THE SELF-SUFFICIENCY STANDARD
What a Difference a Measure Makes

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

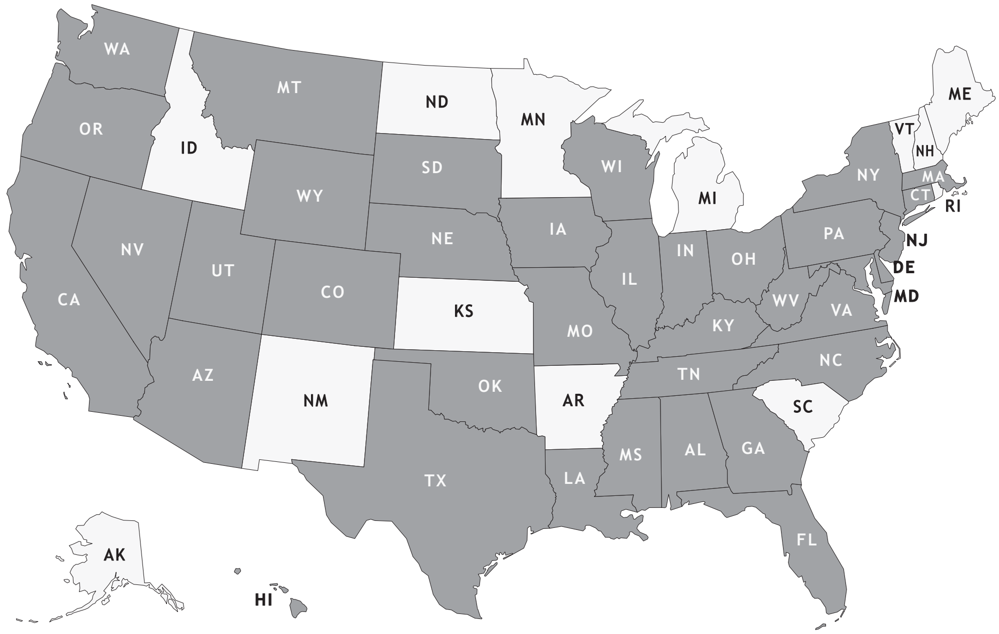
The Standard assumes that all adults (whether married or single) work full-time and includes the costs associated with employment—specifically, transportation and taxes, and for families with young children, child care.

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

The Standard accounts for regional variations in cost. This feature is particularly important for housing. Housing in the most expensive areas of the country costs four times as much as in the least expensive areas for equivalent size units.

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

The Self-Sufficiency Standard is in 37 states plus the District of Columbia



Self-Sufficiency Wage for Select Cities, 2009*

CITY	ONE ADULT	ONE ADULT, PRESCHOOLER	ONE ADULT, PRESCHOOLER, SCHOOLAGE	TWO ADULTS, PRESCHOOLER, SCHOOLAGE**
Atlanta, GA**	$8.12	$15.52	$18.64	$10.22
Baltimore, MD	$8.79	$16.48	$20.43	$11.40
Chicago, IL**	$9.11	$18.33	$23.60	$12.79
Denver, CO**	$7.64	$16.29	$19.98	$11.06
Kansas City, MO	$9.41	$15.84	$19.64	$11.55
Louisville, KY	$10.00	$17.67	$21.36	$12.72
Milwaukee, WI	$8.21	$18.12	$22.98	$13.00
Oklahoma City, OK	$8.38	$14.72	$16.74	$10.33
Phoenix, AZ	$10.54	$18.27	$21.84	$13.01
Springfield, IL	$7.75	$14.22	$18.88	$10.90
Indianapolis, IN	$8.89	$16.51	$19.94	$11.43
Columbus, OH	$8.13	$15.77	$20.14	$11.46

*Wages are updated from most recent Self-Sufficiency Standard report date using the May 2009 CPI.
**The hourly wage for families with two adults represents the hourly wage that each adult would need to earn.

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

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

How the Self-Sufficiency Standard Has Been Used

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

POLICY ADVOCACY

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

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

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

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

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

BENCHMARK FOR EVALUATION

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

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

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

COUNSELING TOOL

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

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

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

LIVING WAGE CAMPAIGNS

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

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

JOB TRAINING

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

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

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

The Self-Sufficiency Standard documents the income required for families to live independently, without public or private assistance. The Self-Sufficiency Standard shows that, for most parents, earnings that are well above the official Federal Poverty Guidelines are nevertheless far below what is needed to meet their families' basic needs.

For more information about the Self-Sufficiency Standard, to learn about how to have the Standard developed or updated for your state contact Dr. Diana Pearce at pearce@u.washington.edu or (206) 616-2850 or the Center for Women's Welfare staff at (206) 685-5264. To view the Self-Sufficiency Standard for your state visit www.selfsufficiencystandard.org