



Louisiana Budget Project

PROVIDING INDEPENDENT,
NONPARTISAN research and analysis
of Louisiana fiscal issues and their
impact on low and moderate
income residents.

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NEW CENSUS DATA: POVERTY INCREASES SIGNIFICANTLY IN LOUISIANA

Failure to Take Balanced Approach to Address Revenue Shortfall Will Worsen Trends

(Baton Rouge – September 22, 2011) Poverty rose significantly in Louisiana last year, highlighting the widespread impact of the recession and the need for Louisiana to protect this vulnerable population as it works to address revenue shortfalls.

According to the new poverty data released today by the U.S. Census Bureau, more than 830,000 Louisianans live below the poverty line. The percentage of people living in poverty continued to rise from 17.3 percent in 2009 to 18.7 percent in 2010. The [data](#) are from the Census' 2010 American Community Survey.

“In 2010, Louisiana had the seventh highest poverty rate in the country, compared to ranking eighth in 2009. Astonishingly, our state’s policies are making the situation worse rather than better,” said Edward Ashworth, director of the Louisiana Budget Project.

In response to Louisiana’s fiscal crisis, state lawmakers have slashed spending for vital state programs while protecting the tax cuts and corporate loopholes that are costing the state billions in revenue. In the last two legislative sessions, the Governor and the Legislature made deep cuts to health care, education and other key services that struggling families relied on and that are keys to economic growth. More cuts are likely as the state’s economic crisis persists.

“Louisiana should be investing in programs that lift people out of poverty such as public schools and higher education that would create a more skilled job pool for potential employers; roads, bridges, and other infrastructure that would allow businesses to operate safer and more efficiently; and health care that would provide a healthier

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workforce,” Ashworth said. “Instead, the Governor and Legislature have chosen to cut funding in these areas in order to pay for tax breaks that benefit big business and the well-to-do at the expense of ordinary Louisianans.”

While poverty statewide increased overall in 2010, some metropolitan areas were hit harder than others. The poverty rate in Lafayette increased by 6.4 percentage points to 19.8 percent, and the rate for children jumped 10.1 percentage points to 26.5 percent. In Alexandria, poverty increased by 5.4 percentage points to 19.5 percent. Among Louisiana’s seven largest cities, Monroe continued to have the highest poverty rate at 20.9 percent overall, and 30.6 percent for children. See attached table.

Louisiana’s policymakers will continue to face tough decisions about how to balance the state’s budget in 2012. Budget experts are already predicting a shortfall in next year’s budget of as much as \$1 billion. A balanced approach to closing that deficit that includes additional revenues will allow Louisiana to avoid more harmful cuts to services crucial to those already struggling to get by.

The number of people living in poverty also underscores the critical role of federal assistance, including unemployment insurance, expanded food stamps, and tax credits for middle- and low-income households.

“As bad as poverty is today, Census figures released last week show that those programs kept millions more Americans from falling below the poverty line in 2010,” Ashworth said.

To avoid worsening poverty and undermining the economy’s future, Congress must also take a balanced approach to deficit reduction that relies on both responsible cuts and ways to increase revenue. Reductions in Medicaid and other critical supports for struggling families would cut help as they continue to weather this difficult economy.

The Baton Rouge-based Louisiana Budget Project provides independent research and analysis of Louisiana fiscal issues and their impact on low- and moderate-income residents.

For more Census Data specific to Louisiana and more information on LBP, visit www.labudget.org and read [“Census Data: Fast Facts.”](#)

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POVERTY & HEALTH INSURANCE DATA BY METROPOLITAN AREA

Percent in Poverty								
	Total Population				Children 18 & Under			
	2010	2009	Diff.	SS	2010	2009	Diff.	SS
Statewide	18.7%	17.3%	1.4%	*	27.3%	24.2%	3.1%	*
<u>Metropolitan Areas</u>								
Alexandria	19.5%	14.1%	5.4%	*	28.6%	19.6%	9.0%	*
Baton Rouge	16.1%	15.6%	0.5%		23.9%	20.4%	3.5%	
Lafayette	19.8%	13.4%	6.4%	*	26.5%	16.4%	10.1%	*
Lake Charles	18.0%	16.6%	1.4%		24.7%	25.2%	-0.5%	
Monroe	20.9%	21.2%	-0.3%		30.6%	32.4%	-1.8%	
New Orleans-Metairie-Kenner	17.4%	15.9%	1.5%	*	25.8%	22.6%	3.2%	*
Shreveport-Bossier City	18.0%	16.4%	1.6%		29.1%	23.7%	5.4%	

Percent Without Health Insurance								
	Total Population				Children 18 & Under			
	2010	2009	Diff.	SS	2010	2009	Diff.	SS
Statewide	17.8%	17.4%	0.4%		5.5%	6.5%	-1.0%	*
<u>Metropolitan Areas</u>								
Alexandria	16.8%	15.0%	1.8%		1.4%	6.5%	-5.1%	*
Baton Rouge	14.9%	15.2%	-0.3%		3.2%	5.1%	-1.9%	*
Lafayette	17.9%	15.0%	2.9%	*	4.5%	5.8%	-1.3%	
Lake Charles	15.0%	15.4%	-0.4%		3.3%	4.3%	-1.0%	
Monroe	26.6%	21.1%	5.5%	*	15.5%	9.9%	5.6%	
New Orleans-Metairie-Kenner	17.9%	18.8%	-0.9%		6.3%	7.4%	-1.1%	
Shreveport-Bossier City	18.2%	16.5%	1.7%		5.7%	5.1%	0.6%	

Legend & Notes

"Metropolitan Areas" are defined by the U.S. Census Bureau

"SS"= statistically significant

	Rates of poverty/uninsurance were higher than statewide rate in 2010
	Increase in poverty/uninsurance from 2009 to 2010 was worse than statewide change