After years of declining poverty, the COVID-19 pandemic impacted the well-being of Nebraskans in many ways, including an increase in poverty. According to the U.S. Census Bureau’s American Community Survey 5-Year Estimates for 2020, the official overall poverty rate in Nebraska is 10.4%, or 193,820 persons. Sheridan, Thurston, and Pawnee Counties experience poverty at the highest rates. Comparatively, Nebraska’s poverty rate is lower than average across the United States.

Over 10 in 100 Nebraskans are in poverty

14% of persons under age five are in poverty
12.2% of persons under age 18 are in poverty
7.8% of persons age 65 and over are in poverty
The poverty rate for younger age groups in Nebraska has trended down until COVID-19, while the poverty rate for those 65 and over has increased since before the pandemic.

The official poverty definition is based on income and household size/composition. Thresholds are updated annually to adjust for inflation and are based on three-times the basic cost of food. The supplemental poverty measure (SPM) considers other sources of income (i.e., government benefits) as well as variation in a range of expenses such as clothing and shelter by geography. For Nebraska 2020, the SPM is 8.1% which is lower than the official poverty rate in Nebraska and most of the Midwest.

From 2010 to 2020, the overall poverty rate in Nebraska has trended down

The “cliff effect” refers to the phenomena that a household earning just $1 more is considered out of poverty using the traditional poverty measure. This can often result in families losing eligibility for public assistance programs that are set by the federal poverty guidelines. The number of persons at percentages of the official poverty level for Nebraska in 2020 are shown below.
Those Most Likely to be in Poverty in Nebraska

In Nebraska, individuals in the following demographic groups have an increased likelihood of experiencing poverty: geographic location, persons of color, level of educational attainment, work status, parents in poverty, and degree of economic connectedness. The graphs on this page depict several of these trends.

Metro counties have higher youth poverty while rural counties have higher poverty among aging adults

Average poverty rates in Nebraska by county groupings for 2020

<table>
<thead>
<tr>
<th>Core Metro Counties</th>
<th>Outlying Metro Counties</th>
<th>Rural Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poverty Rate</td>
<td>10.7%</td>
<td>8.0%</td>
</tr>
<tr>
<td>Poverty Rate Under Age 18</td>
<td>7.1%</td>
<td>8.2%</td>
</tr>
<tr>
<td>Poverty Rate 65 and Over</td>
<td>14.4%</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

Low levels of education attainment is a strong predictor of poverty

Poverty rates in Nebraska 2020 by educational attainment for persons 25 years and older

- Less than high school graduate: 21,072 (20.8%)
- High school graduate (includes equivalency): 34,898 (11.1%)
- Some college, associates degree: 31,079 (7.5%)
- Bachelor’s degree or higher: 13,450 (3.3%)

Unemployed persons are more likely to be in poverty

Poverty rates in Nebraska 2020 by employment status for persons 16 years and older

- Unemployed: 9,545 (28.5%)
- Employed: 58,900 (6.0%)

Nebraska has a high rate for persons that work and are still in poverty

Poverty rates in Nebraska 2020 by employment status for persons 16 years and older

- Did not work: 69,255 (18.5%)
- Worked part-time or part-year in the past 12 months: 56,720 (16.1%)
- Worked full-time, year-round in the past 12 months: 16,643 (2.3%)

Persons of color are more likely to be in poverty in Nebraska

Poverty rates by race and ethnicity in Nebraska 2020

- Native American and Alaska Native alone: 3,976 (24.9%)
- Native Hawaiian and Other Pacific Islander alone: 286 (24.6%)
- Black or African American alone: 20,733 (23.7%)
- Hispanic or Latino origin (of any race): 38,372 (18.4%)
- Some other race alone: 8,516 (18.2%)
- Two or more races: 11,399 (15.5%)
- Asian alone: 5,708 (12.3%)
- White alone, not Hispanic or Latino: 118,690 (8.1%)
Poverty Profiles

The profiles in poverty were developed as depictions of the reality of poverty for some Nebraskans. Profiles were developed using the U.S. Census Bureau’s American Community Survey microdata from IPUMS for 2018-2020 5-Year Estimates. Data was analyzed in STATA and advanced search equitations were developed to identify survey responses of those most likely to be in poverty. A range of demographics were reviewed across each observation to develop the profiles. Profiles were selectively included and may be edited.

Among single moms with children under 18, 30% are in poverty or about 16,000 households

- Single mom of 3
- Age 28
- White, Not Latina
- Lives in Sarpy County
- No disability
- 1 year of college but no degree

Among married couple families with children under 18, 4% are in poverty or about 9,000 households

- Family of 4 with mother and father present
  - Father head of household
- Age 54
- White, Latino/Guatemalan
- Naturalized Citizen in 2013
  - Came to U.S. in 1990

HOUSING

- Lives in 4-bedroom home * with a family member likely temporarily
- Separated | was married in 2016
- Smartphone and home internet
- Has insurance through Medicaid
- Enrolled in SNAP

WORK

- Employed in “Bartending”
  - 50-52 weeks per year
  - 45 hours a week
- Total income $25,152
  - Other monthly income $412 *likely child support
- 1 vehicle, carpools to work
- Takes 20 minutes to arrive at work goes in at 4:30 P.M.

Among foreign born individuals 17% are in poverty

- Employed in “Laundry and Dry-cleaning”
  - 50-52 weeks per year, 35 hours a week
- Total income $21,132
- No vehicle, carpools with two people 7 minutes to work

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Poverty Profiles

Among women over 65 that live alone 8% are in poverty or about 900 households

- Widowed female
- Age 67
- White, not Latina
- Lives in Northwest Nebraska
- No disability
- Education through grade 10 – no high school degree

Housing

- Rents 2-bedroom home for $528/month
- No internet or internet enabled devices
- Has health insurance through Medicare

Work

- Employed in “Food Preparation”
  - 50-52 weeks per year
  - 27 hours a week
- Total income $13,728
  - $7392 wages
  - $6336 in social security
- 1 vehicle, commutes alone to work 5 minutes

Persons of color in Nebraska are considerably more likely to be in poverty even when they achieve higher levels of education

- Single male
- Age 28
- Black, not Latino
- Lives in Omaha
- No disability
- High school degree, enrolled in public college undergraduate program

Housing

- Rents studio/1-room home for $206/month
- No internet access at home; has smartphone and laptop
- No health insurance

Work

- Employed as “Cashier”
  - 50-52 weeks per year
  - 10 hours a week
- Total income $6,720
- 1 vehicle, commutes alone to work 12 minutes
- Works in evenings

Sources:
U.S. Census Bureau, American Community Survey, 2016-2020 5-Year Estimates.