

California poverty rate is still the worst in the nation while Silicon Valley billionaires eat lobster at private burning man clubs

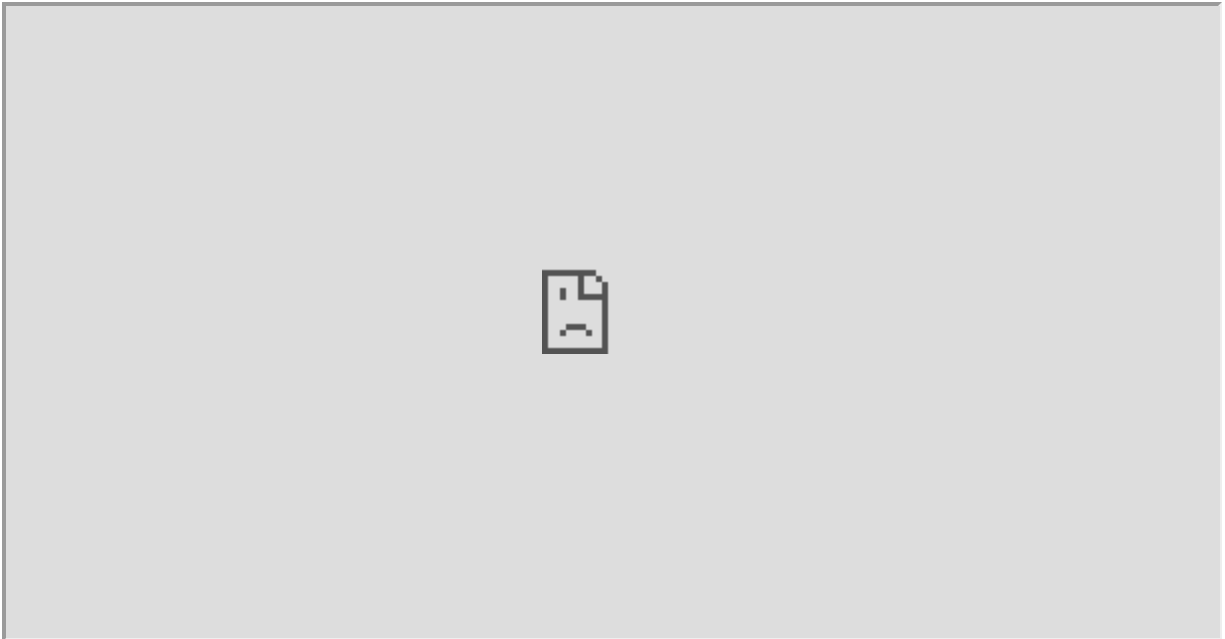
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Newly released federal estimates show California's poverty rate remained the highest in the nation, despite a modest fall, and the state's falling uninsured rate slowed for the first time since before Medicaid expansion.

According to the Census Bureau, the share of Californians in poverty fell to 19 percent — a 1.4 percent decrease from last year. However, policy experts warned that in spite of the good news more than 7 million people still struggle to get by in the state.

[The poverty figures](#) released Wednesday are said to paint the best picture of life for California's working poor since it encompasses income from government programs and factors in the high cost of living in some corners of the state.

Although California has a vigorous economy and a number of safety net programs to aid needy residents, it's often not enough to forestall economic hardship for one out of every five residents, the data show.



The high cost of living, primarily in housing, is a strong counterweight to many of the state's efforts, said Caroline Danielson, policy director at the Public Policy Institute of California.

“We do have a housing crisis in many parts of the state and our poverty rate is highest in Los Angeles County,” she said, adding that cost of living and poverty is often highest in the state's coastal counties. “When you factor that in we struggle.”

The portion of [uninsured residents dropped](#) from 7.3 percent to 7.2 percent. The one-tenth of a point decrease was a significantly smaller decline than the last four years.

California, like many states, expanded Medicaid after the passage of the Affordable Care Act. The law has come under attack by the Trump Administration in the last year — a fact some blame for the state’s slowed progress.

Scott Graves, director of research with the California Policy and Budget Center, said the tumult over the health law and multiple attempts to repeal it carry most of the blame for the state’s slowing improvement.

“We saw this huge cloud of uncertainty descend over the Affordable Care Act and Medicaid last year,” Graves said, adding that the multiple attempts to undermine the law likely discouraged people from signing up.

“We’re definitely seeing some of those federal headwinds showing up in the data here in California to the extent that our uninsured rate, which has come down several years in a row — in 2017 it sort of stalled out.”


Since 2013, the share of Californians who are uninsured fell by 10 percentage points. The only other state to see remotely similar growth was New Mexico, according to a Census report.


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“From our standpoint this represents a historic low. It’s only a small kick down from where we were a year ago but it does represent a new historic low in California,” said James Scullary, a spokesperson for Covered California. “California has experienced the largest decrease in uninsured than any state in the nation.”

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Greater Sacramento went from six poor neighborhoods to 18 over a six-year span, a 200 percent increase and tying for second highest behind Albuquerque.

By **David Caraccio**
