



## Faces of Poverty 2020 Montgomery County, MD

The Montgomery County Community Action Board

The Community Action Board (CAB), the County's federally designated antipoverty group, advises the County about poverty and the needs of low-income people. CAB provides oversight for the Community Action Agency's federal grants and the agency's services.

### Montgomery County at a Glance

- County population is over 1 million people (ACS)
- The highest population density in the state behind Baltimore City (MDP)
- Between 2010 and 2013, the County saw the largest increase in overall population in Maryland (an increase of 44,900 residents) (MDP)

### Demographics

- The County's population is 18.7% Black or African American, 14.5% Asian, 19.9% Hispanic or Latino (all races), and 43% White (non-Hispanic or Latino) (ACS)
- 41.7% of County residents age 5 and older speak a language other than English and 34.2% of these residents say they speak English "less than very well" (ACS)
- 39% of Maryland residents who speak a language other than English live in Montgomery County (CountyStat)
- 31.5% of residents were born outside of the United States (ACS)



### **Poverty in Montgomery County**

- 6.9% of the population (72,305 people) lives below the Federal Poverty Line (ACS)
- 21.8% of families are below 300% of the Federal Poverty Line (ACS)
- 14.9% of female-headed households with children under 18 are living in poverty (ACS)
- 3.7% of White (Non-Hispanic or Latino), 6.3% of Asian, 11.1% of Black or African American, and 9.7% of Hispanic or Latino County residents live in poverty (ACS)
- 53.2% of residents living in poverty (age 5 or older) speak a language other than English at home (ACS)

### **Children**

- The poverty rate for children in the County is 7.9% or 19,020 children (ACS)
- 54,730 children in Montgomery County Public Schools (approximately 33.4% of students) qualify for the Free and Reduced Meals Program and over 80% of those students qualify for *free meals* (MSDE)
- 2% of White (Non-Hispanic or Latino), 5.6% of Asian, 14.1% of Black or African American, and 11.7% of Hispanic or Latino children fall below the Federal Poverty Level (ACS)

### **Seniors**

- The number of seniors (age 65+) is projected to more than double between 2010 and 2040, from 120,000 to 244,000 (Aging)
- Poverty: 4.2% for White (Non-Hispanic or Latino) seniors, 9% for Hispanic or Latino seniors, 10% for Black or African American seniors, and 12.7% for Asian seniors (ACS)
- 25.6% of seniors (age 65+) live below 300% of the poverty level (ACS)
- 54.5% of senior renters (age 65+) and 27.2% of senior homeowners (age 65+) are “housing burdened” – spending 30% or more of income on housing costs (ACS)



### Self-Sufficiency in Montgomery County

- According to the 2016 Self-Sufficiency Standard, it costs about \$91,200 for a four-person family with two working parents, a preschooler and a school-age child, to afford the basic necessities in the County, over **three times** the Federal Poverty Level (SSS)
- 14% of White residents live below the SSS, while 23% of Asian residents, 44% of Black/African American residents, and 54% of Hispanic or Latino residents live below the SSS (SSS)

### Poverty vs. Self-Sufficiency

- The Federal Poverty guidelines are based on the total number of people in a household, regardless of age, while the Self-Sufficiency Standard takes into account the number of adults and children in a household and the age of the household members (USDHHS and SSS)
- The Federal Poverty Level is the same for all 48 contiguous states. The Self-Sufficiency Standard is based on the cost of living in a specific area (USDHHS and SSS)

|                                       | <b>1 adult (annual household income)</b> | <b>1 adult + 1 infant + 1 preschooler (annual household income)</b> | <b>2 adults + 1 preschooler + 1 school-age child (annual household income)</b> | <b>2 adults + 1 infant + 1 preschooler + 1 teenager (annual household income)</b> |
|---------------------------------------|--|---|--|---|
| <b>2020 Federal Poverty Level</b>     | \$12,760                                 | \$21,720  | \$26,200   | \$30,680  |
| <b>New County Minimum Wage*</b>       | \$29,568                                 | \$29,568  | \$59,136   | \$59,136  |
| <b>2016 Self-Sufficiency Standard</b> | \$37,807                                 | \$103,322   | \$91,252   | \$120,068   |

\*The County's minimum wage increased to \$14/hour on July 1, 2020 for employers with 50 or more employees. The annual income here is based on a work year consisting of 2,112 hours (the number used to calculate annual income in the SSS).



### **Earned Income Tax Credit**

- 56,705 County households received the Federal Earned Income Tax Credit in TY 2014 totaling \$126,788,171 in EITC (Brookings)
- It is estimated that in Montgomery County, between \$13.5 million and \$34.5 million in federal and Maryland EITC remain unclaimed (CASH)
- Approximately 33,914 EITC filers used paid tax preparers in TY 2013 (CASH)

### **Household Wealth & Financial Access**

- Asset poverty: 18.1% of Montgomery households are without sufficient net worth to subsist at the poverty level for three months in the absence of income (PN)
- Liquid Asset Poverty: 24.5% of households are without sufficient liquid assets to subsist at the poverty level for three months in the absence of income (PN)
- Zero Net Worth: 13.2% of households have zero or negative net worth (PN)
- Unbanked: 1.8% of County households do not have a checking or savings account – 13% of these households are White, 19.6% are Asian, 41.8% are Black, and 52.1% are Latino (PN)

### **Food Insecurity**

- 8% of the County's population (83,700 people) were food insecure in 2018 and this number is projected to jump to 13.1% in 2020 due to the coronavirus emergency (FA)
- 64% of those who are eligible for SNAP in the County are not participating (MHS)
- As of June 2018, there were 28,837 households receiving SNAP in the County (County DHHS)
- Among elementary school students, 11.5% of Black or African American students and 22.8% of Hispanic or Latino students are FARMS eligible, compared with less than 5% of Asian students and less than 5% of White students (MCPS Data)



## Housing

- Housing burden – spending more than 30% of income on housing
  - 23.1% of homeowners are housing burdened (ACS)
  - 85% of households with annual incomes of less than \$50,000 are housing burdened (ACS)
  - 46.8% of all renters are housing burdened (ACS)
  - 22.3% of White (non-Hispanic or Latino) renters, 37.8% of Asian renters, 40.3% of Hispanic or Latino renters, and 53.2% of Black or African American renters are housing burdened (ACS)
- According to the 2019 Point-In-Time Survey, 647 people were “literally homeless” in the County (MWCOG)

## Child Care

- Child care costs in the County are the highest in the state. In Montgomery County:
  - The average weekly cost of care for an infant/young child (0-23 months) is **\$407.52** in a child care center (MDFN)
  - The average weekly cost of care for a preschooler is **\$312.85** in a child care center (MDFN)
- For a family of four with two parents, one infant and one preschooler, 24.3% of median income is spent on child care costs on average (MDFN)

## References

2018 American Community Survey (ACS) <http://www.census.gov/programs-surveys/acs/>

Brookings Earned Income Tax Credit Information (Brookings) <https://www.brookings.edu/interactives/earned-income-tax-credit-eitc-interactive-and-resources/>

CASH Campaign of Maryland (CASH) <http://mdcash.org/>

Feeding America <https://www.feedingamericaaction.org/the-impact-of-coronavirus-on-food-insecurity/>

Maryland Department of Planning 2018 Maryland Statistical Handbook (MDP)  
<https://planning.maryland.gov/MSDC/Documents/md-statistical-handbook.pdf>

Maryland Family Network *Child Care Demographics 2020* (MDFN)  
[https://www.marylandfamilynetwork.org/sites/default/files/2020-03/2020\\_MFN\\_Demographics.pdf](https://www.marylandfamilynetwork.org/sites/default/files/2020-03/2020_MFN_Demographics.pdf)

Maryland Hunger Solutions (MHS) <https://live-mdhungersolutions.pantheonsite.io/pdf/analysis-snap-participation-by-md-county.pdf>

Maryland Self-Sufficiency Standard (SSS) <http://www.selfsufficiencystandard.org/>

Maryland State Department of Education (MSDE) Free and Reduced-Priced Meal Statistics  
<http://marylandpublicschools.org/programs/pages/school-community-nutrition/freereducedpricemealstatistics.aspx>

Metropolitan Washington Council of Governments Report on 2016 Point-In-Time Count (MWCOG)  
<https://www.mwcog.org/documents/2016/05/11/homelessness-in-metropolitan-washington-results-and-analysis-from-the-annual-point-in-time-pit-count-of-homeless-persons-homelessness/>

Montgomery County Department of Health and Human Services Statistics (County DHHS)  
<http://www.montgomerycountymd.gov/hhs/>

Montgomery County Public Schools FARMS Data (MCPS Data)  
<https://www.montgomeryschoolsmd.org/departments/regulatoryaccountability/glance/currentyear/schools/elementary.pdf>

Montgomery County Stat (CountyStat) <https://reports.data.montgomerycountymd.gov/countystat>

Prosperity Now Scorecard (PN) <http://scorecard.prosperitynow.org/>

Report: Summit on Aging – December 3, 2015 (Aging)  
[http://www.montgomerycountymd.gov/senior/Resources/Files/Summit\\_On\\_Aging\\_report-2015.pdf](http://www.montgomerycountymd.gov/senior/Resources/Files/Summit_On_Aging_report-2015.pdf)

United States Department of Health and Human Services Federal Poverty Guidelines (USDHHS)  
<https://aspe.hhs.gov/poverty-guidelines>



**The Montgomery County Community Action Agency**  
Department of Health and Human Services, Office of Community Affairs

The Montgomery County Community Action Agency seeks to reduce poverty and improve the self-sufficiency of low-income residents. Community Action manages \$5 million in federal and state Head Start and Community Services Block Grant funding. The agency provides comprehensive early childhood services through Head Start, delivers social services at the Takoma-East Silver Spring (TESS) Community Action Center, and increases asset development through its Volunteer Income Tax Assistance (VITA) partnership. Throughout the County, nonprofits with contracts monitored by CAA staff – totaling over \$4 million – deliver emergency food, clothing, and social services; legal assistance; employment training; and education to Montgomery County’s diverse low-income residents and facilitate community engagement.

**Montgomery County Community Action Agency**

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To request this information in alternative formats, please call 240-777-1697.  
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