



## **CENSUS BUREAU'S ADJUSTED POVERTY NUMBERS INCREASE NUMBER OF PEOPLE LIVING IN POVERTY BY 7 MILLION; PROVE NEED FOR UPDATED POVERTY GUIDELINE**

**Los Angeles, CA** – Yesterday, the Census Bureau released new data counting the number of persons in the United States living in poverty.. The estimate of those living in poverty is now at 47.7 million Americans – or one of every six persons living in the United States. This number is 7 million more than the estimate released by the Census Bureau last month, which was based on the Federal Poverty Guidelines, a decades-old metric developed in the 1960s to determine poverty. The new determinations are based on a National Academy of Science alternative formula. This formula takes into account many more factors than just the cost of food, including regional cost of living differences, out-of-pocket medical expenses, and the cost of child care.

"The Census Bureau's data confirms what so many advocates have been saying for years – the Federal Poverty Guidelines are not a true reflection of poverty in our communities," said Councilmember Richard Alarcón. "It's time for our federal government to update the Guidelines to take into account the realities facing working families and the true cost of living in our country. Only then can we properly target our resources and make informed decisions regarding allocation of resources."

Councilmember Alarcón has been a vocal advocate of updating the Federal Poverty Guidelines. In 2003, as a State Senator, Alarcón introduced a state resolution in support of updating the Federal Poverty Guidelines, SJR 15. As a Councilmember, Alarcon has introduced multiple motions and resolutions on this subject, including a resolution unanimously supported by the City Council calling for an update of the Federal Poverty Guidelines and a motion to create an updated poverty measure for the City of Los Angeles. In June of 2007, he wrote letters to all of the presidential candidates (both Democrats and Republicans) asking them to take a position on the issue. In August of 2007, then-Senator Obama wrote a letter to Alarcón supporting an update of the Guidelines. Additionally, in August of 2007, Councilmember submitted testimony to the House Sub-Committee on Income Security and Family Support for the Hearing on Measuring Poverty in America that was held on August 1, 2007 by Sub-Committee Chairman Jim McDermott (WA-7). In his testimony, Councilmember Alarcón expressed his support for updating the Federal Poverty Guidelines in order to create more targeted and efficient policy decisions.

Next week, as Chair of the Jobs and Business Development Committee, Councilmember Alarcón will hear two motions which, if approved, would create a new and updated poverty measure for the City of Los Angeles. Both motions were authored by the Councilmember.

The Federal Poverty Guidelines were established in 1963 by the Social Security Administration to establish a baseline poverty measurement. Currently, a family of four that makes over \$20,650 a year is not considered "in poverty," with no consideration of the makeup of the household, the location of the family, or any factors beyond the average cost of food.