



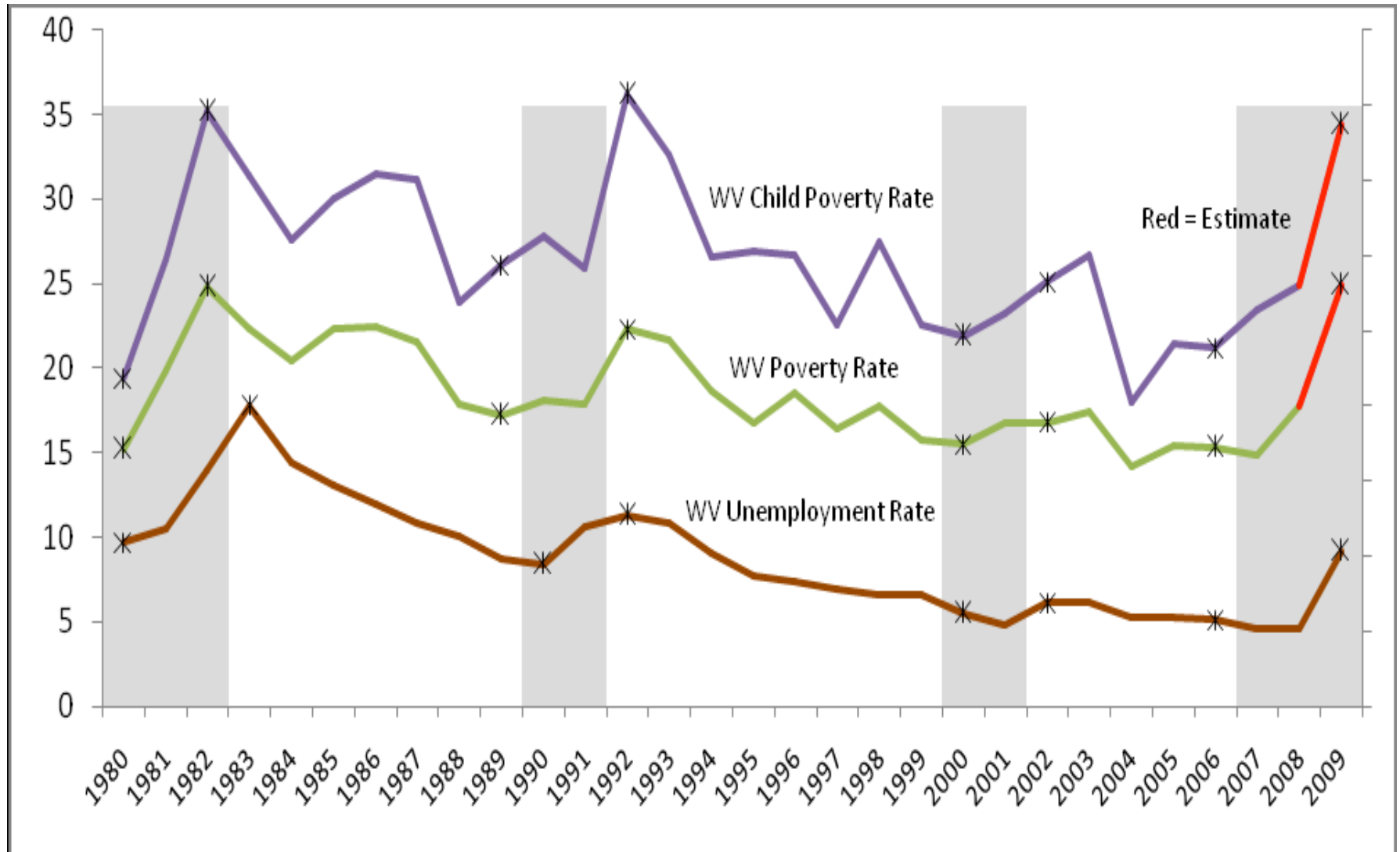
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# State Strategies for Reducing Poverty: Preparing For the Next 'Economic Katrina'

NASW Workshop Session  
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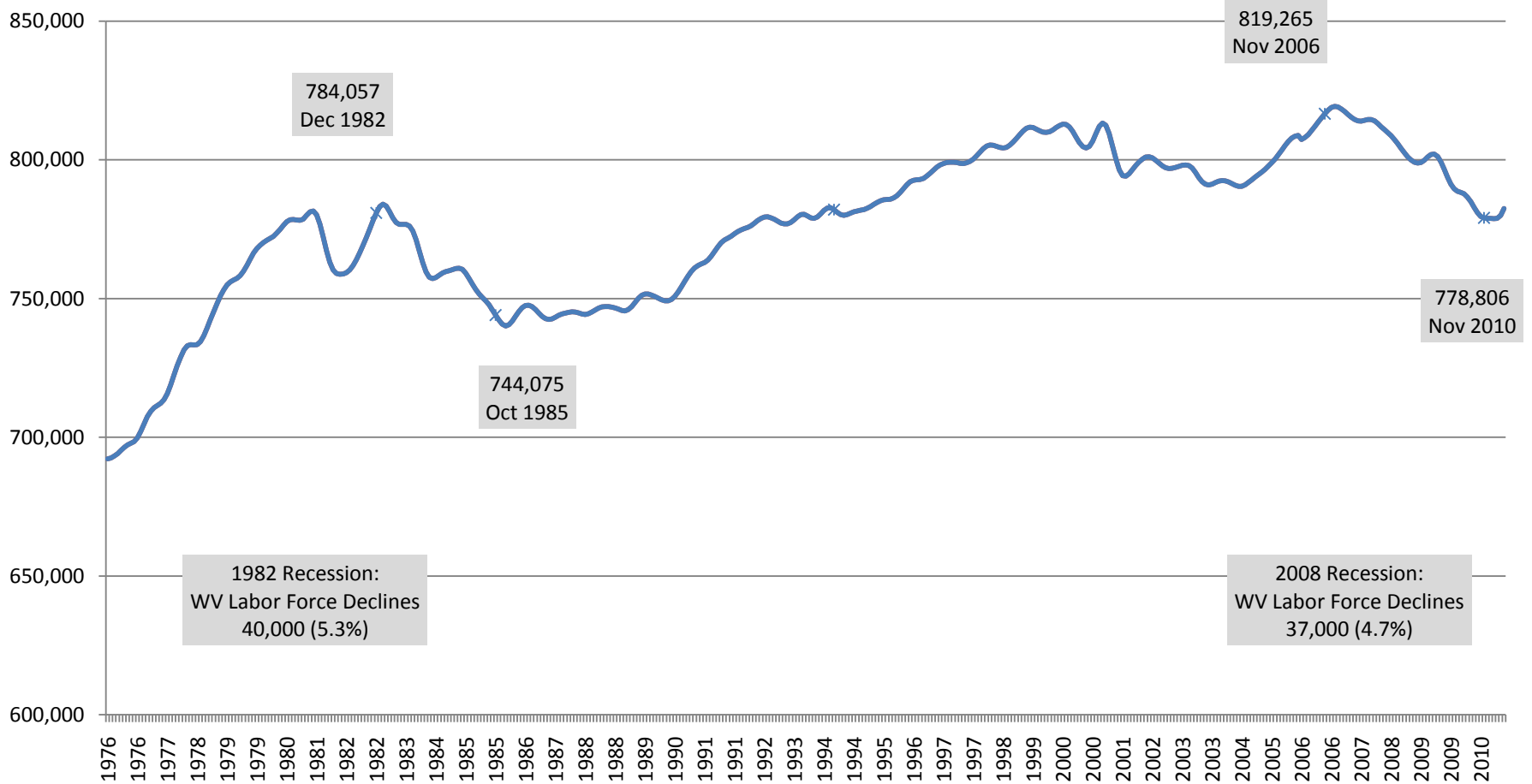
## 2008 Recession Did Not Increase Poverty as Expected



# A Tale of Two Recessions: 1982 and 2008

## Similar Declines in Labor Force, Different Poverty Outcomes

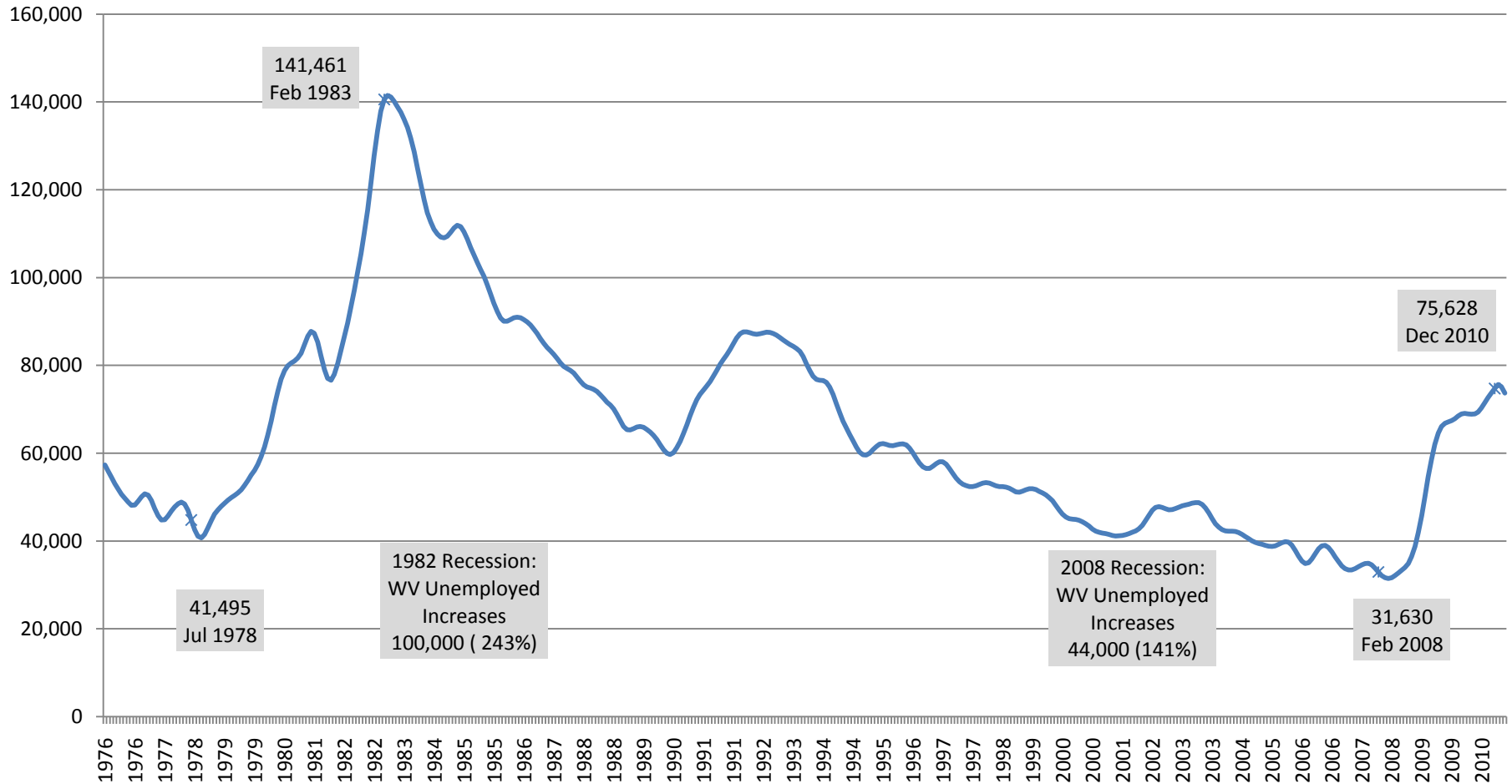
### WV Civilian Labor Force



# A Tale of Two Recessions: 1982 and 2008

## Different Increases in Unemployed, Different Poverty Outcomes

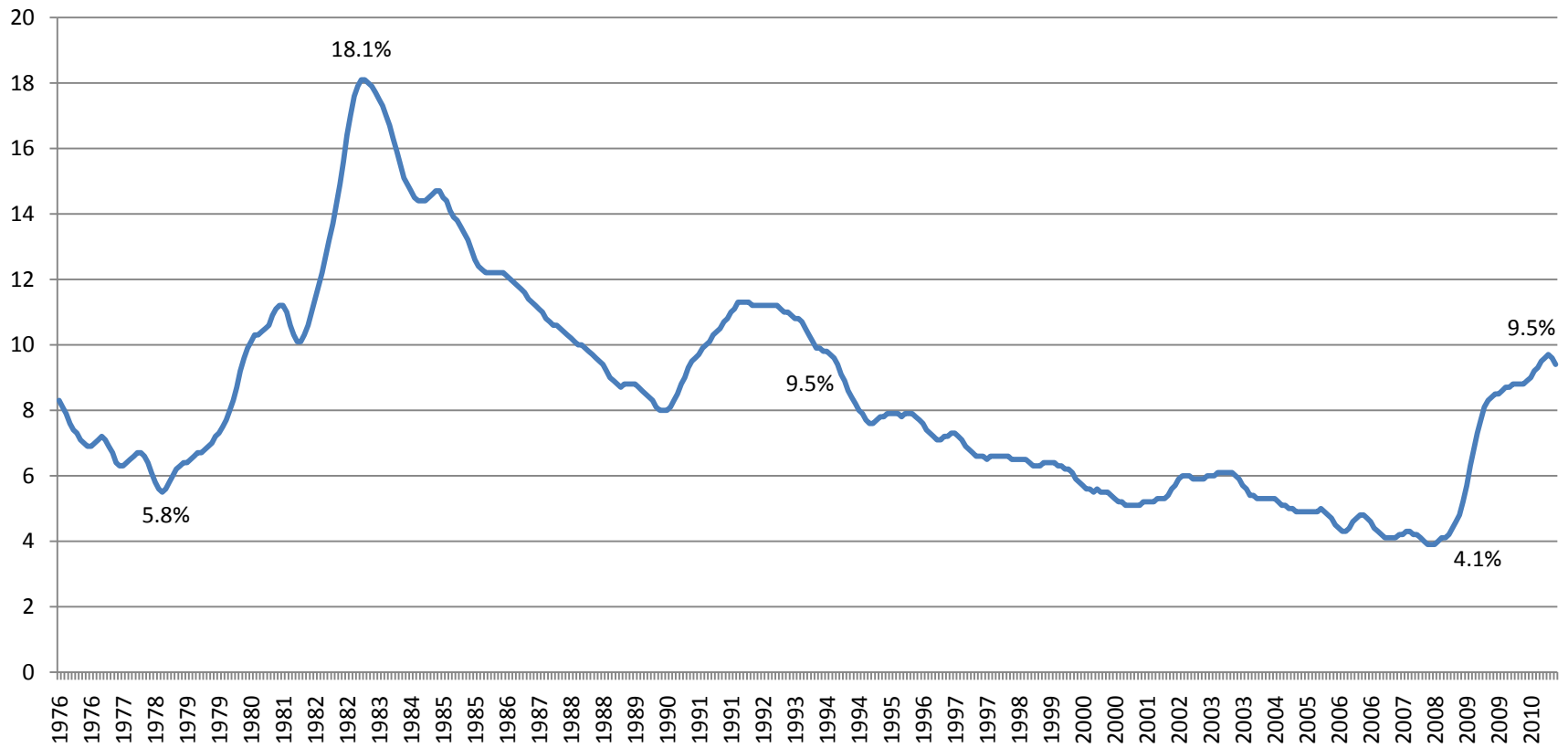
### WV Unemployed



# A Tale of Two Recessions: 1982 and 2008

## Different Increases in UE Rate, Different Poverty Outcomes

### WV Unemployment Rate



## US Poverty Increased Slightly from 2008 to 2009

\* In the 2009 ACS, 14.3 percent of the U.S. population had income below their respective poverty thresholds. The number of people in poverty increased to 42.9 million.

\* This is 1.0 percentage point higher than the 13.3 percent poverty rate estimated for the 2008 ACS. The estimated number of people in poverty increased by 3.5 million to 42.9 million in the 2009 ACS.<sup>2</sup>

## Poverty Status in the Past 12 Months – West Virginia

### AGE

- Poverty Rate for Under 18 = 24.1% (91,242)
- Poverty Rate for 18-64 = 17.0% (189,911)
- Poverty Rate for 65 Older = 10.8% (29,215)

### RACE

- Poverty Rate for White = 17.0% (283,166)
- Poverty Rate for Black = 32% (16,895)

### EDUCATION

- Poverty Rate for < High School = 28% (61,798)
- Poverty Rate for High School = 13.6% (69,534)
- Poverty Rate for Some College = 10.4% (29,767)
- Poverty Rate for Bachelor's Degree = 4.1% (8,675)

# Poverty Status in the Past 12 Months – West Virginia

## EMPLOYMENT STATUS

- Poverty Rate for Employed = 8.0% (60,494)
- Poverty Rate for Unemployed = 35% (18,849)

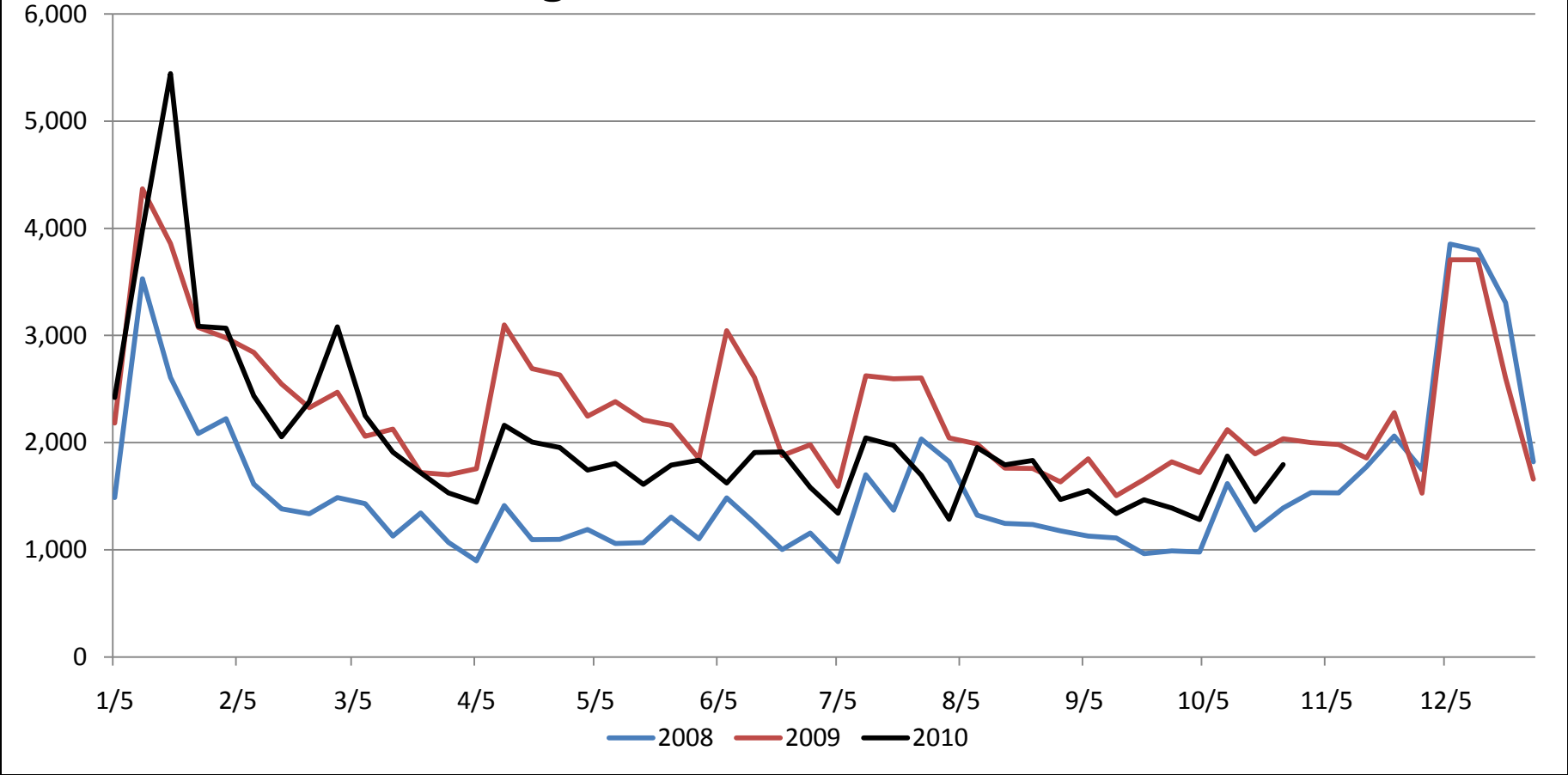
## WORK EXPERIENCE

- Poverty Rate for Full-Time, Year-Round = 3.2% (16,655)
- Poverty Rate for Part-Time, or Part-Year = 20.6% (70,962)
- Poverty Rate for Did Not Work = 24.8% (140,763)

## State Strategies to Reduce Child and Family Poverty

- Expand safety-net opportunities, such as unemployment insurance;
- Increase returns on work, by expanding earned income tax credits;
- Promote savings and asset accumulation by connecting families to banking opportunities, savings accounts, and financial literacy programs;
- Increase access to education and training by expanding financial aid for working adults;
- Improve access to work supports by coordinating policies for benefit programs and expanding benefits when feasible;
- Invest in young children through, for example, home visiting initiatives and prekindergarten programs; and
- Strengthen family relationships through teen pregnancy prevention, responsible fatherhood, and marriage and relationship education programs.

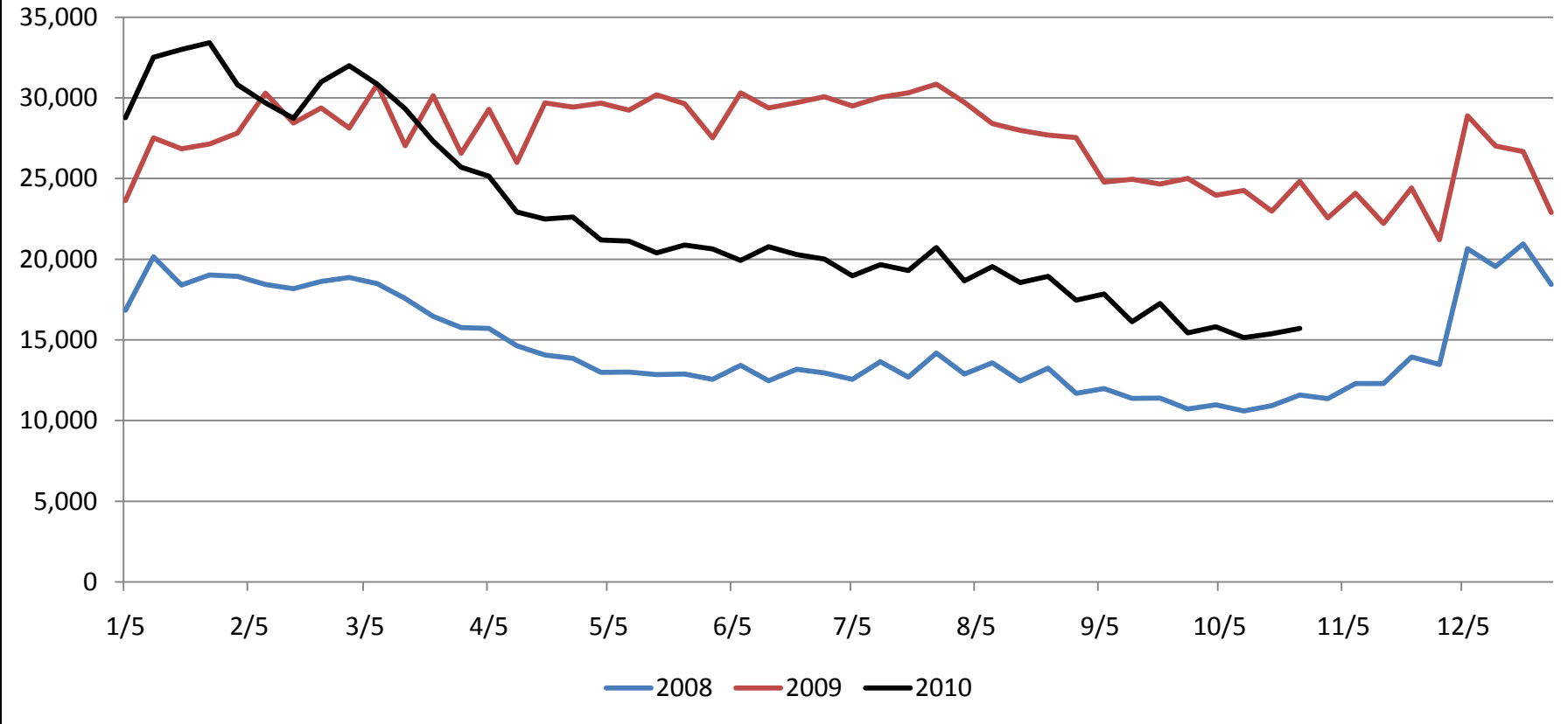
# West Virginia Initial Claims, 2008-2010



**2010 UI Claims 13% Less than 2009**

**2010 UI Claims 28% Above 2008 Claims**

# West Virginia Continued Claims, 2008-2010



**2010 Continued Claims 17% Less than 2009 Continued Claims**

**2010 Continued Claims 54% Above 2008 Continued Claims**

## **Food Insecurity Remains a Problem Despite Increasing Number of SNAP Benefits**

- 50.7% of US Households experience Food Insecurity below 100% FPL**
- 9.9% of US Households experience Food Insecurity above 185% FPL**

USDA 2009 Household Food Security in the United States

- SNAP Benefits Increase in US, 62.3% Increase**
- SNAP Benefits Increase in WV 43.1% Increase**

WVDHHR and US DHHS, ACF data

# Increase Financial Literacy Education

## Regulate Lenders

- **Working West Virginians with modest incomes lost nearly \$13 million of their 2006 federal income tax refunds to tax preparers who promised them “fast cash.”**
- **\$12.6 million could cover 1 months expenses for 25,000 WV families rent, food, and child care**

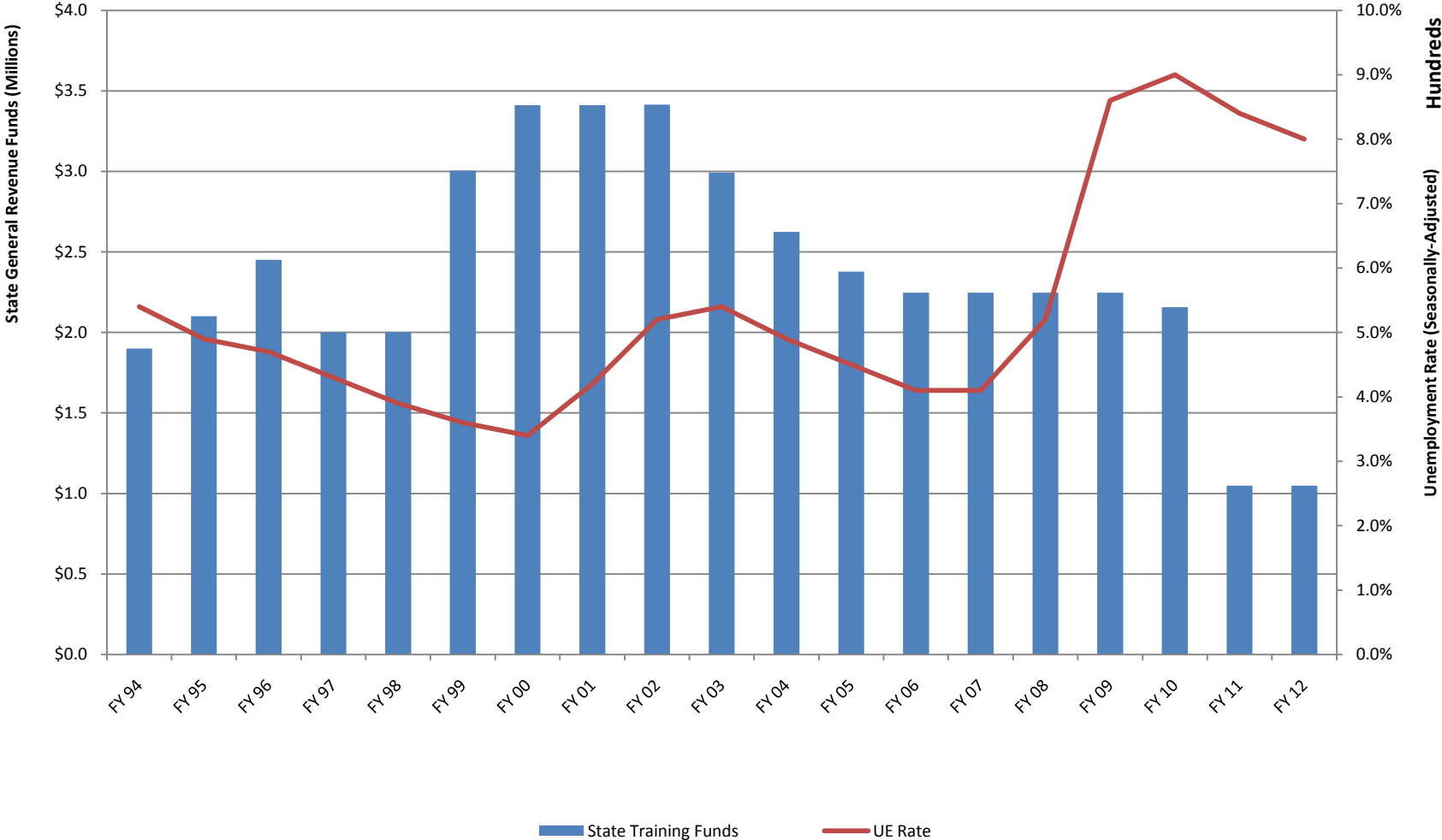
## Educate Consumers

- **Money Smart Week, April 2-9, 2011**
- **Alliance for Sustainable Families**
- **Asset Building Programs**



# Invest in State Workforce Training Programs

## State Training Funds Decrease While Unemployment Rates Increase



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