USDA Economic Research Service
U.S. DEPARTMENT OF AGRICULTURE

A report summary from the Economic Research Service *July 2024*

The Poverty Area Measures Data Product

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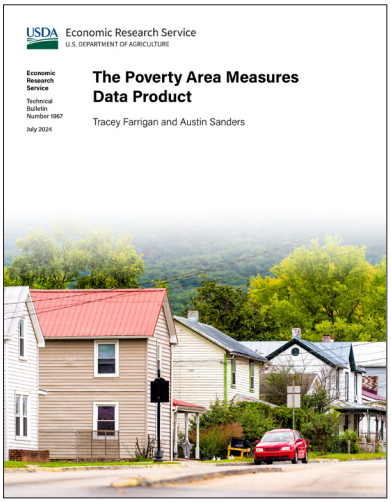
What Is the Issue?



Since at least the 1960s, poverty area measures generated by the U.S. Department of Agriculture's Economic Research Service (ERS) have been relied upon by policymakers to target, implement, and monitor Federal programs designed to support a range of initiatives. Contemporary Federal legislation (Exec. Order No. 13,985, 2021) advancing racial equity and support for underserved communities reinforced and expanded this demand. There is a need for a data product that includes measures of high and persistent poverty at multiple spatial scales and the ability to adjust the measures using different years of data and data sources, as well as the ability to merge the measures with complementary socioeconomic and demographic data.

What Did the Study Find?

The Poverty Area Measures (PAM) data product expands upon USDA, ERS's existing persistent poverty county classifications to include high, extreme, and enduring poverty area classifications. PAM also expands the number of geographic levels to include U.S. counties and census tracts for all measures and the frequency of poverty area measure updates.

- High and extreme poverty area measures for single time periods are produced to meet stakeholder demand for greater flexibility in defining poverty areas and updated annually to meet demand for the most current data.
- A new poverty area concept—enduring poverty—emerged after evaluating the existing USDA, ERS persistent poverty area measure and exploratory data analysis. The enduring poverty area measure expands the 30-year timeframe of the persistent poverty area measure to capture the entrenchment of poverty in an area as far back as available data allow.

- County-level and census tract-level geographies are standardized over time to allow for temporal (1960 to present) and census-tract-within-county comparisons of all measures.
- Data reliability metrics are incorporated into each poverty area measure to account for the margin of error in the underlying American Community Survey (ACS) poverty rate data for counties and census tracts.
- Diverse geocoding is included to allow for linking to a wide range of supplemental data products and to shapefiles for mapping/geographic information system (GIS) applications.

How Was the Study Conducted?

The PAM data product is built upon USDA, ERS's longstanding work in poverty area measurement and ongoing stakeholder engagement. The baseline methodology for high and persistent poverty areas is presented in an ERS report by Cook and Mizer (1994), which explains and provides justification for the derivation of county-level economic and policy typology codes, including persistent poverty counties. The persistent poverty county type is updated every decade. Over fiscal year 2022, an informal working group met to discuss methodological considerations for the next update. This group's work included, but was not limited to, considerations of expressed needs of Federal stakeholders, such as more current county measures and comparable census tract-level measures, and the incorporation of data reliability metrics into the existing methodologies. The PAM data product was born from this endeavor. The PAM web page was developed to serve as the access point for a publicly downloadable (CSV/Excel) data file, as well as to provide details about the data product and visualizations.