

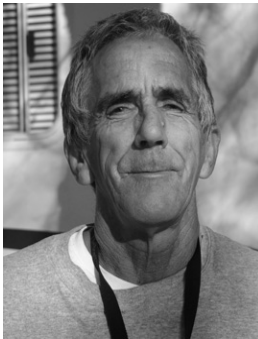
# Poverty

## Does poverty really exist right here in Travis County?



- In 2007, an estimated 14.7 % of Travis County residents (141,223 individuals) were living below the federal poverty level of \$21,200 for a family of four. The Travis County poverty rate is higher than the U.S. rate (13.0%) but lower than the Texas rate (16.3%). (2007 American Community Survey)

- In Travis County, 14.2% of families with children under the age of five had an income below the poverty level. This rate jumps to 47.6% when looking at households headed by unmarried women with children under the age of five. (2007 American Community Survey)



- An estimated 9.6 percent of seniors ages 65 and older in Travis County (1,683 individuals) have incomes at or below the federal poverty level. (2007 American Community Survey)

- In Travis County, people with a physical disability are 1.5 times more likely than the general population to live in poverty. Residents with a mental disability live in poverty at almost twice the general rate. (2006 American Community Survey)

- The Housing Authority of the City of Austin (HACA) has 5,451 people on the wait list for one of their 1,928 units of public housing and 5,111 on the wait list for Section 8 vouchers. (HACA, January 2008)

- In Travis County, 53,287 people over the age of 25 have less than a 9<sup>th</sup> grade education. An additional 42,644 went to high school but did not earn a diploma. (2007 American Community Survey)

## Why do so many fall short of a basic standard of living in Central Texas?

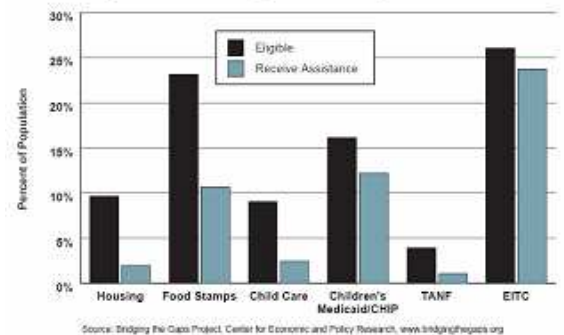
- To afford to live in the Austin/Round Rock MSA, a family of two parents and two children needs a household income of \$53,080 to cover **basic** expenses – more than double the federal guideline of \$21,200. In order to earn the \$53,080, workers in the household would need to earn a combined wage of \$27/hour. The median wage for all occupations in the area is \$14.38/hour. This means 40% of families live below the “Central Texas Security Index” suggesting that any major change in their family income or expenses threatens their ability to make ends meet. (Center for Public Policy Priorities)

- Due to access barriers, millions of Texans eligible for work support programs that could help them climb the economic ladder do not receive these benefits. Fewer than half of families eligible for Food Stamps—over 2 million Texans—participate in the program. (CPPP)

- The largest determining factor for low income families is parental education. According to the National Center for Child Poverty, 82% of children whose parents have less than a high school diploma live in low income families.

- Texas has the highest percentage of people without health insurance in the nation. Medical expenses are the #1 cause of personal bankruptcies in Texas. (CPPP, Task Force on Access to Health Care in Texas)

Many More Texans Are Eligible for Work Supports than Receive Them



**Why does it matter?** It is important to address the issue of poverty not only to improve the lives of those less fortunate but also to improve the quality of life of our community as a whole. Crime rates, work force productivity, and drop out rates are all directly affected by poverty rates. While these problems are troubling in their own right, they also take a serious financial toll on society.

- Hunger doesn't just take a toll on the 1.3 million Texas families who experience food insecurity; it costs the state more than \$9 billion a year in charity, treatment of diet related illnesses, and lowered productivity. (CPPP)
- Health care for the uninsured is not free. Federal, state, and local governments pay approximately 85% of the \$40 billion in annual costs for uncompensated care nationally. Economists estimate that two-thirds to three-quarters of the cost of uncompensated health care is directly shifted to higher hospital charges and health insurance premiums. (CPPP)
- Low-income kids are more likely to drop out of high school. Dropouts cost the state \$730 billion in foregone income and tax revenue. Dropouts are more likely to rely on government assistance and eight times as likely to be incarcerated as high school graduates. (CPPP)

**When should I get involved? Now!** The recent economic downturn has exacerbated the problem of poverty throughout the nation. The statistics presented on the front page of this fact sheet create a picture of poverty in Travis County in 2007 (most recent data available). They do not reflect the serious economic strain many members of our community have felt in the last half of 2008. The recent recession has pushed many families over the edge into an unstable economic condition.

- Caritas, a leading provider of rent and utility assistance for the working poor, experienced more than a 500% increase in requests for assistance from eligible families in Oct. – Dec. 2008 compared to Oct.-Dec. 2007.
- In 2008, the United Way Capital Area centralized referral and information system, 2-1-1 Texas, experienced a 19% increase in the number of calls received for basic needs assistance in Central Texas vs. 2007. This increase in demand was most significant in the areas of food (+34%), utility assistance (+19%), and housing payment assistance (+14%).

**How can I make a difference?** Travis County's network of social service providers advocates a two-pronged approach. Provide a "ladder up" to help people toward self-sufficiency, and a "safety net below" to catch those threatened by homelessness, hunger, and violence. To learn about how you can **donate your time and money** to local organizations dedicated to providing basic needs and services to people affected by poverty in Central Texas please visit:

- The "How to Help" page of the Basic Needs Coalition website, [www.basicneeds-ctx.org](http://www.basicneeds-ctx.org).
- I Live Here I Give Here, [www.ilivehereigivehere.org](http://www.ilivehereigivehere.org)
- Community Action Network, [www.caction.org](http://www.caction.org)
- United Way, [www.unitedwaycapitalarea.org](http://www.unitedwaycapitalarea.org) or [www.handsoncentraltexas.com](http://www.handsoncentraltexas.com)

To learn more about how you can **support public policy initiatives** that create real solutions for adequate healthcare, childcare, living wages, education and disability assistance please visit:

- Center for Public Policy Priorities, [www.cppp.org](http://www.cppp.org)

To learn more about poverty, please visit:

- Poverty USA, [www.povertyusa.org](http://www.povertyusa.org)
- Economic Policy Institute, [www.epinet.org](http://www.epinet.org)
- Joint Center for Poverty Research, [www.jcpr.org](http://www.jcpr.org),
- National Center for Children in Poverty, [www.nccp.org](http://www.nccp.org)
- 2007 American Community Survey Analysis, [http://www.co.travis.tx.us/health\\_human\\_services/research\\_planning/publications/ACS\\_2007\\_%20PreliminaryReport%20.pdf](http://www.co.travis.tx.us/health_human_services/research_planning/publications/ACS_2007_%20PreliminaryReport%20.pdf)