

# Federal Programs Lift Millions of Latinos Out of Poverty

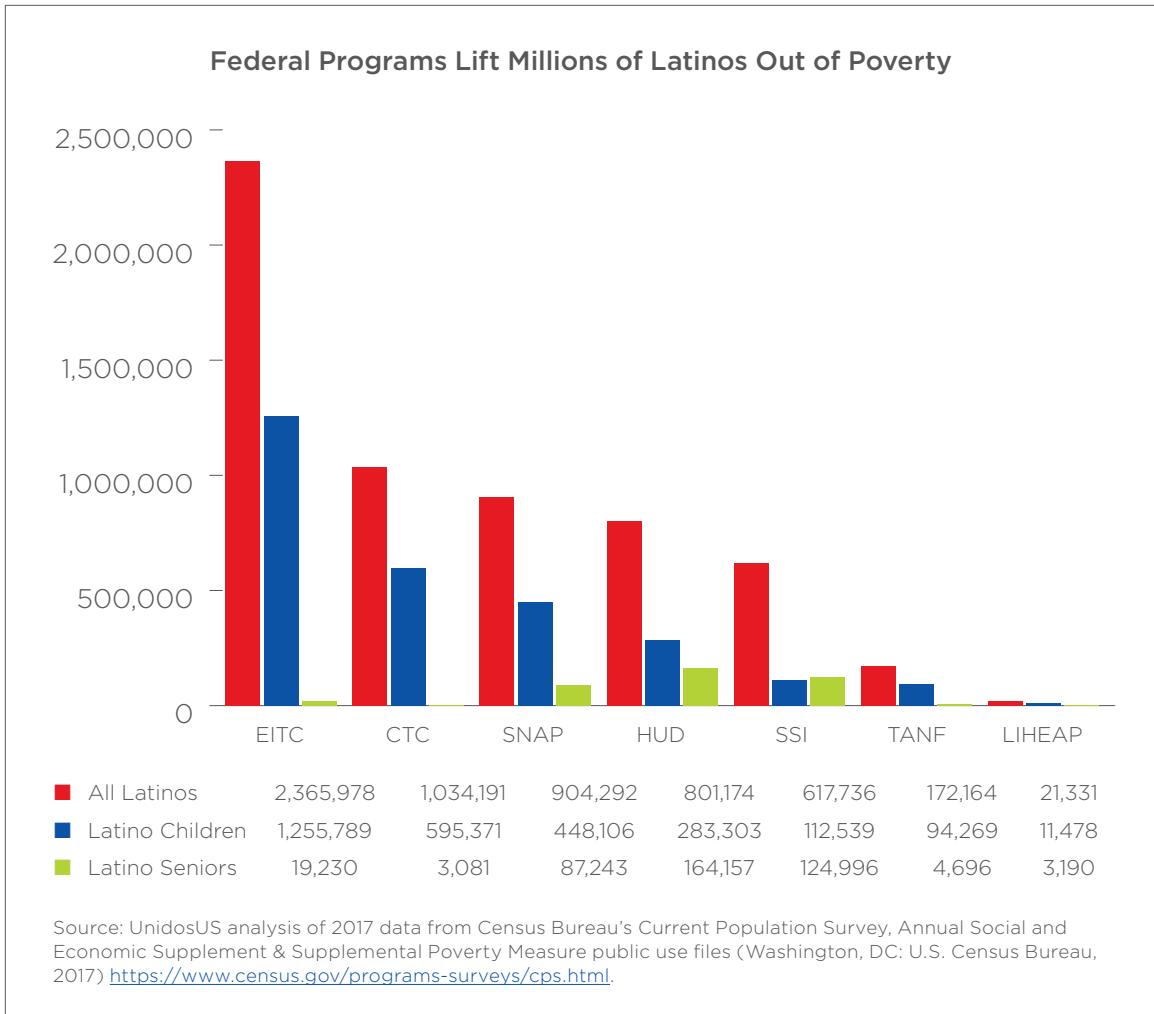
Latinos\* represent over one-in-six Americans and are poised to shape the nation's future as one of the fastest-growing segments of the population.<sup>1</sup>

Today, the U.S. Hispanic population stands at 58.9 million and by 2050 is estimated to reach 106 million—accounting for one out of every four people in the country.<sup>2</sup> The Hispanic community's size, work ethic, and resilience have contributed to the national economic resurgence following the Great Recession. Nevertheless, a considerable portion of Latinos continue to lag behind, struggling to put food on their tables and a roof over their heads. In 2017, according to the official poverty measure released by the U.S. Census Bureau, about 18.3% of Latinos were living in poverty, compared to 12.3% of all Americans.<sup>3</sup> However, this figure does not consider the effect of anti-poverty programs. The Supplemental Poverty Measure ("SPM"), also released by the U.S. Census Bureau, considers the impact of health care and housing spending in addition to social safety net programs in lifting individuals out of poverty. Under this measure, about 21.4% of Latinos were living in poverty, compared to 13.9% of all Americans in 2017.<sup>4</sup>

For more than 50 years, anti-poverty programs have helped support working families 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 now at risk. In 2018, the Administration and Congress aimed to undermine these programs by imposing unprecedented cuts to fund tax breaks for both corporations and the extremely wealthy on the backs of the most vulnerable members of our communities.<sup>5</sup> These programs will continue to be threatened as the government looks for ways to pay for the increasing deficit due to the recent Tax Cuts and Jobs Act.<sup>6</sup> Cuts to these programs will have a significant effect on the millions of Latinos who struggle to make ends meet. Using data from the U.S. Census Bureau's 2017 SPM, this fact sheet provides evidence of the strong anti-poverty effects of selected supports—including the number or share of Latinos participating in these programs and how many are being lifted out of poverty.<sup>†</sup>

\* 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.



In 2017, social safety net programs lifted 5.9 million Latinos out of poverty, including 2.8 million Latino children and 406,593 Latino seniors.

## Federal Refundable Tax Credits

### Earned Income Tax Credit (EITC)

In tax year 2017, 25 million tax filers received approximately \$63.9 billion worth of tax credits through the EITC, and the latest Census data shows that 31% of EITC beneficiaries were Latino.<sup>7</sup>

EITC lifted approximately 2.3 million Latinos out of poverty in 2017, including 1.3 million Latino children and 19,230 Latino seniors.<sup>8</sup>

### Child Tax Credit (CTC)

In tax year 2016, 22 million tax filers received approximately \$26.7 billion worth of tax credits through the CTC, and the latest Census data shows that 30% of CTC beneficiaries were Latino.<sup>9</sup>

CTC lifted approximately 1.0 million Latinos out of poverty in 2017, including 595,371 Latino children and 3,081 Latino seniors.<sup>10</sup>

## Federal Anti-Poverty Programs

### **Supplemental Nutrition Assistance Program (SNAP)**

In 2018, 40.8 million people received food assistance through SNAP, and the latest Census data shows that 27.8% of SNAP households were Latino.<sup>11</sup>

SNAP lifted approximately 904,292 Latinos out of poverty in 2017, including approximately 595,371 Latino children and 87,243 Latino seniors.<sup>12</sup>

### **Rental Assistance (HUD)**

Of the five million households receiving federal rental assistance in 2017, approximately 23.8% were Latino households.<sup>13</sup>

Federal rental assistance lifted approximately 801,174 Latinos out of poverty in 2017, including approximately 283,303 Latino children and 164,157 Latino seniors.<sup>14</sup>

### **Supplemental Security Income (SSI)**

As of December 2017, 8.2 million people were receiving SSI benefits, and the latest Census data shows that 20.5% of SSI beneficiaries were Latino.<sup>15</sup>

SSI lifted approximately 617,736 Latinos out of poverty in 2017, including approximately 112,539 Latino children and 124,996 Latino seniors.<sup>16</sup>

### **Temporary Assistance for Needy Families (TANF)**

Of the 1.36 million households receiving TANF in 2016, 28% were Latino.<sup>17</sup>

TANF lifted approximately 172,162 Latinos out of poverty in 2017, including approximately 94,269 Latino children and 4,696 Latino seniors.<sup>18</sup>

### **Low Income Home Energy Assistance Program (LIHEAP)**

Of the 5.8 million households receiving federal help to pay their energy bills in Fiscal Year 2017, the latest Census data show that approximately 20.5% of beneficiaries were Latino.<sup>19</sup>

LIHEAP lifted approximately 21,331 Latinos out of poverty in 2017, including approximately 11,478 Latino children and 3,190 Latino seniors.<sup>20</sup>

## Endnotes

- 1 U.S. Census Bureau, "American FactFinder: Hispanic or Latino Origin: 2017 American Community Survey 1-Year Estimates," [https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_17\\_1YR\\_B03003&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_B03003&prodType=table).
- 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, "Latino Income and Poverty in 2017: A Snapshot of the Census Current Population Survey," (Washington, DC: UnidosUS 2018) [http://publications.unidosus.org/bitstream/handle/123456789/1885/2017\\_poverty\\_factsheet\\_91218.pdf?sequence=1&isAllowed=y](http://publications.unidosus.org/bitstream/handle/123456789/1885/2017_poverty_factsheet_91218.pdf?sequence=1&isAllowed=y).
- 4 Liana Fox, "The Supplemental Poverty Measure: 2017," (Washington, DC: U.S. Census Bureau 2018) <https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-265.pdf>.
- 5 UnidosUS, "President's FY 2019 Budget Request," (Washington, DC: UnidosUS 2018), [http://publications.unidosus.org/bitstream/handle/123456789/1855/fy2019\\_factsheetonpotusbudget.pdf?sequence=3&isAllowed=y](http://publications.unidosus.org/bitstream/handle/123456789/1855/fy2019_factsheetonpotusbudget.pdf?sequence=3&isAllowed=y).
- 6 UnidosUS, "Tax Cuts and Jobs Act: United States," (Washington, DC: UnidosUS 2018) [http://publications.unidosus.org/bitstream/handle/123456789/1843/tcja\\_national.pdf?sequence=1&isAllowed=y](http://publications.unidosus.org/bitstream/handle/123456789/1843/tcja_national.pdf?sequence=1&isAllowed=y).
- 7 Internal Revenue Service, "Statistics for Tax Returns with EITC," (Washington, DC: IRS 2018), <https://www.irs.gov/eitc/central/statistics-for-tax-returns-with-eitc/statistics-for-tax-returns-with-eitc>; UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement public use files (Washington, DC: U.S. Census Bureau, 2017) <https://www.census.gov/programs-surveys/cps.html>.
- 8 Ibid.
- 9 Internal Revenue Service, "SOI Tax Stats - Historic Table 2," (Washington, DC: IRS 2018), <https://www.irs.gov/statistics/soi-tax-stats-historic-table-2>; UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement public use files (Washington, DC: U.S. Census Bureau, 2017) <https://www.census.gov/programs-surveys/cps.html>.
- 10 Ibid.
- 11 U.S. Department of Agriculture Food and Nutrition Service, "Supplemental Nutrition Assistance Program," (Washington, DC: USDA, 2018), <https://fns-prod.azureedge.net/sites/default/files/pd/34SNAPmonthly.pdf>; UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement public use files (Washington, DC: U.S. Census Bureau, 2017) <https://www.census.gov/programs-surveys/cps.html>.
- 12 Ibid.
- 13 Center for Budget and Policy Priorities, "Federal Rental Assistance Provides Affordable Homes for Vulnerable People in All Types of Communities," (Washington, DC: CBPP, 2017) <https://www.cbpp.org/sites/default/files/atoms/files/11-9-17hous.pdf>; UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement public use files (Washington, DC: U.S. Census Bureau, 2017) <https://www.census.gov/programs-surveys/cps.html>.
- 14 Ibid.
- 15 Social Security Administration, "Fast Facts & Figures About Social Security, 2018," (Baltimore, MD: SSA, 2018), [https://www.ssa.gov/policy/docs/chartbooks/fast\\_facts/2018/fast\\_facts18.pdf](https://www.ssa.gov/policy/docs/chartbooks/fast_facts/2018/fast_facts18.pdf); UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement public use files (Washington, DC: U.S. Census Bureau, 2017) <https://www.census.gov/programs-surveys/cps.html>.
- 16 Ibid.
- 17 Center for Budget and Policy Priorities, "Chart Book: Temporary Assistance for Needy Families," (Washington, DC: CBPP 2018) [https://www.cbpp.org/sites/default/files/atoms/files/8-22-12tanf\\_0.pdf](https://www.cbpp.org/sites/default/files/atoms/files/8-22-12tanf_0.pdf); UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement public use files (Washington, DC: U.S. Census Bureau, 2017) <https://www.census.gov/programs-surveys/cps.html>.
- 18 Ibid.
- 19 National Energy Assistance Directors Association, "Estimated Total Number of Households Receiving LIHEAP Benefits in FY 2017," (Washington, DC: NEADA 2018) <http://neada.org/wp-content/uploads/2018/06/2017liheapreport.pdf>; UnidosUS analysis of 2017 data from Census Bureau's Current Population Survey, Annual Social and Economic Supplement public use files (Washington, DC: U.S. Census Bureau, 2017) <https://www.census.gov/programs-surveys/cps.html>.
- 20 Ibid.