Past Poverty Guideline Standards

Introduction

Family Poverty Status and Family Poverty Level variables are calculated using the Poverty Income Guidelines, updated yearly by the U.S. Department of Health and Human Services. The Poverty Income Guidelines use one person as a base and an increment is added to that figure for each single person increase in family size.

An NLSY79 respondent is determined to be in poverty if the family income for the last calendar year for the family size is below the Poverty Income Guidelines. The family poverty level, available for survey years 1979, 1987 and later survey years, is the actual federal Poverty Income Guideline amount for each NLSY79 respondent based on the family size for that survey year.

A distinction was originally made between farm and non-farm families. This farm and non-farm distinction was officially eliminated after 1982, and that change was reflected in the NLSY79 variable creation.

For survey years 1980 through 1986, CHRR staff projected poverty guidelines used in the NLSY79 household interview schedule and in the creation of poverty status. This was done because the guidelines were issued in February of the survey year, more than a month after all materials had to be printed for the field period.

For survey years 1979 and 1987 and after, changes in the household interview eliminated the need for projected poverty guidelines, and the actual Poverty Income Guidelines were used in the creation of the NLSY79 poverty status. Because of these changes, there is a higher missing rate in the later survey years on the family poverty status variable for these years.

1979 Family Poverty Status Creation

The 1979 NLSY79 household interview schedules did not use the Poverty Income Guidelines. As a result, when the family poverty status and the family poverty level variables were created in 1990, the actual federal Poverty Income Guidelines were used.

Since the 1979 family poverty status variable was not created until 1990, a modified version of the family poverty status variable creation was used. First, if the created total net family income variable (R02179.) was greater than zero then income was compared to the Poverty Income Guideline amount for the respondent's family size, farm/non-farm distinction, and state of residence. Second, if the total net family income was less than zero, an abbreviated version of income was calculated using selected income variables (primarily earned income variables and other income variables that did not require computation of the number of months that the income was received). This abbreviated income amount was only used to determine if the family was **not** in poverty. Third, if the family poverty status was not computed based on either of the previous scenarios, then the screener income R(1916.10), if it was greater than zero, was compared to the Poverty Income Guideline amount for the respondent's screener family size, farm/non-farm distinction, and 1979 state of residence. A special flag variable (R2179.30) was created so that users could determine which income value was used to create the poverty status and the poverty level.

1980-2010 Family Poverty Status and 1988-2010 Family Poverty Level Creation

1980-2010 NLSY79 Family Poverty Status and 1988-2010 Family Poverty Level variable creation is contained in the algorithm for Total Net Family Income (see Appendix 2 Index)

1980-1986 Poverty Income Guideline Projections

The following is a brief description of the procedure used by NLSY79 staff to project the Poverty Income Guidelines that were used in the NLSY79 Family Poverty Status and Family Poverty Level variables. All procedures are applied to the various sets of guidelines and the income increments for those guidelines.

From 1980-1986, NLSY79 staff used the Consumer Price Index (CPI) from the two years preceding the actual NLSY79 survey year to project the Poverty Income Guidelines for the NLSY79 survey year. The following steps were taken:

- 1. The average CPI was calculated for each of the two years preceding the NLSY79 survey year (i.e. for the 1982 NLSY79, the average CPI for 1981 and 1980).
- 2. The average CPI for the most recent year was divided by the average CPI for the next most recent year (i.e. for the 1982 NLSY79, the 1981 average CPI was divided by the 1980 average CPI). The result is the most recent year's CPI as a percentage of the next most recent year's CPI (i.e. for the 1982 NLSY79, the 1981 CPI as a percentage of the 1980 CPI). This is a scaling factor for the amount of change in the average CPI between these two years. This number has been greater than 1 since 1979, because the CPI has always **risen** between years, not declined. The amount that the scaling figure is **greater** than 1 is the actual percentage of change between years (i.e. a scaling factor of 1.03561 between 1980 and 1981 indicates that the CPI for 1981 was 1.03561 times the CPI for 1980, or 3.561% greater.)
- 3. The Poverty Income Guidelines for the year preceding the actual NLSY79 survey year are multiplied by the scaling factor resulting from the operation in Step 2 (i.e. for the 1982 NLSY79, the 1981 Poverty Income Guidelines are multiplied by the scaling factor).

This step requires an assumption that the degree of change in the CPI between the two years preceding the NLSY79 survey year is a reasonable estimate of the change that will occur between the year immediately previous and the actual NLSY79 survey year. The accuracy of these projections varies. All may be considered reasonable. However, some figures are more precise than others.

Poverty Income Guideline Tables

Copies of the computed Poverty Income Guidelines 1980-1986 and the federal Poverty Income Guidelines for 1979, 1987 and subsequent years are part of this documentation.

Questions about the use of the poverty guidelines in one of the outlying jurisdictions (Puerto Rico, the U.S. Virgin Islands, American Samoa, Guam, the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the North Marianas, and Palau) by a Federal program serving any of those jurisdictions should be referred to the Federal office which is responsible for the individual program involved.

1978 Poverty Income Guidelines (applicable for survey year 1979)

	Non-Farm	Farm
Size of family uni	t Poverty guidelines	Poverty guidelines
1	\$ 3,400	\$ 2,910
2	4,500	3,840
3	5,600	4,770
4	6,700	5,700
5	7,800	6,630
6	8,900	7,560
Each add'l person	\$ 1,100	\$ 930

1979 Poverty Income Guidelines (applicable for survey year 1980)

	Non-Farm	Farm
Size of family unit	Poverty guidelines	Poverty guidelines
1	\$3,770	\$3,220
2	5,000	4,260
2 3 4 5	6,230	5,300
4	7,460	6,340
5	8,690	7,380
6	9,920	8,420
7	11,150	9,460
8	12,380	10,500
9	13,610	11,540
10	14,840	12,580
11	16,070	13,620
12	17,300	14,660
13	18,530	15,700
14	19,760	16,740
15	20,990	17,780
16	22,220	18,820
17	23,450	19,860
18	24,680	20,900
19	25,910	21,940
20	27,140	22,980
Each add'l person	\$ 1230	\$ 1040

1980 Poverty Income Guidelines (applicable for survey year 1981)

	Non-Farm	Farm
Size of family unit	Poverty guidelines	Poverty guidelines
1	\$ 4,320	\$ 3,690
2	5,700	4,860
<u>2</u> <u>3</u>	7,080	6,030
4	8,460	7,200
5	9,840	8,370
6	11,220	9,540
7	12,600	10,710
8	13,980	11,880
9	15,360	13,050
10	16,740	14,220
11	18,120	15,390
12	19,500	16,560
13	20,880	17,730
14	22,260	18,900
15	23,640	20,070
16	25,020	21,240
17	26,400	22,410
18	27,780	23,580
19	29,160	24,750
20	30,540	25,920
Each add'l person	\$ 1,380	\$ 1,170

1981 Poverty Income Guidelines (applicable for survey year 1982)

	Non-Farm	Farm
Size of family un	it Poverty guidelines	Poverty guidelines
1	\$ 4,760	\$ 4,080
2	6,290	5,370
3	7,820	6,660
4	9,350	7,950
5	10,880	9,240
6	12,410	10,530
7	13,940	11,820

8	15,470	13,110
9	17,000	14,400
10	18,530	15,690
11	20,060	16,980
12	21,590	18,270
13	23,120	19,560
14	24,650	20,850
15	26,180	22,140
16	27,710	23,430
17	29,240	24,720
18	30,770	26,010
19	32,300	27,300
20	33,830	28,590
Each add'l person	\$ 1,530	\$ 1,290

1982 Poverty Income Guidelines (applicable for survey year 1983)

	Non-Farm	Farm
Size of family uni	t Poverty guidelines	Poverty guidelines
1	\$ 4,910	\$ 4,200
2	6,530	5,570
3	8,150	6,940
4	9,770	8,310
2 3 4 5 6	11,390	9,680
6	13,010	11,050
	14,630	12,420
7 8	16,250	13,790
9	17,870	15,160
10	19,490	16,530
11	21,110	17,900
12	22,730	19,270
13	24,350	20,640
14	25,970	22,010
15	27,590	23,380
Each add'l person	\$ 1,620	\$ 1,370

1983 Poverty Income Guidelines (applicable for survey year 1984)

Size of family unit	Poverty guidelines
1	\$ 5,010
2	6,750
2 3 4 5 6 7	8,490
4	10,230
5	11,970
6	13,710
	15,450
8	17,190
9	18,930
10	20,670
11	22,410
12	24,150
13	25,890
14	27,630
15	29,370
Each add'l person	\$ 1,740

1984 Poverty Income Guidelines (applicable for survey year 1985)

Size of family un	nit Poverty guidelines
1	\$ 5,180
2	6,990
3 4 5	8,800
4	10,610
5	12,420
6	14,230
7	16,040
8	17,850
9	19,660
10	21,470
11	23,280
12	25,090
13	26,900
14	28,710

15	30,520
16	32,330
17	34,140
18	35,950
19	37,760
20	39,570
Each add'l person	\$ 1,810

1985 Poverty Income Guidelines (applicable for survey year 1986)

Size of family unit	Poverty guidelines
1	\$ 5,430
2 3 4 5 6 7 8	7,290
3	9,150
4	11,010
5	12,870
6	14,730
7	16,590
8	18,450
9	20,310
10	22,170
11	24,030
12	25,890
13	27,750
14	29,610
15	31,470
16	33,330
17	35,190
18	37,050
19	38,910
20	40,770
Each add'l person	\$ 1,860

1986 Poverty Guidelines (applicable for survey year 1987)

Size of family unit	t Poverty guidelines
1	\$ 5,500
2	7,400
3	9,300
<u>4</u> 5	11,200
5	13,100
6	15,000
7	16,900
8	18,800
Each add'l person	\$ 1,900

1987 Poverty Guidelines (applicable for survey year 1988)

Size of family unit	Poverty guidelines
1	\$ 5,770
2	7,730
3	9,690
4	11,650
5	13,610
6	15,570
7	17,530
8	19,490
Each add'l person	\$ 1,960

1988 Poverty Income Guidelines (applicable for survey year 1989)

Size of family unit	Poverty guidelines
1	\$ 5,980
2	8,020
3	10,060
<u>4</u> 5	12,100
5	14,140
6	16,180
7	18,220
8	20,260
Each add'l person	\$ 2,040

1989 Poverty Income Guidelines (applicable for survey year 1990)

-	
Size of family unit	Poverty guidelines
1	\$ 6,280
2	8,420
3	10,560
<u>4</u> 5	12,700
5	14,840
6	16,980
7	19,120
8	21,260
Each add'l person	\$ 2,140

1990 Poverty Income Guidelines (applicable for survey year 1991)

Size of family unit	Poverty guidelines
1	\$ 6,620
2	8,880
3	11,140
4	13,400
5	15,660
6	17,920
7	20,180
8	22,440
Each add'l person	\$ 2,260

1991 Poverty Income Guidelines (applicable for survey year 1992)

Size of family unit	Poverty guidelines
1	\$ 6,810
2	9,190
3	11,570
<u>4</u> 5	13,950
5	16,330
6	18,710
7	21,090
8	23,470
Each add'l person	\$ 2,380

1992 Poverty Income Guidelines (applicable for survey year 1993)

Size of family unit	t Poverty guidelines
1	\$ 7,360
2	9,840
3	12,320
<u>4</u> 5	14,800
5	17,280
6	19,760
7	22,240
8	24,720
Each add'l person	\$ 2,480

1993 Poverty Income Guidelines (applicable for survey year 1994)

Size of family unit	Poverty guidelines
1	\$ 7,360
2	9,840
3	12,320
4	14,800
5	17,280
6	19,760
7	22,240
8	24,720
Each add'l person	\$ 2,480