The Self-Sufficiency Standard is in 37 states
Also calculated for the District of Columbia & New York City

The Standard measures how much income is needed for a family of a certain composition in a given place to adequately meet their basic needs—without public or private assistance. The Standard makes it possible to determine if families’ incomes are enough to meet basic needs.

The Standard assumes that all adults (whether married or single) work full-time and includes the costs associated with employment—specifically, transportation and taxes, and for families with young children, child care.

The Standard takes into account that many costs differ not only by family size and composition (as does the official poverty measure), but also by the age of children. While food and health care costs are slightly lower for younger children, child care costs are much higher—particularly for children not yet in school—and are a substantial budget item not included in the official poverty measure.

The Self-Sufficiency Wage for Select U.S. Cities, 2009*
One Adult with One Preschooler and One Schoolage Child

<table>
<thead>
<tr>
<th>City</th>
<th>Hourly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Portland, OR**</td>
<td>$14.83</td>
</tr>
<tr>
<td>Atlanta, GA**</td>
<td>$18.37</td>
</tr>
<tr>
<td>Cleveland, OH</td>
<td>$20.21</td>
</tr>
<tr>
<td>Sacramento, CA</td>
<td>$21.55</td>
</tr>
<tr>
<td>Philadelphia, PA**</td>
<td>$22.26</td>
</tr>
<tr>
<td>Seattle, WA**</td>
<td>$23.80</td>
</tr>
<tr>
<td>San Francisco, CA</td>
<td>$26.97</td>
</tr>
<tr>
<td>Cleveland, OH</td>
<td>$21.55</td>
</tr>
<tr>
<td>Boston, MA**</td>
<td>$28.83</td>
</tr>
</tbody>
</table>

HOURLY SELF-SUFFICIENCY WAGE

*Wages are updated to 2009 using the Consumer Price Index
**Wage calculated assuming family uses public transportation

The Standard includes the net effect of taxes and tax credits. It provides for state sales taxes, payroll (Social Security) taxes, and federal and state income taxes. Three credits available to working adults, the Child Care Tax Credit (CCTC), the Child Tax Credit (CTC), and the Earned Income Tax Credit (EITC) are “credited” against income—thus reducing the amount needed to become economically self-sufficient.

The Standard accounts for the fact that, over time, various costs increase at different rates. For example, food costs, on which the official poverty thresholds are based, have not increased as fast as housing costs. This failure to account for differential inflation rates among other non-food basic needs is one reason that the official poverty thresholds are no longer an adequate measure of the money required to meet real needs.

The Self-Sufficiency Standard establishes a family sustaining wage specific to most families throughout the U.S. by making real-world assumptions, varying data regionally and by family type, and including the net effect of taxes and tax credits. A Self-Sufficiency Wage means the family or individual is on the road to economic independence.

“Working hard should move families out of poverty, not keep them poor. The State Self-Sufficiency Standard strategically outlines by county how much employees need to be making in order to break the cycle of dependency and find a path to self-sufficiency.”

— Estelle B. Richman, Secretary of the Pennsylvania Department of Public Welfare
How the Self-Sufficiency Standard Has Been Used

The Self-Sufficiency Standard is currently being used to better understand issues of income adequacy, to analyze policy, and to help individuals striving for self-sufficiency. Community organizations, academic researchers, policy institutes, legal advocates, training providers, community action agencies, and state and local officials, among others, are using the Standard.

POLICY ADVOCACY

New Jersey used the Standard to successfully lobby the state legislature to increase the minimum wage from $5.15/hour to $7.15/hour.

The Self-Sufficiency Standard was an integral tool to increase Maryland’s EITC by an additional $40 million for the state’s low-income families.

Alabama Arise led a coalition that successfully advocated for more progressive taxes, increasing the income level at which families begin paying taxes.

Pennsylvania used the Standard as an analysis of the impact of proposed increased child care co-payments on low-income working parents. This analysis was instrumental in preventing the proposed increase.

When the Oklahoma Department of Human Services proposed large increases in the child care co-payments, the Oklahoma Community Action Project of Tulsa County (CAP) incorporated analysis based on the Standard in the report “Increased Child Care Co-Payments Threaten Access to Care for Low Income Families,” resulting in rescinding of the proposed increases.

BENCHMARK FOR EVALUATION

Sonoma County, California adopted the Standard as its formal measure of self-sufficiency and benchmark for measuring success in welfare to work programs.

Under its Workforce Investment Act, the Chicago Workforce Investment Board adopted the Self-Sufficiency Standard as its self-sufficiency benchmark.

Counselors at the San Francisco Labor Council calculate vocational ESL students’ self-sufficiency level at the beginning and end of the program to gauge the effectiveness of the courses and program.

COUNSELING TOOL

The Workforce Development Council of Seattle-King County has implemented a curriculum to train caseworkers in the workforce system to conduct financial planning, career counseling, and goal-setting in a self-sufficiency context with their clients.

Counseling tools developed by PathWays PA, a community-based organization in Pennsylvania, are used by the Philadelphia Workforce Investment Board to enhance individuals’ paths to self-sufficiency by helping people access tax credits and other transitional work supports.

Several states have developed online Self-Sufficiency Calculators, counseling tools that empower clients to evaluate strategies to reach self-sufficient wages.

LIVING WAGE CAMPAIGNS

Many employers have used the Standard to set living wage policies, including Pennsylvania CAP agencies and the California Child Care Workforce.

The Standard has been used in California, Illinois, New York, New Jersey, Hawaii, Nebraska, South Dakota, Tennessee, Virginia, and Washington State to advocate for higher wages through Living Wage ordinances and in negotiating labor union agreements.

JOB TRAINING

In Washington, D.C., the Standard is now being used as the definition of economic self-sufficiency used to meet the federal requirement to identify a wage level that determines eligibility for receiving intensive services.

The Colorado Center on Law and Policy successfully lobbied the Eastern Region Workforce Board in Fort Morgan, Colorado to officially adopt the Self-Sufficiency Standard to determine eligibility for intensive training services.

The Missouri Women’s Council of the Department of Economic Development used the Standard in the development and promotion of a career program for low-income women that encourages non-traditional career options that pay self-sufficiency wages.

For more information about the Self-Sufficiency Standard please visit www.selfsufficiencystandard.org or contact Dr. Diana Pearce at pearce@u.washington.edu or (206) 616-2850. Information on national policy initiatives can be obtained by contacting the Wider Opportunities for Women Family Economic Self-Sufficiency (FESS) project at (202) 464-1596 or www.wowonline.org/ourprograms/fess.