

Poverty and Economic Opportunity

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Measuring Poverty



Absolute Poverty

Noun

- a) condition characterized by severe deprivation of basic human needs
- b) widely refers to earning below the international poverty line of \$1.25/day

Relative Poverty

Noun

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

Absolute Poverty

Noun

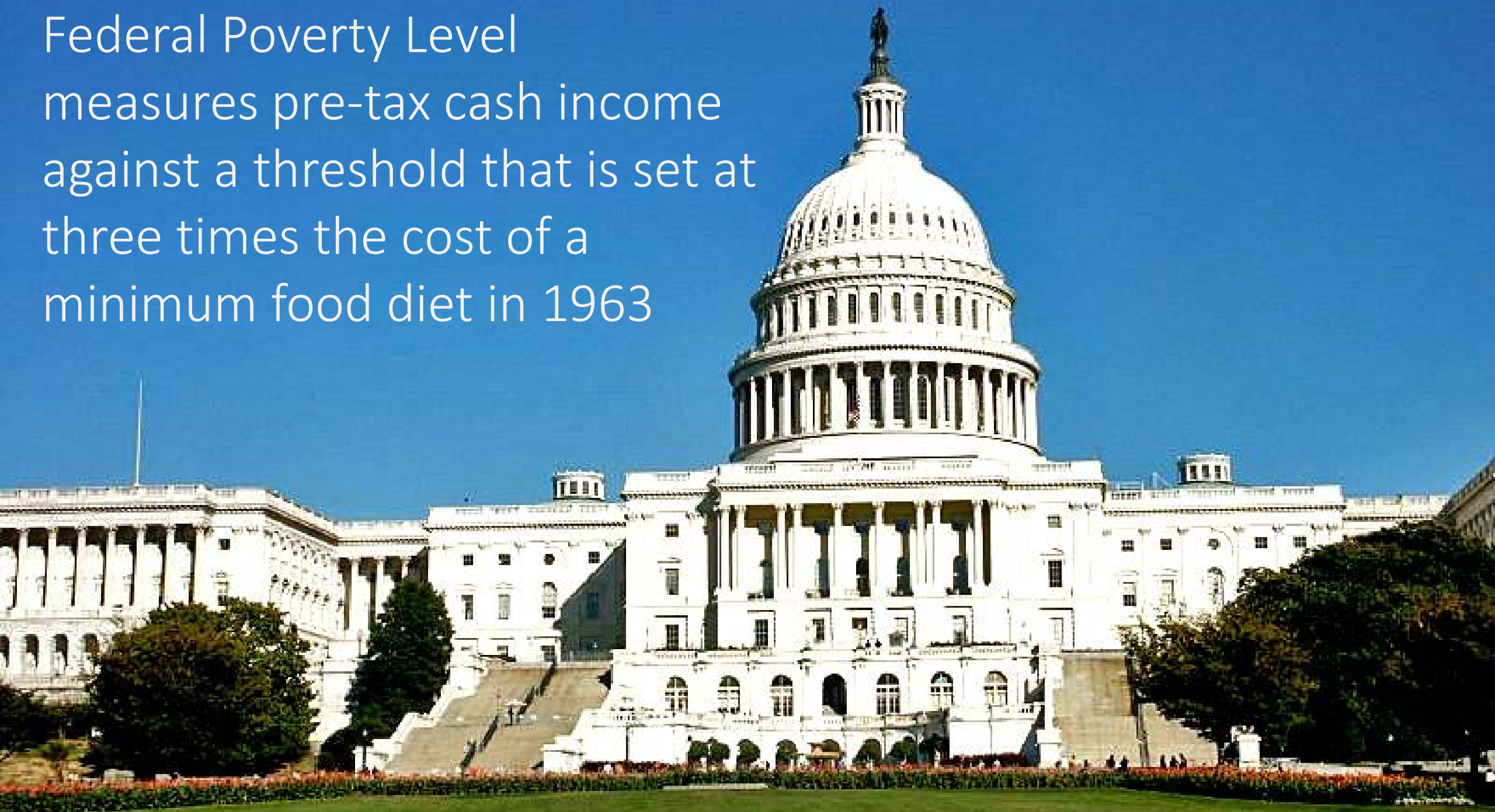
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Relative Poverty

Noun

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

Federal Poverty Level
measures pre-tax cash income
against a threshold that is set at
three times the cost of a
minimum food diet in 1963





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 65 years.....	12,331								
65 years and over.....	11,367								
Two people.....									
Householder under 65 years.....	15,871	16,337							
Householder 65 years and over.....	14,326	16,275							
Three people.....	18,540	19,078	19,096						
Four people.....	24,447	24,847	24,036	24,120					
Five people.....	29,482	29,911	28,995	28,286	27,853				
Six people.....	33,909	34,044	33,342	32,670	31,670	31,078			
Seven people.....	39,017	39,260	38,421	37,835	36,745	35,473	34,077		
Eight people.....	43,637	44,023	43,230	42,536	41,551	40,300	38,999	38,668	
Nine people or more.....	52,493	52,747	52,046	51,457	50,490	49,159	47,956	47,658	45,822

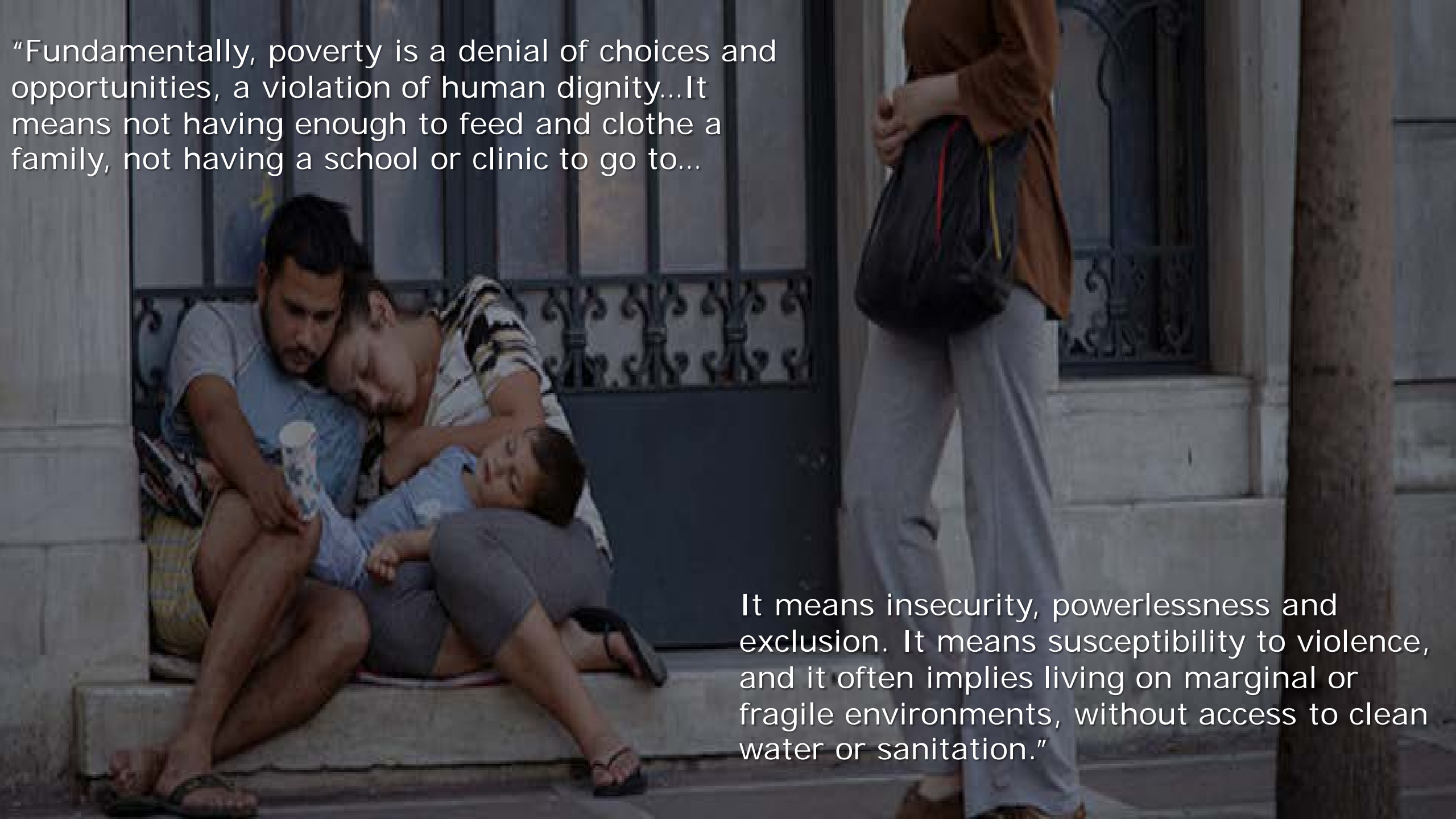
Source: U.S. Census Bureau.

**Living Wage
vs.
Poverty Wage
vs.
Minimum Wage**

Hourly Wages	1 Adult	1 Adult 1 Child	1 Adult 2 Children	1 Adult 3 Children	2 Adults (One Working)	2 Adults (One Working) 1 Child	2 Adults (One Working) 2 Children
Living Wage	\$9.81	\$20.96	\$25.22	\$31.67	\$16.77	\$20.73	\$23.15
Poverty Wage	\$5.00	\$7.00	\$10.00	\$11.00	\$7.00	\$10.00	\$11.00
Minimum Wage	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25	\$7.25

"Fundamentally, poverty is a denial of choices and opportunities, a violation of human dignity...It means not having enough to feed and clothe a family, not having a school or clinic to go to..."

It means insecurity, powerlessness and exclusion. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation."

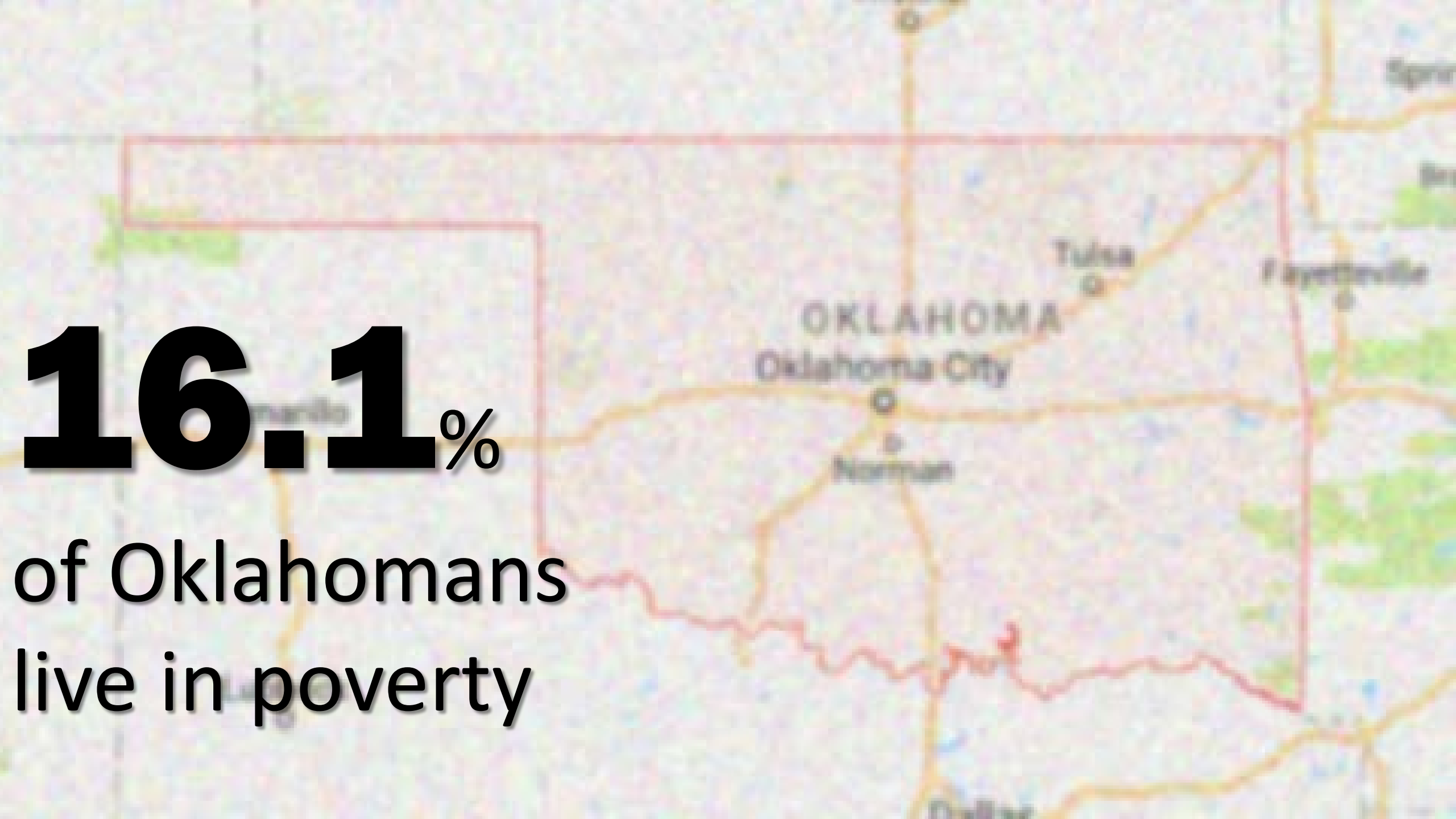


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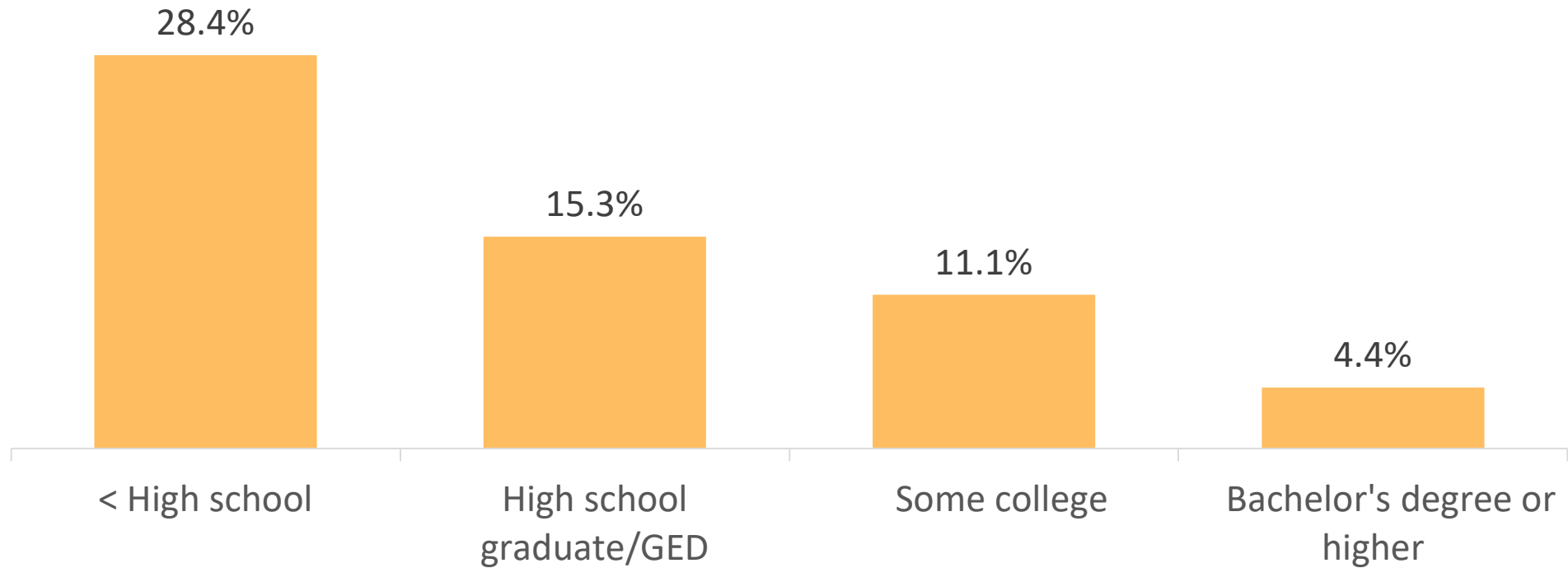
What does
poverty look
like in
Oklahoma?

A map of the state of Oklahoma is shown in the background. The state's outline is highlighted in a light red color. Major cities like Oklahoma City, Tulsa, and Norman are labeled. The text is overlaid on the left side of the map.

16.1%
of Oklahomans
live in poverty

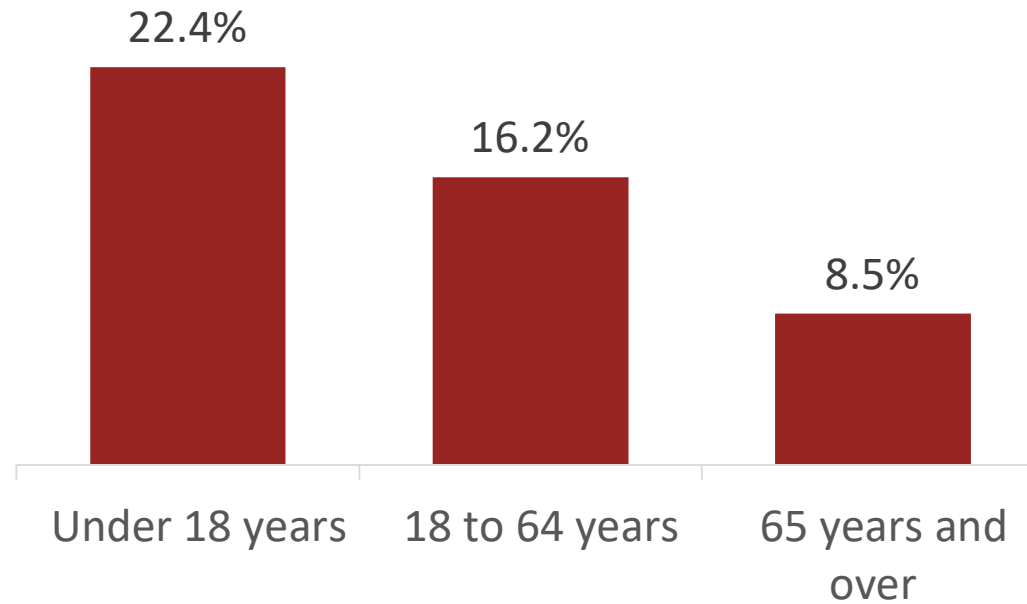


Oklahoma poverty rate, by educational attainment, 2014



Source: Census Bureau

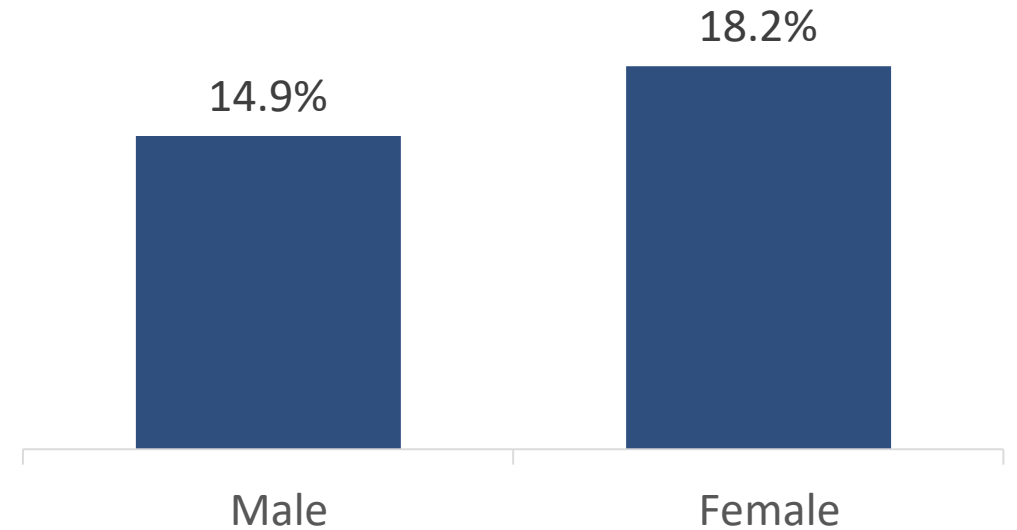
Oklahoma poverty rate, by age, 2014



Source: Census Bureau

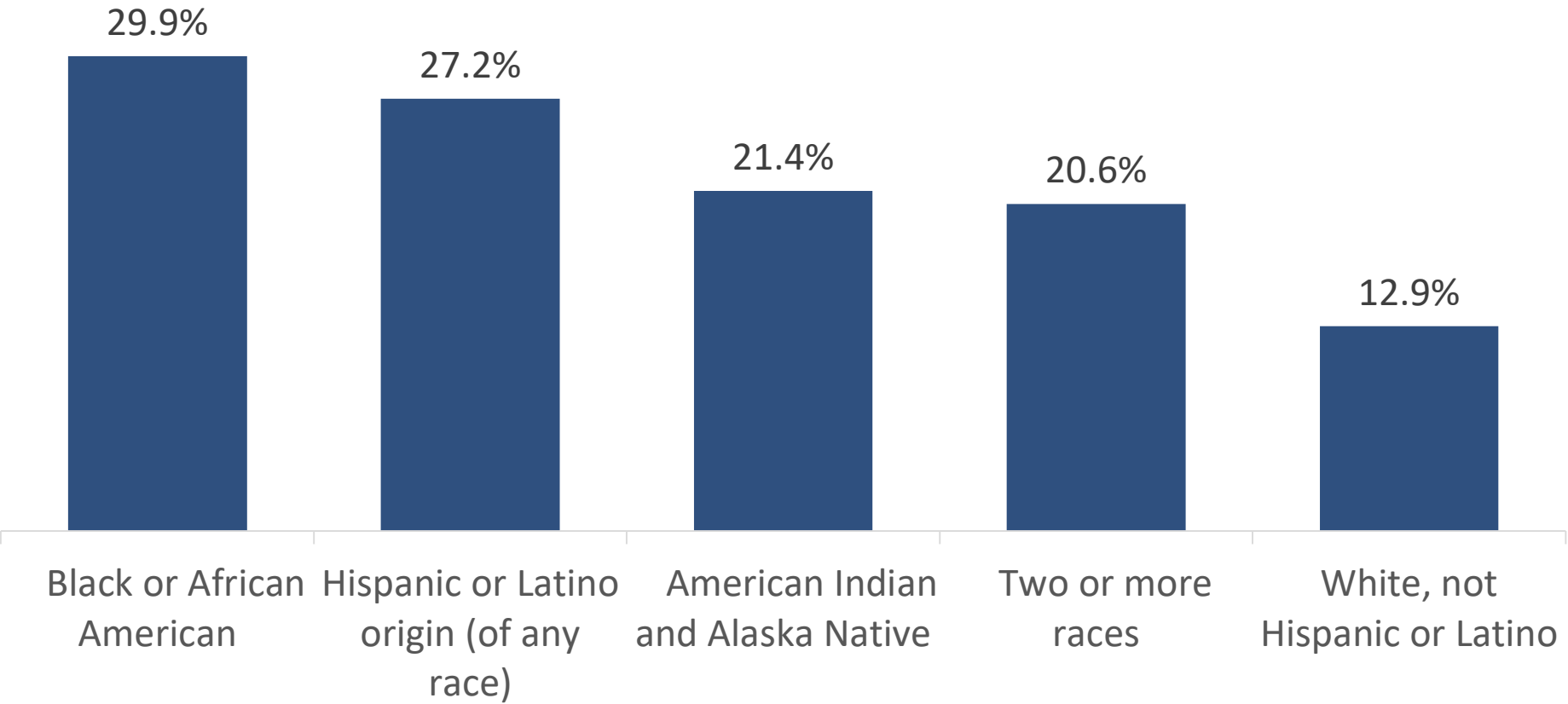
Oklahoma is ranked 44th
in gender income
inequality.

Oklahoma poverty
rate, by gender,
2014



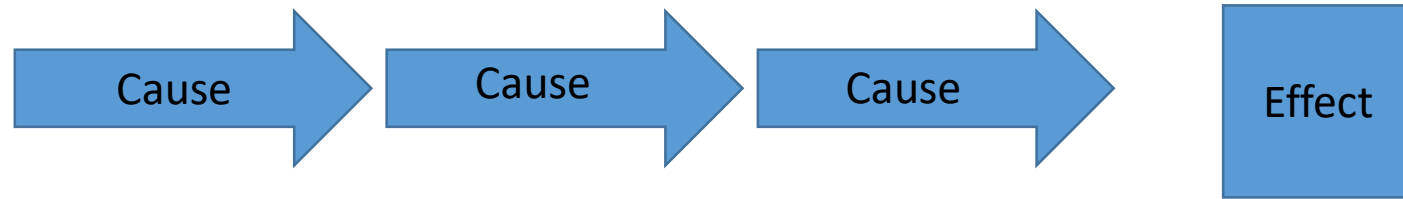
Source: Census Bureau

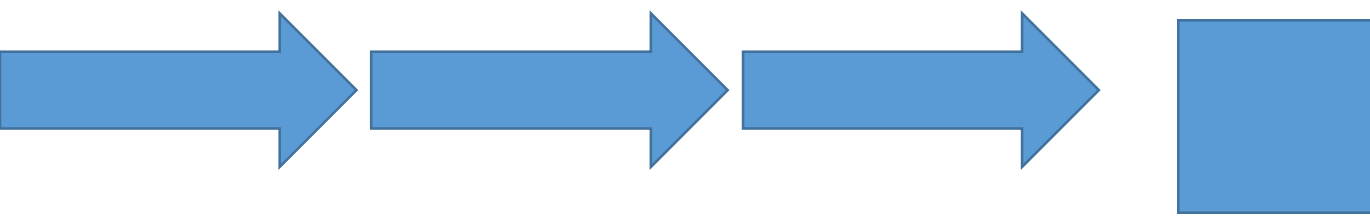
Oklahoma poverty rate, by race/ethnicity, 2014



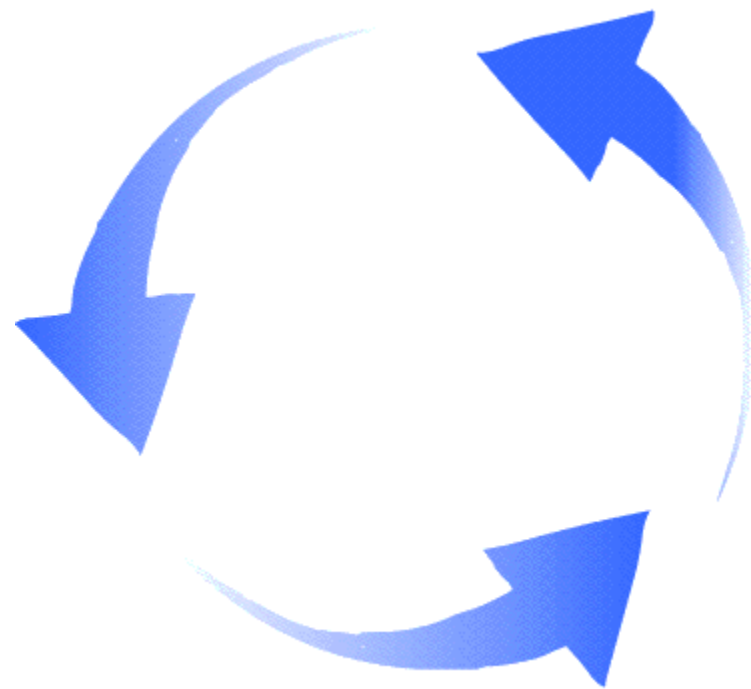
Source: Census Bureau

Causes
and
Effects





vs.



Causes

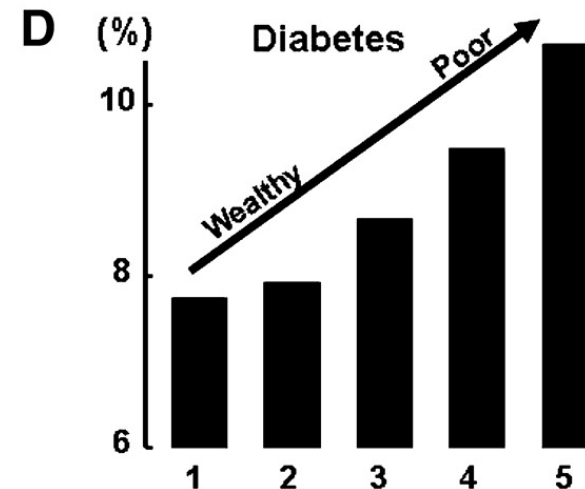
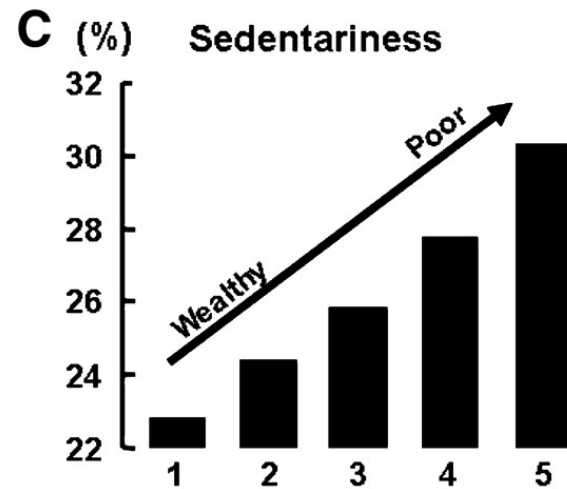
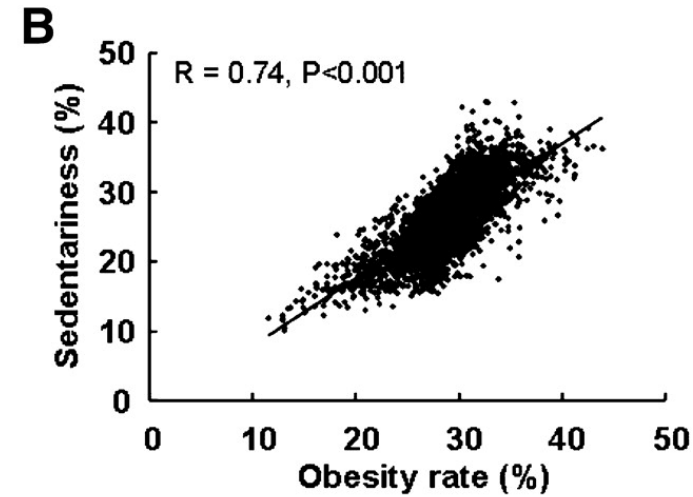
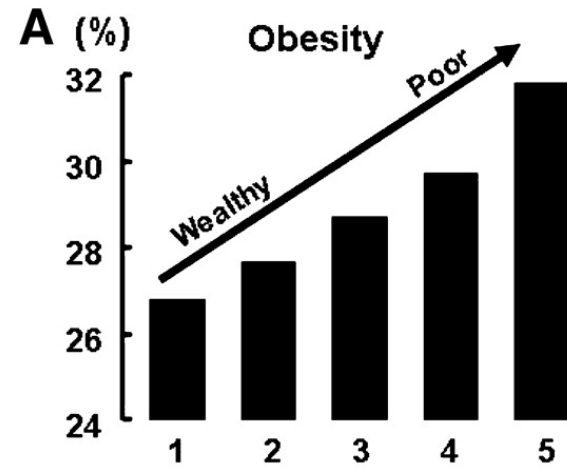
OR

Effects

Health Outcomes

- 7.5% of households went hungry at some point during the year because they couldn't afford food
- Malnutrition, poor health, or untreated illness stunt a worker's capacity to earn and drains their assets.

Data from 3,139 counties in the U.S. Quintiles are cohorts of counties ranked by the percentage of people living with poverty.



James A. Levine Diabetes 2011;60:2667-2668

Educational Attainment

- Educational attainment is highly correlated with employment and earnings
- Public schools are chronically underfunded and its physical infrastructure is badly neglected

Employment... or lack thereof

- People in eastern Oklahoma and people of color are unemployed at disproportionately higher rates
- The state consistently tops the nation for the share of adult workers that are not fully employed, currently at 5.1%
- 3 out of 10 occupations pay below poverty level*

Safety Net Programs

Most TANF dollars don't go toward “welfare”

9% is spent on
cash assistance

14% is spent on work
related activities

20% is spent on
childcare subsidies



894,346
total persons
received
SNAP
benefits

average
monthly
benefit of
\$122



WIC's Big

3 Food Benefits
Nutrition Education
Breastfeeding Support

Broad-based
tax credits

- Earned Income Tax Credit
- Child Tax Credit
- Sales Tax Relief Credit

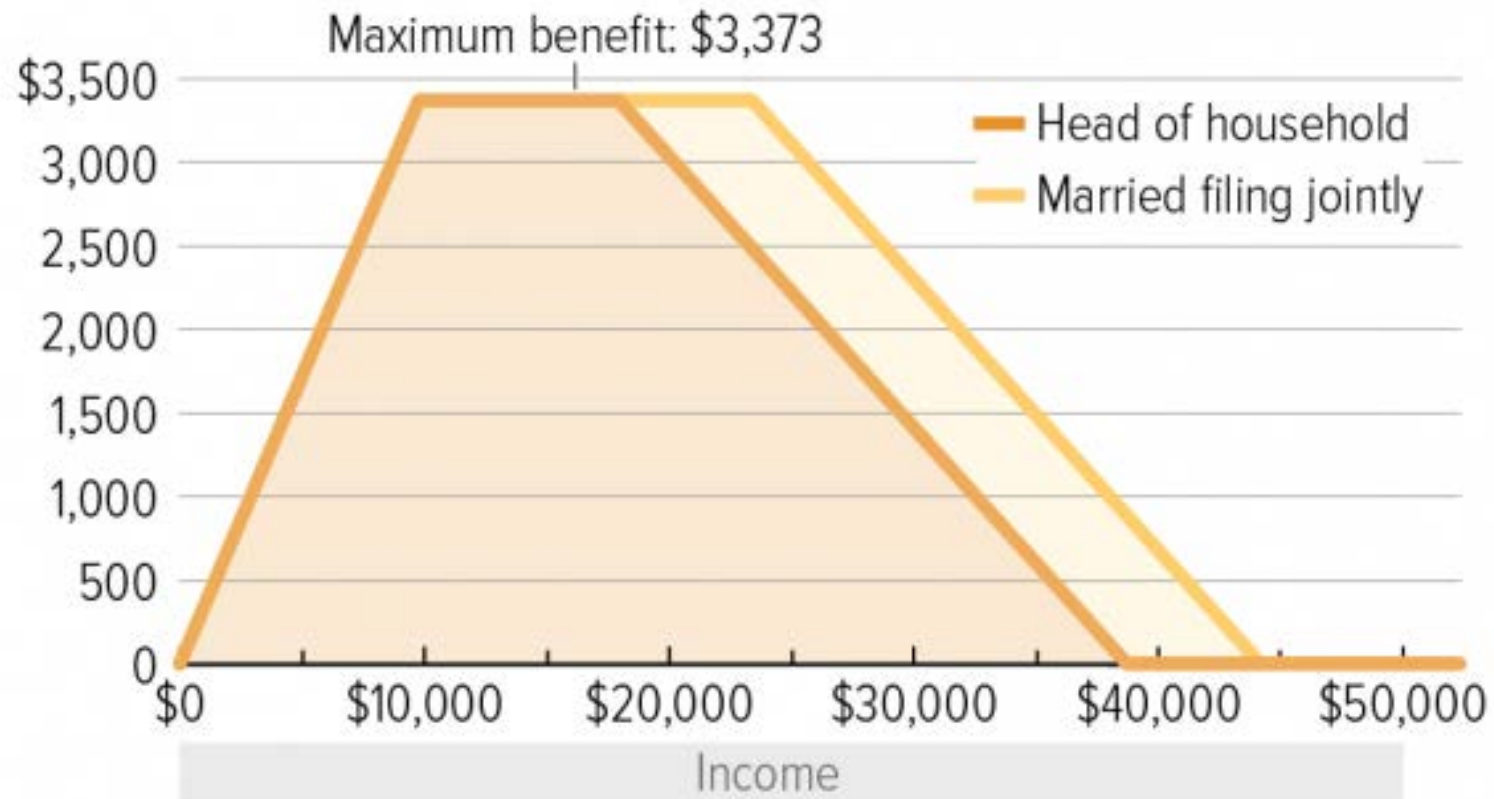
E
EARNED

I
INCOME

T
TAX

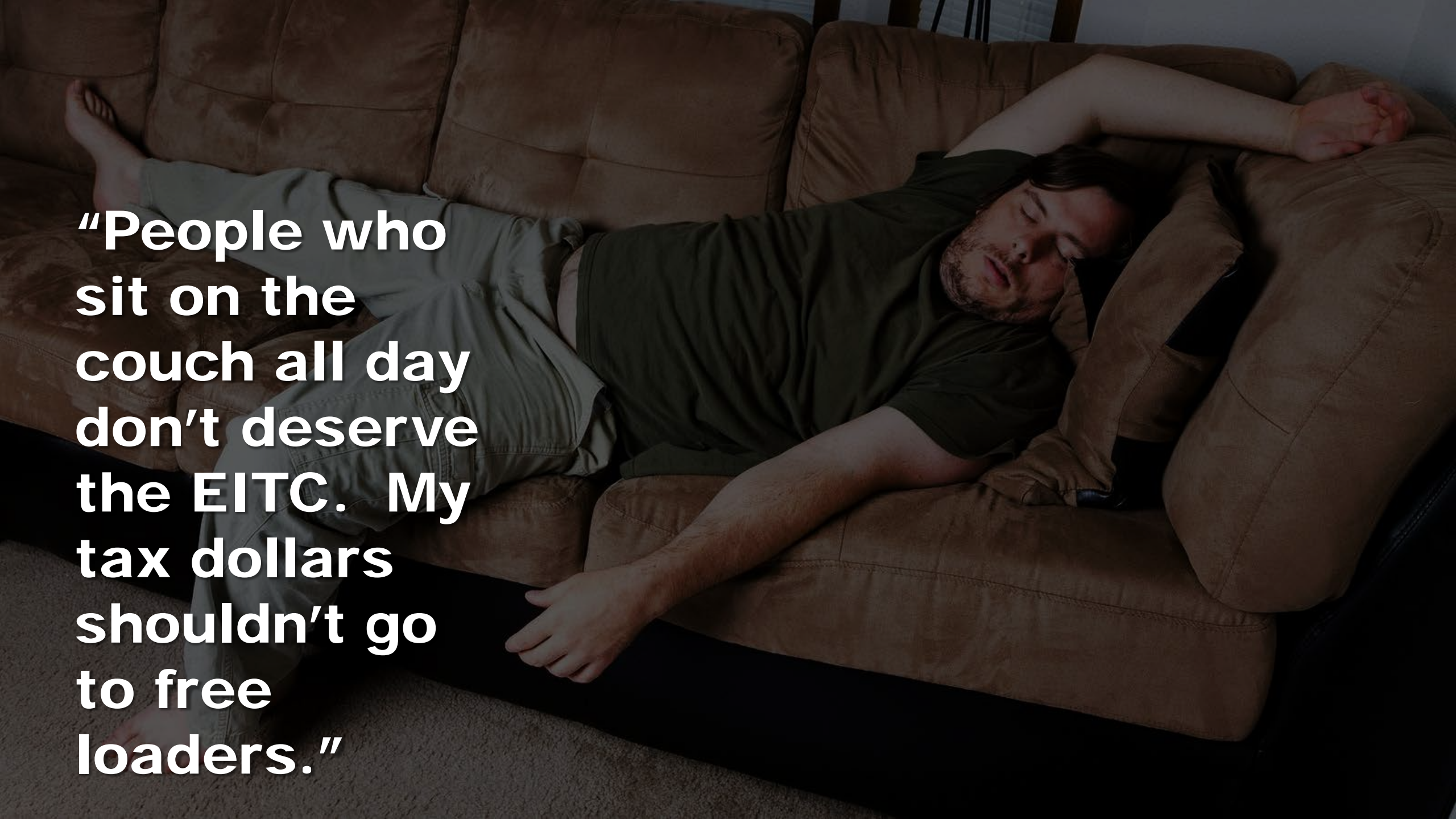
C
CREDIT

Earned Income Tax Credit for Households with One Child, 2016



Note: Assumes all income is from earnings (as opposed to investments, for example).

Source: Internal Revenue Service

A man with a beard and long hair is sleeping on a brown couch. He is wearing a dark green t-shirt and light-colored pants. His arms are outstretched, and his legs are also outstretched. The couch is large and has several cushions. The background is slightly blurred, showing a window with blinds.

"People who
sit on the
couch all day
don't deserve
the EITC. My
tax dollars
shouldn't go
to free
loaders."

E
EARNED

I
INCOME

T
TAX

C
CREDIT


50%

of the federal EITC

Non-refundable!

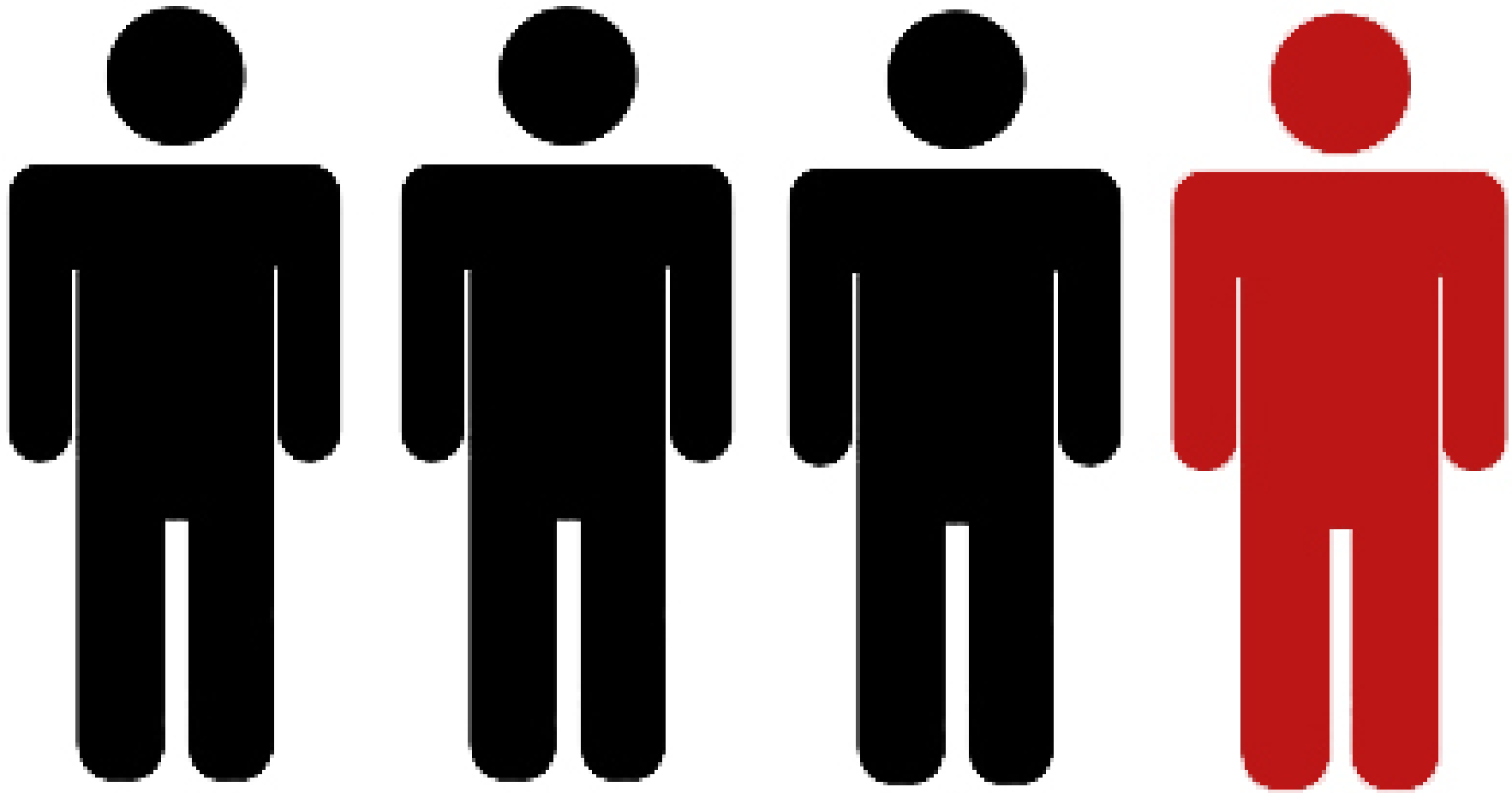
Child Tax Credit



A person wearing a white shirt and a green apron is standing at a grocery store checkout. They are holding a silver card payment terminal. A hand is holding a card over the terminal. The background is a blurred grocery store aisle with shelves of products.

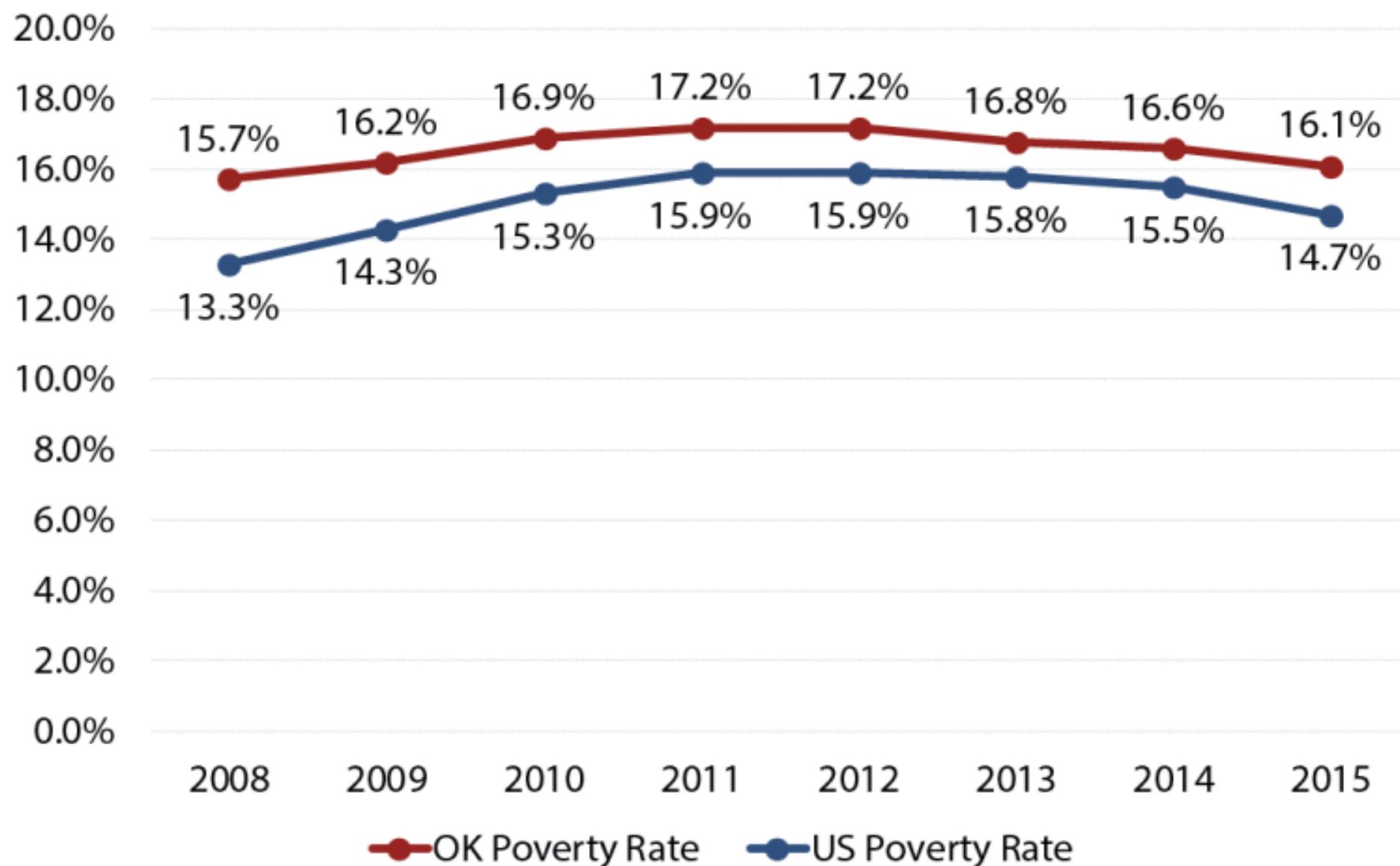
The Sales Tax Relief Credit, sometimes known as the “grocery tax credit,” is an income tax credit that provides a rebate of \$40 per household member to households with incomes at or below the following 50K for seniors and 20k for everyone else.

983,000 Oklahomans





Oklahoma Poverty Rate Continues to Top National Rate



Data Source: US Census American Community Survey

www.okpolicy.org



~~DISABILITY~~

ABLE Act

passed in

Oklahoma 2016

PAYDAY
LOANS



Policy Solutions: Better Jobs & Opportunities

- **Strengthen broad-based tax credits.** Last session, lawmakers **cut the state Earned Income Tax Credit** by close to \$30 million, taking an important tax benefit away from many low-income working families who have received little or nothing from recent tax cuts. To help support working families, the state should either restore the Earned Income Tax Credit or boost the Sales Tax Relief Credit, which helps offset the sales tax paid on groceries and other household items.
- **Bring health care to the working poor by accepting federal funds.** Expanding the state's Medicaid program or Insure Oklahoma would extend insurance coverage to roughly 150,000 people – approximately 1 in 4 of the state's uninsured. The successful track record of expansions in states similar to Oklahoma shows that we are making the wrong choice in rejecting health coverage [[Read more about Medicaid expansion's successful track record in other states](#)].
- **Give parents the freedom to work by expanding child care subsidies and passing family-friendly worker protections.** Lawmakers should expand access to child care subsidies, which are currently available only to families making very low incomes. Oklahoma should also increase **workplace protections for pregnant workers** who may be pushed out of their jobs, working parents who may be required to **work odd hours at short notice** and **not be allowed paid leave** to care for a sick child or elder, and women who **are frequently paid less** for doing the same job as men.



Better Information. Better Policy.

Questions???