

The Presence and Impact of Same-Sex Married Couples on Poverty Rates in the Current Population Survey

Ashley Edwards | Social, Economic, and Housing Statistics Division | U.S. Census Bureau

Presented at the Annual Meeting of the Population Association of America
Chicago, IL
April 27, 2017
SEHSD Working Paper Number 2017-25

WHY DO FAMILY DEFINITIONS MATTER?

Poverty status is assigned at the *family* level—based on comparing total *family* income to an assigned threshold that only varies by *family size and composition*.

Who's in a family?

“A group of two or more people who are related by birth, marriage, or adoption and are residing together in a household.”

How do we treat same-sex married couples when assigning families in the Current Population Survey?

Prior to 2010

- Reassign to an opposite-sex married couple – couple treated as a one family since still married.

Beginning in 2010

- Reassign to same-sex unmarried partners – couple treated as two separate families since no longer related.
- Assign poverty based on separate thresholds and individual income.

Anticipated in 2017 (2018 CPS ASEC)

- End relationship reassignment – couple treated as one family, as reported.
- Assign poverty based on shared threshold and joint income.

PURPOSE & METHODS

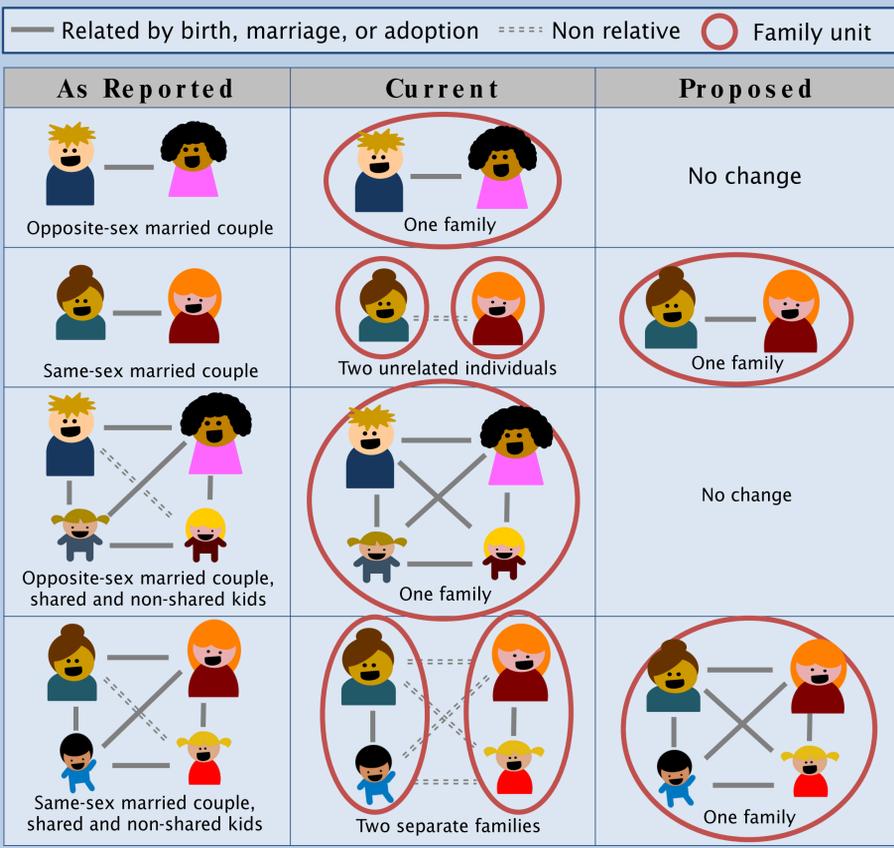
Evaluate the impact of treating same-sex married couples as one family unit in the measurement of official poverty rates.

Data
Estimates derived from the Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC) and CPS Same-Sex Extract Files¹ for calendar year 2015.²

Methodology
Reassign families based on same-sex spouse identifiers in order to 1) assign new family poverty thresholds, 2) reaggregate family income, and 3) recalculate poverty status.

NOTES
¹ Available at www.census.gov/housing/extract_files/toc/data/.
² All data are subject to error arising from a variety of sources, including sampling error, non-sampling error, model error, and any other sources of error. For further information on CPS statistical standards and accuracy, see www.census.gov/programs-surveys/cps/technical-documentation/complete.html.
³ Assumes individual or householder is under age 65.

FAMILY ASSIGNMENTS UNDER EXISTING AND PROPOSED CPS EDITING PROCEDURES



POVERTY THRESHOLDS

Family Composition	2015 Annual Threshold
One adult ³	\$12,331
Two adults ³	\$15,871
One adult, one child	\$16,337
Two adults, two children	\$24,036

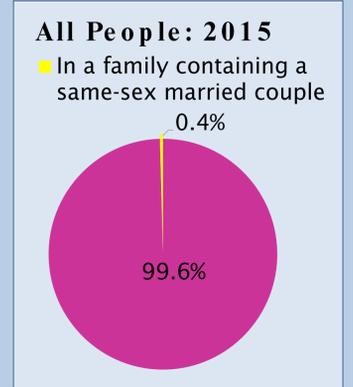
Since the poverty thresholds assume economies of scale (i.e., an additional person within a family requires fewer resources than a single individual living alone), the annual thresholds for opposite-sex married couples organized as one family are lower than the thresholds across two separate families containing the same number of people.

PREVALENCE

In 2015, over 1 million people lived in a family that contained a same-sex married couple.

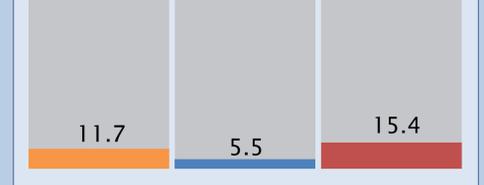
- The majority (61 percent) of same-sex families included no additional members besides the married spouses.

Given the size of the population living in same-sex married-couple families (0.4 percent of all people) the correlation coefficient across individual's poverty status using the current and proposed family assignment is over .99 in 2015.

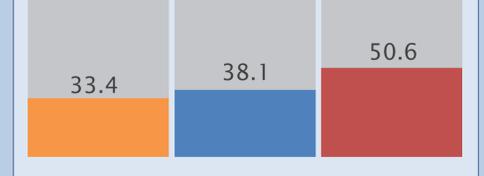


CHARACTERISTICS

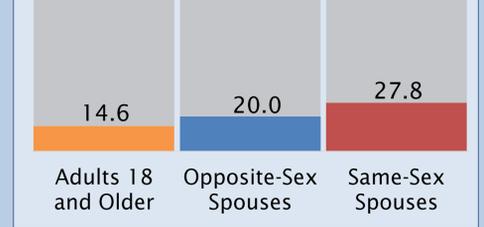
Official Poverty Rate



Bachelor Degree or Higher



Personal Income Over \$75,000



In 2015, the official poverty rate for individuals in same-sex marriages (red) was 15.4 percent, a full 9.9 percentage points higher than individuals in opposite-sex marriages (blue).

By treating individuals in same-sex marriages as unmarried partners, poverty rates vary dramatically from those who report being in an opposite-sex marriage—though individually those in same-sex marriages appear more advantaged.

Individuals in opposite-sex marriages are more likely than the overall adult population (orange) to have a bachelor's degree.

- This trend is even more pronounced for those in same-sex marriages where the majority (50.6 percent) have a bachelor's degree.

In 2015, 14.6 percent of all adults had annual incomes greater than \$75,000, increasing to 20.0 percent for individuals in opposite-sex marriages.

- Of individuals in same-sex marriages, 27.8 percent reported *personal* incomes over \$75,000.

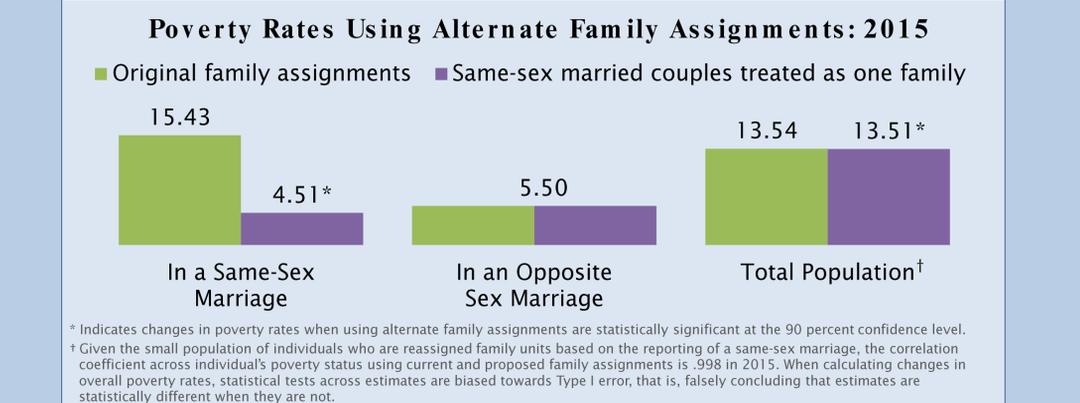
IMPACT ON POVERTY

For individuals in same-sex marriages – as well as for their related family members –poverty rates fell sharply when using the revised family assignments.

Among spouses in same-sex marriages, original 2015 poverty rates (green) fell by 10.9 percentage points, to 4.5 percent (purple). Poverty rates for spouses in opposite-sex marriages (5.5 percent) were unchanged under the revised family assignments. Poverty rates for individuals in opposite-sex marriages were no longer statistically different from those in same-sex marriages using the proposed family assignments.

For individuals in families containing a same-sex married couple, the poverty rate was lowered 8.8 percentage points to 5.5 percent.

While this reflects large reductions in poverty for individuals in these living arrangements, the effect on the total population – while statistically significant[†]– was negligible in a practical sense. Overall poverty rates were unchanged at the tenth decimal place, lowered from 13.54 percent to 13.51 percent.



CONCLUSIONS & IMPLICATIONS

In 2015, spouses in same-sex marriages had poverty rates 9.9 percentage points higher than those in opposite-sex marriages. When same-sex married couples are assigned to families consistently with those in opposite-sex marriages, poverty rates for the married population do not vary based on relationship type.

The impact of these family assignment changes on overall poverty rates is limited, with national estimates consistent to the nearest tenth of a percentage point.

Beginning in the 2018 CPS ASEC (calendar year 2017) the U.S. Census Bureau expects to implement new editing procedures—coding same-sex married couples as one family consistent with their survey responses.

This poster is released to inform interested parties of ongoing research and to encourage discussion. Any views expressed are those of the authors and not necessarily those of the U.S. Census Bureau.



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