The Self-Sufficiency Standard for Nevada

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Preface

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

Introduction

An uncertain economy and major changes in welfare and workforce development policy have given new urgency to the question of self-sufficiency. 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**.* 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 Nevada families; and how various public work supports, public policies, child support and other available resources can help families move toward 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, we cannot interview *every* person for his or her own assessment of income adequacy, as quoted above. Thus, there is a need for a standard that is consistent in the assumptions made and as objective as possible. Most often we turn to the federal poverty measure to determine that a family is "poor" if their 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. Indeed, the Census Bureau itself states, "the official poverty measure should be interpreted as a statistical yardstick rather than a complete description of what people and families need to live."[2]

The most significant shortcoming of the federal poverty measure is that 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, Medicaid is extended to families with incomes that are up to 133% of the federal poverty threshold, and CHIP up to 200% of the federal poverty threshold.

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 minimum income 25-50% above the federal poverty standard, depending upon the family's composition and where the family lives.[3]

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.

The most significant shortcoming of the federal poverty measure is that, for most families, in most places, it is simply not high enough.

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. At the time that it was developed, over four decades ago, families spent about one-third of their income on food. The food budget was then 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, the implicit demographic model (the two-parent family with a stay-at-home wife) has also changed significantly since the measure's inception. Particularly for families in which all adults are working—of whom there are many more today than in the 1960s—there are new needs associated with employment, such as transportation, taxes, and if they have young children, child care.

The federal poverty measure is 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 five times as much as the same size units in the least expensive areas.[4]

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 Stamps program also takes into account variations in housing and child care costs 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: for example, taxes were very low for low-income families with earned income, and transportation was inexpensive. Most important, because the poverty measure assumed that two-parent families with children had only one worker and that single parent families had no workers, no child care costs were incorporated. Today, for both one and two-parent families, child care costs are often a necessary expense and many families do not have unpaid child care available. Also, taxes today even for low-income families are substantial and transportation can be costly.

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.[5] Others have gone further, creating new measures of income adequacy, such as "Basic Needs Budgets" or Living Wages.[6]

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

While drawing on the critiques and analyses of the poverty measure cited above, the Self-Sufficiency Standard takes a somewhat different approach to measuring income adequacy. As one observer put it: "*Ask not where poverty ends, but where economic independence begins.*"[7] 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 families' incomes are 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,*[8] *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 budget item 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 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. Availability of housing in rural and urban areas can also increase costs.
- *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 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.
- 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 includes income sufficient to meet minimum nutrition standards, for example, and to obtain housing that would be neither substandard nor overcrowded.

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 does not, however, allow for longer-term needs, such as retirement, college tuition, 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., 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?

Community, societal and governmental response to families struggling to achieve family sustaining wages should be encouraged as supportive of the goal of self-sufficiency.

Thus, for example, if the Standard for a given family is $10.00 per hour, but the adult supporting the family only earns $5.15 per hour, then the latter wage has a "wage adequacy" level of only 51.5%. At the same time, a penny above or below $10.00 is not a meaningful distinction.

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."[9]

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 education and training may not have the same urgency as do basic needs such as food and shelter; however, true long-term self-sufficiency increasingly requires 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 not likely to be sustainable.

Finally, the Self-Sufficiency Standard is not meant to imply that public work supports are not appropriate for Nevada families. Indeed, given the large number of families who have not yet achieved wage adequacy, 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 families struggling to achieve family sustaining wages 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 county or sub-county area in Nevada, 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. We have included the costs of each basic need and the Self-Sufficiency Wages for eight selected family types for each county in Nevada in the Appendix to this report. (The costs of each basic need and the Self-Sufficiency Wages for all 70 family types for all geographic areas are available from the Progressive Leadership Alliance of Nevada).

The components of the Self-Sufficiency Standard for Nevada 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 (FMR's) are based on data from the decennial census, the annual American Housing Survey, and telephone surveys.[10] The FMR's (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 has recently incorporated Payment Standards that reflect differences in housing costs within a housing market. HUD rules permit local Public Housing Authorities (PHA) to increase or decrease FMR's for part or all of the area covered by the PHA. These payment standards range anywhere from 90-110% of the FMR based on the local market in specific areas and even by size of the unit. If there is a need to adjust the FMR's even further (above 110%), the PHA may seek the required approval from the state's HUD office for an "exception" rent. Most exception rents are 120%, but they are defined as anything over 110% of the FMR.

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;[11] 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.).[12] The Standard uses the *State of Nevada Child Care Provider Rates - FY2001* conducted by the Nevada Department of Human Resources, Welfare Division with the assistance of area Child Care Resource and

Referral agencies. The survey divided the state into three regions; Clark County, Washoe County, and rural Nevada. The costs are then specified by facility type and age.

Because it is more common for very young children to be in child care homes rather than centers,[13] the Standard assumes that infants receive full-time care in day care homes. Preschoolers, in contrast, are assumed to go to day care centers full-time. Schoolage children are assumed to receive part-time care in before- and after-school programs.

Food: Although the Thrifty Food Plan and its successor have been 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.[14] While both of these USDA diets meet minimum nutritional standards, the Thrifty Food Plan was meant for emergency use only, while 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 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.[15] Again, the choice to use this food budget reflects what it costs to adequately meet nutritional needs, not consumer behavior.

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

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 Nevada.

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.[16] There are no areas in Nevada in which substantial numbers of workers use public transportation to get to and from work, therefore it is assumed that adults in Nevada require a car; if there are two adults in the family, we assume they need 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. For auto insurance, we use the average cost for Nevada from the survey conducted by the National Association of Insurance Commissioners. In addition, we used a study of insurance costs differentials done by the Nevada Division of Insurance to calculate a ratio for regional variations in the cost of auto insurance.[16] For variable costs, we used the *AAA Your Driving Costs 2000* survey for per-mile costs. The Standard assumes that the car(s) will be used to commute to and from work five days per week, plus one shopping and errands trip per week. (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 a day care site.

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.[18] In Nevada, employees pay 9% of the premium for coverage for themselves only, or 17% of the premium for family coverage[19]—which are lower proportions than the national average share of premium costs (which are 24% of employee-only coverage, and 36% of family coverage).[20] The costs of health insurance are based on the average premiums paid by Nevada residents, according to the Medical Expenditure Panel Survey, and adjusted for inflation using the Medical Consumer Price Index (Medical CPI). To capture the geographical differentials, we varied the health insurance premiums by a ratio computed from available rates through an on-line insurance provider in the state of Nevada.[21]

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, household items, personal hygiene items, and telephone service. 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%.[22]

Taxes: Taxes include state sales tax, federal income taxes, and payroll taxes. Nevada does not have a state income tax. The retail sales tax varies from 6.5% to 7.25% in Nevada. 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.

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.

Payroll taxes for Social Security and Medicare are calculated at 7.65% of each dollar earned.

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.

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 refundable federal tax credit, like the EITC, that provides parents a deduction of up to $600 (for children less than 17 years old). It is calculated as $600 per child under 17, or 10% of earned income over $10,000, whichever is less.

How Much is Enough in Nevada?

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 five different areas in Nevada: Clark, Douglas, Elko, Eureka, and Washoe Counties.

In Clark County, a single adult with no children needs to earn **$8.68** per hour to be able to meet her/his basic needs, as can be seen in the first column of Table 1. An adult with a preschool age child (column two) needs a two bedroom housing unit and child care, in addition to other expenses. Therefore, meeting all of her family's basic needs requires an increase in wages

Table 1

The Self-Sufficiency Standard for Selected Family Types in Clark County, NV 2002*

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	*$658*	*43*	*$783*	*32*	*$783*	*28*	*$783*	*23*
Child Care	*$0*	*0*	*$440*	*18*	*$649*	*23*	*$649*	*19*
Food	*$176*	*12*	*$266*	*11*	*$396*	*14*	*$544*	*16*
Transportation	*$241*	*16*	*$247*	*10*	*$247*	*9*	*$479*	*14*
Health Care	*$77*	*5*	*$180*	*7*	*$201*	*7*	*$256*	*8*
Miscellaneous	*$115*	*8*	*$192*	*8*	*$228*	*8*	*$271*	*8*
*Taxes***	*$261*	*17*	*$408*	*17*	*$454*	*16*	*$536*	*16*
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*	*-4*	*-$100*	*-3*
Total Percent	—	*100*	—	*100*	—	*100*	—	*100*
Self-Sufficiency Wage - Hourly*	***$8.68***		***$13.78***		***$15.78***		***$9.48***	***per adult***
Monthly	***$1,528***		***$2,425***		***$2,777***		***$3,338***	
Annual	***$18,338***		***$29,099***		***$33,328***		***$40,051***	

**　The Standard is calculated by adding expenses and taxes and substracting tax credits.*

***　Taxes include federal income taxes, payroll taxes and sales taxes.*

****　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 in Douglas County, NV 2002*

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	*$660*	*44*	*$828*	*35*	*$828*	*31*	*$828*	*26*
Child Care	*$0*	*0*	*$374*	*16*	*$556*	*21*	*$556*	*17*
Food	*$176*	*12*	*$266*	*11*	*$396*	*15*	*$544*	*17*
Transportation	*$228*	*15*	*$234*	*10*	*$234*	*9*	*$451*	*14*
Health Care	*$75*	*5*	*$174*	*7*	*$195*	*7*	*$250*	*8*
Miscellaneous	*$114*	*8*	*$188*	*8*	*$221*	*8*	*$263*	*8*
*Taxes***	*$257*	*17*	*$393*	*17*	*$430*	*16*	*$507*	*16*
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*	*-4*	*-$100*	*-3*
Total Percent	—	*100*	—	*100*	—	*100*	—	*100*
Self-Sufficiency Wage - Hourly*	***$8.58***		***$13.45***		***$15.23***		***$9.14***	***per adult***
Monthly	***$1,510***		***$2,367***		***$2,680***		***$3,219***	
Annual	***$18,123***		***$28,405***		***$32,159***		***$38,623***	

* *The Standard is calculated by adding expenses and taxes and substracting tax credits.*

** *Taxes include federal income taxes, payroll taxes and sales taxes.*

*** *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.

of over $5.00 per hour, as compared to the single adult: she must earn **$13.78** per hour.[23] If she has two children, a preschooler and a schoolage child, she must earn almost twice as much as the single person with no children, **$15.78** 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* adult would need to earn: **$9.48** per hour.

In Douglas County (see Table 2), costs are slightly lower than those found in Clark County. A single adult's Self-Sufficiency Wage is **$8.58** per hour. A single parent with one preschooler must earn an additional $4.87 per hour, or **$13.45** per hour to be self-sufficient. The single parent with two children in Douglas County would need to earn **$15.23** per hour to meet her family's needs. In the two-parent family, each adult would need to earn a Self-Sufficiency Wage of **$9.14** per hour.

In Elko County, costs are significantly lower than in both Clark and Douglas counties. Thus, a single adult's Self-Sufficiency Wage is **$7.43** per hour (see Table 3). A single parent with one preschooler needs to earn **$12.03** 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 **$13.71** per hour to meet her family's needs, which is just under twice the amount required of the single person with no children. In the two-parent family, each adult would need to earn a Self-Sufficiency Wage of **$8.57** per hour in Elko County.

In Eureka County (see Table 4), the costs are the lowest of these five counties with the exception of the single adult in Eureka County with a Self-Sufficiency Wage of **$8.11** per hour. A single parent with a preschooler must earn almost four dollars more per hour to meet costs, or **$11.87** per hour. An adult with a preschooler and schoolage child must earn **$13.54** per hour to meet her family's needs—over five dollars more than the single adult in Eureka County. The two adults with a preschooler and schoolage child must each earn **$8.51** per hour in Eureka County to meet their family's needs.

Table 3

The Self-Sufficiency Standard for Selected Family Types in Elko County, NV 2002*

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	*$524*	*40*	*$699*	*33*	*$699*	*29*	*$699*	*23*
Child Care	*$0*	*0*	*$374*	*18*	*$556*	*23*	*$556*	*18*
Food	*$176*	*13*	*$266*	*13*	*$396*	*16*	*$544*	*18*
Transportation	*$225*	*17*	*$230*	*11*	*$230*	*10*	*$443*	*15*
Health Care	*$75*	*6*	*$171*	*8*	*$193*	*8*	*$248*	*8*
Miscellaneous	*$100*	*8*	*$174*	*8*	*$207*	*9*	*$249*	*8*
*Taxes***	*$210*	*16*	*$335*	*16*	*$368*	*15*	*$460*	*15*
Earned Income Tax Credit (-)	*$0*	*0*	*-$38*	*-2*	*-$55*	*-2*	*$0*	*0*
Child Care Tax Credit (-)	*$0*	*0*	*-$44*	*-2*	*-$80*	*-3*	*-$80*	*-3*
Child Tax Credit (-)	*$0*	*0*	*-$50*	*-2*	*-$100*	*-4*	*-$100*	*-3*
Total Percent	—	*100*	—	*100*	—	*100*	—	*100*
Self-Sufficiency Wage - Hourly*	***$7.43***		***$12.03***		***$13.71***		***$8.57***	***per adult***
Monthly	***$1,309***		***$2,117***		***$2,413***		***$3,017***	
Annual	***$15,702***		***$25,402***		***$28,954***		***$36,210***	

* *The Standard is calculated by adding expenses and taxes and substracting tax credits.*

** *Taxes include federal income taxes, payroll taxes and sales taxes.*

*** *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 in Eureka County, NV 2002*

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	*$606*	*42*	*$683*	*33*	*$683*	*29*	*$683*	*23*
Child Care	*$0*	*0*	*$374*	*18*	*$556*	*23*	*$556*	*19*
Food	*$176*	*12*	*$266*	*13*	*$396*	*17*	*$544*	*18*
Transportation	*$225*	*16*	*$230*	*11*	*$230*	*10*	*$443*	*15*
Health Care	*$75*	*5*	*$171*	*8*	*$193*	*8*	*$248*	*8*
Miscellaneous	*$108*	*8*	*$172*	*8*	*$206*	*9*	*$247*	*8*
*Taxes***	*$237*	*17*	*$329*	*16*	*$397*	*17*	*$455*	*15*
Earned Income Tax Credit (-)	*$0*	*0*	*-$43*	*-2*	*-$52*	*-2*	*$0*	*0*
Child Care Tax Credit (-)	*$0*	*0*	*-$44*	*-2*	*-$80*	*-3*	*-$80*	*-3*
Child Tax Credit (-)	*$0*	*0*	*-$50*	*-2*	*-$100*	*-4*	*-$100*	*-3*
Total Percent	—	*100*	—	*100*	—	*100*	—	*100*
Self-Sufficiency Wage - Hourly*	***$8.11***		***$11.87***		***$13.54***		***$8.51***	***per adult***
Monthly	***$1,427***		***$2,089***		***$2,383***		***$2,995***	
Annual	***$17,119***		***$25,069***		***$28,590***		***$35,945***	

* *The Standard is calculated by adding expenses and taxes and substracting tax credits.*

** *Taxes include federal income taxes, payroll taxes and sales taxes.*

*** *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.

Washoe County is approximately in the "middle" costwise of these five counties. The cost of meeting one's basic needs for a single adult in Washoe County is **$8.05** per hour (see Table 5). A single parent with a preschooler must earn **$13.67** per hour in Washoe County to be meet her family's needs. An adult with two children, a preschooler and schoolage child, must earn **$15.45** to meet costs—almost twice the amount of the single adult. In a two parent family with a preschooler and schoolage child, each adult must earn **$9.27** per hour to be self-sufficient. These costs are slightly lower than in Clark and Douglas Counties, and slightly higher than in Elko and Eureka Counties.

Both child care and housing costs account for the majority of the budget for Nevada families with children. The proportions spent on each cost do not vary greatly from place to place. Among families with one child, child care costs in Nevada average about 16% to 19% of the total budget, while housing costs average 32% to 35% of each family's budget.

For families with two children, however, child care costs make up a larger part of the family budget, yet housing costs still make up the largest portion of the family budget. Depending on the location, child care costs from 21% to 24% of the family budget for one adult families with two children and 17% to 20% of the family budget for two adult families with two children. In both the one and two parent families, housing costs are a larger portion of the budget than child care, accounting for 23% to 31% of the budget for families with two children.

The monthly cost of child care for two children, a preschooler full-time and a schoolage child part-time, ranges from **$556** in Douglas, Elko, and Eureka Counties to **$649** in Clark County. The differential in housing costs is also large with the rent for a two-bedroom housing unit varying from a low of **$683** per month (Eureka County) to a high of **$828** per month (Douglas County).

Table 5

The Self-Sufficiency Standard for Selected Family Types in Washoe County, NV 2002*

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	*$590*	*42*	*$758*	*32*	*$758*	*28*	*$758*	*23*
Child Care	*$0*	*0*	*$466*	*19*	*$648*	*24*	*$648*	*20*
Food	*$176*	*12*	*$266*	*11*	*$396*	*15*	*$544*	*17*
Transportation	*$232*	*16*	*$238*	*10*	*$238*	*9*	*$458*	*14*
Health Care	*$75*	*5*	*$174*	*7*	*$195*	*7*	*$250*	*8*
Miscellaneous	*$107*	*8*	*$190*	*8*	*$223*	*8*	*$266*	*8*
*Taxes***	*$235*	*17*	*$403*	*17*	*$440*	*16*	*$518*	*16*
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*	*-4*	*-$100*	*-3*
Total Percent	—	*100*	—	*100*	—	*100*	—	*100*
Self-Sufficiency Wage - Hourly*	***$8.05***		***$13.67***		***$15.45***		***$9.27***	***per adult***
Monthly	***$1,416***		***$2,405***		***$2,718***		***$3,263***	
Annual	***$16,994***		***$28,864***		***$32,621***		***$39,153***	

* *The Standard is calculated by adding expenses and taxes and substracting tax credits.*

** *Taxes include federal income taxes, payroll taxes and sales taxes.*

*** *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.

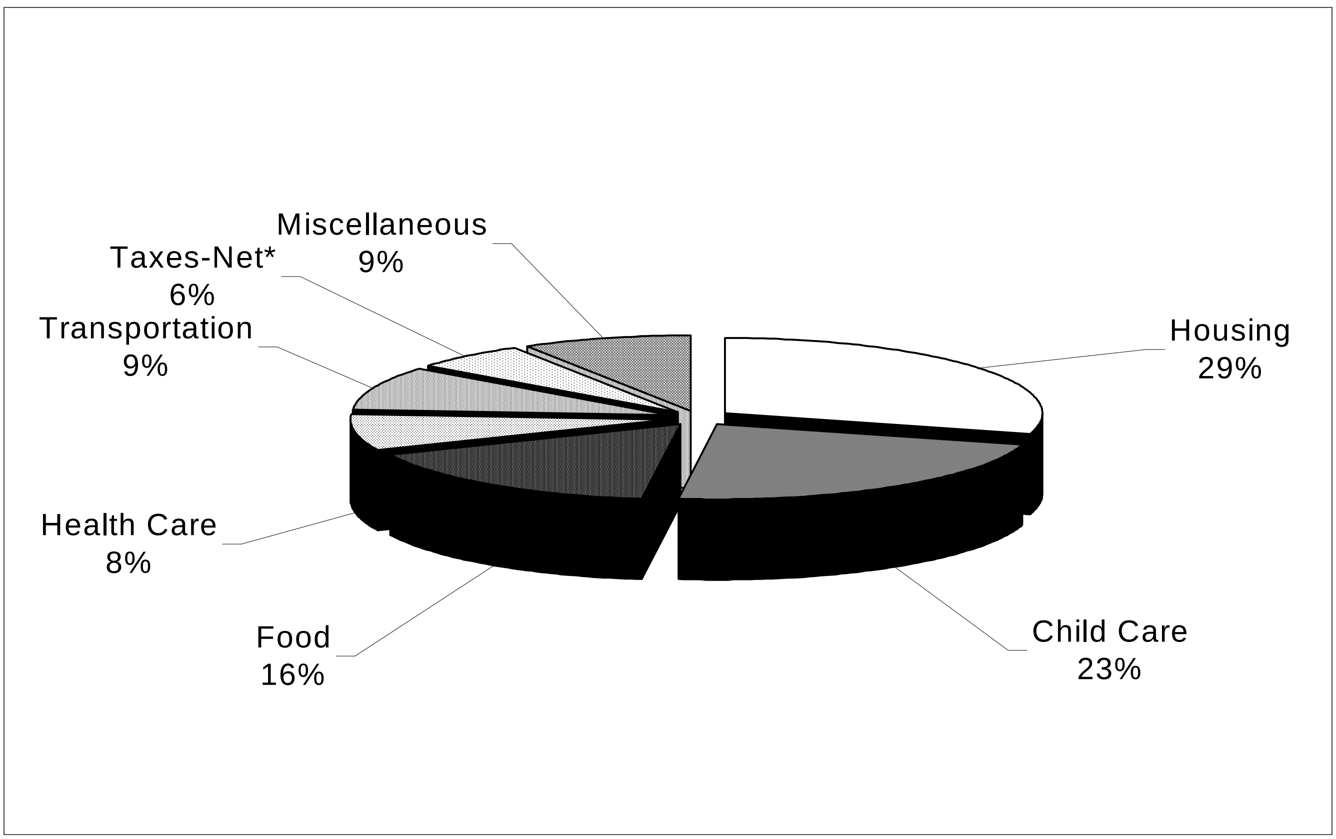
In Figure 1 below, we have shown the proportion of income spent on each basic need for a single parent family with one preschooler and one schoolage child in Carson City, Nevada's state capital. Housing and child care are by far the greatest expenses for working families with children. Families with two children, one of whom is under schoolage, generally spend half their incomes on these two expenses alone.

The next largest expenses for a Nevada family are food and transportation, accounting for 16% and 9% of the total costs respectively. While the cost of transportation makes up just under one-tenth of this family's budget, the Standard does not include the cost of car repair, or the initial cost of purchasing a car. Health care is a relatively small share at 8%, but this calculation assumes that the employer both provides health insurance and pays a portion of the premium. It is possible that health care costs may account for even more of the family budget in Nevada. Although taxes account ultimately for 6% of this family's budget, the tax burden month to month is actually 15%, refundable with tax credits at tax-time.

Figure 1

Percentage of Income Needed to Meet Basic Needs, 2002

Based on the Self-Sufficiency Standard for a Family with One Parent, One Preschooler and One Schoolage Child in Carson City, NV



**Note: Percentages include the net effect of taxes and tax credits. Thus, the percentage of income needed for taxes is actually 15%, but with tax credits, the amount owed in taxes is reduced to 6%.*

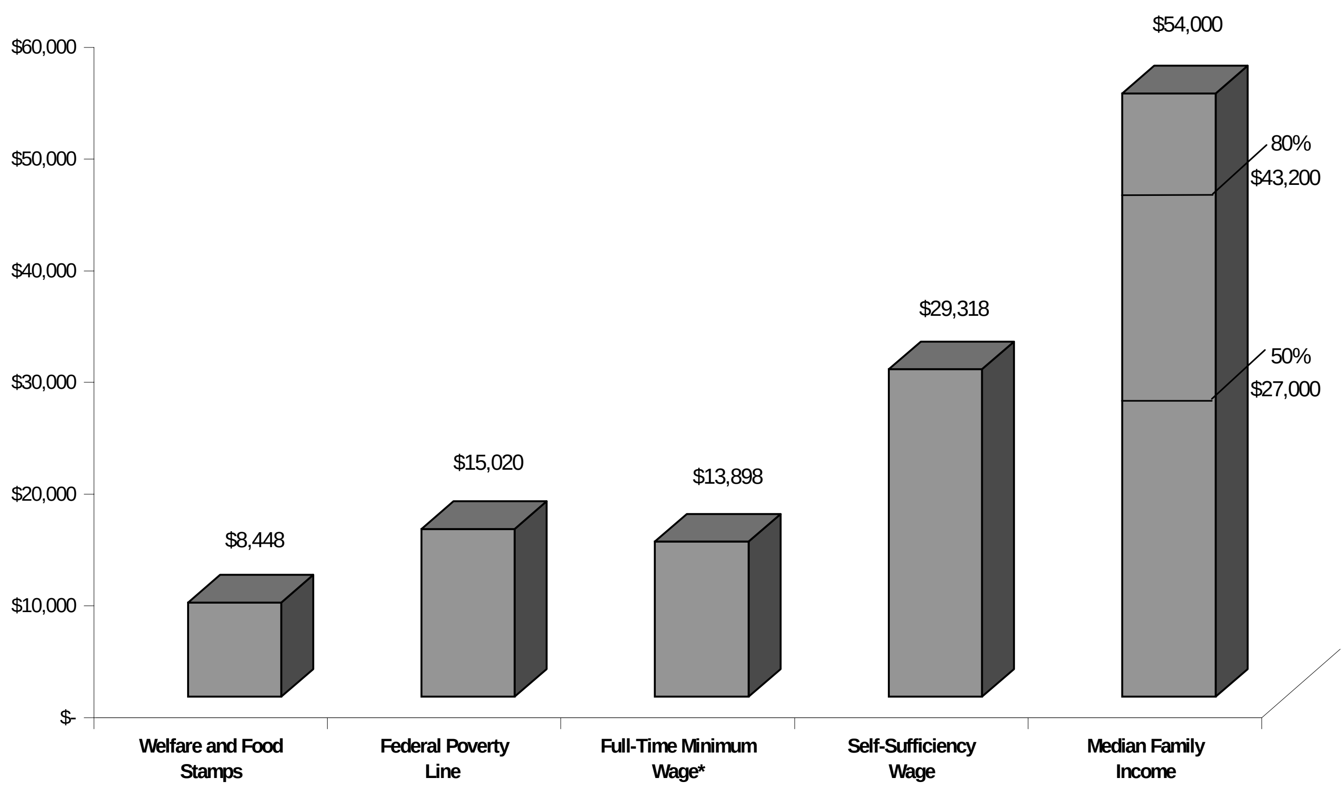
Comparing the Standard to Other Benchmarks of Income

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 federal minimum wage, and the median family 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 Nevada families can achieve Self-Sufficiency Wages).

Figure 2

The Self-Sufficiency Standard Compared to Other Benchmarks, 2002

Based on the Self-Sufficiency Standard for a Family with One Parent, One Preschooler and One Schoolage Child in Carson City, NV



** Note: Full-time minimum wage is the year 2002 federal 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.*

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 Carson 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 Carson City is **$29,318.**

The Welfare (TANF) Grant and Food Stamps: Including the cash value of Food Stamps as well as the TANF cash grant, the total assistance package is **$704** per month in Carson City or **$8,448** per year assuming no wage or other income. This amount is just over one-fourth **(28%)** of the Self-Sufficiency Standard for a three-person family in Carson 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 **$1,252** (**$15,020** 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 just slightly over half (**51%)** 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 Nevada, such as White Pine County, the official poverty guideline is only about 55% of the amount needed to meet family needs according to the Standard.

Minimum Wage: A full-time worker at the federal minimum wage of **$5.15** per hour earns about **$893** per month or **$10,712** per year. Subtracting taxes—payroll (Social Security), and federal 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 she also receives a small child tax credit. Together these are 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 the Child Care Tax Credit).

Even with the help of the federal EITC, however, a full-time job with the minimum wage provides well under one-half (**47.4%**) of the amount needed to be self-sufficient. If we assume that she pays taxes, but does not receive the EITC or the CTC payments on a monthly basis—as is true of most workers—she will only receive **$9,893** during the year, which is less than one-third of the Self-Sufficiency Standard (**33.7%**). 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 Carson City is **$54,000**. The Self-Sufficiency Standard for a single-parent family with one preschooler and one schoolage child is thus **54.3%** of the median family income for Carson City.

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 area income 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 Carson City family at 54.3% of the median family income, 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 that a substantial portion of Nevada families lack adequate income to meet their needs. It also shows that using area median income as a benchmark of income inadequacy (in this case, inadequate income to meet housing needs) is at times an imperfect measure of need for support.

Comparing the Standard for Las Vegas to Other Major Cities

The Self-Sufficiency Standard has now been completed for 21 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, some numbers have been updated to the year 2002. 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) to update the Standards to make them comparable.

As can be seen in Table 6, we have chosen to compare the Standard for Las Vegas to fifteen other large American cities: Baltimore, Billings, Boston, Chicago, Denver, Los Angeles, Louisville, Oklahoma City, Milwaukee, New York City (Queens), Philadelphia, Salt Lake City, San Francisco, Seattle and Washington, DC.

For a single adult, the costs in Las Vegas require a Self-Sufficiency Wage of $8.68 per hour, and are higher than ten of the cities listed and lower than the costs in Baltimore, Milwaukee, New York City, San Francisco, and Washington, D.C. In contrast, the Self-Sufficiency Wage for the one-child family in Las Vegas is higher than the wages for the same family type in Billings, Chicago, and Oklahoma City, and lower than the cost of living in the remaining twelve cities.

For the single adult with two children, the Self-Sufficiency Wage in Las Vegas is less than all the other cities except Billings. For Las Vegas' two-parent families with a preschooler and schoolage child each adult must earn $9.48 to be self-sufficient. These wages are higher than what is needed in Billings, Chicago, and Seattle, but less than the twelve remaining cities.

In conclusion, while Las Vegas 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 6
The Self-Sufficiency Standard for Las Vegas, NV Compared to Other Major Cities, 2002

	Self-Sufficiency Standard Wage			
City	**Single Adult**	**Single Adult, Preschooler**	**Single Adult, Preschooler, Schoolage**	**Two Adults, Preschooler, Schoolage**
Las Vegas, NV	**$8.68**	**$13.78**	**$15.78**	**$9.48***
Baltimore, MD	$9.13	$14.47	$17.41	$10.57*
Billings, MT	$7.10	$12.16	$14.68	$9.17*
Boston, MA	$8.28	$16.82	$20.41	$11.09*
Chicago, IL	$8.06	$13.74	$16.32	$9.28*
Denver, CO	$7.99	$14.76	$18.90	$10.72*
Los Angeles, CA	$7.28	$16.20	$21.06	$11.74*
Louisville, KY	$8.04	$14.21	$17.18	$10.23*
Oklahoma City, OK	$7.52	$13.46	$16.66	$9.99*
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 2002.

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, live in high-cost areas, or live in low wage 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 the 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 an expanding economy, helping families achieve self-sufficiency will be an even greater challenge during economic downturns and dwindling time remaining on welfare.

The two basic strategies to close this gap in income are to (1) **raise wages** and/or (2) **reduce costs through supports—**public and/or private, in cash or "in kind." 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 or other supports, 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 they make, 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 skills training, or ESL (English as a Second Language), ABE (Adult Basic Education) and/or the GED (General Educational Development) programs. 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 benefitting the employer and higher wages for the employee.

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. Enhancing 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 people from other traditionally marginalized groups 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 Washington State at $6.90 per hour. In all, 20% of the U.S. residents live in states and localities with a minimum wage higher than the federal minimum wage.[24] 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 that city contractors and employers receiving public subsidies pay a "living wage." These policies would impact private sector workers' wages as well as public sector workers. Union representation of workers also leads to higher wages as well as better benefits, moving workers closer to the Self-Sufficiency Standard.

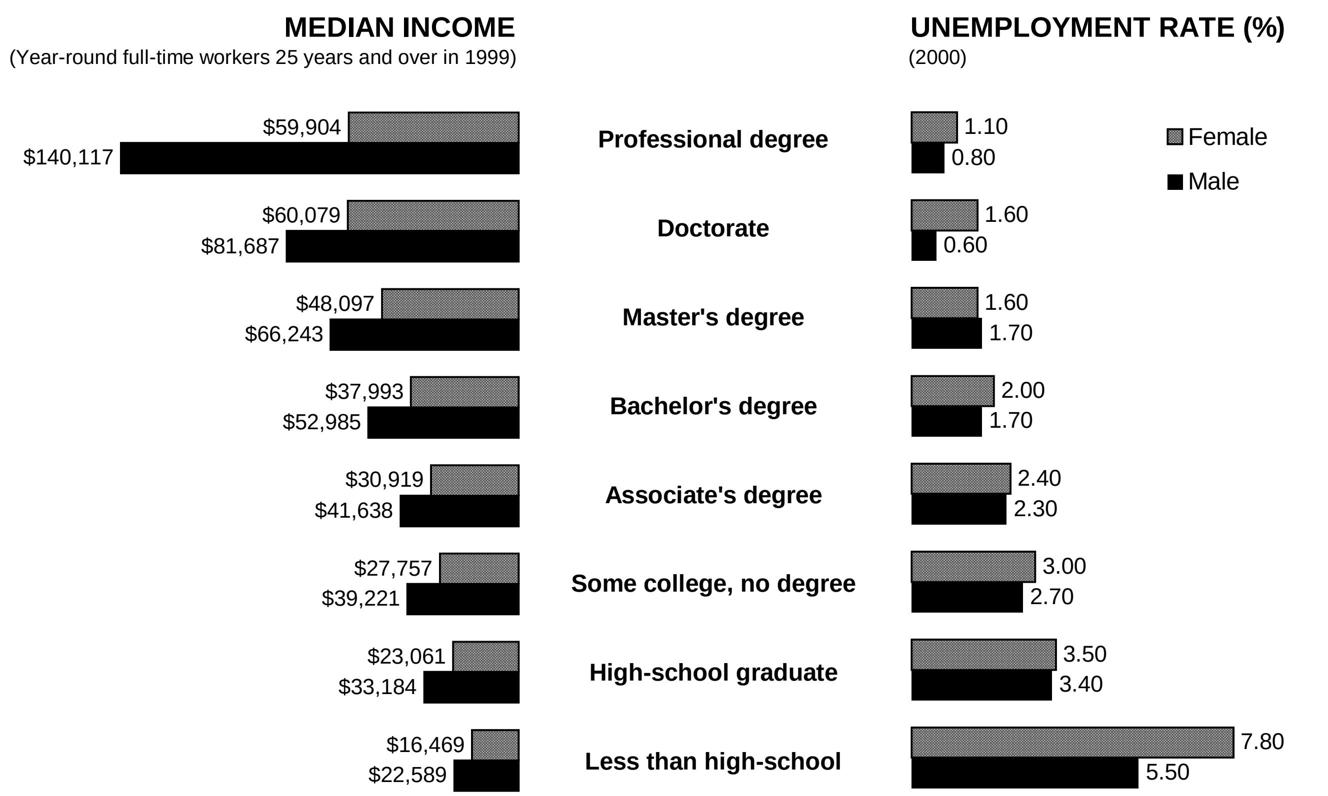
Removing Barriers to Employment: It is important to recognize that not all barriers to self-sufficiency lie in the individual persons and/or families seeking self-sufficiency. Women and/or people of color all too often face artificial barriers to employment not addressed by public policy or training/education 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

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 discuss several of these alternatives, and then in the next section we 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 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 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, 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.

Public policies can have a substantial impact on the ability of families to meet their needs—aiding them with temporary work supports until they are able to earn self-sufficiency wages.

- ***Child Support:*** While not an option for all families, whenever possible child support from absent, non-custodial parents should be sought. Higher unemployment rates and lower wages among some groups may result in lesser amounts of child support. Nevertheless, whatever the amount, child support payments reduce the amount required for a family to meet its needs, while providing the support of both parents to meet children's needs.

- ***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 Check Up in Nevada—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 Check Up, depending upon each child's age, family income and size.[25]

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

In Tables 7 and 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 Clark County. These tables illustrate the impact of work supports in different combinations and under different cost of living conditions. 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 Earned Income Tax Credit and/or the Child Tax Credit (when the 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 and/or the CTC to which they are entitled on a monthly basis, the great majority (approximately 99%) of families receive the EITC and the CTC as a lump sum payment the following year when they file their tax returns.[26]

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] Moreover, because of fluctuating hours and wages over the year, many workers find it difficult to gauge how much EITC or CTC they will be receiving when they file their taxes at the beginning of the next year.

We show the federal EITC and the refundable CTC as the annual amount, for which this family would qualify when they file their taxes the following year—if they worked at this wage for the entire year. (See the two shaded lines, at the bottom of Tables 7 and 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.

Table 7 - The Impact of Work Supports

The Self-Sufficiency Standard (Column #1): In the first column of Table 7, 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). With child care expenses of $924 per month and housing costs of $783 per month, it is not surprising that for this single parent the Self-Sufficiency Wage is **$17.78** per hour in Clark County.

Private Support:

Child Support (Column #2): In the second column of Table 7, the private "subsidy" of child support is added. The amount of $260 shown is the average child support payment per family per month in Nevada (for families receiving support), 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 $535 in Clark County in Column #1—when all income is earned, to $459—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 $17.78 to **$15.87** per hour.

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 75% of the state median income. However, in Nevada the co-payments that parents must pay are unusually high, and are based not only on the parents' income, but on child care costs, which vary substantially throughout the state. In Table 7, we have modeled the current child care subsidy available in Nevada, with the current child care co-payment scale, which only reduces her child care costs by $139 per month, this in turn only reduces the income she needs to earn by a little over $1.00 per hour, from $17.78 to **$16.76** in Clark County.

"Welfare-to-Work": Child Care and Health Care [Medicaid] (Column #4): For adults who are

Table 7

Impact of Work Supports on Monthly Costs and the Self-Sufficiency Wage

of a Single Parent with One Infant and One Preschool-age Child

Las Vegas - Clark County, 2002

	#1	WORK SUPPORTS						
		#2	#3	#4	#5	#6	#7	#8
Monthly Costs:	**Self-Sufficiency Standard**	**Child Support**	**Child Care**	**"Welfare-to-Work": Child Care & Health Care [Medicaid]***	**"Welfare-to-Work": Child Care, Food Stamps, Health Care [Medicaid], and Child Support**	**Child Care & Health Care [CHIP]***	**Child Care, Health Care [CHIP] and Child Support**	**Housing, Child Care, Food Stamps, Health Care [CHIP], and Child Support**
Housing	$783	$783	$783	$783	$783	$783	$783	**$235**
Child Care	$924	$924	**$785**	**$785**	**$231**	**$785**	**$785**	**$0**
Food	$345	$345	$345	$345	**$138**	$345	$345	**$135**
Transportation	$247	$247	$247	$247	$247	$247	$247	$247
Health Care	$223	$223	$223	**$0**	**$0**	**$97**	**$97**	**$97**
Miscellaneous	$252	$252	$252	$252	$252	$252	$252	$252
Taxes	$535	$459	$494	$429	$172	$458	$382	$78
Earned Income Tax Credit	$0	**	**	**	**	**	**	**
Child Care Tax Credit (-)	-$80	-$80	-$80	-$80	-$37	-$80	-$80	$0
Child Tax Credit (-)	-$100	-$100	-$100	-$100	$0	-$100	-$96	$0
Child Support		**-$260**	$0	$0	**-$260**	$0	**-$260**	**-$260**
Self-Sufficiency Wage-								
Hourly	**$17.78**	**$15.87**	**$16.76**	**$15.12**	**$8.67**	**$15.83**	**$13.95**	**$4.45**
Monthly	**$3,129**	**$2,793**	**$2,949**	**$2,661**	**$1,526**	**$2,786**	**$2,455**	**$784**
Annual	**$37,551**	**$33,514**	**$35,391**	**$31,933**	**$18,307**	**$33,438**	**$29,460**	**$9,406**
Total Federal EITC (annual)	**$0**	**$0**	**$0**	**$37**	**$2,906**	**$0**	**$557**	**$3,762**
Total Federal CTC (annual) (refundable)	**$0**	**$0**	**$0**	**$0**	**$831**	**$0**	**$43**	**$0**

** We attempted to model Food Stamps here, but if income is high enough to meet other needs and required co-payment for child care, it would be too high to qualify for Food Stamps (eligibility for Food Stamps requires income to below 130% of the FPL).*

*** In the modeling columns, refundable credits are shown as they are usually received, as an annual lump sum when taxes are filed early the next year. The child tax credit is split, with the part that is a credit against taxes owed received monthly, and the refundable portion shown as received annually. EITC is not received as a credit against taxes, so it is shown only annually.*

moving from welfare to work, there is available a set of supports to help with that transition. In the fourth column of Table 7, 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. We attempted to model Food Stamps here, but if her family's income is high enough to meet other needs and the required co-payment for child care, it would be too high to qualify for Food Stamps (eligibility for Food Stamps requires income to be below 130% of the Federal Poverty Level). As with child support, the child care costs are reduced by $139 per month. Likewise, we assume that Medicaid reduces her health care costs to zero. Altogether this lowers the income that must be earned from $17.78 to **$15.12** per hour.

"Welfare-to-Work": Child Care, Food Stamps, Health Care [Medicaid], and Child Support (Column #5): In the fifth column of Table 7, we have added child support to the traditional "Welfare-to-Work" package of child care, Food Stamps, and

Medicaid. In Clark County, the child care costs are heavily subsidized at this income level, reducing monthly child care costs to $231 in Table 7. With the addition of Food Stamps, which she now qualifies for at this income level, this family's monthly food costs are decreased from $345 to $138. Altogether, these work supports along with a monthly child support amount of $260 per month, reduces the income that must be earned to pay for her family's basic needs to **$8.67** per hour. These work supports reduce the wage needed to meet living costs enough to qualify for an increased EITC.

It should be noted that we attempted to model work supports together with a partial TANF cash grant. Earned income disregards are important, for they allow families to enter the work force and continue to receive a partial TANF cash 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 families leave welfare for work under Nevada state earned income disregard rules, families may have 100% of their earnings disregarded for the first three months, and 50% of their earnings disregarded for the following nine months. As earnings increase their cash grant decreases until they are no longer eligible for temporary cash assistance. We found that families would lose all cash benefits before their combined income was enough to meet their needs, *even with the help of work supports (child care, Food Stamps and Medicaid)*. In other words, *even with the help of these work supports,* a parent's earnings must be considerably above the maximum level to qualify for a partial TANF cash grant.

Child Care and Health Care [CHIP], (Column #6): After one year, the parent making the transition from welfare to work loses Medicaid coverage for her whole family, although her children remain eligible for Check Up-CHIP (if family income remains below 200% of poverty). In the sixth column of Table 7, we model this change by assuming that the children's health care costs (including both insurance and out-of-pocket costs) are covered by Check Up-CHIP. 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 $97 in Clark County.

Although this amount is not large, the loss of Medicaid coverage for herself means that she must increase her earnings to pay for her health care costs, which in turn means that she loses eligibility for Food Stamps. The increased income needed to make up this loss also pushes her back up to the highest bracket for her child care co-payment. Also her taxes increase. Altogether, she must now earn **$15.83** per hour in Clark County just to be able to meet her needs at the same level as when Medicaid covered all of her family's health care costs.

Child Care, Health Care [CHIP], and Child Support (Column #7): In the seventh column of Table 7, we have added child support to the post-one year transition from welfare modeled in Column #6. Although the child support reduces what she must earn by $260 per month, she still does not qualify for Food Stamps, and still must pay the highest child care co-payment. Altogether, child support with child care and CHIP, reduces the income that must be earned to pay for her family's basic needs to **$13.95** per hour.

Housing, Child Care, Food Stamps, Health Care [CHIP], and Child Support (Column #8): In the eighth column we have modeled the combination of housing assistance, child care, Food Stamps, health care [Check Up-CHIP], and child support. 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 over $500 per month in Clark County. The combination of these work supports reduces the income needed to meet other needs, lowering the co-payments as well. Altogether, these reduce the income needed to meet this family's needs to just **$4.45** per hour. It should be noted, however that very few families actually receive all of these supports modeled in Column #8.

Figure 4 - State Comparisons of Child Care Co-Payments

In Figure 4 (page 23) we have compared Nevada's monthly child care co-payment scale with those in four other jurisdictions: Washington State, Pennsylvania, Washington, DC, and Indiana. As can be seen, there are considerable differences between these areas. For example, a mother with two children who works full-time at $8.50 per hour (less than half of the Self-Sufficiency Standard in Clark County), is required to pay just $20 per month towards her child care in Washington State, $66 per month in Indiana, $110 per month in Pennsylvania, $141 per month in Washington D.C., but $198 per month in Nevada. There is an even greater disparity amongst these areas as the mother's income increases. For example, at $12.00 per hour she is required to pay $132 per month towards her child care in Indiana, and $212 in Washington State, but $554 per month in Nevada.

Table 8 - The Impact of Work Supports with Proposed Child Care Co-Payments

In Table 8, note that since the first two columns illustrating the Self-Sufficiency Standard and Child Support are the same as Table 7, we begin our discussion with Column #3. However, in Table 8, we have modeled child care with a proposed child care co-payment scale based on the Washington State co-payment scale as seen in Figure 4, which is about "average" among American states.

Child Care (Column #3): This work support of the proposed child care co-payment shown in Table 8 reduces the amount this family with two children must pay from $785 (Table 7) to $328 per month. The proposed child care alone reduces the Self-Sufficiency Wage by approximately one-fourth, from $17.78 to **$13.51** in Clark County. As with other work supports to be considered below, this impact comes in two ways: the child care aid directly reduces the cost of 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. Thus the impact of each dollar in work supports is "multiplied" by its effect on taxes and tax credits.

"Welfare-to-Work": Child Care and Health Care [Medicaid] (Column #4): In Column #4, we have modeled the effect of the proposed child care co-payment scale, and health care [Medicaid]. With the addition of Medicaid, her child care co-payment is reduced to only $125 per month, and her taxes are reduced from $365 in Column #3 to $261 per month in Column #4. We attempted to model Food Stamps here, but if her family's income is high enough to meet other needs and the required co-payment for child care, it would be too high to qualify for Food Stamps (eligibility for Food Stamps requires income to be below 130% of the Federal Poverty Level).These work supports alone substantially lowers the income that must be earned to pay for her family's basic needs to **$10.89**, which is just over one-half of the full Self-Sufficiency Wage.

Figure 4

State Comparisons of Child Care Co-Payments, by Wage Level, 2002

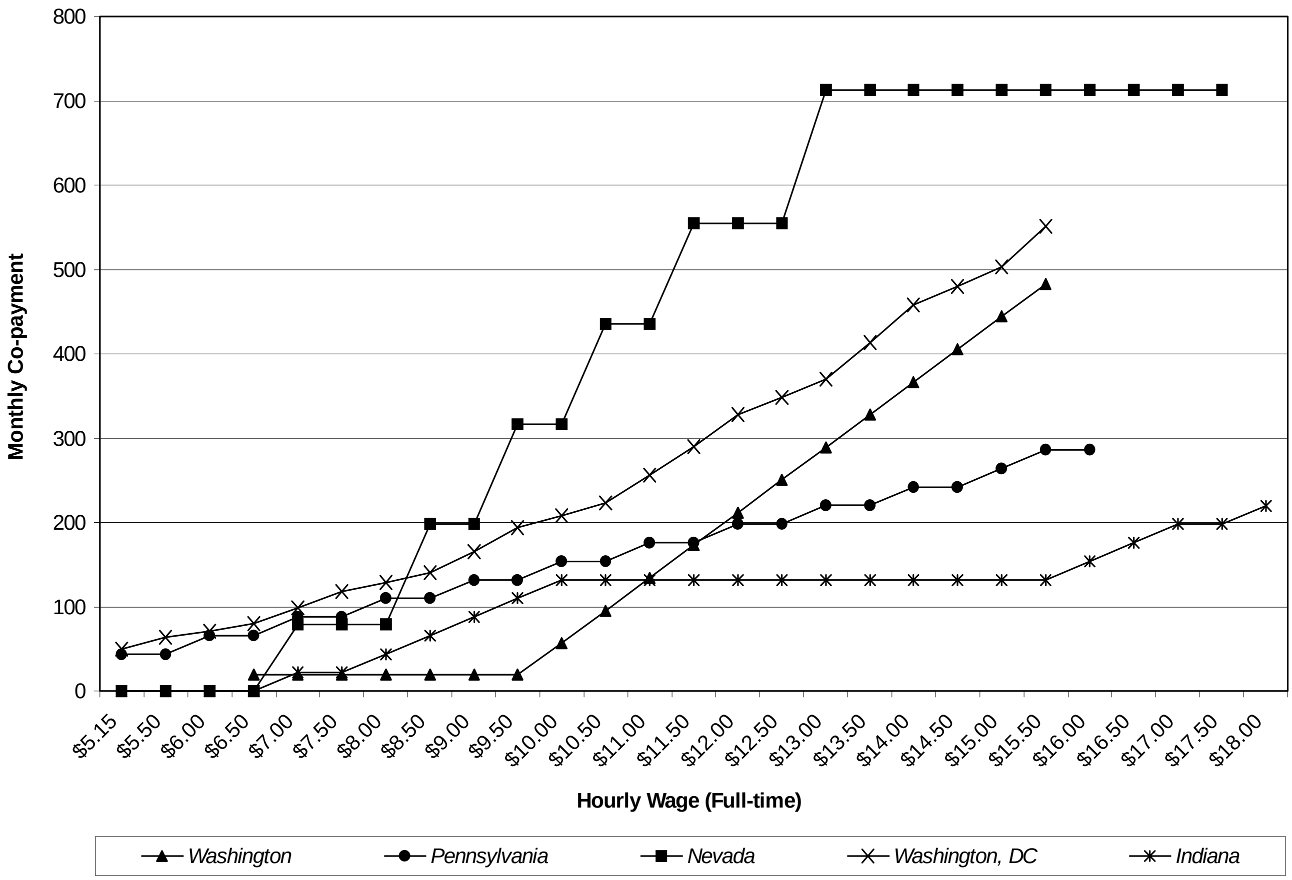


Table 8

Impact of Work Supports on Monthly Costs and the Self-Sufficiency Wage

of a Single Parent with One Infant and One Preschool-age Child

with Proposed Child Care Co-payments (based on Washington State co-payment schedule)

Las Vegas - Clark County, 2002

	#1	WORK SUPPORTS						
		#2	#3	#4	#5	#6	#7	#8
Monthly Costs:	**Self-Sufficiency Standard**	**Child Support**	**Child Care**	**"Welfare-to-Work": Child Care & Health Care [Medicaid]***	**"Welfare-to-Work": Child Care, Food Stamps, Health Care [Medicaid], and Child Support**	**Child Care & Health Care [CHIP]***	**Child Care, Food Stamps, Health Care [CHIP] and Child Support**	**Housing, Child Care, Food Stamps, Health Care [CHIP], and Child Support**
Housing	$783	$783	$783	$783	$783	$783	$783	**$235**
Child Care	$924	$924	**$328**	**$125**	**$20**	**$213**	**$20**	**$10**
Food	$345	$345	$345	$345	**$122**	$345	**$153**	**$130**
Transportation	$247	$247	$247	$247	$247	$247	$247	$247
Health Care	$223	$223	$223	**$0**	**$0**	**$97**	**$97**	**$97**
Miscellaneous	$252	$252	$252	$252	$252	$252	$252	$252
Taxes	$535	$459	$365	$261	$116	$306	$148	$79
Earned Income Tax Credit	$0	**	**	**	**	**	**	**
Child Care Tax Credit (-)	-$80	-$80	-$66	-$29	$0	-$47	-$5	$0
Child Tax Credit (-)	-$100	-$100	-$99	-$67	$0	-$79	-$16	$0
Child Support		**-$260**	$0	$0	**-$260**	$0	**-$260**	**-$260**
Self-Sufficiency Wage-								
Hourly	**$17.78**	**$15.87**	**$13.51**	**$10.89**	**$7.27**	**$12.03**	**$8.06**	**$4.48**
Monthly	**$3,129**	**$2,793**	**$2,378**	**$1,917**	**$1,280**	**$2,117**	**$1,418**	**$789**
Annual	**$37,551**	**$33,514**	**$28,537**	**$23,003**	**$15,358**	**$25,406**	**$17,021**	**$9,471**
Total Federal EITC (annual)	**$0**	**$0**	**$752**	**$1,917**	**$3,527**	**$1,411**	**$3,177**	**$3,788**
Total Federal CTC (annual) (refundable)	**$0**	**$0**	**$9**	**$397**	**$536**	**$254**	**$514**	**$0**

** We attempted to model Food Stamps here, but if income is high enough to meet other needs and required co-payment for child care, it would be too high to qualify for Food Stamps (eligibility for Food Stamps requires income to below 130% of the FPL).*

*** In the modeling columns, refundable credits are shown as they are usually received, as an annual lump sum when taxes are filed early the next year. The child tax credit is split, with the part that is a credit against taxes owed received monthly, and the refundable portion shown as received annually. EITC is not received as a credit against taxes, so it is shown only annually.*

"Welfare-to-Work": Child Care, Food Stamps, Health Care [Medicaid], and Child Support (Column #5): In the fifth column of Table 7, we have added child support to the traditional "Welfare-to-Work" package of child care, Food Stamps, and Medicaid. With the addition of child support, she now qualifies for Food Stamps, her taxes are now lowered to $116 per month, and her child care co-payment is reduced to only $20 per month. Thus, with the revised child care co-payment, the "Welfare-to-Work" package, and child support, her wage needed to adequately support her family is reduced to just **$7.27** per hour in Clark County. Recall that under the current child care co-payment schedule, to meet her needs at the same level of adequacy, she would need to earn **$8.67** per hour, $1.40 more.

Child Care and Health Care [CHIP], (Column #6): After one year, the parent making the transition from welfare to work loses Medicaid coverage for her whole family, although her children remain eligible for Check Up-CHIP (if family income remains below 200% of poverty). In Column #6 we have modeled the effects of child care and health care, which she must now pay an additional $97 a month for herself. In Table 8, with the proposed child care co-payments, and additional health care cost, she must now earn **$12.03** per hour in Clark County, reducing her the income needed to meet her family's needs by almost $6.00 per hour. Although this is less than with the current child care co-payment schedule, she still doesn't qualify for Food Stamps.

Child Care, Food Stamps, Health Care [CHIP], and Child Support (Column #7): In seventh column we have added a monthly child support payment to the traditional "Welfare-to-Work" package. Unlike Table 7, in Table 8 the proposed child care co-payment is much less, and thus lowers the wages she needs so that she is now able to qualify for Food Stamps. Altogether, these work supports, along with a monthly child support amount of $260 per month, reduce the income that must be earned to pay for her family's basic needs to **$8.06**.

Housing, Child Care, Food Stamps, Health Care [CHIP], and Child Support (Column #8): In the eighth column we have modeled the combination of housing assistance, child care, Food Stamps, health care [Check Up-CHIP], and child support. This housing assistance reduces housing costs by over $500 per month in Clark County. The combination of these work supports reduces the income needed to meet other needs, lowering the co-payments as well. Altogether, these reduce the income needed to meet this family's needs to just **$4.48** per hour.

By temporarily aiding families with work supports until they are able to earn Self-Sufficiency 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 ability to achieve 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.[29]
- Between 1996 and 2000, the number of people receiving Food Stamps dropped by 8.6 million, 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; also, the Urban Institute reported that about two-thirds of those who left the Food Stamps program as they left welfare remained eligible
- Only 10% of about 15 million eligible children are receiving child care assistance nationwide[31]; in Nevada, 17,584 children received assistance in 2001.[32] However, according to a study by the U.S. Department of Health and Human Services, only 17.5% of eligible children in Nevada received child care assistance.[33]
- 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.[34] In Nevada, there are 22,849 children served by CHIP out of an estimated 76,767 who are eligible, which means that about 30% of eligible children are being covered by CHIP.[35]
- Although 58% of custodial parents had child support awards, only 34% received at least part of the child support payment owed to them, and less than 20% received the full amount owed. Not surprisingly, the average monthly child support payment of $312 represents just 17% of a single mother's, and 11% of a single father's income.[36] In Nevada the average monthly child support payment is only $260.[37]

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 TANF reauthorization, 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 to Target Job Training and Education Resources

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 target resources to better match job seekers with jobs paying Self-Sufficiency Wages. First, the Standard is used to determine which jobs in the local market pay Self-Sufficiency Wages. Second, it examines local labor market supply and demand (to determine jobs that have expanding but unfilled openings). Next, it makes an assessment of the available job training and education infrastructure, and finally, it makes an evaluation of the skills and location of current/potential workers. Through such an analysis, it is possible to determine the jobs and sectors on which to target training and counseling resources. The Self -Sufficiency Standard has been used in this way in a number of places including California, Pennsylvania, and Washington, DC. In the District of Columbia, for example, the Self-Sufficiency Standard was used in formatting their FY 2000 Workforce Investment Act. This law requires that the Workforce Investment Board not only look at "high growth" occupations to target job training dollars, but also at the quality of the jobs in terms of their ability to meet the wage and supportive service needs of job seekers.

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 demonstrate the "pay off" for investing in various types of post-secondary education and training, including training for occupations that are nontraditional for women and people of color. Such training and education provide access to a wide range of jobs paying Self-Sufficiency Wages. In California's Santa Clara County, for example, the Self-Sufficiency Standard was used in a sectoral employment intervention analysis that focused on the availability of nontraditional jobs, the geographical spread of those jobs, the availability of training resources and wage rates. The analysis led to a curriculum and counselor training package that targets transportation jobs and $140,000 to the community college system to explore how to strengthen preparation for transportation jobs. The Self-Sufficiency Standard was also used in Pennsylvania's Delaware County to design and implement a sector employment intervention strategy that will identify, recruit, hire, train, retain and provide upward mobility to low-income residents.

The Self-Sufficiency Standard as a Tool to Evaluate Economic Development and Other Policies

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, essentially a "double subsidy." 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. In Pennsylvania, the Standard was used to create a report, "The Road to

Self-Sufficiency," which explores the impact of public subsidies on full and part-time low-wage workers and assess wage adequacy in Philadelphia.

The Standard has also been used to ***evaluate the impact of proposed policy changes***. As shown in this report (see Tables 7 and 8), the Standard can be used to evaluate the impact of work support programs as well as other policy options such as child care 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. For example, the Self-Sufficiency Standard was instrumental in helping persuade the Indiana Housing Finance Authority that increases in housing assistance subsidies would have a powerful impact on helping low-income families achieve self-sufficiency. As a result, IHFA dedicated an additional $2.5 million for acquisition, rehabilitation, construction and operation of emergency, transitional and supportive housing.

The Self-Sufficiency Standard as a Guideline for Determining Eligibility and Need for Services

The Standard can and has been used to determine where individuals are most in need of services, including career counseling, job training and various support services. For example, the Connecticut Legislature enacted a state statute that identifies "the under employed worker" as an individual without the skills necessary to earn a wage equal to the Self-Sufficiency Standard. The statute directs statewide workforce planning boards to recommend funding to assist such workers.

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. The Standard can and has been used in Illinois and Washington State 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 close the wages achieved are to the family's Self-Sufficiency Wage and thus how the program impacts 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 first county in the country to adopt the Standard as its formal measure of self-sufficiency and benchmark for measuring success of welfare-to-work programs was Sonoma County, California. In Connecticut, the Self-Sufficiency Standard has been adopted at the state level. It is not only used as a performance measure for planning state-supported job training, placement and employment retention programs, but the law also requires that the Standard be distributed to all state agencies that counsel individuals who are seeking education, training or employment and that the Standard be used in initial client assessment. Under its Workforce Investment Act, the Chicago Workforce Investment Board adopted the Self-Sufficiency Standard as its self-sufficiency benchmark. In addition, the Illinois Department of Human Services uses the Standard as a tool for setting goals in their local offices statewide. The California Department of Human Services uses the Standard as a benchmark on its state website. The Philadelphia Workforce Investment Board also adopted the Standard as its local benchmark for economic self-sufficiency as it relates to the city's workforce investment system. The Seattle Workforce Development Council has adopted the Self-Sufficiency Standard as its official measure of self-sufficiency. In Massachusetts, the Standard was used to analyze the extent to which Massachusetts workforce development programs funded by the Department of Labor were enabling clients to move towards or maintain self-sufficiency.

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 Standard has been used as a career counseling tool in Texas for low-income individuals enrolled in job training programs at Houston READ Commission, the Women’s Center of Tarrant County and Project Quest in San Antonio.

Computer-based Self-Sufficiency Budget Calculators, for use by counselors and clients, have been developed for Illinois, New York and Washington, DC. These computer-based tools, as well as paper-and-pencil Budget Worksheets developed in Pennsylvania, allow both counselors and clients to evaluate possible wages and compare information on available programs and work supports to their own costs and needs. These tools integrate in one place a wide range of data not usually brought together—even though clients often must coordinate these various programs, supports, costs and wages in their own lives.

The Self-Sufficiency Standard as a Public Education Tool

The Standard is an important public education tool. In 2001, the Self-Sufficiency Standard was presented in over three hundred workshops to the public nationwide. It is also being used in classrooms across the country. 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. For providers, both public and private, such as child care providers, community organizations and education and training organizations, it demonstrates how the various components fit together, thus helping to facilitate the coordination of various services and supports.

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. The Standard has been used in researching the impact of work supports on wage adequacy in Pennsylvania and Massachusetts, child care subsidies in California and health care costs in Washington State. More detailed information about these various applications of the Standard and links to reports and calculators can be found at the website www.sixstrategies.org and/or by contacting the specific state lead organization.

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 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 Arizona, California, Colorado, Connecticut, Illinois, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Montana, New Jersey, New York, North Carolina, Oklahoma, 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 Nevada, to order this publication or the Standard for a particular county, or to find out more about the Nevada Family Economic Self-Sufficiency Project, please visit the Progressive Leadership Alliance of Nevada website at www.planevada.org, or contact Joe Edson of PLAN, at (775) 348-7557.

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] U.S. Department of Commerce, Economics and Statistics Administration, U.S. Census Bureau. *Poverty in the United States: 2000*, Current Population Reports, issued September, 2001.

[3] 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.

[4] 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.

[5] 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.

[6] 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.

[7] *Boston Globe*, 9/25/98.

[8] 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.

[9] Quoted in Gowdy and Pearlmutter, *op.cit.*, p. 91.

[10] 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.

[11] 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.

[12] 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.

[13] 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.

[14] 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.

[15] Bureau of Labor Statistics, *Consumer Expenditure Survey* (www.bls.gov/cex/home.htm).

[16] 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.

[17] Nevada Department of Insurance, *Consumer's Guide to Auto Insurance*.

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

[19] The Henry J. Kaiser Family Foundation, State Health Facts Online, *Nevada: Average Annual Total Employment-Based Premiums, 1998* http://statehealthfacts.kff.org

[20] A. 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).

[21] (www.allhealthplans.com)

[22] See Citro and Michael, *op.cit*.

[23] In the report, single parents are referred to as "she" because over 90% of single parents are women.

[24] United States Census Bureau, www.census.gov

[25] Under Check Up, health care coverage is provided for children in Nevada for families with net incomes (after certain deductions, such as for child care) that are less than 200% of poverty.

[26] Of returns filed in 1999, only 183,859 taxpayers reported having received advanced EIC 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 "Monthly Operational Review of Earned Income Credit.")

[27] Although 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.

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

[29] U.S. Department of Housing and Urban Development, *Assisted Housing 1999.*

[30] "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.

[31] "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."

[32] State of Nevada, Department for Human Resources, Welfare Division.

[33] U.S. Department of Health and Human Services, The Administration for Children and Families, Child Care Bureau. *Access to Child Care for Low-Income Working Parents*, 1998.

[34] Families USA, *One Step Forward, One Step Back: Children's Health Coverage after CHIP and Welfare Reform*. October 1999.

[35] Great Basin Primary Care Association, Market Place Study, *Table 2 - Number and % Uninsured and below or at 100% of the Federal Poverty Level,by Age, Sex, Race and Hispanicity, 1998, 1999, 2000., Table 3 - Number and % Uninsured and between 100%-200% of the Federal Poverty Level,by Age, Sex, Race and Hispanicity, 1998, 1999, 2000.* (www.gbpca.org/access.htm.)

[36] Lydia Scoon-Rogers, *op. cit*.

[37] State of Nevada, Department of Human Resources, Welfare Division *Child Support Enforcement Monthly Report FY 02.*

Data Sources

Data Type	Source	Assumptions
Child Care	State of Nevada, Department of Human Resources, Welfare Division. *Child Care Provider Rates - FY 2001*	FY 2001 market rates for child care, hourly, daily, and weekly rates. <u>Infant</u>: Full Time, 0-3 yrs, Family Day Care <u>Preschooler</u>: Full Time, 3-5 yrs, Child Day Care Center <u>School Age</u>: Before & After-school, 6 yrs and above, Child Day Care Center
Food	USDA Low-Cost Food Plan, June 2001.	USDA plan used for all counties. Assumed single adult families headed by female.
Health Insurance	Medical Expenditure Panel Survey (http://www.meps.ahcpr.gov/MEPSNct/IC/MEPSnetIC.asp) <u>Out of Pocket Costs:</u> U.S. Department of Health and Human Services. 1987. *National Expenditure Survey. The Future of Children.* Winter 1992.	MEPS provides a statewide average for both single and family coverage in 1998. Updated with the Medical Consumer Price Index. Out of pocket costs are by age, and are updated with the Medical CPI.
Housing	Department of Housing and Urban Development; *Fair Market Rents for the Section 8 Housing Assistance Payments Program - Fiscal Year 2002*. (10/01/01) (www.huduser.org)	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.
Taxes	U.S. Department of Treasury-*IRS 1040 Instructions*. Nevada Department of Taxation: (www.state.nv.us/taxnew/taxmap.htm)	Taxes included federal income taxes, payroll taxes, and state sales taxes. Standard deduction and all income from wages. Sales taxes are calculated only on "miscellaneous" items, and vary by county (6.5%-7.25%). Nevada has no state income tax.
Transportation	Nevada Division of Insurance - *Consumer's Guide to Auto Insurance - 2001, Rate Comparisons*: (http://doi.state.nv.us). *State Averages Expenditures & Premiums for Personal Automobile Insurance in 1998*, April 1998. National Association of Insurance Commissioners (www.naic.org)	Using the premiums listed in the Nevada Division Insurance report for the top five market share auto insurance companies in Nevada, Rate Comparison Guide for auto insurance premiums, the amount for each county is calculated using this ratio to vary the statewide average cost of auto insurance (from the National Insurance Commissioners report).
Miscellaneous	Miscellaneous expenses are 10% of all other costs.	Includes all other essentials: clothing, shoes, paper products, diapers, nonprescription medicines, cleaning products, household items, personal hygiene items and the 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 Nevada Metropolitan Areas and Non-Metropolitan Counties

Metropolitan Areas

Las Vegas, NV-AZ MSA

Clark County

Reno, NV MSA

Washoe County

Non-Metropolitan Counties

Carson City

Churchill County

Douglas County

Elko County

Esmeralda County

Eureka County

Humboldt County

Lander County

Lincoln County

Lyon County

Mineral County

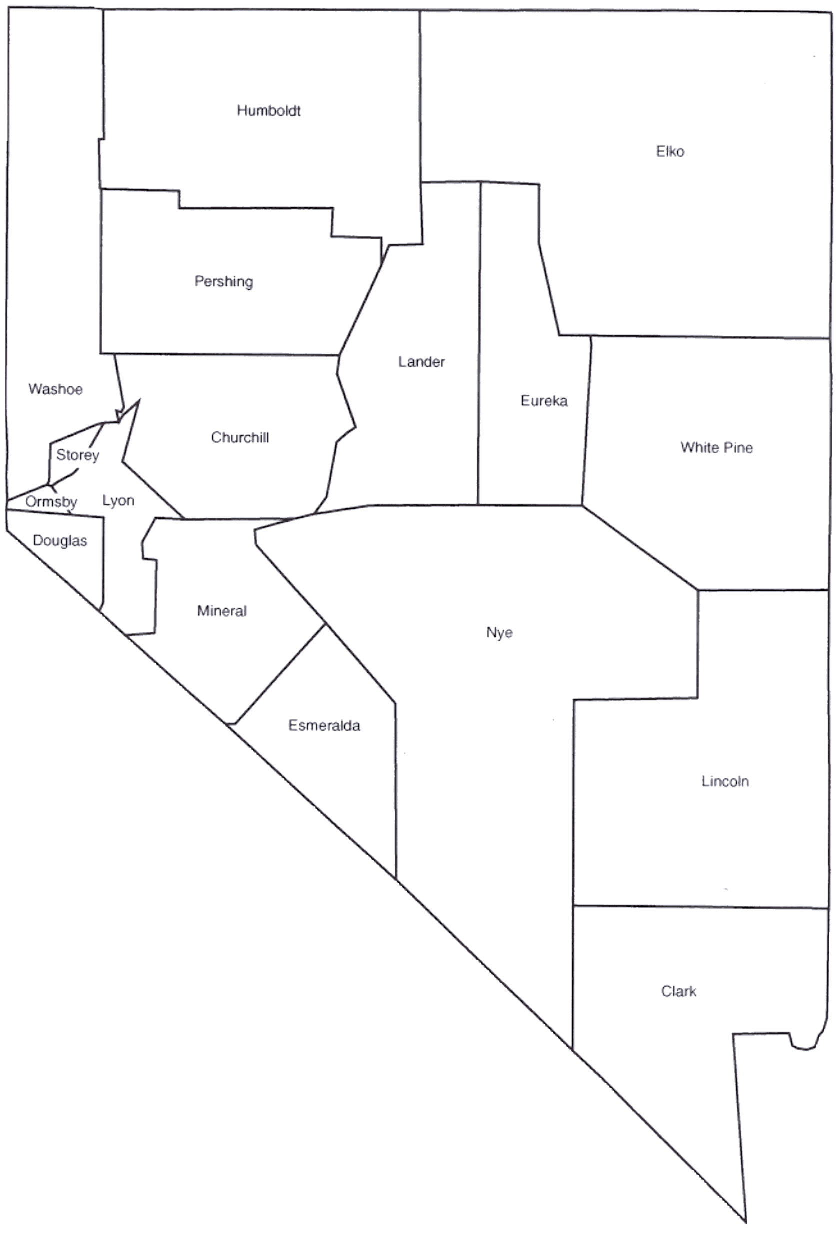
Nye County

Pershing County

Storey County

White Pine County

Map of Nevada Counties



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

Table 1
The Self-Sufficiency Standard for Las Vegas, NV-AZ MSA, 2002
Clark County

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	658	783	783	783	783	1090	783	783
Child Care	0	484	440	924	209	1133	924	649
Food	176	257	266	345	461	464	496	544
Transportation	241	247	247	247	247	247	479	479
Health Care	77	202	180	223	228	244	278	256
Miscellaneous	115	197	192	252	193	318	296	271
Taxes	261	426	408	535	320	691	618	536
Earned Income Tax Credit (-)	0	0	0	0	-101	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	**$8.68**	**$14.24**	**$13.78**	**$17.78**	**$12.49**	**$22.48**	**$10.49** per adult	**$9.48** per adult
-Monthly	**$1,528**	**$2,506**	**$2,425**	**$3,129**	**$2,198**	**$3,957**	**$3,693**	**$3,338**
-Annual	**$18,338**	**$30,071**	**$29,099**	**$37,551**	**$26,372**	**$47,483**	**$44,315**	**$40,051**

Table 2
The Self-Sufficiency Standard for Reno, NV MSA, 2002
Washoe County

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	590	758	758	758	758	1056	758	758
Child Care	0	462	466	928	182	1110	928	648
Food	176	257	266	345	461	464	496	544
Transportation	232	238	238	238	238	238	458	458
Health Care	75	196	174	217	222	238	272	250
Miscellaneous	107	191	190	249	186	311	291	266
Taxes	235	406	403	523	290	667	602	518
Earned Income Tax Credit (-)	0	0	0	0	-128	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	**$8.05**	**$13.73**	**$13.67**	**$17.49**	**$11.75**	**$21.90**	**$10.30** per adult	**$9.27** per adult
-Monthly	**$1,416**	**$2,417**	**$2,405**	**$3,078**	**$2,068**	**$3,854**	**$3,626**	**$3,263**
-Annual	**$16,994**	**$29,005**	**$28,864**	**$36,938**	**$24,821**	**$46,243**	**$43,511**	**$39,153**

Table 3
The Self-Sufficiency Standard for Carson City County, NV, 2002

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	536	716	716	716	716	997	716	716
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	222	227	227	227	227	227	437	437
Health Care	75	193	171	214	219	235	269	247
Miscellaneous	101	181	175	229	180	290	271	250
Taxes	213	367	342	459	264	597	535	465
Earned Income Tax Credit (-)	0	-17	-34	0	-152	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.51**	**$12.78**	**$12.18**	**$15.93**	**$11.11**	**$20.19**	**$9.48** per adult	**$8.62** per adult
-Monthly	**$1,322**	**$2,250**	**$2,144**	**$2,803**	**$1,956**	**$3,553**	**$3,336**	**$3,035**
-Annual	**$15,866**	**$26,996**	**$25,732**	**$33,638**	**$23,470**	**$42,640**	**$40,028**	**$36,426**

Table 4
The Self-Sufficiency Standard for Churchill County, NV, 2002

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	513	684	684	684	684	943	684	684
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	196	174	217	222	238	272	250
Miscellaneous	99	178	173	227	178	285	269	248
Taxes	207	356	331	450	252	581	527	457
Earned Income Tax Credit (-)	0	-25	-42	0	-162	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.35**	**$12.51**	**$11.92**	**$15.71**	**$10.82**	**$19.80**	**$9.38** per adult	**$8.53** per adult
-Monthly	**$1,294**	**$2,203**	**$2,097**	**$2,766**	**$1,904**	**$3,484**	**$3,303**	**$3,002**
-Annual	**$15,531**	**$26,431**	**$25,167**	**$33,189**	**$22,854**	**$41,813**	**$39,631**	**$36,029**

Table 5
The Self-Sufficiency Standard for Douglas County, NV, 2002

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	660	828	828	828	828	1150	828	828
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	228	234	234	234	234	234	451	451
Health Care	75	196	174	217	222	238	272	250
Miscellaneous	114	193	188	242	193	306	284	263
Taxes	257	412	393	499	320	650	576	507
Earned Income Tax Credit (-)	0	0	0	0	-100	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-38	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$8.58**	**$13.91**	**$13.45**	**$16.91**	**$12.50**	**$21.50**	**$10.00** *per adult*	**$9.14** *per adult*
-Monthly	**$1,510**	**$2,448**	**$2,367**	**$2,977**	**$2,201**	**$3,785**	**$3,519**	**$3,219**
-Annual	**$18,123**	**$29,377**	**$28,405**	**$35,719**	**$26,409**	**$45,418**	**$42,224**	**$38,623**

Table 6
The Self-Sufficiency Standard for Elko County, NV, 2002

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	524	699	699	699	699	922	699	699
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	193	171	214	219	235	269	248
Miscellaneous	100	180	174	228	179	282	270	249
Taxes	210	359	335	453	256	571	529	460
Earned Income Tax Credit (-)	0	-22	-38	0	-158	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.43**	**$12.63**	**$12.03**	**$15.80**	**$10.94**	**$19.60**	**$9.42** *per adult*	**$8.57** *per adult*
-Monthly	**$1,309**	**$2,222**	**$2,117**	**$2,781**	**$1,926**	**$3,449**	**$3,318**	**$3,017**
-Annual	**$15,702**	**$26,665**	**$25,402**	**$33,371**	**$23,109**	**$41,387**	**$39,810**	**$36,210**

Table 7
The Self-Sufficiency Standard for Esmeralda County, NV, 2002

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	606	683	683	683	683	851	683	683
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	77	202	180	223	228	244	278	256
Miscellaneous	108	179	173	227	178	276	269	248
Taxes	238	357	332	451	253	551	527	457
Earned Income Tax Credit (-)	0	-23	-40	0	-161	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$8.12**	**$12.56**	**$11.96**	**$15.75**	**$10.87**	**$19.09**	**$9.40** per adult	**$8.55** per adult
-Monthly	**$1,429**	**$2,210**	**$2,105**	**$2,771**	**$1,913**	**$3,361**	**$3,308**	**$3,008**
-Annual	**$17,150**	**$26,521**	**$25,258**	**$33,257**	**$22,952**	**$40,328**	**$39,696**	**$36,095**

Table 8
The Self-Sufficiency Standard for Eureka County, NV, 2002

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	606	683	683	683	683	850	683	683
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	193	171	214	219	235	269	248
Miscellaneous	108	178	172	226	177	275	268	247
Taxes	237	353	329	448	249	548	524	455
Earned Income Tax Credit (-)	0	-26	-43	0	-164	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$8.11**	**$12.47**	**$11.87**	**$15.68**	**$10.77**	**$19.01**	**$9.36** per adult	**$8.51** per adult
-Monthly	**$1,427**	**$2,194**	**$2,089**	**$2,759**	**$1,896**	**$3,347**	**$3,295**	**$2,995**
-Annual	**$17,119**	**$26,332**	**$25,069**	**$33,107**	**$22,746**	**$40,159**	**$39,546**	**$35,945**

Table 9
The Self-Sufficiency Standard for Humboldt County, NV, 2002

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	573	692	692	692	692	906	692	692
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	196	174	217	222	238	272	250
Miscellaneous	105	179	174	228	179	281	269	248
Taxes	226	358	334	452	254	567	528	458
Earned Income Tax Credit (-)	0	-23	-40	0	-160	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.84**	**$12.59**	**$11.99**	**$15.77**	**$10.90**	**$19.49**	**$9.41** per adult	**$8.56** per adult
-Monthly	**$1,380**	**$2,215**	**$2,110**	**$2,775**	**$1,918**	**$3,431**	**$3,312**	**$3,012**
-Annual	**$16,562**	**$26,580**	**$25,316**	**$33,304**	**$23,016**	**$41,168**	**$39,743**	**$36,142**

Table 10
The Self-Sufficiency Standard for Lander County, NV, 2002

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	582	683	683	683	683	854	683	683
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	193	171	214	219	235	269	248
Miscellaneous	106	178	172	226	177	276	268	247
Taxes	229	353	329	448	249	549	524	455
Earned Income Tax Credit (-)	0	-26	-43	0	-164	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.91**	**$12.47**	**$11.87**	**$15.68**	**$10.77**	**$19.04**	**$9.36** per adult	**$8.51** per adult
-Monthly	**$1,392**	**$2,194**	**$2,089**	**$2,759**	**$1,896**	**$3,351**	**$3,295**	**$2,995**
-Annual	**$16,703**	**$26,332**	**$25,069**	**$33,107**	**$22,746**	**$40,216**	**$39,546**	**$35,945**

Table 11
The Self-Sufficiency Standard for Lincoln County, NV, 2002

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	560	683	683	683	683	855	683	683
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	77	202	180	223	228	244	278	256
Miscellaneous	104	179	173	227	178	277	269	248
Taxes	223	357	333	451	254	553	528	458
Earned Income Tax Credit (-)	0	-23	-40	0	-160	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.75**	**$12.56**	**$11.96**	**$15.75**	**$10.87**	**$19.13**	**$9.40** per adult	**$8.55** per adult
-Monthly	**$1,363**	**$2,211**	**$2,106**	**$2,772**	**$1,913**	**$3,366**	**$3,309**	**$3,009**
-Annual	**$16,361**	**$26,530**	**$25,266**	**$33,266**	**$22,962**	**$40,396**	**$39,707**	**$36,105**

Table 12
The Self-Sufficiency Standard for Lyon County, NV, 2002

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	531	683	683	683	683	950	683	683
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	196	174	217	222	238	272	250
Miscellaneous	101	178	173	227	178	286	269	248
Taxes	212	354	330	449	250	582	525	455
Earned Income Tax Credit (-)	0	-25	-42	0	-163	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.50**	**$12.49**	**$11.90**	**$15.70**	**$10.80**	**$19.85**	**$9.37** per adult	**$8.52** per adult
-Monthly	**$1,320**	**$2,199**	**$2,094**	**$2,763**	**$1,901**	**$3,494**	**$3,299**	**$2,999**
-Annual	**$15,844**	**$26,389**	**$25,126**	**$33,152**	**$22,809**	**$41,923**	**$39,592**	**$35,991**

Table 13
The Self-Sufficiency Standard for Mineral County, NV, 2002

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	516	688	688	688	688	900	688	688
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	196	174	217	222	238	272	250
Miscellaneous	99	179	173	227	178	281	269	248
Taxes	207	356	332	450	252	565	526	457
Earned Income Tax Credit (-)	0	-24	-41	0	-161	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.38**	**$12.54**	**$11.94**	**$15.73**	**$10.85**	**$19.44**	**$9.39** per adult	**$8.54** per adult
-Monthly	**$1,298**	**$2,207**	**$2,102**	**$2,769**	**$1,909**	**$3,421**	**$3,306**	**$3,006**
-Annual	**$15,580**	**$26,485**	**$25,221**	**$33,228**	**$22,912**	**$41,055**	**$39,667**	**$36,066**

Table 14
The Self-Sufficiency Standard for Nye County, NV, 2002

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	684	814	814	814	814	1134	814	814
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	212	217	217	217	217	217	420	420
Health Care	77	202	180	223	228	244	278	256
Miscellaneous	115	191	185	239	190	303	280	259
Taxes	260	404	383	491	308	641	563	494
Earned Income Tax Credit (-)	0	0	-6	0	-111	0	0	0
Child Care Tax Credit (-)	0	-40	-42	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$8.65**	**$13.71**	**$13.19**	**$16.71**	**$12.21**	**$21.29**	**$9.84** per adult	**$8.98** per adult
-Monthly	**$1,523**	**$2,413**	**$2,322**	**$2,941**	**$2,149**	**$3,747**	**$3,463**	**$3,163**
-Annual	**$18,276**	**$28,955**	**$27,866**	**$35,298**	**$25,792**	**$44,963**	**$41,554**	**$37,953**

Table 15
The Self-Sufficiency Standard for Pershing County, NV, 2002

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	524	699	699	699	699	873	699	699
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	196	174	217	222	238	272	250
Miscellaneous	100	180	174	228	179	278	270	249
Taxes	210	360	336	454	257	556	530	461
Earned Income Tax Credit (-)	0	-21	-38	0	-157	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.44**	**$12.65**	**$12.05**	**$15.82**	**$10.97**	**$19.22**	**$9.44** per adult	**$8.58** per adult
-Monthly	**$1,309**	**$2,227**	**$2,122**	**$2,785**	**$1,931**	**$3,383**	**$3,321**	**$3,021**
-Annual	**$15,712**	**$26,723**	**$25,459**	**$33,417**	**$23,172**	**$40,602**	**$39,856**	**$36,255**

Table 16
The Self-Sufficiency Standard for Storey County, NV, 2002

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	530	699	699	699	699	971	699	699
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	75	196	174	217	222	238	272	250
Miscellaneous	101	180	174	228	179	288	270	249
Taxes	213	362	338	456	259	591	532	463
Earned Income Tax Credit (-)	0	-20	-37	0	-156	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$7.50**	**$12.67**	**$12.07**	**$15.83**	**$10.99**	**$20.04**	**$9.44** per adult	**$8.59** per adult
-Monthly	**$1,320**	**$2,229**	**$2,124**	**$2,787**	**$1,933**	**$3,526**	**$3,324**	**$3,024**
-Annual	**$15,837**	**$26,749**	**$25,485**	**$33,443**	**$23,201**	**$42,316**	**$39,887**	**$36,284**

Table 17
The Self-Sufficiency Standard for White Pine County, NV, 2002

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	514	683	683	683	683	922	683	683
Child Care	0	418	374	792	182	974	792	556
Food	176	257	266	345	461	464	496	544
Transportation	225	230	230	230	230	230	443	443
Health Care	73	186	164	207	212	228	262	240
Miscellaneous	99	177	172	226	177	282	268	247
Taxes	206	351	327	446	247	570	523	453
Earned Income Tax Credit (-)	0	-28	-45	0	-167	0	0	0
Child Care Tax Credit (-)	0	-42	-44	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$7.34**	**$12.40**	**$11.80**	**$15.62**	**$10.69**	**$19.54**	**$9.34** *per adult*	**$8.48** *per adult*
-Monthly	**$1,293**	**$2,182**	**$2,077**	**$2,749**	**$1,882**	**$3,440**	**$3,286**	**$2,986**
-Annual	**$15,512**	**$26,183**	**$24,920**	**$32,992**	**$22,584**	**$41,275**	**$39,433**	**$35,832**