

## Appendix C: U.S. Census Definition of Low Income



# THE 2001 HHS POVERTY GUIDELINES

## One Version of the [U.S.] Federal Poverty Measure

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There are two slightly different versions of the federal poverty measure:

- The poverty thresholds, and
- The poverty guidelines.

The **poverty thresholds** are the original version of the federal poverty measure. They are updated each year by the **Census Bureau** (although they were [originally developed by Mollie Orshansky](#) of the Social Security Administration). The thresholds are used mainly for **statistical** purposes — for instance, preparing estimates of the number of Americans in poverty each year. (In other words, all official poverty population figures are calculated using the poverty thresholds, not the guidelines.) [Poverty thresholds since 1980](#) and [weighted average poverty thresholds since 1959](#) are available on the Census Bureau's Web site at <http://www.census.gov/hhes/poverty/threshld.html>.

The **poverty guidelines** are the other version of the federal poverty measure. They are issued each year in the *Federal Register* by the **Department of Health and Human Services** (HHS). The guidelines are a simplification of the poverty thresholds for use for **administrative** purposes — for instance, determining financial eligibility for certain federal programs. (The full text of the *Federal Register* notice with the 2001 poverty guidelines is at <http://aspe.hhs.gov/poverty/01fedreg.htm>.)

The poverty guidelines are sometimes loosely referred to as the "federal poverty level" (FPL), but that term is ambiguous and should be avoided, especially in situations (e.g., legislative or administrative) where precision is important.

A more extensive [discussion of poverty thresholds and poverty guidelines](#) is available on the Institute for Research on Poverty's Web site at <http://www.ssc.wisc.edu/irp/faqs/faq7.htm>.

### 2001 HHS Poverty Guidelines

Size of Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 8,590	\$10,730	\$ 9,890
2	11,610	14,510	13,360
3	14,630	18,290	16,830
4	17,650	22,070	20,300
5	20,670	25,850	23,770
6	23,690	29,630	27,240
7	26,710	33,410	30,710
8	29,730	37,190	34,180
For each additional person, add	3,020	3,780	3,470

**SOURCE:** *Federal Register*, Vol. 66, No. 33, February 16, 2001, pp. 10695-10697.

The separate poverty guidelines for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. Note that the poverty thresholds — the original version of the poverty measure — have never had separate figures for Alaska and Hawaii.

The poverty guidelines apply to both aged and non-aged units. The guidelines have never had an aged/non-aged distinction; only the Census Bureau (statistical) poverty thresholds have separate figures for aged and non-aged one-person and two-person units.

Programs using the guidelines (or percentage multiples of the guidelines — for instance, 125 percent or 185 percent of the guidelines) in determining eligibility include Head Start, the Food Stamp Program, the National School Lunch Program, the Low-Income Home Energy Assistance Program, and the Children's Health Insurance Program. Note that in general, cash public assistance programs (Aid to Families with Dependent Children and its block grant successor Temporary Assistance for Needy Families, and Supplemental Security Income) do NOT use the poverty guidelines in determining eligibility. The Earned Income Tax Credit program also does NOT use the poverty guidelines to determine eligibility.

The poverty guidelines (unlike the poverty thresholds) are designated by the year in which they are issued. For instance, the guidelines issued in February 2001 are designated the 2001 poverty guidelines. However, the 2001 HHS poverty guidelines only reflect price changes through calendar year 2000; accordingly, they are approximately equal to the Census Bureau poverty thresholds for calendar year 2000. (The 2000 thresholds are expected to be issued in final form in September or October 2001; a preliminary version of the 2000 thresholds is now available from the Census Bureau.)

Last updated 02/16/01