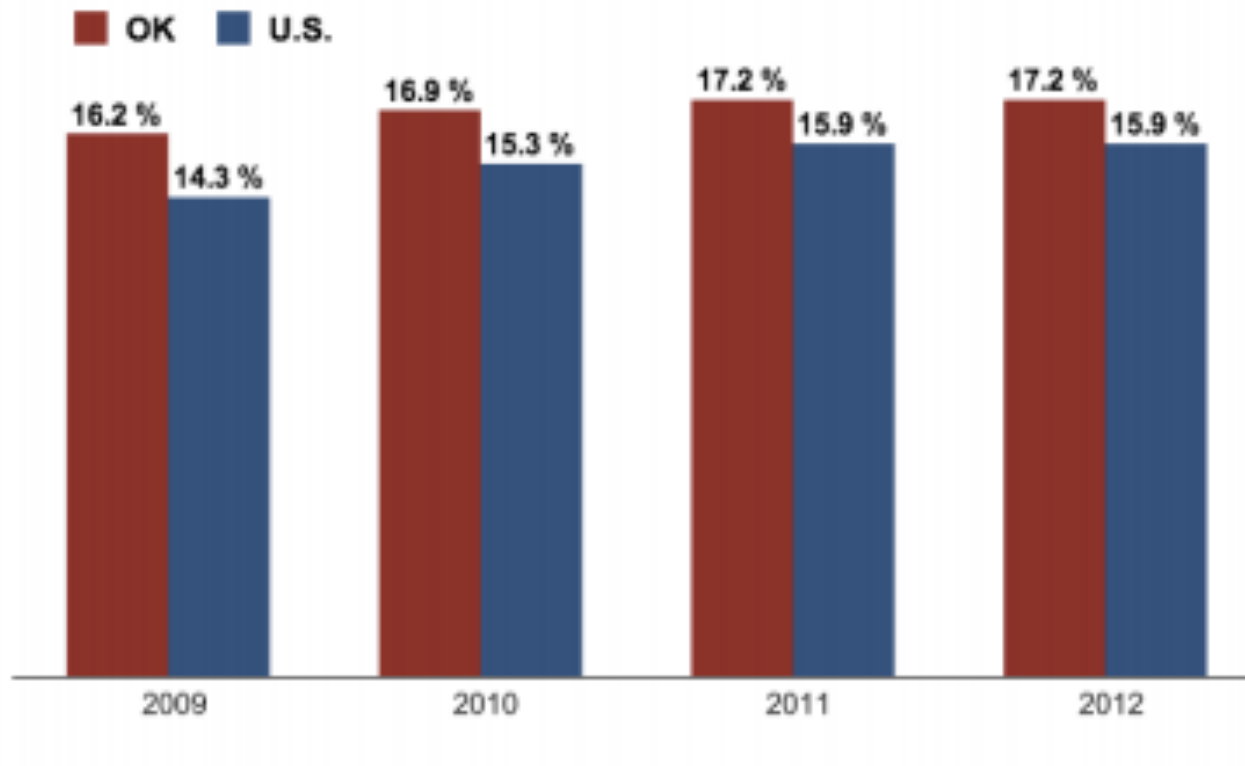
Source: Health and Human Services | Calculations by Health Partners America



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Poverty: Definitions & Key Concepts

Figure 1: Poverty Rate, Oklahoma vs. U.S., 2009-2012



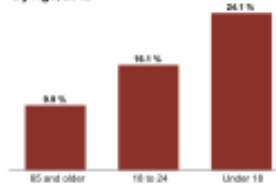
Poverty: Definitions & Key Concepts

FACT SHEET OKPOLICY.ORG Oklahoma Policy Institute OKLAHOMA POVERTY PROFILE 2012

The U.S. Census Bureau reports annual state-level poverty data from the American Community Survey. In 2012 some 637,429 Oklahomans, one out of every six (17.2 percent), lived in poverty (the national poverty level was \$23,492 for a family of four).

The percentage of Oklahomans in poverty remained steady from 2011, though overall 4,131 more people were impoverished. The state and national poverty rate did not rise in 2012, but Oklahoma's poverty rate remains 1.3 percentage points above the nation as a whole and was 16th highest among the states (Fig. 1).

Figure 2: Oklahoma Poverty Rate, By Age, 2012



People with disabilities and/or chronic health conditions are nearly three times more likely (29.4 percent) to live in poverty than people without disabilities (11.0 percent) (Fig. 3).

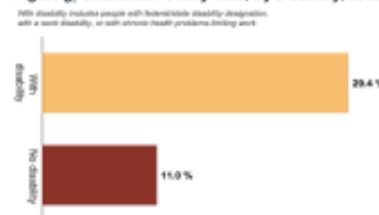
Figure 1: Poverty Rate, Oklahoma vs. U.S., 2009-2012



The poverty rate for Oklahoma children (24.1 percent) is higher than that of working-age adults (16.1 percent) or seniors (9.9). In 2012 the poverty rate for children increased 1.1 percentage points and for seniors, by 0.4 points (Fig. 2).

The poverty rate for women (18.7 percent) is 3.0 percentage points higher than the rate for men (15.7 percent).

Figure 3: Oklahoma Poverty Rate, By Disability, 2012

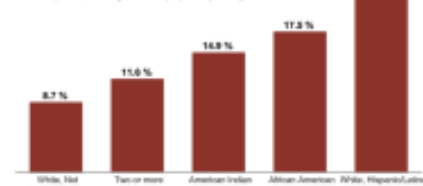


The majority of Oklahomans in poverty are White (62.7 percent).

However, for working-age Oklahomans without disabilities, Hispanics/Latinos (26.3 percent), African Americans (17.5 percent), and Native Americans (14.9 percent) have the highest rates of poverty (Fig. 4).

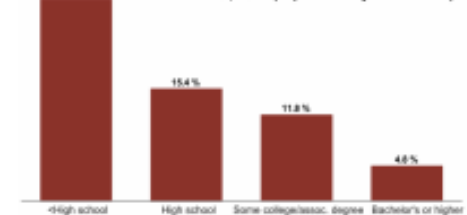
Figure 4: Oklahomans in Poverty, By Race/Ethnicity, 2012

Excludes people with disability status and workweek disability. Unless specified, race categories include people of any ethnicity.



Poverty is closely correlated with education — someone with only a high school degree is four times as likely to be poor as a college graduate, and those without a GED or high school diploma are almost seven times likelier to be poor than college graduates. More than a quarter of Oklahomans in poverty over age 25 did not graduate high school (27.7 percent) (Fig. 5).

Figure 5: Oklahoma Poverty Rate By Education Level, 2012 (Population 25 years and over)



Among Oklahoma families with children, those headed by single mothers are four times more likely to be in poverty (44.9 percent) than families headed by married couples (10.0 percent) (Fig. 6).

Among working-age adults living in poverty, 1 in 3 (36.3 percent) worked either part-time or full-time in 2012 (Fig. 7).

Figure 6: Oklahoma Poverty Rate, By Type of Family (with children), 2012

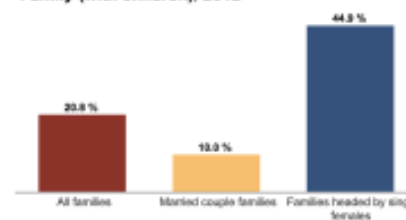
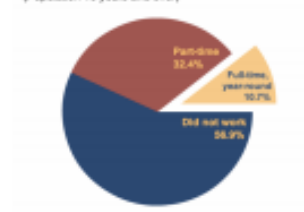


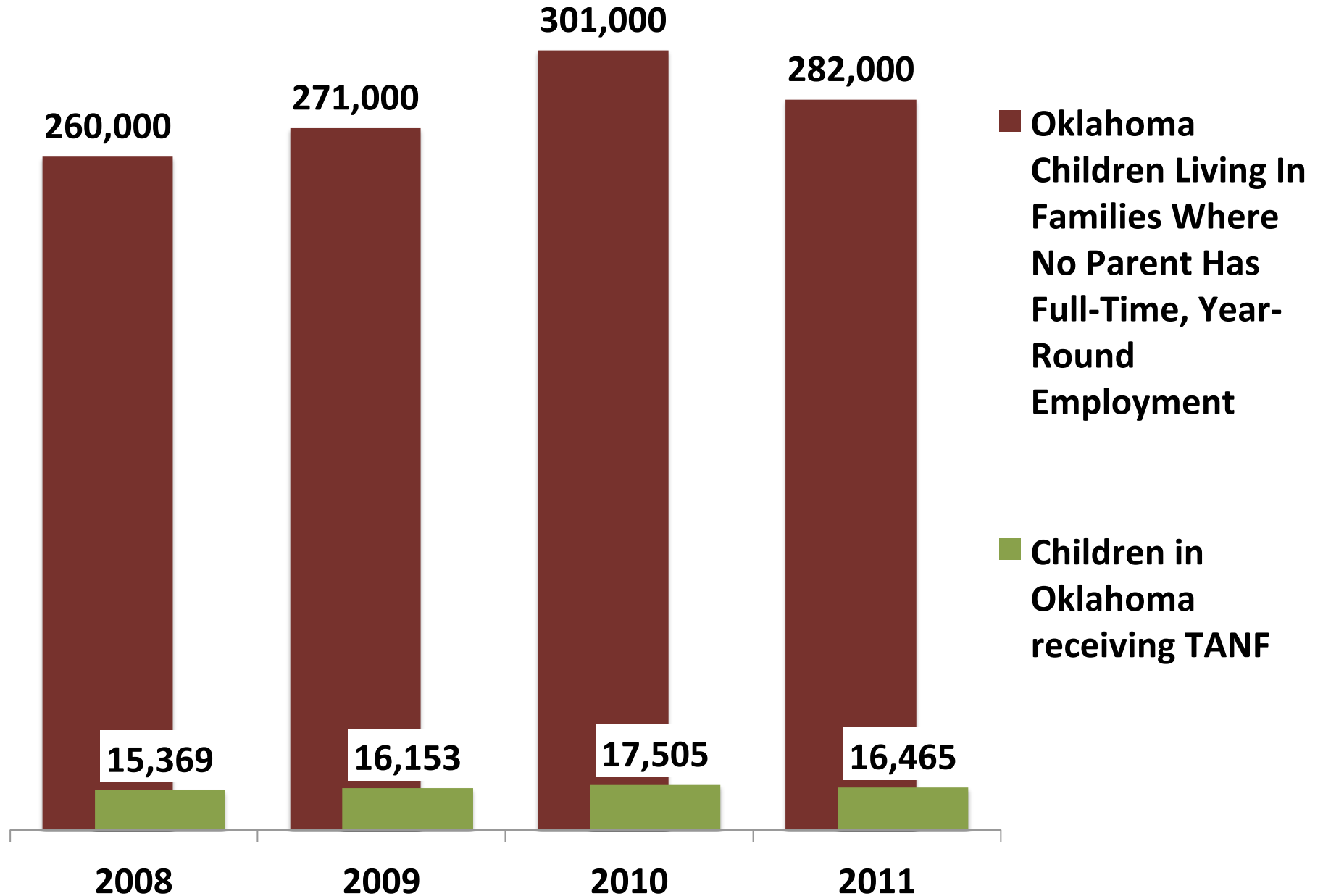
Figure 7: Oklahomans in Poverty, By Work Status in the Past Twelve Months, 2012 (Population 16 years and over)



Safety Nets vs. Asset Building

- The State Safety Net Is Inadequate
 - Medicaid, TANF, SNAP
- The State Safety Net Is Not Designed To Alleviate Poverty

Safety Nets vs. Asset Building



Safety Nets vs. Asset Building

**Medicaid
(SoonerCare)
Enrollment in
Oklahoma, 2012**

**50,389
Adults**



**132,627
Seniors &
Disabled**



**525,714
Children &
Pregnant Women**



Source: Oklahoma Policy Institute

<http://okpolicy.org/graph-of-the-day-off-medicaid-and-back-to-work>

‘A Place at The Table’



Safety Nets vs. Asset Building

- The State Safety Net Is Inadequate
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Poverty vs. Wealth: What is asset building?

- ✧ Wealth is distinct from income
 - ✧ This changes our conception of poverty
 - ✧ **Income** poverty vs. **asset** poverty
- ✧ Wealth is measured in terms of assets
 - ✧ Tangible financial assets (i.e. savings account, property)
 - ✧ Intangible assets (i.e. education, health)

Safety Nets vs. Asset Building

1 **Foundational Assets** (health, education, transportation)

Prerequisites to employment that generates income

2 **Generative Assets** (employment, income)

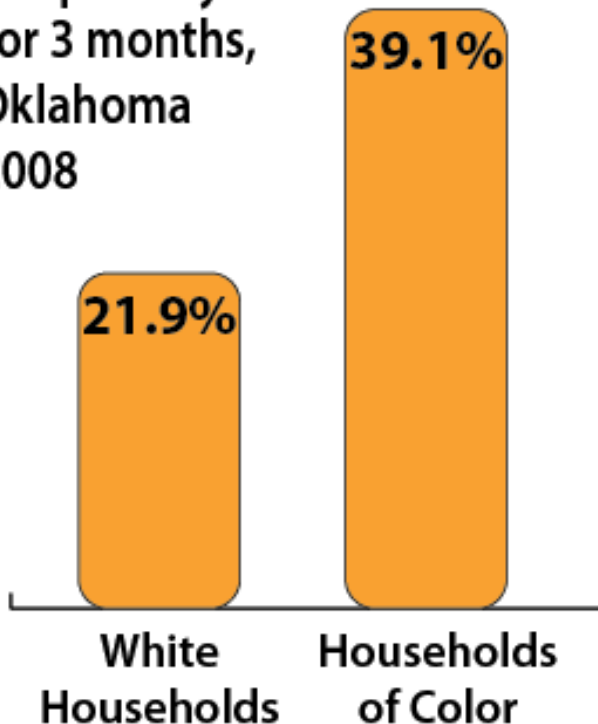
The cash flow that enables financial security and asset-building

3 **Regenerative Assets** (savings, homeownership)

Assets that generate wealth without labor

Asset Poverty in Oklahoma

Households without sufficient
net worth to subsist at
the poverty level
for 3 months,
Oklahoma
2008



Asset poverty in Oklahoma

✧ The asset poverty rate for households of color in Oklahoma is **nearly double** the rate for White households

Source: Survey of Income and Program Participation, 2008 Panel, Wave 4.
Washington, DC: U.S. Department of Commerce, Census Bureau, 2009

Foundational Assets

- 7.5% of households went hungry at some point during the year because they couldn't afford food
- Over 600,000 residents are uninsured
- Malnutrition, poor health, or untreated illness stunt a worker's capacity to earn and drains their assets.
 - Unhealthy people are more likely to miss work, lose their job, accumulate debt

Foundational Assets

- Educational attainment is highly correlated with employment and earnings
- Public schools are chronically underfunded and its physical infrastructure is badly neglected
- In 67 of 77 counties, 2/3rds or more of adults have not completed two years of education after high school

Asset Poverty in Oklahoma

Generative Assets

- People in eastern Oklahoma and people of color are unemployed at disproportionately higher rates
- Nearly 1 in 3 jobs are in occupations where the median pay is below poverty, and these jobs comprise an ever-increasing share of the labor market (2011, WPFP)
- The state consistently tops the nation for the share of adult workers that are not fully employed
- 73% of Oklahoma families <200% of poverty work

Generative Assets

- Incarceration takes a lifelong toll on an individual's earning capacity
- There are significant barriers to stable employment and financial stability for felons and ex-offenders
 - Employment discrimination
 - The state denies certification for certain occupations and requires regular payments (fees, court costs, restitution, etc.)

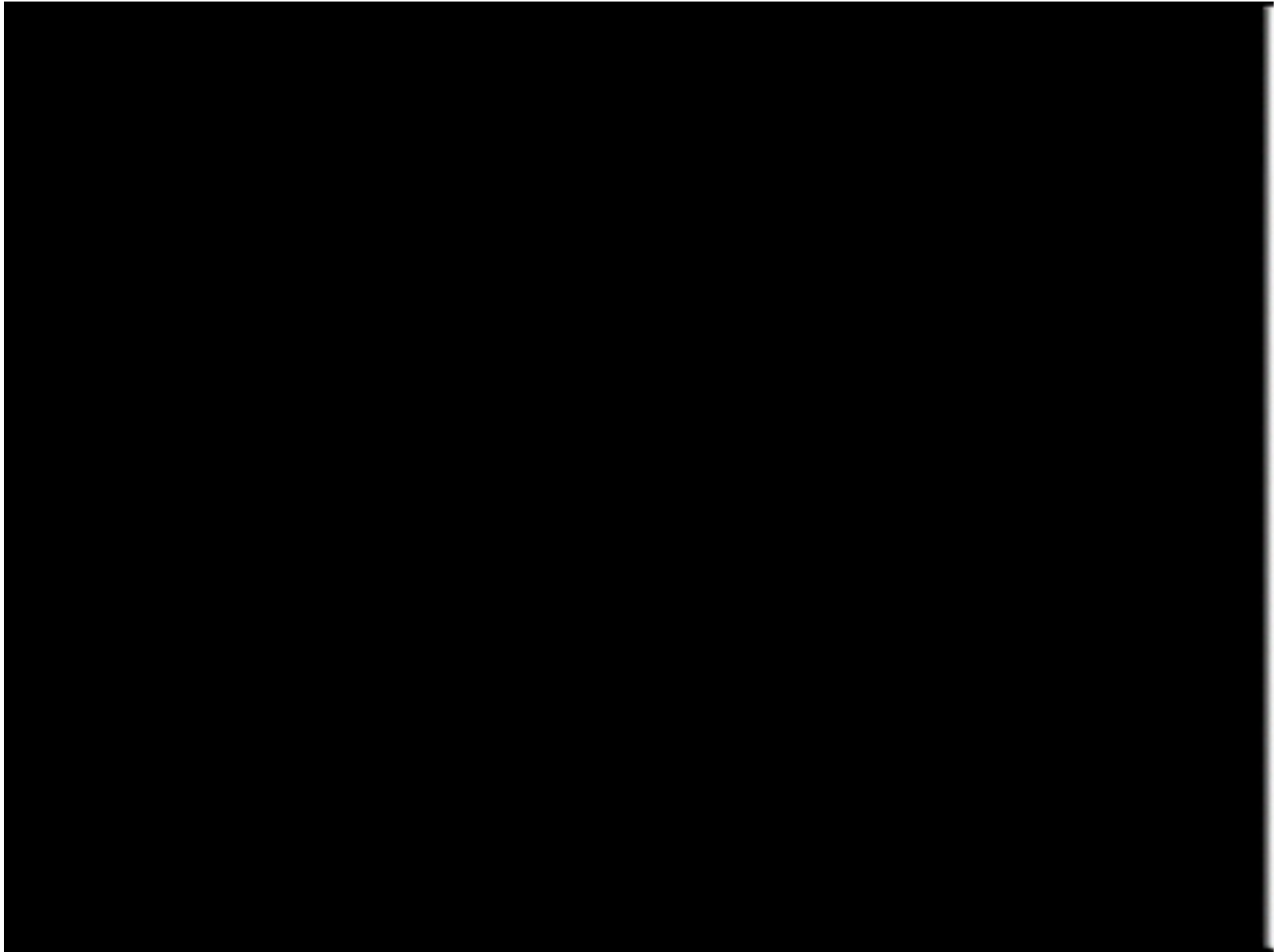
Economic Mobility & Intergenerational Wealth



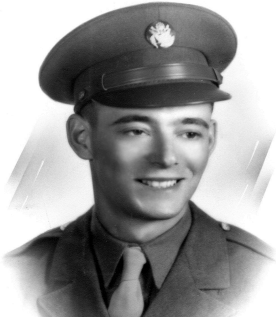
Economic Mobility & Intergenerational Wealth

- Lowest absolute mobility in Oklahoma
- Lowest relative upward mobility
- Among the ***highest*** in terms of downward mobility
 - 33% of residents move down 10 or more percentiles of the earnings distribution during their working years

Race: The Power of an Illusion 'The House We Live In' (PBS)



Intergenerational Wealth & The Wealth Gap



EQUITY



**COLLEGE LOANS &
SUBSIDIES**



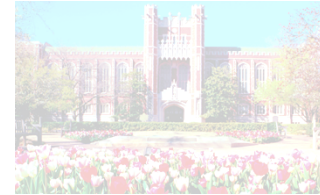
**STABLE, LIVING WAGE
EMPLOYMENT
WITH
BENEFITS**



Rental housing



***Admissions & attendance
barriers***



***Segregated, low wage
labor market
Insecure &
few benefits***



1. Foundational Assets

- Invest in early childhood
- Expand health coverage and improve access
- College savings & completion initiatives
- Broaden public transportation infrastructure
- Control the cost of borrowing to boost vehicle & homeownership



2. Generative Assets

- Invest in Workforce Oklahoma
- Reform discriminatory policing tactics and sentencing policies & reduce overincarceration
- Reduce hiring discrimination in the private sector

3. Regenerative Assets

- Access to low cost and basic financial services
- Expand access to affordable credit and combat usury
- Homeowner education, foreclosure prevention, and homebuyer assistance
- Automatic 401(k) enrollment and MyRA access

Questions?

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