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## U.S. needs better way measure poverty

By Terry Haven

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On Oct. 19, the Census Bureau released alternate poverty rates based on recommendations from a National Academy of Sciences panel on measuring poverty. No state data were given in the report, but new figures show a national poverty rate of 15.8 percent rather than the 13.2 percent poverty rate released just weeks ago using the traditional formula.

The poverty rate for the Western Region rose from 13.5 percent to 19 percent. There is increasing agreement among policymakers and advocates that the current federal poverty measure is broken and outdated. The advent of these poverty figures is a good time to reflect on the inadequacies of our poverty measure and the crucial need to update this outdated statistic.

The current poverty measure was developed in the 1960s. It is a narrow income standard based only on the price of food. There are several problems with the measure.

One, the federal poverty measure does not include other economic necessities impacting a family's ability to be self-sufficient in housing, transportation, health care, or child care. Secondly, the poverty measure is the same across the states except for Hawaii and Alaska and does not take into account that the cost of living differs from state to state. Finally, the poverty measure does not include non-cash benefits such as the Earned Income Tax Credit, food stamps, or child care assistance. This means that the measure cannot accurately assess a family's income in meeting its needs, nor can it be used to analyze the effectiveness of these programs since they are not part of the equation.

The National Academy of Sciences has developed a better measure of poverty which takes into account the above issues. The NAS model is being recommended in the Measuring American Poverty Act of 2009, introduced by Sen. Chris Dodd, D-Conn. This measure would provide advocates and policymakers with a more accurate number of individuals in poverty and, therefore, a more accurate way of assessing needs, program effectiveness, and in painting a clearer picture of the Utah children and families at risk.

The bill would not change eligibility for any programs since it does not replace the official Federal Poverty measure. However, it would help us better understand the scope of poverty and whether the resources we are providing to combat poverty are working. In addition to changing the way poverty is calculated, the Measuring American Poverty Act would shift the responsibility for calculating poverty to the Census Bureau.

We urge Sens. Orrin Hatch and Bob Bennett to support the MAP Act. It's a good call for Utah's children and families. Better data is needed to provide better solutions.

**Terry Haven** is *KIDS COUNT* director for *Voices for Utah Children*.

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