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About 44 million in U.S. lived below poverty line in 2009, census data show

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By Carol Morello Washington Post Staff Writer Thursday, September 16, 2010; 11:22 PM

In the second year of a brutal recession, the ranks of the American poor soared to their highest level in half a century and millions more are barely avoiding falling below the poverty line, the Census Bureau reported Thursday.

About 44 million Americans - one in seven - lived last year in homes in which the income was below the poverty level, which is about \$22,000 for a family of four. That is the largest number of people since the census began tracking poverty 51 years ago.

The snapshot captured by the census for 2009, the first year of the Obama presidency, shows an America in the throes of economic upheaval.

Since 2007, the year before the recession kicked into gear, the country has almost 4 million fewer wage-earners. There are more children growing up poor. And for the first time since the government began tracking health insurance in 1987, the number of people who have health coverage declined, as people lost jobs with health benefits or employers stopped offering it.

With midterm elections less than two months away, the statistics bare the reality fueling much of the anger toward Washington.

In the Washington region, Virginia's poverty rate rose the most, to 10.5 percent from 8.6 percent. Maryland's edged up half a percentage point to 9 percent. <u>The District's rate</u> was the highest, but it declined from 18 percent to 17 percent.

Although the recession's impact was broad-based, there were disparities among groups. The official poverty rate increased for all races and ethnicities except Asians, who continued to have the highest median household income. More working-age adults lived in poverty, while the number of poor people 65 or older fell, largely as a result of increases in Social Security payments.

More than 51 million Americans lack health insurance, the census reported, and a greater-than-ever percentage of those who do have insurance are getting it from the government.

Scholars, nonprofit groups that work with the poor and President Obama all expressed concern about the gloomy picture.

Obama said the numbers could have been much worse were it not for government assistance.

"Because of the Recovery Act and many other programs providing tax relief and income support to a majority of working families - and especially those most in need - millions of Americans were kept out of poverty last year," he said in a statement.

Many conservatives, however, laid the blame on government programs that don't work.

"We're spending more money fighting poverty than ever before, yet poverty is up," said Michael D. Tanner, a senior fellow at the Cato Institute. "Clearly, we're doing something wrong."

Along with a rise in the number of people living in poverty, the census reported a decrease in the number of people who are living just above poverty level, suggesting that many of those just slightly above poverty slipped over the edge in the previous year.

Food banks and shelters around the country say they are seeing former donors asking for help.

Dale City resident Jamie Imler is one. She used to give money to charity and make quilts for homeless shelters. But since she began treatment for breast cancer last year, she has been too weak to work at either of the two jobs she held, one in a restaurant and one for a recruitment agency. Her income has dropped from \$2,000 a month to less than \$700 - not enough to cover her rent - and she has been coming for the past six months to a food pantry in Prince William County called Action Through Service.

"Things were good," she said. "I was a single mom, raised my son and needed food stamps."

"And now I'm here," she added.

While the number of the country's poorest people is higher than in any other recorded period, the rate is not without precedent. The last time it was this high was 1994. And in the early 1960s, it was over 20 percent.

Despite the jump in poverty, median income did not go down for those who still had jobs. Men working full time saw their median earnings rise 2 percent, to \$47,000, while the median wage of women rose about the same amount, to a little over \$36,000.

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The median household income declined a little, to just under \$50,000. But household income is down 4.2 percent since the recession began and 5 percent from its peak of more than \$52,000 in 1999. Black households fared particularly poorly, as incomes dropped 4.4 percent compared with 1.6 percent for white households.

"We always have a situation where some population groups have higher poverty rates than others," said Margaret Simms, who directs the Low Income Working Families Project at the Urban Institute. "During recessions, we see who bears the brunt in hard times in the kinds of numbers we see today."

The statistics have quickly become fodder for a debate on the proper role of government in combating economic downturns.

"It's a strong indication that there is not enough focus on growth and investment in job production," said Ken Blackwell, the former Ohio state treasurer who is a fellow at the Family Research Council.

Ron Haskins, a head of the Brookings Center on Children and Families at the Brookings Institution, said government programs do not have enough money to make up for the decline among private and employer-provided health care. "Is the government going to pick it up?" he said. "That means bigger government, bigger expenses, more taxes."

This summer, a proposal to extend jobless benefits to the long-term unemployed came under attack by Republicans, who objected to more spending that would add to the soaring deficit. The measure eventually passed.

Some of those who have struggled to find work are making their way to Good Shepherd Alliance, a food pantry in <u>Loudoun County</u>, which is one of the country's wealthiest jurisdictions.

Vickie Koth, executive director, said she has grown accustomed to hearing clients say, almost as if dazed by their dizzying descent, that they used to volunteer at nonprofits like hers. The downturn will end some day, she noted, and hard times should be remembered.

"A lot of the community is really seeing this issue for the first time," she said. ". . . Once this turns around, I hope that people will remember what we went through so that our communities will be more open to serving those around us who are in need."

Staff writers Jennifer Buske and Caitlin Gibson contributed to this report.

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