

Federal Programs Lift Millions of Families From Communities of Color Out of Poverty

Communities of color* represent about two in five Americans and are projected to be the majority of the nation's population by 2043.¹

The Hispanic[†] population alone stands at approximately 57 million and, by 2050, is estimated to account for one out of every four people in the country.² The size, work ethic, and resilience of communities of color have contributed to the national economic resurgence following the Great Recession. Nevertheless, a considerable portion of communities of color continue to lag behind, struggling to put food on their tables and a roof over their heads. In 2016, an estimated 21% of individuals in communities of color lived in poverty, compared to 14% of all Americans.³

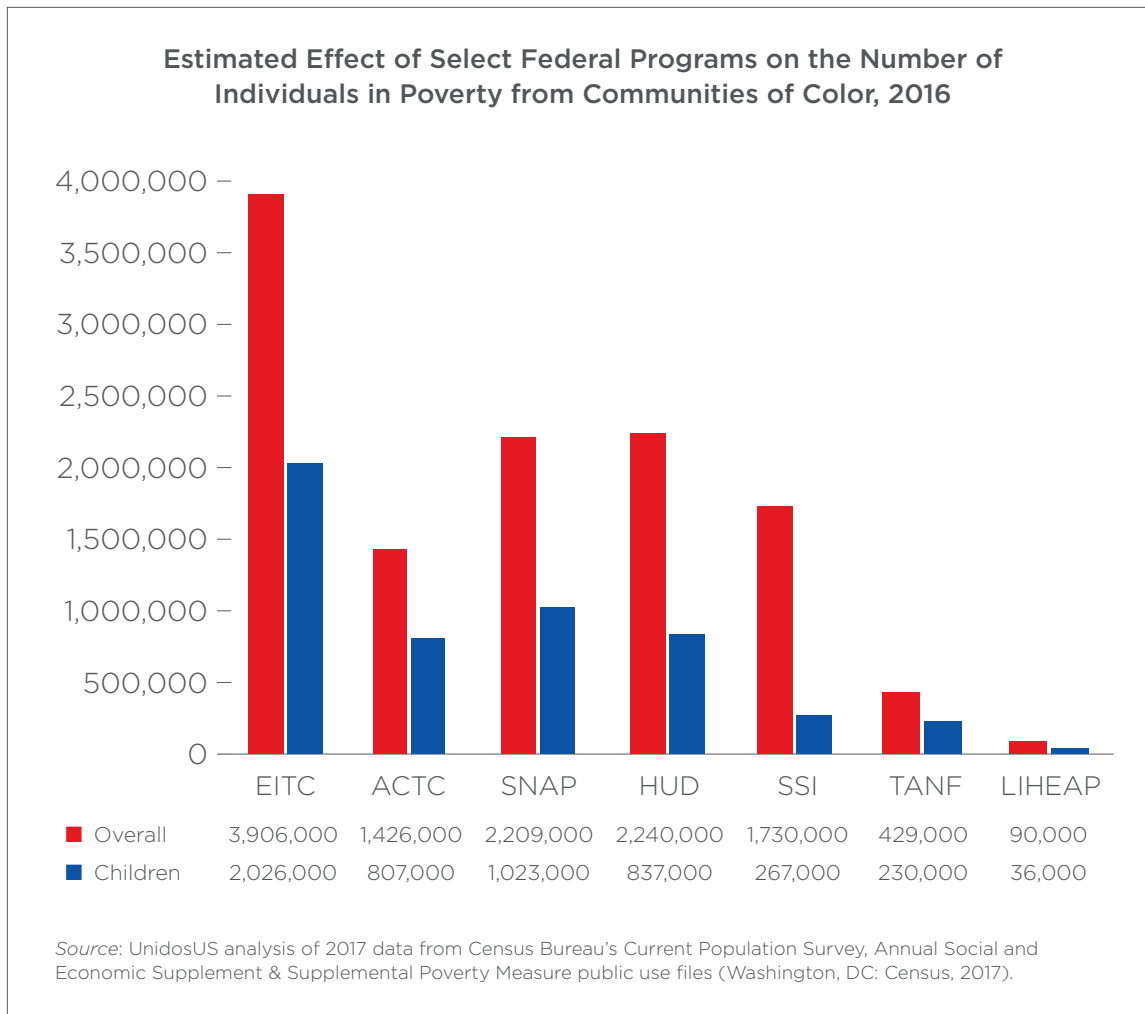
For more than 50 years, anti-poverty programs have helped ensure that working families are lifted out of poverty when times are tough or their wages are too low for them to be able to make ends

meet. These programs are collectively known as the “social safety net” and are at risk. The Republican budget proposal for Fiscal Year 2018 already calls for drastically reduced funding to many essential programs to fund \$1.4 trillion in tax breaks for both corporations and the extremely wealthy on the backs of the most vulnerable members of our communities.⁴ Cuts to these programs would have a significant effect on our nation's communities of color, millions of whom struggle to make ends meet. Using data from the U.S. Census Supplemental Poverty Measure, this fact sheet provides evidence of the strong anti-poverty effect of selected supports, including the number or share of individuals participating and lifted out of poverty.[‡]

* The term “community of color” refers to persons who identified as Black or African American, Asian or Pacific Islander, American Indian, or Hispanic in the U.S. Census Bureau's Current Population Survey.

† The terms “Hispanic” and “Latino” are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race.

‡ In this analysis, the poverty rate and number of people in poverty is based on the U.S. Census Bureau's Supplemental Poverty Measure (SPM), which extends the official poverty measure by taking into consideration many of the government programs (i.e., tax credits and noncash transfers) designed to assist low-income individuals that are not included in the current official poverty measure. While the Census SPM provides a more complete view of the anti-poverty effect of government transfers than the official measure, the SPM still understates these effects because households in Census surveys, as in many surveys, tend to underreport their income from government programs. For more information about underreporting in the SPM, see Arloc Sherman and Danilo Trisi, “Safety Net More Effective Against Poverty Than Previously Thought,” Center on Budget and Policy Priorities, May 6, 2015.



Federal Refundable Tax Credits

Earned Income Tax Credit (EITC)

In tax year 2015, 27.5 million tax filers received \$67 billion worth of tax credits through the EITC. The latest Census data show that 6% of EITC beneficiaries were Asian, 19% were Black, and 34% were Latino.⁵

EITC lifted approximately 3.9 individuals from communities of color out of poverty in 2016, including approximately 2.0 million children.⁶

Child Tax Credit (CTC)

In tax year 2014, 19.8 million tax filers received \$26.6 billion worth of tax credits through the refundable portion of the CTC. The latest Census data show that 4% of CTC beneficiaries were Asian, 18% were Black, and 33% were Latino.⁷

CTC lifted an estimated 1.4 million individuals from communities of color out of poverty in 2016, including an estimated 806,000 children.⁸

Federal Anti-Poverty Programs

Supplemental Nutrition Assistance Program (SNAP)

In February 2017, 42.2 million people received food assistance through SNAP. The latest Census data show that 3% of SNAP beneficiaries were Asian, 26% were Black, and 22% were Latino.⁹

SNAP lifted approximately 2.2 million individuals from communities of color out of poverty in 2016, including approximately one million children.¹⁰

Supplemental Security Income (SSI)

As of December 2016, there were 8.3 million people receiving SSI benefits. The latest Census data show that 5% of SSI beneficiaries were Asian, 22% were Black, and 15% were Latino.¹¹

SSI lifted approximately 1.7 million individuals from communities of color out of poverty in 2016, including approximately 267,000 children.¹²

Rental Assistance

Of the 4.5 million households receiving federal rental assistance in FY 2015, 2% were Asian households, 30% were Black households, and 8% were Latino households.¹³

Federal rental assistance lifted approximately 2.2 million individuals from communities of color out of poverty in 2016, including approximately 837,000 children.¹⁴

Temporary Assistance for Needy Families (TANF)

Of the three million households receiving TANF in FY 2015, 2% were Asian, 34% were Black, and 29% were Latino households.¹⁵

TANF lifted approximately 429,000 individuals from communities of color out of poverty in 2016, including approximately 230,000 children.¹⁶

Low Income Home Energy Assistance Program (LIHEAP)

Of the six million households receiving federal help to pay their energy bills in fiscal year 2016. The latest Census data show that 4% of LIHEAP beneficiaries were Asian, 23% were Black, and 21% were Latino.¹⁷

LIHEAP lifted approximately 90,000 individuals from communities of color out of poverty in 2016, including approximately 36,000 children.¹⁸

Endnotes

All sources accessed December 2017.

- 1 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch; and Center for American Progress, The State of Communities of Color in the U.S. Economy (Washington, DC: Center for American Progress, 2013) <https://www.americanprogress.org/issues/economy/reports/2013/10/29/78318/the-state-of-communities-of-color-in-the-u-s-economy-2/>.
- 2 Ibid; and Jens Manuel Krogstad, "With Fewer New Arrivals, Census Lowers Hispanic Population Projections" (Washington, DC: Pew Research Center, 2014), <http://www.pewresearch.org/fact-tank/2014/12/16/with-fewer-new-arrivals-census-lowers-hispanic-population-projections-2/>.
- 3 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 4 UnidosUS, "Fiscal Year 2018 Federal Budget: A Preliminary Assessment of the President's Request" (Washington, DC: UnidosUS), <http://publications.unidosus.org/handle/123456789/1724>.
- 5 Internal Revenue Service, "Statistics for 2015 Tax Returns with EITC" (Washington, DC: IRS, 2017) <https://www.irs.gov/eitc-central/statistics-for-tax-returns-with-eitc/statistics-for-2015-tax-year-returns-with-eitc>; and UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 6 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 7 Internal Revenue Service, "IRS Statistics of Income Historical Table 2" (Washington, DC: IRS, 2017) <https://www.irs.gov/pub/irs-soi/14in54cmcsv.csv>; and Center on Budget and Policy Priorities (CBPP) analysis of 2013-2015 American Community Survey 3-Year Estimates.
- 8 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 9 United States Department of Agriculture, "National and/or State Level Monthly and/or Annual Data" (Washington, DC: USDA, 2017) <https://www.fns.usda.gov/pd/supplemental-nutrition-assistance-program-snap>; and Center on Budget and Policy Priorities analysis of 2013-2015 American Community Survey 3-Year Estimates.
- 10 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 11 Social Security Administration "Research, Statistics, and Policy Analysis" (Washington, DC: SSA, 2017) https://www.ssa.gov/policy/docs/factsheets/cong_stats/; and CBPP analysis of 2015 American Community Survey 1-Year Estimates.
- 12 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 13 CBPP tabulation of Department of Housing and Urban Development (HUD) 2016 administrative data, produced by arrangement with HUD.
- 14 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 15 Department of Health and Human Services, "Characteristics and Financial Circumstances of TANF Recipients, FY 2015" (Washington, DC: HHS, 2016) https://www.acf.hhs.gov/sites/default/files/ofa/characteristics_and_financial_circumstances_of_tanf_recipients.pdf.
- 16 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 17 National Energy Assistance Directors' Association, "LIHEAP Long Form Data Reports" (Washington, DC: NEADA, 2016); and UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.
- 18 UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement & Supplemental Poverty Measure public use files (Washington, DC: Census, 2017) https://thedataweb.rm.census.gov/ftp/cps_ftp.html#cpsmarch.