

New York City Government Poverty Measure 2021

An Annual Report from
the Office of the Mayor



The City of New York
May 2024

NYC[™]
Mayor's Office for
Economic Opportunity



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Preface

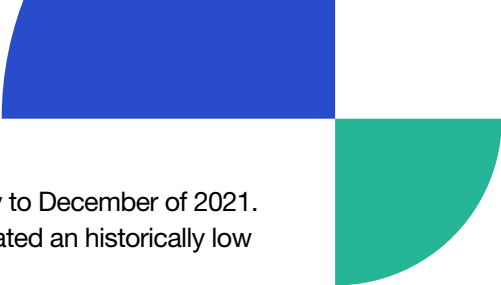
This poverty report is mandated by the New York City Charter, which requires the Mayor's Office for Economic Opportunity to release an annual update to the New York City Government (NYCgov) poverty measure along with a survey of efforts to reduce poverty in the city.

The NYCgov poverty measure differs from the official New York City poverty rate released by the federal government. The NYCgov poverty measure accounts for the high cost of housing in the city and treats non-cash resources as income, including the value of nutritional and housing assistance and tax credits such as the Child Tax Credit. The official measure accounts for none of these items. This report helps the City monitor poverty and near poverty across the five boroughs and understand poverty's impact on specific segments of the population.

This edition of the report contains poverty rate data for 2021, the second year of the Covid-19 pandemic. Although three years have passed, the 2021 data provides important and relevant insights about poverty and reinforces findings that have been at the center of the City's poverty research agenda for over a decade.

Early editions of this report had the subtitle "Policy Affects Poverty." It was a comment on our findings, new at the time, that government policies moved several hundred thousand people out of poverty each year. The data from 2021 provides irrefutable evidence of just how important public policy can be in reducing the poverty rate.

The year 2021 saw the slow reopening of the city after months of quarantine. It was also the year that saw the largest economic supports in U.S. history, most in the form of direct cash payments that resulted in unimaginable declines in the poverty rate. Child poverty was cut in half due primarily to the enhanced Child Tax Credit, which



provided monthly payments of up to \$3,600 per child from July to December of 2021. That credit, along with other benefits available to adults, generated an historically low NYCgov poverty rate.

Poverty fell for all demographic groups and in every borough in 2021. But even as the level of poverty dropped, the differences across groups and neighborhoods remained, and the intensity of poverty became worse for some. Even the best news – historic declines in poverty – was short lived. With the expiration of the enhanced Child Tax Credit, national data for 2022 shows child poverty, in particular, returned to pre-pandemic levels. The next NYCgov report on poverty for 2022 will show similar results for New York City.

Last year's report – for 2020 – focused mainly on the problem of accurately measuring poverty in a year when data collection was hampered by the pandemic. The data for 2021 has improved, although some problems remain. This year's report compares the findings for 2021 to those of 2019, the year before the pandemic. As last year's report noted, data collection for 2020 was compromised by the pandemic and not comparable to other years. Data quality issues aside, the true measure of where the city stands in 2021 is measuring the success of recovery after the pandemic.

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This report, related technical notes, and prior year reports are available at:
<https://www.nyc.gov/site/opportunity/poverty-in-nyc/poverty-measure.page>



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Introduction

Poverty in New York City in 2021

Introduction

Poverty in New York City in 2021

This annual release of the New York City Government (NYCgov) poverty measure reports on poverty in the city in 2021, the second year of the Covid-19 pandemic. In 2020, the federal government produced only experimental data, which meant that last year's poverty report was a significant departure from previous years and had to be read with an asterisk. In 2021, the data was more reliable. Most notably, the U.S. Census Bureau issued a standard release of the American Community Survey (ACS) for 2021, something it did not do for 2020. **As a result, this year's report cannot be compared to last year's. Data for 2020 has been omitted, except where it comes from sources other than the ACS.**

The NYCgov poverty measure is a specialized measure developed by the Mayor's Office for Economic Opportunity (NYC Opportunity) and first published in 2008. It is adapted to the realities of New York City's economy. The poverty measure reflects the fact that housing costs in the city are considerably higher than the national average. It also takes into account additional resources available to households, such as public benefits and tax credits, as well as additional work-related expenses such as commuting and childcare costs. None of these items are included in the U.S. official poverty measure. The NYCgov measure is a better reflection of the true level of poverty in New York City. Historically, the NYCgov poverty rate, poverty threshold, and income measure have been greater than those figures in the U.S. official measure but similar to the U.S. Supplemental Poverty Measure (SPM), an alternative measure developed by the U.S. Census Bureau with similar income and threshold measures.

In 2021, there were two obstacles to developing an accurate NYCgov poverty rate. First, there was economic disruption due to the pandemic, some of which worked to increase the poverty level and some of which worked to decrease it. Second, there were some remaining data quality issues and significant changes in the threshold calculation that caused a break in the NYCgov data series over time.

Economic Disruption. In 2021, the New York City economy, like the nation's, was powerfully affected by the Covid-19 pandemic and its accompanying restrictions. Employment and income were affected in a wide variety of ways. Many people lost jobs in 2020 and 2021 or experienced declines in earnings due to reduced hours, particularly in certain sectors such as hospitality, retail, and entertainment. People got sick or succumbed to illness, reducing the number of wage earners in some households and leaving survivors struggling with grief along with added economic burdens.

Household expenses were affected. Schools and childcare providers closed for all or part of 2021, changing the cost of parenting in various ways. Commuting costs substantially declined as some office workers were able to work from home. People who became sick incurred additional medical costs while others deferred medical care out of fear of contagion.

At the same time, New Yorkers and all Americans received large amounts of government aid, including the final round of Economic Impact Payments (EIPs) and programs set out in the American Rescue Plan Act, adopted in March of 2021. The aid included increased unemployment benefits and child tax credits. Additional support was provided in the form of expanded food assistance, rental assistance and eviction moratoriums, and an enhanced Earned Income Tax Credit (EITC). Businesses also received government funding through the Paycheck Protection Program (PPP), which helped many small business owners survive and keep workers on payrolls.

Data Disruption and Data Updates. The NYCgov poverty measure is based on data from the ACS, supplemented by City and State agency data and other national surveys. The 2021 ACS comes without the data quality cautions the Census Bureau issued for 2020. Those cautions were related to problems with survey response during the early stages of the pandemic. But when using the 2021 data for subpopulations by small geographic areas, there is a possibility that some of the same problems remain. For that reason, it is noted throughout that some of the data in this report should be used with caution.¹

Housing Data. Estimates of housing assistance are derived from the New York City Housing and Vacancy Survey (HVS), a product of the NYC Department of Housing Preservation and Development and the U.S. Census Bureau. The HVS is released every three years. The most recent update, scheduled for 2020, was delayed by the decennial census survey in that year. The housing assistance estimates in this report incorporate new data from the 2021 HVS, replacing the 2017 HVS used in prior reports. The new HVS has some notable changes from previous years that required changes in NYCgov methodology. The result is a difference in the distribution of the housing adjustment. These changes are discussed in detail in Appendix C.

¹ See the addendum to this report and Chapter 3 of last year's report (https://www.nyc.gov/assets/opportunity/pdf/NYCgovPoverty2023_2020DATA_Digital_Final_d3.pdf) for more information on data quality in 2020 and 2021.

Prior Year Data. This report introduces a break in the NYCgov historical data series due to changes in the threshold formula. The NYCgov threshold is based on Bureau of Labor Statistics (BLS) data used in the Census Bureau’s Supplemental Poverty Measure (SPM). In 2020, the BLS introduced multiple changes in estimating the costs of necessities.² The changes were revised backward to include 2019. The NYCgov poverty measure threshold based on this data was several hundred dollars higher than before the revision. **Poverty rates for the years 2019 and beyond should not be compared to the years 2005 to 2018.**

The 2019 NYCgov poverty rate includes other revisions not related to the threshold change. Each year’s data is revised to include updated medical spending data that becomes available only after the poverty report’s publication. The 2019 income estimate used in this report includes revised medical spending estimates and two other changes: a change in methodology for estimating childcare costs and small adjustments in the tax model. These changes are discussed in the relevant appendices.

Contents of This Report

Chapter 1 includes key findings: the poverty rate and poverty threshold for New York City, and poverty rates for multiple demographic and geographic subgroups. The chapter includes a review of the economic factors behind the poverty rate. It takes a closer look at the most important factor in 2021: the distribution of pandemic benefits. While the magnitude of these benefits lowered the poverty rate, their distribution exposes inequities in poverty across the city.

Chapter 2 contrasts the City’s measure of poverty with other measures: the U.S. official poverty measure and the SPM.

Chapter 3 includes detailed data tables that expand on the poverty rate data found in Chapter 1.

Chapter 4 describes many of the policy initiatives currently in place to address the problems of poverty and inequality.

The report ends with an addendum that reviews data quality issues for small geographic areas and provides some cautions in interpreting the data in this report.

² U.S. Census Bureau, “Supplemental Poverty Measure Thresholds Changes,” 2020: https://www.bls.gov/pir/spm/spm_2019re_changes.htm#:~:text=As%20seen%20in%20Chart%201,mortgages%2C%20and%20%2429%2C194%20for%20renters.

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Chapter 1

Key Findings

Chapter 1

Key Findings

The New York City Government (NYCgov) poverty measure is a measure of poverty adapted to the realities of the city's economy. The poverty threshold accounts for housing costs that are higher than the national average. The resource measure includes cash income, plus tax credits and in-kind government benefits such as the Supplemental Nutrition Assistance Program (SNAP). Work-related expenses (childcare and commuting) and medical expenses are subtracted from available resources. The U.S. official poverty threshold, by contrast, is calculated simply by multiplying the cost of an economy food budget times three. It counts only pre-tax cash income as a resource to meet the threshold, and does not vary geographically despite the considerable differences in cost of living across the country.¹

Poverty in New York City, 2021²

The NYCgov poverty rate for 2021 is 13.4 percent,
a 5.3 percentage point decline from the 2019 rate of 18.7 percent.

The NYCgov near poverty rate for 2021 is 35.2 percent.
The near poverty rate includes all those below 150 percent of their poverty threshold.
It declined 6.4 percentage points from the 2019 rate of 41.6 percent.

The NYCgov child poverty rate for 2021 is 10.5 percent.
This is less than half of the 2019 rate of 21.8 percent,
showing the importance of expanded federal child tax credits in 2021.

The NYCgov poverty threshold for 2021 is \$40,288 for a two-adult, two-child family.
This is an increase of 5 percent from the 2020 threshold of \$38,337.

¹ The components of the NYCgov poverty measure, the U.S. official poverty measure, and the U.S. Supplemental Poverty Measure (SPM) are compared in Chapter 2.

² The comparison year throughout this report is 2019. Data from 2020 is omitted due to problems with Census data quality. The use of 2019 data is also a helpful benchmark in comparing 2021 to conditions prior to the Covid-19 pandemic. The 2019 data shown here is revised from the data presented in the 2019 report: https://www.nyc.gov/assets/opportunity/pdf/NYC-Gov-Poverty-Report-2019-data-Final_12-21.pdf. The 2019 poverty rate was revised to incorporate data available after publication. The poverty threshold is not affected by pandemic-related data problems. In that case, 2020 is included as a data point.

This report, which covers the calendar year 2021, looks at poverty during the second year of the pandemic. Many aspects of that year affect the components of the NYCgov poverty measure: stimulus checks; expanded income and job loss; reduced commuting costs for at-home workers; and extended and/or expanded SNAP, Women, Infants, and Children (WIC) nutrition program, and unemployment benefits. New York City’s schools reopened in the fall of 2021, but with intermittent closings due to Covid-19 outbreaks. This affected the poverty estimate because it had an impact on both childcare costs and the number of free school meals students received. For many families,³ wage losses were more than offset by these cost savings and income supports. In 2021, the NYCgov poverty rate was the lowest since these reports began with a poverty estimate for 2005.⁴ The most dramatic decline in poverty occurred among children. Child poverty was cut in half in the city, as it was nationally, due to the expansion of the federal Child Tax Credit and Earned Income Credits to families with children.⁵

1.1 Comparing the NYCgov Poverty Rate and the U.S. Official Poverty Rate

Comparisons of U.S. Official and NYCgov Poverty Measures		
	U.S. official poverty measure	NYCgov poverty measure
Threshold	Established in early 1960s at three times the cost of the USDA “Economy Food Plan”	Equal to 83 percent of U.S. median family expenditures on food, clothing, shelter, and utilities (five-year average), as reported by the Bureau of Labor Statistics, plus 20 percent for miscellaneous needs
	Updated by change in Consumer Price Index	Updated with changes in expenditures for items in the threshold
	No geographic adjustment	Adjusted for higher housing costs in New York City
Resources	Total household pre-tax cash income. Includes earned income and transfer payments in the form of cash	Total family cash income (post-tax, including taxes paid and tax credits) and the value of near-cash, in-kind benefits such as SNAP
		Housing adjustment to account for subsidized housing expenses
		Work-related expenses (childcare, transportation) and medical out-of-pocket spending subtracted from resources

³ Poverty is the NYCgov estimate measured at the family level. “Family” is defined as all those persons in a household who share resources and expenses. Families include multigenerational relations and can include unmarried partners and children not related by blood or marriage. Single adults not living with relatives or partners are counted as one-person families within a household. See Appendix A for more on the construction of units of analysis in the U.S. Census household.

⁴ The methodology used to estimate the NYCgov poverty rate has changed over time. The fall in poverty in 2021 was large and would have resulted in a record low poverty rate even using older estimation methods.

⁵ U.S. Census Bureau. Poverty in the United States, 2022, September 2023. See: <https://www.census.gov/content/dam/Census/library/publications/2023/demo/p60-280.pdf>. The historic decline in child poverty was short lived. In 2022, the expanded federal Child Tax Credit expired and the national child poverty rate (as measured in the SPM) more than doubled to 12.4 percent, up from 5.2 percent in 2021.

The NYCgov poverty rate, threshold, and income measures are all higher than those components of the U.S. official measure. The differences are particularly notable in 2021. The official measure does not include most of the billions of dollars of federal assistance that flowed directly to New Yorkers in 2021.⁶

The U.S. official poverty rate of 11.6 percent for New York City represents an increase of 1.1 percentage points from 2019. Conversely, the NYCgov poverty rate shows a decline in poverty of 5.3 percentage points in 2021 primarily because pandemic-related benefits are included as a resource.

Table 1.1. NYCgov and U.S. Official Poverty Rates and Thresholds, 2019 and 2021

Poverty Rates (%)	2019	2021
NYCgov Poverty	18.7	13.4
NYCgov Near Poverty	41.6	35.2
U.S. Official Poverty	14.5	16.3
Thresholds (\$)	2019	2021
NYCgov Poverty	\$36,262	\$40,288
U.S. Official Poverty	\$25,926	\$27,479

Sources: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. Official poverty rates for New York City are based on the NYCgov poverty universe and unit of analysis and differ from published U.S. poverty data (see Appendix A for details). The U.S. official threshold is from the U.S. Census Bureau.

Note: Numbers in **bold** indicate a statistically significant change from the prior year.

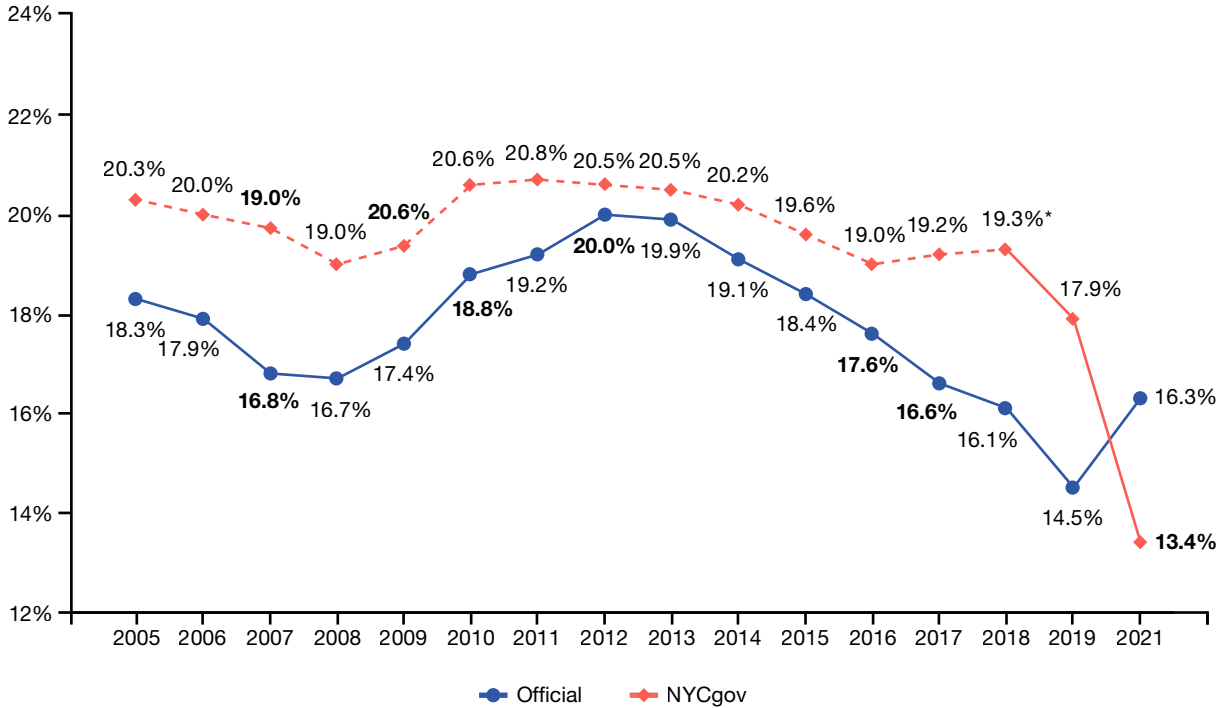
The differences in the two poverty rates are apparent in the trend of the two measures over time. Both measures trace cash income: wages, Social Security, disability assistance (SSI), unemployment insurance, and other cash assistance. But in years such as 2021, when non-cash assistance increases,⁷ the trajectory of the two poverty rates differs.⁸

⁶ While the SPM includes this information, it does not publish city-level poverty rates.

⁷ The largest pandemic-related credits – the Child Tax Credit, the expanded Earned Income Tax Credit (EITC), and stimulus credits – were delivered through the tax system and are excluded from the pre-tax cash income standard of the official measure.

⁸ A similar pattern can be seen in the Great Recession. The official poverty rate rises from 2010 to 2013 because of declines in earnings. The NYCgov poverty rate is relatively stable over this time period because lost wages are replaced by federal supports.

Figure 1.1. Official and NYCgov Poverty Rates, New York City, 2005-2021



Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Notes: Official poverty rates are based on the NYCgov poverty universe and unit of analysis (see Appendix A). Numbers in **bold** indicate a statistically significant change from the prior year. The poverty rate for the year 2020 is excluded from the figure due to concerns related to data quality. See Introduction for further details.
 * Data prior to 2018 has not been revised. Comparisons between the years 2019 and beyond and the years 2005 to 2018 are discouraged due to changes in the SPM's threshold formulation in 2019 and updates to the NYCgov methodology.

Near Poverty

The number of people in near poverty fell along with the poverty rate. The near poverty rate fell from 41.6 percent in 2019 to 35.2 percent in 2021, a statistically significant decline.

Near poverty includes all New Yorkers in poverty, plus those with resources between 100 and 150 percent of their poverty threshold. The population just above the poverty threshold is most at risk of falling into poverty as most are workers with incomes too high to qualify for most non-work-related benefits, such as food assistance, but have minimal resources to fall back on in emergencies.

The NYCgov Poverty Threshold

The NYCgov poverty threshold is based on five years of U.S. consumer spending on necessities (food, clothing, shelter, and utilities, including telephone and internet) lagged by one year. The threshold is derived from Bureau of Labor Statistics (BLS)

data,⁹ adjusted by NYC Opportunity for the relatively higher price of housing in New York City. The threshold for 2021 includes expenditure data from 2016–2020.

The poverty threshold is first calculated at \$40,288 for a two-adult, two-child family in 2021. It is then adjusted for family size.

Table 1.2. NYCgov Poverty Thresholds for 2021 by Size of Family and Number of Related Children Under 18 Years of Age

Size of Family Unit	Number of Children							
	None	One	Two	Three	Four	Five	Six	Seven
1 Person NYCgov	\$18,672							
2 People NYCgov	\$26,328	\$28,176						
3 People NYCgov	\$40,288	\$35,461	\$33,450					
4 People NYCgov	\$49,276	\$44,878	\$40,288	\$38,389				
5 People NYCgov	\$57,606	\$53,511	\$49,276	\$44,878	\$43,068			
6 People NYCgov	\$65,448	\$61,581	\$57,606	\$53,511	\$49,276	\$47,538		
7 People NYCgov	\$72,905	\$69,220	\$65,448	\$61,581	\$57,606	\$53,511	\$51,834	
8 People NYCgov	\$80,049	\$76,513	\$72,905	\$69,220	\$65,448	\$61,581	\$57,606	\$55,983

Source: U.S. Census Bureau, with additional calculations by NYC Opportunity.

1.2 Differences in New York City Rates by Demographics and Geography

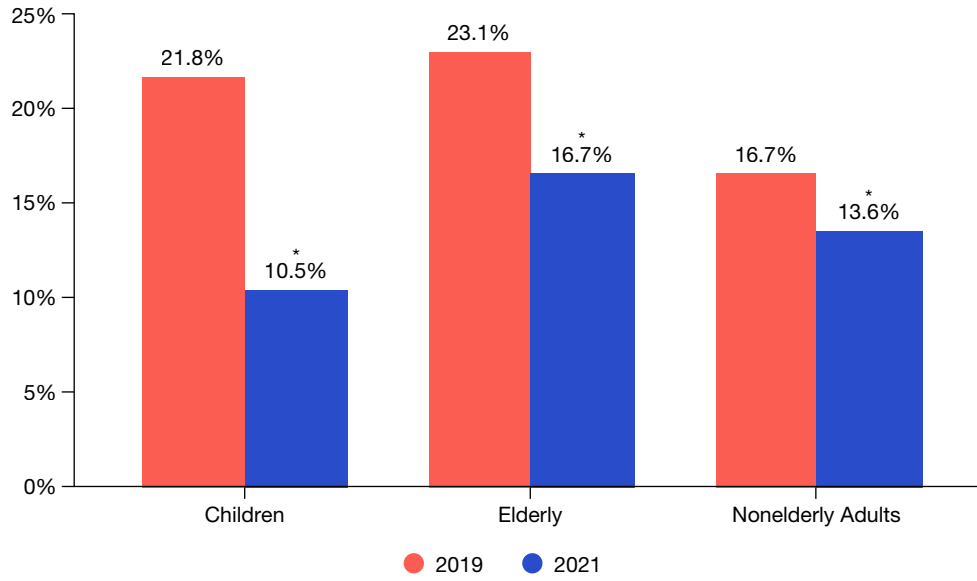
The data above shows citywide rates of poverty. When the city population is broken down into demographic or geographic subgroups, more nuanced patterns of poverty can emerge. This section shows the poverty rate for New Yorkers by age, sex, race/ethnicity, citizenship status, educational attainment, work experience, borough, and community district. Poverty rates are shown for 2019 and 2021 for comparative purposes. In the case of community districts, where sample sizes are typically small, the data shown is a five-year average covering the years 2017–2021.¹⁰

The comparison between 2019 and 2021 shows that all groups experienced significant declines in poverty, with the exception of those with partial or completed college degrees, whose poverty rates were statistically unchanged. Data tables in Chapter 4 expand on the information shown here.

⁹ Sources: U.S. Census Bureau and NYC Opportunity. BLS data is derived from the Consumer Expenditure Survey and not subject to the same data problems as the American Community Survey used to determine the resource side of the poverty rate. See: https://www.bls.gov/pir/spm/spm_thresholds_2022.htm.

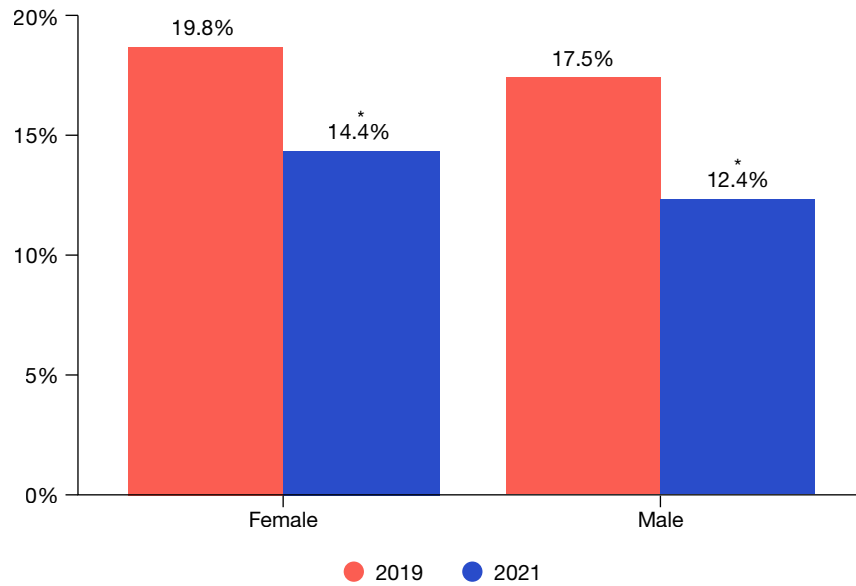
¹⁰ Single-year comparisons do not include data from 2020 due to pandemic-related data quality issues. Data from 2020 is included in five-year data. NYC Opportunity follows Census practices in including this data but acknowledges possible increases in the margin of error. See: <https://www.census.gov/programs-surveys/acs/technical-documentation/user-notes/2022-04.html>.

Figure 1.2. NYCgov Poverty Rates by Age, 2019 and 2021



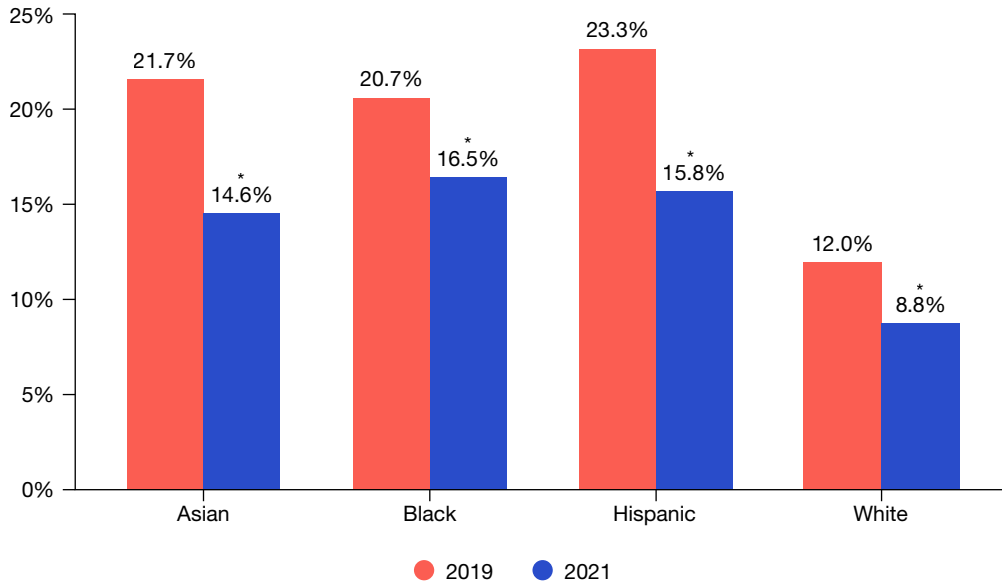
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Note: * Indicates a statistically significant change from 2019 rate.

Figure 1.3. NYCgov Poverty Rates by Sex, 2019 and 2021



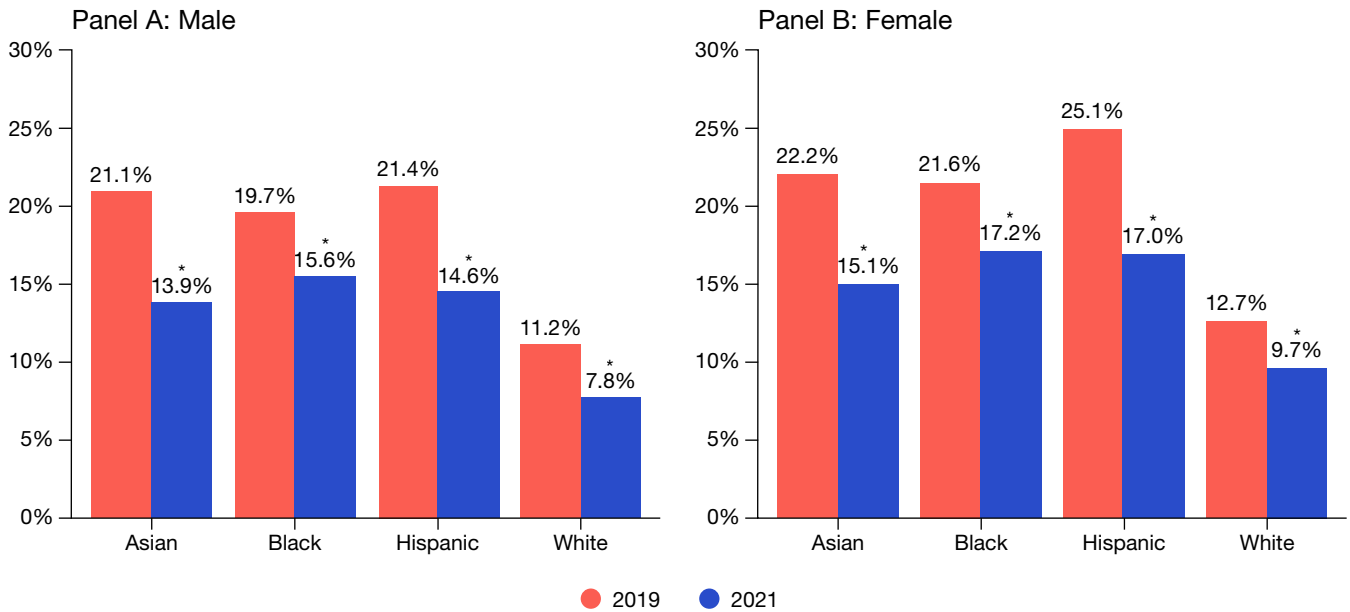
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
Note: * Indicates a statistically significant change from 2019 rate.

Figure 1.4. NYCgov Poverty Rates by Race/Ethnicity, 2019 and 2021



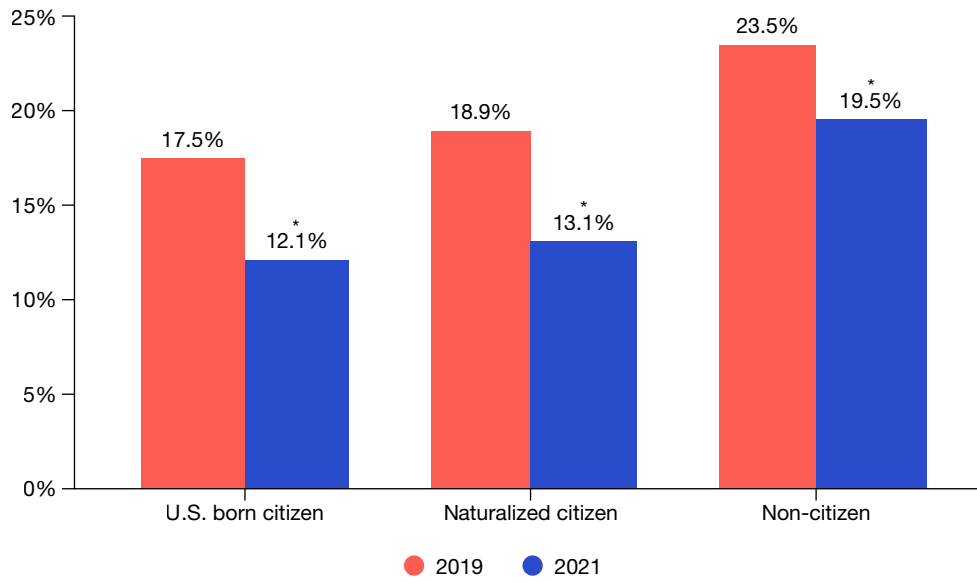
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Note: * Indicates a statistically significant change from 2019 rate.

Figure 1.5. NYCgov Poverty Rates by Race/Ethnicity, Disaggregated by Sex, 2019 and 2021



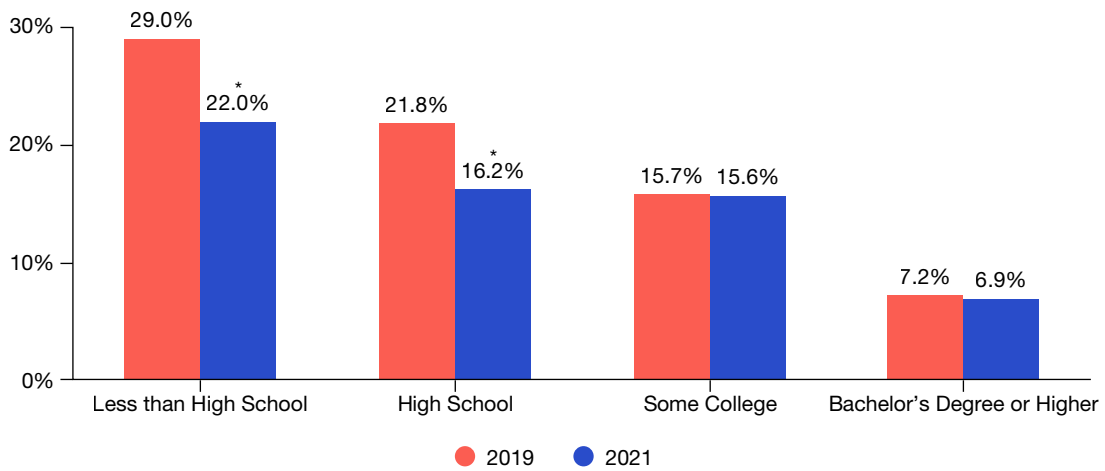
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Note: * Indicates a statistically significant change from 2019 rate.

Figure 1.6. NYCgov Poverty Rates by Citizenship Status, 2019 and 2021



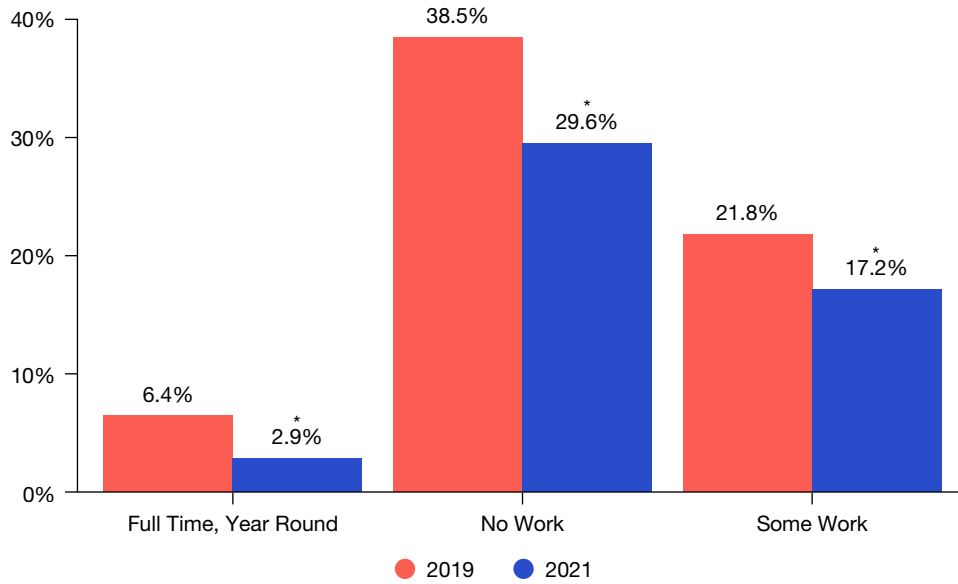
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Note: * Indicates a statistically significant change from 2019 rate.

Figure 1.7. NYCgov Poverty Rates by Educational Attainment, 2019 and 2021



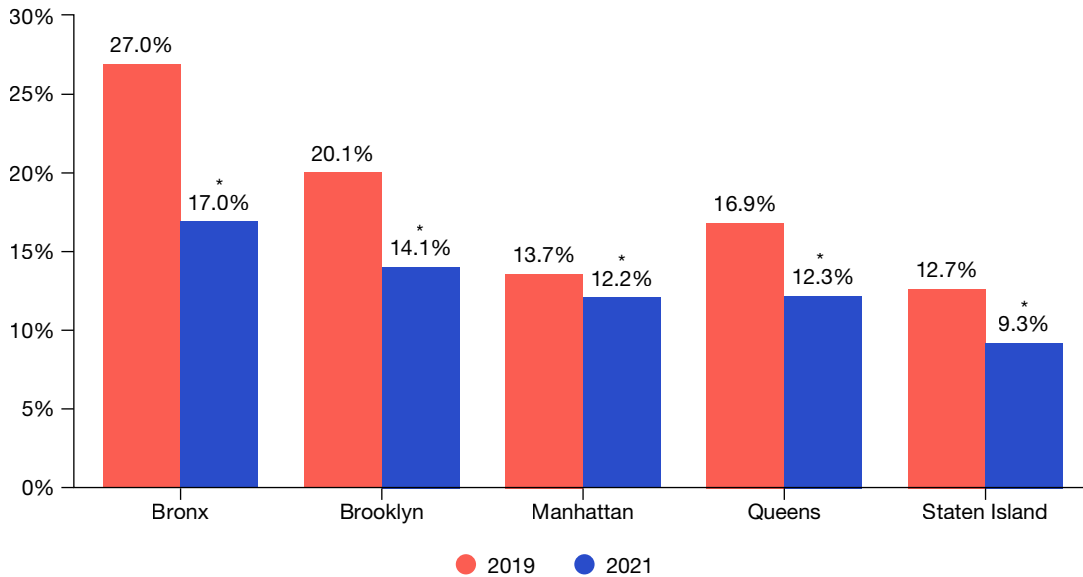
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Note: * Indicates a statistically significant change from 2019 rate.

Figure 1.8. NYCgov Poverty Rates by Work Experience, 2019 and 2021



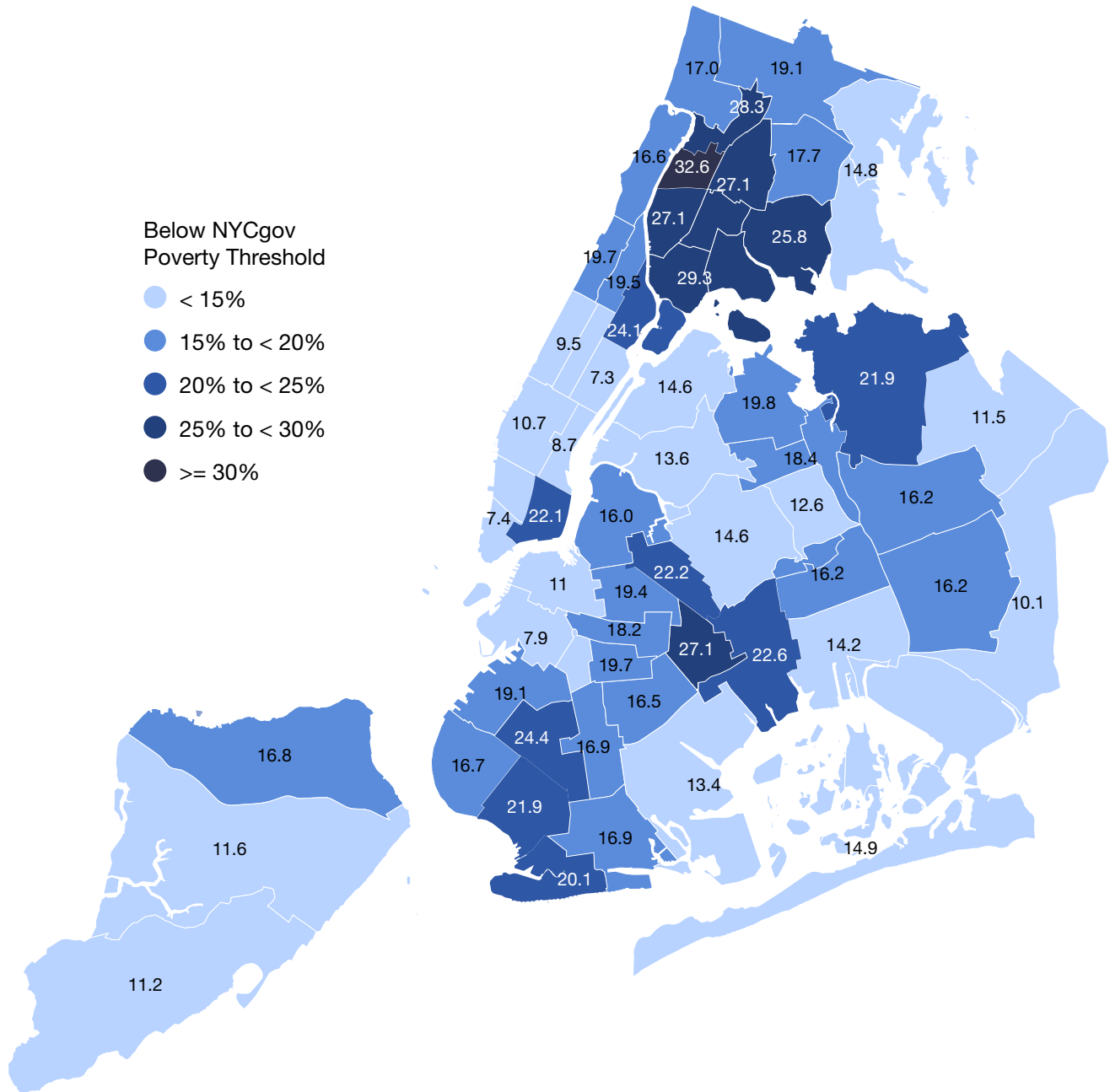
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Note: * Indicates a statistically significant change from 2019 rate.

Figure 1.9. NYCgov Poverty Rates by Borough, 2019 and 2021



Source: Five-year average of 2017–2021 American Community Survey Public Use Micro Sample files as augmented by NYC Opportunity.
 Note: * Indicates a statistically significant change from 2019 rate.

Figure 1.10. Percentage of Population Below Poverty Threshold, by Neighborhood, 2017–2021
 Citywide Rate 17.4%



Source: Five-year average of 2017–2021 American Community Survey Public Use Micro Sample files as augmented by NYC Opportunity.
 Note: Poverty rate is the average over the 2017–2021 period.

Table 1.3. Racial/Ethnic Composition of Community Districts (CDs) with Highest and Lowest Poverty Rates, 2017–2021

Highest Poverty Community Districts				Lowest Poverty Community Districts			
Community District	5-Year Average Poverty Rate	Race/Ethnicity	% CD Population	Community District	5-Year Average Poverty Rate	Race/Ethnicity	% CD Population
Bronx 5: Morris Heights, Fordham South, and Mount Hope	32.6	Non-Hispanic Asian	1.5%	Manhattan 8: Upper East Side	7.3	Non-Hispanic Asian	10.7%
		Non-Hispanic Black	25.7%			Non-Hispanic Black	2.4%
		Hispanic	71.2%			Hispanic	9.1%
		Non-Hispanic White	1.5%			Non-Hispanic White	77.8%
Bronx 1 and 2: Hunts Point, Longwood, and Melrose	29.3	Non-Hispanic Asian	0.4%	Manhattan 1 and 2: Battery Park City, Greenwich Village, and Soho	7.4	Non-Hispanic Asian	16.5%
		Non-Hispanic Black	24.6%			Non-Hispanic Black	2.2%
		Hispanic	72.7%			Hispanic	7.8%
		Non-Hispanic White	2.2%			Non-Hispanic White	73.6%
Bronx 7: Bedford Park, Fordham North, and Norwood	28.3	Non-Hispanic Asian	5.8%	Brooklyn 6: Park Slope, Carroll Gardens, and Red Hook	7.9	Non-Hispanic Asian	8.5%
		Non-Hispanic Black	12.3%			Non-Hispanic Black	7.5%
		Hispanic	76.6%			Hispanic	16.5%
		Non-Hispanic White	5.2%			Non-Hispanic White	67.5%
Brooklyn 16: Brownsville and Ocean Hill	27.1	Non-Hispanic Asian	1.5%	Manhattan 6: Murray Hill, Gramercy, and Stuyvesant Town	8.7	Non-Hispanic Asian	15.7%
		Non-Hispanic Black	71.3%			Non-Hispanic Black	3.3%
		Hispanic	23.4%			Hispanic	9.0%
		Non-Hispanic White	3.8%			Non-Hispanic White	72.0%
Bronx 3 and 6: Belmont, Crotona Park East, and East Tremont	27.1	Non-Hispanic Asian	0.7%	Manhattan 7: Upper West Side and West Side	9.5	Non-Hispanic Asian	9.8%
		Non-Hispanic Black	34.6%			Non-Hispanic Black	4.5%
		Hispanic	62.3%			Hispanic	14.5%
		Non-Hispanic White	2.3%			Non-Hispanic White	71.2%

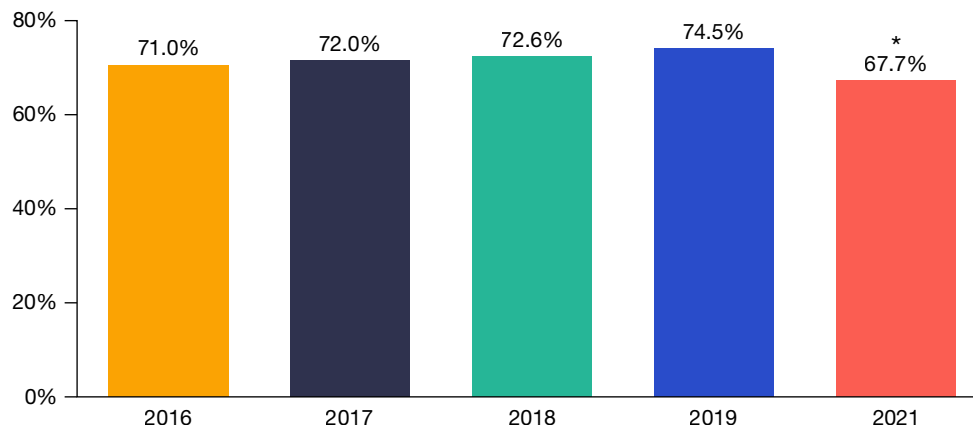
Source: Five-year average of 2017–2021 American Community Survey Public Use Micro Sample files as augmented by NYC Opportunity. Some CDs are combined to create an adequate sample size for poverty estimates.

1.3 What Drives the Poverty Rate: The New York City Labor Market, Wages, and Income Supports

Poverty rates are influenced by the economic environment. The number of people working and the income they earn are central to building household resources. In 2019, prior to the pandemic, nearly three-quarters of working age adults in New York City engaged in at least some hours of employment. In February 2020, just before the Covid-19 shutdown, there were 4.8 million jobs in the city. A year later, in February 2021, well over a half million jobs had disappeared.¹¹ The city's slow reopening accelerated during 2021. Covid-19 vaccines were accessible by spring, and in-person businesses such as restaurants cautiously opened, often with limited hours and increased outdoor dining. Many New Yorkers continued to work at home, saving on commuting and childcare costs.

The Delta variant of Covid-19 surged in the summer and the Omicron variant dampened holiday activities at the end of the year. For in-person workers, this often meant erratic work hours and wages. Schools were open citywide but individual schools or classrooms closed if there was a Covid-19 outbreak. Crucially, people were slow to return to the labor force even as jobs went unfilled. The Employment/Population ratio in 2021 fell to 67.7 percent of working age adults. The number of people working full time fell to 55.5 percent, more than ten percentage points lower than 2019 and the lowest since 2005 – the earliest year for this data in the American Community Survey (ACS) (see Figures 1.11 and 1.12). In 2010 and 2011, before recovery from the Great Recession, 56.3 percent of workers were employed full time.

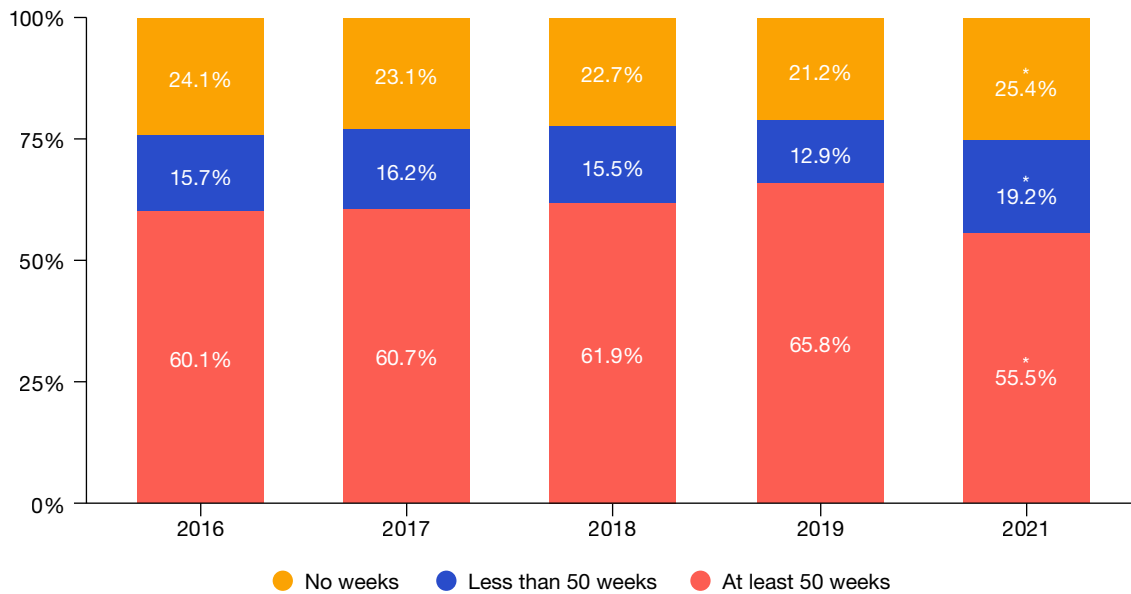
Figure 1.11. Employment/Population Ratios, 2016–2019, 2021



Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Note: * Indicates a statistically significant change from 2019.

¹¹ New York State Department of Labor, Current Employment Statistics, Total Nonfarm Payroll, not seasonally adjusted. See: <https://dol.ny.gov/current-employment-statistics-0>.

Figure 1.12. Weeks Worked in Prior 12 Months, 2016–2019, 2021

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Note: * Indicates a statistically significant change from 2019.

The declines in labor force participation and work hours caused a steep decline in wages. Wage growth for lower-wage workers came to a halt after six years of increases. In 2013, the minimum wage in New York City was \$7.25, but it gradually rose to \$15 per hour from 2014 to 2019. During those years, wage growth was greater at the bottom of the income distribution than at the top – an historically unusual occurrence.

From 2013 to 2019, the average annual wage growth was 63.7 percent at the tenth percentile of earners and 51.2 percent at the 20th (see Panel A of Table 1.4). At the middle of the income distribution, the 50th percentile, growth was less: 28.9 percent.

All of these gains were nearly eliminated in 2021. For the bottom 10 percent of earners, wages shrank 32.4 percent from their 2019 level. From 2019 to 2021, the minimum wage was unchanged (\$15 per hour) but the number of workers in these low wage jobs shrank and fewer hours were available to some workers. People who reported being in the labor force but earning zero wages grew by 60 percent from 2019 to 2021.

Table 1.4. Nominal Wages and NYCgov Income at Select Percentiles of the Distribution, 2013–2021

PANEL A: Wage Income									Total Growth 2013–2019	Average Annual Growth 2013–2019	Growth 2019–2021
Percentiles	2013	2014	2015	2016	2017	2018	2019	2021			
10	\$6,045	\$6,051	\$7,209	\$7,859	\$8,090	\$9,118	\$9,899	\$6,695	63.7%	8.7%	-32.4%
20	\$12,292	\$13,110	\$14,018	\$15,114	\$15,168	\$17,324	\$18,587	\$16,067	51.2%	7.2%	-13.6%
30	\$20,151	\$20,169	\$20,025	\$20,958	\$22,246	\$25,327	\$26,264	\$25,748	30.3%	4.6%	-2.0%
40	\$27,204	\$28,236	\$28,035	\$30,228	\$30,336	\$32,419	\$35,355	\$36,047	30.0%	4.5%	2.0%
50	\$35,264	\$36,303	\$36,046	\$38,288	\$40,448	\$40,828	\$45,457	\$46,347	28.9%	4.4%	2.0%
PANEL B: NYCgov Income*									Total Growth 2013–2019	Average Annual Growth 2013–2019	Growth 2019–2021
Percentiles	2013	2014	2015	2016	2017	2018	2019	2021			
10	\$23,242	\$23,945	\$23,631	\$24,431	\$25,134	\$25,748	\$27,688	\$34,566	19.1%	3.0%	24.8%
20	\$31,259	\$31,872	\$32,004	\$33,024	\$34,085	\$35,591	\$37,878	\$47,798	21.2%	3.3%	26.2%
30	\$36,787	\$37,365	\$37,775	\$39,033	\$40,282	\$42,765	\$45,197	\$56,369	22.9%	3.5%	24.7%
40	\$42,494	\$43,303	\$43,804	\$45,128	\$46,793	\$50,847	\$53,532	\$64,609	26.0%	4.0%	20.7%
50	\$49,904	\$51,095	\$53,252	\$55,688	\$60,698	\$64,686	\$64,564	\$75,314	29.4%	4.4%	16.7%

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Notes: * NYCgov Income = (wages + cash transfers + non-cash transfers + net taxes) MINUS (childcare costs + transit costs + out-of-pocket medical spending) and adjusted for family size. Incomes for the year 2020 are excluded from the figure due to concerns related to data quality. See Introduction for further details.

Wages are only one component of NYCgov Income, which is an income measure that includes a wider range of resources. Additional income supports such as tax credits and food assistance are included in NYCgov Income, while work-related expenditures are deducted. Panel B of Table 1.4 shows the growth over time of NYCgov Income, which traditionally increases at a slower pace than wages. The interactions of NYCgov Income components are complicated. For many nonelderly families, including those in poverty, wages are the largest component of NYCgov Income. The other components interact with wage income; for example, childcare costs may increase with work hours. Rising earnings can trigger benefit cliffs.¹² The mix of a family's income components is not constant over time but shifts with wages and benefit eligibility standards.

Panel A of Table 1.4 shows how the earnings of low-income New Yorkers improved with a rising minimum wage and a simultaneous economic expansion. Panel B shows

¹² Benefit cliffs occur when a recipient becomes ineligible for a benefit if income grows beyond eligibility range. For example, Supplemental Nutrition Assistance Program (SNAP) quickly tapers off to zero as earnings rise. The EITC increases with earnings, then phases out.

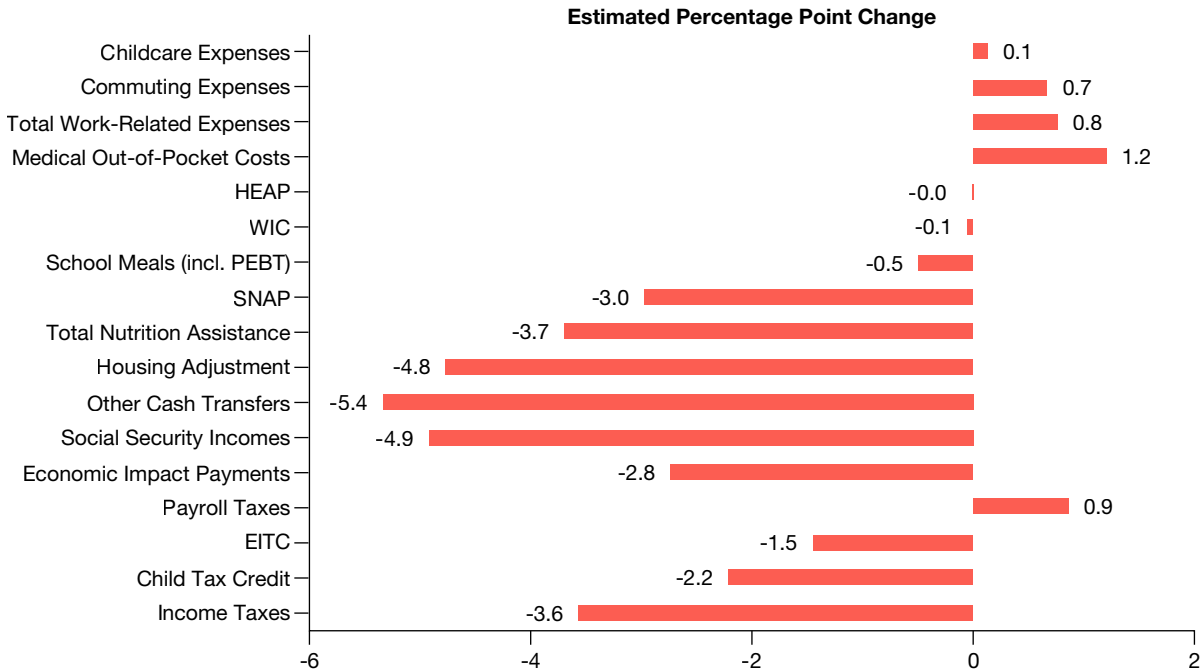
how public assistance can replace lost wages during economic crises and play an important role in keeping families above the poverty threshold.

Covid-19 Benefits Issued in 2021 Affecting the NYCgov Poverty Measure		
Component	Benefit	2021
Taxes	Economic Impact Payment (EIP)/Stimulus Payment	The third EIP was issued beginning in March 2021: \$1,400 per qualifying individual and qualifying dependent. Citizens and legal residents with incomes below \$80,000 or \$120,000 (depending on marital status) were eligible to receive the credit.
	Enhanced Child Tax Credit (CTC)	Enhanced CTC was a larger, fully refundable version of the CTC. The first half of the enhanced CTC was issued in six monthly advance payments from July to December 2021. Total enhanced CTC amounts: <ul style="list-style-type: none"> \$3,600 per qualifying child age 5 and under \$3,000 per qualifying child ages 6–17
	Earned Income Tax Credit (EITC)	Expanded federal EITC for filers without qualifying children. Without the expansion, childless adults would receive a credit substantially less than the per person credit of an adult with a child.
	Child and Dependent Care Credit (CDCC)	Larger and fully refundable CDCC, not paid in advance. Since the credit was refundable, any amount remaining after taxes owed was paid out as a tax refund.
Nutrition	SNAP	Pandemic-related renewal and interview waivers remained in effect.
		Emergency Allotment (EA) expanded by at least \$95, in addition to the regular benefit amount, beginning March 2021.
		Work-related expenses (childcare, transportation) and medical out-of-pocket spending subtracted from resources
	School Meals and Pandemic Electronic Benefit Transfer (P-EBT)	Regular school meal benefits for the National School Lunch Program (NSLP) and School Breakfast Program (SBP) were made available to students during in-person learning days.
		P-EBT issued to students eligible for the NSLP. Amount was based on learning modality: \$82 for hybrid learning; \$136 for fully remote learning.
		Summer P-EBT of \$375 issued to students eligible for NSLP.
	WIC	Pandemic-related renewal/interview requirement waivers remained in effect.
Benefit amounts increased from June to December 2021.		

The comparative effect of NYCgov income components in reducing or growing the poverty rate is shown in Figure 1.13. Elements that lower the poverty rate are found to the left of zero and those that raise it are found to the right. Each bar shows the effect of the absence of a specific income component on the poverty rate. For example, in the absence of housing assistance, which lowers the poverty rate by 4.8 percentage points, the 2021 poverty rate would be 4.8 percentage points higher, or 18.2 percent.

In the absence of out-of-pocket medical expenditures (MOOP), the poverty rate would be 1.2 percentage points lower, or 12.2 percent.

Figure 1.13. Marginal Impact of Select Sources of Income and Expenses on the NYCgov Poverty Rate, 2021



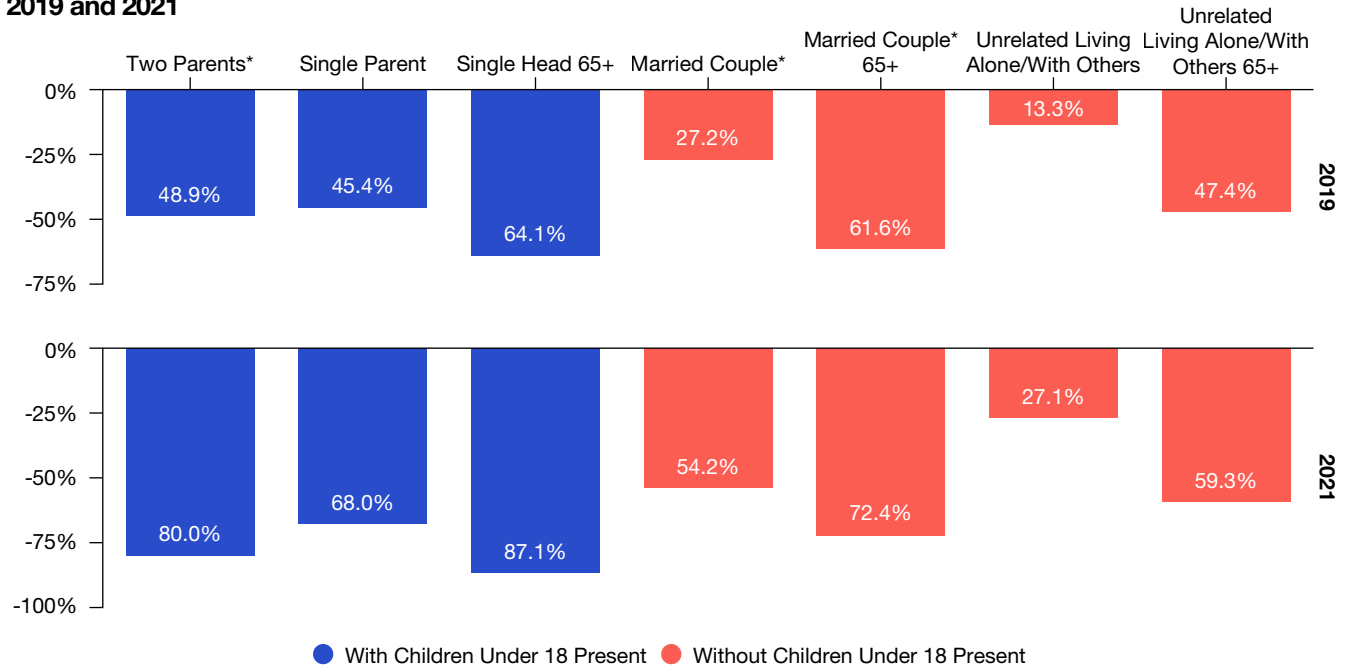
Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Pandemic-related income supports in 2021 are counted in the income taxes or other cash transfers categories. The Child Tax Credit, EITC, and Economic Impact Payment (EIP) were administered through the IRS and counted in the NYCgov measure as post-tax income. Expanded and/or extended benefits for unemployment, Public Assistance, and Supplemental Security Income (SSI) are included in cash transfers.

In 2019, benefits included in the other cash payments category lowered the poverty rate by 2.7 percentage points. In 2021 the impact was twice as much. An additional 0.7 percentage point drop in the poverty rate in 2021 was due to increased tax credits compared to 2019 (not shown).

The effect of pandemic supports, the key addition to income, was not evenly distributed across the population and varies by demographic categories. This is one reason why all poverty rates dropped yet the disparity across groups remained intact and even increased in size. Age and family structure are two of the most salient categories that illustrate differences in benefit outcomes. The switch from an economic impact payment available to almost all adults in 2020 to a Child Tax Credit only available to families with children effectively redistributed pandemic relief. This amplified the outcome of a benefit system that already structured benefits to relieve child poverty. Figure 1.14 shows how income enhancements lowered the poverty rate for families with and without children.

Figure 1.14. Percent Decline in Poverty from Government Assistance and Tax Credits by Selected Family Type, 2019 and 2021

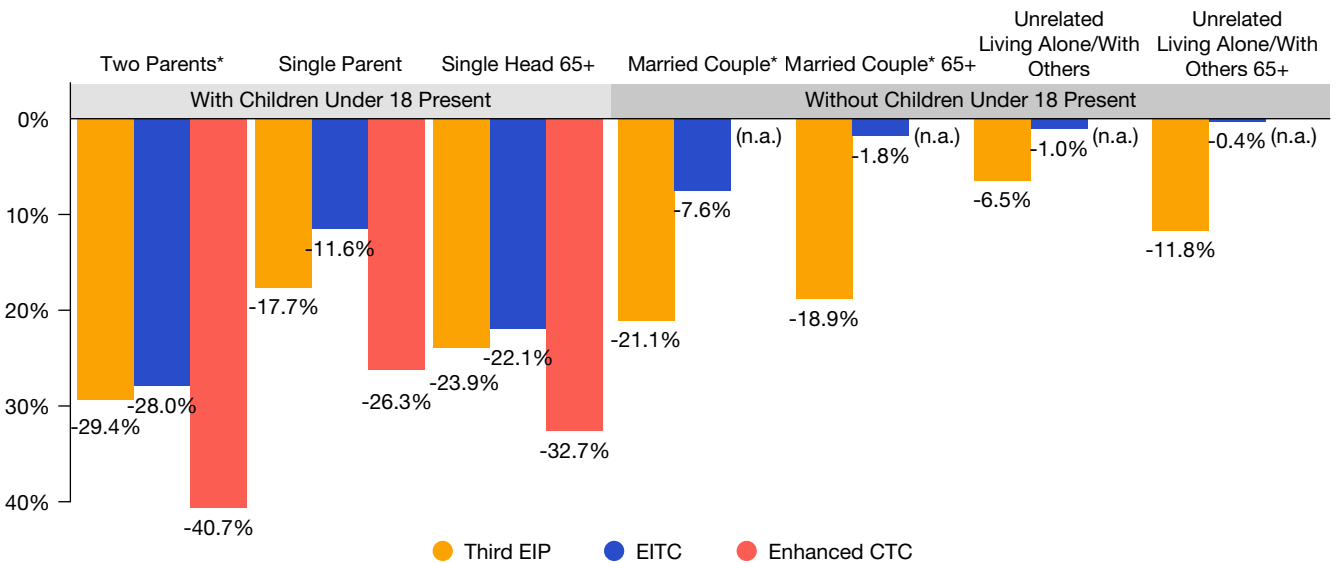


Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Note: * Unmarried partners included.

Figure 1.15 shows the effect of three important components of Covid-19 relief in 2021: the EIP, the Enhanced Child Tax Credit, and the EITC expansion for childless adults.

Figure 1.15. Percent Decline in Poverty from Selected Covid-19-related Benefits by Family Type, 2021

The Third Economic Impact Payment (EIP), Earned Income Tax Credit (EITC), and Enhanced Child Tax Credit (CTC)



Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Note: * Unmarried partners included.

1.4 The Degree of Poverty, the Poverty Gap, and the Intensity of Poverty

Poverty rates are useful in understanding the distribution of poverty. But poverty rates only mark differences between those with resources above or below the poverty threshold – a binary distinction around a line drawn in the sand. Yet not all poverty is alike. The distinction becomes clearer when measuring a family’s distance from poverty thresholds. Some families are living quite close to their poverty threshold, with only a small gap in the resources necessary to cross that line. Others are living far below their poverty threshold, with less than half the resources they need to move out of poverty. All of these families are classified as “poor” because the poverty rate is simply a head count of those living below the threshold. However, the further from the threshold, the more intense the experience of poverty. Resources for basic needs are scarcer, stress levels can be higher, and it is more difficult to acquire the resources needed to escape poverty.

Table 1.5 shows shares of the population at selected distances above and below the poverty threshold for 2019 and 2021. The pink band denotes shares of the population in poverty, including those with less than half the resources needed to cross the threshold. The yellow band denotes those families with resources from 100 to 200 percent above the threshold – not in poverty, but uncomfortably close to the threshold.

Table 1.5. Distribution of the Population by Degrees of Poverty, 2019 vs 2021

	Resource as % of Threshold	2019	2021
Below Threshold (In Poverty)	Below 50%	5.2%	4.2%
	50%–99%	13.6%	9.2%
Above Threshold (Near Poverty)	100%–149%	22.8%	21.8%
	150%–199%	15.2%	19.1%
	>200%	43.2%	45.7%

Sources: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. U.S. official threshold is from the U.S. Census Bureau.

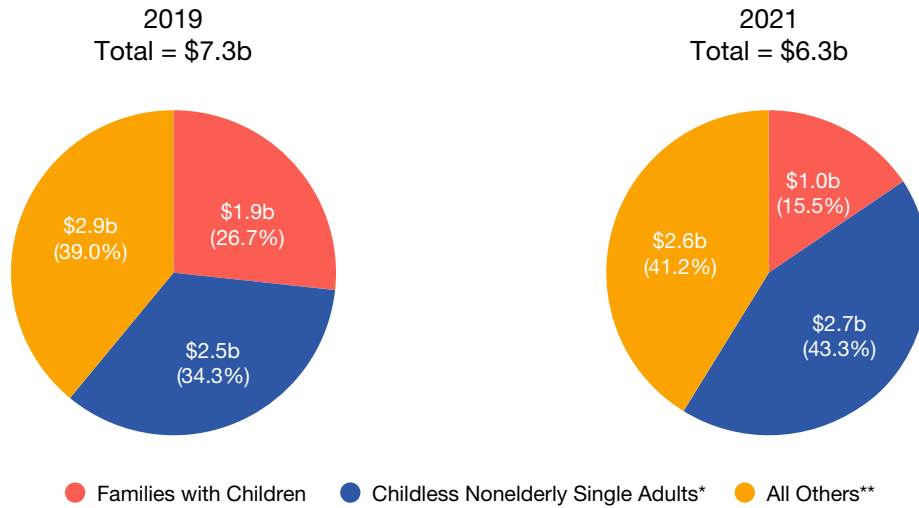
Note: Numbers in **bold** indicate a statistically significant change from the prior year.

Table 1.5 makes it clear that different families have different quantities of need. The poverty gap is the amount of resources¹³ those in poverty need to cross their poverty threshold. The total poverty gap is the sum of those gaps for all families in poverty. In 2021, the total poverty gap in New York City was \$6.3 billion. This is \$1 billion less than the poverty gap in 2019. Figure 1.16 shows that the poverty gap is not equally distributed across the population. In 2021, families with children have the smallest gap: only \$1 billion. This represents the total amount needed to end child poverty if

¹³ “Resources” continues to refer to the NYCgov Income measure of resources.

correctly distributed among families. The largest gap is found in the population with the least access to public benefits: childless nonelderly single adults.

Figure 1.16. Poverty Gap in \$ Billions, 2019 and 2021



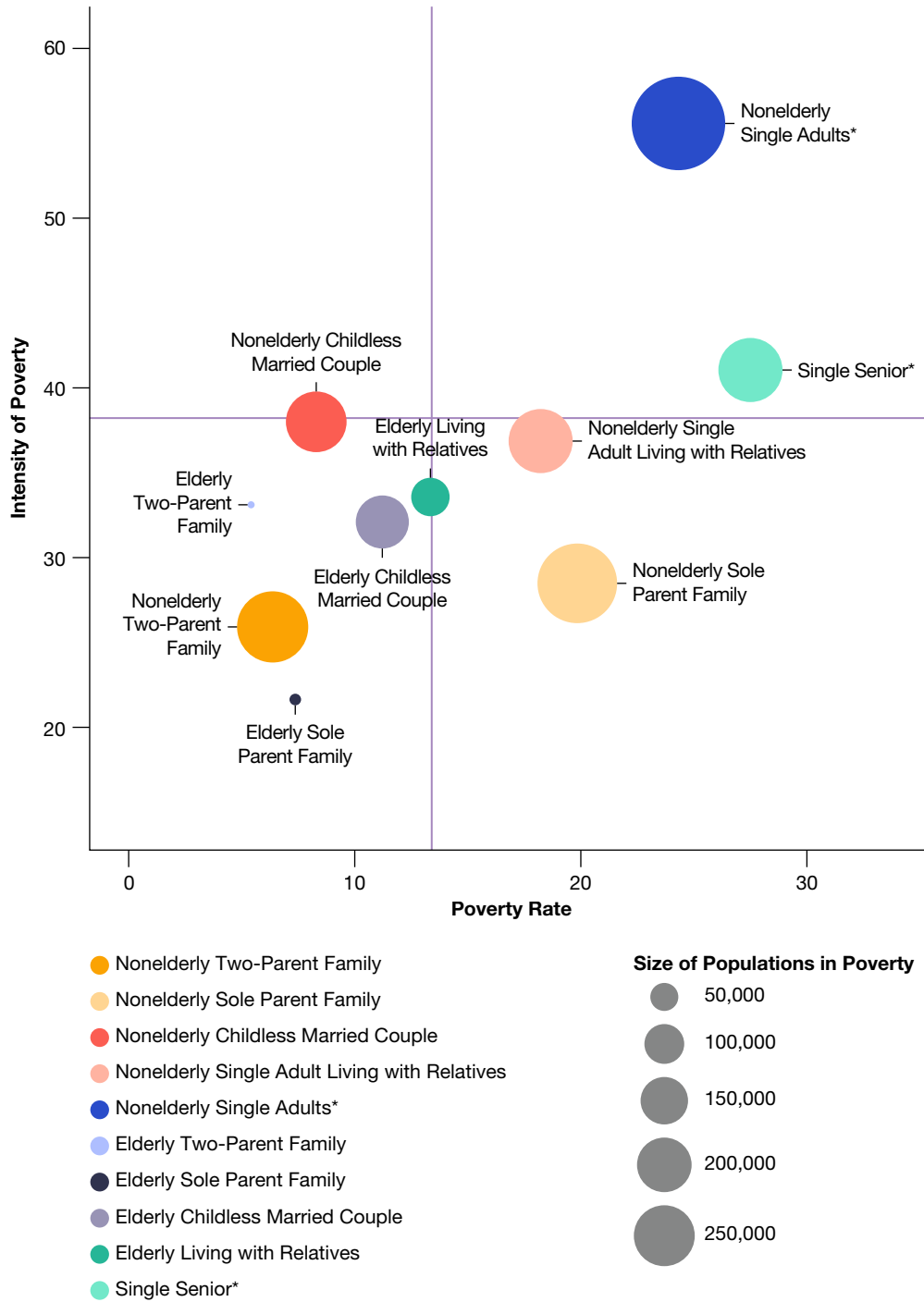
Source: 2019–2021 American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Notes: * Childless nonelderly single adults are those living alone or with unrelated individuals, excluding those living with unmarried partners.

** All others includes childless families and elderly single adults living alone or with unrelated others.

Combining the disparities in poverty rates and in degrees of poverty, Figure 1.17 shows the incidence and intensity of poverty for selected groups. The data points represent the ratio of income to the poverty threshold for members of each group. The size of the circles represents the relative size of the share of each group in poverty. For example, the bottom left quadrant includes nonelderly two-parent families. Their poverty rate is approximately 8 percent and their intensity of poverty index is approximately 25. Compare their data to single seniors in the upper right quadrant, with a poverty rate closer to 27 percent and an intensity of poverty index of 40.

Figure 1.17. Incidence and Intensity of Poverty

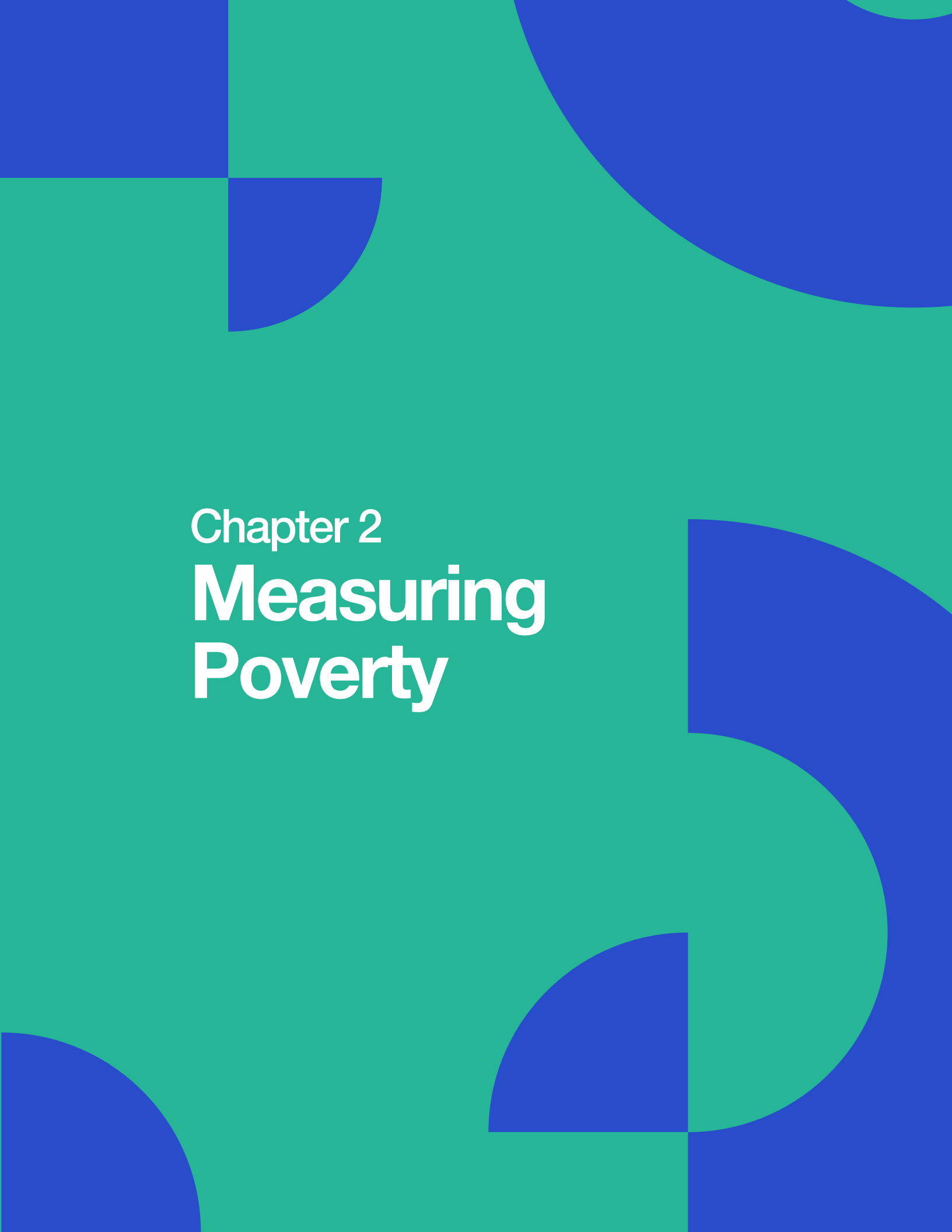


Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.
 Notes: The intensity of poverty measures the average resource gap experienced by families and individuals in poverty. The vertical purple line represents the citywide poverty rate; the horizontal purple line represents the citywide average rate for intensity of poverty.
 * Individuals living alone or with unrelated individuals, excluding those who are living with unmarried partners.

Conclusion

This chapter highlights the uniqueness of economic hardship in 2021. The year encompassed some of the worst months of the pandemic shutdown and New York City's slow reopening. This could have meant economic disaster, especially for those with limited resources. Instead, the data shows how poverty rates fell to historical lows when using a more inclusive accounting of benefits. The direct transfer of thousands of dollars in stimulus funds and tax credits provided some security against earnings loss. Expanded and more easily accessed benefits enhanced the safety net. Temporary freezes on rent increases and evictions protected renters from ongoing rent increases.

Still, disparities in poverty rates persisted. The disaggregated data shows the persistence of differences in poverty across race, ethnicity, age, family structure, geography, and other factors. But while differences remained, poverty fell by statistically significant levels for all groups examined in this chapter. Especially notable is the impact of the expanded Child Tax Credit, which reduced the child poverty rate by half in a single year, and the expanded Earned Income Credit for childless, nonelderly adults – the group with the least sturdy safety net. The Covid-19 pandemic afforded a unique window into understanding how policy affects poverty.

The background features a teal color with several overlapping blue geometric shapes, including squares and semi-circles, creating a modern, abstract design.

Chapter 2
**Measuring
Poverty**

Chapter 2

Measuring Poverty:

The NYCgov Poverty Measure Compared to the U.S. Official and the U.S. Supplemental Poverty Measures

2.1 The Need for an Alternative to the U.S. Official Poverty Measure

It has been over a half century since the development of the current U.S. official poverty measure. At its inception in the early 1960s, the income-based measure represented an important advancement and served as a focal point for the public's growing concern about poverty in the United States. Over the following decades, concern grew about the measure's adequacy. The U.S. official poverty measure contains outdated definitions of resources and of the poverty threshold: a resource measure of pre-tax cash income that is compared to a threshold equal to three times the value of a 1960s-era minimal food budget.

The official measure's poverty threshold was based on the cost of the U.S. Department of Agriculture's Economy Food Plan at the time, a diet designed for "temporary or emergency use when funds are low." Survey data available at that time indicated that families typically spent a third of their income on food, so the cost of the Economy Food Plan was simply multiplied by three to account for other needs and adjusted for family size. Since its 1963 base year, the threshold has been annually updated by changes in the Consumer Price Index.¹

This poverty threshold has little justification; it does not represent contemporary spending patterns or needs. On average, food accounted for under 13 percent of household spending in 2021. Housing was the largest single item in a typical family's budget, accounting for 33 percent of spending.²

1 Gordon M. Fisher. "The Development and History of the Poverty Thresholds." Social Security Bulletin, Volume 55, No. 4. Winter 1992.

2 Spending patterns are reported at: [https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=58276#--:text=Expenditures%20on%20food%20accounted%20for,and%20transportation%20\(16.8%20percent\)](https://www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=58276#--:text=Expenditures%20on%20food%20accounted%20for,and%20transportation%20(16.8%20percent)).

The threshold has additional shortcomings. Nationwide differences in the cost of living are disregarded. This makes the threshold particularly ill-suited to assessing poverty in New York City, where housing costs are among the highest in the United States. The threshold also remains frozen in time. It is only adjusted based on the cost of living, assuming the standard of living that defined poverty in the early 1960s remains appropriate despite significant improvements in living standards since then.

The official measure's definition of resources is simply comprised of pre-tax cash. This includes wages, salaries, and self-employment earnings; income from interest, dividends, and rents; and income families receive from public programs, if they take the form of cash. The last of these – cash payments – includes Unemployment Insurance, Social Security, Supplemental Security Income (SSI), and public assistance. Given the data available and the policies in place in the early 1960s, the resource definition was not unreasonable. But over the years, an increasing share of government efforts to support low-income families does not take the form of pre-tax cash. Support in the form of tax credits (such as the Earned Income Tax Credit or EITC) and in-kind benefits (such as housing vouchers or SNAP [Supplemental Nutrition Assistance Program] benefits) are excluded from the official resource measure. If policymakers or the public want to know how these programs affect poverty, the U.S. official measure cannot provide an answer.

2.2 Alternative Measures: The National Academy of Sciences Recommendations and the Supplemental Poverty Measure

Dissatisfaction with the U.S. official measure prompted Congress to request a study by the National Academy of Sciences (NAS), which was issued in 1995.³ That report served as the foundation of a new poverty measure created by NYC Opportunity – the NYCgov poverty measure (2008)⁴ – as well as the U.S. Supplemental Poverty Measure (SPM) created by the Census Bureau. Key elements in the NAS's report include:

- **Poverty threshold:** The threshold reflects spending on multiple necessities and is set at a portion of actual expenditures on food, clothing, shelter, and utilities (FCSU) incurred by a two-adult, two-child reference family. A small multiplier is applied to account for miscellaneous expenses and the total threshold is adjusted for family size and composition. This threshold averages five years of data and is updated annually, a method that accounts for changes in spending and living standards.
- **Resources:** On the resources side, the NAS-based measure accounts for post-tax cash income and for in-kind benefits that can be used to meet the needs represented in the threshold. This is more inclusive than the official measure of pre-tax cash, and an important addition when accounting for family resources.

³ Constance F. Citro and Robert T. Michael (eds.), *Measuring Poverty: A New Approach*. Washington, D.C.: National Academy Press, 1995. <https://www.census.gov/library/publications/1995/demo/citro-01.html>.

⁴ Until 2017, the NYCgov poverty measure was released as the "CEO Poverty Measure" under the auspices of the New York City Center for Economic Opportunity (CEO), now the Mayor's Office for Economic Opportunity (NYC Opportunity).

Families also have nondiscretionary expenses that reduce the income they have available to meet the FCSU needs represented by the threshold. These include work-related costs (commuting and childcare) and medical out-of-pocket expenditures (MOOP). These expenditures are deducted from total resources because dollars spent on these items reduce the resources available to meet the needs defined in the threshold.

The NYCgov Poverty Measure

The first estimate of poverty in New York City — the NYCgov poverty measure, released in 2008 — included data from 2005–2008. It was based on the NAS recommendations and modified over time to include newer estimation techniques and to keep pace with changes in the SPM.

To estimate the resources available to meet the needs represented by the threshold, NYC Opportunity employs the Public Use Micro Sample (PUMS) from the U.S. Census Bureau’s American Community Survey (ACS) as its principal data set. The advantages of this survey for local poverty measurement are numerous. The ACS is designed to provide measures of socioeconomic conditions on an annual basis in states and larger municipalities. It offers a robust sample for New York City (25,885 households in 2021) and contains essential information about household composition, family relationships, and cash income from a variety of sources. Not all of the information needed to estimate resources as recommended by the NAS is available in the ACS. Instead, the NYCgov measure incorporates a variety of internally developed models that estimate the effects of taxation, nutrition and housing assistance, work-related expenses, and MOOP on total family resources and poverty status. The resulting data set is referenced in this report as the “American Community Survey Public Use Micro Sample as augmented by NYC Opportunity” (see box below).

The American Community Survey

The American Community Survey (ACS) is conducted as a rolling sample gathered over the course of a calendar year. Approximately one-twelfth of the total sample is collected each month. Respondents are asked to provide information on work experience and income during the 12 months prior to the time they are included in the sample. Households surveyed in January of 2021, for example, would report their income for the 12 months of 2020; households surveyed in February of 2021 would report their income for February 2020 through January 2021, and so on. Consequently, estimates for poverty rates derived from the 2021 ACS do not, strictly speaking, represent a 2021 poverty rate. Rather, the poverty rate is derived from a survey that was fielded in 2021. Readers should bear in mind this difference as they interpret the findings in this report.

NYC Opportunity’s estimate of family resources is noted as “NYCgov Income.” The following is a brief description of how income items are estimated. Additional details about each component can be found in this report’s technical appendices.⁵

Housing Adjustment. The high cost of housing makes New York City an expensive place to live. As noted above, the NYCgov poverty threshold reflects that reality in its estimate of the market rate for housing. However, some New Yorkers spend less than market rate to secure adequate housing. Many of the city’s low-income families live in public housing or receive a subsidy, such as a Section 8 housing voucher. A large share of New York City’s renters across the income spectrum live in rent-regulated apartments. Some homeowners have paid off their mortgages and own their homes free and clear.

These are some examples of why city residents may be paying below the market rate estimated in the NYCgov threshold. An upward adjustment is made to these families’ incomes to reflect such advantages. For families living in below-market-rate housing units, the adjustment is the difference between the housing portion of the NYCgov threshold and their out-of-pocket housing costs. This adjustment is capped so it cannot exceed the housing portion of the NYCgov threshold.

The ACS does not provide data on housing program participation. To determine which households in the ACS could be participants in rental subsidy or regulation programs, households in the Census Bureau’s New York City Housing and Vacancy Survey (HVS) are matched with statistically similar household-level records in the ACS. (See Appendix C.)

Taxation. The NYCgov tax simulation creates tax filing units within ACS households. These units represent filers and dependents on each tax return filed in a household. A simulated tax return computes adjusted gross income, taxable income, and tax liability; it then estimates net income taxes, including tax credits. The model estimates federal, New York State, and New York City income tax programs, including credits designed to aid low-income filers such as the EITC, Child Tax Credit, Childcare Tax Credit, and more. The simulation also includes deductions for FICA, the federal payroll tax that funds Social Security and Medicare. (See Appendix D.)

Nutrition Assistance. Nutrition assistance includes SNAP; the National School Lunch program; the School Breakfast Program; and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). To estimate SNAP benefits, NYC Opportunity makes use of New York City Department of Social Services (DSS) SNAP records and imputes data from administrative SNAP cases to potential recipient units constructed within census households. Each dollar of SNAP benefits is counted as a dollar added to family income.

⁵ See New York City Government Poverty Measure technical appendices 2021: <https://www.nyc.gov/site/opportunity/poverty-in-nyc/poverty-measure.page>.

Estimates of school meals programs have changed with City policy. The earliest releases of the NYCgov poverty measure estimated free, reduced, and full-price school meals. School breakfasts and school lunches have been universally free in New York City schools as of the 2017 school year. The value of the programs assigned to recipients follows the Census Bureau's method of using the per-meal cost of the subsidy.

WIC participants are identified by matching enrollment in the program to participation estimates from the New York State Department of Health. Benefits are calculated using the average benefit level per participant calculated by the U.S. Department of Agriculture. (See Appendix E.)

Home Energy Assistance Program. The Home Energy Assistance Program (HEAP) helps low-income households to pay for heating and cooling their homes. In New York City, households that receive cash assistance, SNAP, or are composed of a single person receiving SSI benefits are categorically eligible for the program. Other low-income households can apply for HEAP, but administrative data indicates that nearly all HEAP households enter the program through their participation in other benefit programs. HEAP-receiving households are therefore first identified by their participation in public assistance, SNAP, or SSI, and the appropriate benefit is added to their income. (See Appendix F.)

Work-Related Expenses (Transportation and Childcare). Since workers generally travel to and from their jobs, the cost of that travel is treated as a nondiscretionary expense. The number of trips a worker makes per week is estimated based on their usual weekly hours. The cost per trip is calculated using information in the ACS about mode of transportation, combined with administrative data for transit fares and tolls. Weekly commuting costs are computed by multiplying the cost per trip by the number of trips per week. Annual commuting costs equal weekly costs times the number of weeks worked over the past 12 months.

Families with working parents must often pay for the care of their young children. The NYCgov poverty measure treats such childcare expenses as a nondiscretionary reduction in income similar to that of transportation to work. Because the ACS provides no information on childcare spending, NYC Opportunity created an imputation model that matches weekly childcare expenditures reported in the Census Bureau's Survey of Income and Program Participation (SIPP) to similar working families with children in the ACS data set. Childcare costs are restricted to the percentage of the year the parents worked and are capped by the earned income of the lowest earning parent. (See Appendix G.)

Medical Out-of-Pocket Expenditures. The cost of medical care is also treated as a nondiscretionary expense that limits the ability of families to attain the standard of living represented by the poverty threshold. MOOP includes health insurance premiums, co-pays, and deductibles, as well as the cost of medical services that are not covered by insurance. In a manner similar to that used for childcare, an imputation model matches MOOP expenditures of families included in the Agency for Healthcare Research and Quality’s Medical Expenditure Panel Survey (MEPS) to similar families in the ACS sample. (See Appendix H.)

2.3 Comparing Poverty Rates

The NYCgov poverty measure and the federal SPM are both derived from the original NAS recommendations from the 1990s. Over the past decade, both measures have made technical changes in how resources and thresholds are estimated. The most salient differences between the two measures are:⁶

- The SPM uses the national Current Population Survey (CPS) as its primary data source while the NYCgov measure uses the ACS for New York City because of its detailed data at the local level. The two surveys contain different data and the SPM requires fewer imputations of resources.
- The SPM relies on three different poverty thresholds based on differences in housing costs for renters and for homeowners with and without a mortgage. The NYCgov measure uses a single threshold based on weighted averages of data used in the SPM thresholds and adjusted for the higher cost of rental units in New York City.⁷ In 2021, the NYCgov poverty threshold of \$40,288 was greater than the SPM renter threshold of \$31,453.⁸ The ACS does not provide data on housing program participation. To determine which households in the ACS could be participants in rental subsidy or regulation programs, households in the Census Bureau’s New York City Housing and Vacancy Survey (HVS) are matched with household-level records in the ACS, and the subsidy or rent regulation status of HVS households is imputed into the matched ACS households. (See Appendix C.)

⁶ The SPM methodology is detailed in Appendix B of Creamer et. al., “Poverty in the United States, 2021,” Current Population Reports, P60-277, U.S. Census Bureau, U.S. Government Publishing Office: Washington, D.C., September 2022. <https://www.census.gov/content/dam/Census/library/publications/2022/demo/p60-277.pdf>.

⁷ Details can be found in Appendix B of this report. See: https://www.nyc.gov/site/opportunity/poverty-in-nyc/poverty-measure_page.

⁸ See: https://www.bls.gov/pir/spm/spm_thresholds_2021.htm.

The box below summarizes different methods of poverty measurement.

Measures of Poverty

Official: The current U.S. official poverty measure was developed in the early 1960s. It consists of a set of thresholds that were based on the cost of a minimum diet at that time. A family's pre-tax cash income is compared against the threshold to determine whether its members are poor.

NAS: At the request of Congress, the National Academy of Sciences (NAS) issued a set of recommendations for an improved poverty measure in 1995. The NAS threshold represents the need for clothing, shelter, and utilities, as well as food. The NAS income measure accounts for taxation and the value of in-kind benefits.

SPM: In March 2010, the Obama administration announced that the U.S. Census Bureau, in cooperation with the Bureau of Labor Statistics, would create a Supplemental Poverty Measure (SPM) based on the NAS recommendations, subsequent research, and a set of guidelines proposed by an Interagency Working Group. The first report on poverty using this measure was issued by the Census Bureau in November 2011.

NYCgov: The Mayor's Office for Economic Opportunity released its first report on poverty in New York City in August 2008. The NYCgov poverty measure is largely based on the NAS recommendations, with modifications based on the guidelines from the Interagency Working Group and adopted in the SPM.

Table 2.1 compares the poverty rates and thresholds of the NYCgov measure to the U.S. official measure and to the SPM. The table shows a critical difference in the two ways of measuring poverty. The NYCgov measure at the city level and the SPM at the national level both show large and statistically significant drops in the poverty rate from 2019 to 2021. Both measures account for Covid-19 pandemic relief benefits. In New York City, these programs contributed to a 5.3 percentage point decline in the poverty rate. This represents over 400,000 New Yorkers who moved out of poverty during the pandemic. The official measure, because it does not include most of the pandemic benefits, shows a statistically significant increase in the poverty rate for New York City.

Table 2.1. Change in Poverty Rates and Thresholds: NYCgov, U.S. Official, and SPM, 2019–2021

	2019	2021	Percentage Point or Dollar Change 2019–2021
A. New York City, NYCgov			
Poverty Rate	18.7%	13.4%	-5.3
Threshold	\$38,337	\$40,288	\$1,951
B. New York City, U.S. official			
Poverty Rate	14.5%	16.3%	1.8
Threshold	\$25,926	\$27,479	\$1,553
C. National Poverty Rate, SPM			
Poverty Rate*	11.7%	7.8%	-3.9
Threshold	\$29,183	\$31,453	\$2,270

Sources: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity. Official poverty rates for New York City are based on the NYCgov poverty universe and unit of analysis and differ from published U.S. poverty data. SPM poverty rates are from Creamer et. al., 2022. See: <https://www.census.gov/content/dam/Census/library/publications/2022/demo/p60-277.pdf>.

Notes: Changes are measured in percentage points. Changes for NYCgov rates are taken from unrounded numbers; those in **bold** type are statistically significant.

* The SPM is not available at the city level. SPM thresholds shown here are the combined weighted average of shares by household tenure. They can be found at: https://www.bls.gov/pir/spm/spm_thresholds_2021.htm.

A notable difference between the official measure and alternatives is the outcomes in poverty rates by age and the distribution of poverty rates based on the ratio of incomes to the threshold, in particular, the portions of the population deemed to be in extreme poverty and near poverty.

Table 2.2 provides 2021 poverty rates by age. The poverty rates are broken out by degrees of poverty:

- **In Poverty:** Those with resources below their poverty threshold (the most common poverty rate)
- **Deep Poverty:** Those with resources only equal to less than 50 percent of their poverty threshold
- **Near Poverty:** Those not in poverty but with resources no greater than 150 percent of their poverty threshold

In each section of the table, Panel A reports the data for the United States while Panel B reports the data for New York City.

Table 2.2. Poverty Rates by Degree and Age Group in 2021 Using Different Measures
(Numbers Are Percent of the Population)

1. In Poverty			
A. United States			
	Official	SPM	Percentage Point Difference
Total	11.6%	7.8%	-3.8
Under 18	15.3%	5.2%	-10.1
18 through 64	10.5%	7.9%	-2.6
65 and Older	10.3%	10.7%	0.4
B. New York City			
	Official	NYCgov	Percentage Point Difference
Total	16.3%	13.4%	-2.9
Under 18	22.3%	10.5%	-11.8
18 through 64	14.1%	13.6%	-0.5
65 and Older	17.0%	16.7%	-0.3

2. Deep Poverty			
A. United States			
	Official	SPM	Percentage Point Difference
Total	5.5%	2.9%	-2.6
Under 18	7.2%	1.4%	-5.8
18 through 64	5.3%	3.1%	-2.2
65 and Older	4.2%	4.1%	-0.1
B. New York City			
	Official	NYCgov	Percentage Point Difference
Total	7.5%	4.2%	-3.3
Under 18	10.9%	1.7%	-9.2
18 through 64	7.0%	5.0%	-2.0
65 and Older	5.1%	4.5%	-0.6

Continued on the following page

Table 2.2. (continued) Poverty Rates by Degree and Age Group in 2021 Using Different Measures
(Numbers Are Percent of the Population)

3. Near Poverty			
A. United States			
	Official	SMP	Percentage Point Difference
Total	19.4%	7.9%	-11.5
Under 18	25.3%	10.0%	-15.3
18 through 64	17.2%	6.7%	-10.5
65 and Older	19.6%	9.3%	-10.3
B. New York City			
	Official	NYCgov	Percentage Point Difference
Total	9.2%	21.8%	12.6
Under 18	12.4%	27.2%	14.9
18 through 64	7.8%	20.1%	12.3
65 and Older	10.6%	21.4%	10.8

Sources: U.S. Census Bureau and the American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Notes: Differences are measured in percentage points and are taken from unrounded numbers. Official poverty rates reported in Panel B are based on the NYCgov poverty universe and unit of analysis.

Age. Child poverty fell to historical lows in 2021 largely due to the expanded Child Tax Credit and EITC. In New York City, child poverty was halved from 2019, resulting in a child poverty rate of 10.5 percent in 2021. Nationally, the SPM child poverty rate fell by 60 percent, with only 5.2 percent of children in poverty. The official poverty measure misses the importance of this moment. Section 1 of Table 2.2 shows official child poverty rates notably higher than SPM and NYCgov poverty rates. The NAS-based measures (NYCgov and SPM) highlight the effectiveness of government benefit programs – many of which are targeted toward families with children and always estimate a lower child poverty rate. In 2021, the unprecedented impact of the Child Tax Credit magnified these differences.

Elder poverty is usually higher when estimated with NAS-based measures because of the deduction of MOOP from income. In 2021 this spending was offset by stimulus benefits, resulting in all three measures showing similar poverty rates for those over 65.

Degrees of Poverty. Section 2 of Table 2.2 compares deep poverty rates for the United States and New York City by age using official, SPM, and NYCgov measures. In most years, a smaller fraction of the nation’s population is in deep poverty when alternative poverty measures are used. For the nation and the city, the largest

difference between the official and alternative measures of deep poverty in 2021 is in the child poverty rate, with deep poverty among children under 2 percent in the city and the nation when benefits were included as a resource.

Section 3 of Table 2.2 reports the share of the U.S. and New York City population that is in near poverty (those living with resources between 100 and 150 percent of their poverty threshold). In most years the SPM and NYCgov measures place a much larger share of the population in near poverty than does the U.S. official measure. The income band that defines near poverty in the alternative measures is greater than that of the official measure. In 2021 the situation changed; near poverty rates in the SPM were notably lower than the official near poverty rates. This showed the general effect of pandemic benefits in the United States: assistance that was enough not only to move people out of poverty but also to move people out of near poverty.

The NYCgov rate, in contrast, categorizes a much larger share of the population as near poor than the official or SPM measures, despite pandemic benefits. The income band that defines near poverty is based on the threshold that includes the extra cost of housing in New York City. In this case, pandemic benefits drew much of the population out of poverty, leaving them above, but close to, their poverty thresholds.

The background features a solid light blue color with several large, dark blue geometric shapes. These include large circular segments and a small solid circle, all arranged in a non-repeating, abstract pattern.

Chapter 3
**Detailed
Data Tables**

Chapter 3

Detailed Data Tables

This chapter provides supplementary information that complements the data presented in Chapter 1. The data here follows the same broad trend, namely that the share of people in poverty in 2021 declined and Covid-19 pandemic-related policies were the primary reason.

3.1 Poverty by Individual and Family Characteristics

Consistent trends in the data have been present since this report's initial publication, starting with data from 2005. These trends are highlighted below as they regularly inform NYC Opportunity's work in anti-poverty policy.

Educational Attainment. For working-age adults, the probability of being in poverty is inversely proportional to educational attainment. An individual with less than a high school education is, on average, over four times more likely to be in poverty than an individual with a bachelor's or more advanced degree.

Race, Ethnicity, and Gender. Poverty rates consistently differ by race and by gender. The poverty rate for males is, on average, several percentage points lower than the poverty rate for women. The share of White people in poverty is lower than shares for other races or ethnicities.¹

Citizenship Status. The poverty rate for non-citizens is substantially higher than poverty rates for citizens by birth and naturalized citizens.²

¹ Chapter 1, Figure 1.5 illustrated some of these differences, with poverty rates broken out by combined race and gender categories.

² More information on the non-citizen poverty rate is available in the February 2020 NYC Opportunity report, "An Economic Profile of Immigrants in New York City." See: <https://www1.nyc.gov/site/opportunity/reports/immigrant-economic-profile.page>.

Work Experience / No Work. Families with no workers have the highest poverty rate of any group. This rate has remained unchanged since 2005, with the exception of 2021 when non-work-related pandemic benefits dropped their poverty rate by 9 percentage points from 2019. The sole source of income in the NYCgov model for these families is public benefits – a level of resources far below the poverty threshold but consistent over time relative to the cost of necessities in the threshold.

The tables in Section 3.1 are organized so readers can readily track changes over time. The first set of columns in the tables provide poverty rates for each group, followed by comparisons of the changes from 2019 to 2021.³ Statistically significant changes are identified in bold type. Each row’s final column provides context by noting the subgroup’s share of the citywide population.

Table 3.1 shows poverty rates by demographic characteristics. Table 3.2 reports poverty rates by family composition and work experience. Text boxes adjacent to the tables explain how the categories of Race and Ethnicity, Family, and Work Experience are used in this report.

Race and Ethnicity

Race and Ethnicity categories are constructed by NYC Opportunity from U.S. Census data as follows: First, individuals are categorized by ethnicity into Non-Hispanic and Hispanic groups; Non-Hispanic individuals are then categorized by race. Three racial categories are used: Asian, Black, and White. Each includes people who identify themselves as members of only one racial group. This sorting omits the approximately 5 percent of the New York City population that is Non-Hispanic and multi-racial or Non-Hispanic and a member of another race, such as Native American. This residual category is omitted from Table 3.1.

³ As reported in the Introduction and Chapter 1, poverty rates prior to 2019 are based on a different threshold and are not a useful comparison. Poverty rates from 2020 are affected by pandemic-related data quality issues.

Table 3.1. NYCgov Poverty Rates for Persons, by Demographic Characteristic, 2019–2021
(Numbers Are Percent of the Population)

	2019	2021	Percentage Point Difference 2019–2021	Group Share of 2021 Population
Total New York City	18.7	13.4	5.3	100.0
Gender				
Males	17.5	12.4	5.1	47.9
Females	19.8	14.4	5.5	52.1
Age Group				
Under 18	21.8	10.5	11.3	21.1
18 through 64	16.7	13.6	3.1	62.9
65 and Older	23.1	16.7	6.4	16.1
Children (Under 18), by Presence of Parent				
One Parent	36.2	20.3	15.9	32.6
Two Parents	14.5	5.8	8.7	67.4
Race/Ethnicity				
Non-Hispanic Asian	21.7	14.6	7.1	14.5
Non-Hispanic Black	20.7	16.5	4.3	20.0
Hispanic, Any Race	23.3	15.8	7.5	29.2
Non-Hispanic White	12.0	8.8	3.2	30.9
Nativity/Citizenship				
Citizen by Birth	17.5	12.1	5.4	63.2
Naturalized Citizen	18.9	13.1	5.8	21.9
Not a Citizen	23.5	19.5	4.1	14.9
Working Age Adults (18 through 64), by Educational Attainment*				
Less than High School	29.0	22.0	7.0	13.8
High School Degree	21.8	16.2	5.6	22.9
Some College	15.7	15.6	0.2	20.2
Bachelor's Degree or Higher	7.2	6.9	0.2	43.1
Working Age Adults (18 through 64), by Work Experience in Past 12 Months*, **				
Full-Time, Year-Round	6.4	2.9	3.5	50.1
Some Work	21.8	17.2	4.6	26.5
No Work	38.5	29.6	9.0	23.5

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Notes: Differences are taken from unrounded numbers; those in **bold** type are statistically significant. Shares may not sum to 100 percent due to rounding error. Data for the year 2020 is excluded due to concerns related to data quality.

* Category excludes people enrolled in school.

** A change in the aggregation of work hours starting in the 2019 ACS into a new variable (WKWN) affects the comparability of estimates of work hours between 2019 and prior years. See text box for definition of work experience categories.

Family

“Family,” as used in the NYCgov poverty measure, is the “poverty unit” – people living together who share expenses and pool resources. This includes related individuals as well as unmarried partners, their children, and others who appear to be economically dependent on household members even if they are not kin.

Not everyone is in a family or poverty unit with others. Unrelated individuals are people who do not have family members or unmarried partners in the household. This includes those who live alone (the typical case) and those living with others, such as roommates or boarders, who are treated as economically independent from the people they live with. Unrelated individuals are treated as one-person poverty units (solely reliant on their own resources).

Work Experience of the Family

Work Experience of the Family categories are constructed by summing the number of hours worked in the prior 12 months by people 18 years of age and older for each family. Families with over 3,500 hours of work are labeled as having the equivalent of “Two Full-Time, Year-Round Workers.” Families with 2,341 through 3,499 hours are labeled “One Full-Time, Year-Round and One Part-Time Worker.” Families with at least 1,750 through 2,340 hours are identified as “One Full-Time, Year-Round Worker.” Families with at least one hour of work, but less than 1,750 hours, are called “Less than One Full-Time, Year-Round Worker.” Finally, there are families that have “No Work.”

We use the same definition of family throughout the report: people in the household who share resources and expenses by virtue of their relationship to each other. Using this definition, a family can be one person or many, with or without children.

Table 3.2. NYCgov Poverty Rates for Persons Living in Various Family Types, 2019–2021
(Numbers Are Percent of the Population)

	2019	2021	Percentage Point Difference 2019–2021	Group Share of 2021 Population
Total New York City	18.7	13.4	5.3	100.0
A. Family Composition				
Married/Unmarried Partner*				
No Children under 18	11.5	9.4	2.1	25.1
With Children under 18	13.9	6.3	7.6	31.1
Single Head of Household				
No Children under 18	17.6	16.7	0.9	12.1
With Children under 18	31.8	18.5	13.3	13.3
Single Mother Family with Children under 18	33.1	19.5	13.6	11.5
All Families with Children under 18	19.5	10.0	9.5	44.4
Unrelated Individuals	26.8	25.2	1.6	18.4
B. Work Experience of the Family**				
Two Full-Time, Year-Round Workers	4.3	1.5	2.8	30.5
One Full-Time, Year-Round, One Part-Time Worker	11.6	4.1	7.5	14.1
One Full-Time, Year-Round Worker	16.1	6.0	10.1	22.7
Less than One Full-Time, Year-Round Worker	38.9	27.8	11.1	16.8
No Work	51.9	40.1	11.8	15.9

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Notes: Differences are taken from unrounded numbers; those in **bold** type are statistically significant. Shares may not sum to 100 percent due to rounding error. Data for the year 2020 is excluded due to concerns related to data quality.

* In the NYCgov measure, unmarried partners are treated as spouses. See text for explanation.

** See text for explanation of work experience categories.

3.2 Poverty in New York City by Geography

Poverty rates by borough can be found in Table 3.3. Poverty rates by community district (CD) and neighborhood⁴ are reported in Table 3.4. CDs are close approximations to Public Use Microdata Areas (PUMAs) – the smallest geographical areas identified in the American Community Survey (ACS) microdata.⁵ The U.S.

⁴ Neighborhoods are adopted from the New York City PUMAs and Community Districts map published by the New York City Department of City Planning.

⁵ Most PUMAs are coterminous with community districts. In the case where a CD does not meet the minimum population requirement for a PUMA, two PUMAs had to be combined.

Census Bureau sets the minimum PUMA population requirement at 100,000 people. This relatively small sample size makes it difficult to generate meaningful one-year estimates for CDs. Instead, five years of data is averaged for a more reliable estimate, which provides margins of error for the poverty rate in each CD. The five-year (2017–2021) citywide average poverty rate derived from the combined file is 17.4 percent.⁶ Data for 2020 is included in this five-year estimate, although the margin of error is greater.⁷

Table 3.3. NYCgov Poverty Rates by Borough, 2019–2021

(Numbers Are Percent of the Population)

	2019	2021	Percentage Point Difference 2019–2021	Group Share of 2021 Population
Bronx	27.0	17.0	0.1	16.6
Brooklyn	20.1	14.1	0.2	31.4
Manhattan	13.7	12.2	1.4	18.3
Queens	16.9	12.3	0.1	27.8
Staten Island	12.7	9.3	3.3	5.9

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Notes: Differences are taken from unrounded numbers; those in **bold** type are statistically significant. Shares may not sum to 100 percent due to rounding error. Data for the year 2020 is excluded due to concerns related to data quality.

⁶ Chapter 1, Table 1.2 expanded on the differences in community poverty rates by looking at the racial and ethnic composition of the five CDs with the highest and lowest poverty rates.

⁷ The larger margin of error stems from inherent data quality issues in the 2020 American Community Survey. Information on the loss of accuracy in the ACS five-year averages can be found at: <https://www.census.gov/programs-surveys/acs/technical-documentation/user-notes/2022-04.html>

Table 3.4. NYCgov Poverty Rates by Community District (CD)/Neighborhood, 2017–2021

Citywide Poverty Rate, 5-Year Average = 17.4% (+/-0.2%)

CD	Neighborhood	5-Year Average Poverty Rate	Margin of Error	CD	Neighborhood	5-Year Average Poverty Rate	Margin of Error
Bronx				Manhattan			
1 and 2	Hunts Point, Longwood and Melrose	29.3	+/-2.7%	1 and 2	Battery Park City, Greenwich Village and Soho	7.4	+/-0.9%
3 and 6	Belmont, Crotona Park East and East Tremont	27.1	+/-2.4%	3	Chinatown and Lower East Side	22.1	+/-1.8%
4	Concourse, Highbridge and Mount Eden	27.1	+/-2.5%	4 and 5	Chelsea, Clinton and Midtown Business District	10.7	+/-1.4%
5	Morris Heights, Fordham South and Mount Hope	32.6	+/-2.2%	6	Murray Hill, Gramercy and Stuyvesant Town	8.7	+/-1.6%
7	Bedford Park, Fordham North and Norwood	28.3	+/-2.7%	7	Upper West Side and West Side	9.5	+/-1.4%
8	Riverdale, Fieldston and Kingsbridge	17.0	+/-2.3%	8	Upper East Side	7.3	+/-1%
9	Castle Hill, Clason Point and Parkchester	25.8	+/-1.9%	9	Hamilton Heights, Manhattanville and West Harlem	19.7	+/-2.2%
10	Co-op City, Pelham Bay and Schuylerville	14.8	+/-1.7%	10	Central Harlem	19.5	+/-2.3%
11	Pelham Parkway, Morris Park and Laconia	17.7	+/-1.6%	11	East Harlem	24.1	+/-2.3%
12	Wakefield, Willamsbridge and Woodlawn	19.1	+/-1.9%	12	Washington Heights, Inwood and Marble Hill	16.6	+/-1.7%
Brooklyn				Queens			
1	Greenpoint and Williamsburg	16.0	+/-1.9%	1	Astoria and Long Island City	14.6	+/-1.3%
2	Brooklyn Heights and Fort Greene	11.0	+/-1.3%	2	Sunnyside and Woodside	13.6	+/-1.4%
3	Bedford-Stuyvesant	19.4	+/-1.9%	3	Jackson Heights and North Corona	19.8	+/-1.8%
4	Bushwick	22.2	+/-2.1%	4	Elmhurst and South Corona	18.4	+/-2%
5	East New York and Starrett City	22.6	+/-2.2%	5	Ridgewood, Glendale and Middle Village	14.6	+/-1.2%
6	Park Slope, Carroll Gardens and Red Hook	7.9	+/-0.9%	6	Forest Hills and Rego Park	12.6	+/-1.7%
7	Sunset Park and Windsor Terrace	19.1	+/-1.8%	7	Flushing, Murray Hill and Whitestone	21.9	+/-1.6%
8	Crown Heights North and Prospect Heights	18.2	+/-1.8%	8	Briarwood, Fresh Meadows and Hillcrest	16.2	+/-1.9%
9	Crown Heights South, Prospect Lefferts and Wingate	19.7	+/-2.3%	9	Richmond Hill and Woodhaven	16.2	+/-1.8%
10	Bay Ridge and Dyker Heights	16.7	+/-1.9%	10	Howard Beach and Ozone Park	14.2	+/-1.6%

Continued on the following page

Table 3.4. (continued) NYCgov Poverty Rates by Community District (CD)/Neighborhood, 2017–2021
Citywide Poverty Rate, 5-Year Average = 17.4% (+/-0.2%)

CD	Neighborhood	5-Year Average Poverty Rate	Margin of Error	CD	Neighborhood	5-Year Average Poverty Rate	Margin of Error
Brooklyn				Queens			
11	Bensonhurst and Bath Beach	21.9	+/-1.8%	11	Bayside, Douglaston and Little Neck	11.5	+/-1.5%
12	Borough Park, Kensington and Ocean Parkway	24.4	+/-1.9%	12	Jamaica, Hollis and St Albans	16.2	+/-1.1%
13	Brighton Beach and Coney Island	20.1	+/-1.7%	13	Queens Village, Cambria Heights and Rosedale	10.1	+/-1.2%
14	Flatbush and Midwood	16.9	+/-1.5%	14	Far Rockaway, Breezy Point and Broad Channel	14.9	+/-1.9%
15	Sheepshead Bay, Gerritsen Beach and Homecrest	16.9	+/-1.5%	Staten Island			
16	Brownsville and Ocean Hill	27.1	+/-2.3%	1	Port Richmond, Stapleton and Mariner's Harbor	16.8	+/-1.6%
17	East Flatbush, Farragut and Rugby	16.5	+/-1.6%	2	New Springville and South Beach	11.6	+/-1.6%
18	Canarsie and Flatlands	13.4	+/-1.2%	3	Tottenville, Great Kills and Annadale	11.2	+/-1.6%

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Note: Poverty rates shown are the average over the 2017–2021 period.

3.3 The Degree of Poverty, Poverty Gap, and Poverty Surplus

Chapter 1 pointed out differences that exist among people in poverty: Table 1.5 looked at the distribution of poverty by its distance from the threshold – ranging from below 50 percent of the threshold up to 200 percent above it. Figure 1.16 showed the poverty gap (the amount of resources needed to cross the poverty threshold) by family type – both indicators of vulnerability and economic insecurity. Sections 3.1 and 3.2 above demonstrated how the risk of being in poverty differs across groups and by location.

Table 3.5 in this section provides additional information about the poverty gap and the poverty surplus, again by family type. It includes the Poverty Gap Index, a more accurate metric to measure the intensity of poverty by comparing poverty gaps while accounting for differences in thresholds based on family size.

Measuring the Intensity of Poverty: Poverty Gap, Poverty Surplus, Poverty Gap Index

Poverty Gap

The **poverty gap** for families is the difference between family resources (NYCgov income) and the poverty threshold – when resources are less than the threshold. For example, a two-adult, two-child family with annual resources of \$38,288 and a poverty threshold of \$40,288 has a poverty gap of \$2,000. Similarly, a single-parent family with one child, annual resources of \$26,176, and a poverty threshold of \$28,176 has a poverty gap of \$2,000. For families with resources above the poverty threshold, the gap is zero.

For the city, the poverty gap measure is the sum of poverty gaps across all families in poverty – the minimal cost needed to bring all those deemed poor above the poverty threshold.

Poverty Surplus

The **poverty surplus** for families is the difference between family resources (NYCgov income) and the poverty threshold – when resources are greater than the threshold. For example, a two-adult, two-child family with annual resources of \$42,288 and a poverty threshold of \$40,288 has a poverty surplus of \$2,000. The citywide surplus measure is the average per capita surplus for families that are between 100 and 200 percent of the poverty threshold. The surplus is most relevant as an indicator of the average economic cushion for families near the poverty line.

Poverty Gap Index

The **poverty gap index** is an indicator of the intensity of the experience of being “in poverty.” It can differ depending on how far away from the poverty threshold a family is. The poverty gap index quantifies this, accounting for differences in thresholds across family sizes. At the family level, the poverty gap index is calculated as the poverty gap divided by the poverty threshold. For instance, the two-adult, two-child family’s poverty gap described above has resources equal to 95 percent of the threshold and a poverty gap index of 5 percent ($\$2,000/\$40,288$); the single-parent, one-child family in that example has resources amounting to only 93 percent of their threshold and a poverty gap index of 7 percent ($\$2,000/\$28,176$). This example shows that although both families are in poverty and have the same poverty gap, deprivation is more intense for the single-parent family. The larger the poverty gap index value, the greater the need. Family-level poverty gap index values are aggregated to generate the citywide poverty gap index.

Table 3.5. New York City Poverty Gap and Poverty Surplus, 2019–2021

Panel A			
All NYC Residents	2019	2021	Change 2019–2021
Poverty Gap (\$ billions)	\$7.30	\$6.35	-\$0.96
Average \$ Below Poverty Line among Families in Poverty	\$9,702	\$10,123	\$421
Number of Families in Poverty	752,849	626,879	-125,970
Poverty Gap Index (%)*	6.68	5.14	-1.54
Average Surplus \$, at 100–200% of Poverty Threshold	\$13,104	\$14,782	\$1,679
Panel B			
Families with Children	2019	2021	Change 2019–2021
Poverty Gap (\$ billions)	\$1.95	\$0.99	-\$0.96
Average \$ Below Poverty Line among Families in Poverty	\$11,519	\$10,366	-\$1,154
Number of Families in Poverty	169,191	95,039	-74,152
Poverty Gap Index (%)*	5.85	2.81	-3.04
Average Surplus \$, at 100–200% of Poverty Threshold	\$16,765	\$20,763	\$3,998
Panel C			
Single, Nonelderly Adults Living Alone or with Unrelated Individuals	2019	2021	Change 2019–2021
Poverty Gap (\$ billions)	\$2.50	\$2.75	\$0.25
Average \$ Below Poverty Line Among Families in Poverty	\$9,453	\$10,366	\$914
Number of Families in Poverty	264,777	265,162	385
Poverty Gap Index (%)*	12.31	13.49	1.18
Average Surplus \$, at 100–200% of Poverty Threshold	\$8,017	\$8,359	\$342

Source: American Community Survey Public Use Micro Sample as augmented by NYC Opportunity.

Note: The poverty gap is total assistance needed to bring this group out of poverty (\$ billions). Data for the year 2020 is excluded due to concerns related to data quality.

* Poverty gap index is the income shortfall as a percent of the poverty threshold. Because the poverty threshold differs based on family size, this makes it easier to compare intensity of poverty across the groups in this table.

3.4 Additional Data

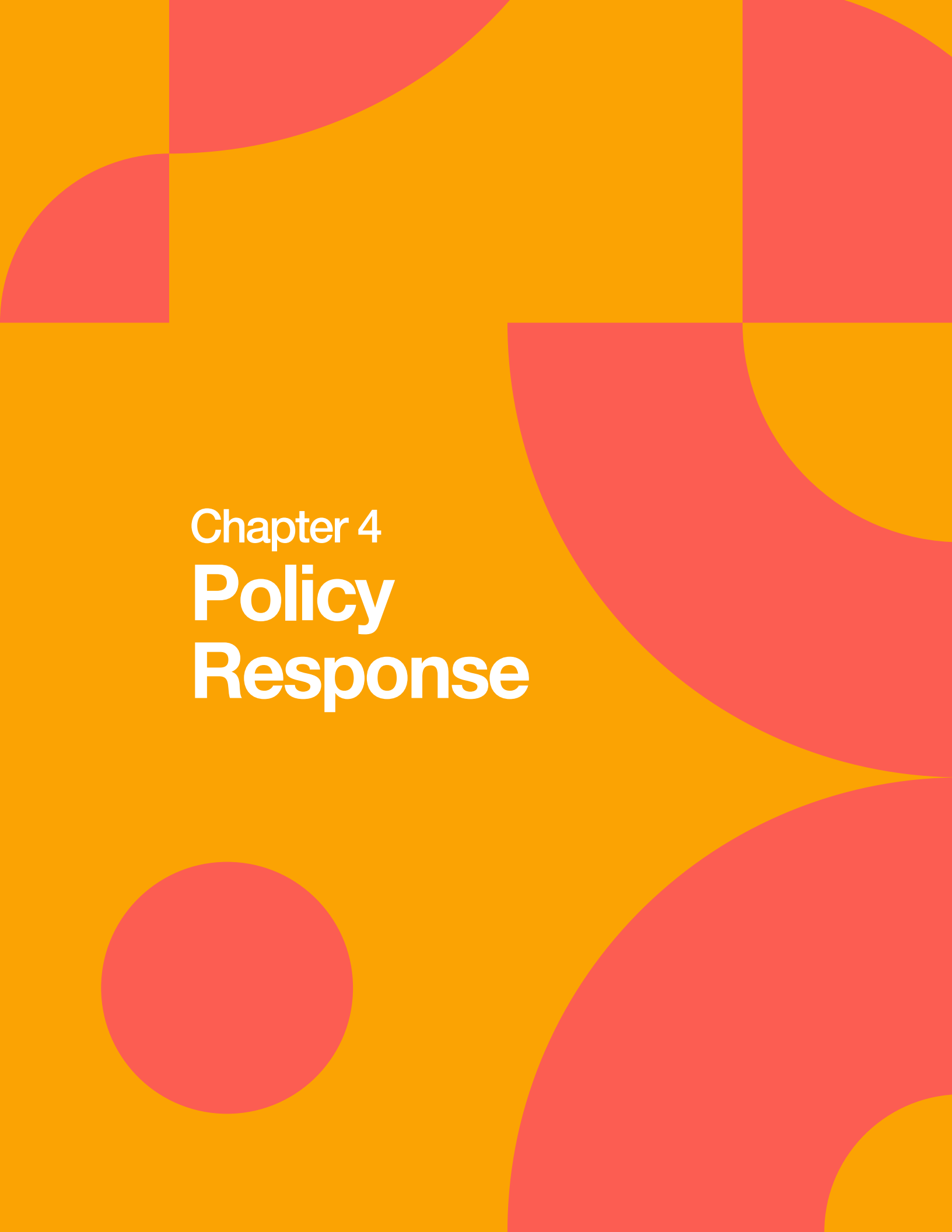
Additional data is available on the NYC Opportunity website and at the New York City Open Data portal.

Website. Interactive map of poverty by community district; a table maker for poverty, near poverty, and deep poverty rates for selected populations; and appendix chapters containing additional data about each of the income components, the poverty threshold, and the construction of family and poverty units:

<https://www1.nyc.gov/site/opportunity/poverty-in-nyc/poverty-measure.page>

NYC Open Data. Datasets and data dictionaries are available for research purposes. Data files contain selected ACS variables and NYCgov poverty rates, thresholds, and poverty gap data. For details, please see the Data Dictionary for each year, especially its Read Me page. Open Data files can be accessed through a link on the NYC Opportunity website:

<https://www1.nyc.gov/site/opportunity/poverty-in-nyc/poverty-data.page>

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Chapter 4
**Policy
Response**

Chapter 4

Policy Response

4.1 Major Citywide Initiatives

This edition of the New York City poverty report is the second released during the Adams administration. It covers 2021, the second year of the Covid-19 pandemic. Although the report includes figures that predate the current administration's start by one year, it highlights the persistent problem of poverty in the city. During its first two and a half years, the Adams administration introduced and expanded an array of initiatives designed to alleviate poverty, with a focus on areas in which the needs were greatest. These include:

- **Jobs and Job Training.** The Adams administration has made a priority of increasing access to well-paying jobs and job training. The administration launched Jobs NYC, a multi-pronged citywide initiative. Jobs NYC has three main pillars: 1) revamping the administration's "hiring halls" to bring public and private sector job opportunities to economically disadvantaged neighborhoods across the city each month; 2) establishing a new and expanded jobs.nyc.gov talent portal that connects New Yorkers to public and private sector jobs and job training opportunities; and 3) reforming the City's minimum qualification requirements to make certain entry level jobs in City government more accessible.

Jobs NYC builds on the administration's existing employment initiatives. These include creating the largest public-private loan fund for small businesses in the City's history, and a record \$6 billion in minority and women owned business enterprise (M/WBE) awards. The administration also renegotiated contracts with 95 percent of

the City workforce and 100 percent of the uniformed workforce that included wage increases along with retroactive increases.

- **Increased Affordable Housing.** The Adams administration has launched a new initiative to create tens of thousands of affordable homes in high-demand areas. This push, which is part of the administration’s City of Yes for Housing Opportunity plan, calls for relaxing restrictions on the number of new homes that can be built in high-demand areas. The initiative builds on the administration’s strong record of increasing affordable housing. In Fiscal Year (FY) 2022, the City created and preserved over 16,000 affordable homes. In FY 2023, that figure increased by 45 percent to nearly 27,000. The City has also promoted deep affordability. Nearly a quarter of the homes financed by the City’s Department of Housing Preservation and Development (HPD) in 2023 are for people earning between zero and 30 percent of area median income (AMI). In addition, the City’s Get Stuff Built plan outlined more than 100 initiatives to build faster, and many have already been implemented. In August 2023, the City unveiled a proposal in the City of Yes plan to convert vacant offices to housing through City action. All of this is part of a broader agenda the mayor has announced of reaching 500,000 new homes in the next decade.
- **Improved Benefits Access.** The City has worked to make it easier and faster for New Yorkers to learn about and access support from all levels of government. It launched MyCity, a new portal for City services and benefits. MyCity allows New Yorkers to access childcare vouchers, which both reduce costs for low-income families and help parents of young children to work. In addition, the Deputy Mayor’s Office for Strategic Initiatives (DMSI) and the Human Resources Administration (HRA) have launched NYCBenefits, a cross-agency and cross-sector effort to promote a systemic approach to helping New Yorkers access billions of dollars in unused benefits. NYCBenefits has working groups on 1) support systems for frontline staff; 2) policy to counteract the benefits cliff effect; 3) data-informed outreach and awareness; and 4) improving the application experience. NYC Opportunity is helping to coordinate these working groups and leading facilitation of the initiative’s organizing committee. NYCBenefits has also established a grant program for community-based organizations to participate in the work.
- **Expanded Internet Connectivity.** The internet plays a critical role in education, employment, health, and other important areas of life. The Adams administration has been working to increase internet access and equity. In August 2023, Mayor Adams announced the next important step in this work, expanding Big Apple Connect to 17 new sites, which makes free broadband available to a total of 150,000 New York City Housing Authority (NYCHA) households. Through the program, more than 330,000 New Yorkers in 220 NYCHA facilities now have free in-home internet and basic cable TV. In 2022, the City also announced that its Department for the Aging would distribute 1,000 free computer tablets to older New Yorkers and connect them with City services.
- **Increased Childcare Support.** The City opened the first Mayor’s Office of Child Care and Early Childhood Education, which is helping to implement the Mayor’s

Blueprint for Child Care and Early Childhood Education. In its first year, the Adams administration helped to secure \$4 billion from New York State for childcare in New York City over four years. In April 2023, the administration hosted the first-ever Reimagining Early Education and Child Care System Summit, bringing together parents, childcare providers, policy advocates, and government agencies to discuss how to strengthen the City’s childcare system.

- **Strengthening Mental Health Resources.** The City continues to support the Behavioral Health Emergency Assistance Response Division (B-Heard) program in the Bronx as well as high-need neighborhoods in other boroughs. The City has allocated additional money for mental health services for children in family shelters via telehealth. It is also launching the School Tele-Mental Health program for high school students, also through additional FY 2024 funding.
- **Building Out the College-to-Career Pipeline.** The City is supporting CUNY’s Inclusive Economy Initiative Programs, including an industry-campus backbone initiative that engages employers to secure industry-specific internships and job opportunities. It is also investing in Medgar Evers College Brooklyn Recovery Corps, which connects students with nonprofit organizations and small businesses in Brooklyn. In addition, the City is funding and expanding the CUNY Reconnect program, which helps students who left CUNY due to extenuating circumstances to return and earn degrees.
- **Expanded Fair Fares Program.** In December 2023, the City invested an additional \$20 million to expand its Fair Fares program, making more New Yorkers eligible for half-fare transit discounts. The program began in early 2019, covering eligible New Yorkers who received Cash Assistance or Supplemental Nutrition Assistance Program (SNAP) benefits. It expanded that year to cover certain CUNY students and NYCHA residents and was then extended to all New Yorkers ages 18–64 who were at or below the federal poverty level. In the latest expansion, the limit was extended to 120 percent of the federal poverty level. Prior to the latest expansion, more than 300,000 New Yorkers were enrolled in the program. That number is expected to grow significantly under new eligibility rules.

4.2 NYC Opportunity and the Adams Administration Priorities

The Adams administration has introduced new priorities for City government, including its central focus on “getting things done” and improving the lives of disadvantaged and marginalized New Yorkers. NYC Opportunity’s work is aligned with the administration’s priorities in important ways, including our focus on initiatives that combat poverty and promote opportunity for low-income New Yorkers; our promotion of interagency collaboration and partnerships with community-based organizations; and our attention to integrating community and customer voice into our programs. Some of the following programs were launched during the Adams administration. The others have received increased attention because they promote the administration’s priorities.

- **Support for Job Seekers Impacted by the Legal System.** NYC Opportunity, in cooperation with the CUNY School of Professional Studies and the John Jay

College Institute for Justice and Opportunity, launched a free e-learning course, *Unlocking Employment: How to Partner with Job Seekers Impacted by the Legal System*. The course helps workforce development staff enhance their capacity to serve people with legal system involvement.¹

- **Workforce Development Initiatives for People with Disabilities.** In July 2023, the Mayor announced a new, two-part investment to support career advancement and employment opportunities for people with disabilities. NYC Opportunity supports this initiative by partnering with people with disabilities to co-design new initiatives, improve programs and employer practices, and build evidence about what works in achieving success in the labor market.²
- **CUNY CARES Student Health Advocates.** CUNY CARES (Comprehensive Access to Resources for Essential Services) helps to provide integrated and coordinated health and social services that meet the needs of CUNY students and support their success. NYC Opportunity has partnered on a Health Advocates pilot program that retains CUNY students to work as navigators and peer advocates for their fellow students. The program launched in the Bronx in September 2023, in partnership with the Bronx Community College, Hostos Community College, and Lehman College. It will eventually be extended to all 25 CUNY campuses.³
- **Community Compensation Fund.** NYC Opportunity helped launch a fund for City agencies to compensate members of communities affected by government policies for their time and input. The Community Compensation Fund pilot is a partnership of NYC Opportunity’s Service Design Studio, CUNY’s Institute for State and Local Governance, and ideas42, the nonprofit design and consulting firm. The goal is to foster inclusive participation and center lived experience in program design by providing compensation to community members for their guidance. It puts a particular focus on groups that have traditionally been marginalized in civic decision-making, including out-of-school and out-of-work youth, criminal legal system-impacted individuals, and individuals experiencing or at risk of homelessness.⁴
- **Jobs NYC Talent Portal.** Jobs NYC is a digital tool designed to help jobseekers find training, education, and other support. It provides both a jobseeker front door and an employer front door that help to identify job opportunities and available talent. The tool contains hubs where residents can connect to employment opportunities, as well as population-specific resources. Jobs NYC is one of two NYC Opportunity programs – ACCESS NYC is the other – linked to the landing page of the City’s new MyCity portal, which helps New Yorkers apply for benefits and pursue employment opportunities.⁵

1 Information on this program can be found at: <https://medium.com/nyc-opportunity/nyc-opportunity-launches-a-new-training-on-working-with-job-seekers-impacted-by-the-legal-system-4afcf55dbe0e>.

2 Additional details can be found at: <https://www.nyc.gov/office-of-the-mayor/news/549-23/mayor-adams-new-investment-support-career-advancement-people-disabilities>.

3 CUNY CARES information can be found at: <https://www.cuny.edu/about/administration/offices/transformation/cuny-cares/>.

4 Community Compensation Fund information can be found at: <https://medium.com/nyc-opportunity/engage-nyc-residents-meaningfully-with-the-community-compensation-fund-74c3b5834644>.

5 Jobs NYC Talent Portal information can be found at: <https://jobready.nyc.gov/>.

- **Service Blueprinting for the ACS's Childcare Voucher Program.** The Administration for Children's Services' (ACS) childcare voucher program supports more than 25,000 families across New York City, providing vouchers to cover childcare costs at hundreds of providers. NYC Opportunity's Service Design Studio worked with ACS to develop a service blueprint of the current voucher review process and an insights report with qualitative insights on program improvement, developed with staff through interviews and collaborative sessions.⁶
- **Mapping Equity Data Tool.** The City launched Mapping Equity, a data tool on the Equity NYC website that shows a geographic picture of the quality of life of New Yorkers: where City services are located, the neighborhoods where people who receive City services live, and other characteristics of the NYC population. The tool allows New Yorkers to access data by race/ethnicity, gender, location, sexual orientation, and income. The Mapping Equity tool is a geospatial resource for City policymakers who are concerned about equity issues across the city. In March 2023, the NYC Opportunity staff member who headed the project was awarded one of the first NYC Hayes Innovation prizes, which recognizes forward-thinking solutions to pressing challenges.⁷
- **Urban Cannabis Workforce Study.** In partnership with the NYC Young Men's Initiative, NYC Opportunity conducted an Urban Cannabis Workforce Study. The study's goals were to help social equity job seekers, particularly those impacted by cannabis prohibition, enter into high-road job/career opportunities in the city's emerging legal cannabis industry, and to create a model for social equity workforce development that engages the community.⁸
- **Community Behavioral Health Pilot Program.** NYC Opportunity is a partner in the Academy for Community Behavioral Health, which develops courses to build capacity of community-based organizations, City and State agencies, and other social services providers to proactively address behavioral health. Since its launch, the Academy has developed and added additional courses. It prioritizes the 39 neighborhoods identified by the New York City Taskforce on Racial Inclusion and Equity as most impacted by the Covid-19 pandemic or experiencing high rates of health and other socioeconomic disparities.⁹
- **My File NYC.** NYC Opportunity has been improving and expanding My File NYC, its mobile-first document storage and sharing website that launched in 2022. My File NYC provides New Yorkers with a safe and secure place to store their family's vital documents and an easy way to share them when applying for City services. My File NYC began with the Department of Homeless Services' Prevention Assistance and Temporary Housing intake centers, and its use continues to expand there. NYC Opportunity is also launching a new use case for My File NYC at HPD to prove document reusability and to support New Yorkers from shelter entry to shelter exit and into permanent housing.

6 Childcare voucher information can be found at: <https://medium.com/nyc-opportunity/service-blueprinting-with-the-acs-for-the-child-care-voucher-program-23150f33757b>.

7 Mapping Equity data tool can be found at: <https://equity.nyc.gov/mapping-equity>.

8 More information on the Cannabis Study can be found at: <https://www.nyc.gov/assets/sbs/downloads/pdf/about/rfps/YMI%20NYCO%20Cannabis%20RFP%20YMI%20NYCO.pdf>.

9 Details about the Academy can be found at: <https://www.academy4cbh.org/>.



Addendum
**A Caution on
Data Usage**

Addendum

A Caution on Data Usage

Changes in the trend of NYCgov poverty estimates come from many sources. Changes in poverty rates may be due to changes in New York City's population characteristics, the economic conditions New Yorkers face, and the scope of government benefit programs during a given time period. However, they may be due to another cause as well: problems in the underlying U.S. Census data used to produce NYCgov poverty rates.

The American Community Survey (ACS) faced unprecedented challenges in data collection during the spring months of 2020 when a stay-at-home order was put in place due to the Covid-19 pandemic. These challenges resulted in significant data quality issues for the 2020 ACS data, including low reliability and inaccurate representation of population characteristics.¹ Given these data quality concerns, the Census advised data users not to compare data from the 2020 ACS one-year Public Use Microdata Sample (PUMS) to other PUMS data.² As recommended by the Census, the present edition of this report does not include estimates for 2020, except when included in five-year averages.³

In late 2022, the Census released the 2021 ACS PUMS data without noting any data quality issues. Although the key quality metrics of the survey data did not fall below

1 See Chapter 3, "Data Quality and City-level Poverty Estimates," in the New York City Government Poverty Measure 2020, at: https://www.nyc.gov/assets/opportunity/pdf/NYCgovPoverty2023_2020DATA_Digital_Final_d3.pdf.

2 See Census Bureau's advisory on use of 2020 PUMS files: https://www2.census.gov/programs-surveys/acs/experimental/2020/documentation/pums/ACS2020_PUMS_README.pdf.

3 The use of 2020 data in the five-year average follows Census guidelines, although the data for 2020 has a greater margin of error than other years. See: <https://www.census.gov/programs-surveys/acs/technical-documentation/user-notes/2022-04.html>.

the thresholds set by the Census' quality standards for the national sample,⁴ they did indicate problems in the New York State sample, specifically whether the sample created a representative picture of the state population. This raises concerns for possible lingering data quality issues in the 2021 ACS data for the New York City population.

NYC Opportunity's use of the ACS data requires the ability to compare NYCgov poverty rate estimates across small geographic areas and population subgroups. Out of concern for accuracy of the data at small geographies, NYC Opportunity conducted a review of select statistical quality measures and demographic characteristics at the borough and community district (CD) level to determine the reliability of this report's NYCgov estimates.

Figure 5.1 shows ACS survey response rates across New York City's five boroughs, benchmarking the 2021 rates against 2019 rates. A few notable patterns are apparent in the figure. First, response rates were uneven across the five boroughs for the pre-pandemic year, 2019. They ranged from a low of 67 percent in the Bronx to a high of 87 percent in Manhattan. In general, it appeared that responses were particularly low in the Bronx, Brooklyn, and Queens, where the population is more diverse. They were relatively high in Manhattan and Staten Island, where incomes are higher and a large majority of the population is White.

Second, response disparities across the five boroughs were drastically amplified in 2021. The response rate for households in the Bronx fell sharply, to 57.4 percent, approximately 10 percentage points lower than its pre-pandemic level. This fits the Census' description of a "serious data quality issue."⁵ The response rate also dropped by 8.1 and 3.9 percentage points, respectively, in Brooklyn and Queens – the city's two most populous and culturally diverse boroughs. In contrast, the response rates for households in Manhattan remained about the same as their pre-pandemic levels. These findings suggest that responses in the 2021 ACS New York City sample skewed toward Manhattan and higher income residents. This raises concerns about the accurate portrayal of the city's populations in the data.

Population size by borough appears virtually identical in 2019 and 2021. This might indicate a successful nonresponse weighting of the ACS sample. But a useful reweighting should also retain the correct distribution of characteristics within the population. It is this underlying distribution that is important when accurately disaggregating poverty rates by population subgroups.

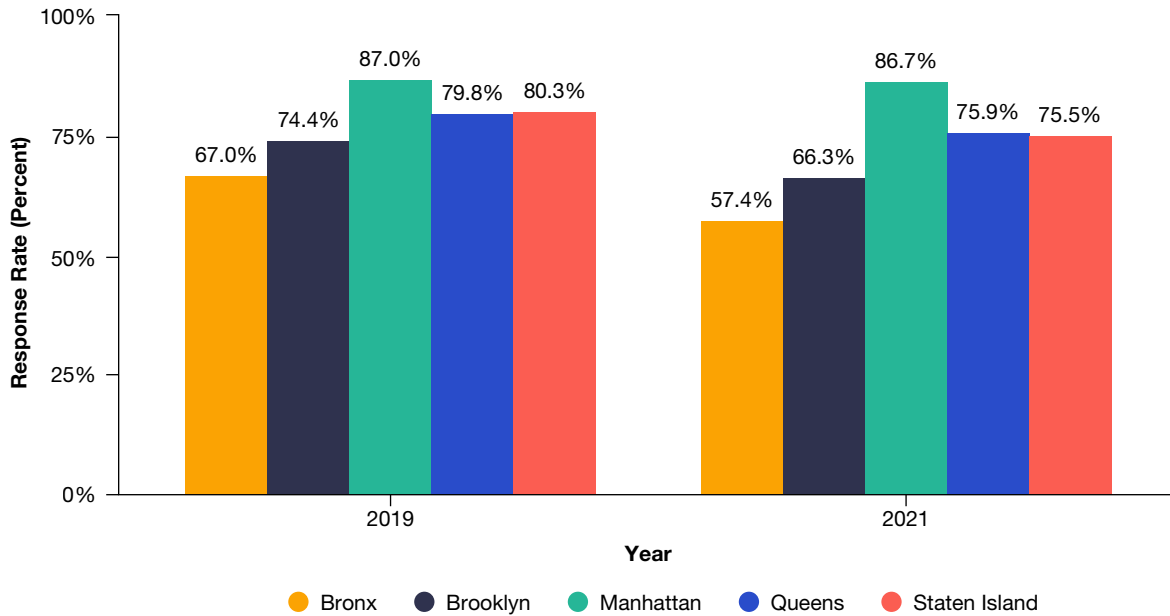
The Census' survey weighting scheme includes an adjustment for nonresponses when the collected sample is not representative of the true population. Survey nonresponse weighting is typically done by identifying a set of control totals for the

⁴ When unit response rates, among other metrics, fall below 80 percent, nonresponse bias analyses are required. For details, see the Census Bureau's Statistical Quality Standards at: <https://www2.census.gov/about/policies/quality/quality-standards.pdf>. Indeed, while response rates climbed to 85.3 percent in 2021 from 71.2 percent in 2020 for the nation, they were still below the pre-pandemic level. See the Census Bureau's ACS Response Rates at: <https://www.census.gov/acs/www/methodology/sample-size-and-data-quality/response-rates/>.

⁵ The Census Bureau defines "serious data quality issues" as starting when the unit nonresponse rates fall below 60 percent. See the Census Bureau's Statistical Quality Standards for details: <https://www2.census.gov/about/policies/quality/quality-standards.pdf>.

population that the survey sample should match and recalculating the weights so the sample totals equal the population.

Figure 5.1. ACS Housing Unit Response Rates by Borough, New York City, 2019 and 2021



Source: 2019 and 2021 American Community Survey Public Use Micro Sample data limited to living quarters.

The standard weighting procedure only controls for three characteristics: sex, age, and race and Hispanic origin – typically at subcounty levels of geography.⁶ If nonresponse is associated with other characteristics, such as income, for example, it likely lowers the effectiveness of weight adjustment. In addition, it is hard to correct for errors introduced by a substantially small sample size, especially when the nonresponse rate is significantly different across subpopulations.⁷

To understand the possible impact on sub-county population estimates, NYC Opportunity looked below the borough⁸ level and analyzed the ACS sample by the city’s community districts (CDs), comparing populations in 2021 and 2019. Specifically, the sample size and population estimate were examined with an eye toward any geographic shifts. The finding was that the standard weighting adjustment process was not enough to overcome the nonresponse bias present in the data.

With a few exceptions, nearly all CDs in the Bronx and Brooklyn experienced a decrease in the 2021 survey sample size. Among those CDs with a sample loss, the 2021 sample size relative to 2019 varied from a low of 68.1 percent in Brownsville and Ocean Hill to a high of 99.5 percent in Brighton Beach and Coney Island.

6 See U.S. Census Bureau, “ACS Design and Methodology,” Chapter 11, at: https://www.census.gov/content/dam/Census/library/publications/2010/acs/Chapter_11_RevisedDec2010.pdf
 7 Jonathan Rothbaum and Charles Hokayem, U.S. Census blog, “How Did the Pandemic Affect Survey Response: Using Administrative Data to Evaluate Nonresponse in the 2021 Current Population Survey Annual Social and Economic Supplement,” September 14, 2021. <https://www.census.gov/newsroom/blogs/research-matters/2021/09/pandemic-affect-survey-response.html>
 8 Each New York City borough (Brooklyn, Bronx, Manhattan, Queens, Staten Island) is contiguous to a county (Kings, Bronx, New York, Queens, Richmond).

Figure 5.2 uses CDs in the Bronx and Brooklyn to exemplify how population reductions in these CDs were not evenly distributed:

- Sample loss was particularly large for low-income minority-majority CDs,⁹ including Brownsville and Ocean Hill and Bedford-Stuyvesant in Brooklyn, alongside Morris Heights, Fordham South, and Mount Hope in the Bronx. The standard weighting adjustment failed to make up for sample loss in these CDs. The result is population estimates for 2021 that are inadequate compared to 2019.
- The inadequate weighting adjustment in low-income minority-majority CDs contrasts with overinflated population estimates for a group of higher income CDs that include neighborhoods such as Williamsburg, Brooklyn Heights, and Park Slope, where survey response rate was higher.
- Similarly, the weighting process overcompensated in many working class, low- to middle-income CDs, such as Co-op City, Sunset Park, and Crown Heights South, where Non-Hispanic Whites comprised 20 percent or more of the population.

Figure 5.2. Comparisons of Sample Size and Population Estimates Across Community Districts in the Bronx and Brooklyn

Borough	Neighborhood	2021 ACS Sample Size as Percent of 2019	2021 Population Estimates as Percent of 2019
Brooklyn	Brownsville and Ocean Hill	68.1%	97.1%
Brooklyn	Bedford-Stuyvesant	73.7%	95.3%
Bronx	Morris Heights, Fordham South and Mount Hope	73.8%	94.1%
Bronx	Concourse, Highbridge and Mount Eden	76.0%	103.3%
Brooklyn	East New York and Starrett City	77.4%	99.2%
Brooklyn	Bushwick	79.9%	89.8%
Brooklyn	Greenpoint and Williamsburg	82.1%	105.4%
Brooklyn	Borough Park, Kensington and Ocean Parkway	86.5%	112.3%
Brooklyn	Bay Ridge and Dyker Heights	87.5%	91.7%
Bronx	Bedford Park, Fordham North and Norwood	87.8%	85.7%
Bronx	Wakefield, Williamsbridge and Woodlawn	89.8%	90.6%
Brooklyn	Canarsie and Flatlands	90.5%	99.4%
Brooklyn	Sunset Park and Windsor Terrace	92.6%	102.7%

Continued on the following page

⁹ NYC Opportunity defines a CD as low income if its median household income falls below the citywide median household income. A minority-majority CD is an area where Black, Asian, or Hispanic residents make up the majority of the population.

Figure 5.2. (continued) Comparisons of Sample Size and Population Estimates Across Community Districts in the Bronx and Brooklyn

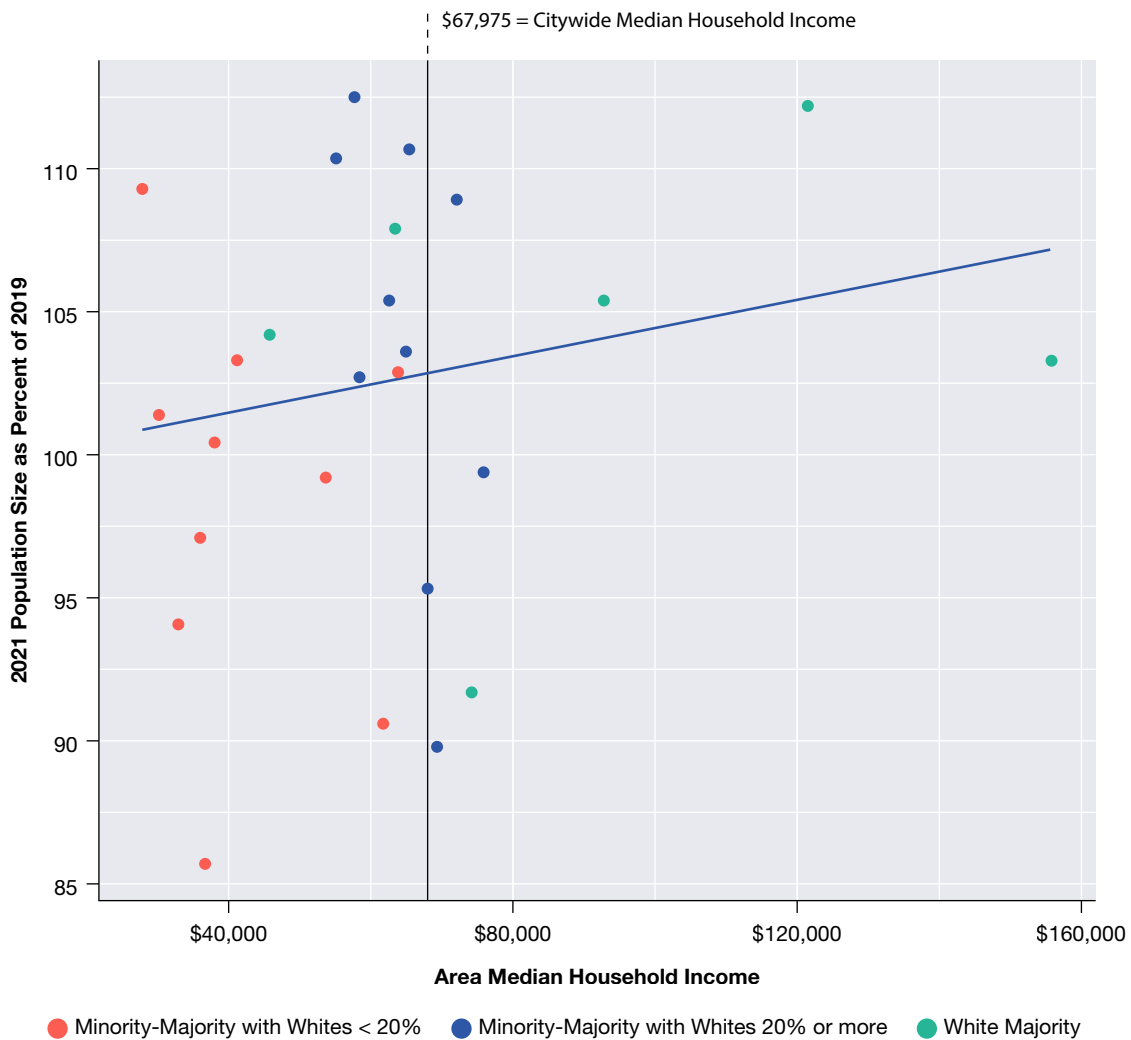
Borough	Neighborhood	2021 ACS Sample Size as Percent of 2019	2021 Population Estimates as Percent of 2019
Brooklyn	Crown Heights South, Prospect Lefferts and Wingate	94.1%	103.6%
Brooklyn	Sheepshead Bay, Gerritsen Beach and Homecrest	95.3%	107.9%
Brooklyn	East Flatbush, Farragut and Rugby	95.6%	102.9%
Bronx	Belmont, Crotona Park East and East Tremont	96.1%	101.4%
Bronx	Co-op City, Pelham Bay and Schuylerville	96.2%	112.5%
Brooklyn	Crown Heights North and Prospect Heights	96.3%	108.9%
Brooklyn	Park Slope, Carroll Gardens and Red Hook	96.4%	103.3%
Brooklyn	Flatbush and Midwood	97.6%	110.7%
Bronx	Hunts Point, Longwood and Melrose	98.4%	109.3%
Brooklyn	Brooklyn Heights and Greenpoint	99.2%	112.2%
Brooklyn	Brighton Beach and Coney Island	99.5%	104.2%
Brooklyn	Bensonhurst and Bath Beach	101.2%	110.4%
Bronx	Riverdale, Fieldston and Kingsbridge	105.5%	105.4%
Bronx	Castle Hill, Clason Point and Parkchester	105.7%	100.4%
Bronx	Pelham Parkway, Morris Park and Laconia	115.3%	112.1%

Source: 2019 and 2021 American Community Survey Public Use Micro Sample data limited to living quarters.

This pattern is even more noticeable in Figure 5.3. Bronx and Brooklyn CDs are plotted on two dimensions: the 2021 population estimate relative to the 2019 level is on the y-axis while area median household income is on the x-axis. The vertical line represents the 2021 citywide median household income, dividing the city’s neighborhoods into two income groups: low and high income. In addition, CDs are classified by racial and ethnic diversity in the local population. A CD is defined as a minority-majority area if one or more racial or ethnic minorities makes up a majority of the local population. The minority-majority CDs are further grouped into two subgroups where the share of Whites is more or less than 20 percent of the local population. Figure 5.3 also shows a regression line that demonstrates the relationship between neighborhood-level income and relative population size in 2021 compared to 2019. The line slants upward toward the right, illustrating that as area median income rises, larger sample weights are assigned.

Most White majority CDs and those minority-majority CDs with a population share of more than 20 percent White are clustered in the upper plotting area, above the 100 percent tick mark on the y-axis. This implies that these CDs received either a significant upward weighting adjustment or an inadequate level of downward adjustment, making population estimates significantly higher than the 2019 level. In comparison, a large majority of minority-majority CDs whose White population share is less than 20 percent are clustered in the lower plotting area, below the 100 percent tick mark on the y-axis. This suggests that sampling weights shifted away from these racially and ethnically diverse CDs, bringing population estimates for those areas below the 2019 level.

Figure 5.3. Association of Population Estimates in Bronx and Brooklyn CDs, with Area Median Income and Racial and Ethnic Makeup of CDs



Source: 2019 and 2021 American Community Survey Public Use Micro Sample constrained to living quarters.

The analysis shows the standard nonresponse adjustment insufficiently addressed nonresponse bias. While borough population estimates appear correct, there is still an indication of nonresponse bias when looking at smaller geographies within boroughs (CDs). There is a shifting of weights toward both White majority and working-class minority-majority CDs, especially those with a 20 percent or more White share of the local population. The overweighting of this group was balanced by a stark decline¹⁰ in one or more racial and ethnic minority groups in many CDs across New York City. Comparing racial composition in CDs between 2021 and 2019, the decline appeared more commonly in low-income minority CDs, including neighborhoods such as Bedford-Stuyvesant, Bushwick, and East New York. However, it is not solely confined to these areas.

NYC Opportunity’s comparative analysis of racial and ethnic composition using the 2021 ACS and corresponding estimates from the 2020 Decennial Census – a population census that intends a complete enumeration of U.S. residents and was less affected by the pandemic¹¹ – confirms that a sudden contraction in population of racial and ethnic minorities in those affected districts was truly unexpected. Figure 5.4 shows several examples of CDs in the Bronx and Brooklyn that match across the data sets.¹²

In Bedford-Stuyvesant, for example, the share of Whites in the 2021 ACS is 6 percentage points larger than in the 2020 Decennial Census. Conversely, the share of ethnic minority groups in the 2021 ACS is underestimated by that same magnitude. This phenomenon (i.e., a skewness of racial and ethnic distribution toward White) was also found in Bushwick.

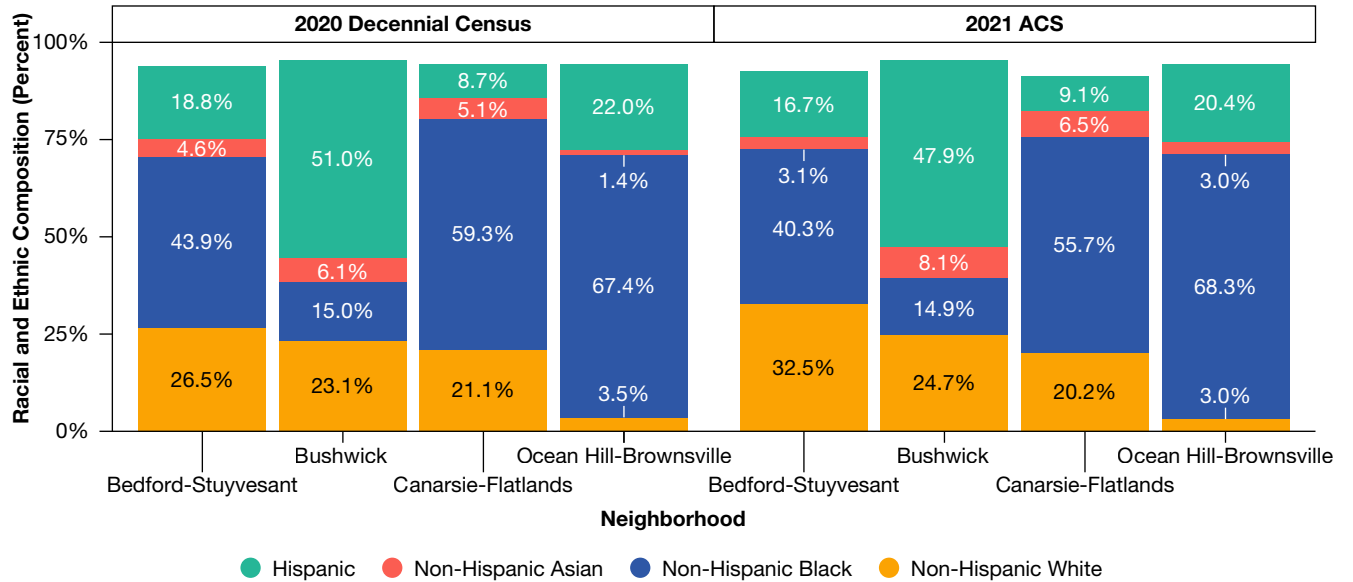
On the other hand, two other districts – Canarsie and Flatlands, and Brownsville and Ocean Hill – represent a somewhat different phenomenon. Two minority groups (i.e., Non-Hispanic Blacks in Canarsie and Flatlands, and Hispanics in Brownsville and Ocean Hill) are exclusively underestimated in the 2021 ACS while the remainder of the area’s minority subgroups are either overestimated or remain approximately the same. These notable shifts in ACS demographics are not corroborated by the 2020 Decennial Census.

¹⁰ Decline defined as \geq +/-5 percentage points.

¹¹ Households in the decennial census could be surveyed at any time during 2020. The ACS, however, requires specific households to be surveyed within a specific month and therefore lost more of the sample due to pandemic-related issues.

¹² The smallest geographic identifier in the ACS is based on Public Use Microdata Areas (PUMAs). The Census redraws PUMA boundaries every ten years, based on population information from the most recent decennial census. New PUMA definitions are typically released and used in the ACS about two years after the decennial census (e.g., 2010 PUMAs were released in 2012 and 2020 PUMAs in 2022). While the 2020 Decennial Census uses the 2020 version of PUMAs, the 2021 ACS microdata still utilizes the 2010 version of PUMAs. Thus, the comparison is a few select locations where PUMA boundaries are identical in the 2020 Decennial Census and in the 2021 ACS.

Figure 5.4. Racial and Ethnic Compositions in Select Community Districts: 2020 Decennial Census and 2021 ACS



Source: 2019 and 2021 American Community Survey Public Use Micro Sample data limited to living quarters.

Such unexpected geographic and demographic shifts within and across the CDs raise concerns for possible lingering nonresponse biases in the 2021 ACS data. For New York City, the statistical “relocation” of population estimates from low-income minority-majority districts to whiter and higher income neighborhoods ultimately biases the resulting income statistics upward and poverty estimates downward. Consequently, poverty statistics by race and ethnicity, especially at the CD and the borough level, should be viewed with caution.



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