

For Immediate Release

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West Virginia's Poverty Rate Likely Higher Due to Recession More Accurate Census Data to be released on September 22

Roughly 15 percent of West Virginians were in poverty in 2008, according to Census Bureau data released today. The number of people in poverty remained statistically unchanged using a three-year average from 2006 – 2008 in West Virginia and increased modestly by .04 percent nationally. The Census Bureau also reported that 14 percent of West Virginians lacked health insurance coverage and that employer provided coverage in the Mountain State was 59.8 percent or 2.6 percent lower than the 62.4 percent level in 2000. These findings, however, do not reflect the full impact of the recession.

"The severity of job loss we've seen and the continued economic downturn in our state suggest we'll see bad news in the numbers for 2009," said Ted Boettner, executive director of the West Virginia Center on Budget and Policy. "We've estimated substantial increases in poverty."

A report released yesterday by the Center highlights that the current recession could drive an additional 127,000 people into poverty, including 36,000 children. The Center's analysis is based on an examination of unemployment and poverty rates during previous recessions.

"The annual poverty rates released today won't reflect the dramatic downturn of West Virginia's economy since the beginning of this year," said Paul Miller, policy analyst at the Center and author of the report. "The Census poverty rates are based on calendar year 2008, when the state's unemployment rate was only 4.5 percent. Today, it's close to 9 percent."

The state could take a number of steps to prevent more families from falling into poverty, including taking full advantage of provisions in the Recovery Act passed in February 2009. This includes modernizing our unemployment insurance system and accessing emergency TANF funds that can be used to put more West Virginians back to work and to provide basic assistance to low-income residents.

Larger Survey to Be Released in 12 Days

On September 22, the Census will release a larger and more accurate data set called the "American Community Survey (ACS)." The ACS will include poverty and income data by state, county, and region. Due to a lack of sample size, the Census recommends that people use the ACS estimates for income, poverty, and other economic characteristics for West Virginia and other states and not the estimates released today in the Current Population Survey (CPS). State level CPS data should only be used for health care characteristics.

The Center will release a report immediately following the release of the ACS data that will analyze poverty and income data by race, gender, and locality.

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The West Virginia Center on Budget and Policy is a policy research organization that is nonpartisan, nonprofit, and statewide. It focuses on how policy decisions affect all West Virginians, especially low- and moderate-income families. The full report can be viewed and downloaded at www.wvpolicy.org.