How Much is Enough in Your County?

The 2008 California Family Economic Self-Sufficiency Standard

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INSIGHT
Center for Community Economic Development

Helping People and Communities Become, and Remain, Economically Secure

INSIGHT CENTER FOR COMMUNITY ECONOMIC DEVELOPMENT

The Insight Center for Community Economic Development, formerly NEDLC, located in Oakland, California, is a 39-year old national research, consulting, and legal organization dedicated to building economic health and opportunity in low-income communities. The Insight Center was one of four organizations that launched the Family Economic Self-Sufficiency Project and one of five organizations that launched the Elder Economic Security Initiative, innovative, nation-wide efforts to gain support for proven strategies to help low-income families and retired elders reach economic security. The Insight Center leads the California arm of these efforts, Californians For Economic Security (CFES).

Californians For Economic Security (CFES) is a statewide, research-driven coalition dedicated to ensuring that California's working families and retired elders can live with dignity and economic well-being. A statewide steering committee guides the overall direction of and identifies policy priorities—drawn from the Self-Sufficiency Standard data—to help close the gap between families' income and the rising cost of living in California. CFES is part of a national effort organized by Washington, D.C.-based Wider Opportunities for Women (WOW) in 36 states.

CFES is a project of the Insight Center for Community Economic Development (formerly NEDLC). The Insight Center utilizes a wide array of community economic development strategies including: industry-focused workforce development, individual and community asset building, connecting early care and education to economic development, providing legal support to California's legal service programs and community-based organizations, and advocating for the adoption of the Self-Sufficiency Standard as a measure of income adequacy and an alternative to the Federal Poverty Level.

The California Family Economic Self-Sufficiency Standard and Elder Economic Security Index are the primary organizing tools for the CFES network of over 400 advocates, service providers, public agencies, and grassroots groups committed to building economic security for families, seniors, and the communities in which they live. For more information contact:

Susie Smith or Jenny Chung
Californians For Economic Security (CFES)
Insight Center for Community Economic Development
2201 Broadway, Suite 815, Oakland, CA 94612-3024
TEL 510-251-2600
EMAIL ssmith@insightcced.org or jchung@insightcced.org
http://www.insightcced.org

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The 2008 California Family Economic Self-Sufficiency Standard has been prepared through the cooperative efforts of Dr. Diana Pearce, Liesl Eckert, Sarah Fickeisen, Karen Granberg, Catherine Hirst, Lisa Manzer, Maureen Newby, and Kate Morgan at the University of Washington, Center for Women's Welfare; Susan Smith, Tim Lohrentz, Susie Suafai, Tarecq Amer, and Jenny Chung at the Insight Center for Community Economic Development.

This report has been prepared through the cooperative efforts of Jenny Chung, Susan Smith, Lori Warren, Tim Lohrentz, Susie Suafai, Tarecq Amer, Esther Polk, Jesse Kelsey, Saskia Traill, and Melissa Ramos at the Insight Center for Community Economic Development.

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To learn how much is enough in each county in California, visit: www.insightcced.org/index.php?page=ca-sss.
To learn more about Californians For Economic Security (CFES), visit: http://www.insightcced.org/index.php?page=cfess.

How Much is Enough in Your County?
The 2008 California Family Economic Self-Sufficiency Standard

From Siskiyou to San Diego, the 2008 California Family Economic Self-Sufficiency Standard (Self-Sufficiency Standard)[1] shows that, *in every California county*, the cost for basic goods has risen significantly over the past five years. The Self-Sufficiency Standard measures how much income working individuals and families need to pay for their basic needs – including housing, food, child care, health care, transportation, and other basic needs – for *every* county in the California. With increases in these basic costs, more working families are struggling to make ends meet. The Self-Sufficiency Standard provides localized information that helps policymakers, advocates, foundations, direct service providers, and families make informed decisions about programs, policies, and personal goals that lead to economic security, where families have enough money to pay for their basic needs *and* enough to develop savings and assets.

Policy Recommendations:

Statewide Adoption of the Self-Sufficiency Standard

Increase Wages

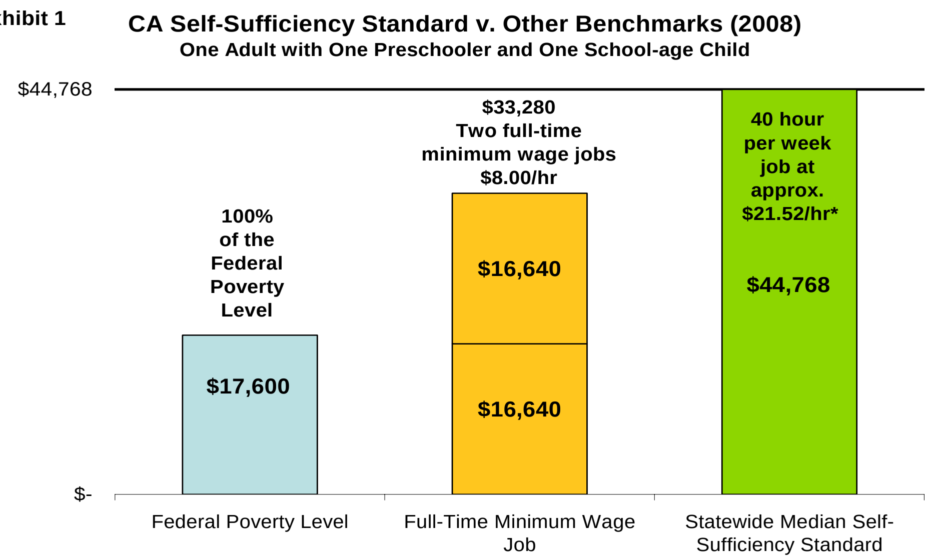
- Raise state and/or local minimum wage
- Employ sector workforce development strategies
- Increasing accessibility to higher education
- Support Earned Income Tax Credit (EITC) sites

Decrease Costs

- Expand eligibility for work supports
- Gradually reduce work supports as wages increase
- Increase affordable housing

The 2008 Self-Sufficiency Standard shows that despite recent increases in Califiornia's minimum wage from $6.75 to $8.00 an hour, a person working **two full-time** minimum wage jobs still does not earn enough to support a family in *any* county of California (Exhibit 1). There are variations throughout the state, but to give an idea of the income gap, one adult with a preschooler and a school-age child needs to earn $44,768 a year just to cover the most basic costs of living in today's economy.[2]

Exhibit 1



*** Note**: Because the Self-Sufficiency Standard includes the net effect of the addition of the Child Care and Child Tax Credits and the subtraction of taxes, the self-sufficiency wage would be closer to $21/hour.

[1] The Family Economic Self-Sufficiency Standard was developed and calculated by Dr. Diana Pearce at the University of Washington for 36 states. The Self-Sufficiency Standard methodology uses widely-accepted, publicly available state and federal data sources, such as the US Census Bureau and the US Department of Housing and Urban Development. The 2008 Self-Sufficiency Standard is the third update for California. For more information on the methodology, go to: http://www.insightcced.org/index.php?page=fesi.
[2] California median Self-Sufficiency Standard for a family consisting of one adult, a preschooler, and a school-age child.

Working families often fall through the cracks of our public policies: with two full-time minimum wage jobs, they earn too much to qualify for public work supports, such as child care and transportation, but not enough to pay for their basic needs. This is because access to these supports is often determined by unrealistically low estimates of income "adequacy", including the one-size-fits-all Federal Poverty Level (FPL). While a parent with a preschooler and a school-age child needs nearly $45,000 just to make ends meet, the FPL for this family of three is only $17,600 (Exhibit 1).

Both the minimum wage and FPL provide levels of *inadequacy*: the minimum wage offers workers an inadequate income and the FPL measures an extreme level of income inadequacy. Moreover, these two measures do not take into account the vast differences in local economies throughout California's 58 counties. In contrast, the Self-Sufficiency Standard provides an accurate and precise measure of income *adequacy* – it shows how much income individuals and families of different compositions need to meet their basic needs budget for *every* county in California.

Changes in Families' Basic Needs Budget Driven by Rising Costs

The 2008 Self-Sufficiency Standard reveals that rising costs over the past five years have significantly increased how much families need to earn just to make ends meet. Some key findings:

California's families experienced significant increases in all necessary costs, especially in child care and health care.

- A family consisting of two adults, a preschooler, and a school-age child now needs almost $53,000 a year just to meet their basic needs, which is an increase of $14,759.
- Transportation costs haved increased by almost 5%. [3]
- The cost of food in all counties rose 15%. [4]
- The cost of housing in many counties went up, between 20-40%.
- Child care costs in over 20 counties increased by more than 40%.
- Health care costs have skyrocketed, with some counties reporting increases of close to 40%.

Families in rural communities experienced a greater cost hike than urban-based families.

- Families[5] in rural counties experienced the largest overall jump in their basic needs budget, from an increase of $10,479 in El Dorado County to an increase of $18,441 in Colusa County.
- Growing child care costs significantly impacted rural counties, where costs climbed up to 60%.
- Despite the statewide housing downturn, housing costs in rural counties continued to rise, some exceeding a 50% increase. This trend reflects a migration from higher-cost coastal cities where home ownership is out of reach for many working familes to fast-growing rural communities where housing prices are more affordable.

[3] The Self-Sufficiency Standard incorporates costs from data sources available through January 2008. Therefore, very recent spikes in the cost of gasoline in early 2008 are not reflected in these numbers.
[4] The Self-Sufficiency Standard incorporates costs from data sources available through January 2008. Therefore, very recent spikes in the cost of food in early 2008 are not reflected in these numbers.
[5] The Self-Sufficiency Standard for a family with two adults, a preschooler, and a school-age child.

California counties vary significantly in how much families need to meet their basic needs, by nearly $30,000 for a family of four (two adults, a preschooler, and a school-age child).

- Marin County is the highest cost county in the state. In order to meet a basic needs budget, a family consisting of two adults, one preschooler, and a school-age child needs to earn $73,576 a year.
- Madera and Sierra Counties represent the mid-range cost counties. In order to meet a basic needs budget, a family consisting of two adults, one preschooler, and a school-age child needs to earn $52,852 a year in Madera County and $52,925 a year in Sierra County.
- Kern County is the most affordable county in the state. In order to meet a basic needs budget, a family consisting of two adults, one preschooler, and a school-age child needs to earn $44,686 a year.

Throughout California, the Self-Sufficiency Standard demonstrates that families need to earn significant amounts to cover their basic needs. How do these findings compare to California's current minimum wage?

California Minimum Wage Does Not Pay for Basic Needs

On September 12, 2006, California Governor Arnold Schwarzenegger signed into law California Assembly Bill (AB) 1835, which increased California's minimum wage by $1.25 per hour in two steps over a period of one year. On January 1, 2007, the California minimum wage increased by $0.75, from $6.75 per hour to $7.50 per hour. On January 1, 2008, the California minimum wage increased by an additional $0.50, from $7.50 per hour to $8.00 per hour.

Despite these recent increases, a parent with a preschooler and a school-age child still needs more than two full-time jobs in each county of the state just to make ends meet. That parent must earn approximately $21.52 per hour to cover basic costs, compared to the $8.00 per hour minimum wage.

Furthermore, since 2003, the *gap* between the Self-Sufficiency Standard and California's minimum wage has grown by nearly $11,000, showing that it is becoming increasingly difficult for working families to make ends meet in California (Exhibit 2).

Exhibit 2

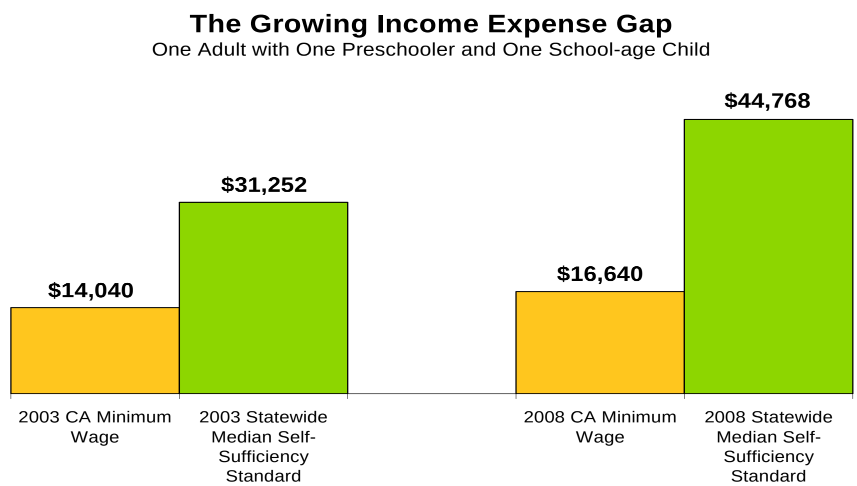


Exhibit 2 shows that it is not only parents earning the minimum wage who cannot afford their basic expenses – even those earning $20 per hour, or $41,600 a year, are struggling in high-cost California. For these families, works supports and other public programs like child care subsidies, CalWORKs, food stamps, and Medi-Cal, in theory, could help bridge this gap. However in reality, the eligibility criteria for these programs are based on measures of income *inadequacy*, such as the FPL.

Federal Poverty Level: A Measure of Income Inadequacy

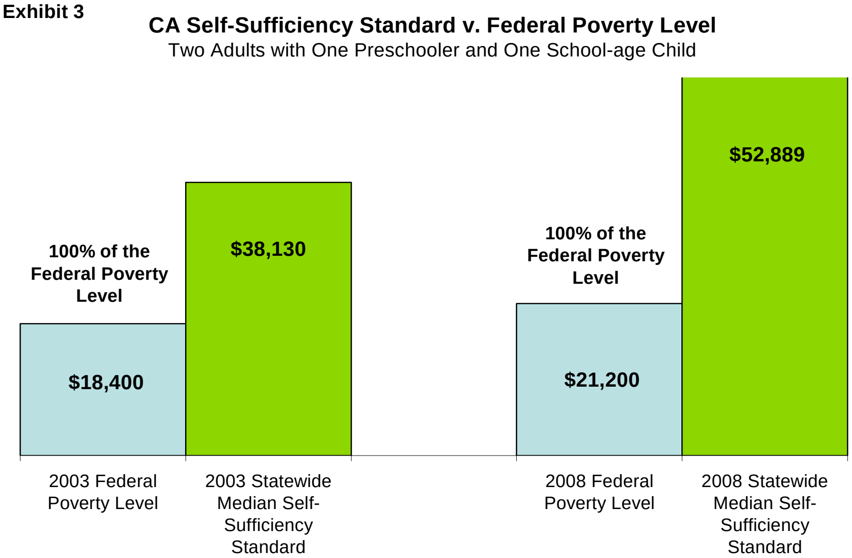
In California, as well as throughout the United States, the Federal Poverty Level (FPL) is commonly used to determine who is poor – unable to meet their families' most basic needs – and is therefore used to determine eligibility for many public programs (e.g. Food Stamps, Head Start, Medi-Cal, and others).[6] However, the FPL has numerous shortcomings, making it an outdated and inaccurate measure of economic health.

The FPL is a four-decade old, one-size-fits-all measure based solely on the cost of one item: food. The FPL was developed in the early 1960s and relies on the outdated assumption that food accounts for one-third of a household's overall expenses. This set ratio does not allow for some costs, such as housing, to rise faster than food. Developed before most women entered the workforce, the FPL assumes a two-adult household in which one parent works full-time and the other stays at home. Although the FPL varies by the *number* of people in a family, it does not vary by the *ages* of the people in the household, nor does it vary by geography. **The poverty thresholds are the same whether you live in a high cost market like San Francisco, California or a lower-cost market like Topeka, Kansas.** While the FPL is indexed to inflation each January, its basic methodological shortcomings cannot be solved by annual increases or by using a multiple of the threshold.

Despite its flawed structure, the FPL is still the benchmark by which eligibility for many public programs is determined and state and federal resources to local communities are allocated. According to the FPL, many families earn *too much* to qualify for public programs, but *not enough* to pay for their basic needs. **Two adults with a preschooler and a school-age child in California need to earn $52,889 a year to meet basic costs, which is more than double the federal poverty threshold for a 4-person family** (Exhibit 3). Moreover, the *gap* between the Self-Sufficiency Standard and 100% FPL has grown by over $11,000 since 2003, further highlighting the deficiencies of using the FPL as the eligbility measure for funding and programs that support working families.

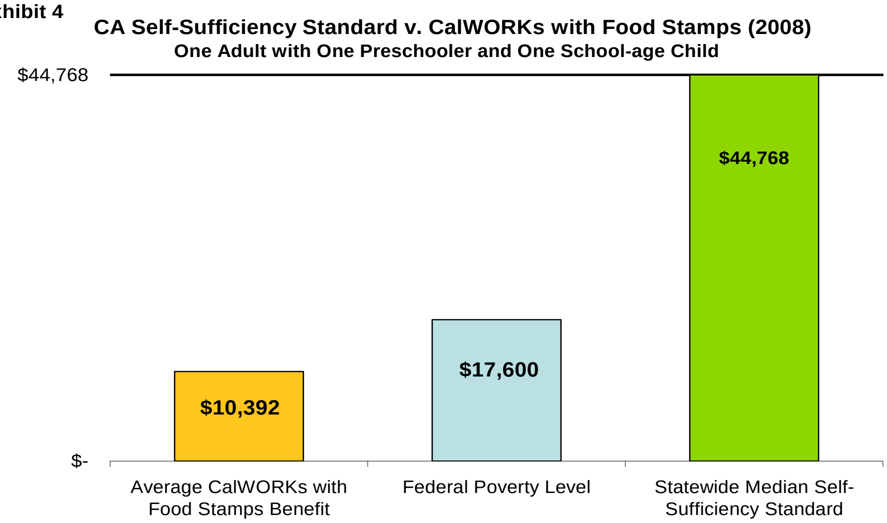
[6] Food Stamp eligibility is based on 100% FPL for a family's net income; Head Start eligibility is based on 100% FPL; School Lunch eligibility is based on 130% and 185% FPL; Medi-Cal eligibility for most women and children is based on 100-200% FPL; Healthy Families eligibility is based on 100-250% FPL.

Exhibit 3



For families that *do* qualify for supports, a pay raise that places them over the eligibility threshold will often terminate their *entire* benefit amount, rather than decrease the amount, gradually, as families become more economically secure and can cover their costs on their own. In addition, many supports do not provide enough for families to pay for their basic needs. As illustrated in Exhibit 4, **it would takes more than four times the average CalWORKs with food stamps benefit** to meet the needs of a family consisting of one adult, one preschooler, and a school-age child. This means that the CalWORKs with food stamps benefit cannot even bring a family to the poverty level. As a result, many working families find themselves in untenable positions, forced to choose between basic needs such as putting food on the table and taking their children to the doctor.

Exhibit 4



Contrary to its current use as a measure of income adequacy, the FPL is actually only a measure for extreme income *inadequacy*. In order for California's working families to progress toward and achieve economic security, policymakers, advocates, direct service providers, foundations, and families need a measure of income *adequacy* that reflects the true costs of living in California.

The Self-Sufficiency Standard: A Measure of Income Adequacy for California

The Self-Sufficiency Standard calculates the minimum income needed by working California families to meet their basic needs for every county in California. The Self-Sufficiency Standard, which was first calculated in 1996 and subsequently updated in 2000, 2003, and now 2008, provides basic needs budgets for 156 family types in each of our 58 counties. Using a nationally tested model that incorporates the most reliable and accurate national and local data available, the Self-Sufficiency Standard provides county-specific costs of basic necessities: housing, food, health care, other necessary basic goods, and costs associated with working—transportation, child care, and taxes. The Self-Sufficiency Standard is a more accurate calculation of income adequacy than other measures of well-being, including the FPL. The necessary wages defined in the Self-Sufficiency Standard are modest, but are not so low that they fail to adequately provide for a family.

Exhibit 5 **CA Self-Sufficiency Standard, Two Adults with a Preschooler and a School-Age Child (2008)**

County	Self-Sufficiency Standard per Year	County	Self-Sufficiency Standard per Year
Alameda	$ 58,251	Orange	$ 68,134
Alpine	$ 51,694	Placer	$ 58,023
Amador	$ 53,366	Plumas	$ 50,281
Butte	$ 50,250	Riverside	$ 54,288
Calaveras	$ 50,736	Sacramento	$ 54,189
Colusa	$ 52,490	San Benito	$ 57,834
Contra Costa	$ 58,174	San Bernardino	$ 57,135
Del Norte	$ 49,324	San Diego	$ 59,450
El Dorado	$ 56,346	San Francisco	$ 62,183
Fresno	$ 47,706	San Joaquin	$ 53,010
Glenn	$ 50,950	San Luis Obispo	$ 57,049
Humboldt	$ 51,293	San Mateo	$ 72,572
Imperial	$ 52,722	Santa Barbara	$ 61,343
Inyo	$ 48,819	Santa Clara	$ 68,430
Kern	$ 44,686	Santa Cruz	$ 65,726
Kings	$ 49,260	Shasta	$ 49,289
Lake	$ 50,833	Sierra	$ 52,925
Lassen	$ 49,955	Siskiyou	$ 48,448
Los Angeles	$ 58,659	Solano	$ 54,668
Madera	$ 52,852	Sonoma	$ 57,075
Marin	$ 73,576	Stanislaus	$ 51,421
Mariposa	$ 50,817	Sutter	$ 51,186
Mendocino	$ 52,006	Tehama	$ 51,439
Merced	$ 48,973	Trinity	$ 48,524
Modoc	$ 48,940	Tulare	$ 46,736
Mono	$ 57,509	Tuolumne	$ 51,628
Monterey	$ 58,895	Ventura	$ 65,293
Napa	$ 57,728	Yolo	$ 59,299
Nevada	$ 55,898	Yuba	$ 51,216

The updated 2008 Self-Sufficiency Standard provides a benchmark by which we can evaluate whether families have enough to meet their basic needs, and turn their attention to building a better future. It goes beyond establishing what is adequate versus what is inadequate to provide us with a better understanding of how to best support families in their own goals of economic security and well-being.

The Self-Sufficiency Standard Addresses California's Growing Income Expense Gap

By quantifying the gap between Californians' basic living expenses and their income, the Self-Sufficiency Standard has helped change how policymakers, advocates, foundations, and direct service providers have measured and responded to the needs of working families over the past twelve years. Below are just a few examples.

*How **Policymakers** Use the Self-Sufficiency Standard*

Policymakers use the Self-Sufficiency Standard to address the systemic problems of income adequacy in California. For example, in 2003, former State Senator Richard Alarcón introduced Senate Joint Resolution 15, which challenged the State of California to develop a poverty index that corresponds with the Self-Sufficiency Standard. The coalition behind the Self-Sufficiency Standard – Californians For Economic Security (CFES) – was actively involved in drafting Senate Bill 1639, a bill to increase access to quality, language-specific education and training programs for low-income parents and foster youth in California. This bill was passed into law in 2004. In 2007, the Los Angeles City Council passed a resolution in support of replacing the Federal Poverty Level with the more accurate and reliable Self-Sufficiency Standard.

Locally, policymakers have also used the Self-Sufficiency Standard to identify and develop programs designed to help working families move toward income adequacy. For example, the Workforce Investment Boards of Sacramento, Long Beach, Pasadena, San Francisco, Santa Cruz, Contra Costa, Mendocino, San Bernardino, and Oakland have adopted the Self-Sufficiency Standard to expand their income-eligibility criteria so that more workers have access to intensive case management and job-training programs. These workers would not have otherwise qualified for supports that enable them to reach true economic security.

*How **Advocates** Use the Self-Sufficiency Standard*

Advocates use the Self-Sufficiency Standard to effectively make the case for and bring about policy change. By using the Self-Sufficiency Standard, advocates illustrate the impact of certain policies and convey community needs to decision makers. For example, the Western Center on Law and Poverty (WCLP) educates policymakers and the public about the needs of low-income households by using the Self-Sufficiency Standard to examine and contrast the impacts of budget and policy proposals.

*How **Direct Service Providers** Use the Self-Sufficiency Standard*

The Self-Sufficiency Standard provides a much-needed tool for service providers to accurately evaluate the needs of their clients, and it provides a basis for leveraging additional private and public funding to increase their service capacity. In addition, direct service providers use the Self-Sufficiency Standard for education and job counseling as well as financial planning. For example, the California Association of Food Banks uses the Self Sufficiency Standard to identify strategies to reduce hunger in low-income households in key areas across the state. Their use of the Self-

Sufficiency Standard has led to the development of Earned Income Tax Credit (EITC) and Food Stamp Outreach projects in food banks across the state.

*How **Philanthropic Foundations** Use the Self-Sufficiency Standard*

More and more foundations across California are recognizing that an index that varies by local costs and family size, such as the Self-Sufficiency Standard, is an effective way to assess the impact of their grant-making. For example, the United Way of the Bay Area used the Self-Sufficiency Standard to track 100 families receiving various supports and evaluated which investments had the greatest impact. This year, Orange County United Way is working with 13 grantees to evaluate how effectively their programs move families toward self-sufficiency wages. Both of these foundations recognize that the most effective way to invest in job training and direct service programs is to know the *actual* costs faced by clients.

*How **Labor Unions** Use the Self-Sufficiency Standard*

Labor unions across the state and country are using the Self-Sufficiency Standard to negotiate higher wages. The Self-Sufficiency Standard has helped change the frame of the debate from negotiating "what the employer can pay" to "what workers need to survive." For example, the American Federation of State, County, and Municipal Employees (AFSCME) won a higher wage floor for over 8,000 University of California service workers after using the Self-Sufficiency Standard to illustrate the true costs of living in California.

*How **Public Agencies** Use the Self-Sufficiency Standard*

A number of Workforce Investment Boards, Community Action Agencies, CalWORKs agencies, and community colleges use the Self-Sufficiency Standard to: guide clients to quality jobs offering self-sufficiency wages; expand high-wage job training opportunities; and enable people to access work supports. For example, the Sacramento Employment and Training Agency (SETA) raised the eligibility criteria for intensive case management and training services to levels closer to the Self-Sufficiency Standard, which made their employment and training programs available to more people in their community. SETA also uses the Self-Sufficiency Standard to determine which industries with good wages are growing in the Sacramento area and directs its clients and public resources toward those industries.

*How **Families** Use the Self-Sufficiency Standard*

The Self-Sufficiency Standard has allowed working families to plan for their economic future and understand how their financial security is affected when their life circumstances change. Equipped with information on the minimum income needed to make ends meet, families make informed decisions about how much income they need to live in a given community. For example, workers, students, and college counselors have used the Self-Sufficiency Standard to identify career ladders that lead to self-sufficiency wages and to develop long-term career goals. They have also used it for personal financial planning and budgeting.

Policy Implications of the California Family Economic Self-Sufficiency Standard

The Self-Sufficiency Standard sets a new benchmark of income adequacy for policy and program development. It provides a vision of where families need to be economically and sets forth the ultimate goal of our public and private investments in California's working families. Over the past twelve years, policymakers, advocates, direct service providers, foundations, labor unions, public agencies, and families have and continue to use this tool to inform, evaluate, and augment their policies, campaigns, grant making, services, and personal goals. Given the need for and use of this localized and accurate measure by communities throughout the state, **we recommend the formal adoption of the California Family Economic Self-Sufficiency Standard by the state of California, and by foundations and service providers.**

This year, the state is facing a deeper deficit and proposing severe cuts that would place even more families at risk. During these difficult economic times, policymakers use the Self-Sufficiency Standard to more accurately evaluate the programs that most effectively support families in their path to economic security and the impact of the proposed reductions to those programs. For example, the Self-Sufficiency Standard shows that most families spend approximately half, if not more, of their income on housing and child care. Knowing what families need to spend on housing and child care, policymakers can see the impact of affordable housing and child care subsidies to the families who receive them, and understand how reducing those supports would be not only financially devastating, for the government as well as for families, but also counter-productive to the goal of moving families toward economic security.

Working families can only reach economic security by 1) increasing their income and/or 2) decreasing their costs. Below is a list of a seven strategies to increase income and/or decrease costs.

Strategies to Increase Income

1. Raise state minimum wage and/or local minimum wage

The Self-Sufficiency Standard illustrates that many working families need to work more than two, and in some places more than four, full-time minimum wage jobs to make enough to pay for their basic needs. In order to more effectively support family-sustaining wages, the state needs to raise the minimum wage to more accurately reflect the true cost of living in California. As has been done elsewhere in the country, local governments could also play a role by passing ordinances to raise the minimum wage in particularly high cost areas like the Bay Area, Los Angeles, and other coastal cities.

2. Invest in training workers for high-wage, high-growth sectors

Individuals and families need access to high-wage, high growth jobs if they are to reach economic security. Sector workforce development strategies include industry-specific training curricula for low-wage workers and unemployed individuals. Partnerships between the growing private industries, publicly-funded training entities, and community-based organizations to develop and implement sector workforce development strategies have proven particularly successful in helping families reach economic security. The public sector should invest in these partnerships and the comprehensive and effective job-training programs that emerge from these partnerships. Given

California's majority-minority demographics, programs that offer simultaneous language and job training (e.g. Vocational English as a Second Language, or VESL programs) are especially important.[7]

Workforce Investment Boards and state and local economic development departments should follow the leadership of a handful of such entities across the state and invest their public dollars and tax credits in growing sectors which lead to self-sufficiency wage jobs.

3. Make higher education accessible for families

Higher education is becoming increasingly out of reach for middle class and lower income families in California. As the state has cut funding for the community college and California State University systems, student fees have increased dramatically. For example, since 2002, student fees have increased by 94% for California State University students.[8] Such increases in fees have produced a decline in enrollment.[9] Lack of affordable higher education prevents families from reaching economic security and leaves businesses without a high quality, well-educated employment pool.

4. Support Earned Income Tax Credit sites

The Earned Income Tax Credit (EITC) provides a tax credit of up to $4,716 for working parents who earn up to $37,783.[10] However, few eligible families apply for the credit, especially in California: an estimated 650,000 Californians could claim it but do not.[11] Through the IRS and the US Department of Agriculture, the federal government has supported significant efforts to increase awareness and access to this program. Last year, the state set up a toll-free number for more information about this tax credit[12], and more recently, the State Legislature passed a law requiring employers to notify employees that they may be eligible for the EITC.[13] Still more could be done, however, to fund outreach programs here in California to get more dollars in the hands of working Californians.

Strategies to Decrease Costs

5. Expand eligibility for works supports, such as child care, transportation, job training, and food stamps

Many families earn *too much* to qualify for public programs, yet do not earn *enough* to pay for their basic needs—in part because eligibility is often based on the unrealistically low Federal Poverty Level. Some workers are even forced to decline taking a pay raise because the raise would make them ineligible for a work support and ultimately *worse off* economically.

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[7] For more information on these "sector strategies," visit the National Network of Sectors Partnership at http://www.insightcced.org/index.php/insight-communities/nnsp-homepage.
[8] Ferguson, B. (2007, May 10). "CSU Students Deliver 7,000 Letters on Fee Hikes on Steps of State Capitol, then Lobby Legislature and Governor." *California Progress Report*. http://www.californiaprogressreport.com/2007/05/csu_students_de.html.
[9] Maitre, M. (2005, December 16). "Community College Enrollment Drops." *Oakland Tribune*. http://findarticles.com/p/articles/mi_qn4176/is_20051216/ai_n15945470/print.
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[11] First Lady Maria Shriver Visits Compton Continuing Her Earned Income Tax Credit Initiative. (2007, March 21). Press Release. http://www.firstlady.ca.gov/index.php/news/258/.
[12] Id.
[13] State of California Employment Development Department. http://www.edd.ca.gov/eddeitc.htm

In other instances, parents may qualify for a benefit but long waiting lists prevent access. For example, families who no longer qualify for CalWORKS cash assistance often end up loosing their child care supplement because of long waiting lists for child care subsidies. Approximately 280,000 children from eligible families are on a waiting list to receive assistance to pay for child care.[14] More funding is needed to reduce these waiting lists and expand eligibility for critical work supports.

6. Gradually reduce work supports as wages rise

Low-wage individuals and families fall off a “benefits cliff”, where they are suddenly discontinued from a particular benefit because they make one dollar over the income eligibility category. For example, if a worker’s income increases beyond 100% of the Federal Poverty Line, s/he loses their *entire* allocation of Food Stamps. Public policies would better support workers’ progress toward economic security if there were a gradual decline in assistance: as income increases, the benefit declines until the worker reaches the Self-Sufficiency Standard level and can afford to pay for basic goods in the private market.

7. Increase availability of affordable housing

Similar to child care, even those who meet income eligibility requirements for subsidized housing have difficulty getting into affordable housing due to long waiting lists for the limited supply. Rental vouchers are limited, and little public housing has been built since the 1980s. For example, the Housing Choice Voucher Program[15] waiting list is over a half a million individuals; and nearly 320,000 people are on the Public Housing waiting list.[16] Low-wage workers are forced to double-up in housing or suffer hours-long commutes in order to afford housing in many housing markets of California.

Informed by the Self-Sufficiency Standard, these seven public policy recommendations would go a long way to help working families and others reach their own goals of true economic independence.

Conclusion

As a society, we believe that all Californians deserve to live with dignity and economic well-being. Our individual, public, and private investments should reflect that ultimate goal. The California Family Economic Self-Sufficiency Standard gives us a realistic, localized means to measure our collective progress toward that goal. It provides a vision of where we want to be as individuals, communities, and a state.

[14] “How Many Children Need Subsidized Child Care in California?" (2001, March 28). *California Budget Project*. http://www.cbp.org/pdfs/2001/qh010328.pdf.
[15] This program was formerly called the Section 8 Rental Housing Program.
[16] “Elders Living on the Edge; The Impact of California Support Programs When Income Falls Short in Retirement.” (February 2008). Wider Opportunities for Women. Brief.

To learn how much is enough in each county in California, visit: www.insightcced.org/index.php?page=ca-sss.
To learn more about Californians For Economic Security (CFES), visit: http://www.insightcced.org/index.php?page=cfess.