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RESEARCH *on*  
POVERTY

UNIVERSITY OF WISCONSIN-MADISON

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*IRP Webinar:*

# An Intelligent Consumer's Guide to Poverty Measurement



*Timothy Smeeding*  
*University of Wisconsin-Madison*



*Kathleen Short*  
*U.S. Census Bureau*

May 14, 2014

*Research | Training | Policy | Practice*

# Disclaimers

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The opinions and research expressed in this presentation are solely the responsibility of the presenters and not necessarily those of the Institute for Research on Poverty, its funders, or of the University of Wisconsin.

Additionally, the views expressed in this research, including those related to statistical, methodological, technical, or operational issues, are solely those of the authors and do not necessarily reflect the official positions or policies of the Census Bureau, or the views of other staff members. The author accepts responsibility for all errors. This presentation is released to inform interested parties of ongoing research and to encourage discussion of work in progress. The presentation reports the results of research and analysis undertaken by Census Bureau staff. It has undergone more limited review than official publications.

# Objectives of the Webinar

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- Introduction to the issues involved in poverty measurement (Tim Smeeding)
- The measures used by the federal government, officially, and for research (Kathleen Short)
- A state and a policy perspective, via the *Wisconsin Poverty Report* (Tim Smeeding)
- Question and Answer

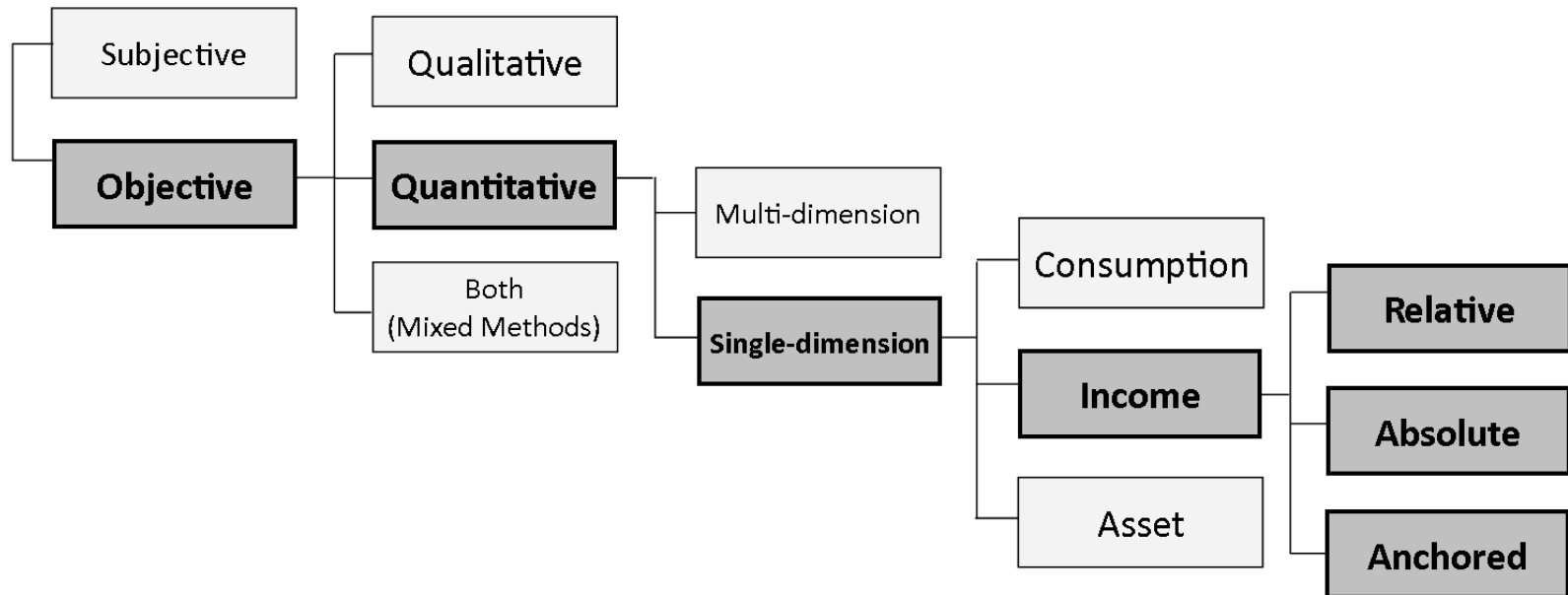
# To Begin. . .

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- Poverty is a **social indicator**, a status at a point in time, where we define **who is poor**?
- **Why people are poor is more difficult** and challenging, as are the mechanisms that “cause” poverty
- **Poverty measurement** is an inexact science— but it **always involves comparison of economic needs to resources**
- A few **concepts of poverty measurement** provide a good overview

# Some Poverty Measure Concepts

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In this webinar we will focus on the shaded boxes.

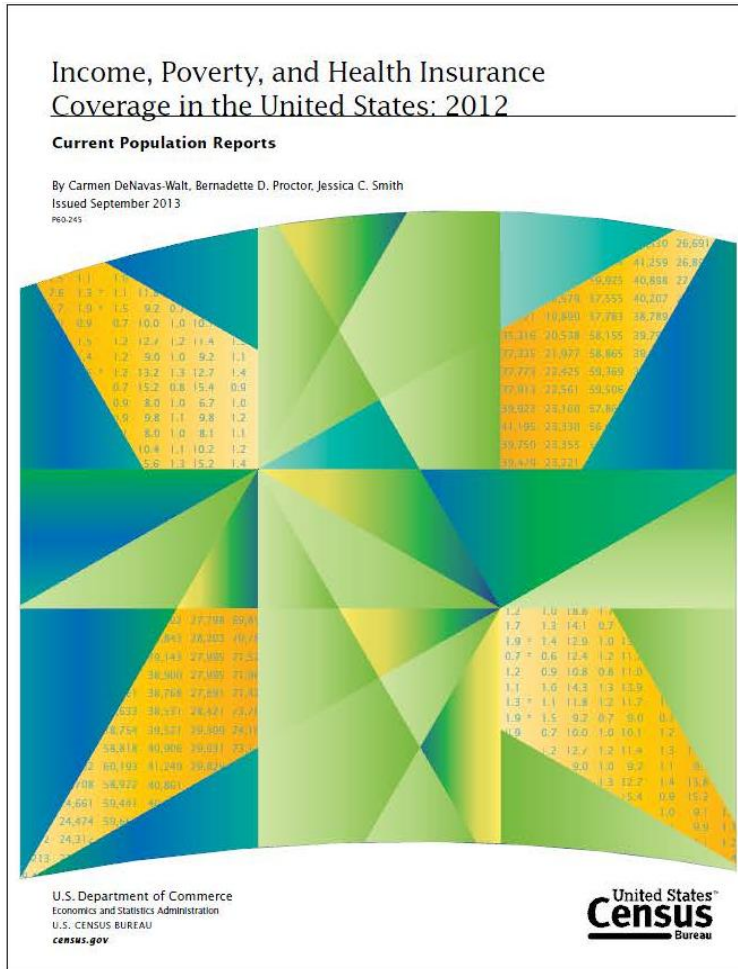
# The Poverty Measures We Present Here

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- Quantitative
- Income-based measures of resources
- Relative, absolute, and anchored measures of need, each appropriate to the income resource definition
- Measures rely primarily on two national datasets: the CPS and ACS
- International comparisons are not included

# Official Poverty Statistics

## Current Population Survey CPS ASEC



- The 2012 official poverty rate for the nation was 15.0 percent
- There were 46.5 million people in poverty.

## The Official Measure



The United States has an **official** measure of poverty. The current official poverty measure was developed in the early 1960s when President Lyndon Johnson declared war on poverty. This measure does not reflect the key government policies enacted since that time to help low-income individuals meet their needs.

### Poverty Rate: 1959 to 2012



Note: The data points are placed at the midpoints of the respective years.

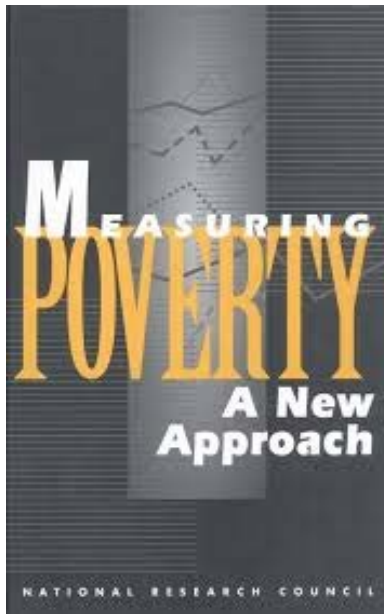
Source: U.S. Census Bureau, Current Population Survey, 1960 to 2013 Annual Social and Economic Supplements.



# Supplemental Poverty Measure (SPM)

## Observations from the Interagency Technical Working Group (ITWG) - March 2, 2010

- Will not replace the official poverty measure
- Will not be used for resource allocation or program eligibility
- Census Bureau and BLS responsible for improving and updating the measure
- Continued research and improvement
- Based on National Academy of Sciences expert panel recommendations in *Measuring Poverty: A New Approach* (Citro and Michael, 1995)



## National Academy of Sciences Panel on Poverty and Family Assistance

May 1995 report, *Measuring Poverty: A New Approach*

The official measure does not account for

- Provision of in-kind benefits
- Necessary expenses (taxes, health care, work)
- Changes in family or household structure
- Higher standards and levels of living since 1965
- Geographic price differences among regions

Recommended Changes to Improve the  
Measure of Poverty in the U.S.

# The Research SUPPLEMENTAL POVERTY MEASURE: 2010

Consumer Income

## INTRODUCTION

The current official poverty measure was developed in the early 1960s, and only a few minor changes have been implemented since it was first adopted in 1969 (Orshansky, 1963, 1965a, 1965b; Fisher, 1992). This measure consists of a set of thresholds for families of different sizes and compositions that are compared to before-tax cash income that are compared to before-tax cash income to determine a family's poverty status. At the time they were developed, the official poverty thresholds represented the cost of a minimum diet multiplied by three (to allow for expenditures on other goods and services).

Concerns about the adequacy of the official measure have increased during the past decade (Ruggles, 1990), culminating in a congressional appropriation in 1990 for an independent scientific study of the concepts, measurement methods, and information needs for a poverty measure. In response, the National Academy of Sciences (NAS) established the Panel on Poverty and Family Assistance, which released its report titled *Measuring Poverty: A New Approach* in the spring of 1995, (Citro and Michael, 1995). Based on its assessment of the weaknesses of the current poverty measure, this NAS panel of experts recommended having a measure that better reflects contemporary social and economic realities and government policy. In their report, the NAS panel identified several major weaknesses of the current poverty measure.

- The current income measure does not reflect the effects of key government

policies that alter the disposable income available to families; hence, their poverty status include payroll taxes, which reduce disposable income, and in-kind programs such as the Supplemental Nutrition Assistance Program (SNAP) free up resources to spend on other items.

- The current poverty threshold does not adjust for rising levels and of living that have occurred since 1965. The official threshold is approximately equal to half of median income had in more than 120 percent of the population.
- The current measure does not account for variation in expenses that are necessary to hold a job—expenses that reduce the amount of income that is available to families. These expenses include transportation costs for work and the increasing cost of child care for working families. The current official poverty measure was developed in the early 1960s, and only a few minor changes have been implemented since it was first adopted in 1969 (Orshansky, 1963, 1965a, 1965b; Fisher, 1992). The official measure consists of a set of thresholds for families of different sizes and compositions that are compared to before-tax cash income to determine a family's poverty status. At the time they were developed, the official poverty thresholds represented the cost of a minimum diet multiplied by three (to allow for expenditures on other goods and services).
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# The Research SUPPLEMENTAL POVERTY MEASURE: 2011

## Current Population Reports

By Kathleen Short  
PG0-244  
November 2012

## INTRODUCTION

Last year the U.S. Census Bureau, with support from the Bureau of Labor Statistics (BLS), released the first report describing research on the Supplemental Poverty Measure (SPM).<sup>1</sup> The SPM extends the information provided by the official poverty measure by including many of the government programs designed to assist low-income families and individuals that are not included in the current official poverty measure. The current official poverty measure was developed in the early 1960s, and only a few minor changes have been implemented since it was first adopted in 1969 (Orshansky, 1963, 1965a, 1965b; Fisher, 1992). The official measure consists of a set of thresholds for families of different sizes and compositions that are compared to before-tax cash income to determine a family's poverty status. At the time they were developed, the official poverty thresholds represented the cost of a minimum diet multiplied by three (to allow for expenditures on other goods and services).

<sup>1</sup> Short (2011), [www.census.gov/hhes/povmeas/methodology/supplemental/research/Short\\_ResearchSPM2010.pdf](http://www.census.gov/hhes/povmeas/methodology/supplemental/research/Short_ResearchSPM2010.pdf). Also see: Short (2012) [www.census.gov/hhes/povmeas/methodology/supplemental/research/ssa2011.pdf](http://www.census.gov/hhes/povmeas/methodology/supplemental/research/ssa2011.pdf), accessed September 2012.

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- The current income measure does not reflect the effects of key government policies that alter the resources available to families and, hence, their poverty status. Examples include payroll taxes, which reduce disposable income, and in-kind public benefit programs, such as the Supplemental

Nutrition Assistance (SNAP), that free up resources to spend on other items.

- The current measure does not account for variation in expenses that are necessary to hold a job—expenses that reduce the amount of income that is available to families. These expenses include transportation costs for work and the increasing cost of child care for working families. The current official poverty measure was developed in the early 1960s, and only a few minor changes have been implemented since it was first adopted in 1969 (Orshansky, 1963, 1965a, 1965b; Fisher, 1992). The official measure consists of a set of thresholds for families of different sizes and compositions that are compared to before-tax cash income to determine a family's poverty status. At the time they were developed, the official poverty thresholds represented the cost of a minimum diet multiplied by three (to allow for expenditures on other goods and services).
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# The Research SUPPLEMENTAL POVERTY MEASURE: 2012

## Current Population Reports

By Kathleen Short  
Issued November 2013  
PG0-247

## INTRODUCTION

This is the third report describing research on the Supplemental Poverty Measure (SPM) released by the U.S. Census Bureau, with support from the Bureau of Labor Statistics (BLS).<sup>1</sup> The SPM extends the information provided by the official poverty measure by taking account of many of the government programs designed to assist low-income families and individuals that are not included in the current official poverty measure. The current official poverty measure was developed in the early 1960s, and only a few minor changes have been implemented since it was first adopted in 1969 (Orshansky, 1963, 1965a, 1965b; Fisher, 1992). The official measure consists of a set of thresholds for families of different sizes and compositions that are compared to before-tax cash income to determine a family's poverty status. At the time they were developed, the official poverty thresholds represented the cost of a minimum diet multiplied by three (to allow for expenditures on other goods and services).

<sup>1</sup> Short (2011), [www.census.gov/hhes/povmeas/methodology/supplemental/research/Short\\_ResearchSPM2010.pdf](http://www.census.gov/hhes/povmeas/methodology/supplemental/research/Short_ResearchSPM2010.pdf) and Short (2012), [www.census.gov/hhes/povmeas/methodology/supplemental/research/Short\\_ResearchSPM2011.pdf](http://www.census.gov/hhes/povmeas/methodology/supplemental/research/Short_ResearchSPM2011.pdf), accessed August 2013.

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Concerns about the adequacy of the official measure have increased during the past decades (Ruggles, 1990), culminating in a Congressional appropriation in 1990 for an independent scientific study of the concepts, measurement methods, and information needed for a poverty measure. In response, the National Academy of Sciences (NAS) established the Panel on Poverty and Family Assistance, which released its report *Measuring Poverty: A New Approach* in the spring of 1995 (Citro and Michael, 1995). In March of 2010, the Interagency Technical Working Group on Developing a Supplemental Poverty Measure (ITWG) listed suggestions for research on the SPM. The ITWG was charged with developing a set of initial starting points to permit the Census Bureau, in cooperation with the BLS, to produce a report on the SPM that would be released along with the official measure each year. Their suggestions included:

- The SPM thresholds should represent a dollar amount spent on a basic set of goods that

includes food, clothing, shelter, and utilities (FCSU) and a small additional amount to allow for other needs (e.g., household supplies, personal care, non-work-related transportation). This threshold should be calculated with five years of expenditure data for families with exactly two children using Consumer Expenditure Survey data, and it should be adjusted (using a specified equivalence scale) to reflect the needs of different family types and geographic differences in housing costs. Adjustments to thresholds should be made over time to reflect real change in expenditures on this basic bundle of goods at the 33rd percentile of the expenditure distribution.

- SPM family resources should be defined as the value of cash income from all sources, plus the value of noncash benefits that are available to buy the basic bundle of goods (FCSU) minus necessary expenses for critical goods and services not included in the thresholds. Noncash benefits include nutrition assistance, subsidized housing, and home

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**For both measures, individuals are considered poor if the resources they share with others in the household are not enough to meet basic needs.**



But the two measures are very different.



**Official Measure**



**Supplemental Measure**

### Who shares resources?

The two measures make different assumptions about who shares resources. The SPM assumes that more people in a household share resources with one another.

The official measure of poverty assumes that all individuals residing together who are related by birth, marriage, or adoption share income.



The SPM starts with the family and then adds some unrelated people such as foster children and unmarried partners.



## How do we measure needs?

The **poverty threshold**, or **poverty line**, is the minimum level of resources that are adequate to meet basic needs.

The official measure uses three times the cost of a minimum **food** diet in 1963 in today's prices.



The SPM uses information about what people spend today for basic needs— **food**, **clothing**, **shelter**, and **utilities**.



## Are needs the same in New York and Mississippi?

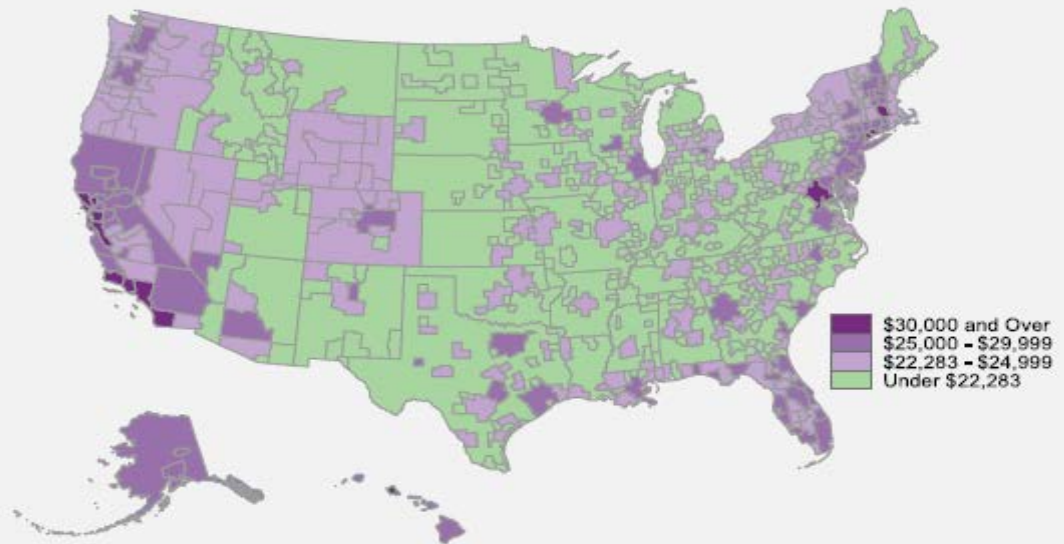
**Poverty thresholds** for both measures are adjusted to reflect the needs of families of different types and sizes. Only the SPM thresholds take account of geographic differences in housing costs.

### 2012 Official Poverty Thresholds (Two Adults and Two Children)



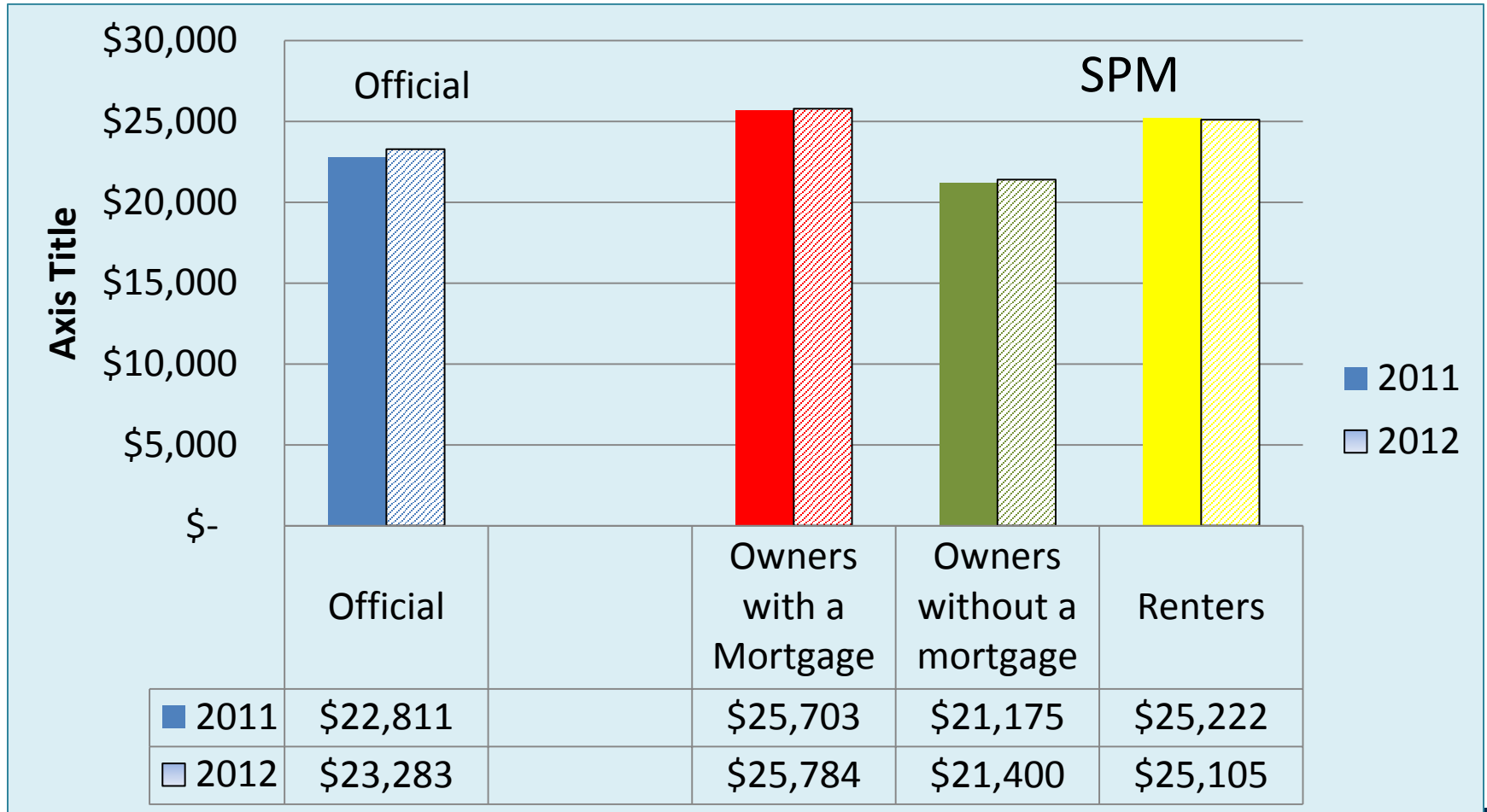
Source: DeNavas-Walt, Carmen, Bernadette D. Proctor, and Jessica C. Smith. Income, Poverty, and Health Insurance Coverage in the United States: 2012. U.S. Census Bureau, Current Population Reports, P60-245, U.S. Government Printing Office, Washington DC, September 2013.

### 2012 SPM Poverty Thresholds for Renters (Two Adults and Two Children)



Sources: Geographic adjustments based on housing costs from the American Community Survey 2007-2011. Base thresholds are from the Bureau of Labor Statistics <[www.bls.gov/pir/spm/spm\\_thresholds\\_2012.htm](http://www.bls.gov/pir/spm/spm_thresholds_2012.htm)>.

# Official and SPM Thresholds: 2011 and 2012



## What resources do people have to meet their needs?

What we count as available resources differs between the two poverty measures.

The official measure uses cash income, such as wages and salaries, Social Security benefits, interest, dividends, pension or other retirement income.



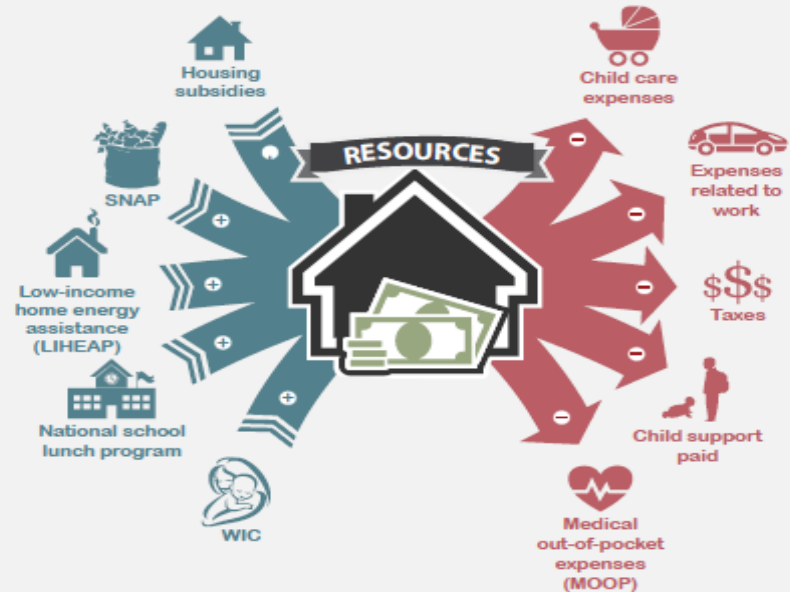
The SPM starts with cash income, then...

### ADDING BENEFITS

The SPM adds benefits from the government that are not cash but help families meet their basic needs.

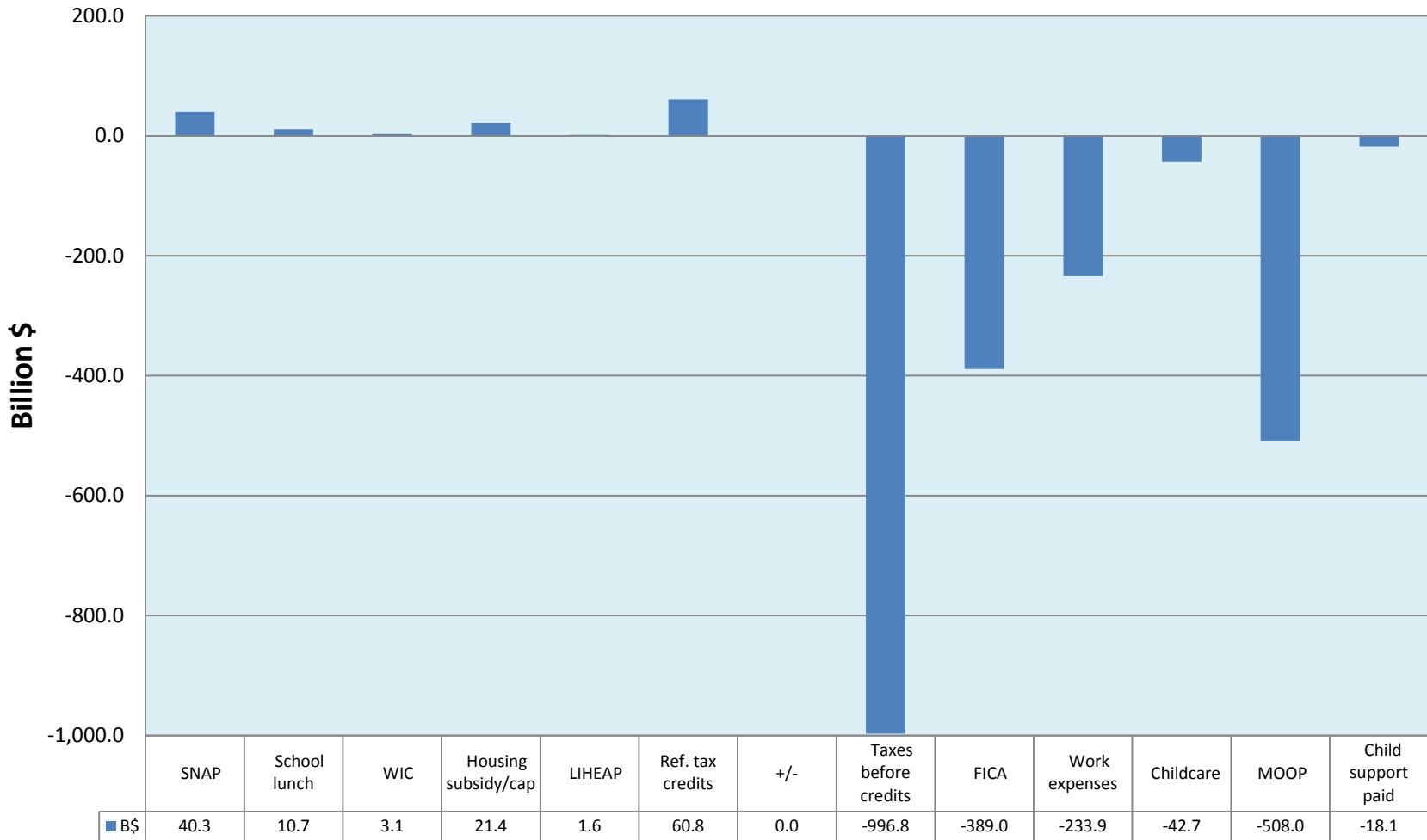
### SUBTRACTING EXPENSES

The SPM subtracts necessary expenses like taxes, commuting costs for all workers, and child care expenses while parents work.

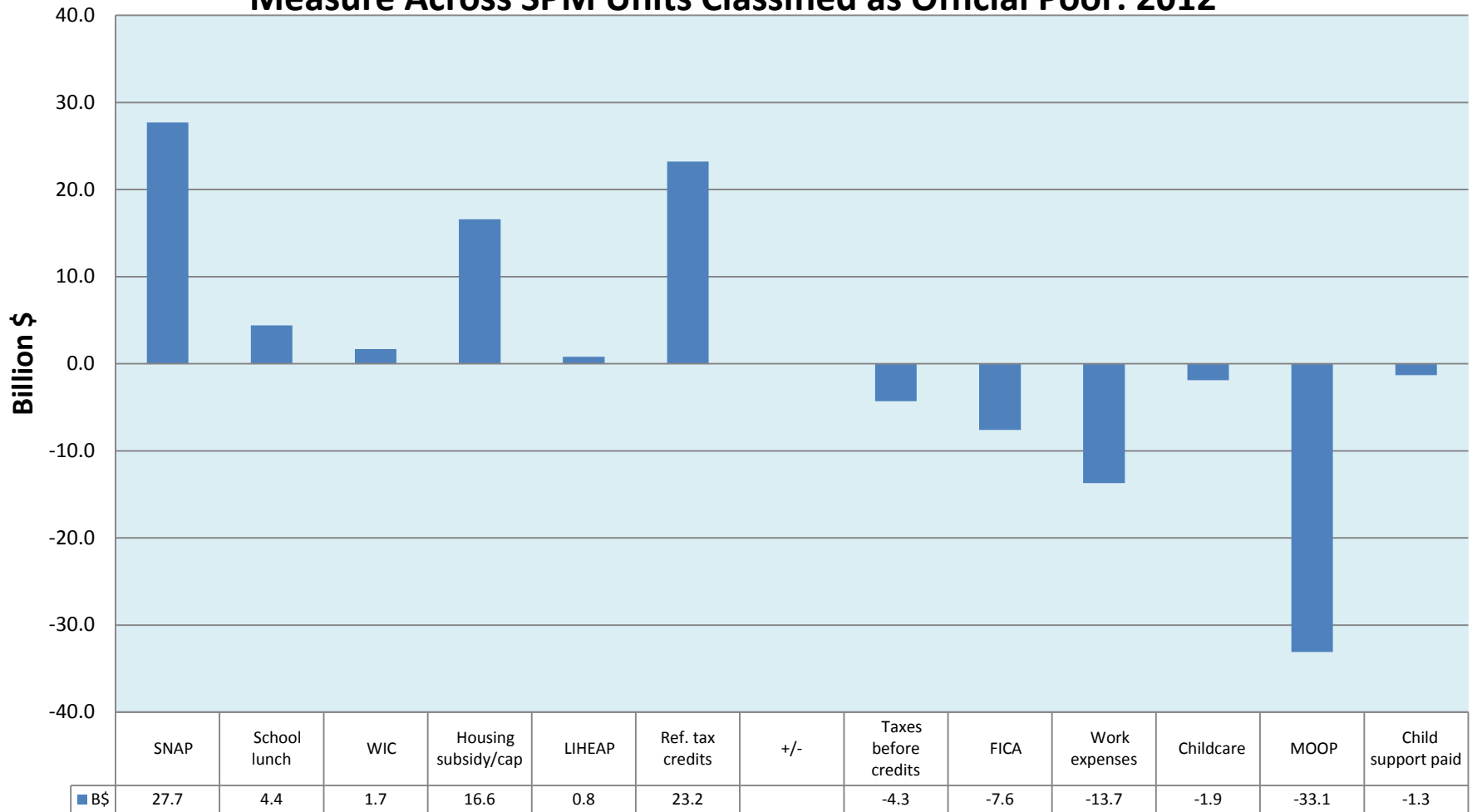




## Adding Up All Additions and Subtractions Not Included in the Official Measure Across All SPM Family Groups: 2012



## Adding up All Additions and Subtractions Not Included in the Official Measure Across SPM Units Classified as Official Poor: 2012



# Official vs. SPM Poverty Rates: 2012

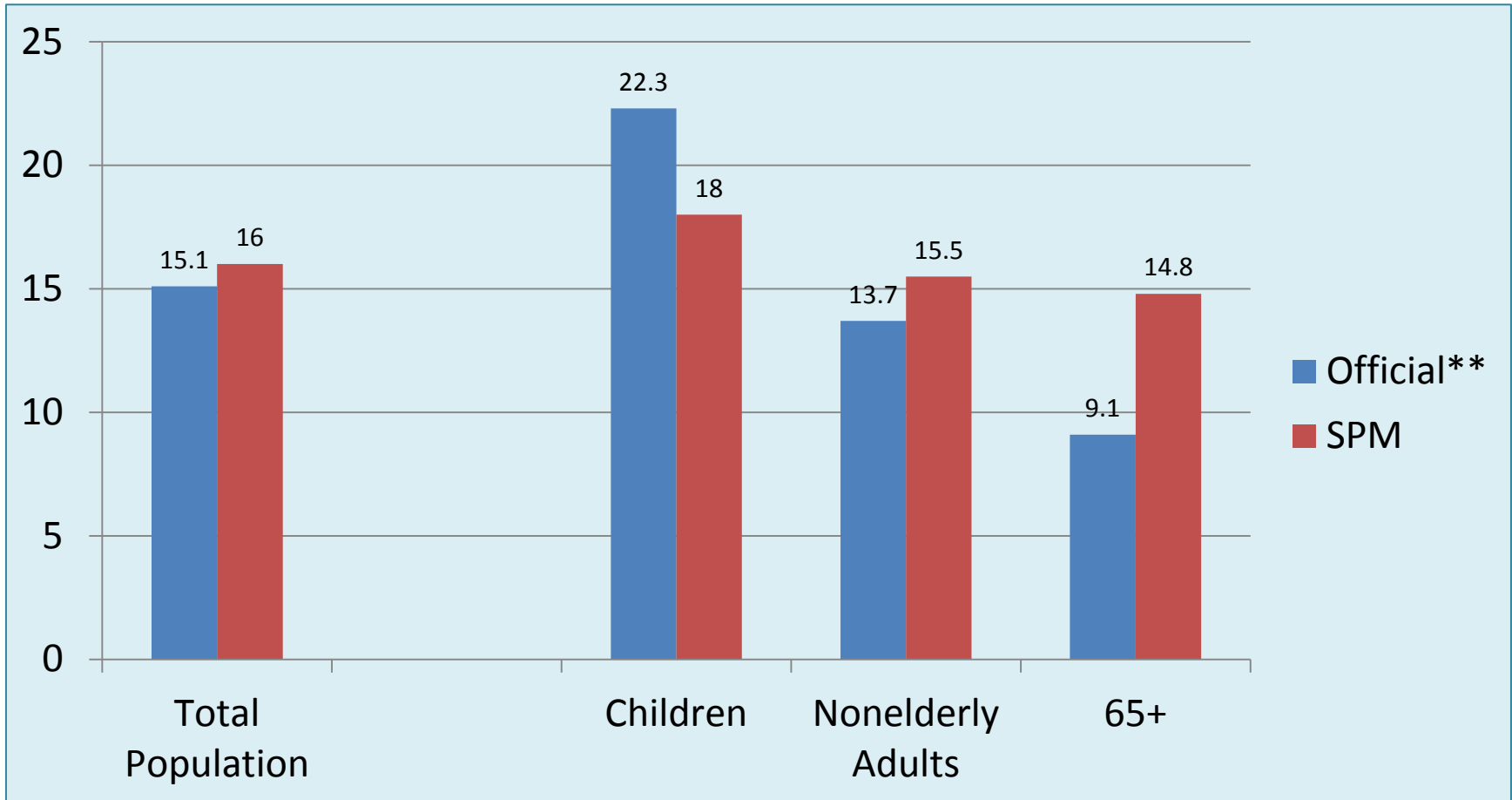
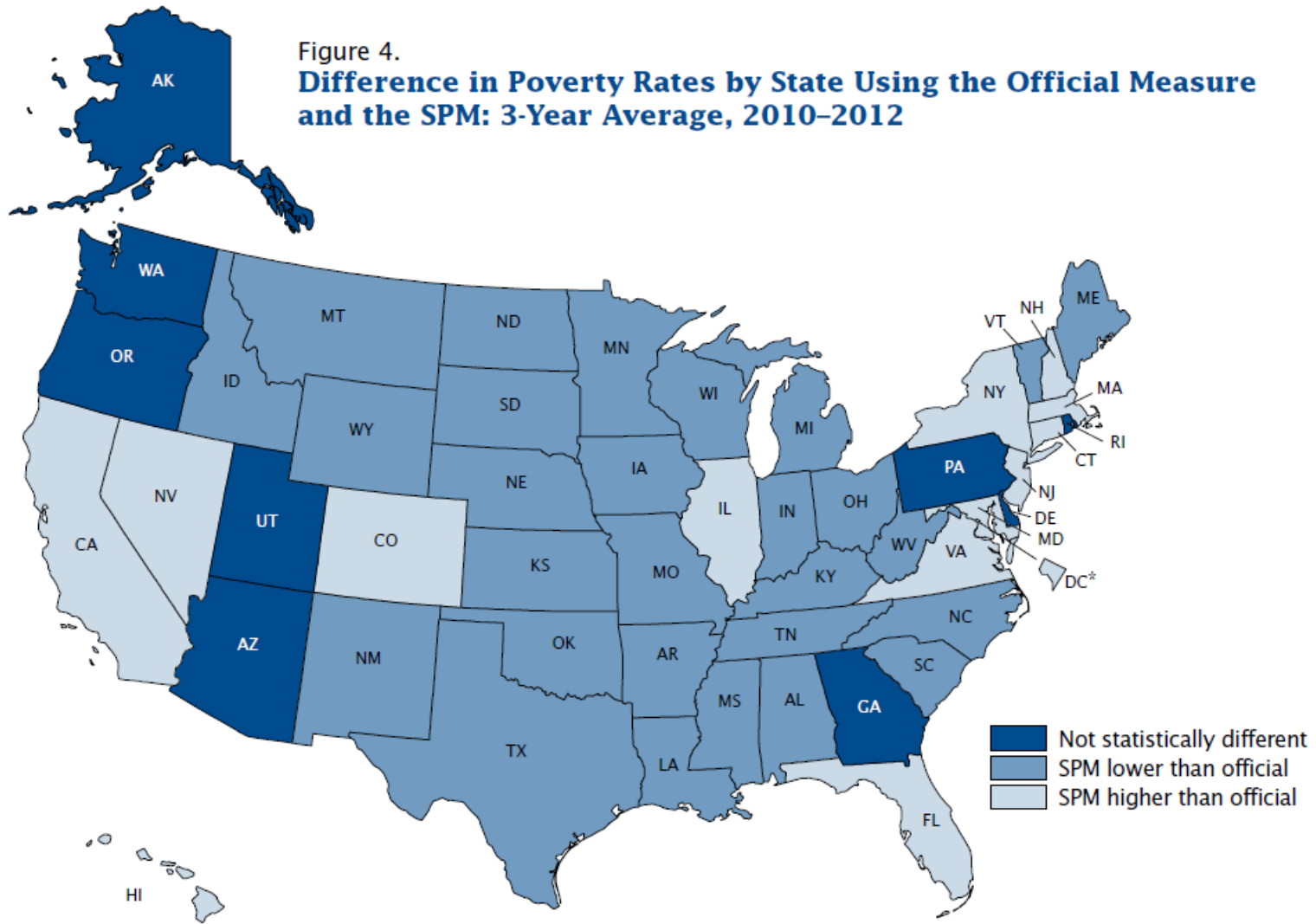


Figure 4.  
**Difference in Poverty Rates by State Using the Official Measure  
 and the SPM: 3-Year Average, 2010–2012**



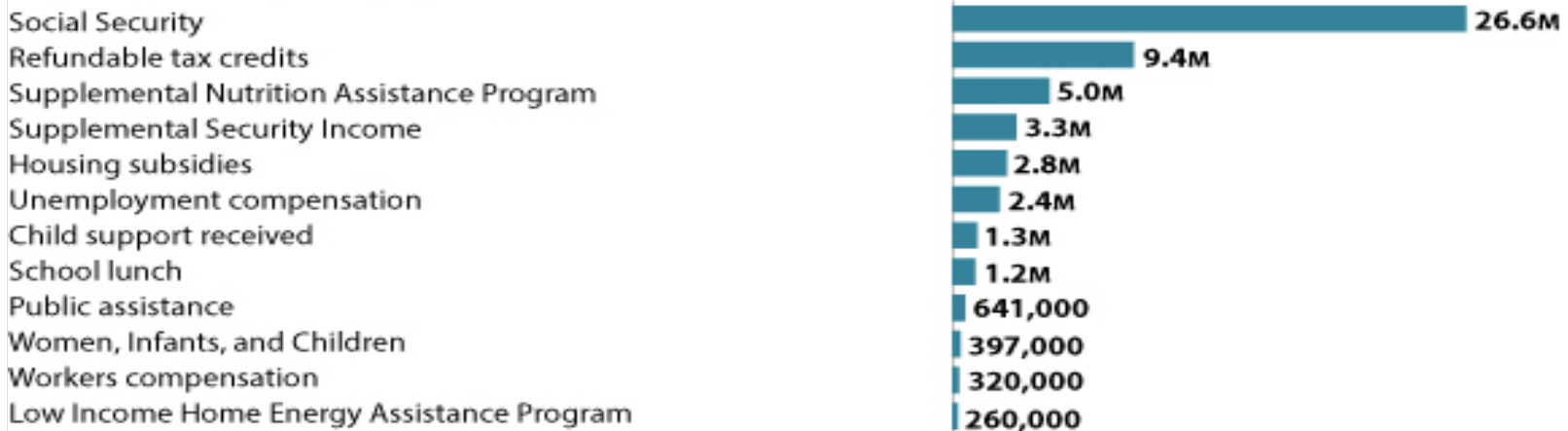
Source: U.S. Census Bureau, Current Population Survey, 2011–2013 Annual Social and Economic Supplements.

# Poverty Rates

- For most groups, SPM rates are higher than official poverty rates.
- The SPM shows lower poverty rates for
  - Children
  - Individuals included in new SPM resource units
  - Blacks
  - Individuals living outside metropolitan areas
  - Individuals living in the Midwest
  - Individuals covered by only public health insurance
  - Individuals with a disability
- Official and SPM poverty rates for people in female householder units, native born citizens, renters, and residents of the South were not statistically different

# Effect of Including Individual Elements on Number of SPM Poor: 2012

## People kept out of poverty by ...



## People falling into poverty due to ...

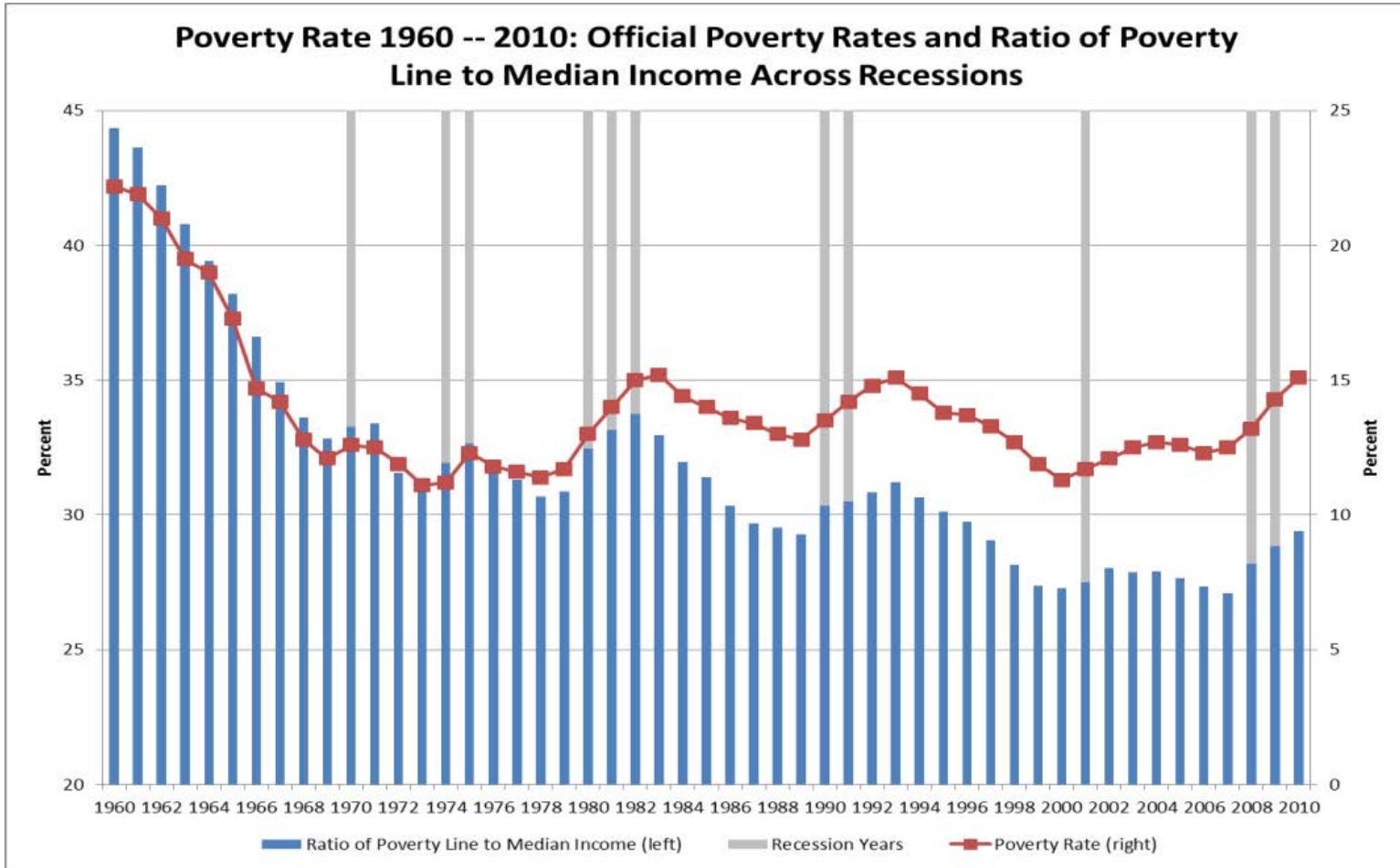


A person may receive more than one of the above benefits and may have more than one of the above expenses.

# Third poverty measure

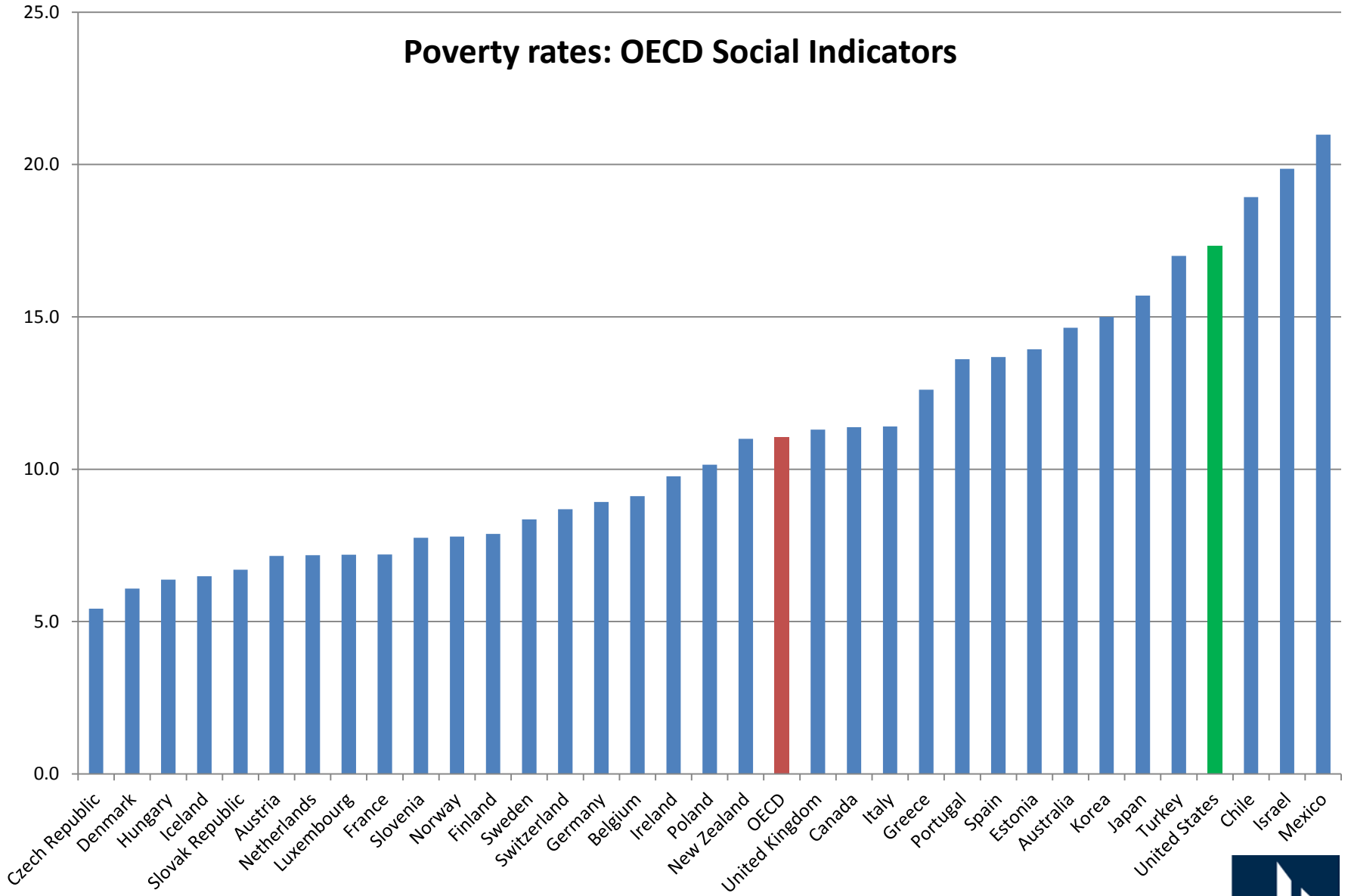
- Relative income poverty measure
- OECD
- Unit of analysis = household
- Equivalence scale = square root of household size
- Disposable income =  $Y - t$
- Threshold = 50% of median household disposable income
  - \$31,060 for 2012

# Absolute Poverty vs. Income Growth

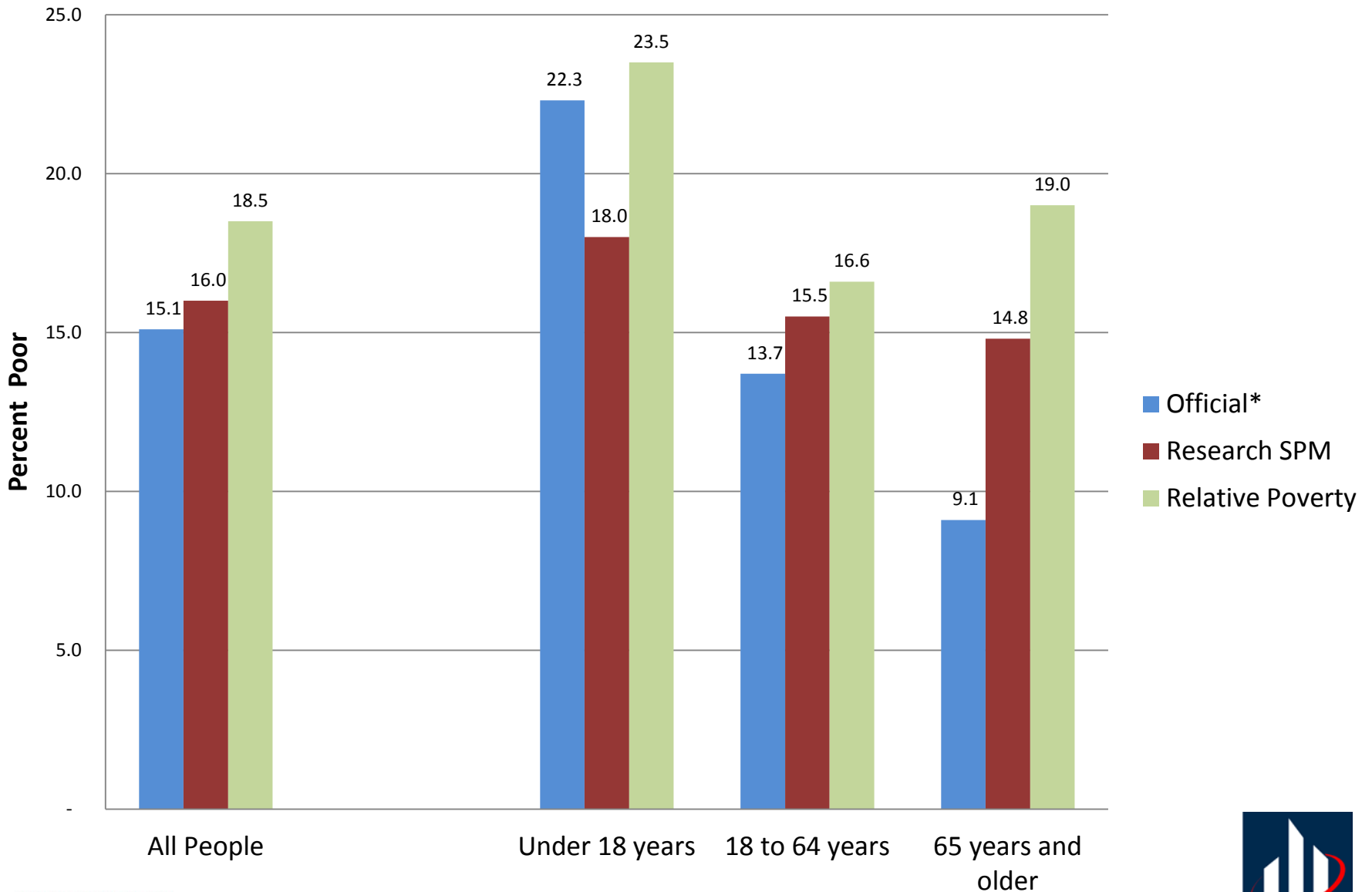




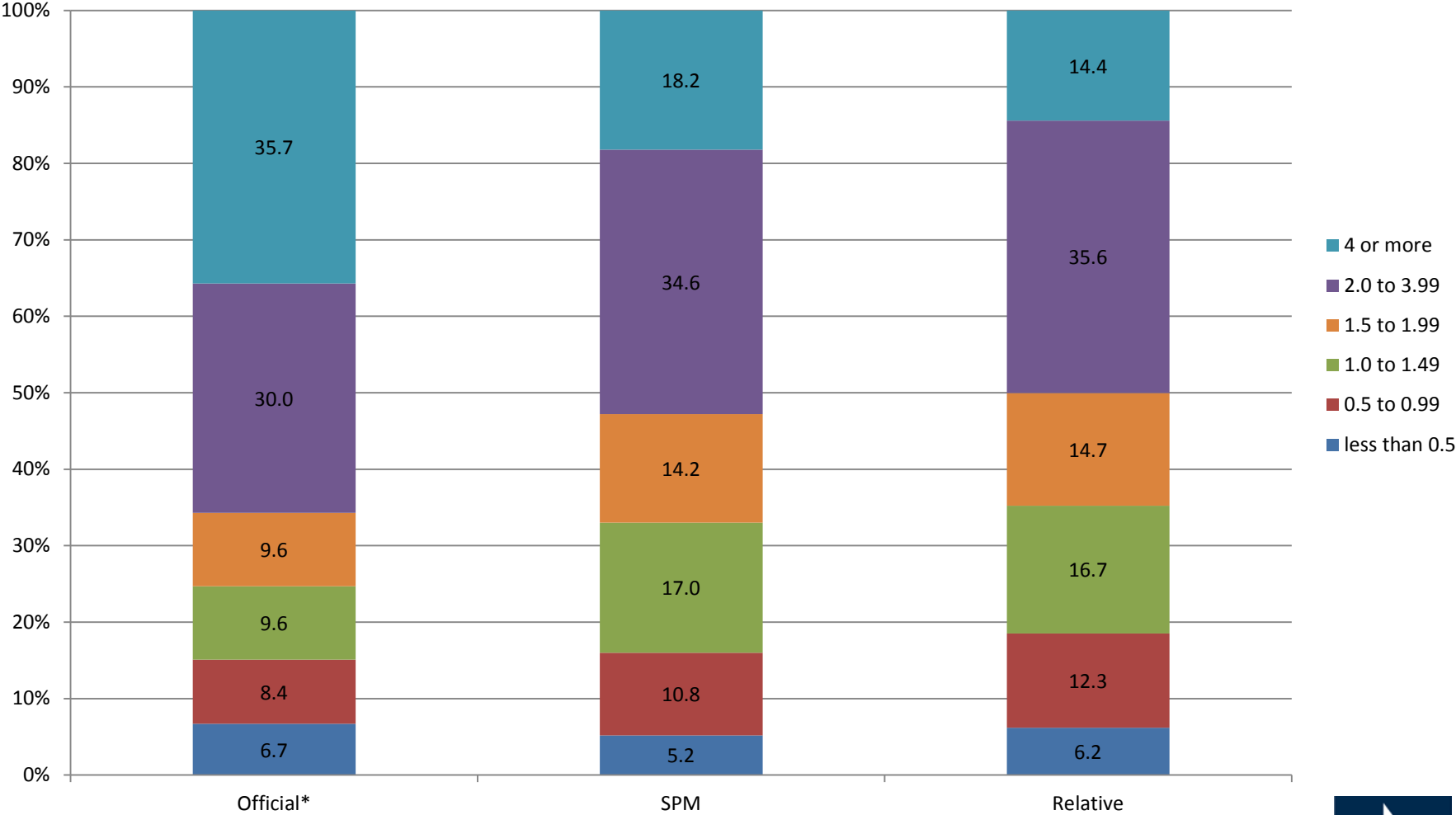
# Poverty rates: OECD Social Indicators



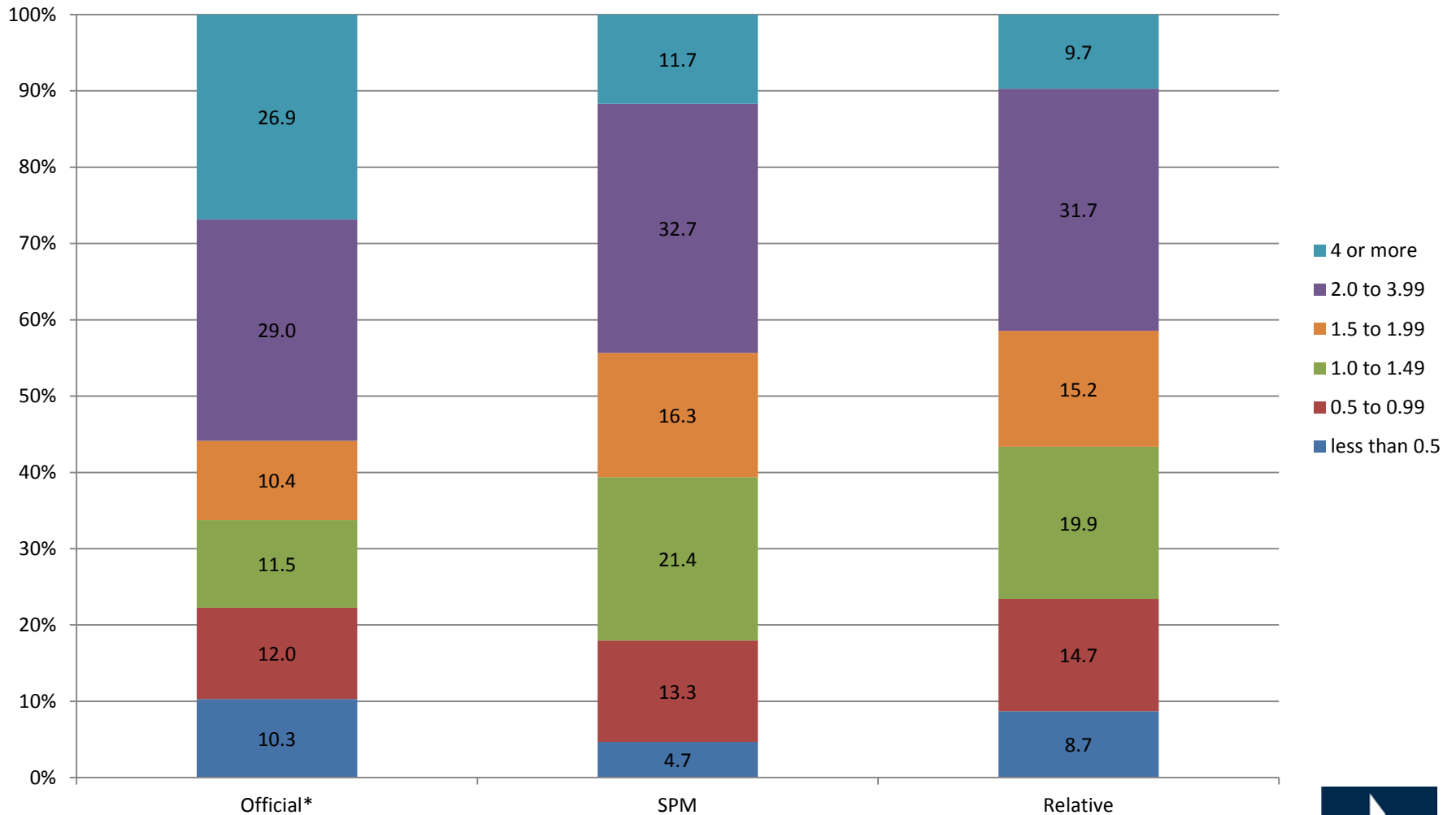
# Poverty rates using three measures: Total and by age group: 2012



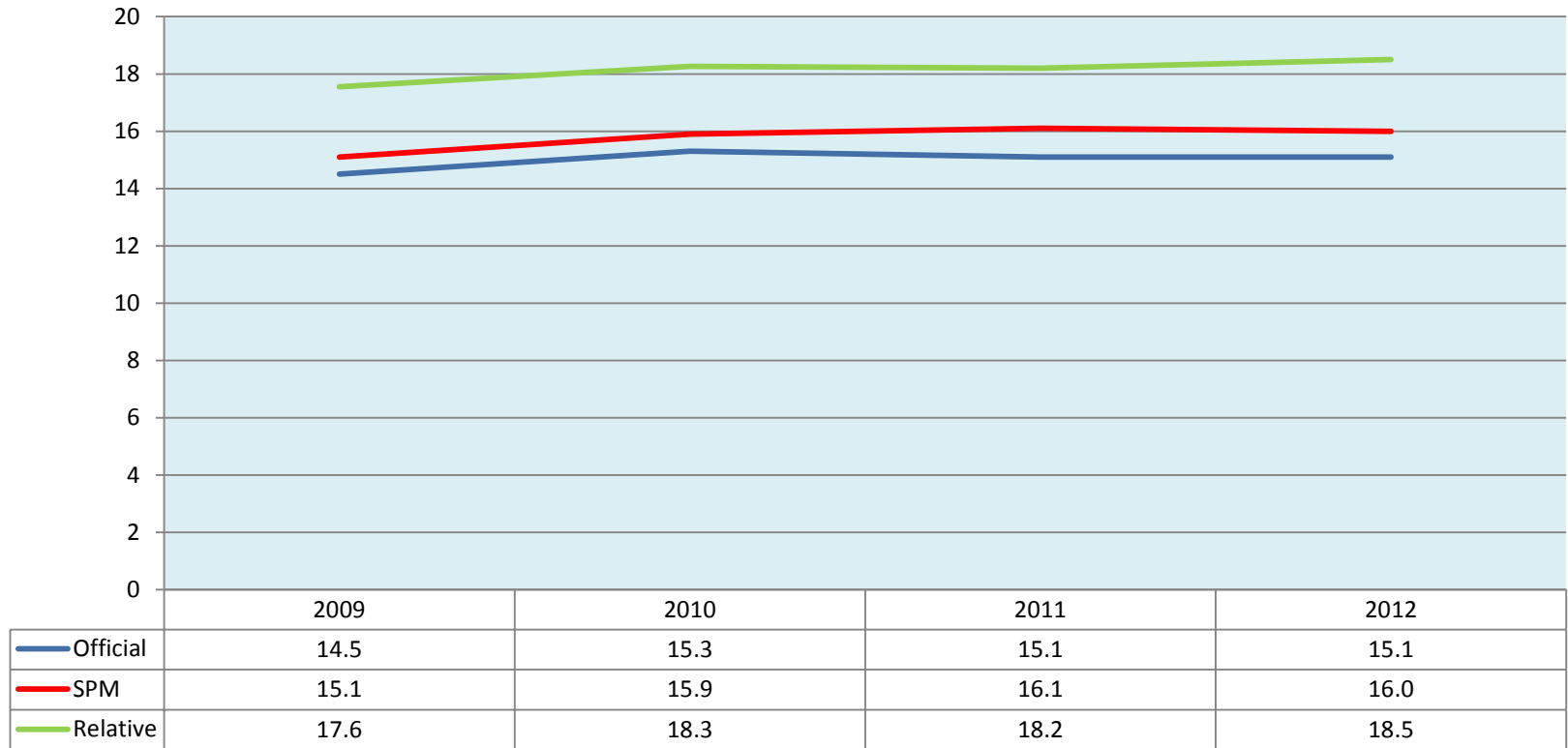
# Distribution of people by Resources to Poverty Thresholds Ratio 2012



# Distribution of Children by Resources to Poverty Thresholds Ratio 2012

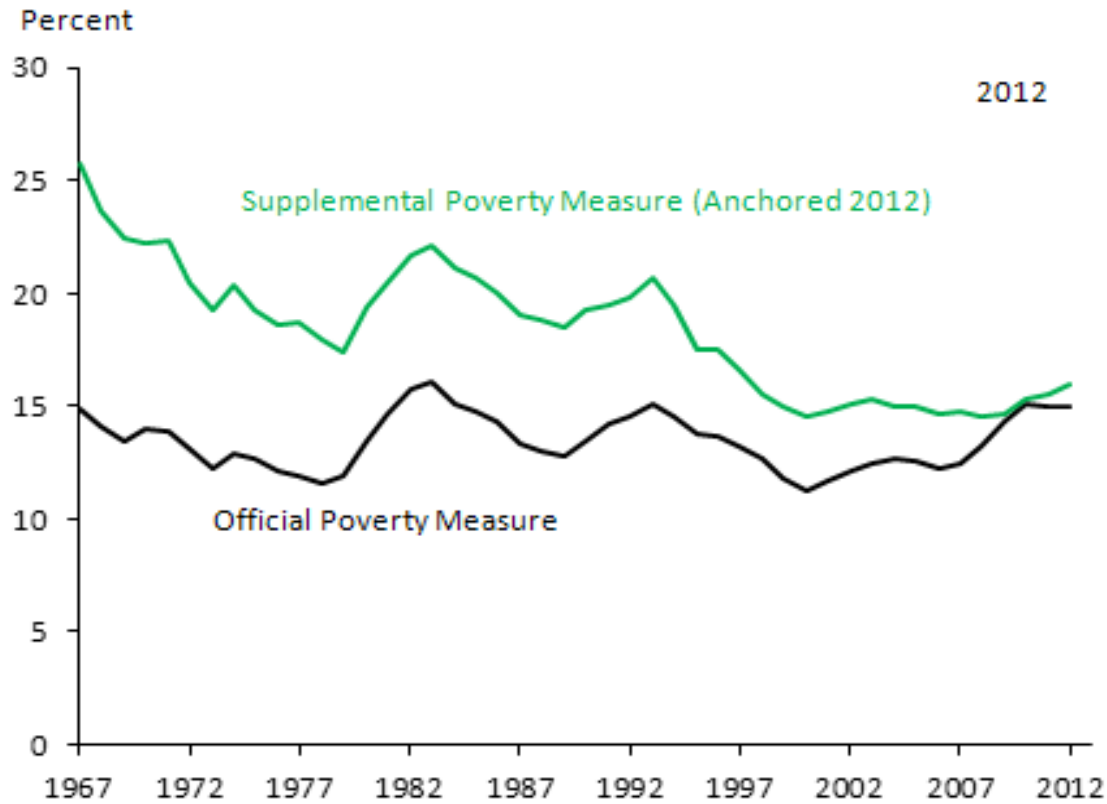


## Poverty Rates using the Official Measure, the SPM and Relative Income Measure: 2009 to 2012



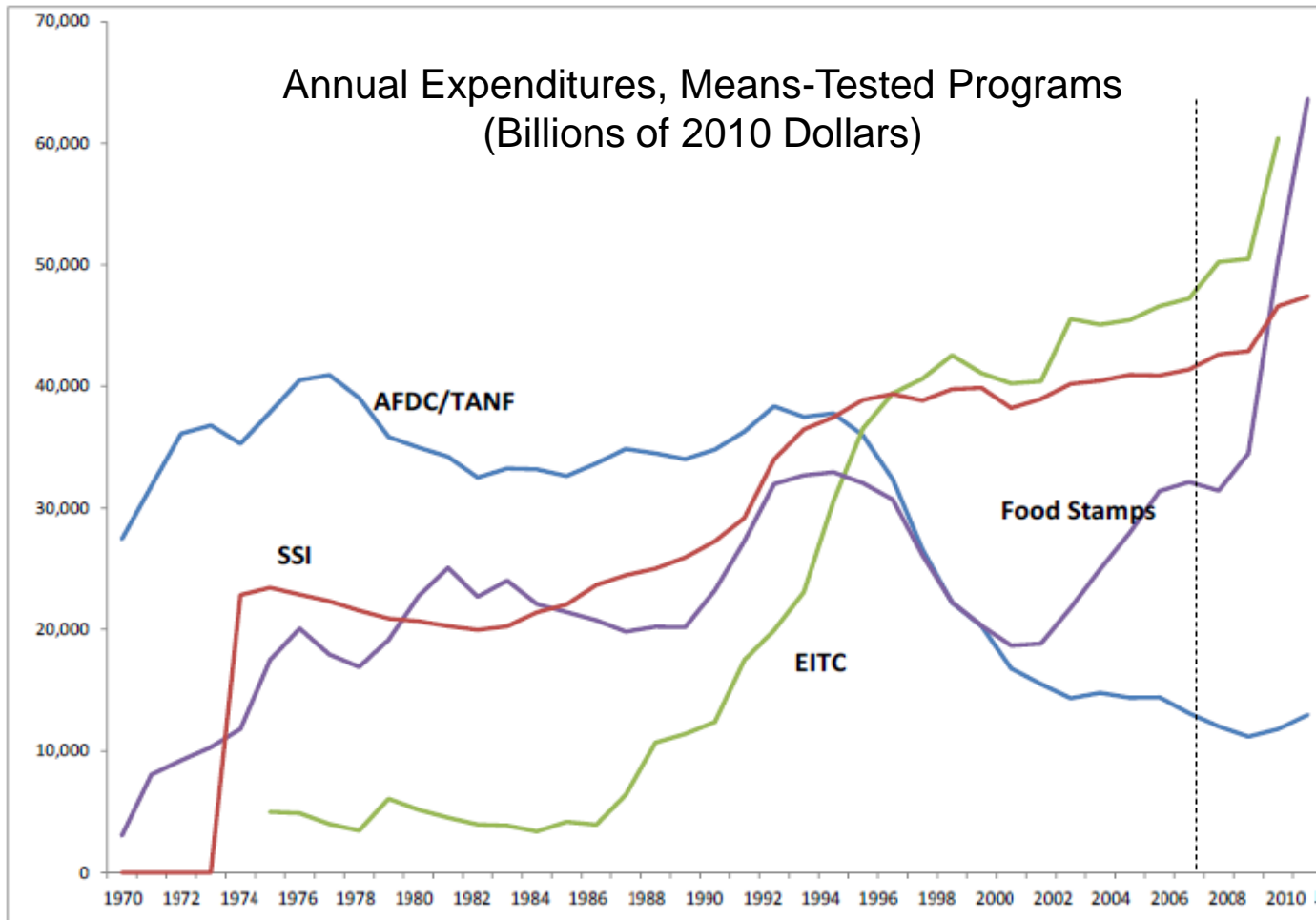
Source: Current Population Survey, 2010 to 2013 Annual Social and Economic Supplements.

## Official vs Anchored Supplemental Poverty Rates, 1967-2012



Source: Wimer et al (2013).

# How Programs to Help Poor in the U.S. (and Wisconsin) Have Changed



# Continued Research on SPM

The Interagency Technical Working Group laid out a research agenda for many of the elements of this new measure.

*As with any statistic regularly published by a Federal statistical agency, the Working Group expects that changes in this measure over time will be decided upon in a process led by research methodologists and statisticians within the Census Bureau in consultation with BLS and with other appropriate data agencies and outside experts, and will be based on solid analytical evidence.*



# SPM research

- Improving data collection that include better measures of retirement income in CPS ASEC
- Working papers on geographic adjustments, work expenses, MOOP
- Continue looking at other surveys
  - SIPP - SPM and retirement income, wealth, and material hardship
  - American Community Survey – SPM for smaller geographic areas e.g. Wisconsin

# Poverty - Experimental Measures

[Main](#) | [About Experimental Poverty Measures](#) | [Data](#) | [Methodology](#) | [Publications](#) | [Related Sites](#) | [Contact Us](#)

## Quick Links

- [About Experimental Poverty Measures](#)
- [National Academy of Science \(NAS\) Report](#)
- [Supplemental Poverty Measure Overview](#)
- [NAS-Based Poverty Measures Overview](#)
- [Microdata access](#)
- [Latest Research](#)
- [Update on the Supplemental Poverty Measure](#)

## Poverty - Experimental Measures

Since the development of the current official poverty measure in the 1960's by Mollie Orshansky there have been a series of studies and reviews of the conceptual and technical elements that make up the measure. These studies produced a large number of technical working papers and reports, including a National Academy of Sciences (NAS) 1995 report *Measuring Poverty*, that address the important measurement issues that are still being discussed by researchers and policy makers today.

For many years, the Census Bureau has estimated a number of experimental poverty measures based on recommendations of the 1995 NAS report (NAS-based measures).

An Interagency Technical Working Group on Developing a Supplemental Poverty Measure was formed in 2009 and charged with developing a set of initial starting points to permit the U.S. Census Bureau, in cooperation with the Bureau of Labor Statistics, to produce a Supplemental Poverty Measure. The Supplemental Poverty Measure will not replace the official poverty measure and will not be used to determine eligibility for government programs. Instead, the Supplemental Poverty Measure is designed as an experimental poverty measure that defines income thresholds and resources in a manner different from the official poverty measure.

### Latest Releases

- [The Research Supplemental Poverty Measure: 2012](#) [PDF - 487k]
- [How Census Measures Poverty Infographic](#) [Source: U.S. Census Bureau]
- [The History of a Measure Infographic](#) [Source: U.S. Census Bureau]
- [Supplemental Poverty Measure Public Use Research Files](#)
- [Experimental Poverty Measures Public Use Research Files \(NAS\)](#)
- Tables of NAS-based Experimental Poverty Estimates: [2012](#)
- [Supplemental Poverty Measure - Federal Register Notice and Solicitation of Comments](#)

## Related Sites

- [Income](#)
- [Poverty](#)

### Contact Us

For assistance, please contact the Demographic Call Center Staff at 301-763-2422 or 1-866-758-1060 (toll free) or visit [ask.census.gov](#) for further information.

# Poverty - Experimental Measures

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## In this Section:

- [Experimental Poverty Measures Data Main](#)
- [Supplemental Poverty Measure](#)
- [NAS-Based Poverty Measures](#)
- [Related Census Bureau Data on Poverty](#)

## Supplemental Poverty Measure Public Use Research Files

These files enable researchers to replicate the estimates for the Supplemental Poverty Measure described in reports P60-247, P60-244 and P60-241 (The Research Supplementa 2012, 2011, and 2010). All four files use Census 2010-based population controls. The 2009 and 2010 research files include tax estimates that differ slightly from those used to publish in P60-241 (The Research Supplemental Poverty Measure: 2010).

[READ ME File](#) [15KB .docx]- contains weighted and unweighted poverty counts from each file.

2012 Supplemental Poverty Measure (SPM) Research File [created using the 2013 CPS ASEC] [Revised March 2014]

- [SAS Data Set](#) [70.5 MB .sas7bdat file]
- [STATA Data Set](#) [69.6 MB .dta file]

2011 Supplemental Poverty Measure (SPM) Research File [created using the 2012 CPS ASEC] [Revised March 2014]

- [SAS Data Set](#) [69.6 MB .sas7bdat file]
- [STATA Data Set](#) [69.2 MB .dta file]

2010 Supplemental Poverty Measure (SPM) Research File [created using the 2011 CPS ASEC] [Revised March 2014]

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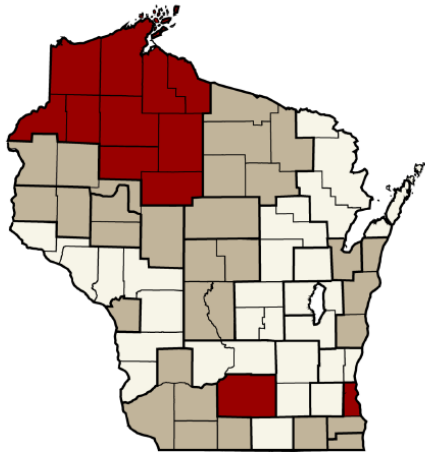
- [SAS Data Set](#) [73.0 MB .sas7bdat file]
- [STATA Data Set](#) [70.9 MB .dta file]

Public-use files to replicate the NAS-based poverty measures described in report P60-227 ([Alternative Poverty Estimates in the United States: 2003](#)) are posted at <http://www.ce>

# Wisconsin Poverty Report

## Wisconsin Poverty Report: Jobs Recover to Help Reduce Poverty in 2012

*The Sixth Annual Report of the Wisconsin Poverty Project*



Timothy M. Smeeding  
Julia B. Isaacs  
Katherine A. Thornton  
Institute for Research on Poverty  
University of Wisconsin–Madison



May 2014

Timothy M. Smeeding  
Julia B. Isaacs  
Katherine A. Thornton

May 7, 2014



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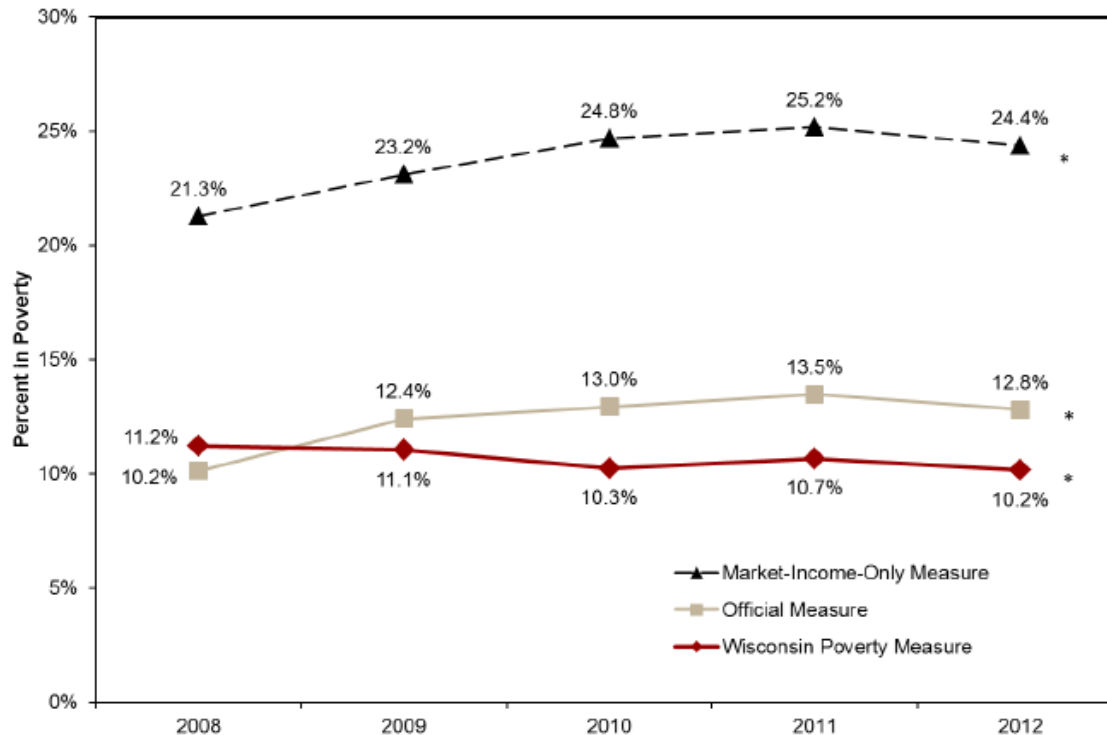
WISCAP

# Three sets of poverty rates to assess tax and transfer policy impacts

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- **Market Income (MI) based poverty rates**—including only own earnings and private investment and retirement incomes
- **The Official Measure (OM) poverty rates**—based only on cash income only
- **The Wisconsin Poverty Measure (WPM)**—includes the effects of housing costs, child care costs, medical costs as well as taxes, refundable tax credits, and noncash benefits like SNAP and public housing

# Wisconsin Poverty Rates under three measures, 2008–2012



Source: IRP tabulations using 2008–2012 American Community Survey data.

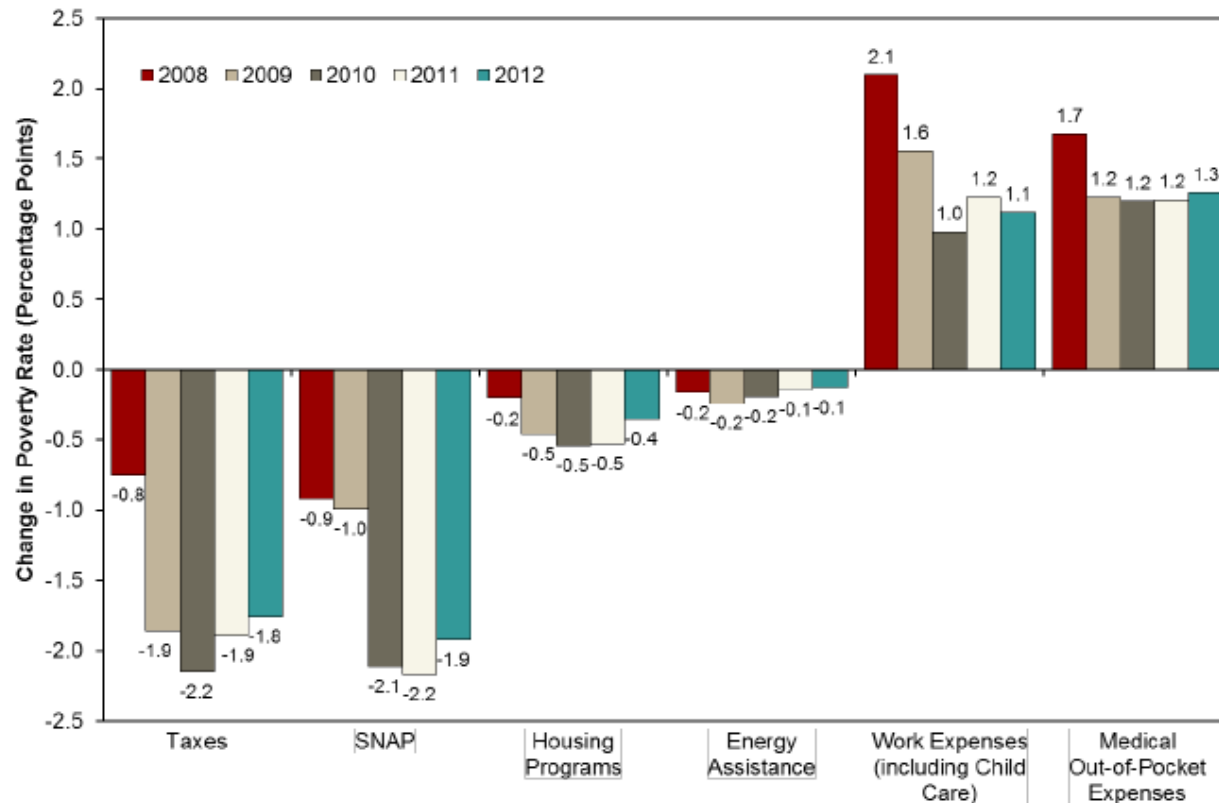
Notes: Market income includes earnings, investment income, private retirement income, child support, and other forms of private income. Both the market-income measure and the WPM are based on the WPM thresholds, definition of family unit, and treatment of work and medical expenses, which differ from the thresholds and methodologies of the official measure, as described in the methods section below.

# What drove poverty rates down in WI ?

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- **After earnings increases were recorded, four major policy levers affected WI poverty:**
  1. **Refundable tax credits** like the EITC (federal and state) and child tax credits
  2. **Noncash benefits** like SNAP, public housing, LIHEAP
  3. **Work related expenses** like child care, affected by CARES, and commuting costs
  4. **Out of pocket health care costs**, affected by BadgerCare

# Effects of Taxes, Public Benefits, and Expenses on Overall Poverty in Wisconsin, 2008–2012



Source: IRP tabulations using 2008–2012 American Community Survey data.

Note: SNAP = Supplemental Nutrition Assistance Program.



# A Consumer's Guide. . .to learn more



## *Fast Focus*

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*Each year, the U.S. Census Bureau releases a number of public reports on the level of poverty in the previous year and trends in the level and composition of the poor from year to year. To make their annual assessment, Bureau analysts use the official poverty measure that was created around the time when President Lyndon Johnson launched the War on Poverty in 1964. The measure was devised to define and quantify poverty in America and thereby provide a yardstick for progress, or regress, and in that sense has served the nation well. However, since the measure's inception, criticisms of it have abounded, as have suggestions for alternative approaches. While continuing to use the official measure, the Census Bureau also has pursued ancillary measures, most recently the Supplemental Poverty Measure, whose first results were released in November 2011. In addition, the Census Bureau and many state and local entities have devised their own, place-specific measures, in an attempt to better understand the level and trend of poverty in their region and to gauge the effectiveness of antipoverty efforts. This issue of Fast Focus seeks to make sense of these various measures at the federal, state, and local levels.*

May 2012

### **A consumer's guide to interpreting various U.S. poverty measures**

David S. Johnson and Timothy M. Smeeding<sup>1</sup>

David S. Johnson is chief of the Social, Economic, and Housing Statistics Division of the U.S. Census Bureau, currently on leave at the Russell Sage Foundation. Timothy M. Smeeding is Arts and Sciences Distinguished Professor of Public Affairs and director of the Institute for Research on Poverty at the University of Wisconsin-Madison.

Those who follow poverty in the United States anticipate the Census Bureau's annual late summer release of the "poverty report," which uses the longstanding official poverty measure to determine the national level of poverty in the previous year and trends in the level and composition of the poor from year to year.<sup>2</sup> In the fall of 2011, poverty rates based on a variety of new poverty measures and data sources (including the American Community Survey) were released by the Census Bureau and other sources. Each release elicited responses from the press and from advocate and public information sources on blogs, in press releases, and in special reports.<sup>3</sup>

The problem this media coverage demonstrates is that different data sources and different poverty measures produced differences in both the level and trend in poverty. Also evident were differential levels and trends by many characteristics of the poor, especially by age.<sup>4</sup> Adding to the complexity,

a recent series of articles has focused on multiples of poverty—that is, those living below 150 percent of a poverty line or those between 100 and 200 percent of poverty, comparing these data across different poverty and income measurement domains.<sup>5</sup>

Differentiating these measures and putting them in context for understanding and using the various poverty estimates is the purpose of this *Fast Focus*.

#### **Alternative poverty measures**

The Census Bureau releases a variety of poverty estimates using different data sources and measures.<sup>6</sup> We will discuss four such estimates: (1) the official measure using the Current Population Survey Annual Social and Economic Supplement (CPS ASEC)<sup>7</sup>; (2) the official measure using the American Community Survey (ACS); (3) experimental National Academy of Sciences measures (NAS-type measures); and (4) the Supplemental Poverty Measure (SPM), which builds on the NAS concepts to produce one alternative poverty measure for the nation.<sup>8</sup> In addition, we will provide a few estimates of an NAS-type measure using the ACS and local area data that are not produced by the Census Bureau but rather by researchers in the localities where the estimates originate (i.e., New York City and Wisconsin). The text box below highlights the differences between the measures discussed here.

*Fast Focus* is an occasional, electronic-only supplement to *Focus* on recent poverty research.

# IRP Resources for Questions on Poverty Measurement

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- IRP FF 14– a consumer’s guide:  
<http://www.irp.wisc.edu/publications/fastfocus/pdfs/FF14-2012.pdf>
- IRP Poverty Measurement home page:  
<http://www.irp.wisc.edu/research/povmeas.htm>
- The 2014 *Wisconsin Poverty Report*:  
<http://www.irp.wisc.edu/research/WisconsinPoverty/pdfs/WI-PovertyReport2014.pdf>

# Thanks and Q &A

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Please submit questions using the callout icon at the bottom of your screens.

