



The Independent Voice for Kentucky's Children

KENTUCKY
YOUTH
ADVOCATES

For Immediate Release

August 26, 2008

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U.S. Census Bureau Reveals Significant Increases in Child Poverty and Growth in Uninsured in Kentucky Since 2001

Louisville, KY –Kentucky’s poverty rate increased slightly in 2007, and Census Bureau data reveals families are faring worse over time. Kentuckians were more likely to be poor or to lack health coverage last year than in 2001, when the last recession bottomed out. In addition, the median household income in Kentucky was lower in 2007 than in 2001, after adjusting for inflation.

“Despite several years of economic growth, Kentucky’s families actually lost ground in reducing poverty, improving health coverage or increasing family incomes,” said Terry Brooks, Executive Director of Kentucky Youth Advocates. “We as a state also became more divided as the gap between the richest and poorest of Kentuckians widened at an alarming rate. And now that the economy has weakened, things are likely to get worse before they get better for the most vulnerable of Kentuckians.”

While there was no appreciable difference in the national poverty rate from the previous year (12.5 percent), Census data shows the poverty rate has increased over the past six years from 12.1 percent in 2001 to 13% in 2007. Kentucky’s poverty rate has significantly risen to 17.3 percent in 2007 compared to 15.4 percent in 2001. This increase suggests that many Kentucky families have not fared any better, despite a period of economic expansion.

Despite little movement in the overall poverty rate, child poverty continues to rise both in Kentucky and in the U.S. Nationally, 17.6 percent of children under the age of 18 now live in poverty compared to 16.4 percent in 2001. Kentucky’s child poverty rate continues to exceed

the national average. Since 2001, child poverty has significantly increased from 18.1 percent to 23.4 percent in 2007.

Nationally, median income for working-age households (those headed by someone under 65) increased from \$48,200 in 2006 to \$50,740 in 2007. Kentucky's median income decreased from \$40,489 in 2006 to \$40,267 in 2007. Kentucky's median income falls well below the national average.

Health insurance is an important cornerstone of family economic well-being. Based on two-year averages, the percentage of Kentuckians without health insurance has significantly increased from 12.2 percent in 2000-01 to 14.6 percent in 2006-07.

Brooks concludes, "As a nation, we need a commitment from Washington to wage a winning war on poverty. We need that same commitment from Kentucky's leaders to improve our economic report card for families. There are a range of options we can take as a Commonwealth to reduce poverty. For instance, if Kentucky policymakers will enact a state earned income tax credit (EITC), curb predatory lending practices and eliminate face to face requirements for working families trying to enroll their children in KCHIP (Kentucky Children's Health Insurance Program), then the poverty landscape in our state will dramatically change for the better."

Data Notes: Data from the U.S. Census Bureau is from the Current Population Survey (CPS), the CPS Annual Social and Economic Supplement (ASEC) as well as the American Community Survey (ACS). The national poverty rate and health insurance data reported is based on CPS data, the official source of the national poverty estimates. Two-year average comparisons for the health insurance calculations using CPS data are statistically significant. State poverty rate, U.S. and state child poverty rates and median income calculations are based on ACS data and are statistically significant.

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***Kentucky Youth Advocates** is a non-partisan, non-profit, children's advocacy organization. KYA represents a voice for Kentucky's most precious asset – its youth. We believe that Kentucky's youth deserve the opportunities and resources necessary to ensure their productive development and health.*