
The Self-Sufficiency Standard for Maryland

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The Self-Sufficiency Standard for Maryland

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Preface

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The Self-Sufficiency Standard for Maryland

How much money does it take for families to live and work without public or private assistance or subsidies?

Introduction

Due to an uncertain economy combined with changes in welfare and workforce development policy, the question of self-sufficiency has taken on new urgency. As many parents leave welfare and enter the labor market, they join a growing number of families who are unable to stretch their wages to meet the costs of basic necessities. Even though many of these families are not poor according to the official poverty measure, their incomes are inadequate. But what is adequate income—and how does this amount vary among different family types and different places? To answer that question we have a new measure of income adequacy, the Self-Sufficiency Standard.

The Self-Sufficiency Standard measures how much income is needed, for a family of a given composition in a given place, to adequately meet its basic needs—without public or private assistance. For example, the Self-Sufficiency Standard assumes that being self-sufficient means that families do not have to rely on food pantries, subsidized child care, Medicaid, or any other assistance. Below we will explain the origin of the Standard; how it differs from the official poverty standard; how it is calculated; what it looks like for Maryland’s families; and how various public work supports, public policies, and other available resources can help families move towards self-sufficiency. We conclude this report with a discussion of the varied ways that the Standard can be used as a tool for policy analysis, counseling, performance evaluation, and research.

Measuring Income Adequacy: Problems with the Poverty Line

How much is enough for families to meet their needs, on their own? Although we may have trouble coming up with an exact dollar figure, most of us know what adequacy looks like when we see it. As one participant in a training program put it, when asked to define her progress towards economic self-sufficiency:

I wouldn’t say I’m economically self-sufficient yet. When it comes to a point where I don’t have to worry about the health care needs of my family, when I don’t have to worry about the light bill, when the light man isn’t knocking on the door saying “your bill is due.” Not that you have a lot of money, but you’re not worried about how your kid is going to get that next pair of shoes Just the simple things, that may not be all that simple because we don’t have them yet.¹

Obviously, however, we cannot interview every person for his or her own assessment of income adequacy, as quoted above. Besides, such assessments would be subjective and inconsistent. The need for an objective standard to assess income adequacy has thus led most of us to the official federal poverty measure. Using the federal poverty measure, we can determine that a family is “poor” if its income is below the appropriate threshold, and “not poor” if it is above that threshold. The poverty measure, however, has

become increasingly problematic as a measure of income adequacy.

The most significant shortcoming of the federal poverty measure is that it is too low; for most families, in most places, it is simply not high enough. That is, there are many families with incomes above the federal poverty line who nonetheless lack sufficient resources to adequately meet their basic needs. As a result, many assistance programs use a multiple of the poverty standard to measure need. For example, Maryland Children’s Health Program is extended to families with incomes that are 300% of federal poverty thresholds.

Not only government, but the general public also considers the poverty line to be too low. A number of studies have shown that the public would set a mini-

Not only is the federal poverty measure too low, but it is based on outdated assumptions, thus not incorporating new needs, changing demographics and widening geographic differentials.

imum income 25-50% above the federal poverty standard, depending upon the family’s composition and where the family lives.²

However, the official poverty measure has additional problems inherent in its structure. Simply raising the poverty line, or using a multiple of the threshold cannot solve these problems.

There are two basic methodological problems with the federal poverty measure. The first is that the federal poverty measure is based on the cost of a single item, food, not on a market basket of basic needs. Because families spent about one-third of their income on food, the cost of food was multiplied by three. Since the official poverty measure was first developed and implemented in the early 1960s it has only been updated to reflect inflation, and has not and cannot incorporate new needs.

In addition to outdated nutritional standards on which the poverty measure was based, the demographic model (the two-parent family with a stay-at-home wife) has also changed significantly since the measure’s inception. Particularly for working parents—of whom there are many more today than in the 1960s—there are new needs associated with employ-

ment, such as transportation, taxes, and if they have young children, child care, and if they have children under twelve, supervised activities. Though not incorporated into the costs for the Self-Sufficiency Standard, it is clear that some older youth require supervised activities when their parents are not present if they are to have the best chance to achieve academically and stay out of trouble, including substance abuse, teen pregnancy, and crime.

The poverty thresholds are also the same whether one lives in Mississippi or Manhattan. That is, the poverty measure does not vary by geographic location. Although there was some geographic variation in costs three decades ago, differences in the cost of living between areas have increased substantially since then, particularly in the area of housing. Indeed, housing in the most expensive areas of the country costs about four times as much as the same size units in the least expensive areas.³

Once again, public programs have recognized the failure of the one-size-fits-all poverty measure to capture differences in need. Thus, instead of using the poverty measure, federal housing programs assess need using local area median income as a way to take into account the significant differences in cost of living between localities. The Food Stamp program also takes into account variations in costs of housing and child care between different localities.

Finally, the poverty measure does not distinguish between those families in which the adults are employed, and those in which the adults are not employed. At the time that the poverty measure was first developed, there was probably not a large difference between families in these situations: taxes were very low for low-income families with earned income and transportation was inexpensive. Most important, the majority of workers with children had a nonworking spouse who provided child care. Today, taxes even for low-income families are substantial, transportation can be costly, and many families do not have “free” child care available.

For these and other reasons, many researchers and analysts have proposed revising the poverty standard. Suggested changes would reflect new needs as well as incorporate geographically-based differences in costs, and would build in more responsiveness to changes over time.⁴ Others have gone further, creating new measures of income adequacy, such as “Basic Needs Budgets” or Living Wages.⁵

The Self-Sufficiency Standard—And How It Differs from the Federal Poverty Measure

While drawing on the critiques and analysis of the poverty measure cited above, the Self-Sufficiency Standard takes a somewhat different approach to measuring income adequacy. As the editors of the Boston Globe put it: “Ask not where poverty ends, but where economic independence begins.”⁶ That is, at what point does a family have sufficient income and resources (such as health benefits) to meet their needs adequately, without public or private assistance?

As a standard of income adequacy, the Self-Sufficiency Standard defines the amount of income required to meet basic needs (including paying taxes) in the regular “marketplace” without public or private/informal subsidies. By providing a measure that is customized to each family’s circumstances, i.e., taking account of where they live, and how old their children are, the Self-Sufficiency Standard makes it possible to determine if a family’s income is enough to meet their basic needs.

While both the Self-Sufficiency Standard and the official poverty measure assess income adequacy, the Standard differs from the official poverty measure in several important ways:

- The Standard does not try to combine, or average together, the very different circumstances of families in which adults work, compared to those in which they do not. Rather, *the Self-Sufficiency Standard assumes that all adults (whether married or single) work full-time,⁷ and therefore, includes costs associated with employment, specifically, transportation, 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 cost not included in the official poverty measure.*
- *The Standard incorporates regional and local variations in costs. This is particularly important for housing, although regional variation also occurs to a lesser extent for child care, health care and transportation. Unlike some approaches suggested for a revised poverty standard, however, the*

Standard does not assume a fixed ratio of urban to rural costs, but uses actual costs. Although rural areas and small towns usually have lower costs than the metropolitan areas in a given state, cost ratios vary and there are exceptions. For example, living costs in rural areas that have become desirable tourist or second-home destinations are often as high, or higher, than in a state’s urban areas.

Self-Sufficiency means maintaining a decent standard of living and not having to choose between basic necessities—whether to meet one’s need for child care but not for nutrition, or housing but not health care. Self-Sufficiency Wages are family sustaining wages.

- *The Standard includes the net effect of taxes and tax credits.* It provides for state sales taxes, as well as payroll (Social Security and Medicare) taxes, and federal and state income taxes. Three federal credits available to workers and their families are “credited” against the income needed to meet basic needs: the Child Care Tax Credit, the Earned Income Tax Credit, and the Child Tax Credit. Two state credits are also included: the Child Care Tax Credit (refundable and nonrefundable) and the State EITC (both refundable and nonrefundable).
- While the poverty standard is based on the cost of a single item, food, and assumes a fixed ratio between food and nonfood, *the Standard is based on the costs of each basic need, determined independently, which allows each cost to increase at its own rate.* Thus, the Standard does not assume that food is always 33% of a family’s budget, or constrain housing to 30%.

As a result, the Self-Sufficiency Standard is set at a level that is, on the one hand, not luxurious or even comfortable, and on the other, not so low that it fails to adequately provide for a family. Rather, the Standard provides income sufficient to meet minimum nutrition standards, for example, and to obtain housing that would be neither substandard nor overcrowded.

The Standard does not, however, allow for longer-term needs, such as retirement, purchase of major items such as a car, or emergency expenses (except possibly

under the “miscellaneous” cost category). Self-sufficiency means maintaining a decent standard of living and not having to choose between basic necessities—whether to meet one’s need for child care but not for nutrition, or housing but not health care. Self-Sufficiency Wages are family sustaining wages.

What the Self-Sufficiency Standard Is ... and Is Not

Using the Self-Sufficiency Standard, a given family’s income is deemed inadequate if it falls below the appropriate threshold (family type and location). However, we emphasize that, as with any measure or threshold, the exact amount is essentially arbitrary, i.e.,

Central to the efforts to achieve self-sufficiency are access to education and training, access to jobs that provide real potential for skill development, and career advancement over the long term.

if a family’s income falls a dollar above or below the monthly Self-Sufficiency Wage, it should not be interpreted in absolute terms as having, or not having, adequate income. Rather, we urge users of the Standard to think in relative terms of “wage adequacy,” that is, one should ask how close is a given wage to the Standard?

Thus, for example, if the Standard for a given family is \$10.00 per hour, but the adult supporting the family only earns \$7.00 per hour, then the latter wage has a “wage adequacy” level of only 70%. At the same time, a penny above or below \$10.00 (\$9.99 versus \$10.01) is not a meaningful distinction.

Second, *the use of income thresholds should not be taken to mean that economic self-sufficiency can be achieved with just wages alone, or even wages combined with benefits.* True self-sufficiency involves not just a job with a certain wage and benefits, but rather income security for a family over time. Thus, the Self-Sufficiency Wage represents a larger goal toward which one is striving, and is a process that one is engaged in, not a one-time achievement. As one person put it, “Self-sufficiency is a road I’m on.”⁸

Central to these efforts are access to education and training, access to jobs that provide real potential for skill development, and career advancement over the long-term. For some, this may mean entering jobs that

are nontraditional for women, and for others it may mean developing their own small businesses as their sole or an adjunct source of income. For many, if not most, however, self-sufficiency is not achieved through stopgap measures or short-term solutions. Most individuals moving from welfare to work cannot achieve a Self-Sufficiency Wage in a single step, but require the needed assistance, guidance, transitional work supports and the time necessary to become self-sufficient.

The argument for training and education may not be the same as the need for food and shelter; however, true long-term self-sufficiency increasingly necessitates investments that enhance skills and adaptability. Without technologically sophisticated and broad-based education—which provides the flexibility to move into new jobs and careers—self-sufficiency is in danger of being at best a fleeting accomplishment.

Finally, the Self-Sufficiency Standard is not meant to imply that government work supports are not appropriate for Maryland families. Indeed, given the large number of families who have not yet achieved wage adequacy, interim assistance in meeting the costs of such high price items as child care, health care, and housing, is frequently the only viable means for these families to have the necessary resources to secure their basic needs.

Likewise, it is important to recognize that self-sufficiency does not imply that *any* family at *any* income should be completely self-reliant and independent of one another, or the community at large. Indeed, it is through inter-dependence between families, and community institutions such as schools or religious institutions, as well as informal networks of friends, family, and neighbors, that many are able to meet their non-economic needs as well as economic necessities. Such support and help is essential to our well-being, psychologically as well as materially, and should be supported.

Nothing about the Self-Sufficiency Standard should be taken to mean that such efforts to help each other should be discouraged. Nor should the Standard be understood as endorsing an ideal of self-dependence in complete isolation—we are not advocating a “Lone Ranger” model for families. The Standard is a measure of income adequacy, not of family functioning. Likewise, community, societal, and governmental response to struggling families should be encouraged as supportive of the goal of self-sufficiency.

How the Self-Sufficiency Standard is Calculated

The goal of making the Standard as standardized and accurate as possible, yet varied geographically and by age, requires meeting several different criteria. As much as possible, the figures used here:

- are collected or calculated using standardized or equivalent methodology,
- come from scholarly or credible sources, such as the U.S. Bureau of the Census,
- are updated at least annually, and
- are age- and/or geographically-specific (where appropriate).

Thus, costs that rarely have regional variation (such as food) are usually standardized, while costs such as housing and child care, which vary substantially, are calculated at the most geographically-specific level available.

For each jurisdiction, city, or sub-jurisdiction area in Maryland, the Self-Sufficiency Standard is calculated for 70 different family types—all one-adult and two-adult families, ranging from a single adult with no children, to one adult with one infant, one adult with one preschooler, and so forth, up to two-adult families with three teenagers. The costs of each basic need and the Self-Sufficiency Wages for all 70 family types for all geographic areas may be found in the Full Report. We have included the costs of each basic need and the Self-Sufficiency Wages for eight selected family types for each jurisdiction in Maryland in the Appendix to this report.

The components of the Self-Sufficiency Standard for Maryland and the assumptions included in the calculations are described below.

Housing: The Standard uses the Fiscal Year 2002 Fair Market Rents, which are calculated annually by the U.S. Department of Housing and Urban Development for every metropolitan housing market and non-metropolitan county (totaling over 400 housing market areas). Fair Market Rents (FMRs) are based on data from the decennial census, the annual American

Housing Survey, and telephone surveys.⁹ The FMRs (which include utilities except telephone and cable) are intended to reflect the cost of housing that meets minimum standards of decency, but is not luxurious. They reflect the cost of a given size unit at the 40th percentile level. (At the 40th percentile level, 40% of the housing in a given area would be less expensive than the FMR, while 60% would cost more than the FMR.)

The Standard incorporates Payment Standards, which are adjustments to the FMRs made by local Public Housing Authorities (PHA). Each PHA has the authority to vary their payment standards by a range of 90-110% of the FMR, based on the local market, and may do so in specific areas and even by size of unit. If there is a need to adjust the FMRs above 110%, the PHA may seek the required approval from the state's HUD office. For example, Anne Arundel County is divided into three different areas, based on housing costs that range from 110% to 120% of the Fair Market Rent.

The Self-Sufficiency Standard assumes that parents and children do not share the same bedroom and that there are not more than two children per bedroom. Therefore, the Standard assumes that single persons and couples without children have one-bedroom units;¹⁰ families with one or two children require two bedrooms, and families with three children, three bedrooms.

Child Care: The Standard uses the most accurate information available that is recent, geographically-specific, and age- and setting-specific. In most states, this is the survey of child care costs originally mandated by the Family Support Act, which provides the cost of child care at the 75th percentile, by age of child and setting (family day care home, day care center, etc.).¹¹

For Maryland, the Standard uses the August, 2001 Maryland Committee for Children Cost of Care Report, which is based on the results of the Committee's statewide survey of child care providers in the 24 jurisdictions in Maryland. The rates given are the average rates and are specified by age, setting, and 24 service delivery areas.

Because it is more common for very young children to be in day care homes rather than centers,¹² the Standard assumes that children less than three years of age (infants and toddlers, called “infants” here) receive full-time care in day care homes. Preschoolers (three through five years old), in contrast, are assumed to go to day care centers full-time. School-age children (ages six to 12) are assumed to receive part-time care in before- and after-school programs (five-year-olds who attend public school full-time should be considered “schoolage”).

Food: Although the Thrifty Food Plan is used as the basis of both the poverty thresholds and the Food Stamps allotments, the Standard uses the Low-Cost Food Plan for food costs.¹³ While both of these USDA diets meet minimum nutritional standards, the Low-Cost Food Plan is based on more realistic assumptions about food preparation time and consumption patterns. Although the Low-Cost Food Plan amounts are about

The Self-Sufficiency Standard is calculated using scholarly or credible sources from data that is collected at least annually, is age- and geographically-specific (where appropriate), and is collected or calculated using standardized or equivalent methodology.

25% higher than the Thrifty Food Plan, they are nevertheless conservative estimates of the level of food expenditures required to meet nutritional standards. The Low-Cost Food Plan does not allow for any take-out, fast-food, or restaurant meals, even though, according to the Consumer Expenditure Survey, average American families spend about 42% of their food budget on food eaten away from home. Again, the choice to use this food budget reflects what it costs to adequately meet nutritional needs, not consumer behavior.

The food costs in the Standard are varied according to the number and age of children and the number and gender of adults. Since there is little regional variation in the cost of food overall, the Standard uses the national average throughout the State of Maryland.

Transportation: If there is an adequate public transportation system in a given area, it is assumed that workers use public transportation to get to and from work. A public transportation system is considered “adequate” if it is used by a substantial percentage of

the population to get to work. According to one study, if about 7% of the total public uses public transportation, that “translates” to about 30% of the low- and moderate- income population.¹⁴ According to the 1990 Census, the city of Baltimore is the only city in Maryland in which a substantial number of workers use public transportation to get to and from work.

Nevertheless, changes in the last decade make the assumption of adequate public transportation for accessing employment no longer valid in Baltimore. As with many cities, Baltimore has experienced both deindustrialization and suburbanization of employment. Baltimore in particular has seen a 14% decrease in jobs since 1970, with 10% of that 14% occurring since 1990.¹⁵ As a result, many jobs have moved to the suburbs where there are insufficient transportation links from Baltimore City, particularly to the fastest growing areas of employment such as Harford, Carroll, and Howard. In addition, the public transportation system in Baltimore has suffered from a lack of funds since 1990 that has resulted in a loss of some suburban routes and overall ridership, along with the quality and attractiveness of service, leading to further budget cuts in a downward spiral.¹⁶ Therefore, because of the inadequacy of public transportation in Baltimore, we assume that it is necessary for an adult worker to own a car in Baltimore, as well as for workers in the rest of Maryland.

In order to get to and from work; if there are two adults in the family, we assume two cars. (It is unlikely that two adults with two jobs would be traveling to and from the same place of work, at exactly the same time.)

Private transportation costs are based on the costs of owning and operating an average car (or two cars, if there are two adults). The costs include the fixed costs of owning a car (including fire and theft insurance, property damage and liability, license, registration, taxes, repairs, and finance charges), as well as monthly variable costs (e.g., gas, oil, tires, and maintenance), but do not include the initial cost of purchasing a car.

To estimate fixed costs, we use the Consumer Expenditure Survey amounts for families in the second quintile (those whose incomes are between the 20th and 40th percentile) of income, by region. In Maryland, there are differences in auto insurance costs within the state, with it costing more in Baltimore City and Montgomery County than elsewhere. We varied the insurance portion of the fixed costs by a ratio computed

from a study of insurance costs differentials done by the Maryland Insurance Administration. For variable costs, we used the AAA Daily Fuel Gauge Report. For varied costs, the Standard assumes that the car(s) will be used to commute to and from work five days per week, plus one trip per week per family for shopping for food and other errands. (The commuting distance is computed using the statewide average from the National Personal Transportation Survey). In addition, one parent in each household with young children is assumed to have a slightly longer weekday trip to allow for “linking” trips to the day care center or home.

Health Care: Health care costs in the Standard include both the employee’s share of insurance premiums plus additional out-of-pocket expenses, such as co-payments, uncovered expenses (e.g., dental care and prescriptions), and insurance deductibles.

Although workers who do not have employer-provided health insurance often “do without,” families



cannot be truly self-sufficient without health insurance. The Self-Sufficiency Standard assumes that the employer provides health insurance coverage, which is true for 83% of non-temporary workers.¹⁷ In Maryland, employees pay 16.6% of the premium for coverage for themselves only, or 26.6% of the premium for family coverage—which are lower than the proportions for the national average share of premium costs (which

are 24% of employee-only coverage, and 36% of family coverage).¹⁸ The costs of health insurance in Maryland are based on the average premiums paid by Maryland residents, according to the Kaiser Family Foundation State Health Facts, derived from the Medical Expenditure Panel Survey, and adjusted for inflation using the Medical Consumer Price Index (Medical CPI). To capture the geographical differences in costs, we varied the health insurance premiums by a ratio computed from data obtained from the Maryland Comprehensive Standard Health Benefit Plan.

Data for out-of-pocket health care costs (by age) were obtained from the National Medical Expenditure Survey, adjusted by state using the Families USA report, *Skyrocketing Health Inflation: 1980–1993–2000*, and adjusted for inflation using the Medical CPI.

Miscellaneous: This expense category includes all other essentials such as clothing, shoes, paper products, diapers, nonprescription medicines, cleaning products and household items, personal hygiene items, and telephone. It does not allow for recreation, entertainment, or savings. Miscellaneous expenses are calculated by taking 10% of all other costs. This percentage is a conservative estimate in comparison to estimates in other basic needs budgets, which usually use 15%.¹⁹

Taxes: Taxes include state sales tax, federal, state and local income taxes, and payroll taxes. The retail sales tax is 5%, with no tax on food items. Sales taxes are calculated only on “miscellaneous” items, as one does not ordinarily pay tax on rent, child care, and so forth. Indirect taxes, e.g., property taxes paid by the landlord on housing, are assumed to be included in the price of housing passed on by the landlord to the tenant. Also, taxes on gasoline and automobiles are included as a cost of owning and running a car.

State income taxes are calculated using the Commerce Clearinghouse State Tax Handbook as well as the tax forms and instructions from the Comptroller of Maryland. The state income tax calculation includes state specific deductions, exemptions, and tax credits.

Payroll taxes for Social Security and Medicare are calculated at 7.65% of each dollar earned. Although the federal income tax rate is higher than the payroll tax rate—15% for most family types—federal exemptions and deductions are substantial. As a result, while the payroll tax is paid on every dollar earned, families do not pay federal income tax on the first \$10,000 to

\$12,000 or more, thus lowering the effective federal tax rate to 7% to 10% for most family types.

Earned Income Tax Credit (EITC): The EITC, or as it is sometimes called, the Earned Income Credit, is a federal tax refund intended to offset the loss of income from payroll taxes owed by working-poor and near-poor families. The EITC is a “refundable” tax credit; that is, working adults may receive the tax credit whether or not they owe any federal taxes. There is a state EITC that is 16% of the federal EITC, and a Montgomery County EITC that is also 16% of the federal EITC.

Child Care Tax Credit (CCTC): The CCTC is a federal tax credit that allows working parents to deduct a percentage of their child care costs from the federal income taxes they owe. Like the EITC, the CCTC is deducted from the total amount of money a family needs to be self-sufficient. Unlike the EITC, the federal CCTC is not a “refundable” tax credit. A family may only receive the CCTC as a credit against federal income taxes owed. Therefore, families who owe very little or nothing to the federal government in income taxes, receive little or no CCTC.

Child Tax Credit (CTC): The CTC is a federal tax credit that allows parents to deduct up to \$600 per child for children less than 17 years old from the federal income taxes they owe. If a family has one or two children, it is calculated like the CCTC, as a credit against federal taxes owed. If the family does not owe federal taxes, or has already taken the CCTC and there is no remaining liability (that is, no federal tax is owed after the CCTC is taken), then the family is not eligible



for the CTC. However, if there are three or more children, then the CTC becomes refundable (as with the EITC). In this case, the family may receive the credit (up to \$600 per child), even if they do not owe any federal taxes. However, the amount of CTC they receive is limited to the amount their payroll tax exceeds the EITC that they have or will receive. Starting in 2002, the CTC will be refundable (on a sliding scale) for those with earnings over \$10,000.

In effect, given the high costs of child care, many families with young children who are paying market rate child care offset most or all of the federal taxes they owe with their Child Care Tax Credit. However, those with older children, more than three, and/or higher incomes, are more likely to receive the CTC as well.

How Much Money is Enough in Maryland?

Because the Self-Sufficiency Standard varies by family type and location, the amount of money that a family needs to be economically self-sufficient depends upon family size and composition, the age of children, and where they live. In this section we present the cost of living for six different places in Maryland: Baltimore

City, Montgomery County, Prince George's County, Allegany County, Anne Arundel County Area 2* and Kent County.

In Baltimore City a single person with no children needs to earn just **\$9.13** per hour to be able to meet

Table 1
The Self-Sufficiency Standard for Selected Family Types
Baltimore City, MD, 2001
Monthly Expenses and Shares of Total Budgets

Monthly Costs	One Adult		One Adult, One Preschooler		One Adult, One Preschooler, One Schoolage		Two Adults, One Preschooler, One Schoolage	
	Costs	% of total	Costs	% of total	Costs	% of total	Costs	% of total
Housing	\$592	37	\$722	28	\$722	24	\$722	19
Child Care*	\$0	0	\$441	17	\$749	24	\$749	20
Food	\$176	11	\$266	10	\$396	13	\$544	15
Transportation	\$281	18	\$287	11	\$287	9	\$552	15
Health Care	\$107	7	\$223	9	\$248	8	\$314	8
Miscellaneous	\$116	7	\$194	8	\$240	8	\$288	8
Taxes**	\$334	21	\$503	20	\$601	20	\$729	20
Earned Income Tax Credit (-)***	\$0	0	\$0	0	\$0	0	\$0	0
Child Care Tax Credit (-)	\$0	0	-\$40	-2	-\$80	-3	-\$80	-2
Child Tax Credit (-)	\$0	0	-\$50	-2	-\$100	-3	-\$100	-3
Total Percent Self-Sufficiency Wage - Hourly****	\$9.13	100	\$14.47	100	\$17.41	100	\$10.57 per adult	100
Monthly	\$1,607		\$2,546		\$3,064		\$3,719	
Annual	\$19,280		\$30,558		\$36,767		\$44,629	

* Note that these child care numbers are at the 75th percentile and are slightly different from the average used by the Maryland Committee for Children. At the 75th percentile 25% of child care costs are higher and 75% of child care costs are less.

** Taxes include federal and state income taxes (including state tax credits except state EITC), payroll taxes and sales taxes.

*** Includes both federal and state EITC.

**** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

Note: Totals may not add exactly due to rounding.

Table 2
The Self-Sufficiency Standard for Selected Family Types
Montgomery County, MD, 2001
Excluding Rockville
Monthly Expenses and Shares of Total Budgets

	One Adult		One Adult, One Preschooler		One Adult, One Preschooler, One Schoolage		Two Adults, One Preschooler, One Schoolage	
Monthly Costs	Costs	% of total	Costs	% of total	Costs	% of total	Costs	% of total
Housing	\$884	44	\$1,037	31	\$1,037	25	\$1,037	22
Child Care*	\$0	0	\$683	20	\$1,101	27	\$1,101	23
Food	\$176	9	\$266	8	\$396	10	\$544	12
Transportation	\$262	13	\$268	8	\$268	7	\$512	11
Health Care	\$108	5	\$225	7	\$251	6	\$317	7
Miscellaneous	\$143	7	\$248	7	\$305	7	\$351	7
Taxes**	\$451	22	\$745	22	\$907	22	\$1,023	22
Earned Income Tax Credit (-)***	\$0	0	\$0	0	\$0	0	\$0	0
Child Care Tax Credit (-)	\$0	0	-\$40	-1	-\$80	-2	-\$80	-2
Child Tax Credit (-)	\$0	0	-\$50	-1	-\$100	-2	-\$100	-2
Total Percent Self-Sufficiency Wage - Hourly****	—	100	—	100	—	100	—	100
Monthly	\$11.50		\$19.22		\$23.21		\$13.37 per adult	
Annual	\$2,024		\$3,382		\$4,085		\$4,705	
	\$24,292		\$40,583		\$49,014		\$56,462	

* Note that these child care numbers are at the 75th percentile and are slightly different from the average used by the Maryland Committee for Children. At the 75th percentile 25% of child care costs are higher and 75% of child care costs are less.

** Taxes include federal and state income taxes (including state tax credits except state EITC), payroll taxes and sales taxes.

*** Includes both federal and state EITC

**** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

Note: Totals may not add exactly due to rounding.

her/his basic needs, as can be seen in the first column of Table 1. However, because housing is more expensive, plus the added cost of child care, the cost of meeting all of the family's basic needs increases by over \$5.00 per hour for the single adult with one preschooler compared to the single adult: she must earn **\$14.47** per hour.²⁰ If she has two children, a preschooler and a schoolage child, she would need almost twice as much as the single person with no children at **\$17.41** per hour to meet her family's needs. Finally, if there are two adults supporting two children, a

preschooler and a schoolage child, costs are increased slightly for additional food, health care, and miscellaneous costs, but the major costs of housing and child care stay the same. As a result, the amount *each* would need to earn is about one-fifth over the amount a single parent would need to earn: **\$10.57** per hour.

In Montgomery County (see Table 2), the costs are quite a bit more than the costs in Baltimore City for each family type because the high cost of housing in Montgomery County is about a third more than Balti-

more City. Thus, a single adult's Self-Sufficiency Wage is **\$11.50** per hour, and the single parent with one preschooler must earn **\$19.22** per hour. With two children, a preschooler and a schoolage child, she would need **\$23.21** per hour to meet her family's needs. In the two-parent family, each adult would need to earn **\$13.37** per hour.

The cost of meeting one's basic needs for a single adult in Prince George's County is **\$10.76** per hour (see Table 3). A single parent with one preschooler needs to earn **\$16.60** per hour to meet the basic needs of

her family. While these costs are high, if she has two children, one preschooler and one schoolage child, she would need almost twice the amount required of the single person with no children, **\$19.73** per hour, to meet her family's needs. In the two-parent family, each adult would need to earn **\$11.59** per hour in Prince George's County. These costs are quite a bit less than in Montgomery County.

In Allegany County (see Table 4), the costs are quite a bit less than the costs in Prince George's County for each family type. Thus, a single adult's Self-Sufficiency

Table 3
The Self-Sufficiency Standard for Selected Family Types
Prince George's County, MD, 2001
Monthly Expenses and Shares of Total Budgets

Monthly Costs	One Adult		One Adult, One Preschooler		One Adult, One Preschooler, One Schoolage		Two Adults, One Preschooler, One Schoolage	
	Costs	% of total	Costs	% of total	Costs	% of total	Costs	% of total
Housing	\$804	42	\$943	32	\$943	27	\$943	23
Child Care*	\$0	0	\$484	17	\$814	23	\$814	20
Food	\$176	9	\$266	9	\$396	11	\$544	13
Transportation	\$257	14	\$262	9	\$262	8	\$501	12
Health Care	\$108	6	\$225	8	\$251	7	\$317	8
Miscellaneous	\$134	7	\$218	7	\$267	8	\$312	8
Taxes**	\$414	22	\$613	21	\$721	21	\$829	20
Earned Income Tax Credit (-)***	\$0	0	\$0	0	\$0	0	\$0	0
Child Care Tax Credit (-)	\$0	0	-\$40	-1	-\$80	-2	-\$80	-2
Child Tax Credit (-)	\$0	0	-\$50	-2	-\$100	-3	-\$100	-2
Total Percent Self-Sufficiency Wage - Hourly****	\$10.76	100	\$16.60	100	\$19.73	100	\$11.59 per adult	100
Monthly	\$1,893		\$2,921		\$3,473		\$4,079	
Annual	\$22,720		\$35,051		\$41,678		\$48,953	

* Note that these child care numbers are at the 75th percentile and are slightly different from the average used by the Maryland Committee for Children. At the 75th percentile 25% of child care costs are higher and 75% of child care costs are less.

** Taxes include federal and state income taxes (including state tax credits except state EITC), payroll taxes and sales taxes.

*** Includes both federal and state EITC.

**** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

Note: Totals may not add exactly due to rounding.

Table 4
The Self-Sufficiency Standard for Selected Family Types
Allegany County, MD, 2001
Monthly Expenses and Shares of Total Budgets

	One Adult		One Adult, One Preschooler		One Adult, One Preschooler, One Schoolage		Two Adults, One Preschooler, One Schoolage	
Monthly Costs	Costs	% of total	Costs	% of total	Costs	% of total	Costs	% of total
Housing	\$464	34	\$574	30	\$574	25	\$574	19
Child Care*	\$0	0	\$327	17	\$547	24	\$547	18
Food	\$176	13	\$266	14	\$396	17	\$544	18
Transportation	\$243	18	\$249	13	\$249	11	\$473	16
Health Care	\$103	8	\$208	11	\$233	10	\$300	10
Miscellaneous	\$99	7	\$162	8	\$200	9	\$244	8
Taxes**	\$262	19	\$294	15	\$350	15	\$532	18
Earned Income Tax Credit (-)***	\$0	0	-\$71	-4	-\$75	-3	\$0	0
Child Care Tax Credit (-)	\$0	0	-\$46	-2	-\$84	-4	-\$80	-3
Child Tax Credit (-)	\$0	0	-\$50	-3	-\$72	-3	-\$100	-3
Total Percent Self-Sufficiency Wage - Hourly****	—	100	—	100	—	100	—	100
	\$7.65		\$10.87		\$13.17		\$8.62 per adult	
Monthly	\$1,347		\$1,914		\$2,318		\$3,033	
Annual	\$16,159		\$22,966		\$27,819		\$36,402	

* Note that these child care numbers are at the 75th percentile and are slightly different from the average used by the Maryland Committee for Children. At the 75th percentile 25% of child care costs are higher and 75% of child care costs are less.

** Taxes include federal and state income taxes (including state tax credits except state EITC), payroll taxes and sales taxes.

*** Includes both federal and state EITC.

**** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

Note: Totals may not add exactly due to rounding.

Wage is **\$7.65** per hour, and the single parent with one preschooler must earn **\$10.87** per hour to meet her family's needs. If the single parent has two children, one preschooler and one schoolage child, she would need to earn **\$13.17** per hour. In the two-parent family, each adult would need to earn **\$8.62** per hour.

The cost of meeting one's basic needs for a single adult in Anne Arundel County Area 2* is **\$9.37** per hour (see Table 5). A single parent with one preschooler needs to earn **\$15.82** per hour to meet the

basic needs of her family. If she has two children, one preschooler and one schoolage child, she would need **\$18.78** per hour, to meet her family's needs. In the two-parent family, each adult would need to earn **\$11.10** per hour in Anne Arundel County Area 2*.

In Maryland, the cost of living is highest in the counties that are part of the Washington, DC metropolitan area, such as Prince George's County and Montgomery County. But, suburban Baltimore counties like Anne Arundel also have a high cost of living.

In Kent County (see Table 6), the costs for a single adult is **\$7.79**. A single parent with one preschooler must make at least **\$11.63** an hour to meet the basic needs for her family. With an additional schoolage child, the cost of child care will become 19% of her total budget and she will need to make **\$12.65** per hour to meet all of her family's basic needs. Two adults with one preschooler and one schoolage child must each earn **\$8.41** per hour.

Because both child care and housing costs are lower in less expensive areas of Maryland compared to higher cost areas, and these two costs account for the majority of the budget, the proportions spent on each cost do not vary greatly from place to place. Among families with just one infant or preschool-age child, housing costs in Maryland average just over a fourth of costs—about 27 to 31%, while child care is somewhat lower—15 to 21%.

Table 5
The Self-Sufficiency Standard for Selected Family Types
Anne Arundel County, MD, 2001
Area 2*
Monthly Expenses and Shares of Total Budgets

Monthly Costs	One Adult		One Adult, One Preschooler		One Adult, One Preschooler, One Schoolage		Two Adults, One Preschooler, One Schoolage	
	Costs	% of total	Costs	% of total	Costs	% of total	Costs	% of total
Housing	\$649	39	\$791	28	\$791	24	\$791	20
Child Care**	\$0	0	\$556	20	\$864	26	\$864	22
Food	\$176	11	\$266	10	\$396	12	\$544	14
Transportation	\$251	15	\$257	9	\$257	8	\$492	13
Health Care	\$107	7	\$223	8	\$248	8	\$314	8
Miscellaneous	\$118	7	\$209	8	\$256	8	\$301	8
Taxes***	\$346	21	\$573	21	\$674	20	\$781	20
Earned Income Tax Credit (-)****	\$0	0	\$0	0	\$0	0	\$0	0
Child Care Tax Credit (-)	\$0	0	-\$40	-1	-\$80	-2	-\$80	-2
Child Tax Credit (-)	\$0	0	-\$50	-2	-\$100	-3	-\$100	-3
Total Percent Self-Sufficiency Wage - Hourly*****	—	100	—	100	—	100	—	100
Monthly	\$9.37		\$15.82		\$18.78		\$11.10 per adult	
Annual	\$1,647		\$2,784		\$3,306		\$3,908	
	\$19,767		\$33,413		\$39,672		\$46,890	

* See List of Anne Arundel County Area 2 on page 64.

** Note that these child care numbers are at the 75th percentile and are slightly different from the average used by the Maryland Committee for Children. At the 75th percentile 25% of child care costs are higher and 75% of child care costs are less.

*** Taxes include federal and state income taxes (including state tax credits except state EITC), payroll taxes and sales taxes.

**** Includes both federal and state EITC.

***** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

Note: Totals may not add exactly due to rounding.

Table 6
The Self-Sufficiency Standard for Selected Family Types
Kent County, MD, 2001
Monthly Expenses and Shares of Total Budgets

Monthly Costs	One Adult		One Adult, One Preschooler		One Adult, One Preschooler, One Schoolage		Two Adults, One Preschooler, One Schoolage	
	Costs	% of total	Costs	% of total	Costs	% of total	Costs	% of total
Housing	\$473	34	\$633	31	\$633	28	\$633	21
Child Care*	\$0	0	\$317	15	\$427	19	\$427	14
Food	\$176	13	\$266	13	\$396	18	\$544	18
Transportation	\$250	18	\$256	12	\$256	11	\$486	16
Health Care	\$103	8	\$210	10	\$236	11	\$302	10
Miscellaneous	\$100	7	\$168	8	\$195	9	\$239	8
Taxes**	\$269	20	\$341	17	\$321	14	\$510	17
Earned Income Tax Credit (-)***	\$0	0	-\$50	-2	-\$95	-4	\$0	0
Child Care Tax Credit (-)	\$0	0	-\$44	-2	-\$84	-4	-\$80	-3
Child Tax Credit (-)	\$0	0	-\$50	-2	-\$58	-3	-\$100	-3
Total Percent Self-Sufficiency Wage - Hourly****	—	100	—	100	—	100	—	100
Monthly	\$7.79		\$11.63		\$12.65		\$8.41 per adult	
Annual	\$1,372		\$2,047		\$2,226		\$2,961	
	\$16,459		\$24,563		\$26,712		\$35,532	

* Note that these child care numbers are at the 75th percentile and are slightly different from the average used by the Maryland Committee for Children. At the 75th percentile 25% of child care costs are higher and 75% of child care costs are less.

** Taxes include federal and state income taxes (including state tax credits except state EITC), payroll taxes and sales taxes.

*** Includes both federal and state EITC.

**** The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

Note: Totals may not add exactly due to rounding.

For families with two children, however, child care costs usually exceed housing costs, with child care costing from 19 to 27% of the family budget, and 23 to 28% going to housing costs, depending on the place. In Allegany County and Kent County the child care costs are significantly less than in Anne Arundel, Baltimore, and Montgomery Counties, resulting in child care costs that do not exceed the cost of housing.

While the rent for a two-bedroom housing unit varies from a low of \$574 per month (Allegany County) to a high of \$1037 per month (Montgomery County), the differential in child care costs is also large. For example, the cost of child care for two children, a preschooler full-time and a schoolage child part-time, ranges from \$427 in Kent County to \$1101 in Montgomery County.

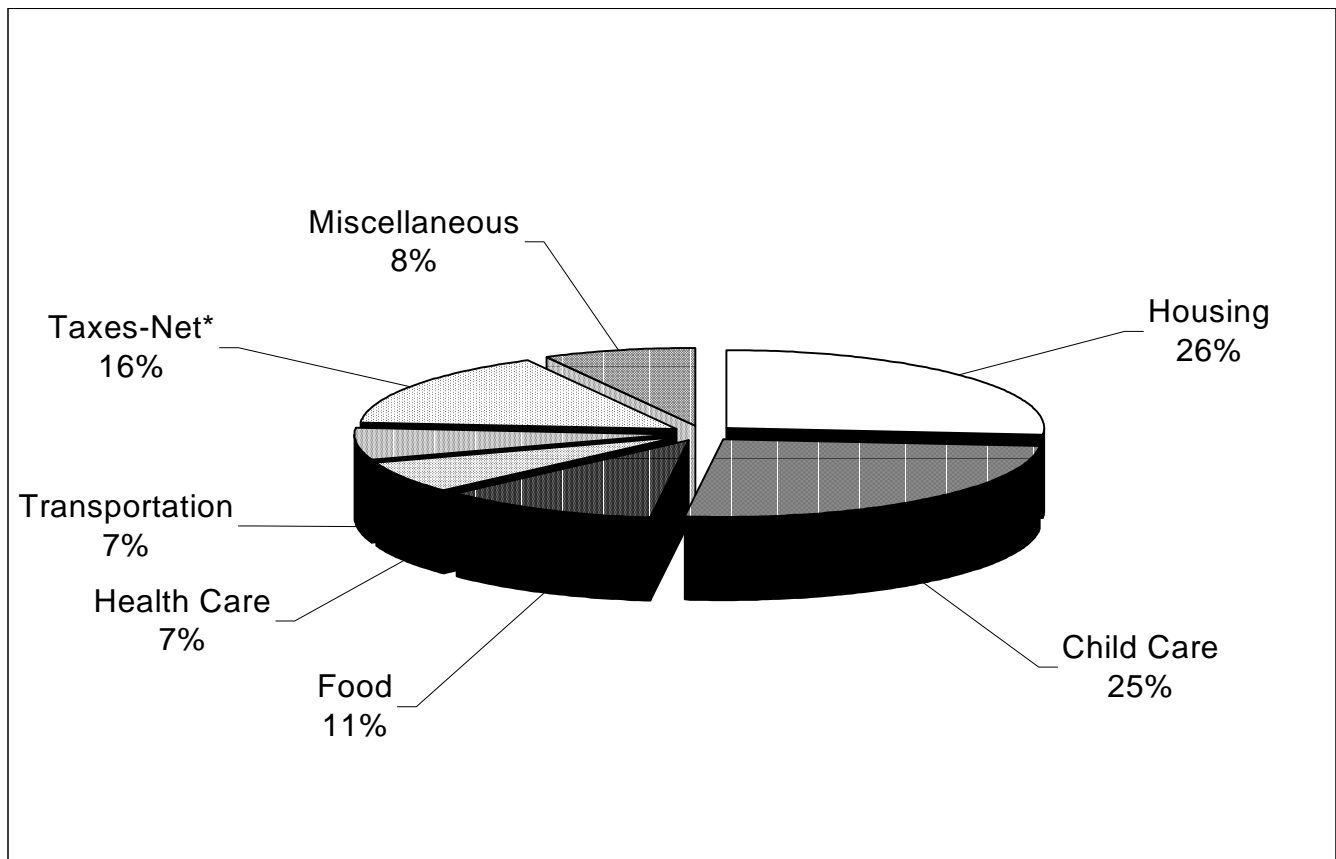
Consequently, the proportions of expenses that go to these two major costs, housing and child care, are similar for single parents across counties, ranging from 47 to 52% of total costs.

In Figure 1 below, we have shown the proportion of income spent on each basic need for a single parent family with one preschooler and one schoolage child in Charles County. Housing and child care are by far the greatest expenses for working families with children. Families with two children, one of whom is under

schoolage, generally spend half their incomes on these two expenses alone.

The next largest expenses for a Maryland family are net taxes and food, accounting for 16% and 11% respectively. Even though taxes are reduced by tax credits, they still account for over one-eighth of expenses. Health care is a relatively small share, but this calculation assumes that the employer both provides health insurance as well as pays a portion of the premium.

Figure 1
Percentage of Income Needed to Meet Basic Needs, 2001
Based on the Self-Sufficiency Standard for a Family with One Parent, One Preschool-age Child and One School-Age Child in Charles County, MD



*Note: Percentages include the net effect of taxes and tax credits. Thus, the percentage of income needed for taxes is actually 21%, but with tax credits, the amount owed in taxes is reduced to 16%.

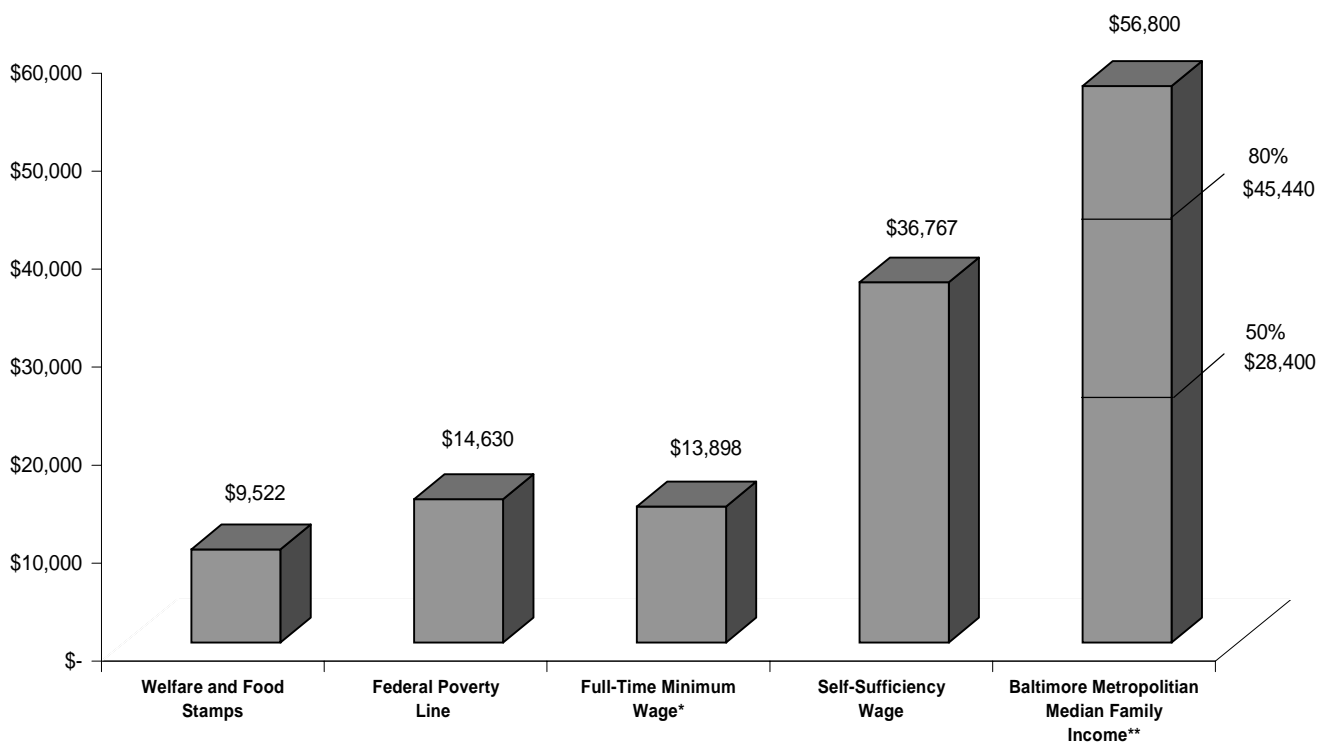
Comparing the Standard to Other Benchmarks of Income

To put the Standard in context, it is useful to compare it to other commonly used measures of income adequacy. In Figure 2 below, we have compared the Standard to four other benchmarks: the welfare grant package, the federal poverty measure, the Maryland minimum wage, and the median income. This set of benchmarks is not meant to show *how* a family would move from welfare or poverty to self-sufficiency. Rather, the concept of self-sufficiency assumes a gradual progression, one that takes place over time. (Please see the next two sections for a more detailed

discussion of how Maryland families can achieve Self-Sufficiency Wages).

For purposes of comparison, we use the Standard for a three-person family consisting of one adult, one preschooler, and one schoolage child living in Baltimore City. (The other benchmarks presented are also for three-person families, where relevant; however none is as specific as the Standard in terms of age and number of children, and/or geographic location.) The Standard for this family type, in Baltimore City is **\$36,767**.

Figure 2
The Self-Sufficiency Standard Compared to Other Benchmarks, 2001
 Based on the Self-Sufficiency Standard for a Family with One Parent, One Preschooler and One Schoolage Child in Baltimore City, MD



* Note: Full-time minimum wage is the year 2001 Maryland minimum wage of \$5.15 per hour, and includes the net effect of the addition of the Earned Income Tax Credit and the subtraction of taxes.

**According to the Census 2000 Supplementary Survey, the Baltimore City household income is \$30,654. We use \$56,800 for the Baltimore Metropolitan Area that is based on the median household income for a family of three reported by Housing and Urban Development.

The Welfare (TANF) Grant and Food Stamps:

Including the cash value of Food Stamps as well as the cash TANF grant, the total assistance package is **\$794** per month in Baltimore City or **\$9,522** per year assuming no wage or other income. This amount is just over one-fourth (**26%**) of the Self-Sufficiency Standard for a three-person family in Baltimore City.

Federal Poverty Level: Not surprisingly, the Standard is quite a bit higher than the official poverty level for a family of three. A family consisting of one adult and two children would be considered “poor,” according to federal guidelines, if this family had a monthly income of **\$1,219** (**\$14,630** annually) or less—regardless of where they live, or the age of their children. Thus, the official poverty level for a three-person family is under half (**40%**) of the Self-Sufficiency Wage actually needed for a three-person family (with one adult, one preschooler and one schoolage child). Even in the least expensive jurisdictions in Maryland, such as Garrett County, the official poverty guideline is only about 59% of the amount needed to meet family needs according to the Standard. And in Montgomery County, the federal poverty level is just one-third of the Self-Sufficiency Standard.

Minimum Wage: A full-time worker at the Maryland minimum wage of **\$5.15** per hour earns about **\$893** per month or **\$9,893** per year. Subtracting taxes—payroll (Social Security), and federal and state income taxes—and adding tax credits—the child care, child, and Earned Income Tax Credits—this worker would have a cash income of **\$1,158** per month, or **\$13,898** per year. This amount is more than her earnings alone because the federal EITC benefit for which she qualifies is the maximum, and is more than the taxes she owes. (At this income level, this worker only has to pay sales and payroll taxes—her income is below the threshold for paying federal income taxes. Nevertheless, because she does not pay federal income taxes, she does not receive either the Child Care Tax Credit or the Child Tax Credit.)

Even with the help of the federal EITC, however, a full-time job with the minimum wage provides under one-half (**37%**) of the amount needed to be self-sufficient. If we assume that she pays taxes, but does not receive the EITC payments on a monthly basis—as is true of most workers—she will only receive **\$9,893** during the year, which is just over one-third of the Self-



Sufficiency Standard (**37%**). For all three of these benchmarks there is an unusually large gap (compared to other states) between each of them and the Self-Sufficiency Wage.

Median Family Income: Median family income (half of an area’s families have incomes above this amount and half have incomes below this amount) is a rough measure of the relative cost of living in an area. The median income for a three-person family in Baltimore metropolitan area is **\$56,800**. The Self-Sufficiency Standard for a single-parent family with one preschooler and one schoolage child is thus **65%** of the median family income for the Baltimore metro area.

The U.S. Department of Housing and Urban Development (HUD) uses area median family income as a standard to assess families’ needs for housing assistance. Those with incomes below 50% of the median area income are considered “Very Low Income,” while those with incomes below 80% of the median are considered “Low Income.” (Almost all assistance is limited to the “Very Low Income” category, and even then, only about one-fourth of those eligible families receive housing assistance.) Thus, the Self-Sufficiency Standard for a Baltimore City family falls below the HUD definition of “Low Income.” In most states and localities, the Self-Sufficiency Standard falls *between* 50% and 80% of area median income. That it is below the 80%-of-area-median-income/“Low Income” standard used by HUD suggests the Standard is set at a minimally adequate level. At the same time, that it is above 50% of median income means that a substantial portion of Maryland families lack adequate income to meet their needs.

Comparing the Standard for Baltimore to Other Major Cities

The Self-Sufficiency Standard has now been completed for 19 states or cities. Because the Self-Sufficiency Standard uses the same methodology across states, the cost of meeting basic needs for a given family type can be directly compared. However, since the Standard has been done in different years in the various places, the numbers have been updated to the year 2001. While over a long period of time, costs are likely to increase at different rates, for our purposes here, it is acceptable to use the overall Consumer Price Index (CPI) (for the appropriate region or city) to update the Standards to make them comparable.

As can be seen in Table 7, we have chosen to compare the Standard for Baltimore to thirteen other large American cities: Boston, Chicago, Denver, Houston, Los Angeles, Louisville, Milwaukee, New York City (Queens), Philadelphia, Salt Lake City, San Francisco, Seattle and Washington, DC. For a single adult, the costs in Baltimore require a Self-Sufficiency

Wage of \$9.13 per hour, and are higher than eleven of the cities listed and lower than the costs in New York City (Queens) and San Francisco.

The Self-Sufficiency Wage for the one-child family in Baltimore shown in Table 7 is more than the wages for the same family types in Houston, Louisville and Seattle, but less than the cost of living in the remaining ten cities. For the two-child families, the Self-Sufficiency Wage in Baltimore is less than all the other cities except Houston and Louisville. For example, the single adult with two children must earn \$17.41 per hour in Baltimore to be self-sufficient, which is somewhat less than in most of the other cities, whose Self-Sufficiency Wages range from \$14.86 to \$25.89 per hour.

In conclusion, while Baltimore is not the most expensive city to live in, it is also not the least expensive, and it still requires substantial resources, particularly for families with children, in order to meet basic family needs at an adequate level.

Table 7
**The Self-Sufficiency Standard for Baltimore City, MD
Compared to Other Major Cities, 2001**

City	Self-Sufficiency Standard Wage			
	Single Adult	Single Adult, Preschooler	Single Adult, Preschooler, Schoolage	Two Adults, Preschooler, Schoolage
Baltimore, MD	\$9.13	\$14.47	\$17.41	\$10.57*
Boston, MA	\$8.28	\$16.82	\$20.41	\$11.09*
Chicago, IL	\$8.57	\$14.87	\$18.13	\$10.07*
Denver, CO	\$7.99	\$14.76	\$18.90	\$10.72*
Houston, TX	\$6.16	\$10.56	\$14.86	\$8.51*
Los Angeles, CA	\$7.28	\$16.20	\$21.06	\$11.74*
Louisville, KY	\$8.04	\$14.21	\$17.18	\$10.23*
Milwaukee, WI	\$8.93	\$16.37	\$20.24	\$11.87*
New York City (Queens), NY	\$9.47	\$18.35	\$22.95	\$12.56*
Philadelphia, PA	\$8.32	\$15.13	\$17.93	\$10.13*
Salt Lake City, UT	\$8.33	\$14.63	\$17.76	\$10.58*
San Francisco, CA	\$11.33	\$21.84	\$25.89	\$13.66*
Seattle, WA	\$6.82	\$14.22	\$17.59	\$9.60*
Washington, DC	\$8.70	\$17.49	\$24.71	\$13.59*

*per adult

All wages updated using regional urban CPI to the year 2001.

Closing the Gap Between Incomes and the Self-Sufficiency Standard

Of course, many families do not earn Self-Sufficiency Wages, particularly if they have recently entered (or reentered) the workforce, or live in high-cost areas. They, therefore, cannot afford their housing *and* food *and* child care—much less their other basic needs. They must choose between needs, or accept substandard or inadequate child care, insufficient food, or substandard housing.

This wage gap presents states and localities with a challenge of how to aid families who are striving for self-sufficiency, especially families whose incomes may be above the “poverty” level and/or assistance eligibility levels, yet fall below what is needed for self-sufficiency. While many have benefited from the opportunities produced by the expanding economy, helping families achieve self-sufficiency will be an even greater challenge (in the future in the advent of economic downturns and/or those who have exhausted their time limits on welfare.)

The two basic strategies to close this gap in income are to (1) **raise wages** and/or (2) **reduce costs through work supports and tax relief**—public and/or private, in cash or “in kind,” or through reduced taxes. On the one hand, there are a number of strategies that may help individuals to raise their wages. On the other hand, families may be provided with other resources, in cash or in kind, in the form of subsidies, other supports, or in the form of tax relief that help fill the gap between their earnings and their families’ needs.

These two approaches are not mutually exclusive, but in fact can, and should, be used as appropriate, sequentially or in tandem. Thus, some parents may receive education and training, followed by jobs that are supplemented by supports (if necessary) until their wages reach the self-sufficiency level. Alternatively, individual parents may combine work and study from the outset. Whatever choices are made, parents should be able to choose the path to self-sufficiency that best safeguards their family’s well-being and allows them to balance work, education and family responsibilities.

Raising Wages

Training and Education: Adults who have language difficulties, inadequate education, or who lack job skills or experience, cannot achieve Self-Sufficiency Wages without first addressing access to training and education. Training and education are often key to entering occupations and workplaces that will eventually, if not immediately, pay Self-Sufficiency Wages (see chart on following page). For some, this may mean ESL (English as a Second Language), Adult Basic Education (ABE) and/or the GED (General Education Degree). For others, this may mean two- or four-year degrees.

The development of an educated workforce is necessary for many employers to remain competitive. Indeed, businesses have long invested heavily in education and training for their skilled workers in order to take advantage of new technology. Expanding incumbent worker training results in increased productivity as well as increased efficiency and higher wages.

Access to Nontraditional Jobs: For many women, nontraditional jobs (such as construction, copy machine repair, X-ray technician, or computer-aided drafting) require relatively little post-secondary training, yet provide wages at self-sufficiency levels. To enhance women’s access to these jobs—or training leading to these jobs—requires addressing a range of barriers that prevent women from entering and remaining in nontraditional occupations. Similarly, problems of sexual and racial harassment must be addressed in order for women and/or minorities to fully realize their potential.

Labor Market Reforms: As can be seen in Tables 1 through 6, even two parents working full-time must earn well above the federal minimum wage to meet their family’s basic needs. Raising the minimum wage, particularly in high cost areas, is essential because it raises the “floor” for wages, and therefore affects many workers’ earnings. Ten states, for

example, have a minimum wage that is above the federal minimum wage, with the highest being Massachusetts at \$6.72 per hour. In all, 20% of U.S. residents live in states and localities with a minimum wage higher than the federal minimum wage.²¹ Higher wages also have a positive impact on both workers and their employers by reducing turnover, increasing work experience, and saving on training and recruitment costs for both workers and employers. Another approach to raising wages of workers are the Living Wage laws that mandate city contractors and employers receiving public subsidies pay a “living wage.” This policy would impact private sector workers’ wages as well as public sector workers.

Removing Barriers to Employment: It is important to recognize that not all barriers to self-sufficiency lie in the individual persons and families seeking self-sufficiency. Women and/or people of color all too often face artificial barriers to employment not addressed by public policy or training/education strategies. Pay Equity laws would raise the wages of women and people of color who are subject to race and gender-based discrimination. For some, discrimination on the

basis of gender and/or race is a key issue. At the same time, this does not necessarily mean that individuals or institutions are engaging in deliberate racism and sexism. Addressing the more subtle, yet substantial, barriers effectively requires all stakeholders—employers, unions, advocates, training providers and educators, welfare officials and program participants—to partner together to address the various difficulties, myths and misunderstandings that arise as more and more people seek to enter a workforce environment that is not always welcoming.

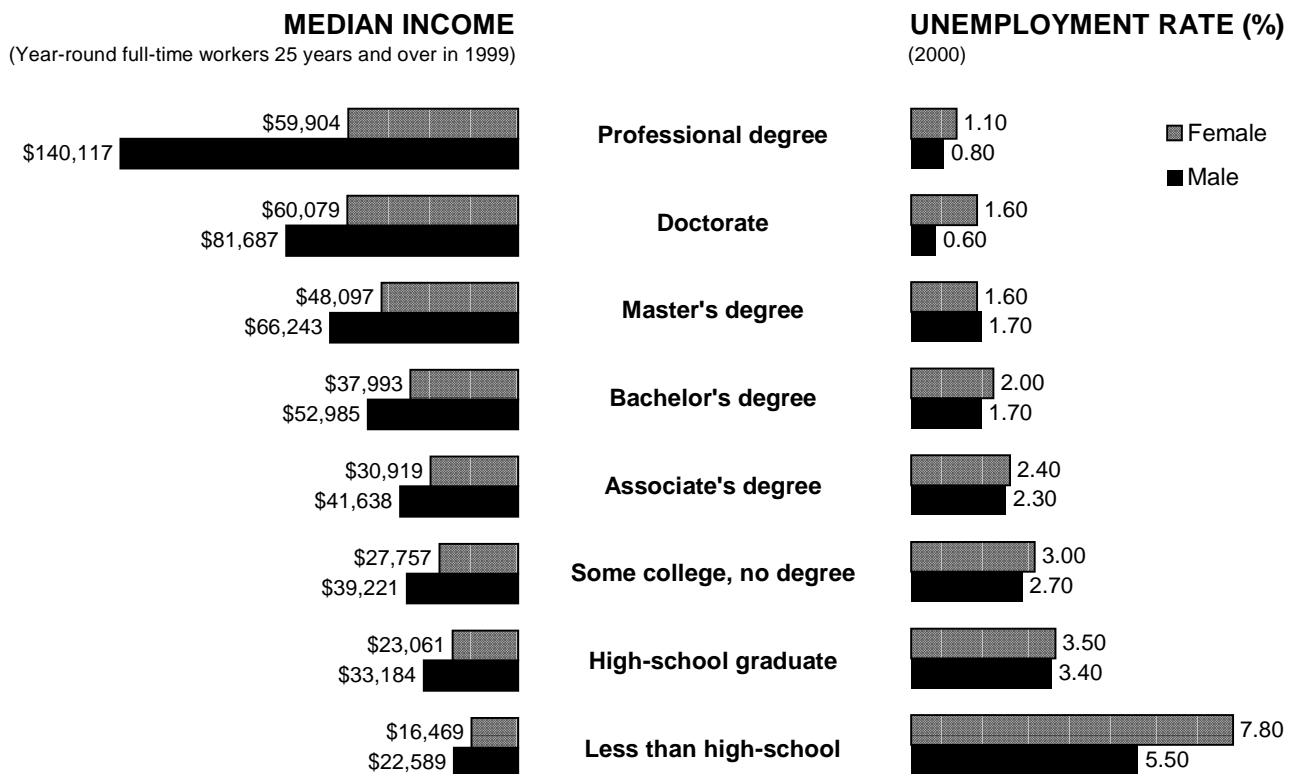
Reducing Costs and Meeting Basic Needs Through Supports

There are a number of ways to address the gap between wages and family needs, thus helping low-income families achieve self-sufficiency. Below we discuss several of these alternatives, and then in the next section model the effects on a family of adding these resources to their wages.

- **Work Supports:** While the Self-Sufficiency Standard gives the amount of income that families need to meet their basic needs, without the assistance of

Figure 3

Impacts of Education on Unemployment and Earnings by Gender in the United States



Source: Bureau of Labor Statistics, Current Population Survey, unpublished data & Bureau of the Census

temporary work supports, many families cannot achieve self-sufficiency immediately. Work supports or aid such as cash assistance (TANF), housing (including Section 8 Vouchers and public housing), child care, health care (Medicaid or other plan), and/or transportation (tokens or employer subsidies) all aid families as they struggle to become economically independent. At the crucial point in their lives of entering employment, such work supports can help a family achieve stability, without scrimping on nutrition, or living in overcrowded or substandard housing, or using inadequate child care. This stability can help a family maintain employment, which is a necessary condition for improving wages.

- **Child Support:** While not an option for all families, whenever possible child support should be sought. Higher unemployment rates and lower wages among some groups may result in lesser amounts of child support. Moreover, child support payers often have insufficient incomes, thus limiting the potential benefits that can be derived from thinking of child support as an income source to improve well-being of other lower income families. In general, however, child support payments reduce the amount required for families to meet their needs, while providing the support of both parents to meet children’s needs.

Evidence regarding the impact of child support on both custodial and non-custodial parents is somewhat conflicting. Both in the past and presently, research shows that the economic well-being of custodial mothers and children is often significantly, and negatively, impacted by marital dissolution and positively impacted by the receipt of child support payments.²² However, some recent research suggests that the impact of paying child support on non-custodial fathers is not well understood, and should be studied.²³ Further, the negative impacts of paying child support on low-income, non-custodial parents could be significant.²⁴



- **Health Care Coverage:** While health care expenses are a relatively small cost item in most of these family type budgets (less than 10%), health care coverage is essential. The Standard assumes that a Self-Sufficiency Wage includes employer-provided (and partially financed) health insurance. Without health benefits, parents have to make the difficult choice between (1) not working and retaining eligibility for health care coverage (through welfare/Medicaid), and (2) employment without health care coverage for their families.

However, with the expansions in Medicaid and the state-supported Child Health Insurance Program—known as Children’s Health Program in Maryland—many families now have the option of covering their children’s health care needs when their employer does not offer family coverage. Families who enter the workforce from welfare are eligible for continued coverage by Medicaid for themselves and their children for up to one full year. After that, and for those families not transitioning from welfare, children can be covered by Medicaid or by CHIP, depending upon each child’s age, family income and size.²⁵

Modeling the Impact of Supports on Wages Required to Meet Basic Needs

In Table 8, we examine the effect of adding work supports for a family consisting of a single parent and two children, an infant and a preschooler, living in Crisfield in Somerset County. The basis for these numbers can be found in the section entitled How the Standard is Calculated, starting on page 5.

Treatment of Tax Credits. Although we include the federal and state Earned Income Tax Credit (when a family qualifies) in the calculation of the Self-Sufficiency Standard, in this model we want to show only income that is in fact likely to be available to families each month to meet their needs. Although by law, a family can receive part of the federal EITC to which they are entitled on a monthly basis, the great majority (approximately 99%) of families receive the EITC as a lump sum payment the following year when they file their tax returns.²⁶ (Note that the nonrefundable EITC is included in the calculation of state taxes).

While this money is frequently used, according to research, to meet important family needs, such as a security deposit for housing, to buy a car, to settle debts, to pay tuition, or to start a savings account, it is not available to meet daily or monthly needs.²⁷ Also, for many workers, it is difficult to gauge how much the EITC will total, because of fluctuating hours and wages, and sometimes job and/or wage changes, throughout the year.

We show both the federal and state EITC only in terms of the monthly amount of EITC for which this family would qualify when they file their taxes the following year. (See the two shaded gray lines at the bottom of Table 8). Note that because these amounts are not received during the month or year shown here, they are not included in the calculation of the wages shown.

The Self-Sufficiency Standard (Column #1): In the first column of the table, the Standard provides the full amount of each of the family's expenses, including taxes, without any work or other supports to reduce these costs (except tax credits where applicable). In Crisfield, with child care expenses of \$653 per month

and housing costs of \$521 per month, it is not surprising that the Self-Sufficiency Wage is **\$13.55** per hour.

Private Support:

Child Support (Column #2): In the second column of Table 8, the private "subsidy" of child support is added. The amount of \$203 shown in Table 8 is the average child support payments per month, per family in Maryland, as reported by the state.²⁸ Unlike additional earned income, child support is not reduced by taxes, and therefore it has a stronger impact on helping families meet their needs.

Not only does child support reduce the amount that must be earned, but it changes taxes and tax credits as well. Taxes decrease from \$385 in Crisfield in Column #1—when all income is earned, to \$337—when some income is received as child support. Note that altogether, these changes reduce the amount this single parent must earn to meet her family's needs from \$13.55 to **\$12.48** per hour in Crisfield. The Self-Sufficiency Wage for the family receiving child support is over a \$1.00 less than the Self-Sufficiency Standard Wage which results in the amount of monthly federal EITC nearly doubling from \$61 to \$101 with child support.

Public Work Supports:

Child Care (Column #3): In the third column, we show the effect of a child care work support or subsidy available to low-income families, that is, families with incomes below 45% of the state median income. This work support substantially reduces child care costs for this family, by about \$653 to \$230 per month in Somerset County. In Maryland, child care co-payments increase at small increments up to the federal poverty line. Once a family is above the poverty line the co-payment amounts increase steeply and the maximum income level at which families lose eligibility for child care assistance is very low in comparison to other states.

This work support alone reduces the Self-Sufficiency wage by approximately one-fifth, from \$13.55 to

Table 8

**Impact of Work Supports on Monthly Costs and the Self-Sufficiency Wage
of a Single Parent with One Infant and One Preschool-age Child
Somerset County, MD, Crisfield, 2001**

	#1	WORK SUPPORTS				
		#2	#3	#4	#5	#6
	Self-Sufficiency Standard	Child Support	Child Care	Child Care & Health Care [Medicaid]*	Child Care & Health Care [MCHP]*	Housing, Child Care, Food Stamps, Transportation, & Health Care [MCHP]
Monthly Costs:						
Housing	\$521	\$521	\$521	\$521	\$521	\$390
Child Care	\$653	\$653	\$230	\$224	\$224	\$121
Food	\$345	\$345	\$345	\$345	\$345	\$239
Transportation	\$256	\$256	\$256	\$256	\$256	\$121
Health Care	\$262	\$262	\$262	\$0	\$103	\$103
Miscellaneous	\$204	\$204	\$204	\$204	\$204	\$204
Taxes	\$385	\$337	\$277	\$219	\$238	\$132
Earned Income						
Tax Credit (federal)(-)	-\$61	\$0	\$0	\$0	\$0	\$0
Earned Income						
Tax Credit (state)(-)	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (federal)(-)	-\$80	-\$84	-\$53	-\$54	-\$54	-\$4
Child Care Tax Credit (state) (-)	-\$12	-\$13	-\$1	-\$8	\$0	\$0
Child Tax Credit (-)	-\$86	-\$54	-\$53	-\$9	-\$26	\$0
Child Support	\$0	-\$203	\$0	\$0	\$0	\$0
Self-Sufficiency Wage:						
Hourly	\$13.55	\$12.48	\$11.28	\$9.64	\$10.27	\$7.41
Monthly	\$2,385	\$2,196	\$1,985	\$1,696	\$1,808	\$1,304
Annual	\$28,622	\$26,355	\$23,822	\$20,350	\$21,700	\$15,642
Monthly EITC (federal)	\$61	\$101	\$145	\$206	\$183	\$289
Monthly EITC (state)	\$0	\$0	\$0	\$0	\$0	\$21

*Although we attempted to include Food Stamps here as well, the family does not qualify at this income level, i.e., if wages are sufficient to meet other expenses, the family income will be too high to qualify for Food Stamps (see text).

Note: This table is to be read as follows. The first column, which shows the Self-Sufficiency Standard, is the benchmark column, for it shows what a single parent in Crisfield, in Somerset County, MD, must earn to meet her needs without any private or public supports. In subsequent columns, various kinds of work supports are shown which reduce costs. For example, in column #3, child care assistance is modeled; the full cost of child care is replaced with the copayment expected of the parent at this income level, in this place. This reduces what the single parent must earn to obtain child care from \$653 (the full unsubsidized cost) to \$230, the copayment. Because it also reduces the taxes (from \$385 in column #1 to \$277 in column #3), the total amount she must earn to meet her needs decreases by more than the value of the child care assistance alone. Altogether, the amount she must earn monthly decreases by \$400 (from \$2,385 to \$1,985).

\$11.28 per hour in Crisfield (compare the first and third columns in Table 8). As with other work supports to be considered below, this impact comes in two ways: a work support directly reduces the cost of meeting a specific need, such as child care, but it also—by lowering the amount of income that must be earned—reduces taxes and/or increases tax credits such as the EITC.

Child Care and Health Care [Medicaid] (Column #4): For adults who are moving from welfare to work, there is available a set of supports to help with that transition. In the fourth column of Table 8, we assume that this single parent is receiving a typical “package” of benefits available to those making the welfare-to-work transition. This package usually includes child care, Food Stamps, and Medicaid.

In this example, the child care costs are heavily subsidized at this income level, reducing monthly child care costs to \$224. Also, Medicaid reduces her health care costs to zero. However, in order to be eligible for Food Stamps, gross family income must be less than 130% of the federal poverty threshold. Yet, if this parent’s wage is to be sufficient to meet her housing and

By temporarily aiding families with work supports until they are able to earn Self-Sufficiency level Wages, families are able to meet their needs adequately as they enter or re-enter the workforce.

other necessities, *even with the help of child care assistance and Medicaid*, her income would exceed the Food Stamps gross income limit. Thus, in Crisfield, this single parent would not be eligible for Food Stamps.

Although this family would not receive Food Stamps, the two supports she does receive would greatly reduce this family’s costs for these basic needs (child care and health care). Likewise, by substantially lowering the income that must be earned to pay for her basic needs, these two work supports also decrease the taxes owed by more than the lost tax credits. Altogether, this lowers the wages required to meet basic needs to **\$9.64** per hour in Crisfield, which is less than three-fourths of the full Self-Sufficiency Wage. The federal EITC to which she is entitled is substantial, totaling \$2,472 a year.

It should be noted that we attempted to model work supports together with a partial TCA cash grant. Earned income disregards are important, for they allow families

to enter the work force and continue to receive a partial cash TCA grant. However, families cannot become self-sufficient, or even meet all their needs at an adequate level with the help of work supports, and still qualify for a partial cash grant. That is, when a family leaves welfare for work under Maryland state earned income disregard rules, families may have 35% of their earnings disregarded (based on a four week pay schedule). As earnings increase their cash grant decreases until they are no longer eligible for temporary cash assistance. In other words, *even with the help of these work supports*, if a parent’s earnings are enough to meet their needs, they will be considerably more than the maximum allowed to still receive a partial cash TCA grant.

Earlier research showing that parents could combine work and cash assistance was based on the experience of families under AFDC, prior to TANF. At that time, there were different rules regarding earnings, especially in the first few months, and cash benefits were generally higher relative to costs than is true today.²⁹ Also, some families combined welfare and work as sources of income, but not at the same time. They did so by alternating between periods of work and welfare. Of course, families may use this strategy today, although this may not be as viable a strategy under TANF as it was under AFDC. Under TANF, each month on welfare, no matter how small the cash grant, counts against their lifetime limit of five years in Maryland. Using such a strategy also creates other problems such as securing adequate child care for short periods of employment.

Child Care and Health Care [MCHP] (Column #5): After one year, the parent making the transition from welfare to work loses Medicaid coverage for her whole family, although she is eligible for Maryland Children’s Health Program [MCHP] for health insurance coverage for her children (if family income remains below 300% of poverty).³⁰ In the fifth column of Table 8, we model this change by assuming that the children’s health care costs (including both insurance and out-of-pocket costs) are covered by MCHP. The parent’s cost is not covered, however, so the parent must pay for her share of the health insurance premium that is available through her employer, and out-of-pocket costs for herself. These costs total \$103 per month in Crisfield.

Although not by itself a large amount, as a result of the loss of Medicaid coverage for herself, she must increase her earnings by 63 cents per hour to **\$10.27**

per hour in Crisfield, just to be able to meet her needs at the same level as when Medicaid covered *all* of her family's health care costs. (Of course, her income, if adequate to meet other needs, is again too high to qualify for Food Stamps).

Housing, Child Care, Food Stamps, Transportation, and Health Care [MCHP] (Column #6): In the sixth column we have modeled the combination of housing assistance, child care, Food Stamps, transportation assistance, and health care [MCHP]. Housing assistance typically reduces the cost of housing so that families pay only 30% of their income for housing and utilities. This aid reduces housing costs by about a



fourth in Crisfield. Also, a transportation subsidy has been modeled that would cover all fixed costs of owning a car such as car insurance, license, and registration but not the monthly variable costs (e.g., gas, oil, tires, and maintenance). With the transportation subsidy the cost of transportation has decreased by over one-half. Because the housing assistance reduces housing costs by such a large amount and with the addition of the transportation subsidy, the amount of income needed to meet the family's basic needs and the minimum income needed in Crisfield is now below the Food Stamps gross income limit. Altogether, the combination of child care, Food Stamps, health care [MCHP], housing aid and transportation assistance reduces the wage required to meet the family's needs to **\$7.41** an hour in Crisfield, almost half of the Self-Sufficiency Wage.

The figures in Table 8 provide examples for one family—a single parent with one infant and one pre-school-age child, living in Crisfield in Somerset County. This is one of the least expensive areas in Maryland. When the same type of modelling was attempted in other areas of Maryland, it was found that families were

caught between two undesirable situations: if their income was low enough to qualify for work supports, it was too low to cover all their needs, including co-payments and unsubsidized needs, but if it was high enough to cover all needs, it was too high to qualify for any work supports. Tables 9 and 10 compare seven different areas in Maryland (Allegany County, Anne Arundel County Area 2*, Baltimore City, Baltimore County, Montgomery County - excluding Rockville, Prince George's County, and Somerset County - Crisfield) and the variation in the costs of subsidies for a single adult with one infant and one preschooler.

The first column of Table 9 shows the monthly Self-Sufficiency Wage necessary to meet all needs according to costs in each area for this single parent family with an infant and a preschooler. Column #2 shows the adequate wage required for this family to meet their needs with the receipt of child care assistance.

Column #3 shows the co-pay, or parent's share of the child care costs for two children. Child care copayments vary by seven different regions in Maryland. In this table, copayments range from \$230 in Crisfield to \$474 in Montgomery County. Note that the child care co-pay is higher in higher cost areas, so that families facing high costs in categories such as housing are also expected to pay more towards child care. In column #4, we show the child care eligibility income ceiling, according to Maryland's Purchase of Care Income Scale. That is, this family of three's income cannot exceed \$2,095 per month in order to remain eligible for receiving child care assistance.

Column #5 shows the difference between the adequate wage required for a family of three who receives child care assistance as shown in column #2 and the income ceiling for child care assistance (column #4). In only two counties, Somerset and Allegany, would this family actually be able to receive the child care assistance AND have enough income to meet their other needs. In the remaining five counties, this family would not be able to qualify for *both* child care assistance (income under the ceiling) *and* be able to meet their basic needs (income high enough to cover all needs and the co-payment). This shortfall ranges from \$480 in Baltimore to \$1,092 in Montgomery County. This is due to the high cost of living in these areas in addition to higher child care co-payments. Thus there is a substantial gap between the point at which families lose eligibility for child care

Table 9

**Comparison of Self-Sufficiency Wage, Adequate Wage (with Child Care Assistance), and Child Care Eligibility Income Ceiling
of a Single Parent with One Infant and One Preschool-age Child**

	#1	#2	#3	#4	#5	#6
City or County	Self-Sufficiency Standard	Adequate Wage Required to Meet All Needs with Receipt of Child Care Assistance*	Amount of Child Care Copay	Child Care Eligibility Income Ceiling**	Shortfall/Excess: Difference Between Adequate Wage (#2) and Child Care Eligibility Income Ceiling (#4)	Child Care Eligibility Income Ceiling (#4) as Percentage of Adequate Wage (#2)
Allegany	\$2,631	\$2,075	\$258	\$2,095	\$20	101%
Anne Arundel***	\$3,765	\$2,681	\$375	\$2,095	-\$586	78%
Baltimore City	\$3,360	\$2,575	\$339	\$2,095	-\$480	81%
Baltimore County	\$3,579	\$2,598	\$382	\$2,095	-\$503	81%
Montgomery County	\$4,494	\$3,187	\$474	\$2,095	-\$1,092	66%
Prince George's	\$3,737	\$2,841	\$375	\$2,095	-\$746	74%
Crisfield, Somerset County	\$2,385	\$1,985	\$230	\$2,095	\$110	106%

* Assuming maximum child care co-payment (varies by county)

** For family of three, highest income for which family is eligible for child care assistance.

***Anne Arundel County Area 2*

assistance, and the point at which they achieve self-sufficiency, and are able to meet all their needs adequately, even when getting child care assistance. This gap is larger in higher cost counties because both costs are higher and the co-payments are higher, while the child care eligibility income ceiling (maximum income) is the same statewide.

In the last column of Table 9, we have expressed this gap as a percentage; that is, the percentage that the child care eligibility income ceiling (column #4) is of the adequate wage required (column #2). If this is above 100%, then families are able to meet all their needs adequately and be eligible for child care assistance. When it is below 100%, then that tells us that at the income ceiling, families only have x% of the income required to meet their needs. Thus this column should be read as follows: at the child care eligibility income ceiling (maximum income) for child care assistance, families in Allegany would have 101% of the income they need to adequately meet all needs. In contrast, at the child care eligibility income ceiling (maximum income), families in Montgomery County would have

only 66%, or two-thirds, of the income they need to meet their basic needs of housing, food, and so forth, plus the child care co-payment that applies in Montgomery County.

Similarly, Table 10 shows what wage is necessary to qualify for the three work supports of Food Stamps, Medicaid and child care assistance. The first column shows the Self-Sufficiency Wage for the different counties or cities for the same family type as in Table 9, one adult with an infant and a preschooler. Column #2 shows the adequate wage required by this three person family to meet all their needs, with the work supports of child care assistance, Food Stamps and Medicaid. These additional supports reduce costs more than child care assistance alone. The third column shows how much the child care co-payment would be in the different regions while receiving Food Stamps and Medicaid. The amounts of co-pays are less in Table 10 than in Table 9 because of the additional help of Food Stamps and Medicaid, which lowers the income needed to meet health care and food needs.

Column #4 shows the income ceiling for eligibility for Food Stamps, which is \$1,534 for a family of three. As with child care in Table 9, the income ceiling for Food Stamps, as shown in Table 10, is too low for this family type to have enough income to be able to meet their needs adequately anywhere in Maryland—even with the help of Food Stamps, Medicaid, and child care assistance—and still be under the income ceiling for eligibility for Food Stamps. Column #5 shows the range in the shortfall between the Food Stamps Eligibility Income Ceiling (column #4) and the Adequate Wage (column #2). The shortfall varies from \$44 in Crisfield to \$1,071 in Montgomery County. In the last column, we have again shown this shortfall as a percentage. Again, depending on the cost of living and the child care co-payments, families would range from having 97% of the income they needed in Allegany to meet their needs at the maximum eligibility level (income ceiling) for Food Stamps, to just 59% of the income they needed in Montgomery County, where they are receiving Food Stamps, child care assistance, and Medicaid. The impact of various work supports and taxes varies in different communities and family types, depending on cost levels and policy choices.

What is clear from these examples is that public policy choices can have a substantial impact on the ability of families to become self-sufficient, assisting families who receive the supports for which they are eligible.

By temporarily aiding families with work supports until they are able to earn Self-Sufficiency level Wages, families are able to meet their needs adequately as they enter or re-enter the workforce. Meeting their basic needs means that they are more likely to be able to achieve stability in their housing, child care, diet, and health care. This in turn helps support their achieving stable employment, depending on the state of the economy. Thus, carefully targeted programs and tax policies can play an important role in helping families become fully self-sufficient.

Unfortunately, the various work supports modeled here are not available to all who need them:

- Nationwide, only about 12% of eligible families receive housing aid or live in public housing.³¹
- Between 1996 and 2000, the number of people receiving Food Stamps dropped by 8.6 million,

Table 10
Comparison of Self-Sufficiency Wage, Adequate Wage (with Child Care, Food Stamps, Medicaid), and Food Stamps Eligibility Income Ceiling of a Single Parent with One Infant and One Preschool-age Child

	#1	#2	#3	#4	#5	#6
City or County	Self-Sufficiency Standard	Adequate Wage Required to Meet All Needs, with Receipt of Child Care, Food Stamps and Medicaid*	Amount of Child Care Copay	Food Stamps Eligibility Income Ceiling**	Shortfall: Difference Between Adequate Wage (#2) and Income Ceiling for Food Stamps (#4)	Food Stamps Eligibility Income Ceiling (#4) as Percentage of Adequate Wage (#2)
<i>Allegany</i>	\$2,631	\$1,666	\$245	\$1,534	-\$132	92%
<i>Anne Arundel***</i>	\$3,765	\$2,149	\$356	\$1,534	-\$615	71%
<i>Baltimore City</i>	\$3,360	\$2,001	\$321	\$1,534	-\$467	77%
<i>Baltimore County</i>	\$3,579	\$2,029	\$362	\$1,534	-\$495	76%
<i>Montgomery County</i>	\$4,494	\$2,605	\$449	\$1,534	-\$1,071	59%
<i>Prince George's</i>	\$3,737	\$2,266	\$356	\$1,534	-\$732	68%
<i>Crisfield, Somerset County</i>	\$2,385	\$1,578	\$218	\$1,534	-\$44	97%

* Assuming maximum child care co-payment (varies by county), partial Food Stamps benefit and Medicaid.

** For family of three, highest income for which family is eligible for Food Stamps.

***Anne Arundel County Area 2*

according to the U.S. Department of Agriculture. Although some of this decline was due to the improving economy, a GAO report concluded that the decline was greater than would be expected according to economic indicators, and the Urban Institute reported that about two-thirds of those that left the Food Stamps program as they left welfare, remained eligible.³² In Maryland, Food Stamp usage has dropped by 47.5%, one of the largest drops in the country.

- Only 10% of about 15 million eligible children are receiving child care assistance nationwide;³³ and in Maryland, only a third of eligible families use child care assistance.³⁴
- Families USA reports that in the 12 states with the largest numbers of uninsured children, Medicaid enrollment declined by nearly a million children. Some, but not all of that loss, was recouped with

expanded CHIP (Child Health Insurance Program) enrollment.³⁵ Maryland's Children Health Program is one of the most generous CHIP plans and serves approximately 93,177 children.³⁶ The number of uninsured children dropped from 178,000 to 123,000 by 1999, and that number is probably considerably less than 100,000 currently because of MCHP outreach efforts.³⁷

- Although 58% of custodial parents had child support awards, only 34% received at least part of the child support payment owed them, and less than 20% received the full amount owed. Not surprisingly, the average national monthly child support payment of \$312 represents just 17% of a single mother's, and 11% of a single father's income.³⁸ In Maryland the average child support amount received was \$203 per month of those who received child support.³⁹

How the Self-Sufficiency Standard Can Be Used

The Self-Sufficiency Standard is relevant to a range of issues and arenas, providing crucial information about wage adequacy to help design strategies for self-sufficiency. The Standard can be used in a variety of settings: from welfare clients choosing the best route out of poverty for themselves and their families, to organizations weighing investment in various education and training opportunities, to state-level policymakers facing critical policy choices on tax policy, work supports, welfare-to-work programs, economic development plans, education and training.

At a time when many policy and programmatic decisions are being made at the state and local levels, the Standard provides a tool and a means to evaluate many different options. The discussion below should be seen as a partial list of options, as new uses and applications of the Standard continue to emerge.

The Self-Sufficiency Standard as a Policy Tool

The Self-Sufficiency Standard has a number of uses in the development and evaluation of policy in different areas. The Standard is a key component, for example, in the *Targeted Jobs Strategy*. This strategy uses the Standard to assess the ability of various jobs, occupations, and sectors to provide self-sufficient wages for workers. The Standard is used together with analysis of the current local labor market supply and demand (to determine jobs that have expanding but unfilled openings), an assessment of the available job training and education infrastructure, and an evaluation of the skills and location of current/potential workers. Through such an analysis, it is possible to assess the jobs and sectors on which to target training and counseling resources.

The Standard has also been used to *evaluate economic development proposals*. By using the Standard to determine if the wages paid by new businesses seeking tax breaks and other government subsidies are at or above self-sufficiency, it can be determined if these proposed enterprises will require supports to the workers as well. Thus, such proposals can be evaluated as to their net positive or negative effect on the local economy as well as the well-being of the potential workers and their families.

The Standard has also been used to *evaluate the impact of proposed policy changes*. As shown in this report (see Table 8), the Standard can be used to evaluate the impact of restructuring work support programs, changing co-payment schedules, or implementing tax reforms of various kinds. With the Standard it is possible not only to show the direct impact on family incomes, but to model the effects of the interaction of taxes, tax credits, and, where applicable, work supports. It can similarly be used to look at the impact of changing program rules—such as requiring parents to enter employment when their youngest child reaches the age of three years instead of the current twelve months—on both individual families and state budgets.

The Standard can be used to *target education and job training investments*. Given the Self-Sufficiency Wages for most family types, the Standard can help make the case for investing in various types of post-secondary education and training, including training for occupations that are nontraditional for women and minorities. Such training and education provide access to a wide range of jobs paying Self-Sufficiency Wages.

In Maryland, recent legislation has begun to address the issue of low-income workers and wage stagnation. The Skill-based Employment Promotion Pilot Program (STEP) provides the opportunity for low-wage working parents to access education and training by providing wrap around services for underemployed workers. In addition, employers can obtain assistance in training employees for employment advancement, if the prospective jobs will result in wage increases and advancement potential.

The Self-Sufficiency Standard as a Guideline for Wage-Setting

By determining the wages necessary to meet basic needs, the Standard provides information for setting minimum wage standards. It was used precisely this way by the Center for the Child Care Workforce, which developed specific guidelines for each county/school district in California for child care

workers' salaries. It has also been used by private agencies, such as Community Action Agencies, to evaluate the adequacy of their own salary schedules. The Standard can and has been used in communities elsewhere to advocate for higher wages through Living Wage ordinances and in negotiating labor union agreements.

The Self-Sufficiency Standard as a Benchmark for Evaluation and Program Improvement

The Standard can be used to evaluate outcomes for a wide range of programs that result in employment, from short-term job search and placement programs, to programs providing extensive education or job training. By evaluating outcomes in terms of self-sufficiency, programs are using a measure of true effectiveness. That is, for each participant, the question asked is how

The Self-Sufficiency Standard can be used in a variety of settings: to assist welfare clients choosing the best route out of poverty, to help organizations better target their education and training resources, to aid policy makers in analyzing proposals on tax policy, programs and economic development.

close the wages achieved are to the family's Self-Sufficiency Wage and thus how does the program impact on the ability of these adults to meet their families' needs adequately. Such evaluations can help redirect resources to the types of approaches that result in improved outcomes for participants.

The Self-Sufficiency Standard as a Counseling Tool

The Standard can and has been used as a counseling tool, to help participants in work and training programs make choices among various occupations and jobs. The Standard has also been used to develop the Self-Sufficiency Standard Budget Worksheet, which is a tool that counselors and clients can use to "test" the ability of various wages to meet a family's self-sufficiency needs. With the information provided by the

Standard, clients can make informed decisions about what kinds of training would most likely lead to Self-Sufficiency Wages and/or which jobs would best provide the resources they need. Alternatively, the Standard can help participants determine in what ways micro-enterprise or Individual Development Account strategies may, alone or together with paid employment, provide a path to self-sufficiency for themselves and their families.

The Budget Worksheet also provides both counselors and clients with information on available programs and work supports, integrating in one place a wide range of possibilities not usually brought together—even though clients often must coordinate these various programs in their lives.

The Self-Sufficiency Standard as a Public Education Tool

The Standard is an important public education tool. It helps the public at large understand what is involved in making the transition to self-sufficiency. For employers, it shows the importance of providing benefits, especially health care, that help families meet their needs and protect against health crises becoming economic crises. By demonstrating how the various components fit together, it helps facilitate the coordination of various providers of services and supports, both public and private, such as child care providers, community organizations and education and training organizations.

The Self-Sufficiency Standard in Research

Because the Self-Sufficiency Standard provides an accurate and specific (both geographically, and in terms of the age of children) measure of income adequacy, it is finding increasing use in research on income adequacy and poverty. Since it has long been known that living costs differ greatly between different localities, the Self-Sufficiency Standard provides a means of estimating the true level of "poverty," or income inadequacy, and how this differs from place to place, and among different family types. In addition, the Standard provides a means to measure the adequacy of various work supports, such as child support or child care assistance—given a family's income, place of residence, and composition.

Conclusion

With the passage of the 1996 welfare legislation—particularly with the advent of work requirements and time limits—helping low-income persons or welfare recipients become self-sufficient has become a top priority. The Self-Sufficiency Standard documents the cost of living that families of different sizes must meet to live independently, without public or private assistance. The Self-Sufficiency Standard shows that, for

The Self-Sufficiency Standard shows that, for most families, earnings that are above the official poverty level — or are high enough to disqualify them from welfare — are nevertheless far below what they need to meet their families’ basic needs.

most families, earnings that are above the official poverty level or earnings that are high enough to disqualify them from welfare are nevertheless far below what they need to meet their families’ basic needs.

The 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.

The Standard has been calculated for a number of other states, including California, Colorado, Connecticut, Illinois, Indiana, Iowa, Kentucky, Massachusetts, New Jersey, New York, North Carolina, Pennsylvania, South Dakota, Texas, Utah, Wisconsin, Washington state and the Washington, DC metropolitan area.

For further information about the Standard, or to learn about how to have the Standard developed for your community or state, contact Jennifer Brooks at Wider Opportunities for Women at (202) 638-3143 or Dr. Diana Pearce at pearce@u.washington.edu or (206) 616-2850, or go to www.sixstrategies.org.

For further implications of the Self-Sufficiency Standard for Maryland, to order this publication or the Standard for a particular county, contact Jan Schmidt at Advocates for Youth at (410) 547-9200 ext. 3007 or Laura Howell at the Center for Poverty Solutions at (410) 366-0600

Endnotes

¹ Anonymous quote in Elizabeth A. Gowdy and Susan R. Pearlmutter, “Economic Self-Sufficiency is a Road I’m On: The Results of Focus Group Research with Low-Income Women,” in Liane V. Davis, ed., *Building on Women’s Strengths: A Social Work Agenda for the Twenty-First Century* (New York: The Haworth Press, 1994), p. 93.

² See for example, William O’Hare, Taynia Mann, Kathryn Porter and Robert Greenstein, *Real Life Poverty in America: Where the American Public Would Set the Poverty Line*, Center on Budget and Policy Priorities, July 1990. Also see www.marylandpolicy.org for more information about poverty in Maryland.

³ Using the Fair Market Rents for two-bedroom units, which is the cost of housing including utilities at the 40th percentile (see below for further explanation) housing in the most expensive place, Marin County, CA, part of the San Francisco metropolitan area, cost \$1,747. This is almost five times as much as the least expensive housing, found in rural Alabama, such as Barbour County, where a two-bedroom unit costs \$359 per month.

⁴ One of the first was Patricia Ruggles, author of *Drawing the Line*. Ruggles’ work and the analyses of many others are summarized in Constance Citro and Robert Michael, eds., *Measuring Poverty: A New Approach*, Washington, DC: National Academy Press, 1995.

⁵ The Basic Needs Budget was developed by Trudi Renwick and Barbara Bergmann. See Barbara Bergmann and Trudi Renwick, “A Budget-Based Definition of Poverty: With an Application to Single-Parent Families,” *The Journal of Human Resources*, Vol.28, No.1, p.1-24, Winter 1993. Living Wage campaigns exist in many states and/or cities, with many of them developing an estimate of the minimum wage for several family types in their area/state.

⁶ *Boston Globe*, 9/25/98.

⁷ While the majority of employed women with children under 18 years of age work full-time (about 70% of married mothers, and 80% of single mothers), working part-time is clearly the desirable option under many circumstances—such as when the children are very young, or in need of special care, or affordable/appropriate child care is not available. For many low-income mothers it is equally clear that economic necessity, as well as the new requirements under TANF, preclude this option.

⁸ Quoted in Gowdy and Pearlmutter, *op.cit.*, p. 91.

⁹ These costs are based on a survey of units that have been on the market within the last two years, and exclude both new housing (two years old or less), and substandard and public housing.

¹⁰ Because of the lack of availability of efficiencies in some areas, and their very uneven quality, it was decided to use one-bedroom units for the single adult and childless couple.

¹¹ Under the 1988 Family Support Act (which was superceded by the Personal Responsibility and Work Opportunity Reconciliation Act, passed in 1996), states were required to fund or reimburse child care needed by those on welfare (or leaving welfare) at market rate, which was defined as the 75th percentile, for the age of child, setting, and location. Most states conducted surveys of costs, or commissioned child care referral networks or researchers to do these studies.

¹² Child care centers are more frequently used for older children (two to four years old) than for infants (J.R. Veum and P. M. Gleason. October, 1991. “Child Care Arrangements and Costs.” *Monthly Labor Review*. p. 10-17.) However, particularly for younger children and lower-income parents, relative care (other than the parent) accounts for significant amounts of child care for children under three (27% compared to 17% in family day care and 22% in child care centers). It should be noted that relative day care is usually, but not always, in the relative’s home, and is usually, though not always, paid; thus it more closely resembles (and may actually be) day care homes rather than day care centers. For children three years and older, the predominant child care arrangement is the child care center, accounting for 45% of the care (compared to 14% in family child care, and 17% in relative care.) See J. Capizzano, G. Adams, and F. Sonenstein. March 2000. *Child Care Arrangements for Children under Five: Variation across States*. Washington, DC: The Urban Institute. National Survey of America’s Families, Series B, No. b-7. States use many different grouping for child care costs. In order to compare child care costs across states we surveyed all state offices of child care and determined that 0-35 months, 3-5 years, and 6-12 years was the most common breakdown used.

¹³ Because the USDA does not produce annual averages for food costs, the Standard follows the Food Stamps Program and uses the costs for June as an annual average.

¹⁴ See C. Porter and E. Deakin. December 1995. *Socioeconomic and Journey-to-Work Data: A Compendium for the 35 Largest U.S. Metropolitan Areas*. Berkeley, CA: Institute of Urban and Regional Development, University of California at Berkeley.

¹⁵ See *Report on Access to Entry-Level Jobs in the Baltimore Region*, University of Baltimore -- Jacob France Center, November 1999, p. 14. See also Pugh, Margaret, *Barriers to Work: The Spatial Divide Between Jobs and Welfare Recipients in Metropolitan Areas*, The Brookings Institution, September 1998, p.6.

¹⁶See *Report on Access to Entry-Level Jobs in the Baltimore Region*, p. 4,5,20.

¹⁷According to the Bureau of Labor Statistics, 83% of non-temporary workers have health insurance provided through their employer.

¹⁸A. Foster Higgins & Co., Inc., *Tables: National Survey of Employer-Sponsored Health Plans, 1993-1996* (Princeton, NJ: A. Foster Higgins & Co., Inc., 1994-1997), and William M. Mercer, Inc., *Tables: National Survey of Employer-Sponsored Health Plans, 1997 and 1998*, (New York, NY: William M. Mercer, Inc., 1998 and 1999).

¹⁹See Citro and Michael, *op.cit.*

²⁰In the report, single parents are referred to as “she” because over 90% of single parents are women.

²¹United States Census Bureau, www.census.gov.

²²Bartfield, J. (2000). Child support and the postdivorce economic well-being of mothers, fathers, and children. *Demography*, 37, (2) 203-213.

²³McManus, P. and DiPrete, T. (2001). Losers and winners: The financial consequences of separation and divorce for men. *American Sociological Review*, 66 (2) 246-268.

²⁴Sorensen, E. Obligating dads: Helping low-income noncustodial fathers do more for their children. Urban Institute. Retrieved November 16, 2001 from the World Wide Web: http://www.urban.org/family/st_2.html

²⁵Under MCHP, health care coverage is provided for children in families with net incomes (after certain deductions, such as for child care) that is at or below 300% of poverty in Maryland.

²⁶Of returns filed in 1999, only 183,859 taxpayers reported having received advanced EITC payments out of more than 15 million families with children receiving the EITC. (Numbers cited by Rosa Castaneda of the Center on Budget and Policy Priorities, based on data reported in the IRS income Tax Section is “Monthly Operational Review of Earned Income Credit.”)

²⁷Although some workers may be unaware of the advanced payment option, and others have employers who do not participate, there is strong evidence that receiving the EITC as a “lump sum” is the preferred option, and indeed families make financial decisions based on its receipt (together with tax refunds) when they file their taxes early in the following year. See J. L. Romich and T. Weisner. October 1999. *How Families View and Use the EITC: The Case for Lump-sum Delivery*. Paper delivered at Northwestern University, Joint Center for Poverty Research Conference on The Earned Income Tax Credit: Early Evidence.

²⁸Personal communication, Theresa Kaiser, Maryland Child Support Enforcement Program.

²⁹Roberta Spalter-Roth, Beverly Burr, Heidi Hartmann, and Lois Shaw, with Jill Braunstein and Robin Dennis. (1995). *Welfare that Works: The Working Lives of AFDC Recipients*. Illinois, D.C.: Institute for Women’s Policy Research. Also, Roberta Spalter-Roth, *Income Packages Among Low-Income Single-Mother Families: Economic Well-Being and Income Security*, presented at the Coalition on Human Needs, 3/29/96.

³⁰As of July 2001 Maryland Children’s Health Program has increased the eligibility threshold from 200% to 300% of the Federal Poverty Line for children and 250% for pregnant women. Families with incomes between 200-250% of the FPL pay a premium of \$38.00 per month and families with incomes between 250-300% pay a premium of \$48 per month. There are no co-pays for MCHP.

³¹U.S. Department of Housing and Urban Development, *Assisted Housing 1999*.

³²“Current News and Analysis: 8.6 Million Fewer Food Stamp Participants in March 2000 than March 1996, Yet Studies Show Persistent Need”, <http://www.frac.org/html/news/fsmar00nos.html>. Also see Sheila R. Zedlewski and Sarah Brauner, *Are the Steep Declines in Food Stamp Participation Linked to Falling Welfare Caseloads?* The Urban Institute: Assessing the New Federalism, National survey of America’s Families (NSAF). Series B, No. B-3, November 1999.

³³“According to new state-reported statistics for fiscal year 1999, 1.8 million children in low-income families are receiving federal child-care subsidies on an average monthly basis. This is a slight increase from the 1.5 million children served in 1998.” US Department of Health and Human Services. *New statistics show only small percentage of eligible families receive child care help*. December 6, 2000.

³⁴Maryland Department of Human Resources, Child Care Administration, ND. 01. http://mlis.state.md.us/2001RS/budget_docs/All/Operating/N00D01_-_DHR_Child_Care.pdf

³⁵Families USA, *One Step Forward, One Step Back: Children’s Health Coverage after CHIP and Welfare Reform*. October 1999.

³⁶Personal communication, Ron Bridge, Maryland Children’s Health Program.

³⁷American Academy of Pediatrics, *Children’s Health Insurance Status and Public Program Participation, State Reports*, 1999 and 2001 estimates.

³⁸Lydia Scoon-Rogers, *Child Support for Custodial Mothers and Fathers: 1995*. U.S. Bureau of the Census, Current Population Reports (P60-196, March 1999).

³⁹Personal communication, Theresa Kaiser, Maryland Child Support Enforcement Program.

Data Sources

Data Type	Source	Assumptions
Child Care	Maryland Committee for Children Cost of Care Report, August 2001. The report provides child care rates for each county.	<p><u>Infants</u>: Full Time, (0-2 years) <u>Preschoolers</u>: Full Time, (3-5 years) <u>School-age</u>: Before and After School, (6-12)</p>
Food	USDA Low-Cost Food Plan, June 2000.	USDA plan used for all counties. Assumed single adult families headed by female.
Health Insurance	<p>Maryland Insurance Administration, Maryland's Comprehensive Standard Health Benefit Plan, July 2001</p> <p>Medical Expenditure Panel Survey, http://www.meps.ahcpr.gov/MEPSNct/IC/MEPSnetIC.asp Out of Pocket Costs: U.S. Department of Health and Human Services. 1987. <i>National Expenditure Survey. The Future of Children.</i> Winter 1992.</p>	<p>For both single and family coverage, in each of the 4 regions provided, we calculated the average cost of HMO's, Idemnity's, and PPO's. We then weighted the three costs according to the the percentage of type of insurance offered in each area.</p> <p>MEPS provides a statewide average for both single and family coverage in 1998. Updated with Medical Consumer Price Index.</p> <p>Out of pocket costs are by age, and are updated with the Medical CPI.</p>
Housing	<p>Department of Housing and Urban Development; <i>Fair Market Rents for the Section 8 Housing Assistance Payments Program - Fiscal Year 2001.</i> (10/01/01). (www.huduser.org).</p> <p>Approved Plans from Public and Indian Housing Authorities</p>	<p>Fair Market Rents are varied by individual PHA payment standards, which reflect sub-MSA and county or sub-county cost variations and range from 90-120% of FMR or 50th percentile.</p> <p>The Washington, DC-MD-VA area uses the 50th percentile FMR.</p>
Taxes	<p>U.S. Department of Treasury -IRS 1040 Instructions, State Income Tax Form, and State Tax Department Regulations</p> <p>Comptroller of Maryland http://taxpros.marylandtaxes.com</p>	Taxes included state sales tax, federal and state income taxes, and payroll taxes. In addition to the state income tax, Maryland also has local income tax rates by divisions. Maryland has a state earned income tax credit and a child care tax credit. Sales taxes are calculated only on "miscellaneous" items. Food, in general, is not subject to sales tax. Standard deduction and all income from wages.
Transportation	<p>Private:</p> <p>A Comparison Guide for Maryland Auto Insurance Rates, Winter 2000. www.mdinsurance.state.md.us</p> <p>"Travel to Work Characteristics for the 50 Largest Metropolitan Areas by Population in the US: 1990 Census" (www.census.gov)</p> <p><i>State Averages Expenditures & Premiums for Personal Automobile Insurance in 1998</i>, April 1998. National Association of Insurance Commissioners (www.naic.org).</p>	<p>Private transportation figures used in all counties.</p> <p>Using the premiums listed in the Maryland Insurance Administration's Office report for the top five market share auto insurance companies in Maryland, and the Annual Reports for auto insurance premiums, the amount for each county is calculated using the ratio to vary the statewide average cost of auto insurance (from the National Insurance Commissioners report).</p>
Miscellaneous	Miscellaneous expenses are 10% of all other costs.	Includes all other essentials: clothing, shoes, paper products, diapers, nonprescription medicines, cleaning products and household items, personal hygiene items and telephone.

About the Authors

Diana M. Pearce, Ph.D. teaches at the School of Social Work, University of Washington in Seattle, Washington. Recognized for coining the phrase “the feminization of poverty,” Dr. Pearce founded and directed the Women and Poverty Project at Wider Opportunities for Women. She has written and spoken widely on women’s poverty and economic inequality, including testimony before Congress and the President’s Working Group on Welfare Reform. While at WOW, Dr. Pearce conceived and developed the methodology for the Self-Sufficiency Standard and first published results in 1996 for Iowa and California. Her areas of expertise include low-wage and part-time employment, unemployment insurance, homelessness, and welfare reform as they impact on women. Dr. Pearce has helped found and lead several coalitions, including the Women, Work and Welfare Coalition and the Women and Job Training Coalition. She received her Ph.D. degree in Sociology and Social Work from the University of Michigan.

Jennifer Brooks is the Director of Self-Sufficiency Programs and Policy for Wider Opportunities for Women (WOW). Ms. Brooks has worked on the Self-Sufficiency Standards for seven states through her work on WOW’s State Organizing Project for Family Economic Self-Sufficiency. Ms. Brooks oversees the development and implementation of the Standard in the states; oversees WOW’s local, state and federal legislative involvement; assists in formulation of WOW’s policy positions; works to build coalitions of advocates at the local and regional levels; and provides technical assistance to WOW’s state and local partners on issues related to women, work and poverty. Ms. Brooks received a Master’s Degree in Public Policy with a Concentration in Women’s Studies from The George Washington University.

List of Maryland Counties

Allegany County

Anne Arundel County

Baltimore County

Calvert County

Caroline County

Carroll County

Cecil County

Charles County

Dorchester County

Frederick County

Garrett County

Harford County

Howard County

Kent County

Montgomery County

Prince George's County

Queen Anne's County

Somerset County

St. Mary's County

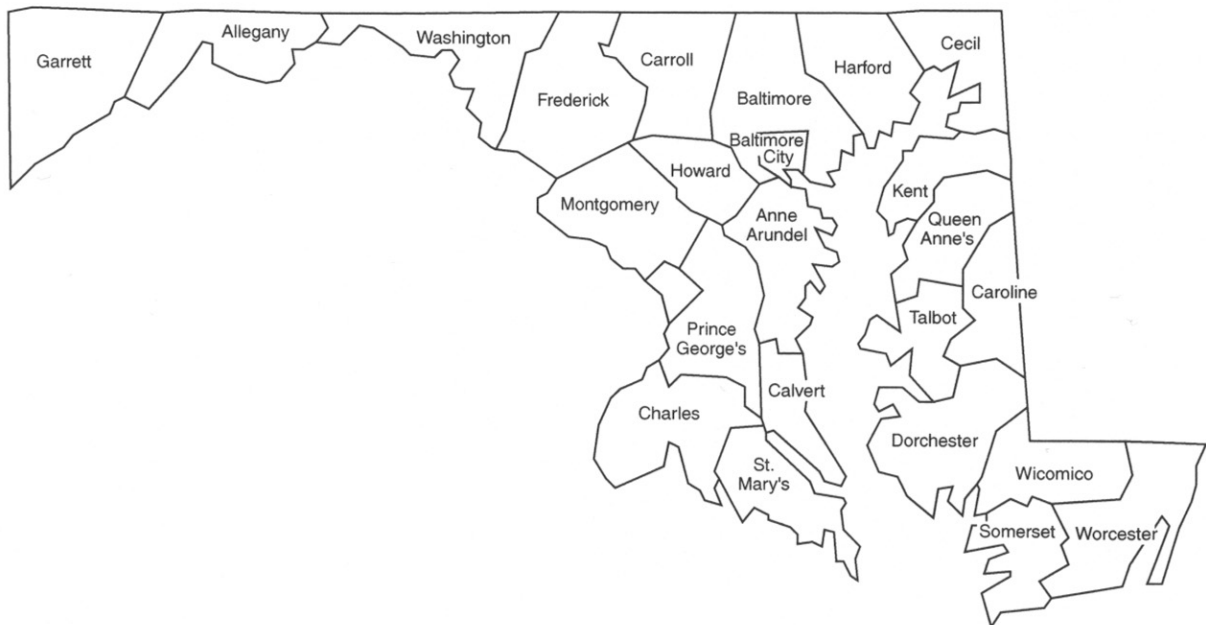
Talbot County

Washington County

Wicomico County

Worcester County

Map of Maryland Counties



Appendix:
The Self-Sufficiency Standard for
Selected Family Types, Maryland

Table 1
The Self-Sufficiency Standard for Allegany County, MD, 2001

<i>Monthly Costs</i>	<i>Adult</i>	<i>Adult +</i>		<i>Adult +</i>	<i>Adult +</i>	<i>Adult +</i>	<i>2 Adults +</i>	<i>2 Adults +</i>
		<i>infant</i>	<i>preschooler</i>	<i>infant preschooler</i>	<i>schoolage teenager</i>	<i>infant preschooler schoolage</i>	<i>infant preschooler</i>	<i>preschooler schoolage</i>
<i>Housing</i>	464	574	574	574	574	759	574	574
<i>Child Care</i>	0	374	327	701	220	921	701	547
<i>Food</i>	176	257	266	345	461	464	496	544
<i>Transportation</i>	243	249	249	249	249	249	473	473
<i>Health Care</i>	103	234	208	259	266	285	326	300
<i>Miscellaneous</i>	99	169	162	213	177	268	257	244
<i>Taxes</i>	262	347	294	479	260	651	594	532
<i>Earned Income</i>								
<i>Tax Credit (-)</i>	0	-47	-71	-9	-152	0	0	0
<i>Child Care</i>								
<i>Tax Credit (-)</i>	0	-44	-46	-80	-46	-80	-80	-80
<i>Child Tax Credit (-)</i>	0	-50	-50	-100	-55	-150	-100	-100
<i>Self-Sufficiency Wage</i>								
<i>-Hourly</i>	\$7.65	\$11.72	\$10.87	\$14.95	\$11.09	\$19.13	\$9.20 <i>per adult</i>	\$8.62 <i>per adult</i>
<i>-Monthly</i>	\$1,347	\$2,062	\$1,914	\$2,631	\$1,953	\$3,367	\$3,240	\$3,033
<i>-Annual</i>	\$16,159	\$24,743	\$22,966	\$31,569	\$23,432	\$40,401	\$38,875	\$36,402

Table 2
The Self-Sufficiency Standard for Anne Arundel County, MD, 2001
Area 1*

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant schoolage	infant preschooler	preschooler schoolage
Housing	677	826	826	826	826	1093	826	826
Child Care	0	623	556	1179	308	1487	1179	864
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	107	249	223	274	280	299	340	314
Miscellaneous	121	221	213	288	213	360	333	304
Taxes	358	626	589	831	513	1063	944	796
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$9.60	\$16.87	\$16.13	\$21.71	\$15.44	\$27.24	\$12.59 per adult	\$11.25 per adult
-Monthly	\$1,690	\$2,968	\$2,838	\$3,820	\$2,718	\$4,794	\$4,430	\$3,960
-Annual	\$20,283	\$35,620	\$34,059	\$45,842	\$32,616	\$57,526	\$53,165	\$47,519

* See list of Area 1 on page 64

Table 3
The Self-Sufficiency Standard for Anne Arundel County, MD, 2001
Area 2*

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant schoolage	infant preschooler	preschooler schoolage
Housing	649	791	791	791	791	1048	791	791
Child Care	0	623	556	1179	308	1487	1179	864
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	107	249	223	274	280	299	340	314
Miscellaneous	118	218	209	285	210	356	330	301
Taxes	346	610	573	814	499	1043	906	781
Earned Income								
Tax Credit (-)	0	0	0	0	-3	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$9.36	\$16.56	\$15.82	\$21.39	\$15.13	\$26.84	\$12.37 per adult	\$11.10 per adult
-Monthly	\$1,647	\$2,914	\$2,784	\$3,765	\$2,664	\$4,724	\$4,354	\$3,908
-Annual	\$19,767	\$34,974	\$33,413	\$45,178	\$31,964	\$56,693	\$52,248	\$46,890

* See list of Area 2 on page 64

Table 4
The Self-Sufficiency Standard for Anne Arundel County, MD, 2001
Excluding Area 1* and Area 2*

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	infant preschooler	preschooler schoolage
Housing	620	757	757	757	757	1002	757	757
Child Care	0	623	556	1179	308	1487	1179	864
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	107	249	223	274	280	299	340	314
Miscellaneous	116	214	206	281	206	351	326	297
Taxes	334	595	557	799	495	1024	891	767
Earned Income								
Tax Credit (-)	0	0	0	0	-14	0	0	0
Child Care								
Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$9.12	\$16.26	\$15.51	\$21.09	\$14.83	\$26.45	\$12.22 <i>per adult</i>	\$10.95 <i>per adult</i>
-Monthly	\$1,604	\$2,862	\$2,731	\$3,713	\$2,611	\$4,655	\$4,302	\$3,855
-Annual	\$19,252	\$34,345	\$32,767	\$44,550	\$31,330	\$55,860	\$51,619	\$46,261

* See list of Area 1 and Area 2 on page 64

Table 5
The Self-Sufficiency Standard for Baltimore County, MD, 2001

Monthly Costs	Adult	Adult +						
		Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	592	722	722	722	722	957	722	722
Child Care	0	587	550	1137	264	1401	1137	814
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	107	249	223	274	280	299	340	314
Miscellaneous	113	207	202	274	198	338	319	289
Taxes	322	562	538	750	370	968	859	731
Earned Income								
Tax Credit (-)	0	0	0	0	-70	0	0	0
Child Care								
Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$8.87	\$15.63	\$15.16	\$20.34	\$13.31	\$25.30	\$11.89 per adult	\$10.59 per adult
-Monthly	\$1,561	\$2,751	\$2,668	\$3,579	\$2,342	\$4,454	\$4,184	\$3,727
-Annual	\$18,736	\$33,012	\$32,014	\$42,949	\$28,109	\$53,443	\$50,212	\$44,720

Table 6
The Self-Sufficiency Standard for Baltimore City, MD, 2001

Monthly Costs	Adult	Adult +						
		Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	592	722	722	722	722	957	722	722
Child Care	0	521	441	963	308	1271	963	749
Food	176	257	266	345	461	464	496	544
Transportation	281	287	287	287	287	287	552	552
Health Care	107	249	223	274	280	299	340	314
Miscellaneous	116	204	194	259	206	328	307	288
Taxes	334	547	503	689	439	906	810	729
Earned Income								
Tax Credit (-)	0	0	0	0	-30	0	0	0
Child Care								
Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$9.13	\$15.32	\$14.47	\$19.09	\$14.40	\$24.33	\$11.39 per adult	\$10.57 per adult
-Monthly	\$1,607	\$2,697	\$2,546	\$3,360	\$2,534	\$4,281	\$4,010	\$3,719
-Annual	\$19,280	\$32,363	\$30,558	\$40,316	\$30,403	\$51,377	\$48,123	\$44,629

Table 7
The Self-Sufficiency Standard for Calvert County, MD, 2001

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult +		
						infant schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	765	897	897	897	897	1222	897	897
Child Care	0	521	418	939	308	1247	939	726
Food	176	257	266	345	461	464	496	544
Transportation	238	243	243	243	243	243	463	463
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	128	215	203	269	218	346	312	293
Taxes	387	600	547	729	534	1005	831	750
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$10.21	\$16.36	\$15.31	\$19.91	\$15.84	\$26.05	\$11.61 <i>per adult</i>	\$10.78 <i>per adult</i>
-Monthly	\$1,798	\$2,879	\$2,694	\$3,504	\$2,788	\$4,584	\$4,085	\$3,795
-Annual	\$21,571	\$34,553	\$32,332	\$42,044	\$33,459	\$55,011	\$49,021	\$45,541

Table 8
The Self-Sufficiency Standard for Caroline County, MD, 2001

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult +		
						infant schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	459	573	573	573	573	751	573	573
Child Care	0	345	330	675	154	829	675	484
Food	176	257	266	345	461	464	496	544
Transportation	250	250	250	250	250	250	481	481
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	99	166	163	210	171	258	255	238
Taxes	263	324	299	478	238	608	586	507
Earned Income								
Tax Credit (-)	0	-58	-69	-17	-173	0	0	0
Child Care Tax Credit (-)	0	-46	-46	-80	-35	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-51	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$7.67	\$11.35	\$10.94	\$14.75	\$10.54	\$18.28	\$9.13 <i>per adult</i>	\$8.38 <i>per adult</i>
-Monthly	\$1,350	\$1,997	\$1,926	\$2,596	\$1,855	\$3,217	\$3,214	\$2,949
-Annual	\$16,197	\$23,965	\$23,113	\$31,151	\$22,259	\$38,605	\$38,566	\$35,390

Table 9
The Self-Sufficiency Standard for Carroll County, MD, 2001
Mt. Aria and Sykesville

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	677	826	826	826	826	1093	826	826
Child Care	0	528	479	1007	286	1293	1007	765
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	103	234	208	259	266	285	326	300
Miscellaneous	121	210	204	269	210	339	315	293
Taxes	356	576	547	733	479	976	841	748
Earned Income								
Tax Credit (-)	0	0	0	0	-9	0	0	0
Child Care								
Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$9.56	\$15.90	\$15.32	\$19.98	\$14.97	\$25.44	\$11.71 per adult	\$10.76 per adult
-Monthly	\$1,683	\$2,798	\$2,696	\$3,516	\$2,635	\$4,478	\$4,122	\$3,787
-Annual	\$20,199	\$33,576	\$32,353	\$42,198	\$31,621	\$53,734	\$49,461	\$45,444

Table 10
The Self-Sufficiency Standard for Carroll County, MD, 2001
Excluding Mt. Aria and Sykesville

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	564	688	688	688	688	911	688	688
Child Care	0	528	479	1007	286	1293	1007	765
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	103	234	208	259	266	285	326	300
Miscellaneous	109	196	190	256	196	321	301	279
Taxes	308	514	485	675	343	899	783	690
Earned Income								
Tax Credit (-)	0	0	0	0	-86	0	0	0
Child Care								
Tax Credit (-)	0	-40	-40	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$8.59	\$14.68	\$14.10	\$18.79	\$12.89	\$23.86	\$11.11 per adult	\$10.16 per adult
-Monthly	\$1,511	\$2,584	\$2,482	\$3,307	\$2,269	\$4,200	\$3,912	\$3,577
-Annual	\$18,136	\$31,010	\$29,787	\$39,681	\$27,226	\$50,401	\$46,944	\$42,927

Table 11
The Self-Sufficiency Standard for Cecil County, MD, 2001
Elkton

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	685	800	800	800	800	1085	800	800
Child Care	0	433	444	877	286	1163	877	730
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	121	198	198	254	207	325	299	286
Taxes	359	522	520	667	455	896	773	721
Earned Income								
Tax Credit (-)	0	0	0	0	-22	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$9.63	\$14.84	\$14.79	\$18.64	\$14.60	\$24.12	\$11.02 per adult	\$10.48 per adult
-Monthly	\$1,695	\$2,612	\$2,604	\$3,280	\$2,569	\$4,246	\$3,879	\$3,689
-Annual	\$20,342	\$31,338	\$31,244	\$39,361	\$30,831	\$50,949	\$46,544	\$44,271

Table 12
The Self-Sufficiency Standard for Cecil County, MD, 2001
Excluding Elkton

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	623	727	727	727	727	986	727	727
Child Care	0	433	444	877	286	1163	877	730
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	115	191	190	247	200	316	291	279
Taxes	333	489	487	631	384	854	743	690
Earned Income								
Tax Credit (-)	0	0	0	0	-62	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$9.09	\$14.19	\$14.15	\$17.98	\$13.52	\$23.27	\$10.70 per adult	\$10.17 per adult
-Monthly	\$1,600	\$2,498	\$2,490	\$3,164	\$2,379	\$4,095	\$3,768	\$3,578
-Annual	\$19,203	\$29,976	\$29,881	\$37,965	\$28,546	\$49,145	\$45,214	\$42,942

Table 13
The Self-Sufficiency Standard for Charles County, MD, 2001

Monthly Costs	Adult	Adult +						
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	804	943	943	943	943	1157	943	943
Child Care	0	535	535	1071	374	1445	1071	909
Food	176	257	266	345	461	464	496	544
Transportation	238	243	243	243	243	243	463	463
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	132	221	220	286	229	360	330	316
Taxes	404	627	620	805	584	1063	934	848
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$10.55	\$16.90	\$16.75	\$21.45	\$16.83	\$27.21	\$12.45 per adult	\$11.78 per adult
-Monthly	\$1,858	\$2,974	\$2,948	\$3,775	\$2,962	\$4,788	\$4,384	\$4,145
-Annual	\$22,292	\$35,683	\$35,372	\$45,302	\$35,546	\$57,462	\$52,604	\$49,738

Table 14
The Self-Sufficiency Standard for Dorchester County, MD, 2001

Monthly Costs	Adult	Adult +						
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	491	573	573	573	573	747	573	573
Child Care	0	330	356	686	286	972	686	642
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	102	165	166	212	184	273	257	255
Taxes	276	316	324	479	285	672	594	585
Earned Income								
Tax Credit (-)	0	-61	-57	-11	-128	0	0	0
Child Care Tax Credit (-)	0	-46	-46	-80	-44	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-74	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$7.95	\$11.23	\$11.35	\$14.90	\$11.74	\$19.55	\$9.20 per adult	\$9.11 per adult
-Monthly	\$1,398	\$1,976	\$1,998	\$2,622	\$2,066	\$3,441	\$3,240	\$3,207
-Annual	\$16,781	\$23,713	\$23,971	\$31,460	\$24,797	\$41,286	\$38,880	\$38,485

Table 15
The Self-Sufficiency Standard for Frederick County, MD, 2001
Frederick

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	infant preschooler	preschooler schoolage
Housing	804	943	943	943	943	1285	943	943
Child Care	0	579	593	1172	361	1533	1172	953
Food	176	257	266	345	461	464	496	544
Transportation	238	243	243	243	243	243	463	463
Health Care	103	234	208	259	266	285	326	300
Miscellaneous	132	226	225	296	227	381	340	320
Taxes	404	646	645	847	578	1308	977	865
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$10.55	\$17.27	\$17.23	\$22.31	\$16.70	\$29.94	\$12.89 <i>per adult</i>	\$11.96 <i>per adult</i>
-Monthly	\$1,857	\$3,039	\$3,033	\$3,926	\$2,939	\$5,269	\$4,536	\$4,209
-Annual	\$22,280	\$36,465	\$36,396	\$47,114	\$35,266	\$63,230	\$54,429	\$50,504

Table 16
The Self-Sufficiency Standard for Frederick County, MD, 2001
Excluding Frederick

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	infant preschooler	preschooler schoolage
Housing	884	1037	1037	1037	1037	1414	1037	1037
Child Care	0	579	593	1172	361	1533	1172	953
Food	176	257	266	345	461	464	496	544
Transportation	238	243	243	243	243	243	463	463
Health Care	103	234	208	259	266	285	326	300
Miscellaneous	140	235	235	306	237	394	349	330
Taxes	438	689	688	887	620	1408	1017	933
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$11.25	\$18.10	\$18.07	\$23.12	\$17.53	\$31.31	\$13.29 <i>per adult</i>	\$12.44 <i>per adult</i>
-Monthly	\$1,979	\$3,185	\$3,180	\$4,070	\$3,085	\$5,510	\$4,679	\$4,381
-Annual	\$23,750	\$38,223	\$38,154	\$48,839	\$37,024	\$66,121	\$56,153	\$52,566

Table 17
The Self-Sufficiency Standard for Garrett County, MD, 2001

Monthly Costs	Adult	Adult +						
		Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	508	573	573	573	573	747	573	573
Child Care	0	345	308	653	121	774	653	429
Food	176	257	266	345	461	464	496	544
Transportation	200	205	205	205	205	205	385	385
Health Care	103	234	208	259	266	285	326	300
Miscellaneous	99	161	156	204	163	247	243	223
Taxes	262	286	259	372	209	557	530	442
Earned Income Tax Credit (-)	0	-74	-91	-61	-199	0	0	0
Child Care Tax Credit (-)	0	-46	-48	-80	-29	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-86	-39	-150	-100	-89
Self-Sufficiency Wage -Hourly	\$7.65	\$10.74	\$10.15	\$13.55	\$9.83	\$17.32	\$8.60 per adult	\$7.75 per adult
-Monthly	\$1,347	\$1,891	\$1,786	\$2,384	\$1,730	\$3,049	\$3,026	\$2,727
-Annual	\$16,166	\$22,690	\$21,433	\$28,609	\$20,762	\$36,588	\$36,308	\$32,723

Table 18
The Self-Sufficiency Standard for Harford County, MD, 2001

Monthly Costs	Adult	Adult +						
		Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	620	757	757	757	757	1002	757	757
Child Care	0	572	513	1085	286	1371	1085	799
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	107	249	223	274	280	299	340	314
Miscellaneous	116	209	202	272	204	339	317	291
Taxes	334	572	537	743	430	979	851	739
Earned Income Tax Credit (-)	0	0	0	0	-38	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	\$9.12	\$15.81	\$15.14	\$20.19	\$14.19	\$25.47	\$11.81 per adult	\$10.67 per adult
-Monthly	\$1,604	\$2,782	\$2,664	\$3,553	\$2,497	\$4,483	\$4,158	\$3,757
-Annual	\$19,252	\$33,390	\$31,973	\$42,639	\$29,968	\$53,792	\$49,901	\$45,080

Table 19
The Self-Sufficiency Standard for Howard County, MD, 2001
Columbia

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	infant preschooler	preschooler schoolage
Housing	838	977	977	977	977	1290	977	977
Child Care	0	663	670	1333	670	1778	1333	1115
Food	176	257	266	345	419	464	496	544
Transportation	299	305	305	305	305	305	585	585
Health Care	107	249	223	274	280	299	340	314
Miscellaneous	142	245	244	323	265	414	373	353
Taxes	446	732	728	980	743	692	1112	1029
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$11.41	\$18.96	\$18.88	\$24.76	\$19.99	\$28.48	\$14.31 <i>per adult</i>	\$13.46 <i>per adult</i>
-Monthly	\$2,009	\$3,337	\$3,322	\$4,357	\$3,518	\$5,012	\$5,036	\$4,736
-Annual	\$24,104	\$40,048	\$39,869	\$52,286	\$42,221	\$60,148	\$60,426	\$56,836

Table 20
The Self-Sufficiency Standard for Howard County, MD, 2001
Excluding Columbia

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	infant preschooler	preschooler schoolage
Housing	696	849	849	849	849	1092	849	849
Child Care	0	663	670	1333	444	1778	1333	1115
Food	176	257	266	345	461	464	496	544
Transportation	299	305	305	305	305	305	585	585
Health Care	107	249	223	274	280	299	340	314
Miscellaneous	128	232	231	311	234	394	360	341
Taxes	386	676	671	926	607	1400	1058	975
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$10.18	\$17.84	\$17.76	\$23.65	\$17.27	\$31.26	\$13.75 <i>per adult</i>	\$12.90 <i>per adult</i>
-Monthly	\$1,792	\$3,140	\$3,125	\$4,163	\$3,040	\$5,502	\$4,841	\$4,542
-Annual	\$21,509	\$37,682	\$37,503	\$49,953	\$36,479	\$66,025	\$58,095	\$54,504

Table 21
The Self-Sufficiency Standard for Kent County, MD, 2001

<i>Monthly Costs</i>	<i>Adult</i>	<i>Adult + infant</i>	<i>Adult + preschooler</i>	<i>Adult + infant preschooler</i>	<i>Adult + schoolage teenager</i>	<i>Adult + infant preschooler schoolage</i>	<i>2 Adults + infant preschooler</i>	<i>2 Adults + preschooler schoolage</i>
<i>Housing</i>	473	633	633	633	633	789	633	633
<i>Child Care</i>	0	359	317	676	110	786	676	427
<i>Food</i>	176	257	266	345	461	464	496	544
<i>Transportation</i>	250	256	256	256	256	256	486	486
<i>Health Care</i>	103	236	210	262	268	287	328	302
<i>Miscellaneous</i>	100	174	168	217	173	258	262	239
<i>Taxes</i>	269	388	341	491	245	608	617	510
<i>Earned Income Tax Credit (-)</i>	0	-28	-50	0	-166	0	0	0
<i>Child Care Tax Credit (-)</i>	0	-42	-44	-80	-25	-80	-80	-80
<i>Child Tax Credit (-)</i>	0	-50	-50	-100	-66	-150	-100	-100
<i>Self-Sufficiency Wage</i>								
<i>-Hourly</i>	\$7.79	\$12.40	\$11.63	\$15.33	\$10.72	\$18.28	\$9.43 <i>per adult</i>	\$8.41 <i>per adult</i>
<i>-Monthly</i>	\$1,372	\$2,182	\$2,047	\$2,699	\$1,887	\$3,218	\$3,318	\$2,961
<i>-Annual</i>	\$16,459	\$26,188	\$24,563	\$32,387	\$22,641	\$38,614	\$39,815	\$35,532

Table 22
The Self-Sufficiency Standard for Montgomery County, MD, 2001
Rockville

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant schoolage preschooler	infant preschooler	preschooler schoolage
Housing	965	1132	1132	1132	1132	1542	1132	1132
Child Care	0	711	683	1394	418	1812	1394	1101
Food	176	257	266	345	461	464	496	544
Transportation	262	268	268	268	268	268	512	512
Health Care	108	251	225	277	283	302	343	317
Miscellaneous	151	262	257	342	256	439	388	360
Taxes	485	807	788	1126	705	1707	1144	1038
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$12.20	\$20.44	\$20.05	\$26.72	\$19.22	\$35.82	\$14.85 per adult	\$13.70 per adult
-Monthly	\$2,147	\$3,598	\$3,529	\$4,703	\$3,382	\$6,304	\$5,228	\$4,824
-Annual	\$25,763	\$43,174	\$42,345	\$56,438	\$40,583	\$75,652	\$62,735	\$57,886

Table 23
The Self-Sufficiency Standard for Montgomery County, MD, 2001
Excluding Rockville

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant schoolage preschooler	infant preschooler	preschooler schoolage
Housing	884	1037	1037	1037	1037	1414	1037	1037
Child Care	0	711	683	1394	418	1812	1394	1101
Food	176	257	266	345	461	464	496	544
Transportation	262	268	268	268	268	268	512	512
Health Care	108	251	225	277	283	302	343	317
Miscellaneous	143	252	248	332	247	426	378	351
Taxes	451	764	745	1021	664	1656	1138	1023
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$11.50	\$19.61	\$19.22	\$25.53	\$18.39	\$34.72	\$14.54 per adult	\$13.37 per adult
-Monthly	\$2,024	\$3,451	\$3,382	\$4,494	\$3,237	\$6,111	\$5,118	\$4,705
-Annual	\$24,292	\$41,411	\$40,583	\$53,927	\$38,842	\$73,337	\$61,418	\$56,462

Table 24
The Self-Sufficiency Standard for Prince George's County, MD, 2001

Monthly Costs	Adult	Adult +		Adult +	Adult +	Adult +	2 Adults +	2 Adults +
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	infant preschooler	preschooler schoolage
<i>Housing</i>	804	943	943	943	943	1285	943	943
<i>Child Care</i>	0	528	484	1012	330	1342	1012	814
<i>Food</i>	176	257	266	345	461	464	496	544
<i>Transportation</i>	257	262	262	262	262	262	501	501
<i>Health Care</i>	108	251	225	277	283	302	343	317
<i>Miscellaneous</i>	134	224	218	284	228	366	329	312
<i>Taxes</i>	414	640	613	794	580	1153	911	829
<i>Earned Income Tax Credit (-)</i>	0	0	0	0	0	0	0	0
<i>Child Care Tax Credit (-)</i>	0	-40	-40	-80	-40	-80	-80	-80
<i>Child Tax Credit (-)</i>	0	-50	-50	-100	-100	-150	-100	-100
<i>Self-Sufficiency Wage</i>								
- <i>Hourly</i>	\$10.76	\$17.13	\$16.60	\$21.23	\$16.74	\$28.09	\$12.37 <i>per adult</i>	\$11.59 <i>per adult</i>
- <i>Monthly</i>	\$1,893	\$3,015	\$2,921	\$3,737	\$2,946	\$4,944	\$4,355	\$4,079
- <i>Annual</i>	\$22,720	\$36,182	\$35,051	\$44,846	\$35,357	\$59,326	\$52,255	\$48,953

Table 25
The Self-Sufficiency Standard for Queen Anne's County, MD, 2001
Kent Island

Monthly Costs	Adult	Adult +						
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	620	757	757	757	757	1002	757	757
Child Care	0	513	396	909	242	1151	909	638
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	115	202	189	253	198	316	298	273
Taxes	332	540	479	663	372	857	771	666
Earned Income								
Tax Credit (-)	0	0	0	0	-70	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$9.08	\$15.19	\$14.00	\$18.56	\$13.33	\$23.32	\$11.00 <i>per adult</i>	\$9.92 <i>per adult</i>
-Monthly	\$1,598	\$2,673	\$2,464	\$3,266	\$2,345	\$4,104	\$3,871	\$3,492
-Annual	\$19,180	\$32,072	\$29,566	\$39,192	\$28,143	\$49,251	\$46,455	\$41,901

Table 26
The Self-Sufficiency Standard for Queen Anne's County, MD, 2001
Excluding Kent Island

Monthly Costs	Adult	Adult +						
		infant	preschooler	infant preschooler	schoolage teenager	infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	592	722	722	722	722	957	722	722
Child Care	0	513	396	909	242	1151	909	638
Food	176	257	266	345	461	464	496	544
Transportation	251	257	257	257	257	257	492	492
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	112	199	185	250	195	312	295	270
Taxes	320	525	465	646	336	837	757	651
Earned Income								
Tax Credit (-)	0	0	0	0	-90	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$8.84	\$14.88	\$13.70	\$18.24	\$12.78	\$22.93	\$10.85 <i>per adult</i>	\$9.77 <i>per adult</i>
-Monthly	\$1,555	\$2,619	\$2,412	\$3,211	\$2,249	\$4,035	\$3,819	\$3,439
-Annual	\$18,664	\$31,426	\$28,940	\$38,530	\$26,989	\$48,418	\$45,826	\$41,272

Table 27
The Self-Sufficiency Standard for Somerset County, MD, 2001
Crisfield

Monthly Costs	Adult	Adult +						
		infant	preschooler	infant preschooler	schoolage teenager	infant schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	461	521	521	521	521	722	521	521
Child Care	0	323	330	653	286	939	653	616
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	99	159	158	204	179	267	248	247
Taxes	264	278	271	373	267	647	555	546
Earned Income								
Tax Credit (-)	0	-81	-84	-61	-145	0	0	0
Child Care								
Tax Credit (-)	0	-46	-48	-80	-46	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-86	-60	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$7.69	\$10.53	\$10.40	\$13.55	\$11.29	\$19.04	\$8.83 per adult	\$8.76 per adult
-Monthly	\$1,353	\$1,853	\$1,830	\$2,385	\$1,986	\$3,351	\$3,106	\$3,082
-Annual	\$16,240	\$22,233	\$21,958	\$28,622	\$23,836	\$40,213	\$37,277	\$36,983

Table 28
The Self-Sufficiency Standard for Somerset County, MD, 2001
Excluding Crisfield

Monthly Costs	Adult	Adult +						
		infant	preschooler	infant preschooler	schoolage teenager	infant schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	507	573	573	573	573	794	573	573
Child Care	0	323	330	653	286	939	653	616
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	104	164	163	209	184	274	254	252
Taxes	283	312	305	414	285	678	579	571
Earned Income								
Tax Credit (-)	0	-63	-67	-39	-128	0	0	0
Child Care								
Tax Credit (-)	0	-46	-46	-80	-44	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-74	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$8.09	\$11.14	\$11.03	\$14.16	\$11.74	\$19.67	\$9.06 per adult	\$8.99 per adult
-Monthly	\$1,424	\$1,961	\$1,940	\$2,492	\$2,066	\$3,461	\$3,189	\$3,164
-Annual	\$17,083	\$23,537	\$23,285	\$29,907	\$24,797	\$41,535	\$38,263	\$37,969

Table 29
The Self-Sufficiency Standard for St. Mary's County, MD, 2001

Monthly Costs	Adult +							
	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	793	914	914	914	914	1276	914	914
Child Care	0	484	440	924	264	1188	924	704
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	132	215	209	270	216	347	315	295
Taxes	405	597	570	736	527	1012	842	758
Earned Income								
Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$10.57	\$16.30	\$15.76	\$20.04	\$15.72	\$26.13	\$11.72 per adult	\$10.86 per adult
-Monthly	\$1,860	\$2,869	\$2,775	\$3,526	\$2,766	\$4,599	\$4,125	\$3,824
-Annual	\$22,316	\$34,426	\$33,295	\$42,318	\$33,196	\$55,193	\$49,501	\$45,886

Table 30
The Self-Sufficiency Standard for Talbot County, MD, 2001

Monthly Costs	Adult +							
	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	531	708	708	708	708	888	708	708
Child Care	0	418	440	858	242	1100	858	682
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	106	188	188	243	193	299	288	272
Taxes	294	475	477	615	323	786	727	662
Earned Income								
Tax Credit (-)	0	0	0	0	-97	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-98	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$8.30	\$13.91	\$13.95	\$17.65	\$12.58	\$21.87	\$10.54 per adult	\$9.88 per adult
-Monthly	\$1,460	\$2,447	\$2,455	\$3,106	\$2,214	\$3,850	\$3,711	\$3,476
-Annual	\$17,525	\$29,368	\$29,460	\$37,277	\$26,566	\$46,195	\$44,527	\$41,717

Table 31
The Self-Sufficiency Standard for Washington County, MD, 2001
Hagerstown

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult +	2 Adults +	2 Adults +
						infant preschooler schoolage	infant preschooler	preschooler schoolage
Housing	480	598	598	598	598	783	598	598
Child Care	0	392	374	766	176	942	766	550
Food	176	257	266	345	461	464	496	544
Transportation	243	249	249	249	249	249	473	473
Health Care	103	234	208	259	266	285	326	300
Miscellaneous	100	173	170	222	175	272	266	246
Taxes	269	377	352	514	253	671	634	544
Earned Income								
Tax Credit (-)	0	-32	-45	0	-159	0	0	0
Child Care								
Tax Credit (-)	0	-44	-44	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-56	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$7.78	\$12.24	\$11.81	\$15.76	\$10.92	\$19.52	\$9.60 <i>per adult</i>	\$8.74 <i>per adult</i>
-Monthly	\$1,370	\$2,154	\$2,078	\$2,774	\$1,922	\$3,436	\$3,379	\$3,075
-Annual	\$16,441	\$25,849	\$24,937	\$33,288	\$23,066	\$41,232	\$40,543	\$36,899

Table 32
The Self-Sufficiency Standard for Washington County, MD, 2001
Excluding Hagerstown

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult +	2 Adults +	2 Adults +
						infant preschooler schoolage	infant preschooler	preschooler schoolage
Housing	436	598	598	598	598	783	598	598
Child Care	0	392	374	766	176	942	766	550
Food	176	257	266	345	461	464	496	544
Transportation	243	249	249	249	249	249	473	473
Health Care	103	234	208	259	266	285	326	300
Miscellaneous	96	173	170	222	175	272	266	246
Taxes	250	380	352	514	253	671	634	544
Earned Income								
Tax Credit (-)	0	-32	-45	0	-159	0	0	0
Child Care								
Tax Credit (-)	0	-44	-44	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-56	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$7.41	\$12.26	\$11.81	\$15.76	\$10.92	\$19.52	\$9.60 <i>per adult</i>	\$8.74 <i>per adult</i>
-Monthly	\$1,304	\$2,157	\$2,078	\$2,774	\$1,922	\$3,436	\$3,379	\$3,075
-Annual	\$15,644	\$25,885	\$24,937	\$33,288	\$23,066	\$41,232	\$40,543	\$36,899

Table 33
The Self-Sufficiency Standard for Wicomico County, MD, 2001

Monthly Costs	Adult	Adult +						
		Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	494	638	638	638	638	810	638	638
Child Care	0	381	393	774	220	994	774	613
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	102	177	176	227	184	281	272	258
Taxes	278	411	408	540	285	708	661	603
Earned Income								
Tax Credit (-)	0	-18	-19	0	-129	0	0	0
Child Care Tax Credit (-)	0	-42	-42	-80	-44	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-74	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$7.97	\$12.76	\$12.70	\$16.26	\$11.73	\$20.28	\$9.87 per adult	\$9.27 per adult
-Monthly	\$1,403	\$2,246	\$2,235	\$2,863	\$2,065	\$3,569	\$3,476	\$3,264
-Annual	\$16,842	\$26,955	\$26,822	\$34,351	\$24,776	\$42,834	\$41,708	\$39,168

Table 34
The Self-Sufficiency Standard for Worcester County, MD, 2001

Monthly Costs	Adult	Adult +						
		Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	459	574	574	574	574	796	574	574
Child Care	0	418	352	770	198	968	770	550
Food	176	257	266	345	461	464	496	544
Transportation	250	256	256	256	256	256	486	486
Health Care	103	236	210	262	268	287	328	302
Miscellaneous	99	174	166	221	176	277	265	246
Taxes	263	390	321	509	255	691	632	540
Earned Income								
Tax Credit (-)	0	-27	-59	0	-156	0	0	0
Child Care Tax Credit (-)	0	-42	-46	-80	-46	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-52	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	\$7.67	\$12.42	\$11.30	\$15.66	\$10.98	\$19.94	\$9.58 per adult	\$8.70 per adult
-Monthly	\$1,350	\$2,185	\$1,989	\$2,756	\$1,932	\$3,509	\$3,372	\$3,062
-Annual	\$16,197	\$26,223	\$23,873	\$33,075	\$23,190	\$42,111	\$40,463	\$36,749

List of Areas included in Anne Arundel County Tables 2, 3, and 4 of Appendix

Anne Arundel County - Area 1 (Appendix Table 2)

Riva	Parole	Pasadena
Londontowne	Cape Saint Claire	Green Haven
Selby-on-the-Bay	Arnold	Severn
Arden-on-the-Sea	Shady Side	Maryland City
Herald Harbor	Glen Burnie	Odenton
Crofton	South Gate (SW portion)	Ferndale/BWI
Crownsville	Severna Park	Margate
Annapolis	Lake Shore	

Anne Arundel County - Area 2 (Appendix Table 3)

South Gate (N portion)
Brooklyn Park
Venice on the Bay
Hancock's Resolution Park
Farring Bay Brook Park

Explanation of Different Cost Areas for Anne Arundel County

Anne Arundel County is divided into three different areas based on housing costs that range from 110% to 120% of the Fair Market Rent (FMR) designated by the U.S. Department of Housing and Urban Development. Area 1 (Appendix Table 2) is based on 120% of the FMR, Area 2 (Appendix Table 3) is based on 115% of the FMR, and all other areas in Anne Arundel County (Appendix Table 4) are based on 110% of the FMR.

