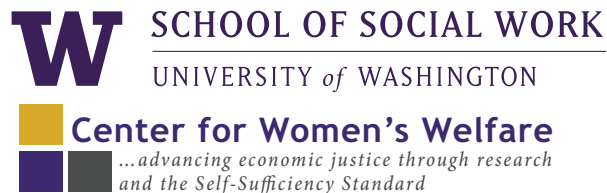




Self-Sufficiency Standard

Montgomery County, Maryland



January 2018



Self-Sufficiency Standard

Montgomery County, Maryland

To request this information in alternate formats, please call 240-777-1697.



Table of Contents

Message From Community Action Board (CAB)	1
Message From the Community Action Agency Executive Director	2
CAB's Mission, Vision Statements and Boardmembers	4
Introduction.....	5
What Are The Challenges and Strategies In Montgomery County?	6
How Is The Self-Sufficiency Standard Used?	11
How Is The Self-Sufficiency Standard Calculated?	16
The Self-Sufficiency Standard At A Glance.....	17
The Self-Sufficiency Wage for Montgomery County Compared to Other US Places, 2016	18
The Self-Sufficiency Wage for Montgomery County Compared to Other US Counties, 2016	19
Percentage of Standard Needed To Meet Basic Needs for Three Family Types	20
The Self-Sufficiency Standard Compared To Other Benchmarks	21
The Self-Sufficiency Standard as a Percentage of Other Benchmarks of Income, 2016	22
Impact of the Addition of Supports on Monthly Costs and Self-Sufficiency Wage.....	23
Getting To Self-Sufficiency	24

(continued)

Table of Contents

Impact of Wage Adequacy on Work Supports, Montgomery County, 2016.....	25
Eligibility Levels Compared To The Montgomery County Self-Sufficiency Standard, 2016.....	26
Impact of Education on Median Earnings By Gender, Montgomery County, 2011-2015	27
Hourly Wages of Silver Spring - Frederick - Rockville Metropolitan Division Ten Largest Occupations Compared To The Self-Sufficiency Standard for Montgomery County, 2016	28
Impact of Work Supports on Wage Adequacy Compared To Select Occupations	29
CPI* - Measured Inflation Underestimates Real Cost of Living Increases: A Comparison of The Self-Sufficiency Standard and The Consumer Price Index, 2001-2016	30
Percentage Change In The Self-Sufficiency Standard Over Time, 2001-2016.....	31
The Self-Sufficiency Standard for Montgomery County, 2016	32
The Self-Sufficiency Standard and Emergency Savings Fund for Select Family Types	33
How Is The Emergency Savings Fund Calculated?	34

NOTES



COMMUNITY ACTION BOARD

Dear Friends,

For five decades, the Montgomery County, Maryland, Community Action Board has endeavored to use data to focus attention on challenges facing our low-income residents and the solutions to improve their well-being and strengthen our community.

The 2016 Self-Sufficiency Standard for Montgomery County report builds on our Board's work to share powerful and often complex data related to poverty issues. Our goal is to empower advocates, service providers, policymakers and others to fully understand the drivers of poverty affecting our struggling neighbors, and act to improve the quality of their lives.

We are proud that Montgomery County has taken a leadership role in implementing "best practice" policies and services to reduce the self-sufficiency gap in our community. These policies and services are highlighted in the report. Together with the Montgomery County Community Action Agency, the Community Action Board looks forward to working with our partners to explore new opportunities to build upon these strategies in the future.

Sincerely,

Pamela Luckett
Chair



Ronald Jennings
Vice-Chair



Department of Health and Human Services • Office of Community Affairs • Community Action Agency

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Maryland Relay 711



DEPARTMENT OF HEALTH AND HUMAN SERVICES

Isiah Leggett
County Executive

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Director

ACKNOWLEDGMENTS

The Montgomery County Self-Sufficiency Standard 2016 report has been prepared by the Montgomery County Department of Health and Human Services Community Action Agency at the request of its Community Action Board, with agency funding to commission additional graphs and datasets. As noted in the report, since 2000 the Community Action Board has utilized the Self Sufficiency Standard as a tool to consider drivers of poverty and to advocate for policies, programs and services which are proven to be effective in closing gaps in self-sufficiency. Prior to embracing the Self-Sufficiency Standard, from 1985 - 2000, the Community Action Board (CAB) developed and promoted the Minimum Standard of Need.

Montgomery County Self-Sufficiency Standard 2016 report would not have been possible without The Self-Sufficiency Standard for Maryland 2016 report, prepared in December 2016 by the Center for Women's Welfare in the University of Washington School of Social Work. The 2016 report was supported with funding from sister agencies in the Maryland Community Action Partnership (MCAP) and its partners, including the Maryland Department of Housing and Community Development. The Self-Sufficiency Standard for Maryland 2016 was commissioned to ensure that the best data, research and analyses would be available to enable MCAP to continue its historic work helping Maryland families and individuals make progress toward real economic security. Across Maryland, the report is used successfully by advocates to promote understanding of the current challenges facing low-income Marylanders with localized data and to show trends from 2001.

We are indebted to the report's author and Center for Women's Welfare director, Dr. Diana Pearce, who has continued her collaboration with the Montgomery County Community Action Agency since 2000, first as director of the Women and Poverty Project at Wider Opportunity to Women (WOW). We are extremely grateful for the expertise and technical support of her colleagues, especially Lisa Manzer and Lisa Mikesell. Lisa Manzer produced the Montgomery graphs and generated the dataset.

Our colleagues in Montgomery County, Dennis Linders and Matthew Rowen at CountyStat, have been invaluable partners. They have developed a companion website with interactive features to accompany this report, enabling users to better understand self-sufficiency across the county by population characteristics, and to calculate personalized family personal self-sufficiency standards. Please visit montgomerycountymd.gov/countystat to learn more.

Office of Community Affairs • Community Action Agency

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Maryland Relay 711

We thank CAB's Housing Opportunities Commission representative and executive committee member, Gail Gunod Green, for sharing housing data, and DHHS Services to End and Prevent Homelessness (SEPH) for its Point-in-Time report and for reviewing housing data. We are very appreciative of the Montgomery Department of Health and Human Services colleagues in the Children Youth and Families division's Early Childhood Services and Office of Eligibility and Support Services for sharing data and reviewing this report.

Most importantly, we are touched by the reflections shared by of our residents, which were incorporated throughout the report, to demonstrate their everyday struggle to achieve self-sufficiency. Their stories were shared through a variety of means, including testimonies, the Community Action Board's community forums, and a focus group conducted by Montgomery Moving Forward with the Head Start Parent Policy Council.

Finally, appreciation to the staff of the Community Action Agency, who dedicated many hours as contributing writers and editors:

Melissa E. Ferguson, *Program Specialist, Contracts/Community Partners*

Leah Goldfine, *Program Manager and Liaison to the Community Action Board*

Charlene Muhammad, *Program Manager, Head Start*

Sincerely,

Sharon Strauss
Executive Director



The conclusions and opinions contained within this document do not necessarily reflect the opinions of those listed above. Any mistakes were unintentional and are the full responsibility of the Montgomery County Community Action Agency.



The Montgomery County, Maryland Community Action Board

Since 1968, as the federally-designated antipoverty group for Montgomery, the Community Action Board (CAB) has continued its service in an advisory capacity to the County Executive and the County Council, and as an advocate on behalf of the County's people with low-incomes. The Board has four areas of responsibility, as defined in its enabling legislation:

- Assessing the needs and problems of low-income people in the County;
- Recommending programs to meet the needs and help solve the problems of low-income residents;
- Reviewing the Community Action Agency's implementation of its programs, with governance responsibility for the agency's federally-funded Head Start and Community Services Block Grant; and,
- Maintaining County policy and service delivery from the point of view of low-income residents.

Community Action Board members are appointed by the County Executive and confirmed by the County Council; one-third are democratically elected to represent the low-income sector, one-third represent elected officials as public representatives, and the remaining one-third represent non-profits, faith groups, civic organizations, or businesses.

Isaac Osei Asare
 Alejandro Becerra
 Mary Bennett
 Valerie Chatfield-Smith
 Stacy Coletta
 Lisa Conlon
 Jackie Dennard
 Lisette Engel
 Gail Gunod-Green
 Laura Irwin
 Ron Jennings, *Vice Chair*
 Tiffany Jones
 Agnes Leshner
 Pamela Luckett, *Chair*
 Steve Ruffin
 Michael Subin
 Juliette Traore
 Zelda Wafer-Alonge

Introduction

The Self-Sufficiency Standard defines the amount of income necessary to meet the basic needs of families, differentiated by family type and geographic location. The Standard calculates the costs of six basic needs plus taxes and tax credits. It assumes the full cost of each need, without help from public subsidies (e.g., public housing, Medicaid, or child care assistance) or *private/informal* assistance (e.g., unpaid babysitting by a relative or friend, food from food banks, or shared housing). The Standard is a tool that can be used in a variety of ways – by clients of workforce and training programs seeking paths to self-sufficiency, by program managers to evaluate program effectiveness, and by policymakers and legislators seeking to create programs and pathways that lead to self-sufficiency for working families.

This report focuses on the Self-Sufficiency Standard for Montgomery County. It is a supplement to the *Self-Sufficiency Standard for Maryland 2016* (selfsufficiencystandard.org/maryland). The full report provides information about all Maryland counties and Baltimore City, providing some additional perspective to better understand the varying costs of living, even within the state. The full report also includes a full description of the methodology used to develop the Self-Sufficiency Standard.

The Self-Sufficiency Standard is especially useful in an area like Montgomery County where median income and poverty rates can be misleading. While Montgomery County is considered a very wealthy county, the high cost of living results in many residents struggling to pay for basic necessities. For example, the median income in Montgomery County for a female-headed household with children and no spouse present is \$47,716.¹ And yet, a parent with one preschooler and one school-age child needs a \$86,580 to meet their needs.

This report highlights the increasing costs of living over the past decade. Many County residents find that even with full-time jobs, they are unable to stretch their wages to pay for basic necessities. In Montgomery County, the gap between income and expenses has continued to widen, as the costs of food, housing, transportation, health care, and other essentials have risen – even during the Great Recession – while wages have not.

The Montgomery County Community Action Agency partnered with CountyStat to develop an interactive companion tool for this report.² The tool allows users to determine the Self-Sufficiency Standard for a given family type. Users may also view maps highlighting the areas of the County where many residents are struggling to achieve self-sufficiency.

As with all Self-Sufficiency Standard reports created for states across the country, The Self-Sufficiency Standard for Maryland 2016 was authored by Dr. Diana M. Pearce and produced by the Center for Women's Welfare at the University of Washington.

Dr. Diana Pearce developed the Self-Sufficiency Standard while she was the Director of the Women and Poverty Project at Wider Opportunities for Women (WOW). The Ford Foundation provided funding for the Standard's original development.

To learn more about the methodology behind the Standard, please refer to appendix A in the full report.³

For further information, contact Lisa Manzer with the Center at (206) 685-5264, or lmanzer@uw.edu, or the report author and Center Director, Dr. Diana Pearce, at (206) 616-2850, or pearce@uw.edu.

¹ American Community Survey <https://www.census.gov/programs-surveys/acs/>

² CountyStat <https://reports.data.montgomerycountymd.gov/countystat>

³ Self-Sufficiency Standard for Maryland 2016 <http://selfsufficiencystandard.org/sites/default/files/selfsuff/docs/Maryland%202016.pdf>

What Are The Challenges And Strategies In Montgomery County?

I. HOUSING

Challenges

The Point-in-Time Survey for January 2017 indicated that 894 people were experiencing homelessness on any given day in Montgomery County.⁴ Demand for housing assistance far exceeds supply with nearly 32,100 county residents having affirmed their need for housing assistance through the Housing Path wait list of the Housing Opportunities Commission of Montgomery County (HOC).⁵ Closing the housing affordability gap for Montgomery County families remains a challenge. Limits on public funding enable HOC to serve just a portion of these residents through the administration of 6,896 Housing Choice Vouchers and the provision of 6,904 units. Likewise, limited funding for DHHS Services to End and Prevent Homelessness (SEPH) prevent this program from serving more residents. For example, the Rental Assistance Program, which provides \$200 in support per month, served 1,688 households per month in FY16 but had a waiting list of 1,946 households as of February 2017.⁶

Strategies

1. HOC HOUSING CHOICE VOUCHERS

One way the HOC provides rental assistance to low- and moderate-income households is through the Housing Choice Voucher (HCV) program. HOC administers over 6,800 federally-funded Housing Choice Vouchers, for which participants pay between 30 and 40 percent of income toward rent and utilities. HOC administers tenant-based vouchers, which allow renters to lease units on the private market as long as the rent meets federal guidelines and the unit passes a housing inspection. HOC also administers project-based vouchers, which place long-term contracts on specific units.⁷

⁴ Point in Time Study <https://montgomerycountymd.gov/homelessness/Numbers.html>

⁵ Montgomery County Housing Opportunities Commission <http://www.hocmc.org/>

⁶ Montgomery County Housing First Plan Implementation Status Update April 2017

⁷ Housing Opportunities Commission <http://www.hocmc.org/>

2. HOC FAMILY SELF SUFFICIENCY PROGRAM

Since 1993, the HOC has operated the Family Self-Sufficiency (FSS) program to help families in the Public Housing and Housing Choice Voucher (HCV) programs move toward financial independence. The voluntary five- to seven-year program provides case management and service connections that help participants gain and improve employment through one-on-one assessments, goal setting, referrals, skills training, and education. In addition, participants earn funds in an escrow account as their income increases, enabling participants to apply funds toward home ownership, higher education, or other goals they set for themselves and their families upon program completion. The average escrow payout to HOC's 2016-2017 FSS program graduates was \$9,500, and participants more than quadrupled their average earned income – from \$8,106 to \$37,393 annually.⁸

II. CHILD CARE

Challenges

Montgomery County families' child care costs are the highest in the state. A family of one adult, one preschooler, and one school-age child spends \$1,929 a month for child care in Montgomery County – \$181 more than on housing. In Montgomery County, Head Start serves children in families at 100% of the Federal Poverty Level and the state Pre-K program services children in families at 300% of the Federal Poverty Level. Unfortunately, this still leaves too many lower-income families without access to early care and education.

Strategies

1. WORKING PARENTS ASSISTANCE PROGRAM

For families who do not qualify for or receive a spot in Head Start or Pre-K, the state offers a Child Care Subsidy program. Montgomery County also offers child care vouchers through the Working Parents Assistance (WPA) program. In FY17, the County allocated over \$3.1 million to the WPA, which resulted in average subsidies of \$555 per child. While the WPA has a higher income cut-off than the statewide Child Care Subsidy Program, the income guidelines are well below the Self-Sufficiency Standard. A family of three must earn no more than \$57,780 to qualify for the WPA. Meanwhile the Self-Sufficiency Standard for one adult, one infant, and one preschooler is \$103,322. Furthermore, the WPA has a significant wait list that prevents many eligible families from participating in the program. It is also important to note that both the Child Care Subsidy Program and the WPA require applicants to first pursue child support before they can qualify for assistance. This poses challenges for single parents who may not want to pursue child support from an estranged partner.⁹

⁸ Housing Opportunities Commission Family Self Sufficiency Program <http://www.hocmc.org/extra/48-family-self-sufficiency-program.html>

⁹ Montgomery County DHHS <http://www.montgomerycountymd.gov/HHS-Program/CYF/CYChildCareSubs-p307.html#Eligibility>

2. MONTGOMERY COUNTY EARLY CARE AND EDUCATION STRATEGIC PLAN

Montgomery County's Early Childhood Coordinating Council (ECCC) published its strategic plan that outlines key issue areas, identifies a comprehensive plan to address a system of early care and education combined with goals and strategies aimed at achieving progress in all areas of early childhood development including Child Care.¹⁰

3. EARLY CHILDHOOD AND EMPLOYMENT FOR FAMILIES TO SUCCESS PROJECT

WorkSource Montgomery (WSM), a workforce development program for jobseekers and businesses in the County, has adopted a two-generation model of workforce development and early childhood education in partnership with the Department of Health and Human Services (DHHS) in Montgomery County.¹¹ The pilot program implements a two-generational approach with young parents under the age of 25 and is intended to make a strong impact on parents early in their career path. Simultaneously, WSM and DHHS are working to align workforce development with Early Head Start programs and begin an earnest discussion with employers and the community around employment barriers and solutions for parents with young children.

¹⁰ Montgomery County Early Care and Education Strategic Plan 2017
<https://www.montgomerycountymd.gov/HHS/Resources/Files/Reports/ECStrategicPlanfinal.pdf>

¹¹ WorkSource Montgomery <http://worksourcemontgomery.com/>

III. INCREASING WORK SUPPORTS

Challenges

Dr. Pearce has stated that increasing income is the very best way to help lower-income people become self-sufficient. To help local residents in this regard, Montgomery County has instituted several programs and policies to support lower-income residents and help them move towards self-sufficiency. These programs help residents maintain employment and begin to reduce the extreme income inequality in the County.

Strategies

1. HIGHER MINIMUM WAGE

Like our neighbors in Prince George's County and the District of Columbia, Montgomery County has set its own minimum wage to offset some of the burdens of the high cost of living. In 2013, the Montgomery County Council passed legislation to increase the County's minimum wage to \$11.50/hour by 2017.¹² This wage is higher than the current Maryland minimum wage of \$9.25/hour (effective July 1, 2017)¹³, and substantially higher than the federal minimum wage, which remains at \$7.25/hour.¹⁴ While minimum wage workers earn more in Montgomery County than in many parts of the country, they still cannot achieve self-sufficiency. Two minimum wage full-time workers in the County would earn a combined annual income of \$47,840. However, the Self-Sufficiency Standard for all household types is significantly higher than this income; the Standard for a household with two adults, one infant, and one preschooler is \$105,925. In 2017, the Community Action Board testified in support of increasing the County's minimum wage to \$15.

2. EARNED SICK AND SAFE LEAVE

In 2016, a new law went into effect in the County requiring all employers with five or more employees to offer one hour of earned sick and safe leave for every 30 hours worked, totaling up to 56 hours of paid sick and safe leave in one year. Employers with four or fewer employees must also provide one hour of earned sick and safe leave for every 30 hours worked, up to 32 hours in a year, plus the availability of 24 hours of unpaid earned sick and safe leave.¹⁵ A statewide Earned Sick and Safe Leave Bill passed in the Maryland General Assembly in 2016 but was vetoed in by the Governor. Montgomery County remains the only jurisdiction in the state to require paid sick leave.

¹² Montgomery County Minimum Wage <http://www3.montgomerycountymd.gov/311/Solutions.aspx?SolutionId=1-4VN6SK>

¹³ Maryland Department of Labor, Licensing and Regulation <https://www.dllr.state.md.us/labor/wages/wagehrfacts.shtml>

¹⁴ US Department of Labor <https://www.dol.gov/general/topic/wages/minimumwage>

¹⁵ Office of Human Rights Earned Sick and Safe Leave Fact Sheet http://www.montgomerycountymd.gov/humanrights/Resources/Files/EarnedSSL_Factsheet_Nov2016.pdf

3. WORKING FAMILIES INCOME SUPPLEMENT

Nationally, the Earned Income Tax Credit (EITC) is proven to be one of the most effective tools to reduce poverty and increase self-sufficiency for low-income households. Montgomery County is one of the only local jurisdictions in the country that augments the federal and state EITC through its Working Families Income Supplement (WFIS). There is a regular state EIC and a Refundable EIC component. Among local residents, if the taxpayer qualifies for the Refundable EIC amount from the State of Maryland, they will receive an additional payment from Montgomery County, generally issued in the summer. Eligible recipients typically receive an additional 100% of the State Refundable EIC amount from the County based on refunds calculated for the tax year. For example, if the State refunds \$250 the County will match the same amount, with some restrictions. Both refund checks are mailed separately by the State of Maryland. Together, the federal, Maryland EITC, and the Montgomery County WFIS provide substantial support to working low-income families, potentially raising total income for minimum wage earners by 50%, depending on eligibility criteria.

How Is The Self-Sufficiency Standard Used?

The Self-Sufficiency Standard is currently used to better understand issues of income adequacy, create and analyze policy, and help individuals striving to meet their basic needs. Community organizations, academic researchers, policy institutes, legal advocates, training providers, community action agencies, and government officials, among others are using the Standard. Below are some examples of ways that the Standard is being used.

Since median income in Montgomery County is significantly higher than most other parts of the country, many assume that poverty does not exist in the County and very few people are struggling. The Standard helps draw attention to the low-income community so that the needs of low-income residents are not ignored. The Montgomery County Community Action Board (CAB) has worked hard to educate the public about the County's low-income residents and their needs. By focusing on the actual cost of necessities in the County, the Standard helps the CAB explain why the Federal Poverty Level is an insufficient measure of how many people are struggling and why there is so much need in the County. The Standard has been a key component of CAB's advocacy work for key policy issues.

POLICY ANALYSIS

The Self-Sufficiency Standard is used as a tool to analyze the impact of current and proposed policy changes. The Standard can be used to evaluate the impact of a variety of work supports (such as SNAP or Medicaid) or policy options (such as changes in child care co-payments, tax reform, or tax credits) on family budgets. Across the nation, a few examples of using the Standard in policy work are:

- Research indicates that boosting tax credits is one of the most powerful tools which helps individuals and families move towards self-sufficiency, and also improves children's health and educational outcomes. The CAB used the Standard to advocate for full funding of the County's Working Families Income Supplement (WFIS), a local income supplement to Maryland's Earned Income Tax Credit--doubling its financial impact for most recipients.
- The Colorado Center on Law and Policy used the Colorado Self-Sufficiency Standard to determine the impact of affordable housing on family stability and upward mobility. In addition, the Colorado Division of Housing used information from the Colorado Self-Sufficiency Standard in its report *Housing Colorado: The Challenge for a Growing State*.
- In Pennsylvania, the Standard was used to model the impact of a state Earned Income Tax Credit on the ability of a family to reach self-sufficient wages. Pennsylvania also used the Standard to successfully prevent proposed child care co-payment increases.

COUNSELING TOOL

The Self-Sufficiency Standard is used as a counseling tool to help participants in work and training programs to choose jobs that pay adequate wages, access benefits and develop strategies to become self-sufficient. Counseling tools allow users to evaluate possible wages, then compare information on available programs and work supports to their own costs and needs. Clients are empowered with information that allows them to develop and test out their own strategies for achieving self-sufficient incomes. Examples include:

- In Washington State, the online Self-Sufficiency Calculator is used by workforce councils as a counseling tool; it is publicly accessible online.¹
- Also in Washington State, counselors in a variety of agencies such as homeless shelters, transitional housing, and substance abuse counseling centers, have used the Standard-based Snohomish Self-Sufficiency Matrix, or adaptations of this tool. It includes 25 dimensions that measure client progress from "striving/in crisis" to "thriving."²

¹ thecalculator.org

² snohomishcountywa.gov

EVALUATION TOOL

The Self-Sufficiency Standard is used to evaluate outcomes for grantees of economic development and foundation programs. Such evaluations help redirect resources to approaches that result in improved outcomes and more efficient use of limited foundation and government funding.

- In California, the United Way of the Bay Area and Y&H Soda Foundation are evaluating the success of their grantees by how effectively they move families toward self-sufficiency, as defined by the Standard. These foundations understand that to be effective, job training and direct service programs need to know the actual costs that clients are facing, information that is provided by the Standard.
- The San Diego Women's Foundation focused their 2013-2014 grant cycle on proposals that would help families move toward self-sufficiency. They defined their target population as families with incomes higher than the federal poverty guidelines but lower than the Standard for San Diego.

BENCHMARK FOR WAGE SETTING

By determining the wages necessary to meet basic needs, the Standard provides information for setting wage standards. The Standard has been used in California, Connecticut, Hawaii, Illinois, New York, New Jersey, Nebraska, Oregon, South Dakota, Tennessee, Virginia, and Washington State to advocate for higher wages through living wage ordinances, minimum wage campaigns, and in negotiating labor union agreements.

- Locally, the CAB used the Standard in 2013 to advocate for increasing Montgomery County's minimum wage to \$11.50. The advocacy continued in 2016 and 2017 to increase the County's minimum wage to \$15. In both situations, the CAB highlighted the fact that the proposed increase would bring low-wage workers nowhere near the Standard, but would help move residents towards self-sufficiency.
- In New York City, the Real Living Wage NYC campaign used the Standard to make a case for their target of a \$20 per hour "living wage."
- The Standard was cited in the successful campaign to raise the minimum wage in Seattle to \$15/hour (phased in over several years, depending on establishment size), in support of the SeaTac, Washington living wage ordinance (raising wages to \$15/hour for covered employees), and in support of raising the statewide Washington minimum wage to \$12/hour.

TARGETED ALLOCATION OF RESOURCES

The Self-Sufficiency Standard is used to target job training resources on education or training that leads to jobs with sufficient wages. Using a targeted jobs strategy, it is possible to determine the jobs and sectors on which to target training and education resources, including training for occupations that are nontraditional for women.

In California's Santa Clara County, the 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 targeted transportation jobs and provided \$140,000 to the community college system to explore how to strengthen preparation for these jobs.

SUPPORT RESEARCH

Because the Standard provides a means of estimating how poverty and income adequacy differs from place to place and among different family types, it is frequently used in research. The Standard provides a means to measure the adequacy of various work supports, such as child care assistance, given a family's income, place of residence, and composition.

- Rise Together Bay Area and Insight Center for Community Economic Development's report Promoting Family Economic Security in the San Francisco Bay Area included the Standard as a key benchmark in its economic models.
- The Standard has been used along with data from the U.S. Census Bureau to measure the number of families above and below the Standard, as well as by characteristics such as race, ethnicity, gender, family type, education, occupation, and employment. These demographic reports have been published by the Center for Women's Welfare for eight states, and the most recent reports demonstrate the impact of the Great Recession as measured by the Standard.

COMMUNITY INDICATOR

Community indicators and scorecards help communities to examine the well-being of residents. The Self-Sufficiency Standard provides communities with an indicator of the cost of living at a basic needs level and, in some states, how many households are living below the Standard.

- The CAB and the Community Action Agency are working with CountyStat to develop an interactive tool to allow users to see measure how many residents are below the Standard across the County.
- The Dave and Lucille Packard Foundation includes the Standard in kidsdata.org, a database tool providing access to information about the health and well-being of children across California.³
- The increase or decrease in the number of families living below the Self-Sufficiency Standard is included as an indicator of economic well-being in the Erie Vital Signs Dashboard (Pennsylvania).

³ <http://www.kidsdata.org/>

ADVOCACY

The Standard is an effective advocacy tool because it highlights the critical needs of low-income residents and draws attention to the extreme income inequality in a specific area.

The CAB regularly uses the Standard in its advocacy at the local, state, and federal levels. The CAB has referenced the Standard in advocating for increasing the minimum wage; expanding access to high-quality, affordable early care and education; expanding the Earned Income Tax Credit and local Working Families Income Supplement; increasing affordable housing options; and requiring employers to provide earned paid sick leave for employees.

EDUCATION

The Standard is a powerful teaching tool because most people do not realize how expensive it is to live in a certain area and how many people in their community are struggling. While many people are familiar with the Federal Poverty Level (FPL), when they are confronted with the Standard, they are shocked at how misleading and ineffective the FPL is as an accurate measure of poverty.

Members of the CAB and CAA staff have presented on the Standard before various audiences, including policy-makers, service providers, local advocates, and other stakeholders so that they can better understand the needs of the community and utilize this important tool themselves. Board members and staff have presented at numerous events, including the Women's Legislative Briefing, CAA's annual partners' meeting (nonprofit contractors), the UpCounty Providers' Network, Montgomery Food Council, the Board of Social Services, the Commission on Juvenile Justice, the Universities at Shady Grove's Poverty Simulation, the Coalition for the Advancement of Financial Education's Financial Capability Symposium, Interfaith Works' Emergency Assistance Coalition, and at the Maryland Community Action Partnership's Human Services Conference.

HOW IS THE SELF-SUFFICIENCY STANDARD CALCULATED?

The Self-Sufficiency Standard is the amount needed to meet each basic need at a minimally adequate level, without public or private assistance. The Standard is calculated for over 400 family types for all Maryland counties and the independent city of Baltimore. The data components and assumptions included in the calculations are briefly described below. For more details and the specific data sources for Maryland, see the *Appendix A: Methodology, Assumptions, and Data Sources*.



HOUSING. Housing costs are based on the U.S. Department of Housing and Urban Development Fair Market Rents (FMRs). FMRs include utilities, except telephone and cable, and reflect the cost of housing that meets basic standards of decency. FMRs are set at the 40th percentile, meaning that 40% of the decent rental housing in a given area is less expensive than the FMR and 60% is more expensive. FMRs within a multi-county metropolitan area are adjusted using Small Area FMRs.



CHILD CARE. Child care includes the expense of full-time care for infants and preschoolers and part-time—before and after school—care for school-age children. The cost of child care is calculated from market-rate costs (defined as the 75th percentile) taken from a state-commissioned survey by facility type, age, and geographic location. It does not include extracurricular activities or babysitting when not at work.



FOOD. Food assumes the cost of nutritious food prepared at home based on the U.S. Department of Agriculture Low-Cost Food Plan. The Low-Cost Food Plan was designed to meet minimum nutritional standards using realistic assumptions about food preparation time and consumption patterns. The food costs do not allow for any take-out or restaurant meals. Food costs are varied by county using Feeding America's *Map the Meal Gap* data based on Nielsen scans of grocery receipts.



TRANSPORTATION. Public transportation is assumed if 7% or more of workers use public transportation to get to and from work (applicable in Baltimore City plus Montgomery and Prince George's counties). Private transportation costs assume the expense of owning and operating a car. Per-mile costs are calculated from the American Automobile Association. Commuting distance is computed from the National Household Travel Survey. Auto insurance premiums are the average statewide premium cost from the National Association of Insurance Commissioners indexed by county using premiums from top market share automobile insurance companies. Fixed costs of car ownership are calculated using Consumer Expenditure Survey amounts for families with incomes between the 20th and 40th percentile. Travel is limited to commuting to work and day care plus one shopping trip per week.



HEALTH CARE. Health care costs assume the expenses of employer-sponsored health insurance. Health care premiums are the statewide average paid by workers, for single adults and for families, from the Medical Expenditure Panel Survey. A county index is calculated based on rates for the lowest cost Silver plans approved by Maryland Insurance Administration. Out-of-pocket costs are from the Medical Expenditure Panel Survey Insurance Component.



MISCELLANEOUS. Miscellaneous expenses are calculated by taking 10% of all other costs. This expense category consists of all other essentials including clothing, shoes, paper products, diapers, nonprescription medicines, cleaning products, household items, personal hygiene items, and telephone service.



TAXES AND TAX CREDITS. Taxes include federal income tax, payroll taxes, and state and local sales taxes where applicable. Tax credits calculated in the Standard include: the federal Earned Income Tax Credit (EITC), Child and Dependent Care Tax Credit (CTC), and the Child Tax Credit (CTC). State tax credits include the Maryland Earned Income Tax Credit (EITC), the Maryland Child and Dependent Care Tax Credit (CTC), and the Maryland Poverty Level Tax Credit.



EMERGENCY SAVINGS. Emergency savings is the amount needed to cover living expenses when there is job loss net of the amount expected to be received in unemployment benefits. The amount calculated takes into account the average tenure on a job and the average length of unemployment of Maryland workers. In two-adult households, the second adult is assumed to be employed so that the savings only need to cover half of the family's basic living expenses over the job loss period.

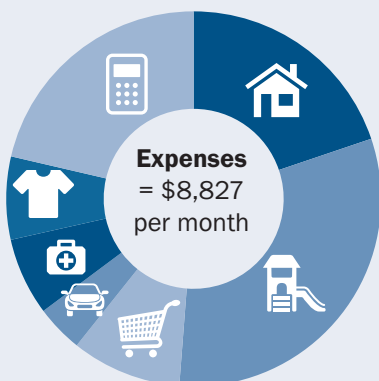
THE SELF-SUFFICIENCY STANDARD AT A GLANCE

HOW MUCH IS ENOUGH IN MONTGOMERY COUNTY?

THE SELF-SUFFICIENCY STANDARD DEFINED

The Self-Sufficiency Standard calculates how much income families of various sizes and compositions need to make ends meet at a minimally adequate level without *public or private assistance*.

HOUSING, CHILD CARE, AND FOOD ACCOUNT FOR OVER HALF OF EXPENSES



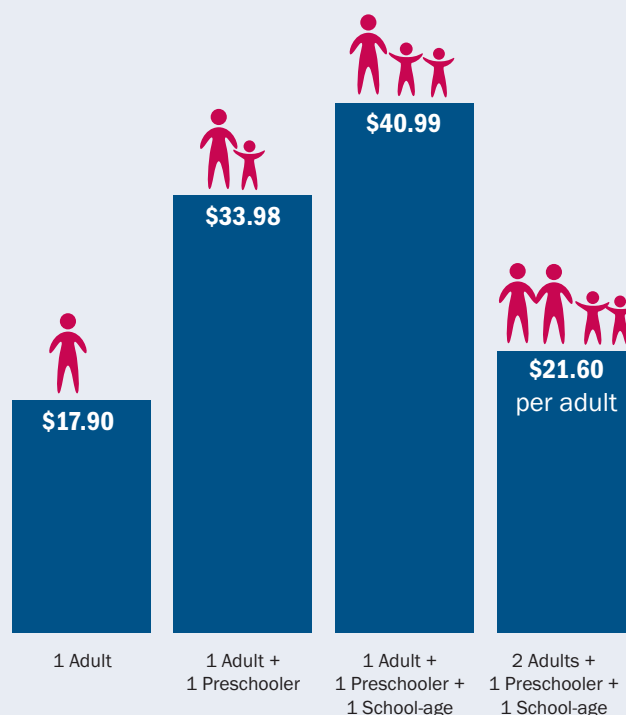
Housing = \$1,748
Child Care = \$2,773
Food = \$839
Transportation = \$360

Health Care = \$590
Miscellaneous = \$631
Taxes (Net) = \$1,886



**Two Adults + One Infant
+ One Preschooler**

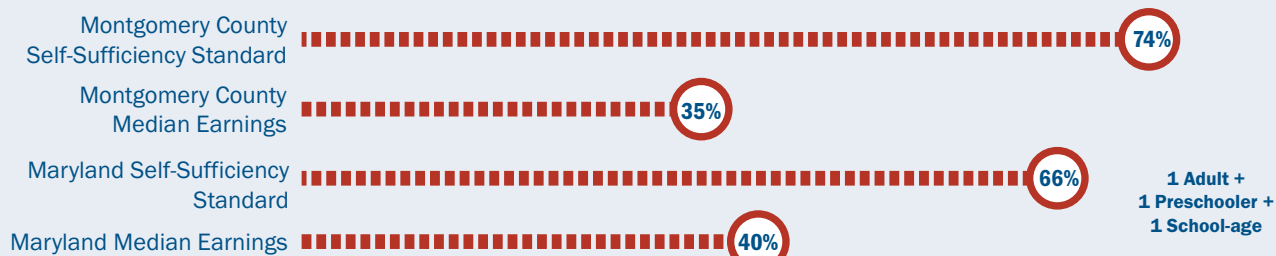
HOURLY WAGE TO BE SELF-SUFFICIENT VARIES BY FAMILY TYPE



THE MEDIAN WAGE HAS NOT KEPT UP WITH INCREASES IN THE COST OF LIVING



Statewide and Montgomery County Percentage Change (2001-2016)



To download the full report and data for all 472 family types visit www.selfsufficiencystandard.org/Maryland

The Self-Sufficiency Wage for Montgomery County, Compared to Other U.S. Places 2016*

One Adult, One Preschooler, and One School-age Child



*Wages other than Montgomery County are updated using the Consumer Price Index.

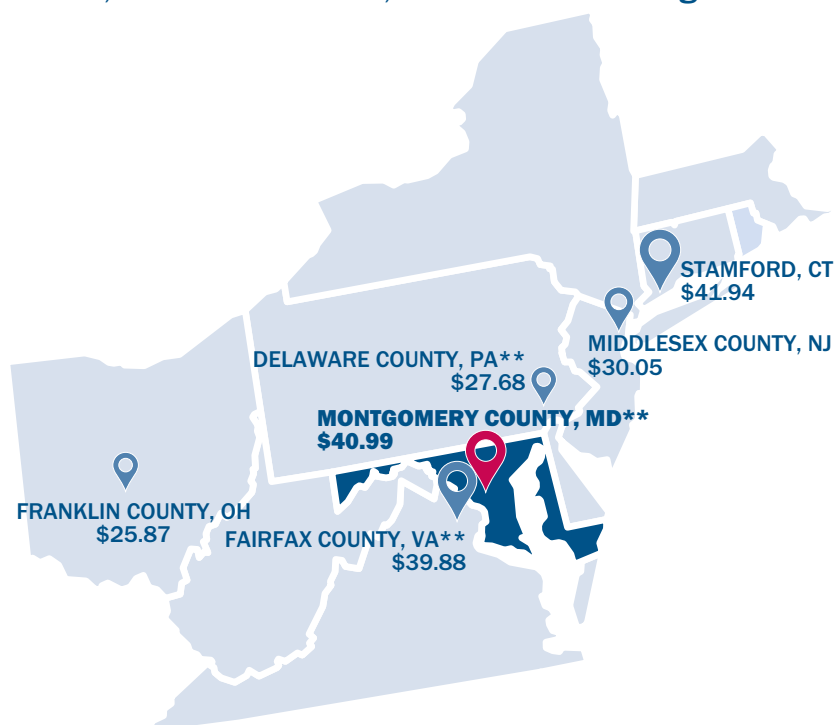
** Wage calculated assuming family uses public transportation.

I am a college graduate. I own a small business. I am a divorced, single mother. I am low income. I have trouble finding affordable housing and making ends meet . . . but I love living in Montgomery County.

~ Montgomery County Resident

The Self-Sufficiency Wage for Montgomery County, MD Compared to Other U.S. Counties 2016*

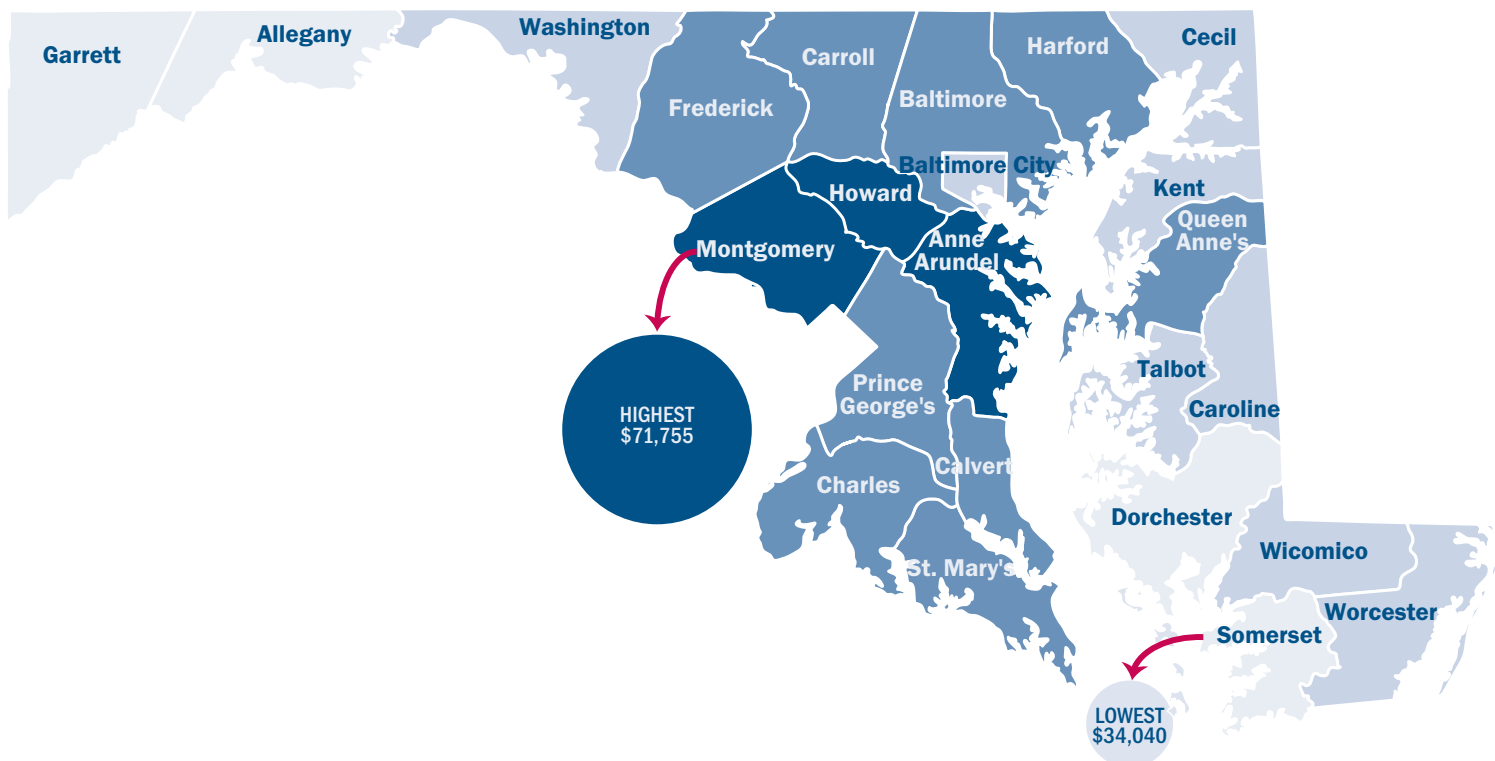
One Adult, One Preschooler, and One School-age Child



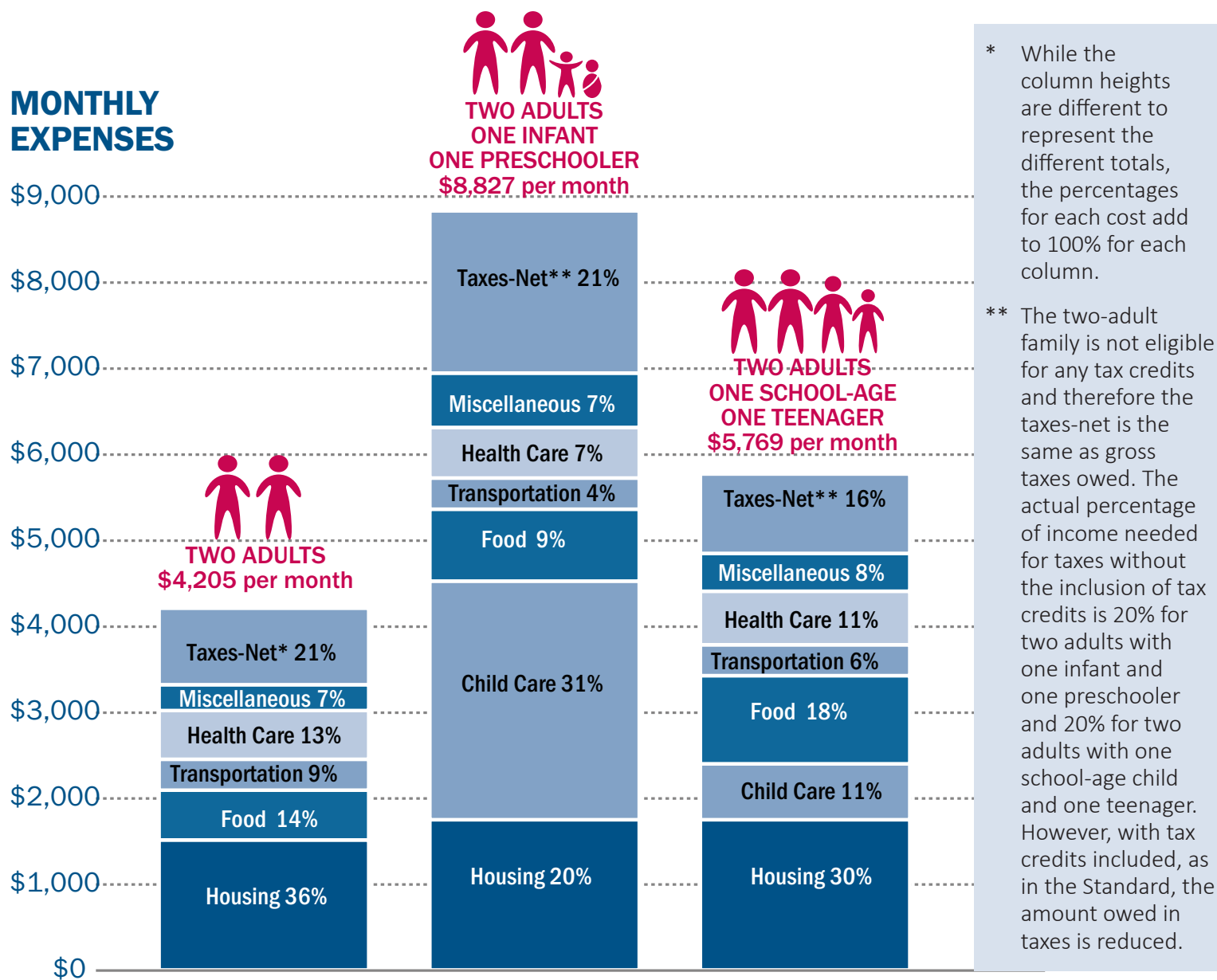
* Wages for places other than Montgomery County are updated using the Consumer Price Index.

** Wage calculated assuming family uses public transportation.

Map of Counties by Level of Annual Self-Sufficiency Wage One Adult and One Preschooler, MD 2016



Percentage of Standard Needed to Meet Basic Needs* for Three Family Types: *Montgomery County, MD 2016*



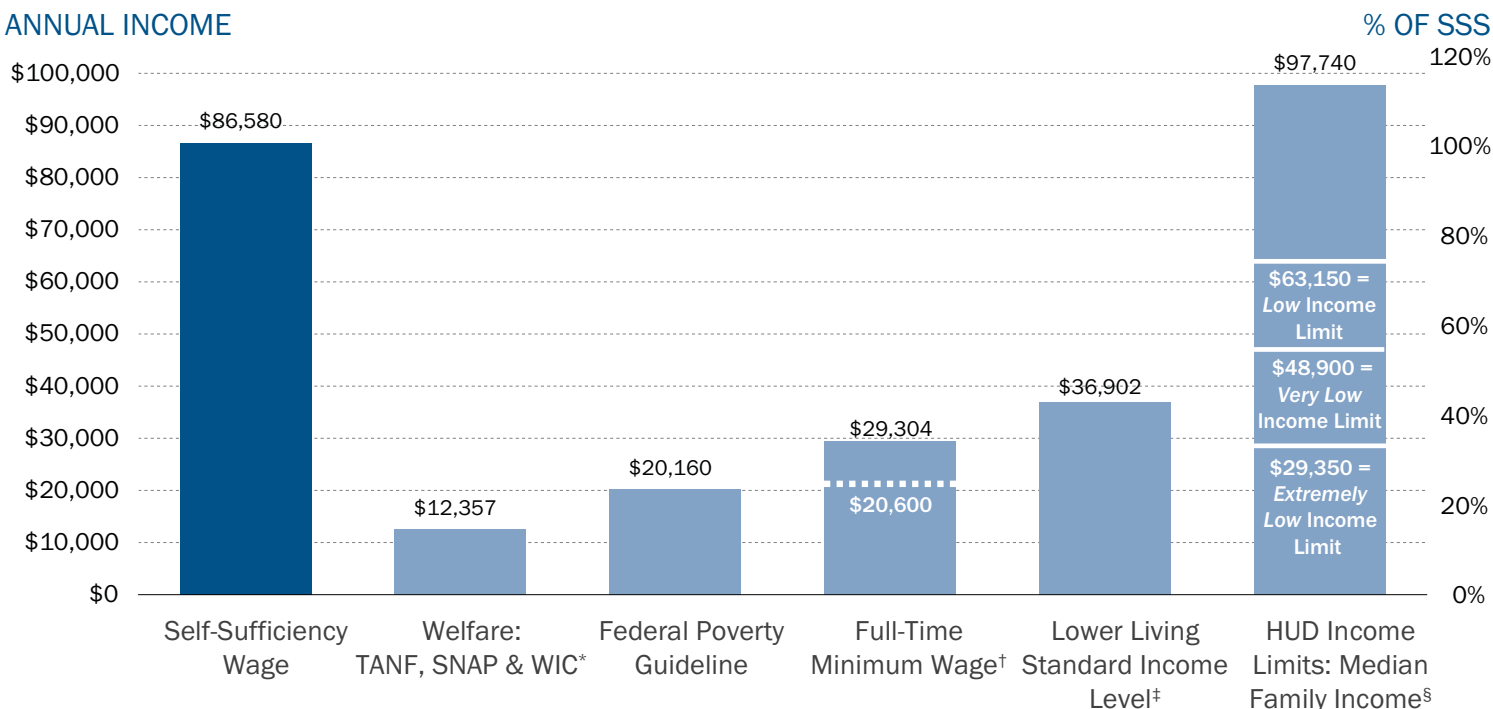
I used to work in a child care center and my son was there, but it was very expensive. My whole check was going to pay for it, and I had to provide his lunch.

~ Head Start Parent

The Self-Sufficiency Standard Compared to Other Benchmarks

One Adult, One Preschooler, and One School-Age Child: Montgomery County, MD 2016

ANNUAL INCOME



INCOME BENCHMARKS

* For FY 2016, the maximum Temporary Assistance for Needy Families (TANF) benefit amount is \$7,322 annually, the Supplemental Nutrition Assistance Program (SNAP) benefit amount is \$4,493 annually, and the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) benefit amount is \$542 annually for a family of three in Maryland.

† The Montgomery County minimum wage is \$10.75 per hour as of July 1, 2016. This amounts to \$22,704 per year; however, assuming this family pays federal and state taxes and receives tax credits, the net yearly income would be a larger amount, \$29,304 as shown. The dashed line shows the annual income received after accounting for taxes (\$20,600) but without the addition of tax credits, which are received as a yearly lump sum after filing taxes the following year.

‡ Lower Living Standard Income Level (LLSIL) limits are 2016 limits for Washington—Baltimore, DC/MD/VA/WV metropolitan statistical area.

§ The U.S. Department of Housing and Urban Development (HUD) uses area median family income as a standard to assess families' needs for housing assistance. The HUD median family income limits are for FY 2016.

We are a family of four that has endured many days and nights trying to push through living without support to secure a home, a job, food, and transportation. Our family has come far with the help of Montgomery County and its programs, which have given us hope and encouragement when we feel like we have no more fight. We have a beautiful apartment all because we stuck to it and continued to not give up on our children and ourselves. The shelter we came out of helped us get a great job, showed us how to budget the money that we have, which led us to transitional housing. We are still using our skills that we learned in the shelter to continue to branch off on our own. We are happy to know that we have a support system and tools to help us become independent. Thank you, Montgomery County. We hope you all continue to help families who need the resources. It makes a big difference in their lives.

~ Montgomery County Resident

The Self-Sufficiency Standard as a Percentage of Other Benchmarks of Income, 2016

Two Family Types, Montgomery County, MD

	Self-Sufficiency Standard for One Adult + One Preschooler + One School-age				Self-Sufficiency Standard for Two Adults + One Preschooler + One School-age			
	Annual Self-Sufficiency Standard	As Percentage of:			Annual Self-Sufficiency Standard	As Percentage of:		
		Federal Poverty Guidelines	Minimum Wage	Median Family Income		Federal Poverty Guidelines	Minimum Wage	Median Family Income
COUNTY								
Montgomery County	\$86,580	429%	381%	89%	\$91,252	376%	201%	84%

Definitions: The federal poverty guidelines for family of three = \$20,160 and for a family of four = \$24,300. Annual minimum wage is the gross amount of full-time, year-round work at an hourly wage of \$10.75 per hour (assumes both adults work). Area median family income varies by county and is calculated based on HUD's FY2016 Low Income Limit (50% of median family income).

I am a single mother with two children. I have fought tirelessly to have my child support order honored to no avail. This has made it extremely difficult for my family. To collect child support, I have reached out to government agencies, civic empowerment organizations, multiple attorneys — the list goes on.

~ Montgomery County Resident

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

One Adult, One Preschooler, and One School-Age Child: Montgomery County, MD 2016

Each column demonstrates how specific work supports can lower the cost of specific basic needs, and therefore lessen the income necessary to meet all of a family's basic needs. Costs that have been reduced by these supports are indicated with bold font in the table. Work supports in brackets [] indicate that we attempted to model this work support; however, if the income was high enough to meet the family's needs, it was too high to qualify for work supports.

	#1 No Work Supports	#2 Child Support	#3 Child Support, Child Care	#4 Child Support, Child Care, [SNAP/ WIC]* & Transitional Medicaid	#5 Child Support, [Child Care], [SNAP/ WIC]* & CHIP	#6 Child Support, Housing, Child Care, SNAP/ WIC*, & Medicaid
MONTHLY EXPENSES:						
Housing	\$1,748	\$1,748	\$1,748	\$1,748	\$1,748	\$650
Child Care	\$1,929	\$1,929	\$1,929	\$1,184	\$1,929	\$538
Food	\$672	\$672	\$672	\$672	\$672	\$394
Transportation	\$180	\$180	\$180	\$180	\$180	\$180
Health Care	\$541	\$541	\$541	\$0	\$541	\$0
Miscellaneous	\$507	\$507	\$507	\$507	\$507	\$507
Taxes	\$1,903	\$1,707	\$1,707	\$1,033	\$1,707	\$236
TOTAL MONTHLY EXPENSES (NET OF WORK SUPPORTS)	\$7,482	\$7,286	\$7,286	\$5,325	\$7,285	\$2,505
ADDITIONAL MONTHLY RESOURCES:						
Earned Income Tax Credit (-)	**	**	**	**	**	**
Child Care Tax Credit (-)	(\$100)	(\$100)	(\$100)	(\$100)	(\$100)	(\$39)
Child Tax Credit (-)	(\$167)	(\$167)	(\$167)	(\$167)	(\$167)	\$0
Child Support	--	(\$287)	(\$287)	(\$287)	(\$287)	(\$287)
TOTAL ADDITIONAL MONTHLY RESOURCES	(\$267)	(\$554)	(\$554)	(\$554)	(\$554)	(\$326)
SELF SUFFICIENCY WAGE: (TOTAL MONTHLY EXPENSES MINUS TOTAL ADDITIONAL MONTHLY RESOURCES)						
Hourly	\$40.99	\$38.25	\$38.25	\$27.11	\$38.25	\$12.38
Monthly	\$7,215	\$6,732	\$6,732	\$4,771	\$6,731	\$2,179
Annual	\$86,580	\$80,786	\$80,786	\$57,257	\$80,776	\$26,150
ANNUAL REFUNDABLE TAX CREDITS**:						
Total Federal EITC	\$0	\$0	\$0	\$0	\$0	\$3,896
Total State EITC	\$0	\$0	\$0	\$0	\$0	\$1,462
Total Federal CTC	\$0	\$0	\$0	\$0	\$0	\$2,000

* WIC is the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). Assumes average monthly value of WIC benefit \$45 (FY 2016) in Maryland. SNAP is the Supplemental Nutrition Assistance Program, formerly known as the Food Stamp Program.

** The Standard shows both refundable and nonrefundable tax credits as if they are received monthly. However, in order to be as realistic as possible, tax credits that are available only as a refund on annual taxes are shown at the bottom of this table. EITC is only refundable, so it is shown only as an annual tax credit. The nonrefundable portion of the Child Tax Credit (which is a credit against federal taxes) is included as available to offset monthly costs, and the refundable portion is shown in the bottom of the table. The Child Care Tax Credit is nonrefundable, and therefore is only part of the monthly budget and does not appear in the bottom shaded rows of the table. In the Standard, the state EITC is calculated with state taxes in the 'taxes' row but is shown separately above for illustration purposes.

GETTING TO SELF-SUFFICIENCY

Closing the wage gap between current wages and the Self-Sufficiency Standard requires both *reducing* costs and *raising* incomes.

HOW DOES THE STANDARD COMPARE?



1 adult + 1 preschooler + 1 school-age

SELF-SUFFICIENCY WAGE **\$86,580**

FULL-TIME MINIMUM WAGE **\$29,304**
\$10.75/hr + Tax Credits

FEDERAL POVERTY LEVEL **\$20,160**
Family of 3

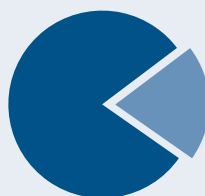
23% The amount of basic needs covered by the federal poverty level

Number of hours a minimum wage worker must work per week to meet basic needs **153**

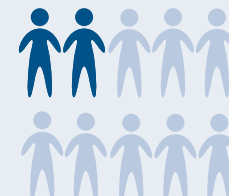
HOW DO MONTGOMERY'S JOBS STACK UP?



1 adult + 1 preschooler + 1 school-age



The ten most common occupations cover a fifth of Montgomery County's workforce



Only **TWO** of these occupations have median wages above the Standard for this family type in Montgomery County

HOW DO WORK SUPPORTS HELP FAMILIES MEET BASIC NEEDS?

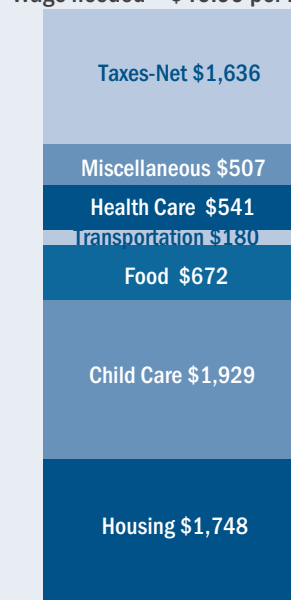


1 adult + 1 preschooler + 1 school-age

This figure shows how work supports can reduce a family's expenses, so they can get by on a lower wage until the adult is able to earn a Self-Sufficiency level wage.

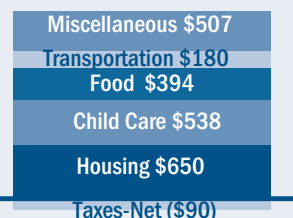
- A housing voucher reduces costs from \$1,748 to \$650 per month (30% of income).
- Child care assistance reduces child care costs from \$1,929 to \$538 per month.
- Food assistance reduces groceries from \$672 to \$394 per month.
- Medicaid reduces health care costs from \$541 to \$0 per month.

Monthly Expenses = \$7,215
Wage needed = \$40.99 per hour



With NO Work Supports

Monthly Expenses = \$2,179
Wage needed = \$12.38 per hour



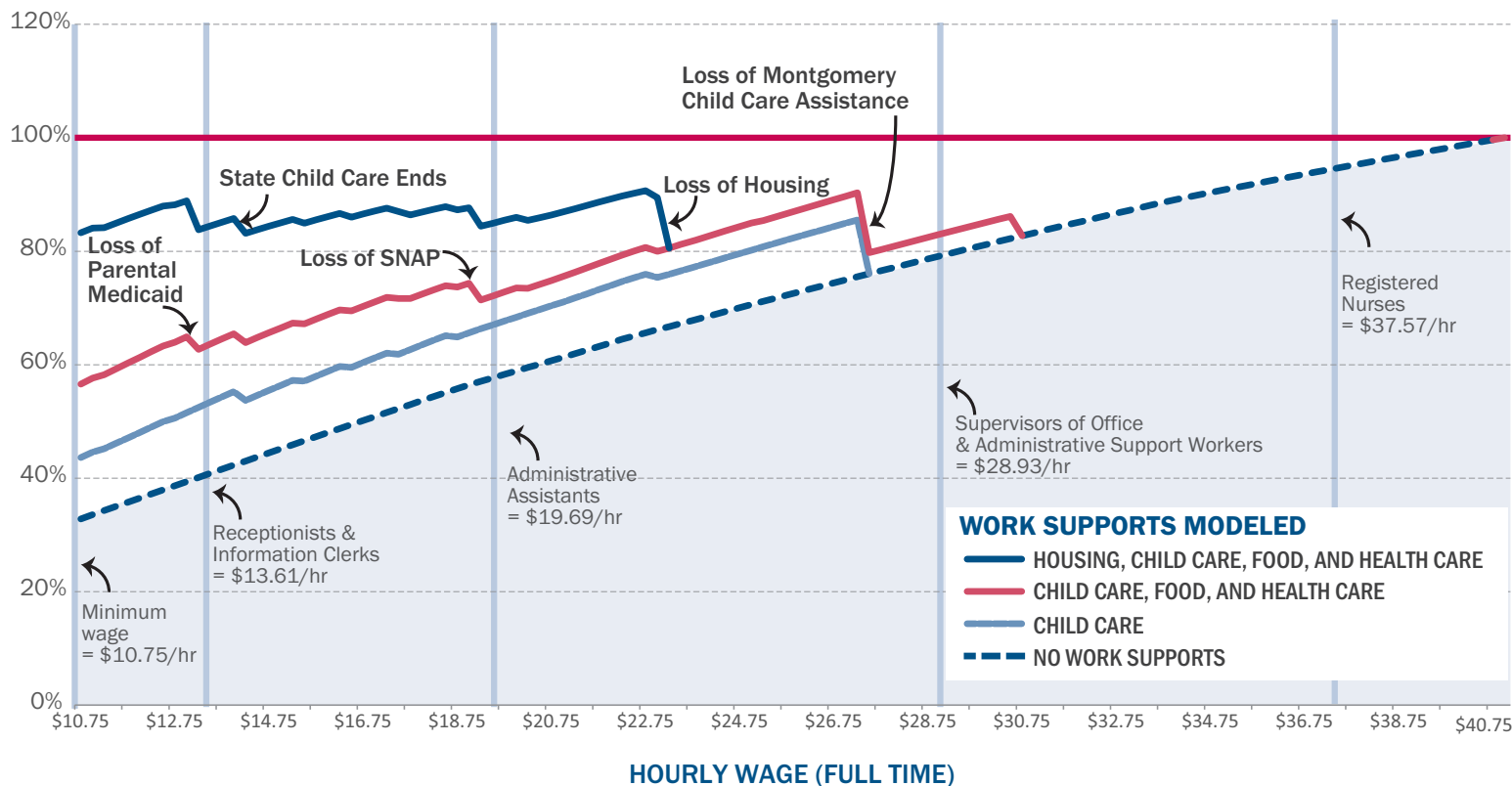
With Work Supports

To download the full report and data for all 472 family types visit www.selfsufficiencystandard.org/Maryland

Impact of Wage Adequacy on Work Supports, Montgomery County, MD 2016

One Adult, One Preschooler, & One School-Age Child

PERCENTAGE OF WAGE ADEQUACY



The “cliff effect” occurs when a person’s income increases and he or she loses financial support for their housing, food and nutrition, child care, or other necessities because they are no longer within the income guidelines. Many people still need support on a slide scale. Often the increase is too small to cover all household expenses, without assistance, all at once.

As a single mom of four, I constantly struggle to make the ends meet; I make a little over \$50,000 a year and I’m grateful for the community based organizations that have given me a leg up. But the harsh reality is that even with the benefits I’ve been eligible for, it is nearly impossible to save any money after paying bills: rent, utilities, car note, car insurance, and groceries that exhaust my paycheck. My children and I are accustomed to second-hand clothes and refurbished goods, and I have a heart to minimize — yet the bare necessities are still so expensive. The hardest part is, as I earn more money, I lose eligibility for certain benefits that would make life easier. My subsidized rent goes up when I get a promotion, or I can be disqualified, have a benefit reduced, like the food supplement program. Trying to cover all bases while being the only person my children can depend on is a tightrope. Even when life gets to a manageable state, one thing can throw your whole system out of whack. A flat tire or health issue can have us trying to catch up on bills for months. The ends never meet, because the obstacles grow as you grow.

~ Montgomery County Resident

Eligibility Levels Compared to the Montgomery County Self-Sufficiency Standard, 2016

One Adult, One Preschooler, & One School-Age Child

500% FPL

400% FPL

Self-Sufficiency Standard
Montgomery County \$86,580

300% FPL

CHIP (300% FPL)

Montgomery County Child
Care Subsidy Program
(287% FPL)

200% FPL

WIC (185% FPL)

MD Child Care
(150%
FPL)

100% FPL

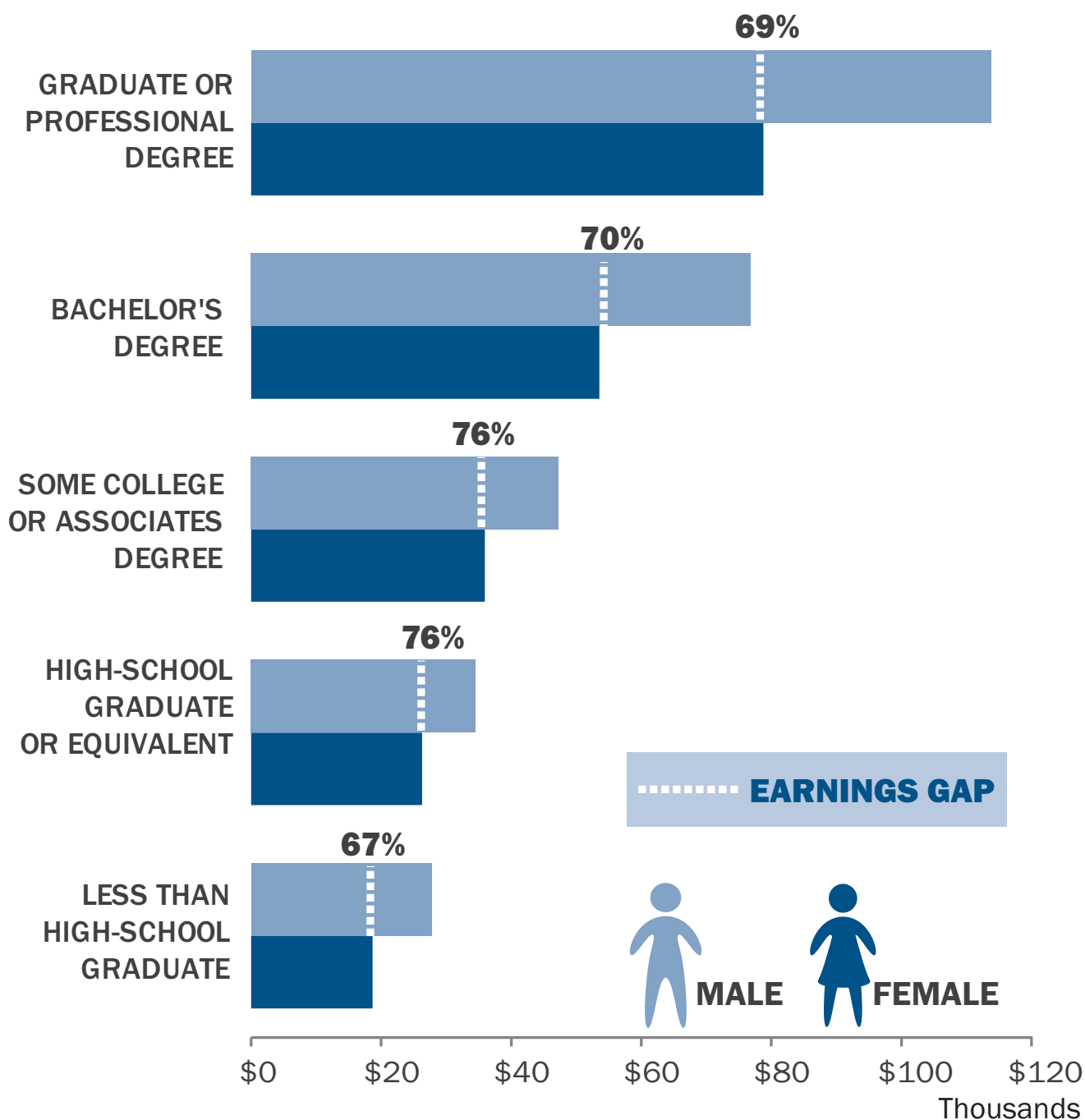
SNAP
(130%
FPL)

The income guidelines for most federal and local programs serving low-income residents are well-below the Self-Sufficiency Standard. Therefore, many residents do not qualify for critical services that assist with food and nutrition (SNAP & WIC), child care (MD Child Care Subsidy Program and Montgomery County's Working Parents Assistance Program), and healthcare (CHIP).

As a public employee, I serve those struggling to find adequate and affordable housing in Montgomery County, low to moderate income families. As a husband and father of a large family, my wife and I find ourselves amongst this group. When we moved here, we had plans of achieving the American dream of owning our own home to raise our family. However, we now depend on government assistance to even rent a home, due to the high cost of living in Montgomery County. Though I make a good salary, our dream of ever owning a home seems impossible to achieve. I know that my family is not the only one that feels this tremendous burden. I am grateful for the assistance we receive, as we could not afford to live in Montgomery County without it. I still have a dream of owning a home in the area and continue to work hard towards that goal.

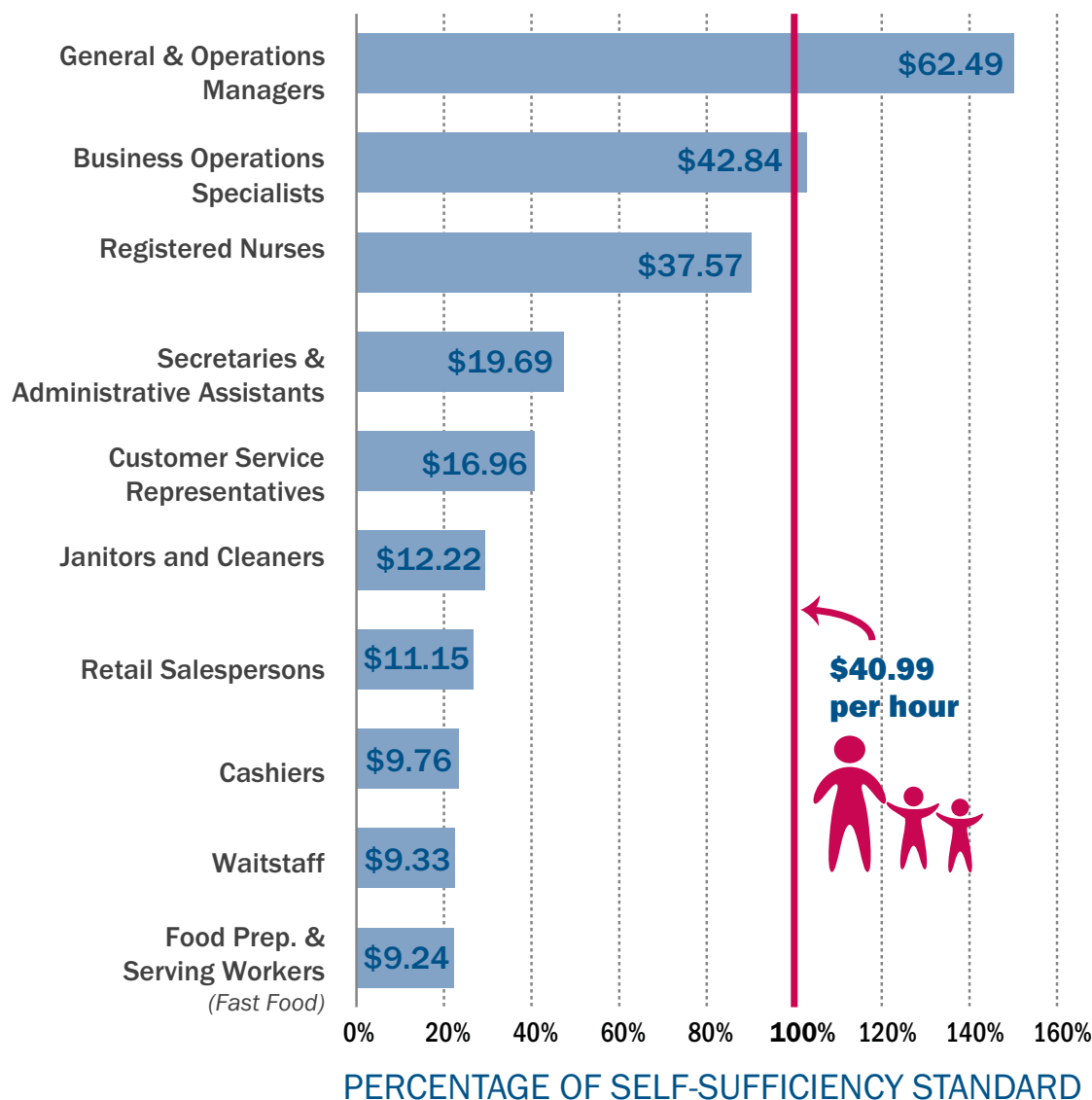
~ Montgomery County Resident

Impact of Education on Median Earnings by Gender Montgomery County, MD 2011-2015



Source: U.S. Census Bureau, American Factfinder, 2011-2015 American Community Survey 5-Year Estimates, "B20004. Median Earnings by Sex by Educational Attainment for the Population 25 Years and Over," Detailed Tables, <http://factfinder.census.gov/> (accessed December 29, 2016).

**Hourly Wages of Silver Spring-Frederick-Rockville Metropolitan Division
Ten Largest Occupations Compared to the Self-Sufficiency
Standard for Montgomery County, MD 2016
One Adult, One Preschooler, & One School-age Child**



Source: U. S. Department of Labor, "May 2015 State Occupational Employment and Wage Estimates," Databases and Tables, Occupational Employment Statistics, <http://www.bls.gov/oes/data.htm> (accessed December 2, 2016). Wages adjusted for inflation using the Employment Compensation Index from the Bureau of Labor Statistics, <http://data.bls.gov/cgi-bin/srgate>, Series [CIS102000000000001](http://data.bls.gov/cgi-bin/srgate).

One client was working two jobs and had hardly any time to spend with her family. She used to complain a lot and couldn't see a way out. Upon our suggestion, she left one job and enrolled in a nursing assistant training program. At the beginning it was hard for her to pay the bills. Upon the completion of the course she found a private care job from one of our partner agencies. She was able to make more money while working less. Now she is enrolled in the nursing program at Montgomery College.

~ Local Nonprofit Executive Director

Impact of Work Supports on Wage Adequacy Compared to Select Occupations

One Adult, One Preschooler, and One School-Age Child: Montgomery County, MD

2016 ~ ~	#1	#2	#3	#4	#5
	MONTGOMERY COUNTY MINIMUM WAGE	MEDIAN WAGE			
		Receptionists & Information Clerks	Administrative Assistants	Supervisors of Office and Administrative Support Workers	Registered Nurses
HOURLY WAGE:	\$10.75	\$13.61	\$19.69	\$28.93	\$37.57
TOTAL MONTHLY INCOME:	\$1,892	\$2,395	\$3,465	\$5,092	\$6,612
PANEL A: NO WORK SUPPORTS					
MONTHLY COSTS					
Housing	\$1,748	\$1,748	\$1,748	\$1,748	\$1,748
Child Care	\$1,929	\$1,929	\$1,929	\$1,929	\$1,929
Food	\$672	\$672	\$672	\$672	\$672
Transportation	\$180	\$180	\$180	\$180	\$180
Health Care	\$541	\$541	\$541	\$541	\$541
Miscellaneous	\$507	\$507	\$507	\$507	\$507
Taxes	\$195	\$299	\$577	\$1,131	\$1,659
Tax Credits (-) *	\$185	\$238	\$381	\$864	\$1,392
TOTAL MONTHLY EXPENSES	\$5,764	\$5,817	\$5,959	\$6,443	\$6,971
SHORTFALL (-) or SURPLUS	(\$3,872)	(\$3,421)	(\$2,494)	(\$1,351)	(\$358)
WAGE ADEQUACY Total Income/Total Expenses	33%	41%	58%	79%	95%
PANEL B: CHILD CARE ASSISTANCE					
MONTHLY COSTS					
Housing	\$1,748	\$1,748	\$1,748	\$1,748	\$1,748
Child Care	\$501	\$563	\$1,101	\$1,929	\$1,929
Food	\$672	\$672	\$672	\$672	\$672
Transportation	\$180	\$180	\$180	\$180	\$180
Health Care	\$541	\$541	\$541	\$541	\$541
Miscellaneous	\$507	\$507	\$507	\$507	\$507
Taxes	\$195	\$299	\$577	\$1,131	\$1,659
Tax Credits (-) *	\$185	\$238	\$381	\$864	\$1,392
TOTAL MONTHLY EXPENSES	\$4,335	\$4,451	\$5,131	\$6,443	\$6,971
SHORTFALL (-) or SURPLUS	(\$2,443)	(\$2,055)	(\$1,666)	(\$1,351)	(\$358)
WAGE ADEQUACY Total Income/Total Expenses	44%	54%	68%	79%	95%
ANNUAL REFUNDABLE TAX CREDITS*:					
Annual Federal EITC	\$4,621	\$3,349	\$645	\$0	\$0
Annual State & County EITC	\$2,111	\$944	\$0	\$0	\$0
Annual Federal CTC	\$2,000	\$2,000	\$902	\$0	\$0

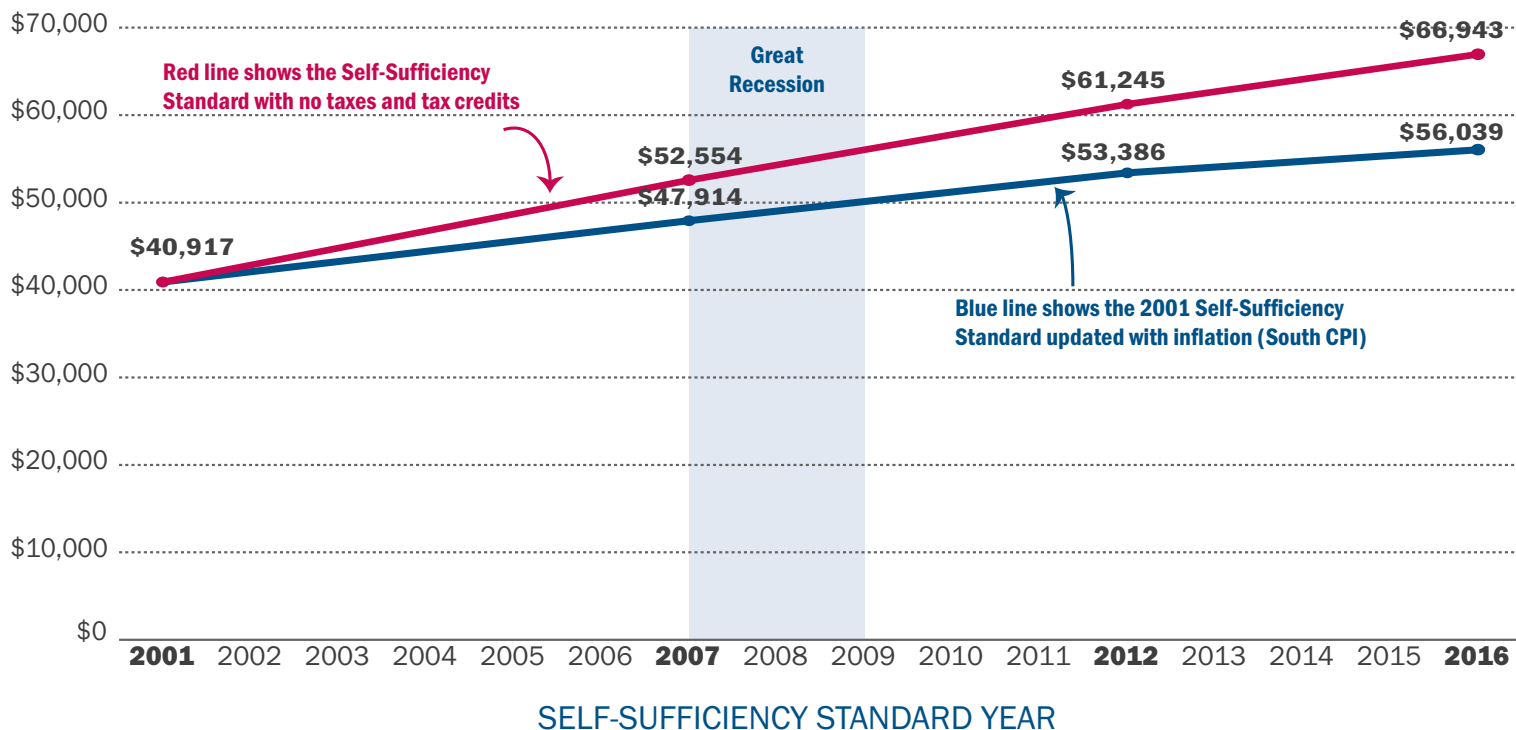
The Standard shows refundable and nonrefundable tax credits as if they are received monthly. However, in order to be as realistic as possible, tax credits that are available as a refund on annual taxes are shown at the bottom of this table. EITC is shown only as annual tax credits. The nonrefundable portion of the Child Tax Credit (which is a credit against federal taxes) is shown as available to offset monthly costs, and the refundable portions is shown in the bottom of the table. The Child Care Tax Credit however is nonrefundable, and therefore is only shown as part of the monthly budget and does not appear in the bottom shaded rows of the table.

I take 6 - 10 buses each day and I am concerned about balancing time with my child and working.

~ Montgomery County Resident

CPI*-Measured Inflation Underestimates Real Cost of Living Increases:
A Comparison of the Self-Sufficiency Standard and the Consumer Price Index, 2001-2016
Montgomery County, MD 2016: One Adult, One Preschooler, and One School-Age Child

ANNUAL INCOME



* U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index, "South Region All Items, 1982-84=100-CUURA101SA0," <http://data.bls.gov/cgi-bin/survey/most?cu> (accessed July 11, 2016).

** Since the CPI does not incorporate taxes or tax credits, these items have been taken out of the Self-Sufficiency Standard for this comparison figure.

“ I live on Social Security income and an internship stipend, and support my grandchild. I don’t have enough money for our personal needs. ”

~ Montgomery County Resident

Percentage Change in the Self-Sufficiency Standard Over Time, 2001-2016
Montgomery County, MD: One Adult, One Preschooler, and One School-Age Child

COSTS	2001	2016	PERCENT CHANGE 2001-2016	
			Montgomery County	Statewide
Housing	\$1,084	\$1,748	61%	52%
Child Care	\$1,101	\$1,929	75%	67%
Food	\$396	\$672	70%	56%
Transportation	\$268	\$180	-33%	1%
Health Care	\$251	\$541	116%	131%
Miscellaneous	\$310	\$507	64%	59%
Taxes	\$915	\$1,903	108%	89%
Tax Credits*	(\$180)	(\$267)	48%	41%
SELF-SUFFICIENCY WAGE				
Monthly	\$4,145	\$7,215	74%	66%
Annual	\$49,735	\$86,580		
MEDIAN EARNINGS**				
Montgomery County	\$36,414	\$49,118	35%	40%
Statewide	\$29,881	\$41,833		

* Total Tax Credits is the sum of the monthly EITC, CCTC, and CTC.

** U.S. Census Bureau, 2014 American Community Survey, "B20002: Median Earnings in the Past 12 Months by Sex for the Population 16 Years and Over with Earnings in the Past 12 Months, Maryland and Baltimore City," and Census 2000 Summary File 3, P085, "Median Earnings in 1999 (Dollars) by Sex for the Population 16 Years and Over with Earnings in the Past 12 Months," <http://factfinder2.census.gov> (accessed December 5, 2016). Median earnings from 1999 and 2014 updated using the Employment Cost Index (ECI). U.S. Department of Labor, Bureau of Labor Statistics, Employment Cost Index, Wages and salaries for All Civilian workers in All industries and occupations, Employment Cost Index Historical Listing – Volume II, March 2013, <http://www.bls.gov/ncs/ect/sp/ecconst.pdf>, and <http://data.bls.gov/cgi-bin/srgate>, Series CIS10200000000001 (accessed December 5, 2016).

Transportation is difficult with my income. Public transportation, the Ride-On is \$2.00 each way. Even with organizations that offer to help you buy a used car, the price is still too high with insurance and the high cost of gas.

~ Montgomery County Resident

TABLE B-16. The Self-Sufficiency Standard for Montgomery County, MD 2016

	Adult	Adult Preschooler	Adult Infant Preschooler	Adult Preschooler School-age	Adult School-age Teenager	2 Adults Infant	2 Adults Infant Preschooler	2 Adults Preschooler School-age
MONTHLY COSTS								
Housing	\$1,511	\$1,748	\$1,748	\$1,748	\$1,748	\$1,748	\$1,748	\$1,748
Child Care	\$0	\$1,279	\$2,773	\$1,929	\$650	\$1,494	\$2,773	\$1,929
Food	\$294	\$445	\$584	\$672	\$779	\$713	\$839	\$923
Transportation	\$180	\$180	\$180	\$180	\$180	\$360	\$360	\$360
Health Care	\$179	\$521	\$535	\$541	\$566	\$579	\$590	\$597
Miscellaneous	\$216	\$417	\$582	\$507	\$392	\$489	\$631	\$556
Taxes	\$770	\$1,522	\$2,474	\$1,903	\$1,160	\$1,623	\$2,152	\$1,758
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$100)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$167)
SELF-SUFFICIENCY WAGE								
Hourly	\$17.90	\$33.98	\$48.92	\$40.99	\$29.60	\$19.53 per adult	\$25.08 per adult	\$21.60 per adult
Monthly	\$3,151	\$5,980	\$8,610	\$7,215	\$5,210	\$6,874	\$8,827	\$7,604
Annual	\$37,807	\$71,755	\$103,322	\$86,580	\$62,518	\$82,489	\$105,925	\$91,252
Emergency Savings Fund (Monthly)	\$62	\$295	\$491	\$402	\$227	\$77	\$174	\$112

Affordable housing is hard to find because rent is high and some property owners constantly increase the rent each year, plus rental insurance, and property owners are not repairing or maintaining apartments as needed. Even with subsidized housing, it costs more than I can afford.

~ Montgomery County Resident

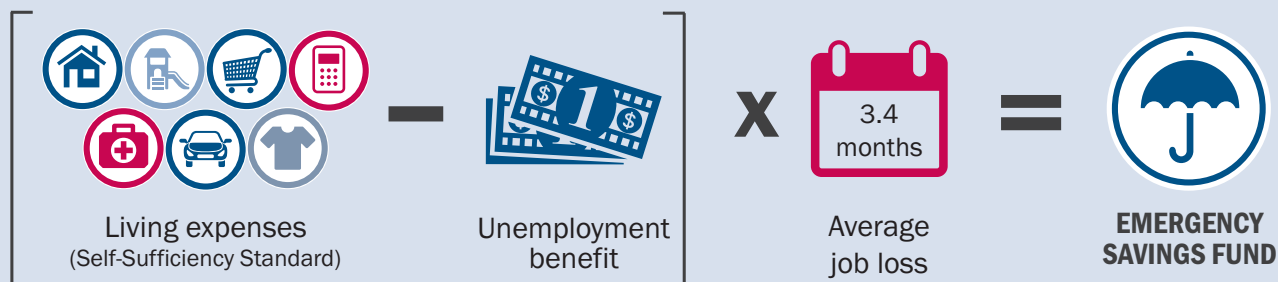
The Self-Sufficiency Standard and Emergency Savings Fund for Select Family Types Montgomery County, MD 2016

	1 Adult	1 Adult 1 Preschool	2 Adults 1 Preschool 1 School-age
MONTHLY EXPENSES			
Housing	\$1,511	\$1,748	\$1,748
Child Care	\$0	\$1,279	\$1,929
Food	\$294	\$445	\$923
Transportation	\$180	\$180	\$360
Health Care	\$179	\$521	\$597
Miscellaneous	\$216	\$417	\$556
Taxes & Tax Credits	\$770	\$1,389	\$1,492
SELF-SUFFICIENCY WAGE			
Monthly	\$3,151	\$5,980	\$7,604
EMERGENCY SAVINGS FUND			
Living expenses (3.4 months)*	\$9,171	\$17,688	\$11,775
Tax on additional earnings	\$1,149	\$7,204	\$2,095
Subtotal	\$10,320	\$24,892	\$13,870
Unemployment Insurance Benefit	-\$6,565	-\$7,160	-\$7,160
Total Savings	\$3,755	\$17,732	\$6,711
Additional Monthly Earnings (Assumes interest accrued)	\$62	\$295	\$112

* Living expenses for two adults assumes half of overall living expenses, assuming only one adult will be unemployed at a time.

Emergency savings enables families to weather economic crises, and is essential for achieving economic security. The Emergency Savings Fund calculations are for the most common emergency, a job loss. These estimates assume that the minimum savings needed includes the cost of living expenses (using the Self-Sufficiency Standard) minus the amount of other resources available to meet those needs (primarily, unemployment insurance), for the length of time of the emergency.

HOW IS THE EMERGENCY SAVINGS FUND CALCULATED?



We moved to Montgomery County to care for my disabled mother. She is now in a nursing home. Even as a public employee with a graduate degree, I have been unable to secure and maintain sufficient housing for my family. We have been evicted from multiple homes. We have lived out of my car, hotels. I have slept on floors while my children have slept on couches, and we have fled hostile environments. I tried to keep our personal effects in storage, but I couldn't keep up the costs; our belongings were auctioned off. We have been severely affected by our homeless status. The young innocence that I saw in my young daughters' eyes when we first moved to Montgomery County has been replaced by bitterness and rebellion. We need Help!!

~ Montgomery County Resident

NOTES

[illegible]

Self-Sufficiency Standard

Montgomery County, Maryland



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