

Background

Section 673(2) of the Omnibus Budget Reconciliation Act (OBRA) of 1981 ([42 U.S.C. 9902\(2\)](#)) requires the Secretary of the Department of Health and Human Services to update the poverty guidelines at least annually, adjusting them on the basis of the Consumer Price Start Printed Page 8832 Index for All Urban Consumers (CPI-U). The poverty guidelines are used as an eligibility criterion by the Community Services Block Grant program and a number of other Federal programs. The *poverty guidelines* issued here are a simplified version of the *poverty thresholds* that the Census Bureau uses to prepare its estimates of the number of individuals and families in poverty.

As required by law, this update is accomplished by increasing the latest published Census Bureau poverty thresholds by the relevant percentage change in the Consumer Price Index for All Urban Consumers (CPI-U). The guidelines in this 2017 notice reflect the 1.3 percent price increase between calendar years 2015 and 2016. After this inflation adjustment, the guidelines are rounded and adjusted to standardize the differences between family sizes. In rare circumstances, the rounding and standardizing adjustments in the formula result in small decreases in the poverty guidelines for some household sizes even when the inflation factor is not negative. In cases where the year-to-year change in inflation is not negative and the rounding and standardizing adjustments in the formula result in reductions to the guidelines from the previous year for some household sizes, the guidelines for the affected household sizes are fixed at the prior year's guidelines. As in prior years, these 2017 guidelines are roughly equal to the poverty thresholds for calendar year 2016 which the Census Bureau expects to publish in final form in September 2017.

The poverty guidelines continue to be derived from the Census Bureau's current official poverty thresholds; they are not derived from the Census Bureau's Supplemental Poverty Measure (SPM).

The following guideline figures represent annual income.

2017 Poverty Guidelines for the 48 Contiguous States and the District of Columbia

| Persons in family/household | Poverty guideline |
|------------------------------------|--------------------------|
| 1 | \$12,060 |
| 2 | 16,240 |
| 3 | 20,420 |
| 4 | 24,600 |
| 5 | 28,780 |
| 6 | 32,960 |
| 7 | 37,140 |
| 8 | 41,320 |

For families/households with more than 8 persons add \$4,180 for each additional person.

2017 Poverty Guidelines for Alaska

Persons in family/household Poverty guideline

2017 Poverty Guidelines for Alaska

Persons in family/household Poverty guideline

| | |
|---|----------|
| 1 | \$15,060 |
| 2 | 20,290 |
| 3 | 25,520 |
| 4 | 30,750 |
| 5 | 35,980 |
| 6 | 41,210 |
| 7 | 46,440 |
| 8 | 51,670 |

For families/households with more than 8 persons, add \$5,230 for each additional person.

2017 Poverty Guidelines for Hawaii

Persons in family/household Poverty guideline

| | |
|---|----------|
| 1 | \$13,860 |
| 2 | 18,670 |
| 3 | 23,480 |
| 4 | 28,290 |
| 5 | 33,100 |
| 6 | 37,910 |
| 7 | 42,720 |
| 8 | 47,530 |

For families/households with more than 8 persons, add \$4,810 for each additional person.

Separate poverty guideline figures for Alaska and Hawaii reflect Office of Economic Opportunity administrative practice beginning in the 1966-1970 period. (Note that the Census Bureau poverty thresholds—the version of the poverty measure used for statistical purposes—have never had separate figures for Alaska and Hawaii.) The poverty guidelines are not defined for Puerto Rico or other outlying jurisdictions. In cases in which a Federal program using the poverty guidelines serves any of those jurisdictions, the Federal office that administers the program is generally responsible for deciding whether to use the contiguous-states-and-DC guidelines for those jurisdictions or to follow some other procedure.

Due to confusing legislative language dating back to 1972, the poverty guidelines sometimes have been mistakenly referred to as the “OMB” (Office of Management and Budget) poverty guidelines or poverty line. In fact, OMB has never issued the guidelines; the guidelines are issued each year by the Department of Health and Human Services. The poverty guidelines may be formally referenced as “the poverty guidelines updated periodically in the **Federal Register** by the U.S. Department of Health and Human Services under the authority of [42 U.S.C. 9902\(2\)](#).”

Some federal programs use a percentage multiple of the guidelines (for example, 125 percent or 185 percent of the guidelines), as noted in relevant authorizing legislation or program regulations. Non-Federal organizations that use the poverty guidelines under

their own authority in non-Federally-funded activities also may choose to use a percentage multiple of the guidelines.

The poverty guidelines do not make a distinction between farm and non-farm families, or between aged and non-aged units. (Only the Census Bureau poverty thresholds have separate figures for aged and non-aged one-person and two-person units.)

Note that this notice does not provide definitions of such terms as “income” or “family,” because there is considerable variation in defining these terms among the different programs that use the guidelines. These variations are traceable to the different laws and regulations that govern the various programs. This means that questions such as “Is income counted before or after taxes?”, “Should a particular type of income be counted?”, and “Should a particular person be counted as a member of the family/household?” are actually questions about how a specific program applies the poverty guidelines. All such questions about how a specific program applies the guidelines should be directed to the entity that administers or funds the program, since that entity has the responsibility for defining such terms as “income” or “family,” to the extent that these terms are not already defined for the program in legislation or regulations.

Dated: January 26, 2017.

Norris Cochran,

Acting Secretary of Health and Human Services.