The Self-Sufficiency Standard for Arizona

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Prepared for Children's Action Alliance

The Self-Sufficiency Standard for Arizona
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Preface

A minimum wage job pays less than $11,000 per year. The poverty line for a family of three is about $15,000. Yet the cost of child care alone for two young children for a year in Arizona is often more than $10,000 per year.

Clearly a family living on a minimum wage income, or even earning above poverty wages, can't cover basic needs alone. The only way a family with low earnings can make ends meet is if they get help. This help could take the form of child care assistance, or a grandmother living nearby who provides free child care. It could take the form of a housing subsidy or a roommate. The simple fact is that for tens of thousands of families in Arizona, a job alone is not enough.

But what does it take for a family to make ends meet with no help from the community?

The answer is complicated. Obviously, the number of children and number of working adults in the family affect how much income is needed to cover basic expenses. Furthermore, costs vary by region. Housing in Scottdale costs more than housing in Phoenix, and far more than housing in La Paz County. Costs vary by age of children. Child care for an infant is far more expensive than care for a schoolage child. Teenagers eat more. All these variables must be considered to calculate the necessary wages to cover necessary expenses.

The Self-Sufficiency Standard was developed for Wider Opportunities for Women by Dr. Diana Pearce to measure these types of variables. Through Wider Opportunities for Women, Dr. Pearce has calculated the Self-Sufficiency Standard in 23 states across the country. The Self-Sufficiency Standard is the earnings parents need to cover ***basic*** expenses without public or private subsidies.

The Self-Sufficiency Standard is a "bare bones" budget. It covers only ***basic*** on-going expenses: rent, utilities, child care, taxes, health insurance, minimal food to stay healthy, transportation to and from work and child care with one weekly trip to the grocery store. There is also an allowance of 10% (about $300 per month for a married couple with an infant and a preschooler) to cover items such as clothing, phone, diapers, household and personal items such as soap and other expenses.

This budget does not allow for a single pizza or fast food dinner. There are no movies, no babysitters, no trips to join a religious congregation. There is no money for savings for retirement, to purchase a car, to further

education or training. There is no money for “major” one time expenses such as furniture, appliances, or security deposits for rental housing.

The Self-Sufficiency Wage for a married couple with two earners ranges from a low of $9.08 per hour for each parent in a two-parent working family with an infant and a preschooler in La Paz County to a high of $11.68 for the same family in Scottsdale. (The amount needed by a single parent with an infant and preschooler ranges from a low of $14.79 in La Paz County to a high of $19.88 in Scottsdale). Of the top fifty occupations in Arizona employing the most people, only 8 pay median wages over $15.00 per hour; 20 pay median wages less than $10 per hour.

Supports for working families can offer an important benefit, especially for families with young children. These supports can provide tremendous help for a single parent with children. A single mother in Phoenix would need to earn $19.01 per hour to cover basic needs with no public or private help. However, if she received child support, child care subsidies, Food Stamps and Medicaid, she would need to earn less than half that amount — only $7.46 per hour — to cover basic needs. However, benefits in Arizona are low and the eligibility requirements are relatively stringent. This means that a married couple family in which both parents are able to work would not qualify for public supports to supplement their earnings.

We know that in Arizona many families don’t get the support they need. A recent survey of over 700 clients using food banks in Arizona found that only 25% received Food Stamps, even though it appeared that 75% were income eligible for the program. Data from the Arizona Department of Economic Security reveals that less than one-fourth of families leaving welfare benefit from child care subsidies.

The Standard is a tool. It tells us that families have a hard time meeting basic expenses not because they lack responsibility, work ethic, or budgeting skills but because they lack income. Ultimately, how we use this tool to help Arizona families meet basic needs is up to us.

The Self-Sufficiency Standard for Arizona

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 Arizona 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, in Arizona Medicaid (AHCCS) is extended to families with incomes that are 185%, 140% and 133% of federal poverty thresholds, depending on family size and the age of children.

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

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.

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. For example, according to the 2000 Census, 55% of Arizona children under age 5 live with two married parents who both work or a single parent who works.

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 Stamp program also takes into account variations in costs of housing and child care between different localities.

Finally, the poverty measure does not distinguish between those families in which the adults are employed, and those in which the adults are not employed. At the time that the poverty measure was first developed, there was probably not a large difference between families in these situations: 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 can be 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 analysis 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.

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.

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, for the most part, *the Self-Sufficiency Standard assumes that all adults (whether married or single) work full-time, or forty hours per week,*[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 and state income taxes. Three federal credits available to workers and their families are "credited" against the income needed to meet basic needs: the Child Care Tax Credit, the Earned Income Tax Credit, and the Child Tax Credit.
- 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.

The Standard does not, however, allow for saving 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?

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.

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

Finally, the Self-Sufficiency Standard is not meant to imply that public work supports are not appropriate for Arizona 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 interdependence 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 noneconomic 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 Arizona, 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 Arizona 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 Arizona Children's Action Alliance).

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

Housing: The Standard uses the Fiscal Year 2002 Fair Market Rents, which are calculated annually by the U.S. Department of Housing and Urban Development for every metropolitan housing market and non-metropolitan county (totaling over 400 housing market areas). Fair Market Rents (FMRs) are based on data from the decennial census, the annual American Housing Survey, and telephone surveys.[10] The FMRs (which include utilities except telephone and cable) are intended to reflect the cost of housing that meets minimum standards of decency, but is not luxurious. They reflect the cost of a given size unit at the 40th percentile level. (At the 40th percentile level, 40% of the housing in a given area would be less expensive than the FMR, while 60% would cost more than the FMR.)

To reflect differences in housing costs within a housing market, HUD rules permit local housing authorities to increase or decrease FMRs for part or all of the area covered by the FMR. For example, in this report, Maricopa County is divided into four different regions: Maricopa County and Phoenix/Mesa which have rents at 100% of the FMR, Chandler and Tempe, which have rents at 110% of the FMR, and the City of Scottsdale, which has exception rents of 115% 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] For Arizona, the Standard uses the August 2000 Arizona Department of Security, Division of Employment and Rehabilitation Services Child Care Administration's Child Care Market Rate Survey, which is based on the results of a statewide survey of child care providers conducted by the Maricopa County Office of Research and Reporting. The rates given are specified by age, setting, and six statewide planning areas.

Because it is more common for very young children to be in child care homes rather than centers, the Standard generally assumes that children less than three years of age (infants and toddlers, called "infants" here) receive full-time care in child care homes.[13] Preschoolers (three through five years old) are assumed to go to day care centers full-time. Schoolage children (ages six to 12) 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 takeout, fast-food, or restaurant meals, even though, according to the Consumer Expenditure Survey, average American families spend about 42% of their food budget on food eaten away from home*. Again, the choice to use this food budget reflects what it costs to adequately meet nutritional needs, not consumer behavior.

The 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 Arizona.

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.[15] In the Phoenix metropolitan area 3.3% and in Tucson 4.2% of the population use public transportation to travel to work. Therefore this report assumes that adults in Arizona 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 a small car payment, 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, except insurance, 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 Arizona from the survey conducted by the National Association of Insurance Commissioners. To account for differences in auto insurance costs within the state, we created a ratio by using a study of insurance costs differentials done by the Arizona Department of Insurance. 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 in the nation[16] and most (54%) private sector employers in Arizona. In Arizona, employees pay 17% of the premium for coverage for themselves only, or 28% of the premium for family coverage—which are lower than the proportions for the national average share of premium costs for the individual (18% of employee-only coverage), and higher than the national average for family premiums (24% of family coverage).[17] The costs of health insurance are based on the average premiums paid by Arizona residents, according to the Medical Expenditure Panel Survey, and adjusted for inflation using the Medical Consumer Price Index (Medical CPI).[18] To capture the geographical differences in costs, we varied the health insurance premiums using the differences in costs by area which were available from two on-line insurance agencies.

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

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

Taxes: Taxes include state sales tax, federal and state income taxes, and payroll taxes. Arizona retail sales tax varies from 5.75%-7%. Sales taxes are calculated only on "miscellaneous" items (although some Arizona cities charge a food tax, it is not included in this report). Also, taxes on gasoline and automobiles are included as a cost of owning and running a car.

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

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 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 offset a percentage of their child care costs against their federal income tax liability. Like the EITC, the CCTC reduces 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 partially refundable federal tax credit that provides parents a deduction of up to $600 (for children less than 17 years old). A family that earns more than $10,000 in 2001 is able to receive a refund of 10% of their taxable earnings above $10,000 up to the maximum CTC benefit ($600 per child). This $10,000 threshold will be adjusted annually with inflation.

How Much is Enough in Arizona?

Because the Self-Sufficiency Standard varies by family type and location, the amount of money that a family needs to be economically self-sufficient depends upon family size and composition, the age of children, and where they live. In this section we present the cost of living for six different places in Arizona: Maricopa County-Scottsdale, Yuma County, Pima County, Coconino County-Flagstaff, Apache County and La Paz County. These areas represent different geographic locations, different costs and a range of population densities in the state of Arizona.

The City of Scottsdale, located in Maricopa County near Phoenix, is one of Arizona's most expensive urban areas (see Table 1). A single person with no children living in Scottsdale needs to earn **$9.45** per hour to be

Table 1

The Self-Sufficiency Standard for Selected Family Types
Phoenix-Mesa, AZ MSA, 2002
Maricopa County-Scottsdale *
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***		***Two Adults, One Preschooler, One Schoolage- One Adult Works***	
Monthly Costs	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***
Housing	*$696*	*42*	*$874*	*31*	*$874*	*26*	*$874*	*22*	*$874*	*35*
Child Care	*$0*	*0*	*$524*	*19*	*$832*	*25*	*$832*	*21*	*$0*	*0*
Food	*$176*	*11*	*$266*	*9*	*$396*	*12*	*$544*	*14*	*$544*	*22*
Transportation	*$252*	*15*	*$257*	*9*	*$257*	*8*	*$496*	*13*	*$330*	*13*
Health Care	*$102*	*6*	*$234*	*8*	*$260*	*8*	*$329*	*8*	*$329*	*13*
Miscellaneous	*$123*	*7*	*$215*	*8*	*$262*	*8*	*$308*	*8*	*$208*	*8*
*Taxes***	*$315*	*19*	*$543*	*19*	*$637*	*19*	*$743*	*19*	*$352*	*14*
Earned Income Tax Credit (-)	*$0*	*0*	*$0*	*0*	*$0*	*0*	*$0*	*0*	*-$37*	*-3*
Child Care Tax Credit (-)	*$0*	*0*	*-$40*	*-1*	*-$80*	*-2*	*-$80*	*-2*	*$0*	*0*
Child Tax Credit (-)	*$0*	*0*	*-$50*	*-2*	*-$100*	*-3*	*-$100*	*-3*	*-$100*	*-4*
Total Percent	*—*	*100*	*—*	*100*	*—*	*100*	*—*	*100*		*100*
Wage - Hourly*	***$9.45***		***$16.04***		***$18.97***		***$11.21***	***per adult***	***$14.21***	
Monthly	***$1,663***		***$2,823***		***$3,338***		***$3,946***		***$2,500***	
Annual	***$19,953***		***$33,881***		***$40,055***		***$47,354***		***$30,002***	

* *The Standard is calculated by adding expenses and taxes and subtracting tax credits.*
** *Taxes include federal and state 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

Yuma, AZ MSA, 2002

Yuma County *

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***		***Two Adults, One Preschooler, One Schoolage- One Adult Works***	
Monthly Costs	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***
Housing	*$453*	*35*	*$603*	*28*	*$603*	*23*	*$603*	*19*	*$603*	*32*
Child Care	*$0*	*0*	*$396*	*18*	*$660*	*25*	*$660*	*21*	*$0*	*0*
Food	*$176*	*14*	*$266*	*12*	*$396*	*15*	*$544*	*17*	*$544*	*29*
Transportation	*$230*	*18*	*$235*	*11*	*$235*	*9*	*$453*	*14*	*$303*	*16*
Health Care	*$103*	*8*	*$237*	*11*	*$263*	*10*	*$332*	*10*	*$332*	*17*
Miscellaneous	*$96*	*8*	*$174*	*8*	*$216*	*8*	*$259*	*8*	*$178*	*9*
*Taxes***	*$222*	*17*	*$363*	*17*	*$443*	*17*	*$539*	*17*	*$202*	*11*
Earned Income Tax Credit (-)	*$0*	*0*	*-$34*	*-2*	*-$11*	*0*	*$0*	*0*	*-$164*	*-9*
Child Care Tax Credit (-)	*$0*	*0*	*-$44*	*-2*	*-$80*	*-3*	*-$80*	*-2*	*$0*	*0*
Child Tax Credit (-)	*$0*	*0*	*-$50*	*-2*	*-$100*	*-4*	*-$100*	*-3*	*-$100*	*-5*
Total Percent	*—*	*100*	*—*	*100*	*—*	*100*	*—*	*100*	*—*	*100*
Self-Sufficiency Wage -	***$7.27***		***$12.19***		***$14.92***		***$9.12***	***per adult***	***$10.78***	
Monthly	***$1,279***		***$2,145***		***$2,625***		***$3,210***		***$1,898***	
Annual	***$15,350***		***$25,740***		***$31,505***		***$38,524***		***$22,771***	

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

** *Taxes include federal and state 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.

able to meet her/his basic needs, as can be seen in the first column of Table 1. A single 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 of more than $6.00 per hour more than the single adult: she needs to earn **$16.04** per hour to meet her family's needs.[20] If she has two children, a preschooler and a schoolage child, she must earn twice as much as the single person with no children, **$18.97** per hour to meet her family's needs. If there are two working 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 is over a dollar and a half more per hour than what a single person would need to earn: **$11.21** per hour.

If only one parent works in this two parent family, child care costs are eliminated. We assume this family type owns one car and it is assumed the non-working parent drives the working parent to and from work, thus increasing transportation costs slightly from those of the single parent. (With Arizona's extreme climate

Table 3

The Self-Sufficiency Standard for Selected Family Types
Tucson, AZ MSA, 2002
Pima County *
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***		***Two Adults, One Preschooler, One Schoolage- One Adult Works***	
Monthly Costs	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***
Housing	*$486*	*36*	*$647*	*27*	*$647*	*23*	*$647*	*19*	*$647*	*33*
Child Care	*$0*	*0*	*$486*	*20*	*$757*	*27*	*$757*	*22*	*$0*	*0*
Food	*$176*	*13*	*$266*	*11*	*$396*	*14*	*$544*	*16*	*$544*	*27*
Transportation	*$238*	*18*	*$244*	*10*	*$244*	*9*	*$471*	*14*	*$311*	*16*
Health Care	*$101*	*8*	*$230*	*10*	*$256*	*9*	*$325*	*9*	*$325*	*16*
Miscellaneous	*$100*	*7*	*$187*	*8*	*$230*	*8*	*$274*	*8*	*$183*	*9*
*Taxes***	*$240*	*18*	*$424*	*18*	*$497*	*17*	*$593*	*17*	*$219*	*11*
Earned Income Tax Credit (-)	*$0*	*0*	*$0*	*0*	*$0*	*0*	*$0*	*0*	*-$146*	*-7*
Child Care Tax Credit (-)	*$0*	*0*	*-$40*	*-2*	*-$80*	*-3*	*-$80*	*-2*	*$0*	*0*
Child Tax Credit (-)	*$0*	*0*	*-$50*	*-2*	*-$100*	*-4*	*-$100*	*-3*	*-$100*	*-5*
Total Percent	*—*	*100*	*—*	*100*	*—*	*100*	*—*	*100*	*—*	*100*
Self-Sufficiency Wage -	***$7.62***		***$13.60***		***$16.17***		***$9.75***	***per adult***	***$11.27***	
Monthly	***$1,341***		***$2,394***		***$2,847***		***$3,430***		***$1,984***	
Annual	***$16,098***		***$28,728***		***$34,159***		***$41,165***		***$23,803***	

* *The Standard is calculated by adding expenses and taxes and subtracting tax credits.*
** *Taxes include federal and state 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.

and with its unique transportation challenges—lack of adequate public transportation in the urban areas and long distances between homes, shopping, doctors, etc. in the rural areas—it is unreasonable to expect a stay-at-home spouse to effectively care for children and herself without use of a car). Thus a married working parent with a stay-at-home spouse must earn **$14.21** per hour in Scottsdale to meet costs for a two-parent, two-child family.

In Yuma County (see Table 2), located in south-western Arizona, costs are less than those found in Scottsdale. A single adult's Self-Sufficiency Wage is **$7.27** per hour. A single parent with one preschooler must earn **$12.19** per hour to be self-sufficient. The single parent with two children in Yuma County would need to earn **$14.92** per hour to meet her family's needs and in the two-parent family in which both parents work, each adult would need to earn **$9.12** per hour to be self-sufficient. If this two-parent family has one working adult, the self-sufficiency wage becomes **$10.78** per hour in Yuma County.

The cost of meeting one's basic needs for a single adult in Pima County is **$7.62** per hour (see Table 3). A single parent with one preschooler needs to earn

Table 4

The Self-Sufficiency Standard for Selected Family Types
Coconino County, AZ, 2002
City of Flagstaff *
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		Two Adults, One Preschooler, One Schoolage- One Adult Works	
Monthly Costs	**Costs**	**% of total**	**Costs**	**% of total**	**Costs**	**% of total**	**Costs**	**% of total**	**Costs**	**% of total**
Housing	$685	43	$889	33	$889	29	$889	24	$889	36
Child Care	$0	0	$440	17	$704	23	$704	19	$0	0
Food	$176	11	$266	10	$396	13	$544	15	$544	22
Transportation	$221	14	$227	9	$227	7	$437	12	$294	12
Health Care	$101	6	$228	9	$255	8	$324	9	$324	13
Miscellaneous	$118	7	$205	8	$247	8	$290	8	$205	8
Taxes**	$301	19	$495	19	$579	19	$674	18	$339	14
Earned Income Tax Credit (-)	$0	0	$0	0	$0	0	$0	0	-$48	-2
Child Care Tax Credit (-)	$0	0	-$40	-2	-$80	-3	-$80	-2	$0	0
Child Tax Credit (-)	$0	0	-$50	-2	-$100	-3	-$100	-3	-$100	-4
Total Percent	—	100	—	100	—	100	—	100	—	100
Wage - Hourly* **	**$9.11**		**$15.11**		**$17.71**		**$10.46**	**per adult**	**$13.90**	
Monthly	**$1,603**		**$2,660**		**$3,117**		**$3,681**		**$2,446**	
Annual	**$19,235**		**$31,916**		**$37,399**		**$44,173**		**$29,356**	

* The Standard is calculated by adding expenses and taxes and subtracting tax credits.
** Taxes include federal and state 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.

$13.60 per hour to meet the basic needs of her family. While these costs are high, if she has two children, one preschooler and one schoolage child, she would need **$16.17** per hour to meet her family's needs, which is more than twice as much as the amount required of the single person with no children. In the two-parent family, each adult would need to earn **$9.75** per hour in Pima County to attain self-sufficiency. For the two-parent family with a stay-at-home spouse, the self-sufficiency wage in Pima County is **$11.27** per hour. These costs are less than in Scottsdale and slightly more than in Yuma.

The City of Flagstaff is located in northern Arizona, in Coconino County. Coconino is home to several world-renowned state and federal parks and a number of popular scenic resort areas. Although much of this county is rural, housing costs in this region are some of the highest in the state. Self-sufficiency costs in the city of Flagstaff are significantly higher than in Yuma or Pima counties. A single adult in Flagstaff must earn **$9.11** per hour to be self-sufficient. A single parent with a preschooler must earn two thirds more per hour to meet costs, **$15.11** per hour. An adult with a preschooler and schoolage child must earn **$17.71** per

Table 5

The Self-Sufficiency Standard for Selected Family Types

Apache County, AZ, 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***		***Two Adults, One Preschooler, One Schoolage- One Adult Works***	
Monthly Costs	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***
Housing	*$396*	*34*	*$503*	*25*	*$503*	*20*	*$503*	*16*	*$503*	*30*
Child Care	*$0*	*0*	*$440*	*22*	*$704*	*28*	*$704*	*23*	*$0*	*0*
Food	*$176*	*15*	*$266*	*13*	*$396*	*16*	*$544*	*18*	*$544*	*32*
Transportation	*$221*	*19*	*$227*	*11*	*$227*	*9*	*$437*	*14*	*$294*	*17*
Health Care	*$102*	*9*	*$235*	*12*	*$262*	*11*	*$331*	*11*	*$331*	*20*
Miscellaneous	*$90*	*8*	*$167*	*8*	*$209*	*8*	*$252*	*8*	*$167*	*10*
*Taxes***	*$196*	*17*	*$328*	*16*	*$405*	*16*	*$507*	*16*	*$155*	*9*
Earned Income Tax Credit (-)	*$0*	*0*	*-$54*	*-3*	*-$40*	*-2*	*$0*	*0*	*-$208*	*-12*
Child Care Tax Credit (-)	*$0*	*0*	*-$44*	*-2*	*-$80*	*-3*	*-$80*	*-3*	*$0*	*0*
Child Tax Credit (-)	*$0*	*0*	*-$50*	*-2*	*-$100*	*-4*	*-$100*	*-3*	*-$99*	*-6*
Total Percent	*—*	*100*	*—*	*100*	*—*	*100*	*—*	*100*	*—*	*100*
Self-Sufficiency Wage - Hourly*	***$6.71***		***$11.47***		***$14.12***		***$8.80***	***per adult***	***$9.59***	
Monthly	***$1,181***		***$2,018***		***$2,486***		***$3,098***		***$1,687***	
Annual	***$14,168***		***$24,219***		***$29,829***		***$37,171***		***$20,250***	

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

** *Taxes include federal and state 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.

hour to be self-sufficient. Two adults with a preschooler and schoolage child must each earn **$10.46** per hour in Flagstaff to be self-sufficient. Or, if only one adult in this family type works, the self-sufficiency wage becomes **$13.90** per hour in Flagstaff.

In Apache County—located in northeast Arizona—costs are typical of most rural counties, that is they are less than Arizona's urban areas. A single adult must earn **$6.71** per hour to be self-sufficient (see Table 5). A single parent with a preschooler must earn **$11.47** per hour in Apache County to be self-sufficient. An adult with two children, a preschooler and schoolage child, must earn **$14.12** 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 **$8.80** per hour to be self-sufficient. A single adult, supporting a spouse, preschooler and schoolage child, must earn **$9.59** per hour in Apache County to be self-sufficient.

La Paz County (see Table 6), also a rural Arizona county, is located in the western part of the state. La

Table 6

The Self-Sufficiency Standard for Selected Family Types

La Paz County, AZ, 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***		***Two Adults, One Preschooler, One Schoolage-One Adult Works***	
Monthly Costs	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***	***Costs***	***% of total***
Housing	*$396*	*33*	*$503*	*26*	*$503*	*21*	*$503*	*16*	*$503*	*30*
Child Care	*$0*	*0*	*$396*	*20*	*$660*	*27*	*$660*	*22*	*$0*	*0*
Food	*$176*	*15*	*$266*	*14*	*$396*	*16*	*$544*	*18*	*$544*	*32*
Transportation	*$230*	*19*	*$235*	*12*	*$235*	*10*	*$453*	*15*	*$303*	*18*
Health Care	*$101*	*8*	*$230*	*12*	*$256*	*11*	*$325*	*11*	*$325*	*19*
Miscellaneous	*$90*	*8*	*$163*	*8*	*$205*	*8*	*$249*	*8*	*$167*	*10*
*Taxes***	*$199*	*17*	*$308*	*16*	*$398*	*16*	*$496*	*16*	*$157*	*9*
Earned Income Tax Credit (-)	*$0*	*0*	*-$67*	*-3*	*-$54*	*-2*	*$0*	*0*	*-$207*	*-12*
Child Care Tax Credit (-)	*$0*	*0*	*-$46*	*-2*	*-$80*	*-3*	*-$80*	*-3*	*$0*	*0*
Child Tax Credit (-)	*$0*	*0*	*-$50*	*-3*	*-$100*	*-4*	*-$100*	*-3*	*-$100*	*-6*
Total Percent	*—*	*100*	*—*	*100*	*—*	*100*	*—*	*100*		*100*
Self-Sufficiency Wage - Hourly*	***$6.77***		***$11.01***		***$13.74***		***$8.66***	***per adult***	***$9.61***	
Monthly	***$1,191***		***$1,938***		***$2,419***		***$3,050***		***$1,692***	
Annual	***$14,296***		***$23,253***		***$29,024***		***$36,596***		***$20,301***	

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

** *Taxes include federal and state 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.

Paz is the least expensive county in Arizona in which to live. In order to meet costs, a single adult in La Paz County must earn **$6.77** per hour to be self-sufficient. Because of lower child care costs in this portion of the state, a single parent with one preschool child must earn **$11.01** per hour to be self-sufficient--less than in Apache County. An adult with a preschooler and schoolage child to support must earn **$13.74** per hour to meet costs. This wage is twice that of the single adult in La Paz. Two parents with a preschooler and schoolage child must each earn **$8.66** to be self-sufficient in La Paz County. One adult who supports a spouse and two children in this county must earn **$9.61** per hour to be self-sufficient.

Comparing other Arizona wages, note that the federal minimum-wage pays $5.15 per hour. This wage does not meet the needs of any family type, even a single adult, in any of the six areas analyzed here. The average wage of someone leaving welfare to work in Arizona is $6.99 per hour. [21] Though higher than the minimum wage, this wage meets the needs of a single person with no children only in Arizona's least expensive areas (such as La Paz and Apache counties). Moreover, thirty percent of Arizona working parents

earn less than $8.70 per hour.[22] Even with both parents working, $8.70 per hour is not enough to support a family with two children in five of the six areas analyzed here. The average wage in Arizona, for a part-time or full time job, is $14.85 per hour.[23] This is enough for a single parent to support two children in only half of the areas analyzed. (Also note that "average" wages are usually higher than those received by the "average" worker. This is because the calculation includes workers who receive very high wages. When calculating the "average" there is a "floor"–the minimum wage–but no "ceiling.")

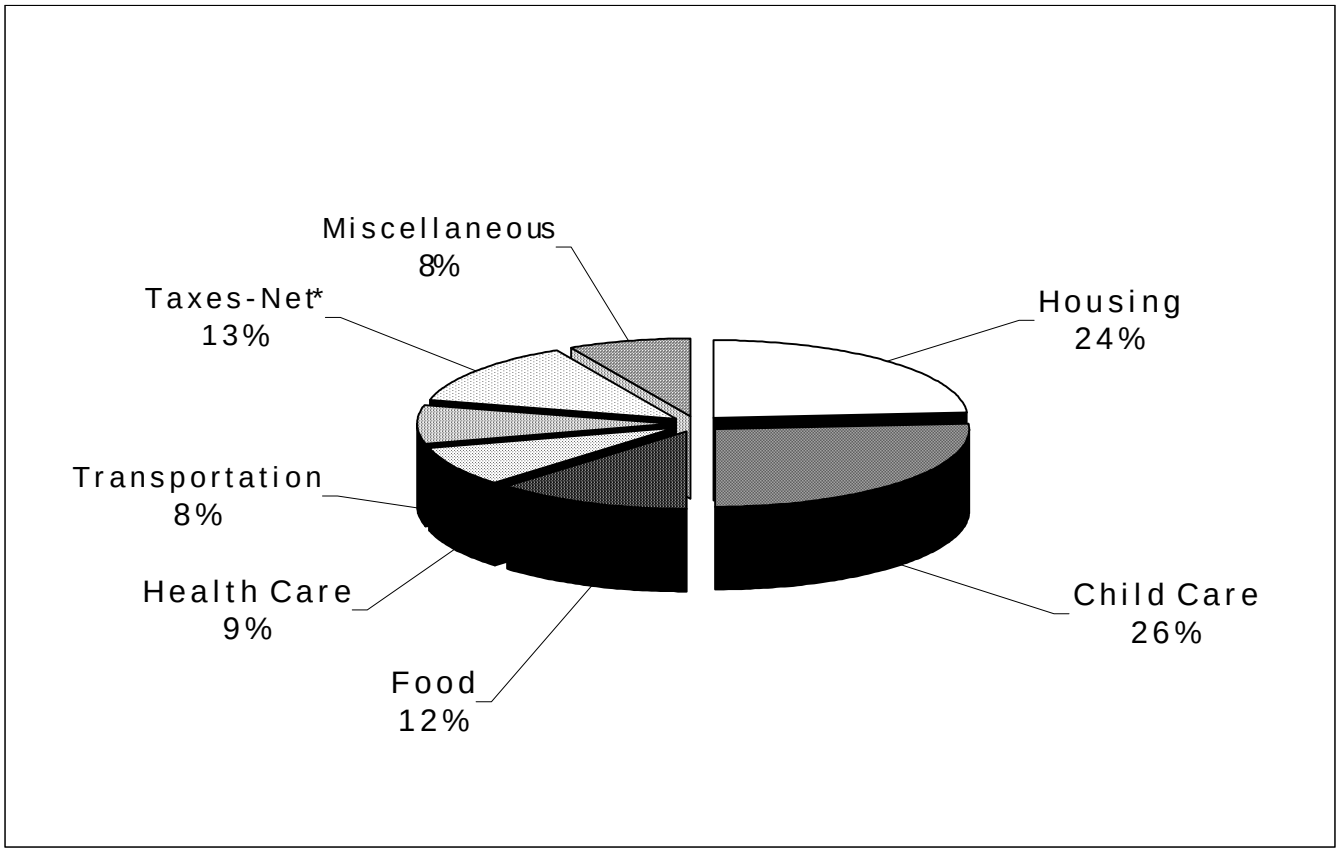
Although we have included self-sufficiency wages for two-parent families with one working spouse in these tables, it should be noted that this is not the norm for American or Arizona families. The Bureau of Labor Statistics reports that of families with children under eighteen in the U.S., in the year 2000, 46.5% of families had two married parents working, 24% of families—about half as many—had only one parent working in a two-parent family.[24]

For many two-parent families, having one parent stay out of the labor force can put the family's economic security at risk. One third of Arizona parents earn less than $8.70 per hour, which is not enough to cover basic expenses for a two-parent family with a preschooler and schoolage child in any of the counties analyzed. (Even in Arizona's least expensive areas, a single wage-earner for a two-adult family needs to earn twice the minimum wage to be self-sufficient). Other families may feel the need to have two adults working as extra financial security in

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 Maricopa County, AZ



**Note: Percentages include the net effect of taxes and tax credits. Thus, the percentage of income needed for taxes is actually 19%, but with tax credits, the amount owed in taxes is reduced to13%.*

tenuous economic times, as a cushion against loss of income if one of the wage earners is laid off or has his/her hours reduced. Finally, given the unfortunate but real fact that nearly half of American marriages end in divorce, having one spouse out of work for an extended period of time can put her earning potential at risk, should the need arise for her return to work.

Child care thus represents a very real cost for American families. For Arizona families with children, child care and housing account for half the family budget in households where both parents are working. The proportions spent on each cost do not vary greatly from place to place, however. Among families with one child for example, child care costs in Arizona average about 17% to 22% of the total budget, while housing costs average 25% to 33% of the family budget.

For working families with two children, child care costs exceed housing costs in four of the locations, with child care costing from 25% to 27% of the family budget for one adult families with two children and 21% to 23% of the family budget for two adult families in Yuma, Pima, Apache and La Paz Counties. Depending on the location, housing costs are a smaller portion of the budget than child care in these four counties, accounting for 16% to 28% of the budget for families with two children.

Since housing costs are high in Flagstaff and Scottsdale, housing costs exceed child care costs, even in two-child families. In these two locations, housing accounts for 22-29% of the budget for two-child families in which parents work. In Scottsdale and Flagstaff, child care accounts for 19-25% of the family budget.

While the rent for a two-bedroom housing unit varies from a low of **$503** per month (Apache and La Paz Counties) to a high of **$889** per month (Flagstaff), the differential in child care costs is also large. For example, the cost of child care for two children, a preschooler full-time and a schoolage child part-time, ranges from **$660** in La Paz County to **$832** in Scottsdale.

In Figure 1 on the preceding page, 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 Maricopa County (excluding the cities of Scottsdale, Tempe, Chandler, Phoenix and Mesa). 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 this Arizona family are food and taxes, accounting for 12% and 13% of the total costs respectively. (It should be noted however, that this family's actual tax burden month to month is 19%. However, with tax credits, the net tax becomes 13%). Transportation, healthcare and miscellaneous costs each account for 8%-9% of the family budget. Transportation costs include car maintenance, oil and gas, but do not assume a large car payment. It should also be noted that car insurance costs can vary widely, depending on the age of the driver, her driving record and the region in which she lives.

Comparing the Standard to Other Benchmarks of Income

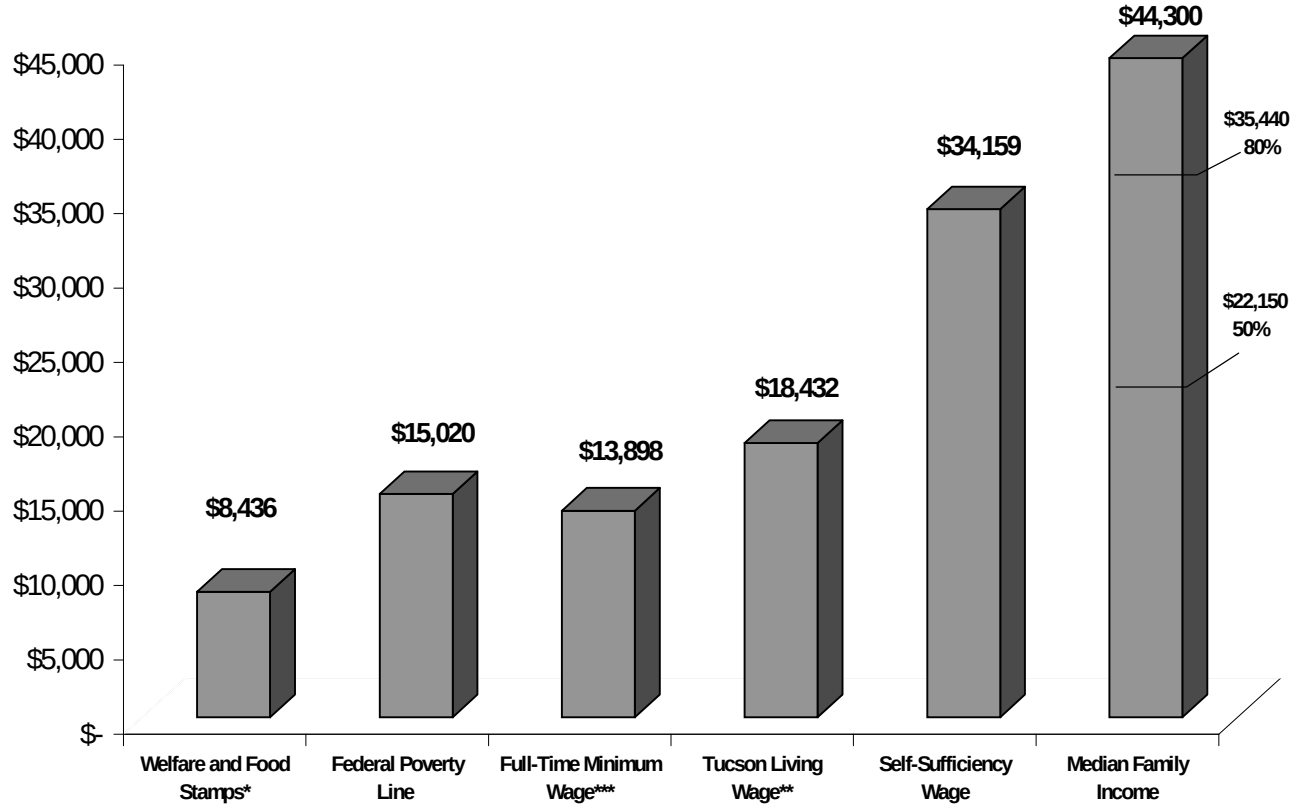
To put the Standard in context, it is useful to compare it to other commonly used measures of income adequacy. In Figure 2 below, we have compared the Standard to five other benchmarks: the combined welfare cash assistance and food stamps benefit, the federal poverty measure, the federal minimum wage, the City of Tucson Living Wage and the median income. This set of benchmarks is not meant to show *how* a family would move from welfare or poverty to self-sufficiency, rather the concept of self-sufficiency assumes a gradual progression, one that takes place over time. (Please see the next two sections for a more detailed discussion of how Arizona families can achieve Self-Sufficiency Wages).

For purposes of comparison, we use the Standard for a three-person family consisting of one adult, one preschooler, and one schoolage child living in the City of Tucson, located in Pima County (an urban locale, used here as a representative sample). The Standard for this family type in Tucson is **$34,159.** (The other benchmarks presented are also for three-person families,

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 Tucson, AZ



* *Welfare and Food Stamps includes the maximum grant for a 3 person family in Arizona. Cash assistance is $347 per month, Food Stamps $356 per month.*

** *Tucson Living Wage is $8.00 per hour with health benefits and includes the net effect of the EITC and subtraction of taxes.*

*** *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.*

where relevant; however none is as specific as the Standard in terms of age and number of children).

The Welfare (TANF) Grant and Food Stamps: Including the cash value of Food Stamps as well as the TANF cash grant, the maximum possible assistance package for a family of three in Arizona is **$703** per month in Pima County or **$8,436** per year assuming no wage or other income. This amount is one-fourth **(24.7%)** of the Self-Sufficiency Standard for a three-person family in Tucson.

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 under half (**44%)** 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 Arizona, such as La Paz County, the official poverty guideline is only about 60% of the amount needed to meet family needs according to the Standard.

Tucson Living Wage: In 1999 the Tucson City Council passed a Living Wage Ordinance that stated that all city contract workers be paid a "living wage" of $8.00 per hour, (with employer sponsored health benefits), or $9.00 per hour (without health benefits). A similar ordinance has been adopted this year in Pima County.

We have calculated the Tucson Living Wage at eight dollars per hour, which amounts to **$1,536** per month (**$18,432** annually), or about half (**54%**) of a Self-Sufficiency Wage for the same family type. This calculation assumes the worker will receive the refundable Child and Earned Income Tax Credits, and so is actually more than she probably receive on a monthly basis. However, if she does not receive the EITC and CTC on a monthly basis--as is true of almost all workers--she will actually have a take-home income of only **$1,264** per month after taxes.

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 and state income taxes—and adding tax credits—the Child and Earned Income Tax Credits—this worker would have a cash income of **$1,175** per month, or **$14,098** 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 and state income taxes. Nevertheless, because she does not pay federal income taxes, she is ineligible for the Child Care Tax Credit).

Even with the help of the federal EITC, however, a full-time job with the minimum wage provides just under one-third (**31%**) 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-fourth of the Self-Sufficiency Standard (**22.3%**).

Median Family Income: Median family income is defined as the income level at which half of an area's families have incomes above this amount and half have incomes below this amount. The median income for a three-person family in Tucson is **$44,300**. The Self-Sufficiency Standard for a single-parent family with one preschooler and one schoolage child is thus **77%** of the median family income for Tucson.

The U.S. Department of Housing and Urban Development (HUD) uses area median family income as a standard to assess families' needs for housing assistance. Those with incomes below 50% of the median area income are considered "Very Low Income," while those with incomes below 80% of the median are considered "Low Income." (Almost all assistance is limited to the "Very Low Income" category, and even then, only about one-fourth of those eligible families receive housing assistance). The Self-Sufficiency Standard for a Tucson family falls just below 80% of area median income (77%). It is therefore below the "Low Income" standard used by HUD, which suggests that the Standard is set at a minimally adequate level.

Comparing the Standard for Phoenix to Other Major Cities

The Self-Sufficiency Standard has now been completed for 22 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 7, we have chosen to compare the Standard for Phoenix to sixteen other American cities. For a single adult, the costs in Phoenix require a Self-Sufficiency Wage of $8.73 per hour. This is the *fifth highest* wage in this comparison and is lower than Las Vegas, Milwaukee, New York (Queens) and San Fransisco and higher than the costs in the twelve remaining cities.

The Self-Sufficiency Wage for the one-child family in Phoenix shown in Table 7 is *seventh highest* in this comparison–less than the wages for the same family type in Boston, Los Angeles, Milwaukee, New York, San Fransisco and Washington, DC, but more than the cost of living in the remaining cities. For the families with two children, the Self-Sufficiency Wage in Phoenix is less than about half of the cities--Boston, Denver, Los Angeles, Milwaukee, New York, San Francisco and Washington, DC, and more than in Baltimore, Billings, Chicago, Denver, Las Vegas, Louisville, Oklahoma City, Philadelphia, Salt Lake City and Seattle. Thus, in this comparison, the Self-Sufficiency wages in Phoenix are the *eighth most expensive* for these two family types.

In conclusion, a Phoenix family's expenses fall consistently in the top half of those calculated for the nation, and require substantial resources, particularly for families with children, in order to meet basic needs at an adequate level.

Table 7

The Self-Sufficiency Standard for Phoenix, AZ Compared to Other Major Cities, 2002

City	Self-Sufficiency Standard Wage			
	Single Adult	**Single Adult, Preschooler**	**Single Adult, Preschooler, Schoolage**	**Two Adults, Preschooler, Schoolage**
Phoenix, AZ	**$8.73**	**$15.13**	**$18.09**	**$10.78***
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*
Las Vegas, NV	$8.78	$13.92	$15.99	$9.63*
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.
Cities with adequate public transportation do not include the cost of owning a car

Closing the Gap Between Incomes and the Self-Sufficiency Standard

Of course, many families do not earn Self-Sufficiency Wages, particularly if they have recently entered (or reentered) the workforce, or live in high-cost areas. They therefore cannot afford their housing *and* food *and* child care—much less their other basic needs. They must choose between basic 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 in the future during economic down-turns and dwindling welfare time limits.

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 Figure 3 on the 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 one parent supporting a spouse and two children must earn well above the federal minimum wage to meet the 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. 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.

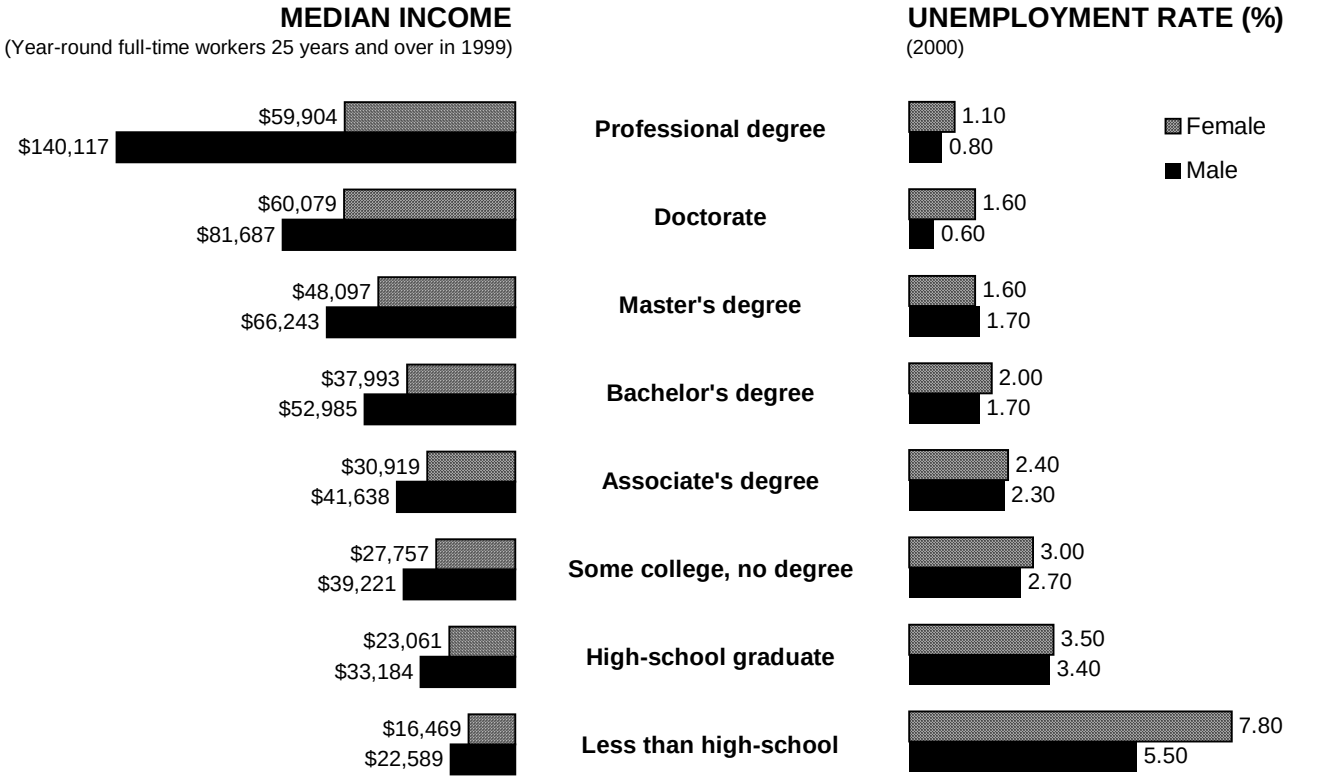
Another approach to raising wages of workers are the Living Wage laws, such as those recently enacted in Tucson and Pima County, that mandate city and county paid contractors and employers receiving public subsidies pay a "living wage." These policies would impact private sector workers' wages as well 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 (see Figure 3 below) 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.

Promoting Savings and Asset Development

For many low-income families, the barriers to self-sufficiency are accentuated by a near or total absence of savings. According to one report, a family with a household income between $10,000 and $25,000, had net financial assets of $1,000, while a family with a household income of less than $10,000 had net financial assets of $10.[25] For these families with no savings, the slightest setback—a car needing repairs, an unexpected hospital bill, a reduction in work hours—can trigger a major financial crisis. These families can be forced to take out small loans at exorbitant interest

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

prices just to make it to the next paycheck, often resulting in spiraling debt. Too often, public policies work against the promotion of savings by actively penalizing families that manage to put some money aside. For example, in Arizona, a parent with $2,000 in countable assets is ineligible for TANF cash assistance.

Nonetheless, some recent policy changes have begun to promote and encourage asset development for low-income workers. In some states, one major development has been the Individual Development Account (IDA). In this program, a public or private entity provides a matching contribution towards regular savings made by a family. The match can be withdrawn if it is used for a specified objective, such as the down payment of a house, payment for higher education, or start-up costs for a small business.

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.

Arizona allows welfare recipients to make contribution towards an IDA, but there is not program in place to allow for matching contributions. About four people took advantage of this program in both fiscal years 1999 and 2000. However, in some states, "wealth supports" such as IDA's can be an important tool in helping families towards self-sufficiency.

Reducing Costs and Meeting Basic Needs Through Supports

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

- ***Work Supports:*** While the Self-Sufficiency Standard gives the amount of income that families need to meet their basic needs, without the assistance of 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.
- ***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 (about 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 (AHCCS) and the state-supported Child Health Insurance Program—known as KidsCare in Arizona—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 two full years. After that, and for those families not transitioning from welfare, children can be covered by KidsCare up to 200% of poverty.[26]

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

In Table 8, we examine the effect of adding work supports for a family consisting of a single parent and two children, an infant and a preschooler, living in Maricopa County, in Phoenix and Mesa. This table illustrates 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 6.

Treatment of Tax Credits. Although we include the Earned Income Tax Credit (when a family qualifies) in the calculation of the Self-Sufficiency Standard, in this model we want to show only income that is in fact likely to be available to families each month to meet their needs. Although by law a family can receive part of the federal EITC to which they are entitled on a monthly basis, the great majority (approximately 99%) of families receive the EITC as a lump sum payment the following year when they file their tax returns.[27]

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.[28] Moreover, because of fluctuating hours and wages over the year, many workers find it difficult to gauge how much EITC 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 *annual* amounts, 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 shaded lines at the bottom of Table 8). Note that because these amounts are not received during the month or year shown here, they are not included in the calculation of the wages shown.

The Self-Sufficiency Standard (Column #1): In the first column of the table, the Standard provides the full amount of each of the family's expenses, including taxes, without any work or other supports to reduce these costs (except tax credits where applicable). With child care expenses of $963 per month and housing costs of $760 per month, it is not surprising that for this single parent the Self-Sufficiency Wage is **$19.01** per hour in Phoenix-Mesa.

Private Support:

Child Support (Column #2): In the second column of Table 8, the private "subsidy" of child support is added. The amount of $281 shown is the average child support payment per family per month (for families receiving support in Arizona).[29] 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 $639—when all income is earned (see Column #1)—to $528—when some income is received as child support (see Column #2). Note that altogether, these changes reduce the amount this single parent must earn to meet her family's needs from $19.01 to **$16.78** per hour.

Public Work Supports:

Child Care, Food Stamps, Health Care [Medicaid-AHCCS] and Child Support (Column #3): For adults moving from welfare to work, there is available a set of supports to help them with this transition. In Column #3 of Table 8, we assume this single parent is receiving a typical "package" of benefits available to those making the welfare-to-work transition. This package includes child care, Food Stamps and health care.

With this package, child care costs are substantially reduced, from $963 to $99 per month. Food costs are cut by more than half. With Medicaid (called AHCCS in Arizona–Arizona Health Care Cost Containment System), health care costs are reduced to zero. With these work supports and the help of child support, this adult needs to earn a self-sufficiency wage of **$7.46** per hour, less than half of the wage needed without these supports.

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

Maricopa County (Phoenix and Mesa), AZ 2002

	#1	WORK SUPPORTS			
		#2	#3	#4	#5
Monthly Costs:	**Self-Sufficiency Standard**	**Child Support**	**Welfare-to-Work Package: Child Care, Food Stamps, Health Care [Medicaid], & Child Support**	**Welfare-to-Work Package: Child Care, Food Stamps, Health Care [KidsCare], & Child Support**	**Housing, Child Care, Food Stamps, & Health Care [KidsCare]**
Housing	$760	$760	$760	$760	**$450**
Child Care	$963	$963	**$99**	**$99**	**$99**
Food	$345	$345	**$152**	**$212**	**$279**
Transportation	$257	$257	$257	$257	$257
Health Care	$299	$299	**$0**	**$105**	**$105**
Miscellaneous	$262	$262	$262	$262	$262
Taxes	$639	$528	$68	$85	$88
Earned Income Tax Credit	$0	***	***	***	***
Child Care Tax Credit (-)	-$80	-$80	-$5	-$26	-$25
Child Tax Credit (-)	-$100	-$100	$0	-$3	-$9
Child Support	$0	**-$281**	**-$281**	**-$281**	$0
Self-Sufficiency Wage-					
Hourly	**$19.01**	**$16.78**	**$7.46**	**$8.35**	**$8.56**
Monthly	**$3,345**	**$2,953**	**$1,312**	**$1,470**	**$1,507**
Annual	**$40,142**	**$35,439**	**$15,750**	**$17,644**	**$18,081**
Total Federal EITC (annual)* **	**$0**	**$0**	**$3,445**	**$3,046**	**$2,954**
Child Tax Credit (annual refundable)* **	**$0**	**$0**	**$575**	**$729**	**$695**

*** *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.*

It should be noted that we attempted to model these work supports without the child support payment. However, without the help of child support, the wage needed to meet expenses excluded this family from the typical welfare-to-work package. In other words, *if child support were not paid, and this parent in turn made enough money meet the needs which are not subsidized (such as housing), plus pay those that are copayments (such as for child care and food), her income would be too high to qualify for these public work supports.*

Child Care, Food Stamps, Health Care [CHIP] and Child Support (Column #4): After two years, the parent making the transition from welfare to work loses Medicaid (AHCCS) for her whole family, although she is eligible for CHIP (KidsCare in Arizona) for health insurance coverage for her children (provided

her income stays below 200% of poverty). In the fourth column of Table 8, we model this change by assuming the children's health care costs are covered by CHIP (at this income level, no co-pays or premiums are required). The parent's costs are not covered at all, however, so the parent must pay for her share of the health insurance premium which is available through her employer. Thus her total monthly cost for health care becomes $105. Although this amount is not especially large, the loss of Medicaid (AHCCS) coverage for herself means that she must increase her earnings to pay for her health care costs, which in turn means that she loses some of her Food Stamps grant. Altogether, she must now earn **$8.35** per hour, almost a dollar more per hour, just to be able to meet her needs at the same level as when Medicaid (AHCCS) covered all of her family's health care costs. (Again, as with the preceding column, without the addition of a child support payment, this adult would not qualify for even this many work supports).

Housing, Child Care, Food Stamps and Health Care [CHIP] (Column #5): In the sixth column we have modeled the combination of child care, Food Stamps, health care [KidsCare-CHIP] and housing assistance. 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 more than $300 in Phoenix-Mesa. The combination of these work supports reduces the income needed to meet other needs, lowering the copayments as well. Altogether, these reduce the income needed to meet this family's needs to **$8.56** per hour.

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

The figures in Table 8 provide examples for one family, a single parent with one infant and one preschooler, living in Phoenix or Mesa. The impact of various work supports and taxes vary among different communities and family types, depending on cost levels and policy choices. What is clear from this example is that *public policy choices can have a substantial impact on the ability of families to become self-sufficient and in assisting families who receive the supports for which they are eligible.*

We also attempted to create a similar modeling table to show the impact of work supports on a two-parent family living in the same area. However, the wages needed to meet expenses, both subsidized and unsubsidized, for this family type were too high to qualify for any assistance under Arizona eligibility rules. In other words, in Arizona, if a two parent family with an infant and preschooler has an income that is low enough to be eligible for work subsidies, it would also be too low to meet their needs at a minimally adequate level.

By temporarily aiding families with work supports until they are able to earn Self-Sufficiency level Wages, families are able to meet their needs adequately as they enter or re-enter the workforce. Meeting their basic needs means that they are more likely to be able to achieve stability in their housing, child care, diet, and health care. This in turn helps support their 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. Supports for working families can offer an important benefit, especially for families with young children. However, benefits in Arizona are low and the eligibility requirements are stringent in comparison to some other states. For example, a married couple family would not be able to meet basic needs by combining earnings and public subsidies in Arizona.

Simply put, 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.[30] In Arizona, it is currently estimated that 28% of Arizona households, or 1.25 million people are experiencing a housing problem, defined as paying more than 30% of their income for housing, or living in overcrowded housing. This constitutes 44% of all current renters and 20% of all current homeowners in Arizona. The average waiting list for housing assistance in Arizona is two to three years.[31] In November 2001 in Arizona, there were 1,000 people on the waiting list for public housing subsidies in Maricopa County-Chandler, 65 people on a waiting list in Yavapai and Graham Counties,

and 197 persons on the waiting list for housing in Cochise County.[32]

- 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, and the Urban Institute reported that about two-thirds of those who left the Food Stamps program as they left welfare remained eligible.[33] Arizona leads the nation in the decline of Food Stamp participation from the period of March 1994 to January 1999. A recent survey of over 700 emergency food recipients in Arizona found that only 25% were enrolled in the Food Stamp program, although it is estimated that 75% are eligible. At the same time, the number of people living in poverty in Arizona has been steadily increasing. Thus, there is a growing population of people who may be eligible for Food Stamps but are not receiving any assistance.[34]

- Only 10% of about 15 million eligible children are receiving child care assistance nationwide;[35] In Arizona an estimated 42,206 children received TANF related, low-income working and transitional child care subsidies in Fiscal Year 2001.[36] However, more than 314,000 children in Arizona live below the poverty level.[37] All of these children and more qualify for assistance; The Arizona Department of Economic Security sets child care eligibility limits at 165% of poverty.

- 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.[38] A study by the Arizona Department of Economic Security reports that, one year after leaving TANF 24% of adults and 14% of children surveyed had no health insurance, either through Medicaid, employer or any other source.[39] In 1998, 356,000 (25.9%) of children in Arizona had no health insurance. Arizona ranks 51st in the nation in the percentage of children without health insurance.[40] As of February 2002, KidsCare, the Arizona CHIP program, only served 55,430 children.[41]

- Although 58% of custodial parents had child support awards, only 34% received at least part of the child support payment owed them, and less than 20% received the full amount owed. Not surprisingly, the national average monthly child support payment of $312 represents just 17% of a single mother's, and 11% of a single father's income.[42]

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

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, and local labor market supply and demand (to determine which if these jobs 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 jobs in the transportation sector. 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 states to supply additional supports to the low-wage workers (thus providing essentially a "double subsidy"). 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 assesses wage adequacy in Philadelphia.

The Standard has also been used to ***evaluate the impact of proposed policy changes***. As shown in this report (see Table 8), the Standard can be used to evaluate the impact of work support programs as well as other policy options such as child care co-payment schedules, or implementing tax reforms. 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 which identifies "the under employed worker" as an individual without the skills necessary to earn a wage equal to the Self-Sufficiency Measure. 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 Self-Sufficiency Standard shows that, for most families, earnings that are above the official poverty level — or are high enough to disqualify them from welfare — are nevertheless far below what they need to meet their families' basic needs.

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, 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 state. 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 healthcare 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 states' 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 California, Colorado, Connecticut, Illinois, Indiana, Iowa, Kentucky, Maryland, Massachusetts, Montana, Oklahoma, Nevada, New Jersey, New York, North Carolina, Pennsylvania, South Dakota, Texas, Utah, West Virginia, 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 Arizona, to order this publication or the Standard for a particular county, or to find out more about the Children's Action Alliance, please contact Elizabeth Hudgins at (602) 266-0707, ehudgins@azchildren.org. To download this publication or the Standard for a particular county, please go to www.azchildren.org.

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) two-bedroom housing in the most expensive place, Marin County, CA, part of the San Francisco metropolitan area, costs $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 Stamp program and uses the costs for June as an annual average.

[15] 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.

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

[17] The Henry J. Kaiser Family Foundation, State Health Facts Online, *Arizona: Average Annual Total Employment-Based Premiums, 1999* http://statehealthfacts.kff.org

[18] 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).

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

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

[21] Arizona Department of Economic Security, 2000 Welfare Reform Annual Report, p. 8

[22] The Census Bureau defines low hourly earnings as earnings that on a full-time basis would produce annual earnings roughly below the poverty line for a family of four. Data from the 1996, 1997 and 1998 CPS survey of the Census Bureau analyzed by the Center on Budget and Policy Prioroties reveal that 30% of working parents have low hourly earnings.

[23] Personal communication, Tom Rex, Center for Business Research, Arizona State University, Tempe, AZ 85287

[24] US Bureau of Labor Statistics, *Employment Characteristics of Families*, US Department of Labor, www.bls.gov/news.release.famee.t04.htm

[25] Catherine P. Montalto, *Wealth of American Households: Evidence From the Survey of Consumer Finances*, Report to the Consumer Federation of America. February, 2001.

[26]Under CHIP, health care coverage is provided for children in Arizona for families with net incomes (after certain deductions, such as for child care) that are less than 200% of poverty. Premiums vary from $0-$20, depending on income.

[27] 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 is "Monthly Operational Review of Earned Income Credit.")

[28]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.

[29]Personal Communication, Albert J. Lemke, Manager of Information and Reporting, Arizona Department of Economic Security, Division of Child Support Enforcement

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

[31]*The State of Housing in Arizona 2000,* Arizona Housing Commission, www.azcommerce.com/pdf/Housing/HsgReport.pdf

[32] Personnal Communications, November 2001, Chandler Housing and Redevelopment Division, Arizona State Department of Commerce, Cochise County Housing Development.

[33] "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.

[34] *Hunger in Arizona Anywhere is a Threat to Our Well-Being Everywhere, The Status of Hunger in Arizona*, 1999 Report. Hunger Advisory Council, Arizona Department of Economic Security, Community Services Administration and America's Second Harvest and Association of Food Banks, Hunger in America 2001, *America's Second Harvest, Arizona Summary Report*.

[35] 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.

[36] Arizona Department of Economic Security, Child Care Projections, December 12, 2000.

[37] Annie E. Casey Foundation, Kids County Databook 2001: state Profiles of Child Well-Being, Baltimore, MD.

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

[39] AZ Department of Economic Security, Division of Public Policy and Program Development, Best Practices Study, Cash Assistance Exit Study, 2nd year, Final Report, October 2001.

[40] Children's Defense Fund, Arizona State Report 2001, www.childrensdefense.org

[41] Arizona Health Care Cost Containment System, February Eligibility and Enrollment Report, www.ahcccs.state.az.us/Statistics

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

Data Sources

Data Type	Source	Assumptions
Child Care	AZ Dept of Economic Security, Division of Employment & Rehabilitation Services, Child Care Administration Child Care Market Rate Survey 2000, conducted by Maricopa County Office of Research & Reporting August 2000	Infant costs (which are the average of "children under one"and "one and two year olds" categories in the report) were calculated with the full time costs of care in a child care home (75th percentile). Preschool costs (ages 3-5) were calculated with the full time costs of care in a child care center (75th percentile). School-age costs were calculated with the part-time costs of care in child care centers (75th percentile).
Food	USDA Low-Cost Food Plan, June 2000.	USDA plan used for all counties. Assumed single adult families are headed by a female.
Health Insurance	Average employment –based health premiums for the state of Arizona supplied by Kaiser Family Foundation State Health Facts Online, www.statehealthfacts.kff.org. Out of Pocket Costs: US Dept. of Health and Human Servcies. 1987. *National Expenditure Survey, The Future of Children* , Winter 1992.	Statewide average is for both single and family coverage in 1999, updated with Medical Consumer Price Index. Two on-line insurance agencies doing business in Arizona were used to create a geographic ratio for health cost differentials throughout the state.
Housing	Department of Housing and Urban Development; *Fair Market Rents for the Section 8 Housing Assistance Payments Program - Fiscal Year 2001* . (10/01/99). (www.huduser.org). Approved Plans from Public and Indian Housing Authorities	Fair Market Rents by county and/or MSA and PMSA. Payment standards from HUD online at: http://www.hud.gov/pih/pha/plans/states/fy2000/arizona-00.html. If the payment standard was not listed, we called the appropriate PHA to find the payment standard. For counties without a PHA, we assumed a payment standard of 100%.
Taxes	AZ Dept. of Revenue/ www.revenue.state.az.us/ratetble.htm	Sales tax varies by county.
Transportation	Transportation: 1990 Census- Travel to Work Characteristics for the 50 largest metropolitan areas by population in the US (www.census.gov/population/socdemo/journey/msa50.txt); The Fixed Costs of Car Ownership (CEX updated with CPI); The distance traveled to work, RT NPTS 1995, Phoenix, inpts/1995/doc/index.shtml; State Average Expenditures & Premiums for Personal Automobile Insurance in 1998, April 1998. National Association of Insurance Commissioners (www.naic.org) Bonnie Perry/AZ Dept of Insurance (602)912-8400/ 2001 Auto Premium Comparison Survey & Motor vehicle Annual Report wwwstate.az.us/id	In the Tucson and Phoenix, 3-4% of people use public transportation to commute to work, so the cost of **private transportation** is the assumption throughout the state. Fixed cost of Car Ownership includes average car payment, maintenance, gas & oil. Distance travelled to work is 10.5 miles one way statewide, 11.3 in the Phoenix metro area. Statewide study of auto insurance rates was used to create a geographic ratio to trace auto insurance differentials throughout the state.

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 Arizona Metropolitan Areas and Non-Metropolitan Counties

Metropolitan Areas

Las Vegas , NV-AZ MSA

Mohave County

Phoenix-Mesa, AZ MSA

Maricopa County

Pinal County

Tucson, AZ MSA

Pima County

Yuma, AZ MSA

Yuma County

Non-Metropolitan Counties

Apache County

Cochise County

Coconino County

Gila County

Graham County

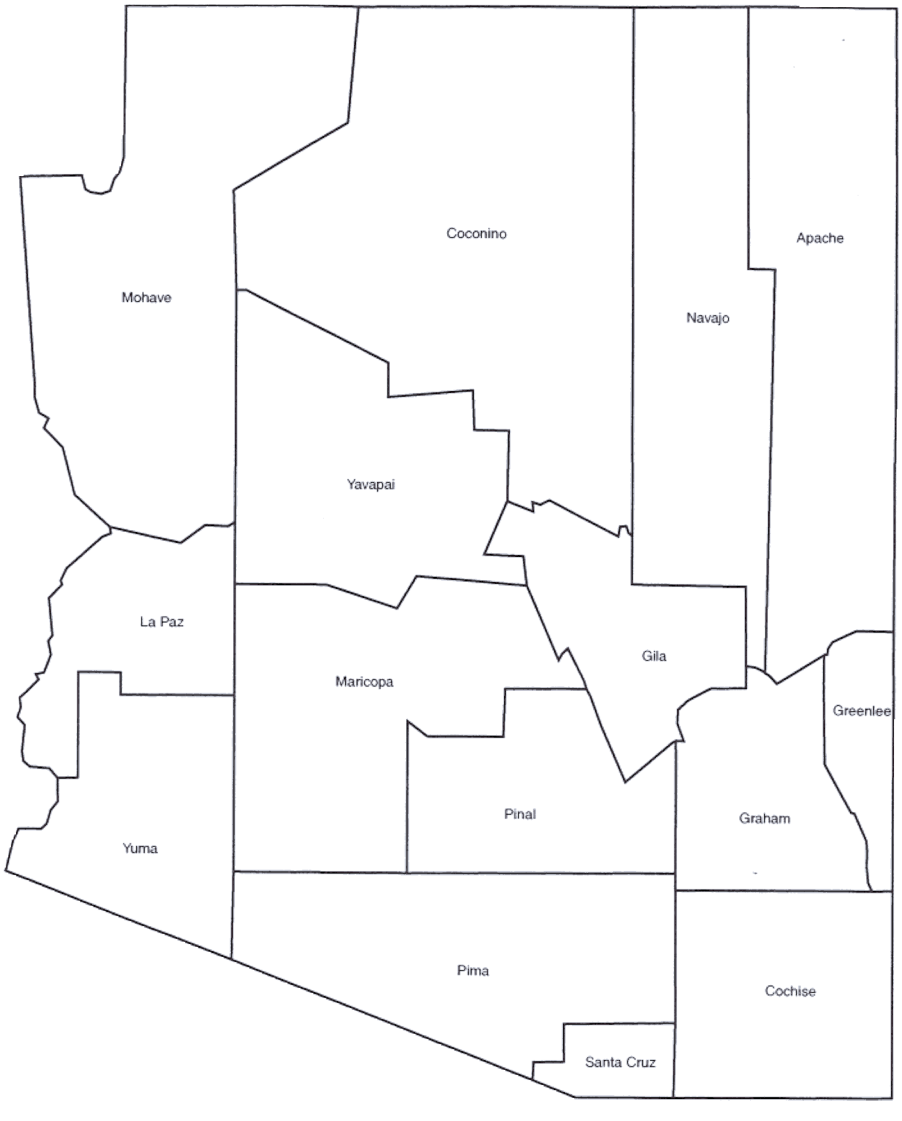
Greenlee COunty

La Paz County

Navajo County

Santa Cruz County

Map of Arizona Counties



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

Table 1
The Self-Sufficiency Standard for Las Vegas, NV-AZ MSA, 2002
Mohave 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	385	396	781	264	1045	781	660
Food	176	257	266	345	461	464	496	544
Transportation	214	220	220	220	220	220	425	425
Health Care	101	257	230	283	290	310	352	325
Miscellaneous	115	190	189	241	202	313	284	274
Taxes	289	436	433	541	383	739	648	591
Earned Income Tax Credit (-)	0	0	0	0	-57	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	**$8.83**	**$13.85**	**$13.79**	**$17.13**	**$13.67**	**$22.45**	**$10.19** *per adult*	**$9.72** *per adult*
-Monthly	**$1,553**	**$2,438**	**$2,427**	**$3,015**	**$2,405**	**$3,951**	**$3,588**	**$3,421**
-Annual	**$18,639**	**$29,250**	**$29,126**	**$36,174**	**$28,866**	**$47,406**	**$43,053**	**$41,053**

Table 2
The Self-Sufficiency Standard for Phoenix-Mesa, AZ MSA, 2002
Maricopa County - Chandler, Tempe

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	666	836	836	836	836	1163	836	836
Child Care	0	440	524	964	308	1272	964	832
Food	176	257	266	345	461	464	496	544
Transportation	252	257	257	257	257	257	496	496
Health Care	105	272	245	299	305	325	367	340
Miscellaneous	120	206	213	270	217	348	316	305
Taxes	306	499	524	669	462	910	776	733
Earned Income Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$9.22**	**$15.21**	**$15.77**	**$19.66**	**$15.37**	**$25.62**	**$11.57** *per adult*	**$11.10** *per adult*
-Monthly	**$1,623**	**$2,678**	**$2,775**	**$3,459**	**$2,706**	**$4,509**	**$4,071**	**$3,906**
-Annual	**$19,480**	**$32,130**	**$33,299**	**$41,514**	**$32,467**	**$54,109**	**$48,856**	**$46,874**

Table 3
The Self-Sufficiency Standard for Phoenix-Mesa, AZ MSA, 2002
Maricopa County - Phoenix, Mesa

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	605	760	760	760	760	1057	760	760
Child Care	0	440	524	964	308	1272	964	832
Food	176	257	266	345	461	464	496	544
Transportation	252	257	257	257	257	257	496	496
Health Care	105	272	245	299	305	325	367	340
Miscellaneous	114	199	205	262	209	337	308	297
Taxes	286	470	495	639	424	841	746	703
Earned Income Tax Credit (-)	0	0	0	0	-24	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	**$8.73**	**$14.57**	**$15.13**	**$19.01**	**$14.55**	**$24.56**	**$11.24** per adult	**$10.78** per adult
-Monthly	**$1,537**	**$2,565**	**$2,662**	**$3,346**	**$2,560**	**$4,323**	**$3,958**	**$3,793**
-Annual	**$18,442**	**$30,776**	**$31,945**	**$40,153**	**$30,720**	**$51,877**	**$47,495**	**$45,514**

Table 4
The Self-Sufficiency Standard for Phoenix-Mesa, AZ MSA, 2002
Maricopa County - Scottsdale

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	696	874	874	874	874	1216	874	874
Child Care	0	440	524	964	308	1272	964	832
Food	176	257	266	345	461	464	496	544
Transportation	252	257	257	257	257	257	496	496
Health Care	102	261	234	287	294	314	356	329
Miscellaneous	123	209	215	273	219	352	319	308
Taxes	315	509	543	679	472	940	787	743
Earned Income Tax Credit (-)	0	0	0	0	0	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$9.45**	**$15.44**	**$16.04**	**$19.88**	**$15.60**	**$26.05**	**$11.68** per adult	**$11.21** per adult
-Monthly	**$1,663**	**$2,717**	**$2,823**	**$3,499**	**$2,745**	**$4,584**	**$4,111**	**$3,946**
-Annual	**$19,953**	**$32,608**	**$33,881**	**$41,993**	**$32,944**	**$55,013**	**$49,335**	**$47,354**

Table 5
The Self-Sufficiency Standard for Phoenix-Mesa, AZ MSA, 2002
Maricopa County - (Excluding Chandler, Mesa, Phoenix, Scottsdale, Tempe)

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	605	760	760	760	760	1057	760	760
Child Care	0	440	524	964	308	1272	964	832
Food	176	257	266	345	461	464	496	544
Transportation	252	257	257	257	257	257	496	496
Health Care	105	272	245	299	305	325	367	340
Miscellaneous	114	199	205	262	209	337	308	297
Taxes	286	470	495	639	424	841	746	703
Earned Income Tax Credit (-)	0	0	0	0	-24	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	**$8.73**	**$14.57**	**$15.13**	**$19.01**	**$14.55**	**$24.56**	**$11.24** per adult	**$10.78** per adult
-Monthly	**$1,537**	**$2,565**	**$2,662**	**$3,346**	**$2,560**	**$4,323**	**$3,958**	**$3,793**
-Annual	**$18,442**	**$30,776**	**$31,945**	**$40,153**	**$30,720**	**$51,877**	**$47,495**	**$45,514**

Table 6
The Self-Sufficiency Standard for Phoenix-Mesa, AZ MSA, 2002
Pinal 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	551	692	692	692	692	962	692	692
Child Care	0	440	440	880	242	1122	880	682
Food	176	257	266	345	461	464	496	544
Transportation	237	242	242	242	242	242	467	467
Health Care	102	261	234	287	294	314	356	329
Miscellaneous	107	189	187	245	193	310	289	271
Taxes	263	434	427	557	338	754	672	585
Earned Income Tax Credit (-)	0	0	0	0	-95	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	**$8.15**	**$13.78**	**$13.63**	**$17.43**	**$12.64**	**$22.38**	**$10.43** per adult	**$9.63** per adult
-Monthly	**$1,434**	**$2,425**	**$2,399**	**$3,068**	**$2,225**	**$3,938**	**$3,672**	**$3,390**
-Annual	**$17,213**	**$29,103**	**$28,782**	**$36,818**	**$26,705**	**$47,262**	**$44,060**	**$40,680**

Table 7
The Self-Sufficiency Standard for Tucson, AZ MSA, 2002
Pima 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	486	647	647	647	647	899	647	647
Child Care	0	407	486	893	271	1164	893	757
Food	176	257	266	345	461	464	496	544
Transportation	238	244	244	244	244	244	471	471
Health Care	101	257	230	283	290	310	352	325
Miscellaneous	100	181	187	241	191	308	286	274
Taxes	240	396	424	540	333	740	656	593
Earned Income Tax Credit (-)	0	-11	0	0	-102	0	0	0
Child Care Tax Credit (-)	0	-42	-40	-80	-42	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$7.62**	**$12.99**	**$13.60**	**$17.12**	**$12.46**	**$22.15**	**$10.28** *per adult*	**$9.75** *per adult*
-Monthly	**$1,341**	**$2,285**	**$2,394**	**$3,014**	**$2,192**	**$3,898**	**$3,620**	**$3,430**
-Annual	**$16,098**	**$27,425**	**$28,728**	**$36,166**	**$26,308**	**$46,781**	**$43,440**	**$41,165**

Table 8
The Self-Sufficiency Standard for Yuma, AZ MSA, 2002
Yuma 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	453	603	603	603	603	838	603	603
Child Care	0	385	396	781	264	1045	781	660
Food	176	257	266	345	461	464	496	544
Transportation	230	235	235	235	235	235	453	453
Health Care	103	264	237	290	297	317	359	332
Miscellaneous	96	174	174	225	186	290	269	259
Taxes	222	366	363	484	329	675	578	539
Earned Income Tax Credit (-)	0	-32	-34	0	-119	0	0	0
Child Care Tax Credit (-)	0	-44	-44	-80	-44	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$7.27**	**$12.26**	**$12.19**	**$15.82**	**$12.00**	**$20.65**	**$9.54** *per adult*	**$9.12** *per adult*
-Monthly	**$1,279**	**$2,158**	**$2,145**	**$2,784**	**$2,112**	**$3,634**	**$3,359**	**$3,210**
-Annual	**$15,350**	**$25,900**	**$25,740**	**$33,410**	**$25,340**	**$43,606**	**$40,308**	**$38,524**

Table 9
The Self-Sufficiency Standard for Apache County, AZ, 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	396	503	503	503	503	656	503	503
Child Care	0	385	440	825	264	1089	825	704
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	102	262	235	289	295	315	358	331
Miscellaneous	90	163	167	219	175	275	262	252
Taxes	196	309	328	456	265	595	545	507
Earned Income Tax Credit (-)	0	-66	-54	0	-169	0	0	0
Child Care Tax Credit (-)	0	-46	-44	-80	-46	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$6.71**	**$11.05**	**$11.47**	**$15.25**	**$10.65**	**$19.27**	**$9.22** *per adult*	**$8.80** *per adult*
-Monthly	**$1,181**	**$1,945**	**$2,018**	**$2,684**	**$1,875**	**$3,392**	**$3,246**	**$3,098**
-Annual	**$14,168**	**$23,338**	**$24,219**	**$32,206**	**$22,500**	**$40,703**	**$38,947**	**$37,171**

Table 10
The Self-Sufficiency Standard for Cochise County, AZ, 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	396	503	503	503	503	656	503	503
Child Care	0	385	418	803	242	1045	803	660
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	102	262	235	289	295	315	358	331
Miscellaneous	90	163	165	217	173	271	260	247
Taxes	196	309	316	445	248	578	537	490
Earned Income Tax Credit (-)	0	-66	-61	-7	-180	0	0	0
Child Care Tax Credit (-)	0	-46	-46	-80	-48	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$6.71**	**$11.05**	**$11.21**	**$15.01**	**$10.35**	**$18.90**	**$9.13** *per adult*	**$8.61** *per adult*
-Monthly	**$1,181**	**$1,945**	**$1,973**	**$2,642**	**$1,821**	**$3,326**	**$3,213**	**$3,032**
-Annual	**$14,168**	**$23,338**	**$23,679**	**$31,699**	**$21,850**	**$39,915**	**$38,555**	**$36,387**

Table 11
The Self-Sufficiency Standard for Coconino, AZ, 2002
Flagstaff

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	685	889	889	889	889	1192	889	889
Child Care	0	385	440	825	264	1089	825	704
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	101	255	228	282	288	308	351	324
Miscellaneous	118	201	205	257	213	328	300	290
Taxes	301	480	495	617	445	804	713	674
Earned Income Tax Credit (-)	0	0	0	0	-8	0	0	0
Child Care Tax Credit (-)	0	-40	-40	-80	-40	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$9.11**	**$14.80**	**$15.11**	**$18.53**	**$14.99**	**$23.77**	**$10.88** per adult	**$10.46** per adult
-Monthly	**$1,603**	**$2,605**	**$2,660**	**$3,262**	**$2,639**	**$4,183**	**$3,830**	**$3,681**
-Annual	**$19,235**	**$31,256**	**$31,916**	**$39,140**	**$31,664**	**$50,195**	**$45,958**	**$44,173**

Table 12
The Self-Sufficiency Standard for Coconino, AZ, 2002
(Excluding Flagstaff)

Monthly Costs	Adult	Adult + infant	Adult + preschooler	Adult + infant preschooler	Adult + schoolage teenager	Adult + infant preschooler schoolage	2 Adults + infant preschooler	2 Adults + preschooler schoolage
Housing	623	808	808	808	808	1084	808	808
Child Care	0	385	440	825	264	1089	825	704
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	101	255	228	282	288	308	351	324
Miscellaneous	112	193	197	249	205	317	292	282
Taxes	280	448	463	584	400	757	680	641
Earned Income Tax Credit (-)	0	0	0	0	-43	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	**$8.60**	**$14.11**	**$14.42**	**$17.84**	**$14.03**	**$22.82**	**$10.53** per adult	**$10.11** per adult
-Monthly	**$1,513**	**$2,484**	**$2,539**	**$3,140**	**$2,470**	**$4,016**	**$3,708**	**$3,559**
-Annual	**$18,159**	**$29,805**	**$30,464**	**$37,679**	**$29,639**	**$48,196**	**$44,494**	**$42,710**

Table 13
The Self-Sufficiency Standard for Gila County, AZ, 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	396	503	503	503	503	656	503	503
Child Care	0	440	440	880	242	1122	880	682
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	102	262	235	289	295	315	358	331
Miscellaneous	90	169	167	224	173	278	267	250
Taxes	196	338	329	479	241	610	569	500
Earned Income Tax Credit (-)	0	-48	-54	0	-182	0	0	0
Child Care Tax Credit (-)	0	-44	-44	-80	-48	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$6.71**	**$11.67**	**$11.48**	**$15.72**	**$10.30**	**$19.56**	**$9.46** *per adult*	**$8.71** *per adult*
-Monthly	**$1,181**	**$2,054**	**$2,020**	**$2,767**	**$1,813**	**$3,443**	**$3,329**	**$3,067**
-Annual	**$14,175**	**$24,645**	**$24,236**	**$33,204**	**$21,750**	**$41,316**	**$39,953**	**$36,799**

Table 14
The Self-Sufficiency Standard for Graham County, AZ, 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	396	503	503	503	503	656	503	503
Child Care	0	385	418	803	242	1045	803	660
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	102	262	235	289	295	315	358	331
Miscellaneous	90	163	165	217	173	271	260	247
Taxes	196	309	316	445	245	578	537	490
Earned Income Tax Credit (-)	0	-66	-61	-7	-181	0	0	0
Child Care Tax Credit (-)	0	-46	-46	-80	-48	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$6.71**	**$11.05**	**$11.21**	**$15.01**	**$10.32**	**$18.90**	**$9.13** *per adult*	**$8.61** *per adult*
-Monthly	**$1,181**	**$1,945**	**$1,973**	**$2,642**	**$1,817**	**$3,326**	**$3,213**	**$3,032**
-Annual	**$14,168**	**$23,338**	**$23,679**	**$31,699**	**$21,800**	**$39,915**	**$38,555**	**$36,387**

Table 15
The Self-Sufficiency Standard for Greenlee County, AZ, 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	396	503	503	503	503	656	503	503
Child Care	0	385	418	803	242	1045	803	660
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	102	262	235	289	295	315	358	331
Miscellaneous	90	163	165	217	173	271	260	247
Taxes	196	309	316	445	251	578	537	490
Earned Income Tax Credit (-)	0	-66	-61	-7	-179	0	0	0
Child Care Tax Credit (-)	0	-46	-46	-80	-48	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$6.71**	**$11.05**	**$11.21**	**$15.01**	**$10.37**	**$18.90**	**$9.13** per adult	**$8.61** per adult
-Monthly	**$1,181**	**$1,945**	**$1,973**	**$2,642**	**$1,825**	**$3,326**	**$3,213**	**$3,032**
-Annual	**$14,168**	**$23,338**	**$23,679**	**$31,699**	**$21,900**	**$39,915**	**$38,555**	**$36,387**

Table 16
The Self-Sufficiency Standard for La Paz County, AZ, 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	396	503	503	503	503	656	503	503
Child Care	0	385	396	781	264	1045	781	660
Food	176	257	266	345	461	464	496	544
Transportation	230	235	235	235	235	235	453	453
Health Care	101	257	230	283	290	310	352	325
Miscellaneous	90	164	163	215	175	271	258	249
Taxes	199	311	308	436	228	581	534	496
Earned Income Tax Credit (-)	0	-65	-67	-15	-178	0	0	0
Child Care Tax Credit (-)	0	-46	-46	-80	-48	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$6.77**	**$11.09**	**$11.01**	**$14.79**	**$10.39**	**$18.93**	**$9.08** per adult	**$8.66** per adult
-Monthly	**$1,191**	**$1,951**	**$1,938**	**$2,603**	**$1,829**	**$3,332**	**$3,198**	**$3,050**
-Annual	**$14,296**	**$23,412**	**$23,253**	**$31,238**	**$21,950**	**$39,982**	**$38,373**	**$36,596**

Table 17
The Self-Sufficiency Standard for Navajo County, AZ, 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	396	503	503	503	503	656	503	503
Child Care	0	385	440	825	264	1089	825	704
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	102	262	235	289	295	315	358	331
Miscellaneous	90	163	167	219	175	275	262	252
Taxes	196	309	328	456	230	595	545	507
Earned Income Tax Credit (-)	0	-66	-54	0	-178	0	0	0
Child Care Tax Credit (-)	0	-46	-44	-80	-48	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$6.71**	**$11.05**	**$11.47**	**$15.25**	**$10.39**	**$19.27**	**$9.22** per adult	**$8.80** per adult
-Monthly	**$1,181**	**$1,945**	**$2,018**	**$2,684**	**$1,829**	**$3,392**	**$3,246**	**$3,098**
-Annual	**$14,168**	**$23,338**	**$24,219**	**$32,206**	**$21,950**	**$40,703**	**$38,947**	**$37,171**

Table 18
The Self-Sufficiency Standard for Santa Cruz County, AZ, 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	416	517	517	517	517	656	517	517
Child Care	0	385	418	803	242	1045	803	660
Food	176	257	266	345	461	464	496	544
Transportation	235	240	240	240	240	240	463	463
Health Care	102	262	235	289	295	315	358	331
Miscellaneous	93	166	168	219	176	272	264	252
Taxes	208	322	331	458	264	583	553	506
Earned Income Tax Credit (-)	0	-58	-53	0	-167	0	0	0
Child Care Tax Credit (-)	0	-46	-44	-80	-46	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage -Hourly	**$6.99**	**$11.34**	**$11.52**	**$15.29**	**$10.69**	**$19.01**	**$9.30** per adult	**$8.79** per adult
-Monthly	**$1,230**	**$1,996**	**$2,028**	**$2,692**	**$1,881**	**$3,346**	**$3,273**	**$3,092**
-Annual	**$14,761**	**$23,957**	**$24,338**	**$32,300**	**$22,575**	**$40,153**	**$39,278**	**$37,109**

Table 19
The Self-Sufficiency Standard for Yavapai County, AZ, 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	416	557	557	557	557	776	557	557
Child Care	0	385	440	825	264	1089	825	704
Food	176	257	266	345	461	464	496	544
Transportation	221	227	227	227	227	227	437	437
Health Care	104	268	241	294	301	321	363	336
Miscellaneous	92	169	173	225	181	288	268	258
Taxes	204	340	358	480	298	663	570	531
Earned Income Tax Credit (-)	0	-47	-36	0	-142	0	0	0
Child Care Tax Credit (-)	0	-44	-44	-80	-46	-80	-80	-80
Child Tax Credit (-)	0	-50	-50	-100	-100	-150	-100	-100
Self-Sufficiency Wage								
-Hourly	**$6.89**	**$11.71**	**$12.11**	**$15.76**	**$11.36**	**$20.44**	**$9.48** *per adult*	**$9.05** *per adult*
-Monthly	**$1,213**	**$2,062**	**$2,132**	**$2,773**	**$2,000**	**$3,598**	**$3,335**	**$3,187**
-Annual	**$14,552**	**$24,739**	**$25,578**	**$33,276**	**$24,000**	**$43,177**	**$40,023**	**$38,242**