



# THE SELF-SUFFICIENCY STANDARD FOR CONNECTICUT 2015

Prepared for  
Connecticut Permanent Commission on the Status of Women



## THE PERMANENT COMMISSION ON THE STATUS OF WOMEN

The Permanent Commission on the Status of Women (PCSW) was formed in 1973 under Sec. 46a-1 of the Connecticut General Statutes to study and improve Connecticut women's economic security, health, and safety; to promote consideration of qualified women to leadership positions; and to work toward the elimination of gender discrimination. As a nonpartisan arm of the General Assembly, the agency monitors, critiques, and recommends changes to legislation in order to inform public policy, and assesses programs and practices in all state agencies for their effect on the state's women. The PCSW serves as a liaison between government and its diverse constituents, and convenes stakeholders—including the business, nonprofit and educational communities, local governments, and the media—in order to promote awareness of women's issues.

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## THE CENTER FOR WOMEN'S WELFARE

The Center for Women's Welfare at the University of Washington School of Social Work is devoted to furthering the goal of economic justice for women and their families. The main work of the Center focuses on the development of the Self-Sufficiency Standard. Under the direction of Dr. Diana Pearce, the Center partners with a range of government, non-profit, women's, children's, and community-based groups to:

- research and evaluate public policy related to income adequacy;
- create tools to assess and establish income adequacy; and
- develop programs and policies that strengthen public investment in low-income women, children, and families.

For more information about the Center's programs, or work related to the Self-Sufficiency Standard, call (206) 685-5264. This report and more can be viewed at <http://www.selfsufficiencystandard.org>.



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# THE SELF-SUFFICIENCY STANDARD FOR CONNECTICUT 2015

**By Diana M. Pearce, PhD • September 2015**

DIRECTOR, CENTER FOR WOMEN'S WELFARE  
UNIVERSITY OF WASHINGTON SCHOOL OF SOCIAL WORK

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## Preface

This report presents and analyzes *The Self-Sufficiency Standard for Connecticut 2015*. This measure calculates how much income a family must earn to meet basic needs, with the amount varying by family composition and where they live. The Standard presented here is a tool that can be used in a variety of ways—by clients of workforce/training programs seeking paths to self-sufficiency, by program managers to evaluate program effectiveness, and by policymakers and legislators seeking to create programs and pathways that lead to self-sufficiency for working families.

*The Self-Sufficiency Standard for Connecticut 2015* is the third calculation of this data. The Standard for Connecticut has been previously published for 2000 and 2005. As with all Self-Sufficiency Standard reports, this one was authored by Dr. Diana M. Pearce and produced by the Center for Women's Welfare at the University of Washington. This report, plus tables providing region-specific information for 152 family types, is available online at [www.selfsufficiencystandard.org](http://www.selfsufficiencystandard.org) or download the report at [www.ctpcsw.com](http://www.ctpcsw.com).

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

Over the past 19 years the Standard has been calculated in 37 states as well as the District of Columbia and New York City. Its use has transformed the way policies and programs for low-income workers are structured and has contributed to a greater understanding of what it takes to have adequate income to meet one's basic needs in the United States.

For further information about any of the other states with the Standard, including the latest reports, the Standard data itself, and related publications such as demographic reports (which analyze how many and which households are above and below the Standard), please see [www.selfsufficiencystandard.org](http://www.selfsufficiencystandard.org). A list of Self-Sufficiency Standard state partners is also available at this website.

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# Acknowledgments

*The Self-Sufficiency Standard for Connecticut 2015* has been prepared through the cooperative efforts of Lisa Manzer, Lisa Mikesell, and Karen Segar at the University of Washington, Center for Women's Welfare, and Carolyn Treiss and Christine Palm of the Permanent Commission on the Status of Women.

A number of other people have also contributed to the development of the Standard, its calculation, and the writing of state reports over the past 18 years. Jennifer Brooks, Maureen Golga, and Kate Farrar, former Directors of Self-Sufficiency Programs and Policies at WOW, were key to the early development of initiatives that promoted the concept of self-sufficiency and the use of the Standard, and were instrumental in facilitating and nurturing state coalitions. Additional past contributors to the Standard have included Laura Henze Russell, Janice Hamilton Outtz, Roberta Spalter-Roth, Antonia Juhasz, Alice Gates, Alesha Durfee, Melanie Lavelle, Nina Dunning, Maureen Newby, and Seook Jeong.

The conclusions and opinions contained within this document do not necessarily reflect the opinions of those listed above. Any mistakes are the author's responsibility.

# Executive Summary

The Permanent Commission on the Status of Women is publishing *The Self-Sufficiency Standard for Connecticut 2015* in an effort to ensure the best data and analyses are available to enable Connecticut's families and individuals to make progress toward real economic security. The result is a comprehensive, credible, and user-friendly tool.

At the heart of this report is the Self-Sufficiency Standard itself. This measure describes how much income families of various sizes and composition need to make ends meet without public or private assistance in each region of Connecticut. The Self-Sufficiency Standard is a measure of income adequacy that is based on the costs of basic needs for working families: housing, child care, food, health care, transportation, and miscellaneous items, as well as the cost of taxes and the impact of tax credits. In addition, this report provides for each family type, in each place, the amount of emergency savings required to meet needs during a period of unemployment or other emergency.

*The Self-Sufficiency Standard for Connecticut 2015* defines the income needed to realistically support a family, without public or private assistance. For most workers throughout Connecticut the Self-Sufficiency Standard shows that earnings well above the official Federal Poverty Level are nevertheless far below what is needed to meet families' basic needs.

The report begins with putting the Self-Sufficiency Standard in context, describing how it is a unique and important measure of income adequacy, comparing and contrasting it with federal poverty measures. The report then leads readers through a description of what a self-sufficient wage is for Connecticut families and how it differs depending on family type and geographic area. The report compares Connecticut to other places in the United States, demonstrates how the Standard has changed in Connecticut over time, and compares the Connecticut Standard to other commonly used benchmarks of income. For families without adequate income, the report models how public supports, such as child care assistance, can be a valuable resource to help families cover their basic needs as they move toward self-sufficiency. It concludes with a brief discussion of the various pathways to economic self-sufficiency.

The appendices provide: a more detailed explanation of the methodology and data sources used to calculate the Connecticut Standard; a discussion with examples of how the Self-Sufficiency Standard can be used as a tool to evaluate program performance, inform policy-making, counsel clients, and improve research on poverty and income adequacy; a more detailed comparison of the Connecticut Standard and federal poverty measures; detailed tables of the Standard, including the specific costs of meeting each basic need and the Self-



Sufficiency Wage for eight selected family types in 23 Connecticut regions; and detailed calculations behind the modeling of work supports' impact on wage adequacy in the report itself (Figure 10). Note that the data for the full set of 152 family types and each Connecticut region is available at <http://selfsufficiencystandard.org/pubs.html> and <http://ctpcsw.com/>

## SELECTED FINDINGS FROM THE SELF-SUFFICIENCY STANDARD FOR CONNECTICUT 2015

- **In Connecticut, the amount needed to be economically self-sufficient varies considerably by geographic location.** For instance, the amount needed to make ends meet for one adult and one preschooler varies from \$21.14 per hour (\$44,675 annually) in Windham to \$36.84 per hour (\$77,800 annually) in Lower Fairfield, or from 280% of the Federal Poverty Level to 488% of the Federal Poverty Level.
- **The Standard also varies by family type, that is, by how many adults and children are in a family and the age of each child.** One adult living in Bridgeport needs an hourly wage of \$10.27 (\$21,688 annually) to meet basic needs. For families with children, the amount needed to cover basic needs increases considerably. If

### The Self-Sufficiency Standard for Connecticut Regions and Select Family Types, 2015

	ONE ADULT	ONE ADULT ONE PRESCHOOLER	ONE ADULT ONE PRESCHOOLER ONE SCHOOL-AGE	TWO ADULTS ONE PRESCHOOLER ONE SCHOOL-AGE
WATERBURY	\$23,664	\$50,233	\$61,535	\$70,182
GREATER WATERBURY	\$26,259	\$53,838	\$65,008	\$73,513
DANBURY	\$30,187	\$61,917	\$73,885	\$82,351
GREATER DANBURY	\$32,340	\$64,072	\$76,619	\$84,327
NORTHWEST CORNER	\$23,926	\$51,279	\$62,708	\$71,219
BRIDGEPORT	\$21,688	\$54,142	\$64,940	\$70,003
STRATFORD	\$26,912	\$59,942	\$70,586	\$79,682
STAMFORD	\$38,623	\$74,600	\$87,013	\$93,026
NAUGATUCK VALLEY	\$26,721	\$54,893	\$66,427	\$75,139
UPPER FAIRFIELD	\$35,517	\$71,024	\$83,438	\$90,117
LOWER FAIRFIELD	\$40,721	\$77,800	\$89,914	\$95,447
HARTFORD	\$19,233	\$46,753	\$59,553	\$63,381
HARTFORD SUBURBS	\$27,381	\$56,436	\$68,742	\$77,309
NORTH CENTRAL	\$26,818	\$55,764	\$68,222	\$76,801
NEW HAVEN	\$23,641	\$51,597	\$63,185	\$67,225
UPPER CONNECTICUT RIVER	\$27,858	\$56,221	\$68,078	\$77,246
GREATER NEW HAVEN	\$29,788	\$58,449	\$69,750	\$78,467
LOWER CONNECTICUT RIVER	\$30,286	\$61,181	\$73,394	\$81,896
WINDHAM	\$20,842	\$44,657	\$53,436	\$61,064
GREATER WINDHAM	\$27,277	\$53,074	\$62,175	\$71,025
NEW LONDON	\$22,804	\$47,787	\$57,209	\$65,990
GREATER NEW LONDON	\$25,662	\$51,864	\$61,228	\$70,164
NORTHEAST CORNER	\$22,812	\$47,590	\$56,189	\$63,901



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THE COST OF MEETING BASIC NEEDS CONTINUES TO INCREASE IN MOST OF CONNECTICUT DESPITE STAGNATING WAGES AND DIFFICULT ECONOMIC TIMES.  
.....

the adult has a preschooler and a school-age child, the amount necessary to be economically secure triples, increasing to \$30.75 per hour (\$64,940 annually) in order to cover the cost of child care, a larger housing unit, and increased food and health care costs. For families with young children, the cost of housing and child care combined typically make up about 50% of the family's budget. For example, for this family type in Bridgeport, child care is 31% of the family's budget while housing is 19%. Food costs take up 13% and health care is 11% of the family's budget.

- **The amount needed to meet the costs of basic needs increased between 2005 and 2015 in all Connecticut regions, despite the financial crisis.** For a family with two adults, one preschooler, and one school-age child, the Standard increased between 15% and 46% percent, on average by 32%, across the state.
- **Although a fifth of Connecticut workers hold one of the top ten most common occupations in Connecticut (measured by the number of workers), only two of these occupations have median wages above the Standard for a family of three in Waterbury.** These two—registered nurses and general and operations managers—have median wages above the Self-Sufficiency Standard for one adult, one preschooler, and one school-age child in Waterbury, which is \$29.14 per hour (\$61,535 annually), while the median wages for the other eight are below this family type's Standard in Waterbury.
- **Maintaining an emergency savings fund is a crucial step towards economic security.** A single parent with a preschool-aged child living in the Northeast Corner needs earn \$3,966 per month to meet her basic needs. She needs to earn an additional \$68 per month to have an emergency savings fund. If she lives in Stamford she needs \$6,217 per month to be self-sufficient and an additional \$117 per month to save for emergencies.
- **The Federal Poverty Level for three-person families (\$20,090 annually) is set at a level well below what is minimally needed to meet a family's basic needs.** For example, the federal poverty measure is 35% of the Standard for one adult, one preschooler, and one school-age child in New London (\$27.09 per hour and \$57,209 annually).
- **A parent working full time and earning the state minimum wage (\$9.15 per hour in 2015) is going to fall short of meeting the Standard for a family with two young children.** If she lives in New London, she would be able to cover only 46% of her family's basic needs (with her take-home pay after accounting for taxes) if she had one preschooler and one school-age child.
- **The 2015 Self-Sufficiency Standard for one adult with one preschooler and one school-age child in Bridgeport (\$30.75 per hour) is comparable to Pasadena, CA (\$30.92 per hour).** The Self-Sufficiency Standard for the same family type in New Haven is the same wage as Boulder, CO (\$29.92 per hour).
- **Work supports are crucial for helping families meet their basic needs.** A single parent with one preschooler and one school-age child living in Hartford and working a full-time minimum wage job, which is \$9.15 in Connecticut, earns only 37% of the income needed to meet her family's basic needs if she is not receiving any work supports. With the help of housing, child care, food, and health care work supports, this parent could meet 88% of her family's needs.

- **A single adult supporting one preschooler and one school-age child and living in Hartford, and transitioning from welfare to work, with the help of child care assistance, food assistance (SNAP and WIC), and Medicaid, would be able to meet her family's needs with a wage of \$13.20 per hour, significantly less than the full Self-Sufficiency Wage of \$28.20 per hour.**

Clearly, the cost of meeting basic needs has continued to increase in most of Connecticut despite stagnating wages and difficult economic times. Further, what it takes to become self-sufficient in Connecticut depends on where a family lives, how many people are in the family and the number and ages of children.

## WHAT THE SELF-SUFFICIENCY STANDARD MEANS FOR CONNECTICUT

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

**REDUCING COSTS** means ensuring families who are struggling to cover basic costs have access to work supports—such as child care assistance, food benefits, and the Earned Income Tax Credit—that offer stability and resources while they become self-sufficient. Most individuals cannot achieve self-sufficiency through stopgap measures or in a single step, but require transitional work supports, guidance, and the removal of barriers to help meet monthly expenses as families work towards self-sufficiency over time.

**RAISING INCOMES** means enhancing skills as well as improving access to jobs that pay self-sufficient wages and have career potential. A strong economy will mean good jobs that pay self-sufficient wages, a workforce with the skills necessary to fill those jobs, and enhancing links and removing barriers between those jobs and the workers that need them. Key to raising incomes are public policies such as living/minimum wage policies and paid sick and family/medical leave, that increase wages directly. Likewise, access to education, training, and jobs that provide real potential for skill and career advancement over the long term is also important.

The Self-Sufficiency Standard can be used as a tool to:

- Evaluate proposed policy changes,
- Target resources toward job training for fields that pay self-sufficient wages,
- Evaluate outcomes for clients in employment programs,
- Assist grant-makers with needs analyses of their communities to assess the impacts of their grants, and
- Serve as a counseling tool in work training programs.

The Self-Sufficiency Standard is currently used to better understand issues of income adequacy, analyze policy, and help individuals striving to be self-sufficient. Community organizations, academic researchers, foundations, policy institutes, legal advocates, training providers, community action agencies, and state and local officials, among others, are using the Self-Sufficiency Standard.

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## Introduction

This report documents the increasing costs of living in Connecticut in the last decade. Even as Connecticut's economy emerges from the Great Recession, many of the longer-term trends continue, particularly stagnating wages and widening income inequality. As a result, many find that even with full-time jobs, they are unable to stretch their wages to pay for basic necessities. Indeed in many places in Connecticut the gap between income and expenses has continued to widen, as the costs of food, housing, transportation, health care, and other essentials have risen—even during the Great Recession—while wages have not.

The Self-Sufficiency Standard highlights the growing gap between sluggish wages and ever-increasing expenses, clearly illuminating the economic “crunch” experienced by so many families today.<sup>1</sup> Moreover, by tracking and calculating the true cost of living facing American families, the Standard allows for comparisons of area geographic differences as well as documentation of historical trends.

*The Self-Sufficiency Standard for Connecticut 2015* defines the amount of income necessary to meet the basic needs of Connecticut families, differentiated by family type and where they live. The Standard calculates the costs of six basic needs plus taxes and tax credits. It assumes the full cost of each need, without help from *public* subsidies (e.g., public housing, Medicaid, or child care assistance) or *private/informal* assistance (e.g., unpaid babysitting by a relative or friend, food from food banks, or shared housing).

The Self-Sufficiency Standard measures how much income a family of a certain composition in a given place needs to adequately meet their basic needs—*without public or private assistance*.

This report presents the Standard and what it means for Connecticut families. Below is a summary of the sections included in this report:

- The introduction explains the unique features of the Self-Sufficiency Standard and how it is calculated.
- The main body presents the details of the Standard for Connecticut: how much a self-sufficient income is for Connecticut families, how the Standard varies by family type and region, and how the Connecticut Standard compares to other places across the United States.
- Subsequent sections track how the Connecticut Standard has changed over the past years, and how the Standard compares to other common benchmarks of income.
- The next section discusses how work supports can help families move toward self-sufficiency, as well as strategies for closing the gap between prevailing wages and the Self-Sufficiency Standard.

- The final section discusses what it takes to move toward long-term economic security once the resources needed to meet basic needs have been secured. This includes assets, savings, and investments to achieve long-term financial goals.

This report also has several appendices:

- Appendix A: *Methodology* provides a detailed description of the data and sources used to calculate the Standard.
- Appendix B: *Applications and Uses* explains the various ways of using the Standard to inform policy making, counsel clients, evaluate programs, and improve poverty research.
- Appendix C: *The Self-Sufficiency Standard for Connecticut Compared to the Federal Poverty Level* explains federal approaches to measuring poverty and shows the Self-Sufficiency Standard for Connecticut for select family types as a percentage of the Federal Poverty Level.
- Appendix D: *The Self-Sufficiency Standard for Select Family Types in Connecticut* provides detailed tables of the Self-Sufficiency Standard for eight select family types in each Connecticut region.
- Appendix E: *Impact of Work Supports on Wage Adequacy* shows the data behind Figure 10.

## A REAL-WORLD APPROACH TO MEASURING NEED

The Self-Sufficiency Standard is a unique measure of income adequacy that uses a modern, comprehensive, and detailed approach to determine what it takes for today’s families to make ends meet. The key elements of the Standard that distinguish it from other measures of income adequacy or poverty are the following:

### A FOCUS ON MODERN FAMILIES WITH WORKING

**ADULTS.** Because paid employment is the norm for supporting families today in the United States,<sup>2</sup> the Standard assumes all adults work to support their families, and thus includes the costs of work-related expenses such as child care (when needed), taxes, and transportation.

**GEOGRAPHIC VARIATION IN COSTS.** The Standard uses geographically specific costs that are calculated at the county/region/city level as data availability allows.

**VARIATION BY FAMILY COMPOSITION.** Because the costs of some basic needs vary substantially by the age of children, the Standard varies by both the number and age of children. While food and health care costs are slightly lower for younger children, child care costs are generally much higher—particularly for children not yet in school—and therefore become a substantial budget item for workers with young children.

**INDIVIDUAL AND INDEPENDENT PRICING OF EACH COST.** Rather than assume that any one item is a fixed percentage of family budgets, the Standard calculates the real costs of meeting each of the major budget items families encounter, including housing, child care, food, health care, transportation, miscellaneous items, and taxes. The costs are set at a minimally adequate level, which is determined whenever possible by using what government sources have determined are minimally adequate for those receiving assistance, e.g., child care subsidy benefit levels.

**TAXES AND TAX CREDITS ARE INCLUDED AS BUDGET ITEMS.** Instead of calculating needs “pretax,” taxes and tax credits are included in the budget itself. Taxes include state and local sales tax, payroll (including Social Security and Medicare) taxes, federal and state income taxes, plus applicable state and federal tax credits.

**PERMITS MODELING OF THE IMPACT OF SUBSIDIES.** Because the Standard specifies the real cost of each major necessity, it is possible to model the impact of specific subsidies (such as the Supplemental Nutrition Assistance Program, child care assistance, or Medicaid) on reducing (or increasing) costs. Likewise, the adequacy of a given wage for a given family, with and without subsidies, can be evaluated using the family’s Standard as the benchmark.

Altogether, the above elements of the Standard make it a more detailed, modern, accurate, and comprehensive measure of economic well-being than the Federal Poverty Level. *Appendix C* provides a more detailed explanation of the federal approaches to measuring poverty, including the Federal Poverty Level and the Supplemental Poverty Measure, and how the Standard contrasts with each approach.

## How is the Connecticut Standard Calculated?

The goal for creating the Self-Sufficiency Standard is to calculate the amount needed to meet each basic need at a minimally adequate level, without public or private assistance, and to do so in a way that makes the Standard as consistent and accurate as possible, yet varied by geography and family composition. In selecting data sources, to the maximum extent possible, the data used in the Self-Sufficiency Standard meet the following criteria:

- collected or calculated using standardized or equivalent methodology nationwide;
- obtained from scholarly or credible sources, such as the U.S. Census Bureau;
- set at the level that meets a given need at a minimally adequate level, usually by or for a government aid agency;
- updated regularly (preferably annually or biennially); and
- geographically and/or age-specific, as appropriate.

The Self-Sufficiency Standard is calculated for 152 different family types for 23 regions in Connecticut. Family types range from one 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 plus larger and multi-generational families.

The data components of the Standard and the assumptions included in the calculations are briefly described below (more detailed information is included in *Appendix A: Methodology, Assumptions, and Sources*). These data elements and assumptions are standard for all states unless otherwise noted.

**HOUSING.** For housing costs, the Standard uses the most recent Fair Market Rents (FMRs), which are calculated annually by the U.S. Department of Housing and Urban Development (HUD) for each state’s metropolitan and non-metropolitan areas. FMRs include utilities (except telephone and cable) and reflect the cost of housing that meets basic standards of decency. FMRs are generally set at the 40th percentile, meaning that 40% of the housing in a given area is less expensive than the FMR.<sup>3</sup>

HUD calculates only one set of FMRs for each metropolitan area. To calculate variation in housing costs by towns within a metropolitan area we adjust the FMRs using

median gross rents for towns from the U.S. Census Bureau American Community Survey (ACS).

**CHILD CARE.** To calculate the cost of child care, the Standard utilizes market-rate costs (defined as the 75th percentile) by facility type, age, and geographic location.<sup>4</sup> Most states conduct or commission market-rate surveys for setting child care assistance reimbursement rates. While Connecticut conducted a market-rate survey in 2013, reimbursement rates are still based on the 2002 survey. Calculations for infants and preschoolers are based on full-time child care while school-age children receive care before and after school (part time).

**FOOD.** The Standard uses the U.S. Department of Agriculture Low-Cost Food Plan for food costs. The Low-Cost Food Plan was designed to meet minimum nutritional standards using realistic assumptions about food preparation time and consumption patterns. However, it is still a very conservative estimate of food costs. For instance, the Low-Cost Food Plan does not allow for any take-out or restaurant meals. Geographic differences in food costs are calculated using Feeding America’s Map the Meal Gap data based on Nielsen scans of grocery receipts to calculate comparative food costs across the country.

**TRANSPORTATION.** If there is an “adequate” public transportation system in a given area, the Standard assumes workers use public transportation to get to and from work. A public transportation system is considered “adequate” if it is used by 7% or more of the working population in a given geographic area. In Connecticut, public transportation is assumed for Bridgeport, Hartford, and New Haven while private transportation is assumed for all other regions.

Private transportation costs are based on the average costs of owning and operating a car. One car is assumed for households with one adult, and two cars are assumed for households with two adults. Per-mile costs (e.g., gas, oil, tires, and maintenance) are calculated from the American Automobile Association. Commuting distance is computed from the National Household Travel Survey. Auto insurance premiums are the average statewide premium cost from the National Association of Insurance Commissioners. Within-state variation in auto insurance premiums is calculated



using sample premiums from automobile insurance companies with large market shares in the state. Fixed costs of car ownership (e.g. license, registration, repairs, monthly payments) are calculated using Consumer Expenditure Survey amounts for families with incomes between the 20th and 40th percentile. The initial cost of purchasing a car is not included.

**HEALTH CARE.** The Standard assumes that an integral part of a Self-Sufficiency Wage is employer-sponsored health insurance for workers and their families. For full-time workers, employers with 50 or more full-time workers must provide health insurance or pay a fine, as a result of the Patient Protection and Affordable Care Act. Health care premiums are the statewide average paid by workers for single adults and for families, from the national Medical Expenditure Panel Survey.<sup>5</sup> Premiums are varied by region using sample insurance rates for top market share companies in the state. Health care costs also include regional out-of-pocket costs calculated for adults, infants, preschoolers, school-age children, and teenagers.

**MISCELLANEOUS.** Miscellaneous expenses are calculated by taking 10% of all other costs. This expense category consists of all other essentials including clothing, shoes, paper products, diapers, nonprescription medicines, cleaning products, household items, personal hygiene items, and telephone service. It does not allow for recreation, entertainment, savings, or debt repayment.

**TAXES.** Taxes include federal income tax, payroll taxes, and state and local sales taxes where applicable. Additionally, the Standard includes federal, state, and local tax credits. Tax credits calculated in the Standard include: the federal Child and Dependent Care Tax Credit (referred to in the Standard as the Child Care Tax Credit or CCTC); the federal and Connecticut Earned Income Tax Credit (EITC); and the federal Child Tax Credit (CTC). Note that property taxes are assumed to be included in the cost of housing, as are gasoline taxes in the cost of transportation.

**SAVINGS.** Emergency savings go towards the amount needed to cover living expenses when there is job loss, net of the amount expected to be received in unemployment benefits. The amount calculated takes into account the average tenure on a job of Connecticut workers, and the average length of the job loss period. In two-adult

households, it is assumed that the second adult continues to be employed, so that the savings only need to cover half of the family's basic living expenses over the job loss period. Since the monthly emergency savings contribution requires additional earnings, the estimate includes the calculation of taxes that would be needed for the additional earnings, using the applicable tax rates at current earnings levels, that is, at the Self-Sufficiency Standard level.

Table 1. Items Included in the Standard

COST	WHAT IS INCLUDED IN BUDGET?
HOUSING	YES: Rent and Utilities NO: Cable or telephone
CHILD CARE	YES: Full-time care for infants and preschoolers, and before and after school care for school-age children NO: After school programs for teenagers, extracurricular activities, babysitting when not at work
FOOD	YES: Food for home preparation NO: Take-out, fast-food, or restaurant meals or drinks
TRANSPORTATION	YES: Car ownership cost (per adult)—insurance, gas, oil, registration, repairs, monthly payment—or public transportation when adequate. Only for commuting to work and day care plus a weekly shopping trip NO: Non-essential travel, vacations, etc.
HEALTH CARE	YES: Employer-sponsored insurance premium and out-of-pocket costs NO: Health savings account, gym memberships, individual health insurance
TAXES	YES: Federal and state income tax and tax credits, payroll taxes, and state and local sales taxes NO: Itemized deductions, tax preparation fees or other taxes
MISCELLANEOUS	YES: Clothing, shoes, paper products, diapers, nonprescription medicines, cleaning products, household items, personal items, and telephone service NO: Recreation, entertainment, debt payment, pets, education, gifts, internet, student loan repayment
SAVINGS	YES: Rainy day fund for job loss or other short-term crisis. NO: Long-term savings for retirement, education, or home-ownership.

Detailed information on the methodology of the Self-Sufficiency Standard and the Connecticut specific data sources, are included in *Appendix A: Methodology, Assumptions, and Sources*.

## How Much Does it Cost to Make Ends Meet in Connecticut?

How much income families need to be economically self-sufficient depends both on family composition—how many adults and how many children and the children’s ages—and where they live. **Table 2** illustrates how substantially the Standard varies by family type by showing the Standard for four different family configurations in Bridgeport.

- A single adult needs to earn \$10.27 per hour working full time to be able to meet his or her basic needs, which is over a dollar more than the Connecticut minimum wage (\$9.15 per hour in 2015).
- Adding a child more than doubles this number; one parent caring for one preschool-aged child needs to earn \$25.64 per hour to be self-sufficient.
- Adding a second child further increases the wage: one parent with two children—a preschooler and school-age child—needs \$30.75 per hour to meet her family’s basic needs. Even with one of the highest state minimum

wages, this is the equivalent of over three full-time minimum wage jobs in Connecticut.<sup>6</sup>

- When there are two adults, the additional adult adds some costs, but splits the economic burden; nevertheless, two parents with one preschooler and one school-age child *each* need to earn a minimum of \$16.57 per hour, working full time, to meet their family’s basic needs.

In addition to varying by family composition, the Self-Sufficiency Standard also varies by geographic location. The map in **Figure 1** displays the geographic variation in the

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THE AMOUNT OF MONEY FAMILIES NEED TO BE ECONOMICALLY SELF-SUFFICIENT VARIES DRASTICALLY DEPENDING ON FAMILY SIZE AND THE GEOGRAPHIC REGION OF RESIDENCE.

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**TABLE 2. The Self-Sufficiency Standard for Select Family Types\***  
*Monthly Expenses and Shares of Total Budgets: Bridgeport, CT 2015*

MONTHLY COSTS	ONE ADULT		ONE ADULT, ONE PRESCHOOLER		ONE ADULT, ONE PRESCHOOLER, ONE SCHOOL-AGE		TWO ADULTS, ONE PRESCHOOLER, ONE SCHOOL-AGE	
	Costs	%	Costs	%	Costs	%	Costs	%
Housing	\$828	46	\$1,054	23	\$1,054	19	\$1,054	18
Child Care	\$0	0	\$1,186	26	\$1,676	31	\$1,676	29
Food	\$304	17	\$462	10	\$696	13	\$955	16
Transportation	\$70	4	\$70	2	\$70	1	\$140	2
Health Care	\$199	11	\$592	13	\$615	11	\$671	12
Miscellaneous	\$140	8	\$336	7	\$411	8	\$450	8
Taxes	\$265	15	\$945	21	\$1,156	21	\$1,154	20
Earned Income Tax Credit (-)	\$0	0	\$0	0	\$0	0	\$0	0
Child Care Tax Credit (-)	\$0	0	(\$50)	-1	(\$100)	-2	(\$100)	-2
Child Tax Credit (-)	\$0	0	(\$83)	-2	(\$167)	-3	(\$167)	-3
<b>TOTAL PERCENT</b>		<b>100</b>		<b>100</b>		<b>100</b>		<b>100</b>
<b>SELF-SUFFICIENCY WAGE</b>								
<b>HOURLY**</b>	<b>\$10.27</b>		<b>\$25.64</b>		<b>\$30.75</b>		<b>\$16.57</b>	per adult***
<b>MONTHLY</b>	<b>\$1,807</b>		<b>\$4,512</b>		<b>\$5,412</b>		<b>\$5,834</b>	combined***
<b>ANNUAL</b>	<b>\$21,688</b>		<b>\$54,142</b>		<b>\$64,940</b>		<b>\$70,003</b>	combined***
<b>EMERGENCY SAVINGS FUND</b>	<b>\$33</b>		<b>\$74</b>		<b>\$99</b>		<b>\$50</b>	

\* The Standard is calculated by adding expenses and taxes and subtracting tax credits. The "Taxes" row includes federal and state income taxes and payroll taxes.

\*\* The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per day times 22 days per month).

\*\*\* The hourly wage for families with two adults represents the hourly wage that each adult would need to earn, while the monthly and annual wages represent both parents' wages combined.

Note: Totals may not add exactly due to rounding.

## THE FIVE CONNECTICUTS

The Connecticut State Data Center (CtSDC) developed the Five Connecticut in 2004 “to highlight inequalities that exist at the town level which are often not clearly discernible at the county level.” The CtSDC analyzed the social economic status, poverty rates, and population density of all 169 towns in Connecticut and generated five clusters.

The resulting clusters are characterized by the CtSDC as follows:

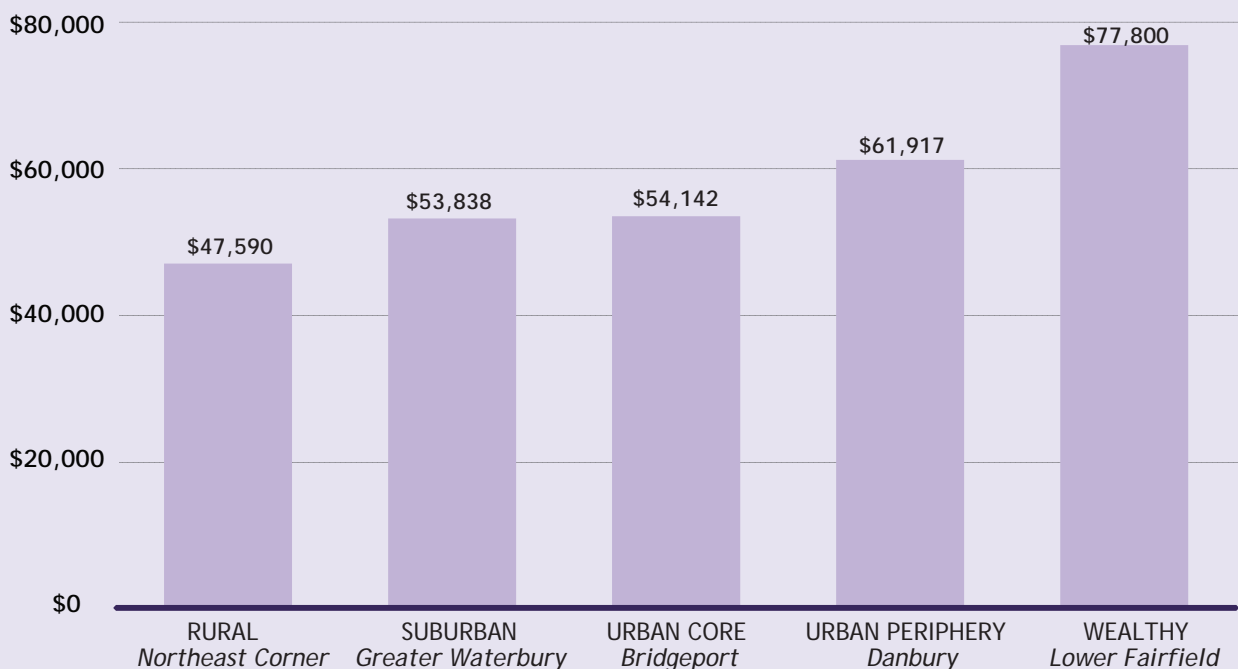
- Wealthy Connecticut has exceptionally high income, low poverty, and moderate population density.
- Suburban Connecticut has above average income, low poverty, and moderate population density.
- Rural Connecticut has average income, below average poverty, and the lowest population density.
- The Urban Periphery of Connecticut has below average income, average poverty, and high population density.
- The Urban Core of Connecticut has the lowest income, highest poverty, and the highest population density.

The figure below highlights how the Self-Sufficiency Standard varies across the Five Connecticut. All towns in the Northeast Corner region are classified as rural by the Five Connecticut. The annual Self-Sufficiency Standard for one adult with one preschooler is \$47,590 in the Northeast Corner. Suburban Greater Waterbury and Bridgeport, part of the urban core, both require around \$54,000 annually to meet the basic needs for this family type. Danbury falls within the urban periphery region and requires \$61,917 for a one adult, one preschooler family. Lower Fairfield is the most expensive region in the Self-Sufficiency Standard and not surprisingly classified as wealthy by the CtSDC. This family type requires \$77,800 annually to cover basic expenses in this high cost area.

### The Self-Sufficiency Standard for the Five Connecticut

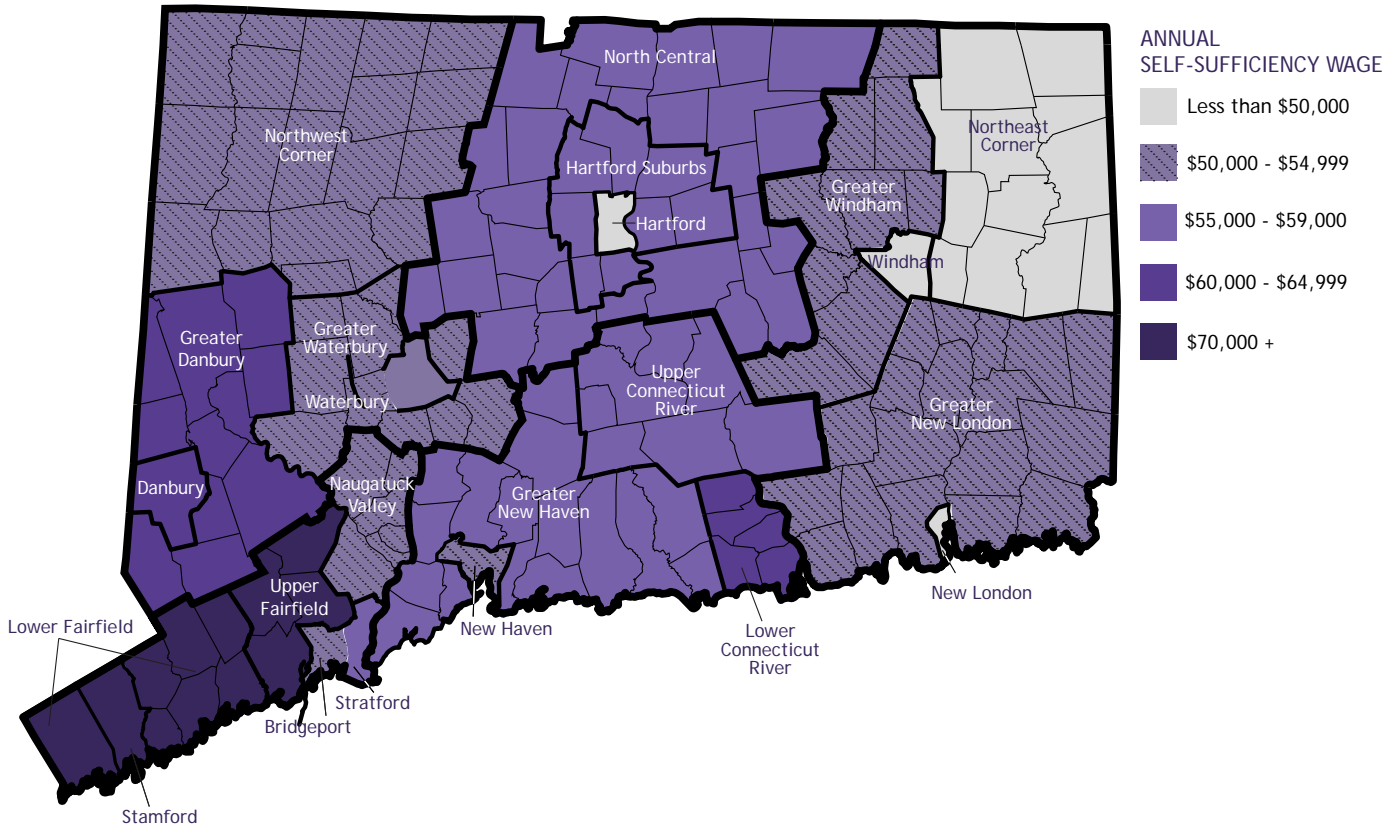
*One Adult and One Preschooler, 2015*

#### ANNUAL SELF-SUFFICIENCY STANDARD



Five Connecticut Source: Levy, Don, Orlando Rodriguez, and Wayne Villemez. 2004. *The Changing Demographics of Connecticut—1990 to 2000. Part 2: The Five Connecticut*. Storrs, Connecticut: University of Connecticut, The Connecticut State Data Center, Occasional Paper Number: OP 2004-01, May 2004.

FIGURE 1. Map of Regions by Level of Annual Self-Sufficiency Wage  
One Adult and One Preschooler, CT 2015



cost of meeting basic needs across Connecticut for families with one adult and one preschooler. The 2015 annual Self-Sufficiency Standard for a single adult with one preschooler ranges from \$44,657 to \$77,800 depending on the region.

- The most expensive areas in Connecticut are in the southwest corner and include Stamford, Lower Fairfield, and Upper Fairfield. With an annual Self-Sufficiency Standard at \$77,800 per year for this family type, the Lower Fairfield region has the highest cost of living in Connecticut.
- The second highest cost group requires between \$60,000 and \$64,999 annually to meet basic needs and includes Danbury, Greater Danbury, and the Lower Connecticut River region.
- The middle cost group requires between \$55,000 and \$59,000 annually for a family with one adult and one preschooler and includes the following regions: North Central, Hartford Suburbs, Upper Connecticut River, Greater New Haven, and Stratford.
- The second lowest cost group requires between \$50,000 and \$54,999 to meet basic needs. This group includes

the Northwest Corner, Greater Waterbury, Waterbury, Naugatuck Valley, Bridgeport, New Haven, Greater Windham, and Greater New London.

- Requiring less than \$50,000 annually, the most affordable regions in Connecticut include Windham, Hartford, Northeast Corner, and New London. Overall, Windham is the least expensive place for this family type and is over \$33,000 less expensive than the wealthy Lower Fairfield region.

**SAVING FOR EMERGENCIES.** For all families, having savings to meet unexpected emergencies is an important step towards economic security. The 2015 Standard for Connecticut includes an emergency savings amount for the first time. This estimate is based on the assumption that the minimum savings needed reflects the cost of living expenses (using the Self-Sufficiency Standard) minus the amount of other resources available to meet those needs (such as unemployment insurance), for the length of time of the emergency. These calculations are for the most common emergency, that of job loss, and use the median amount of

time out of work (about four months in Connecticut), and the median tenure in current employment in Connecticut (seven years). Of course, the specific amount of money families need to be able to maintain economic self-sufficiency varies depending on family composition and the local cost of living. **Table 3** illustrates the emergency savings amounts for the Northeast Corner region and Stamford for three different family types.

- A single adult needs to earn \$1,901 per month working full time to be able to meet basic needs in the Northeast Corner region. The single adult needs to earn an additional \$34 per month to meet the emergency savings goal of having enough savings to meet basic living costs, allowing for the receipt of unemployment insurance. In Stamford a single adult needs to earn \$3,219 per month to be self-sufficient and earn an additional \$49 per month to meet the emergency savings goal.
- One adult caring for a preschool-age child needs to earn \$3,966 per month in the Northeast Corner region

or \$6,217 per month in Stamford to be self-sufficient. Maintaining economic security for this family type requires earning an additional \$68 per month in the Northeast Corner region and an additional \$117 per month in Stamford. In these regions, the overall emergency savings goal over seven years is \$5,733 in the Northeast Corner region and \$9,883 in Stamford.

- For families with two adults, a preschooler, and a school-age child, as it is assumed that only one adult is out of work at a given time, the emergency savings goal needs to cover only half of the family's total living expenses for four months. Therefore, the monthly contribution to the savings account is less for the two-parent household with one preschooler and one school-age child than the one-adult household with one child. In the Northeast Corner region this household needs an additional \$47 per month in total earnings and in Stamford the adults need an additional \$62 per month in earnings in order to save for a spell of unemployment.

**Table 3. The Self-Sufficiency Standard and Emergency Savings for Select Family Types Northeast Corner and Stamford, CT 2015**

MONTHLY COSTS	NORTHEAST CORNER			STAMFORD		
	1 Adult	1 Adult 1 Preschool	2 Adults 1 Preschool 1 School-age	1 Adult	1 Adult 1 Preschool	2 Adults 1 Preschool 1 School-age
Housing	\$733	\$983	\$983	\$1,491	\$1,852	\$1,852
Child Care	\$0	\$827	\$1,228	\$0	\$1,186	\$1,676
Food	\$240	\$365	\$754	\$304	\$462	\$955
Transportation	\$310	\$318	\$605	\$310	\$318	\$606
Health Care	\$182	\$528	\$608	\$199	\$592	\$671
Miscellaneous	\$147	\$302	\$418	\$230	\$441	\$576
Taxes and Tax Credits	\$289	\$642	\$729	\$684	\$1,366	\$1,416
<b>SELF-SUFFICIENCY WAGE</b>						
Hourly	\$10.80	\$22.53	\$15.13 <i>per adult</i>	\$18.29	\$35.32	\$22.02 <i>per adult</i>
Monthly	\$1,901	\$3,966	\$5,325	\$3,219	\$6,217	\$7,752
Annual	\$22,812	\$47,590	\$63,901	\$38,623	\$74,600	\$93,026
<b>EMERGENCY SAVINGS FUND</b>						
Living expenses (~4 months)*	\$6,732	\$13,877	\$9,595	\$10,581	\$20,252	\$13,226
Tax on additional earnings	\$112	\$371	\$435	\$210	\$603	\$561
<b>SUBTOTAL</b>	\$6,844	\$14,248	\$10,030	\$10,791	\$20,855	\$13,787
Unemployment Insurance Benefit (~4 months)	-\$3,952	-\$8,514	-\$6,075	-\$6,691	-\$10,972	-\$8,598
<b>TOTAL SAVINGS</b>	\$2,892	\$5,733	\$3,955	\$4,100	\$9,883	\$5,189
<b>ADDITIONAL MONTHLY EARNINGS (ASSUMES INTEREST ACCRUED)</b>	\$34	\$68	\$47	\$49	\$117	\$62

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



## How do Family Budgets Change as Families Grow?

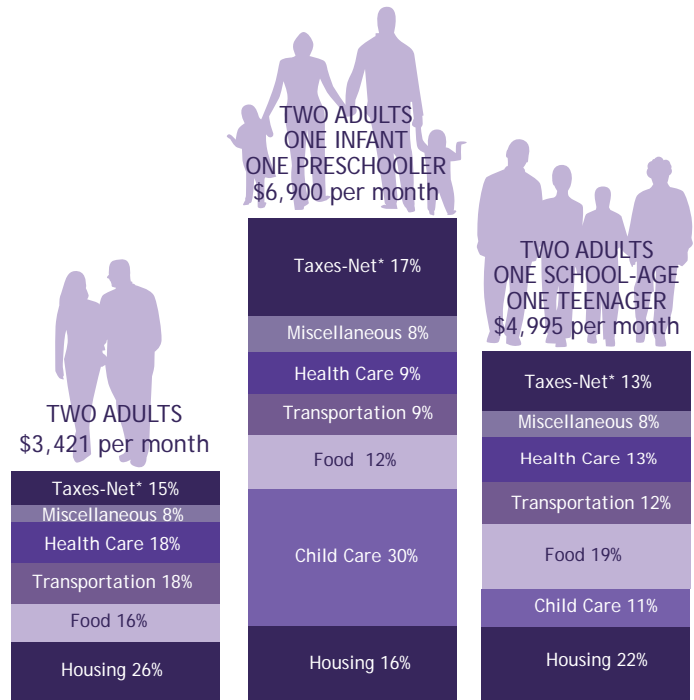
As a family grows and changes composition, the amount it spends on basic expenses (such as food and shelter) changes, and new expenses are added, most notably child care. **Figure 2** demonstrates how these changes occur as the family composition changes for a family in the Naugatuck Valley. Each bar chart shows the percentage of the total budget needed for each expense and how expenses differ as the family changes composition.

When there are just two adults, they need to earn a total of \$3,421 per month to make ends meet, plus a small monthly amount of savings for emergencies. For families with two adults and no children in Naugatuck Valley, about a quarter of the Self-Sufficiency Standard goes towards housing. The budget categories of food, transportation, and health care each account for 16%-18% of the total household budget. Taxes account for 15% of household expenses, and there are no tax credits. (The emergency savings fund contribution is an additional \$31 (about 1%) added to the family budget.)

When a family expands to include two young children (one infant and one preschooler), the total budget increases substantially to \$6,900 per month, and at the same time, with the addition of child care, the proportions spent on each basic need change. Indeed, child care alone accounts for over a quarter of the family’s budget; when one adds housing, together these two items account for 46% of expenses. This is quite common: across the country, it is common for Self-Sufficiency Standard budgets for families with two children (when at least one is under school age) to have roughly half the budget going for housing and child care expenses alone. Food costs are 12% of total income. This is much lower than the 33% assumed by the methodology of the Federal Poverty Level, and similar to the national average expenditure on food, which was 13% in 2013.<sup>7</sup>

Health care accounts for 9% of the family budget, including both the employees’ share of the health care premium and out-of-pocket costs.<sup>8</sup> If neither adult had health insurance through their employer, a Silver plan through Access Health (Connecticut’s health insurance exchange) for this family earning about \$80,000 annually, would be about \$150 more

Figure 2. Percentage of Standard Needed to Meet Basic Needs for Three Family Types\* Naugatuck Valley, CT 2015



\* While the column heights are different to represent the different totals, the percentages for each cost add to 100% for each column.  
 \*\* The two-adult family is not eligible for any tax credits and therefore the Taxes-Net figure is the same as gross taxes owed. For the two family types with children shown in Figure 2, the actual percentage of income needed for taxes without the inclusion of tax credits is 21% for two adults with one infant and one preschooler and 18% for two adults with one school-age child and one teenager. However, with tax credits included, as in the Standard, both families receive money back, and the amount owed in taxes is reduced. Please see *Appendix A: Methodology, Assumptions, and Sources* for an explanation of the treatment of tax credits in the Standard.

per month than the health costs in the Self-Sufficiency Standard, after accounting for the premium tax credit.<sup>9</sup>

Net taxes for the family now reflect a tax burden that is 17%, taking into account the offsetting effects of tax credits. Note that tax credits are treated as if they were received monthly in the Standard, although most credits are not received until the following year when taxes are filed. If it were assumed that tax credits are not received monthly, but instead annually in a lump sum, then the monthly tax burden would be 21% of total expenses for this family.

The emergency savings fund adds an additional 1% to the family budget. Note that this fund assumes the adults will receive unemployment insurance if a job loss occurs. Without unemployment insurance, the adults would need to save two and a half times as much per month and the emergency savings fund would account for an additional 2% of the family budget.

The third bar in Figure 2 shows the shift in the amount and proportions spent in the budget as the children get older, and are now a school-age child and a teenager, and no longer need as much child care. The total cost of basic needs drops to \$4,995 per month; the decreased amount for child care for the school-age child accounts for just 11% of this basic needs budget for this family type, a much smaller proportion than was necessary when the children were younger. In contrast, food accounts for a larger proportion

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 FAMILIES WITH TWO CHILDREN (WHEN ONE IS UNDER SCHOOL AGE) GENERALLY NEED TO BUDGET HALF THEIR INCOME FOR HOUSING AND CHILD CARE EXPENSES.  
 .....

of the budget, at 19%, in part due to increased food costs for the teenager. The emergency savings fund is an additional \$54, or 1% added to the family budget.

Net taxes are shown as 13% of the family's budget. If it were assumed, as suggested above, that tax credits are received annually in a lump sum, then the monthly tax burden would be 18% of the total costs for two adults with one school-age child and one teenager.



## How Does the Real Cost of Living in Connecticut Cities Compare to Other U.S. Cities?

The cost of living varies not only across the United States, but within Connecticut as well. In **Figure 3**, the Self-Sufficiency Standard for families with one parent, one preschooler, and one school-age child in Bridgeport and New Haven, CT are compared to the Standard for several other places: Alexandria, VA; Allentown, PA; Baltimore City, MD; Bellevue, WA; Boulder, CO; Dayton, OH; Lincoln, NE; Pasadena, CA; Savannah, GA; Springfield, MA; Syracuse, NY; and Wilmington, DE.<sup>10</sup>

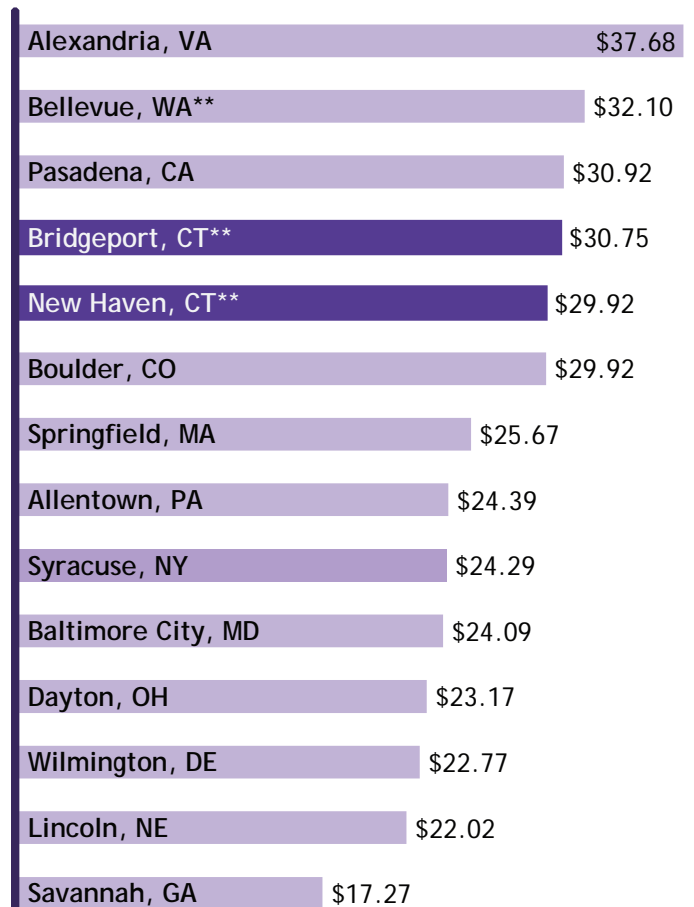
The full-time, year-round wages required to meet the Self-Sufficiency Standard range from a low of \$17.27 per hour to \$37.68. Bridgeport and New Haven are the fourth and fifth most expensive places in this list, with the adult needing to earn \$30.75 per hour to be self-sufficient in Bridgeport and \$29.92 per hour in New Haven. Bridgeport is most comparable to Pasadena, CA while New Haven shares the same wage for this family type as Boulder, CO.

The differences in the Self-Sufficiency Standard wages reflect the variation in the costs of meeting basic needs in urban areas in the United States. Housing costs in particular vary considerably (e.g. in Alexandria, VA, a two-bedroom unit is \$1,458 per month compared to \$700 per month in Lincoln, NE, according to the 2015 Fair Market Rents).

Public transportation costs are significantly less than the cost of owning and operating a car; thus, in areas where private transportation costs are assumed, the Self-Sufficiency Standard wage reflects higher transportation expenses. Families in Bridgeport or New Haven who require a car would have higher transportation costs than shown here, and then the Self-Sufficiency Wage would be more than in Bellevue, WA.

If the parent in this comparison has just a minimum wage job, she will need to work over 130 hours per week to meet her family’s basic needs in Bridgeport or New Haven. Despite the cost of living in Bridgeport and New Haven being less than the average for all places across Connecticut, these cities are two of the most expensive places in this national comparison and highlight the high cost of living in Connecticut, no matter where one lives.

**Figure 3. The Self-Sufficiency Wage for Bridgeport & New Haven, CT Compared to Other Cities, 2015\***  
*One Adult, One Preschooler, and One School-Age Child*



### HOURLY SELF-SUFFICIENCY WAGE

\*Data for each city is the Self-Sufficiency Standard for the county in which the city is located. Wages for cities other than Bridgeport and New Haven are updated using the Consumer Price Index.

\*\*Wage calculated assuming family uses public transportation.

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**IF THE PARENT IN THIS COMPARISON HAS JUST A MINIMUM WAGE JOB, SHE WILL NEED TO WORK OVER 130 HOURS PER WEEK TO MEET HER FAMILY’S BASIC NEEDS IN BRIDGEPORT OR NEW HAVEN**

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## How has the Cost of Living Changed in Connecticut?

This is the third time the Self-Sufficiency Standard has been calculated for Connecticut. This section examines how the Self-Sufficiency Standard and cost components compare to the results in 1999 and 2005.

A different set of regions was used in the 1999 report than in 2005 and 2015. However, the Northwest Corner region in 2005 and 2015 consists of the same cities and towns as the Torrington region calculated in 1999. **Figure 4** compares the Self-Sufficiency Standard for this region for four family types: one adult; one adult with a preschooler; one adult with one preschooler and a school-age child; and two adults with one preschooler and a school-age child.

- The cost of living in the Northwest Corner region increased by 60% for one-adult households, from \$15,000 in 1999 to \$23,926 in 2015.

- The Standard increased around 80% for these families with children in the Northwest Corner region. The cost of living for a family with two adults and two children (a preschooler and school-age child) increased over \$30,000 since 1999, from \$39,492 to \$71,219. In contrast, the 2015 federal poverty guidelines have only increased by \$7,550 since 1999, or 45%.
- With a 164% increase over 16 years, health care costs grew faster than any other basic expense since 1999 for this four-person family. Child care costs grew at a slower rate but had the largest absolute cost change from \$857 in 1999 to \$1,519 in 2015 for one preschooler and one school-age child.

The **Figure 5** map depicts the changes in the cost of living (as measured by the Self-Sufficiency Standard) for one family type—two adults, one preschooler, and one school-

Figure 4. The Self-Sufficiency Standard for Northwest Corner, CT: 1999, 2005, and 2015

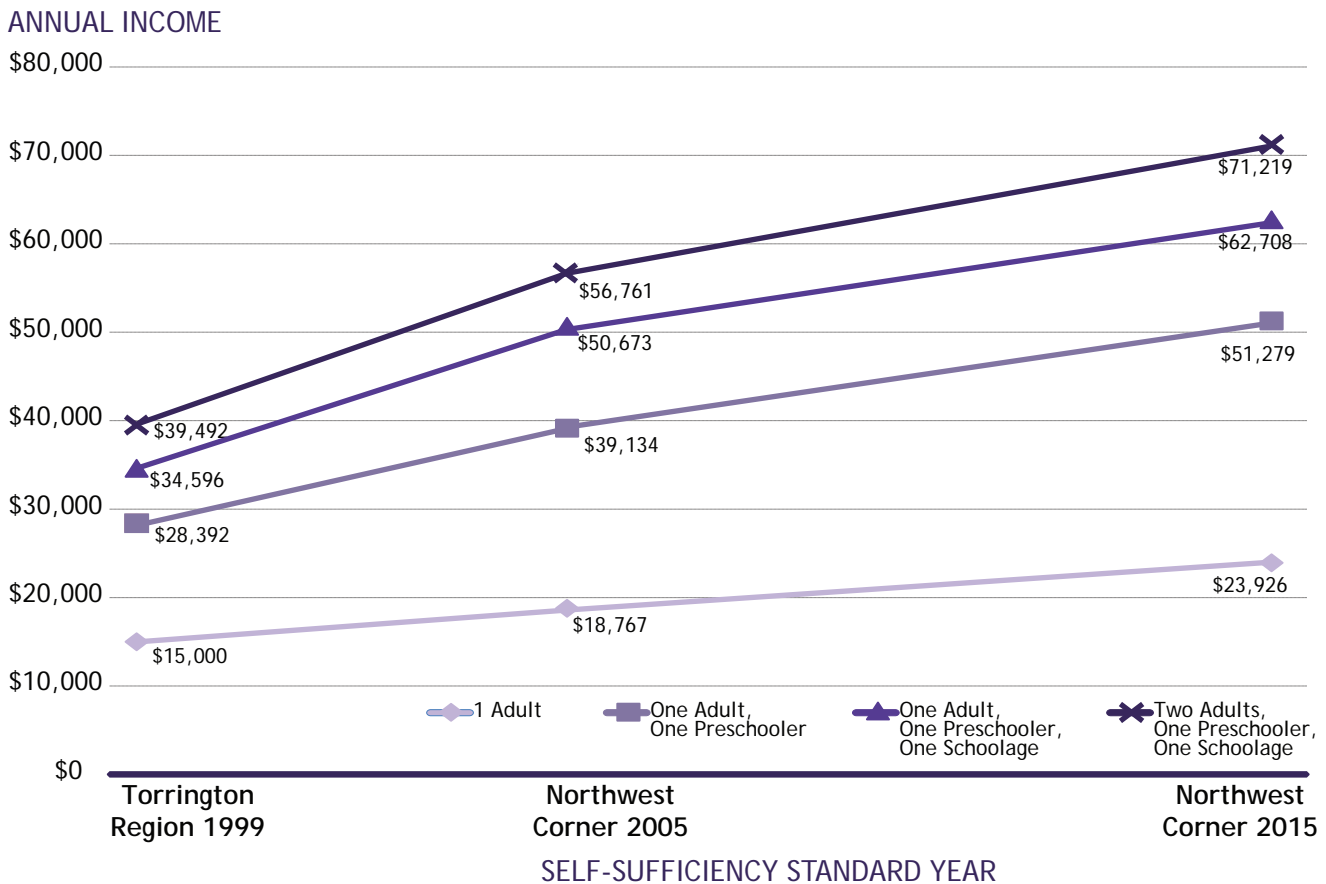
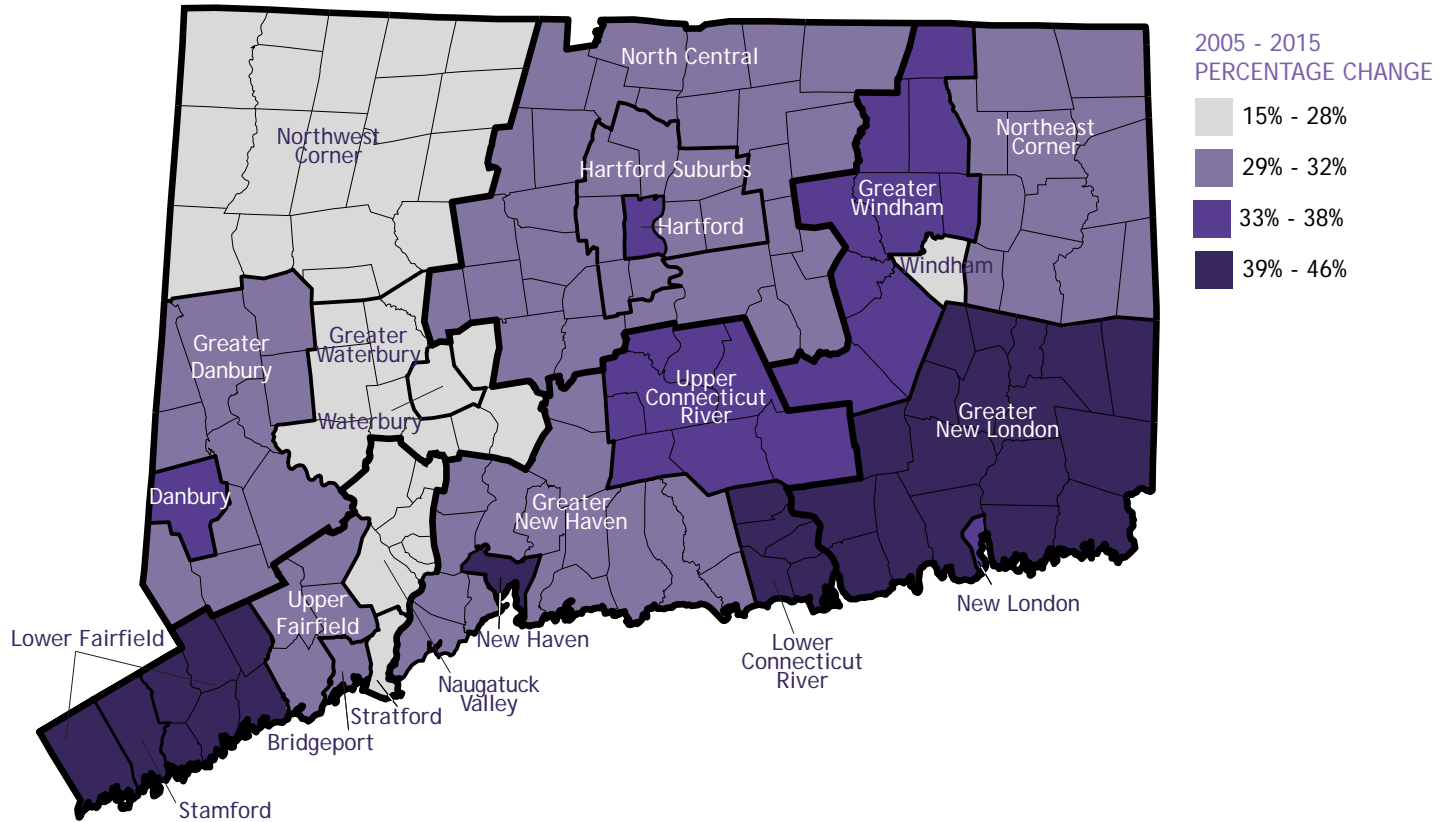


Figure 5. Percentage Change in the Self-Sufficiency Standard for Connecticut between 2005 and 2015  
Two Adults, One Preschooler and One School-Age Child, CT 2015



age child—between 2005 and 2015 in Connecticut. On average, the Self-Sufficiency Standard increased 32% (3.2% per year) across Connecticut’s regions over the last decade. However, there is considerable variation by region.

- The largest increases in the Standard since 2005 occurred in New Haven, Greater New London, Lower Connecticut River, Lower Fairfield, and Stamford where costs increased between 39% and 46%. In 2005, this four-person family in Stamford needed \$63,574 per year to meet their basic needs, but by 2015 that amount increased to \$93,026, nearly \$3,000 per year. Note however that in 2005 public transportation costs were assumed in Stamford and Lower Fairfield while the 2015 calculation includes the cost of car ownership. Stamford would have increased 32% since 2005 if public transportation costs were assumed in 2015.
- The regions with the slowest rate of change in the Standard include Greater Waterbury, Naugatuck Valley, Northwest Corner, Windham, Waterbury, and Stratford.

Costs increased in this group between 15% and 28% since 2015.

While the overall Self-Sufficiency Standard increased between 15% and 32%, this masks the sizable variation in how much *each cost* increased. Using the same four-person family as above (two adults, one preschooler, and one school-age child), **Table 4** shows the actual cost and percentage change for each basic need since 2005 in the Greater New Haven region as well as statewide.

- Health care increased by far the most, for both Greater New Haven and statewide, 85% and 88% respectively.
- With a 43% and 35% increase, housing had the second largest increase in both Greater New Haven and statewide. In dollar terms, the cost of housing increased the most by \$400 per month, growing from \$936 to \$1,335 per month for a two-bedroom apartment in Greater New Haven.

**Table 4. Percentage Change in the Standard Over Time, 2005-2015, Greater New Haven, CT**  
*Two Adults, One Preschooler, and One School-Age Child*

	2005	2015	PERCENT CHANGE 2005 TO 2015	STATEWIDE PERCENT CHANGE 2005 TO 2015
<b>COSTS</b>				
Housing	\$936	\$1,335	43%	35%
Child Care	\$1,422	\$1,532	8%	5%
Food	\$670	\$837	25%	32%
Transportation	\$498	\$635	27%	28%
Health Care	\$336	\$621	85%	88%
Miscellaneous	\$386	\$496	28%	28%
Taxes	\$968	\$1,349	39%	43%
Tax Credits*	-\$267	-\$267	0%	0%
<b>SELF-SUFFICIENCY WAGE</b>				
MONTHLY	\$4,950	\$6,539	32%	32%
ANNUAL	\$59,399	\$78,467		
<b>MEDIAN EARNINGS**</b>				
GREATER NEW HAVEN	\$38,631	\$41,193	7%	--
STATEWIDE	\$35,387	\$38,121	--	8%

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

\*\* Greater New Haven and Connecticut statewide Median Earnings: U.S. Census Bureau, 2013 and 2005, American Community Survey 5-Year Estimates, B20002, "Median Earnings in the Past 12 Months By Sex For The Population 16 Years and Over With Earnings In the Past 12 Months," Census 2000 and 2010 Summary File 1 (SF1) - 100 percent data "P001: Total Population," and Census 2000 Summary File 3, P085, "Median Earnings in 1999 (Dollars) by Sex for the Population 16 Years and Over with Earnings in the Past 12 Months," <http://factfinder.census.gov> (accessed February 19, 2015). Data updated using the Consumer Price Index. U.S. Department of Labor, Bureau of Labor Statistics, (2014), Consumer Price Index, "Northeast Region All Items, 1982-1984=100-CUUR0400SA0," <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed February 19, 2015).

- Taxes increased 39% in Greater New Haven, slightly less than the statewide average of 43%.
- Food, transportation, and miscellaneous expenses increased between 25%, 27%, and 28% respectively. On average, food costs increased at a higher rate statewide. Note that calculation of the statewide average for transportation costs excludes Stamford and the Lower Fairfield region due to the methodology change in these two regions.
- Child care costs increased 8% in Greater New Haven and 5% on average statewide.<sup>11</sup>

**COST OF LIVING INCREASES VERSUS EARNINGS INCREASES.** While the Self-Sufficiency Standard for this four-person family in Greater New Haven increased by 32%

over the past 10 years, workers' median earnings increased by just 7% (from \$38,631 to \$41,193) in Greater New Haven over the same time period. Likewise, statewide median earnings have lagged just as far behind, increasing only 8% compared to the statewide average increase of 32% in the Standard. Put another way, Connecticut wages have risen in the last decade at less than a third of the rate at which the cost of living has increased.

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 CONNECTICUT WAGES HAVE RISEN IN THE LAST  
 DECADE AT LESS THAN A THIRD OF THE RATE AT  
 WHICH THE COST OF LIVING HAS INCREASED  
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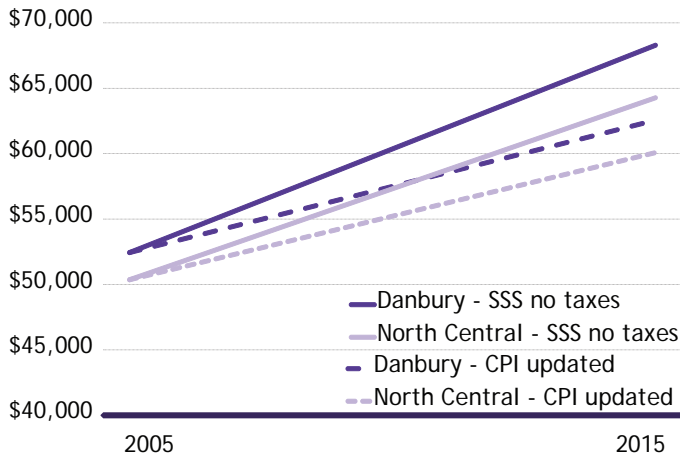
**DOCUMENTING CHANGES IN LIVING COSTS WITH THE STANDARD VERSUS THE CONSUMER PRICE INDEX**

The official measure of inflation in the U.S. is the U.S. Department of Labor's Consumer Price Index (CPI). The CPI is a measure of the average changes in the prices paid by urban consumers for goods and services. Since the Standard measures the costs of just basic needs, the question is how the increases in costs documented here compare to official inflation rates. We examine this question in **Figure 6** by comparing the actual increase in the Self-Sufficiency Standard to what the numbers would be if we had just updated the 2005 Standard with the CPI. Since the CPI does not incorporate taxes or tax credits, these items have been removed from the Standard shown in Figure 6. Using the same four-person family as above (two adults, a preschooler and school-age child), this comparison was done for two places in Connecticut: Danbury and the North Central region.

The Northeast Region Consumer Price Index (CPI) increased 19% between 2005 and 2015. If the 2005 Self-Sufficiency Standard for Danbury (\$52,439 per year without taxes/tax credits), was increased by this amount, the CPI-adjusted cost of basic needs in 2015 would be estimated to have increased to \$62,557 per year.<sup>12</sup> However, the actual 2015 Self-Sufficiency Standard amount for Danbury is considerably higher: at \$68,296 without taxes/tax credits per year for this family type, a 30% increase over the last 10 years. Likewise, when the CPI inflation rate is applied to

**Figure 6. CPI\*-Measured Inflation Underestimates Real Cost of Living Increases: A Comparison of the Self-Sufficiency Standard and the Consumer Price Index, 2005-2015**

Danbury and Greater New Haven, CT  
*Two Adults, One Preschooler, and One School-Age Child*



\* U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index, "Northeast Region All Items, 1982-84=100 - CUURA101SA0," <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed February 25, 2015).  
 \*\* Since the CPI does not incorporate taxes or tax credits, these items have been taken out of the Self-Sufficiency Standard for this comparison figure.

the 2005 Standard for the North Central region (\$50,363 without taxes in 2005), the CPI-adjusted estimate for 2015 would be \$60,080 but the actual 2015 Standard for the North Central region (without taxes and tax credits) is \$64,276, 28% higher than in 2005.

FOR LOWER INCOME FAMILIES, NOT ONLY HAVE WAGES STAGNATED, BUT BASIC COSTS ARE RISING FASTER THAN FOR HIGHER INCOME FAMILIES, MAKING WORSE THE ECONOMIC CRUNCH OR SQUEEZE THEY ARE EXPERIENCING

In sum, Figure 6 demonstrates that the rate of inflation as measured by the CPI substantially underestimates the rising costs of basic needs. Indeed, using the CPI for this family type in Danbury results in a 2015 estimate of costs that is over \$5,500 short of the actual costs in the 2015 Standard. That is, estimating the increase in costs using the CPI underestimates the real increases in the cost of basic needs faced by Connecticut families, leaving them thousands of dollars short. This analysis also suggests that assuming the CPI reflects the experience of households equally across the income spectrum contradicts the lived experience of those at the lower end. For lower income families, not only have wages stagnated, but basic costs are rising faster than for higher income families, making worse the economic crunch or squeeze they are experiencing.

## How Does the Self-Sufficiency Standard Compare to Other Benchmarks of Income?

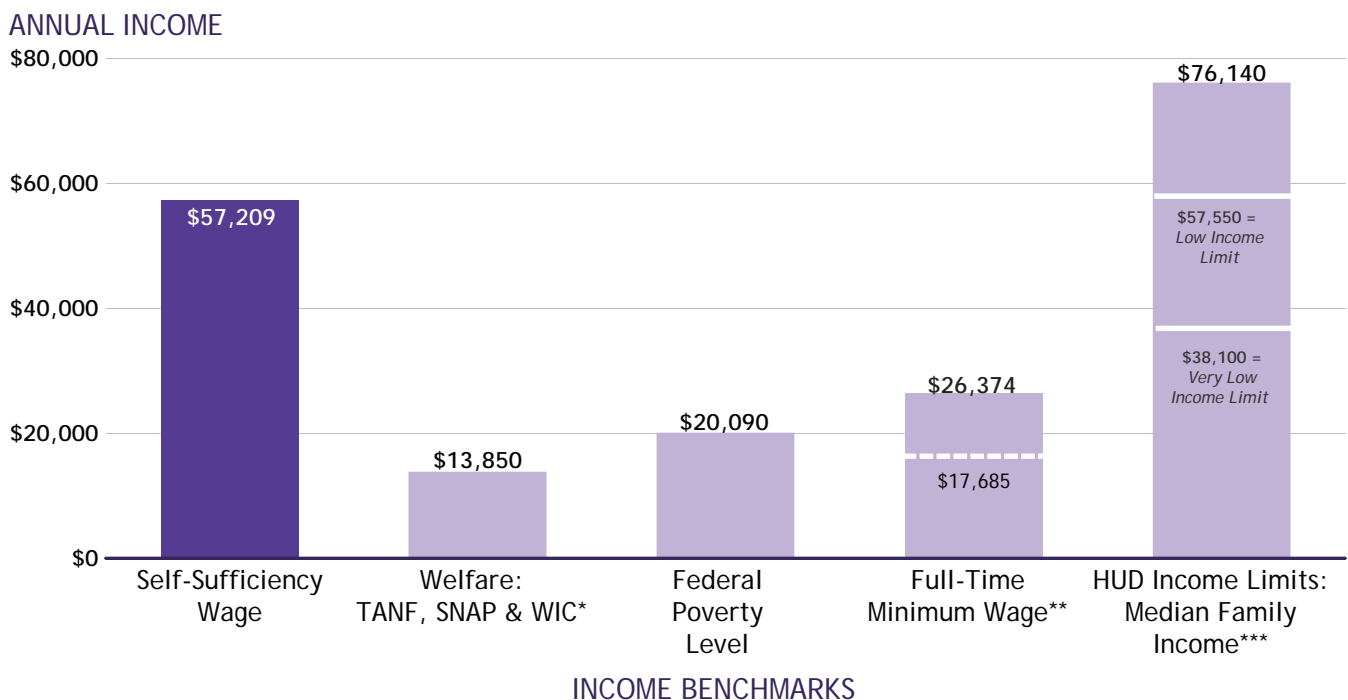
As a measure of income adequacy, how does the Standard compare to other commonly used measures? Figure 7 compares the New London Self-Sufficiency Standard for one adult, one preschooler, and one school-age child to the following income benchmarks for three-person families:

- Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP, formerly the Food Stamp Program), and WIC (Women, Infants and Children);
- the Federal Poverty Level (FPL) for a family of three;
- the Connecticut minimum wage of \$9.15 per hour; and
- the HUD median income limits for a family of three in New London.

Note that the Standard is more specific in terms of the age as well as number of children and geography than any of these other income benchmarks. Even though there is a “progression” in the amounts of each of these benchmarks, it should be noted that this comparison is not meant to show how a family would move from a lower income to economic self-sufficiency. (Instead, see below for a discussion of pathways to self-sufficiency, including the role of work supports and other approaches.) Rather, this comparison is intended to indicate how the Standard compares to other indicators of poverty or minimum income adequacy.

As indicated in the first bar in Figure 7, the Self-Sufficiency Wage for this family type in New London is \$57,209 per year.

Figure 7. **The Self-Sufficiency Standard Compared to Other Benchmarks**  
*One Adult, One Preschooler, and One School-Age Child*  
 New London, CT 2015



\* For FY 2015, the maximum TANF benefit amount is \$7,718 annually, the SNAP benefit amount is \$6,132 annually, and the WIC benefit amount is \$554 annually for a family of three in Connecticut.  
 \*\*The 2015 Connecticut minimum wage is \$9.15 per hour. This amounts to \$19,325 per year; however, assuming this family pays federal and state taxes and receives tax credits, the net yearly income would be a larger amount, \$26,374 as shown. The dashed line shows the annual income received after accounting for taxes (\$17,685) but without the addition of tax credits, which are received as a yearly lump sum after filing taxes the following year.  
 \*\*\* The U.S. Department of Housing and Urban Development (HUD) uses area median family income as a standard to assess families' needs for housing assistance. The HUD median family income limits are for FY2014.



**TANF, SNAP AND WIC.** The second bar on the left in Figure 7 calculates the cash value of the basic public assistance package, assuming no other income, and includes the cash value of SNAP (formerly food stamps), WIC, and TANF. This public assistance package totals \$13,850 per year for three-person families in Connecticut, which is just 24% of the Self-Sufficiency Standard for a three-person family in New London, and 69% of the FPL for a three-person family.

**FEDERAL POVERTY LEVEL.** A three-person family, regardless of composition or where they live, would be considered “poor” with an income of \$20,090 annually or less, according to the Federal Poverty Level. The FPL for three-person families is just 35% of the Self-Sufficiency Standard for this New London family.

This comparison is for just one family type. In New London, the Self-Sufficiency Standard ranges from 178% of the FPL for a household with one adult and two teenagers to 351% of the FPL for a household consisting of one adult with three infants. This comparison is also for just one place. *Appendix C: Federal Approaches to Measuring Poverty* compares the percentage of the FPL needed to meet basic needs for one adult, one preschooler, and one school-age child across Connecticut, and finds that the Self-Sufficiency Standard for this family type ranges from 266% of the FPL in Windham to 448% of the FPL in Lower Fairfield. See Appendix C for discussion of the related Supplemental Poverty Measure (SPM).

**MINIMUM WAGE.** Currently Connecticut has a minimum wage of \$9.15 per hour in 2015, which amounts to \$19,325 per year working full time. Because this is earned income, payroll taxes (Social Security and Medicare) are subtracted and eligible tax credits (EITC and CTC) are added. Altogether a working parent with two children would have a net cash income of \$26,374 per year. This net “take home” amount is more than the worker’s earnings alone because the tax credits for which the family qualifies are more than the taxes owed.

Even with a relatively high statewide minimum wage, a full-time minimum wage job in Connecticut provides less than half, or 46% of the amount needed to be self-sufficient for this family type in New London. If it is assumed more realistically that the worker pays taxes *monthly* through withholding, but does not receive tax credits on a *monthly* basis (as is true of all workers), her take-home income would be \$17,685 during the year, shown by the dashed line on the third bar. Without including the impact of tax credits in either the minimum wage or Self-Sufficiency Standard income (but still accounting for payment of taxes), a minimum wage job amounts to just 31% of the Self-Sufficiency Standard for this family type in New London.

**MEDIAN FAMILY INCOME LIMITS.** The U.S. Department of Housing and Urban Development (HUD) uses percentages of area median family income (i.e., half of families in the area have income above this amount, and half below) to determine families’ needs for housing assistance on the assumption that median income is a rough measure of the local cost of living. The Fiscal Year 2014 HUD median income for a three-person family in New London is \$76,140 annually.<sup>13</sup> HUD income limits define three levels: “low income” three-person families in New London have incomes between 50% and 80% of area median income, or \$38,100 and \$57,550; “very low income” three-person families have incomes between 30% and 50% of area median income, or \$22,900 and \$57,550; and those with incomes below 30% of area median income are considered “extremely low income.”<sup>14</sup> The Self-Sufficiency Standard of \$76,140 for this family type in New London is in the HUD “low income” range, demonstrating that the Standard is a conservative measure of the minimum required to be self-sufficient in New London. (Note that with limited resources, most federal housing assistance goes to families with incomes that are considered “very low” or “extremely low.”)



## Most Top Occupations in Connecticut Fall Short of the Standard

Since almost all working-age families meet their income needs with employment, a crucial question is whether the jobs available provide sufficient wages.

To answer this question, the wages of the ten most common occupations (by number of employees) in Connecticut are compared to the Standard. For example, the Standard used is that for a one-parent family with a preschooler and school-age child in Waterbury, which is \$29.14 per hour and \$61,535 per year. These ten occupations, which include 20% of Connecticut workers, and their median wages are listed in **Table 5**.<sup>15</sup>

The median wages of only two of the state's top ten occupations, registered nurses and general and operations managers, are above the Self-Sufficiency Standard for this family type in Waterbury. Indeed, five of Connecticut's top ten occupations have median earnings less than *half* of the Standard for a Waterbury family with one adult, one preschooler, and one school-age child.

The most common Connecticut occupation is retail salespersons and accounts for 3% of all Connecticut workers. With median hourly earnings of \$10.79 per hour (median annual earnings of \$22,432), the top occupation in Connecticut provides workers with earnings that are only a third of the Standard for this family type in Waterbury. In fact, two adults working full time at this wage would still not be able to earn the minimum needed to support a preschooler and a school-age child in Waterbury, as the Self-Sufficiency Standard for *two* adults with one preschooler and one school-age child requires *each* adult to earn at least \$16.62 (a total of \$70,182 annually) per hour working full time.

Similarly, the median wages of three more of the top ten occupations—cashiers at \$9.63 per hour, food preparation and serving workers at \$9.44 per hour, and waiters and waitresses at \$9.23 per hour—are such that even working *three* full-time jobs would not yield enough income to meet this single-parent family's basic needs. The median wages

**Table 5. Wages of Connecticut's Ten Largest Occupations Compared to the Self-Sufficiency Standard for Waterbury, CT 2015**  
*One Adult, One Preschooler, and One School-age Child*

OCCUPATION TITLE	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYEES IN OCCUPATION	MEDIAN WAGE		PERCENT OF STANDARD
			HOURLY	ANNUAL*	
<b>All Occupations</b>	1,635,590	100%	\$20.50	\$42,626	69%
<b>Retail Salespersons</b>	53,500	3%	\$10.79	\$22,432	36%
Cashiers	38,940	2%	\$9.63	\$20,023	33%
Registered Nurses	34,820	2%	\$36.38	\$75,664	123%
Secretaries and Administrative Assistants (Except Legal Medical and Executive)	33,300	2%	\$18.88	\$39,279	64%
<b>General and Operations Managers</b>	30,870	2%	\$58.27	\$121,214	197%
<b>Customer Service Representatives</b>	28,490	2%	\$17.72	\$36,869	60%
Office Clerks General	27,970	2%	\$16.19	\$33,684	55%
Janitors and Cleaners (Except Maids and Housekeeping Cleaners)	27,780	2%	\$12.65	\$26,324	43%
<b>Combined Food Preparation and Serving Workers Including Fast Food</b>	27,570	2%	\$9.44	\$19,639	32%
Waiters and Waitresses	26,940	2%	\$9.23	\$19,216	31%
<b>SELF-SUFFICIENCY STANDARD FOR ONE ADULT, ONE PRESCHOOLER, AND ONE SCHOOL-AGE CHILD</b>					
Waterbury, CT			\$29.14	\$61,535	100%

\* Wages adjusted for inflation using the Northeast region Consumer Price Index from the Bureau of Labor Statistics.

Source: U.S. Department of Labor, "May 2013 State Occupational Employment and Wage Estimates," Databases and Tables, Occupational Employment Statistics, <http://www.bls.gov/oes/data.htm> (accessed February 18, 2015).

.....  
**ONLY TWO OF THE STATE’S TOP OCCUPATIONS,  
 REGISTERED NURSES AND MANAGERS, YIELD  
 EARNINGS THAT ARE ABOVE THE MINIMUM REQUIRED  
 TO MEET BASIC NEEDS**  
 .....

of these occupations are above the Connecticut minimum wage yet less than even the Standard for a single adult with no children in Waterbury.

In contrast, the median wages of occupations associated with industries prototypical of Connecticut are well above the Standard: biomedical engineers, aerospace engineers, and financial analysts are over 135% of the Self-Sufficiency Standard for this family type in Stratford (see **Figure 8**). However, these three occupations together account for less than two-thirds of one percent of all occupations in Connecticut.

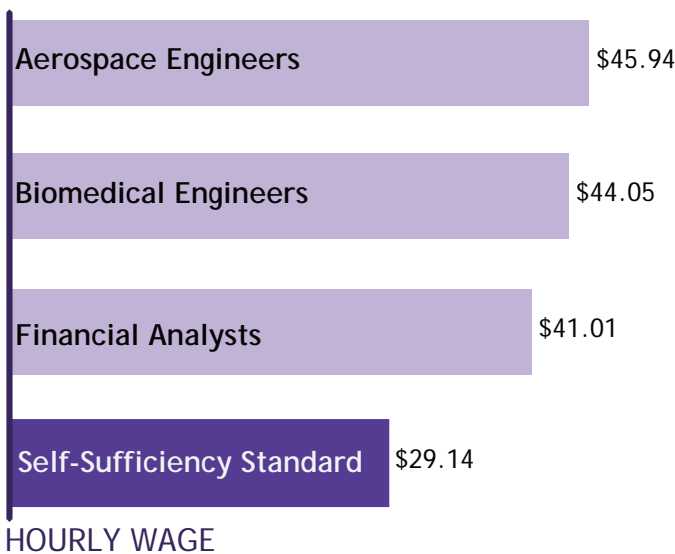
These numbers reflect the shift towards an increased number of low-wage jobs in the recovery from the Great Recession. That is, while job losses of the Great Recession

were concentrated disproportionately in mid-wage occupations, as the economy recovers the job gains have been disproportionately in lower-wage occupations, while the income gains have been to those at the very top, driving the increased income inequality that underlies Connecticut’s high levels of socioeconomic inequality.<sup>16</sup> ***Put another way, 80% of workers in the most common occupations, many of them in the fast growing but low wage service sector, do not earn wages sufficient to support their families.***

This growing job gap has consequences in increased economic distress, as increasing numbers of workers struggle to make ends meet at wages well below the minimum needed to meet their needs. At the same time, this analysis of the wages of the state’s most common occupations demonstrates that the economic insecurity faced by so many of Connecticut’s workers does not reflect a lack of work effort, or lack of skills, but simply that wages are too low in many common Connecticut occupations, a situation exacerbated by the unbalanced post-Great Recession recovery.

\*\*\*

**Figure 8. Select Occupations Compared to the Self-Sufficiency Standard for Waterbury, CT 2015**  
*One Adult, One Preschooler, and One School-age*



There are two basic approaches to closing the income gap between low wages and what it really takes to make ends meet: reduce costs or raise incomes. The next two sections will discuss strategies used in each of these approaches. The first approach relies on strategies to reduce costs, often temporarily, through work supports (subsidies), such as food and child care assistance. Strategies for the second approach, raising incomes, include broader approaches such as directly increasing incomes through raising the minimum wage as well as increasing education levels, incumbent worker programs, and nontraditional job tracks. Reducing costs and raising incomes are not necessarily mutually exclusive, but can occur sequentially or in tandem, at the individual level or at the community, state or national level. For example, some parents may seek education and training that leads to a new job, yet continue to supplement their incomes with work supports until their wages reach the self-sufficiency level.

## Work Supports Bridge the Difference Between Wages and Costs

As described above, given the current job situation, many families struggle to meet their families’ basic needs on earnings alone. Work supports (subsidies or assistance) can help working families achieve economic stability, so that they do not need to choose from among their basic needs, such as scrimping on nutrition, living in overcrowded or substandard housing, or leaving children in unsafe or non-stimulating environments. With such stability, parents can not only obtain jobs, but are able to retain employment, a necessary condition for improving wages. This section models how work supports can reduce a family’s expenses until they are able to earn Self-Sufficiency Wages, thus closing the gap between actual wages and what it really takes to make ends meet.

Work supports include programs such as:

- *child care assistance*: Connecticut’s Care 4 Kids child care program;
- *health care assistance*: Connecticut’s HUSKY health program operates the state’s Medicaid and Children’s Health Insurance Programs (CHIP);
- *food assistance*: Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program) and the Women, Infants and Children (WIC) Program;
- *housing assistance*: Section 8 vouchers and public housing.

WORK SUPPORTS CAN HELP WORKING FAMILIES ACHIEVE STABILITY WITHOUT NEEDING TO CHOOSE FROM AMONG THEIR BASIC NEEDS

Although not a work support per se, child support is also modeled as it assists families in meeting basic needs.

Although analyzed here, this modeling should not imply that all households with inadequate income receive these work supports or child support. Unfortunately, these supports are not available or accessible to all who need them due to eligibility criteria, lack of sufficient funding to help all who are eligible, waiting lists, administrative barriers, lack of knowledge or legal enforcement, or the perceived stigma of receiving assistance. Yet, when families do receive them, work supports, tax credits, and child support play a critical role in helping families move towards economic self-sufficiency.

### HOW DO WORK SUPPORTS AND CHILD SUPPORT REDUCE COSTS?

Our starting point is the Self-Sufficiency Standard, which is calculated without any assistance, public or private, and

Figure 9. Eligibility Levels for Connecticut Work Supports  
One Adult, One Preschooler, and One School-Age Child: Hartford, CT 2015

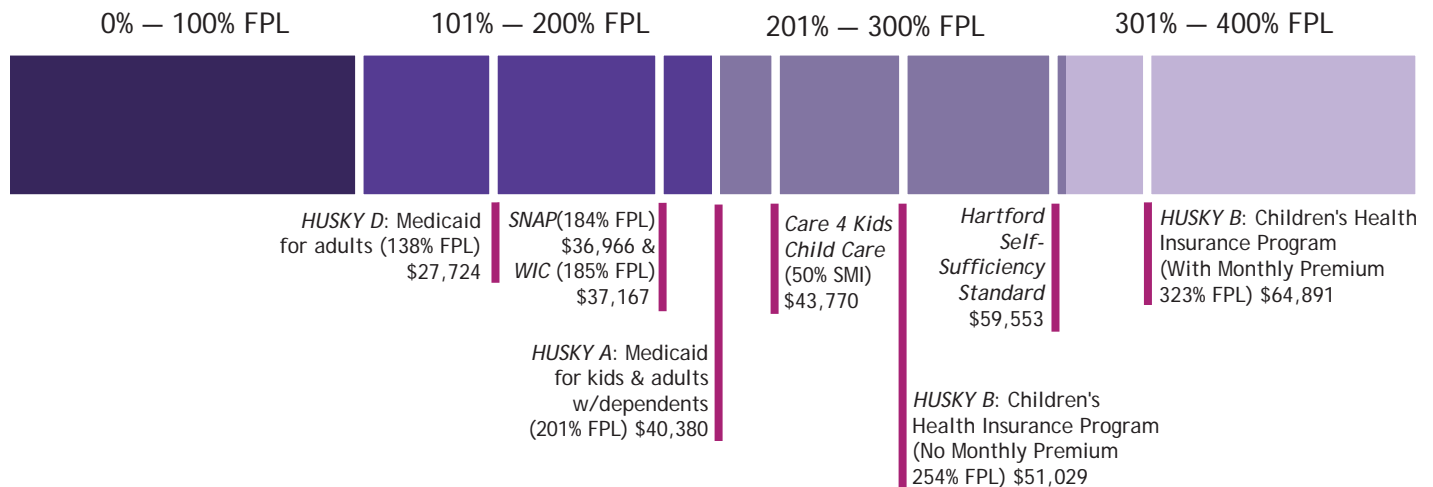


Table 6. Summary of Connecticut's Work Supports, Child Support, and Tax Credits

WORK SUPPORT PROGRAM	BENEFIT	INCOME ELIGIBILITY
CHILD CARE ASSISTANCE (Connecticut Care 4 Kids)	Child care costs are reduced to a monthly co-payment which is dependent on income level. For example, the co-pay for a family earning less than 20% of state median income is 2% of the household income.	Eligibility for Care 4 Kids is set at 50% of state median income; currently \$43,770 for a three person family.
HOUSING ASSISTANCE (Section 8 Housing Vouchers & Public Housing)	Housing costs are typically set at 30% of adjusted gross income.	Households may be eligible with incomes that are 80% of area median income. However, due to limited funding most new program participants must have income below the higher of 30% of area median income or 100% of the federal poverty guidelines.
MEDICAID (Connecticut HUSKY A & D)	Health care benefits are fully subsidized.	Adults are covered with income up to 138% FPL. Children and adults with dependents are covered with income up to 201% FPL.
CHILDREN'S HEALTH INSURANCE PROGRAM (Connecticut HUSKY B)	Health care benefits for children under 19 years of age with either no or low-cost premiums depending on income and number of children insured.	Children in families with income below 254% FPL are eligible for no premium, below 323% FPL with \$30 premium for one child and \$50 premium for two or more children.
SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP), FORMERLY FOOD STAMP PROGRAM	Maximum benefit for a family of 3: \$511 per month. Maximum benefit for a family of 4: \$649 per month.	Families must earn gross income less than 184% of the FPL to be eligible and must also meet net income (gross income minus allowable deductions) guidelines.
SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)	Average monthly benefit of \$46 in Connecticut for purchasing supplemental nutritious foods. Also includes breastfeeding support and health education.	Pregnant and postpartum women and children up to age 5: at or below 185% FPL.
CHILD SUPPORT	Average payment is \$198 per month in Connecticut.	No income limit.
FEDERAL TAX CREDITS	BENEFIT	INCOME ELIGIBILITY
FEDERAL EARNED INCOME TAX CREDIT (EITC)	Maximum benefit for 1 child: \$3,305 per year. Maximum benefit for 2 children: \$5,460 per year. Maximum benefit for 3+ children: \$6,143 per year.  Connecticut's state EITC is 30% of the federal EITC.	1 child: \$38,511 (one parent) or \$43,941 (married). 2 children: \$43,756 (one parent) or \$49,186 (married). 3+ children: \$46,997 (one parent) or \$52,427 (married).
FEDERAL CHILD AND DEPENDENT CARE TAX CREDIT (CCTC)	\$3,000-\$6,000 annual tax deduction.	No income limit.
FEDERAL CHILD TAX CREDIT (CTC)	Up to \$1,000 annual tax credit per child. Benefit is reduced by \$50 for every \$1000 over income threshold.	Married filing jointly: up to \$110,000. Head of Household: up to \$75,000. Refundable portion limited to earnings over \$3,000.

Note: Eligibility levels and benefits for work supports and tax credits change routinely—typically yearly. The information reported in Table 5 represents eligibility and benefit guidelines for 2015. The 2015 Federal Poverty Level (FPL) for a family of three is \$20,090 (annual income). See <http://aspe.hhs.gov/poverty/15poverty.shtml>.

then we add work supports, one by one. **Table 6** provides a summary of the work supports, child support, and tax credits modeled in this section, while **Figure 9** shows the income eligibility levels for the work supports modeled in this section.

**Table 7** shows the impact of work supports. The family type used here is a Hartford family with one adult, one preschooler, and one school-age child. Column #1 of Table 7 shows the costs in the Self-Sufficiency Standard, without any work supports or child support, with various combinations of work supports and child support shown in the subsequent columns. In columns #2-#6 of Table 7, the work supports modeled are listed in the column headings

and monthly costs reduced by these work supports are indicated with bold font in the table.

### THE SELF-SUFFICIENCY STANDARD (COLUMN #1).

Without any work (or other) supports to reduce costs, to meet the cost of basic needs, this Hartford family needs \$4,963 per month. This family has monthly child care expenses of \$1,663 and monthly housing costs of \$959. The adult in this family must earn a Self-Sufficiency Wage of \$4,963 per month, or \$28.20 per hour working full time, to meet the family's basic needs without the help of public or private assistance.

**CHILD SUPPORT (COLUMN #2).** Child support payments from absent, non-custodial parents can be a valuable addition to family budgets. The average amount received by families participating in the child support enforcement program in Connecticut is \$198 per month (see column #2).<sup>17</sup> Adding child support reduces the wage

needed by this parent to meet basic needs to \$4,690 per month, or \$26.65 per hour.

**CHILD SUPPORT & CHILD CARE (COLUMN #3).**

Because child care is a major expense for families with young children, child care assistance often provides the greatest financial relief of any single work support, and

**Table 7. Impact of the Addition of Child Support and Work Supports on Monthly Costs and Self-Sufficiency Wage**

*One Adult, One Preschooler, and One School-Age Child: Hartford, CT 2015*

*Each column demonstrates how specific work supports can lower the cost of specific basic needs, and therefore lessen the income necessary to meet all of a family's basic needs. Costs that have been reduced by these supports are indicated with bold font in the table.*

	#1	#2	#3	#4	#5	#6
	SELF-SUFFICIENCY STANDARD	CHILD SUPPORT	CHILD SUPPORT, CHILD CARE	CHILD SUPPORT, CHILD CARE, SNAP/ WIC* & MEDICAID	CHILD SUPPORT, CHILD CARE W/O CAP, SNAP/ WIC* & MEDICAID	CHILD SUPPORT, HOUSING, CHILD CARE, SNAP/ WIC* & MEDICAID
<b>MONTHLY EXPENSES:</b>						
Housing	\$959	\$959	\$959	\$959	\$959	\$485
Child Care	\$1,663	\$1,663	<b>\$852</b>	<b>\$703</b>	<b>\$67</b>	<b>\$628</b>
Food	\$602	\$602	\$602	<b>\$208</b>	<b>\$261</b>	<b>\$135</b>
Transportation	\$54	\$54	\$54	\$54	\$54	\$54
Health Care	\$538	\$538	\$538	\$0	\$0	\$0
Miscellaneous	\$382	\$382	\$382	\$382	\$382	\$382
Taxes	\$1,032	\$958	\$642	\$275	\$153	\$150
<b>TOTAL MONTHLY EXPENSES (NET OF WORK SUPPORTS)</b>	<b>\$5,229</b>	<b>\$5,155</b>	<b>\$4,029</b>	<b>\$2,580</b>	<b>\$1,876</b>	<b>\$1,833</b>
<b>ADDITIONAL MONTHLY RESOURCES:</b>						
Total Tax Credits**	(\$267)	(\$267)	(\$225)	(\$58)	\$0	\$0
Child Support	\$0	<b>(\$198)</b>	<b>(\$198)</b>	<b>(\$198)</b>	<b>(\$198)</b>	<b>(\$198)</b>
<b>TOTAL ADDITIONAL MONTHLY RESOURCES</b>	<b>(\$267)</b>	<b>(\$465)</b>	<b>(\$423)</b>	<b>(\$256)</b>	<b>(\$198)</b>	<b>(\$198)</b>
<b>SELF SUFFICIENCY WAGE:</b> (TOTAL MONTHLY EXPENSES MINUS TOTAL ADDITIONAL MONTHLY RESOURCES)						
HOURLY	\$28.20	\$26.65	\$20.48	\$13.20	\$9.53	\$9.29
MONTHLY	\$4,963	\$4,690	\$3,605	\$2,324	\$1,678	\$1,635
ANNUAL	\$59,553	\$56,283	\$43,261	\$27,887	\$20,130	\$19,618
<b>ANNUAL REFUNDABLE TAX CREDITS**:</b>						
Total Federal EITC		\$0	\$104	\$3,342	\$4,976	\$5,084
Total State EITC		\$0	\$29	\$919	\$1,368	\$1,398
Total Federal CTC		\$0	\$501	\$2,000	\$2,000	\$2,000

\* WIC is the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) in Connecticut. Assumes average monthly value of WIC benefit \$46.17 (FY 2014). SNAP is the Supplemental Nutrition Assistance Program, formerly known as the Food Stamp Program.

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



at the same time adds stability for parents, children, and employers. Families must have incomes below 50% of state median income to be eligible for Connecticut child care assistance program, known as Care 4 Kids, or less than \$43,770 for a three-person family.<sup>18</sup> Adding the impact of child care assistance reduces the monthly wage needed by roughly a quarter, to \$3,605 (\$20.48 per hour).

**CHILD SUPPORT, CHILD CARE, FOOD, & MEDICAID (COLUMN #4).** For adults transitioning from cash assistance to employment, child care assistance, food assistance, and Medicaid make up the typical “package” of benefits.

The adult would be eligible for transitional Medicaid for 12 months when starting work after cash assistance and is also eligible for HUSKY Health up to 138% of the FPL which is now expanded to cover adults under the Affordable Care Act (ObamaCare). Additionally, children in families with income up to 254% of the FPL are eligible for health insurance with no premiums and children in families with income between 254% and 323% of the FPL are eligible for low-cost premiums.

- Medicaid covers all of the family’s health care expenses, therefore, health care costs are reduced from \$538 per month to zero in column #4.
- SNAP and WIC reduce food costs from \$602 to \$208 per month (families are eligible for SNAP with incomes up to 184% of the FPL in Connecticut and for WIC with incomes up to 185% of the FPL).<sup>19</sup>
- Care 4 Kids reduces the family’s child care copayment to \$703 per month.

Altogether, these work supports reduce the wage required to meet basic needs to \$2,324 per month, half of the full Self-Sufficiency Standard. With the help of these crucial work supports, this Hartford family making the transition from public assistance/non-employment would be able to meet the family’s basic needs at a starting wage of \$13.20 per hour.

**CHILD SUPPORT, CHILD CARE (NO CAP), FOOD, & MEDICAID (COLUMN #5).** Column #5 models the impact of eliminating the reimbursement cap on child care costs. The child care reimbursement rates have not been rebased in Connecticut with a market rate survey since

2001 (although they are now set to increase 12% over a four year period). This has meant that child care reimbursements are not keeping up with the cost of child care. In columns 3 and 4, the child care costs shown are the combination of the parents’ income-based copay amount plus the difference between the state maximum reimbursement level and actual costs.

If the maximum reimbursement level was set at the current 75th percentile, the norm under the Family Support Act (1988-1996) and in most states, and the amount shown in the Standard, the child care costs would be just the parent’s income-contingent copay of \$67 (instead of \$703 in column 4). The cost of food increases slightly from column 4 as the child care deduction for SNAP is smaller. The minimum monthly wage needed under these circumstances is \$1,678 (\$9.53 hourly). This is just over the state minimum wage, and three of Connecticut’s top ten occupations pay median wages that are close to this starting wage.

**CHILD SUPPORT, CHILD CARE, FOOD, MEDICAID, & HOUSING (COLUMN #6).** Housing assistance has a substantial impact on helping families meet their basic needs, as can be seen by comparing column #4 to column #6. By reducing the cost of housing to 30% of income, through a housing voucher or other assistance, housing costs drop from \$959 to \$485 per month.<sup>20</sup> The addition of housing assistance reduces the income needed to meet basic needs, thereby increasing the potential food subsidy level and lowering food costs to \$135 per month. With the full benefit package, a parent with one preschooler and one school-age child living in Hartford can meet basic needs with an income of just \$1,635 per month. Note however that very few families receive all of these benefits.

**A NOTE ON REFUNDABLE TAX CREDITS.** All taxes and tax credits are shown in the Standard as monthly because the Standard costs are shown as a monthly budget. However, because families do not actually receive the refundable tax credits monthly, but instead receive them at the end of the year (as tax refunds), the annual amounts of the refundable tax credits are shown in the shaded rows at the bottom of the table for columns #2-#6. (This annual total assumes that the adult works full time at these wages throughout the year.) The amounts vary significantly,

depending upon income. When costs are only reduced by child support as in column #2, the family’s income is high enough that they do not qualify for refundable tax credits. In column #6, in which the full work support package is modeled, the parent is eligible for over \$8,000 in annual refundable tax credits.

### HOW DO WORK SUPPORTS INCREASE WAGE ADEQUACY?

Table 7 shows how child support and work supports reduce the wage needed to meet basic needs. In contrast, **Figure 10** starts with specific wages and asks “How adequate are these wages in meeting a family’s needs, with and without various combinations of work supports?” Wage adequacy is defined as the degree to which a given wage is adequate to meet basic needs, taking into account the financial impact of various work supports, or lack thereof. If wage

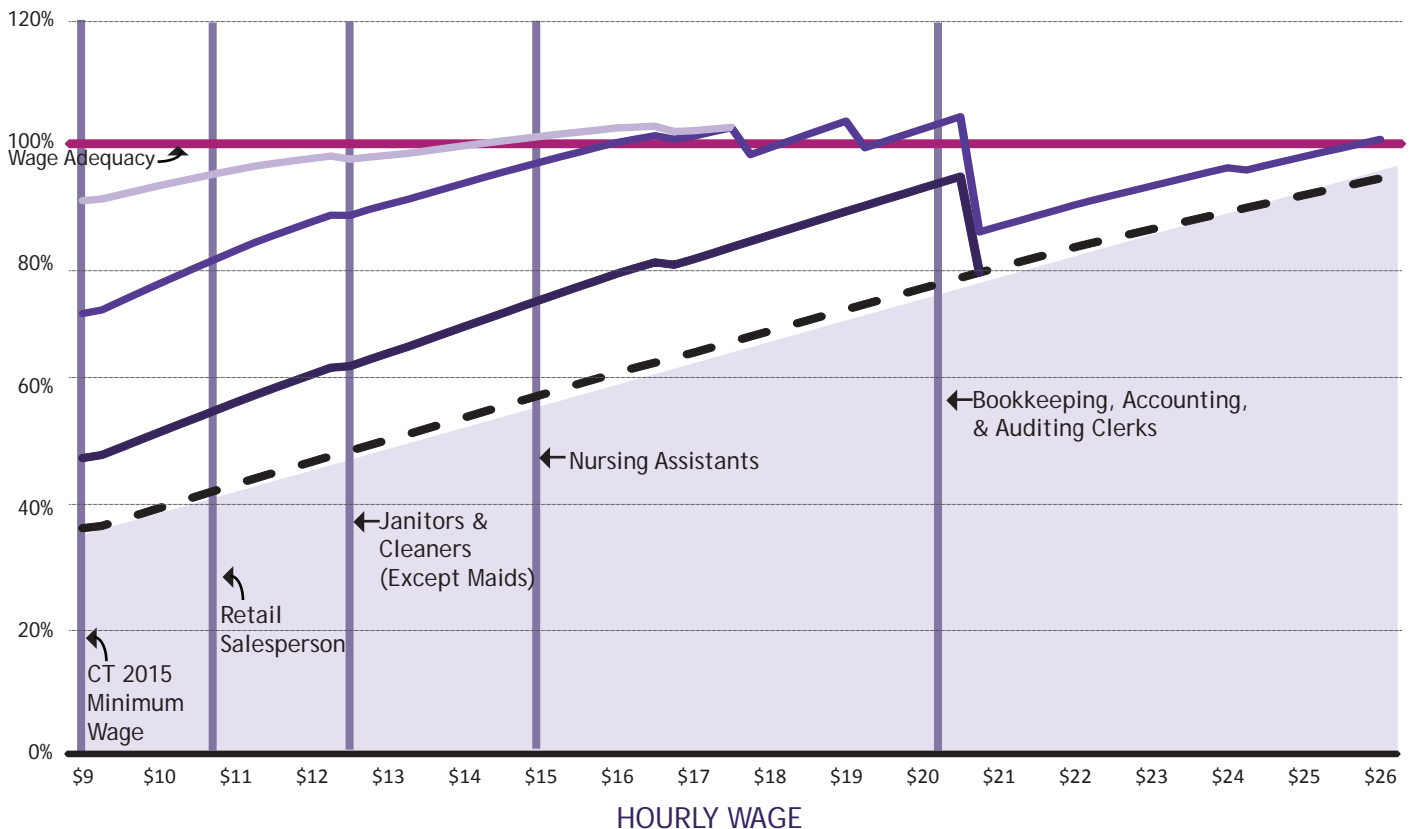
adequacy is at or above 100%, the wage is enough or more than enough to meet all of the family’s basic needs; if it is below 100%, it is only adequate to cover that percentage of the family’s basic needs. For example, if wage adequacy is at 80%, then the wage only covers 80% of the cost of meeting that family’s basic needs.

As wages increase, starting out at minimum wage, work supports help close the gap between actual wages and how much it takes to meet basic needs. Modeling the same family type as in Table 7 (one parent with one preschooler and one school-age child in Hartford), Figure 10 shows the impact of work supports on wage adequacy as the parent’s income increases. The dashed line provides the baseline, showing the adequacy of various wages without any work supports. Each solid line represents a different work support

Figure 10. **Impact of Work Supports on Wage Adequacy**  
*One Adult, One Preschooler, and One School-Age Child*  
 Hartford, CT 2015

— No Work Supports — Child Care — Child Care, Food, & Health Care — Housing, Child Care, Food, & Health Care

#### PERCENTAGE OF WAGE ADEQUACY



#### Work Support Definitions

Child Care = Connecticut Care 4 Kids; Food = Supplemental Nutrition Assistance Program (SNAP/Food Stamps) & Women, Infants, and Children (WIC); Health Care = Connecticut HUSKY Health Program; Housing = Section 8 Housing



package, and shows how much wage adequacy increases above the dashed baseline as a result of the addition of work supports. In addition to Figure 10, see *Appendix E: Modeling the Impact of Work Supports on Wage Adequacy* for a detailed table of the exact amounts of each work support modeled in the figure.

**CONNECTICUT MINIMUM WAGE.** With a Connecticut 2015 minimum wage of \$9.15 per hour, a Hartford parent with two children working full time earns just over a third (only 37%) of the income needed to meet her family’s basic needs if she is not receiving any work supports (see the dashed line in Figure 10).<sup>21</sup>

However, if the parent receives Connecticut’s Care 4 Kids child care (the first solid line from the bottom in Figure 9), the monthly cost of child care decreases from \$1,663 to \$628, and wage adequacy increases to 48%—a substantial increase but still covering less than half of her monthly expenses. If the family also receives assistance with food (SNAP and WIC) and health care (HUSKY A for children and adults with dependents) the cost of food decreases to \$50 per month and health insurance to \$0 per month, increasing wage adequacy to 72% (shown in the second solid line from the top in Figure 10). With the addition of housing assistance combined with the other work supports, housing costs are reduced to 30% of the family’s income and wage adequacy reaches 88% (top solid line in Figure 10).

**RETAIL SALESPERSONS.** Retail salespersons are the most common occupation in Connecticut. Working at the retail salesperson’s median wage of \$10.70 per hour, this Hartford single parent’s wage adequacy would be 42% without any assistance. However, the addition of just child care assistance increases her wage adequacy to 55%, and if she also receives food assistance and HUSKY health for the whole family, it reaches 80%. Receiving the full work

support package with housing assistance as well allows her to meet 93% of the family’s basic needs.

**JANITORS & CLEANERS (EXCEPT MAIDS).** At the median wage of janitors and cleaners, which is \$12.55 per hour, this single parent would be able to cover 49% of her family’s basic needs without any work supports. With child care assistance her wage adequacy would increase to 64%. If she also receives food assistance and HUSKY health, wage adequacy reaches 97%.

**NURSING ASSISTANTS.** The median wage of nursing assistants, \$14.92 per hour, is such that this single parent would be able to meet 58% of the income needs of her family without any assistance. Receiving assistance with child care costs increases the wage adequacy to 73%. The further addition of food assistance and HUSKY health increases the wage adequacy to 96%. Finally, if she receives the full work support package, wage adequacy reaches 101%.

### **BOOKKEEPING, ACCOUNTING, AND AUDITING**

**CLERKS.** If this parent’s wage were \$20.30 per hour, which is the median hourly wage for bookkeeping, accounting, and auditing clerks, she would earn enough for her to cover 76% of her family’s basic needs without any assistance. With only the assistance of child care, this wage will cover 93% of the family’s costs. At this wage level she is no longer eligible for housing or food assistance and HUSKY health only covers the children’s health costs. However, with the help of HUSKY B and Care 4 Kids child care assistance, the parent is able to meet all of the family’s basic needs.

*Appendix E: Modeling the Impact of Work Supports on Wage Adequacy* shows the Impact of Work Supports on Wage Adequacy in a full table format, including detail of the impact on specific monthly expenses.

## Closing the Wage Gap: Raising Incomes

For families whose earnings are below 100% wage adequacy, work supports for high-cost necessities such as child care, health care, and housing are frequently the only means to meet basic needs. However, true long-term self-sufficiency means the ability of families to meet basic needs without any public or private assistance. Fully closing Connecticut's wage gap will require public policies that make work pay, increasing the skills of low-wage workers, and recognizing the importance of asset building.

### RAISE WAGES

As demonstrated in this report, in many cases even two adults working full time must each earn well beyond a minimum wage to meet their family's basic needs. Raising wages can have a positive impact not only for workers, but also for employers by decreasing turnover, increasing work experience, and reducing training and recruitment costs.

**MINIMUM WAGES.** One method to increase salaries of low-wage workers is to increase and index the minimum wage, thus providing a floor under wages for all workers, and insuring that the wages will continue to keep pace with inflation. Minimum wages can be set at the federal level, but also at the state and local level. While the federal minimum wage has remained at \$7.25 an hour since 2009, 22 states have passed higher minimum wages, with nine indexing them as well.<sup>22</sup> The highest (and indexed) is Washington at \$9.47 per hour (in 2015).<sup>23</sup> Eleven states have enacted legislation that will lead to higher wages in the future.<sup>24</sup> Seattle, WA, and San Francisco, CA, have adopted the highest local wages to be enacted to date. In 2018 the minimum wage will reach \$15 per hour in San Francisco and thereafter will be indexed. In Seattle the minimum wage will reach \$15 per hour in 2018 for workers of large employers but not until 2021 for all workers, and thereafter will be indexed.<sup>25</sup>

**LOCAL LIVING WAGES.** Localized living wage laws are another approach to raising wages of workers. These laws mandate that public employers, as well as contractors and employers receiving public subsidies, pay a "living wage," thus impacting private sector as well as public sector wages.

**UNIONIZATION.** According to the Bureau of Labor Statistics and the U.S. Department of Labor, union representation of workers also leads to higher wages and better benefits.<sup>26</sup> This union "premium," controlling for other factors is worth about 13.6% in increased wages.<sup>27</sup> However, the percentage of workers represented in unions over the past half century has decreased, so that currently only about 7% of private sector, and 35% of public sector workers are union members.<sup>28</sup>

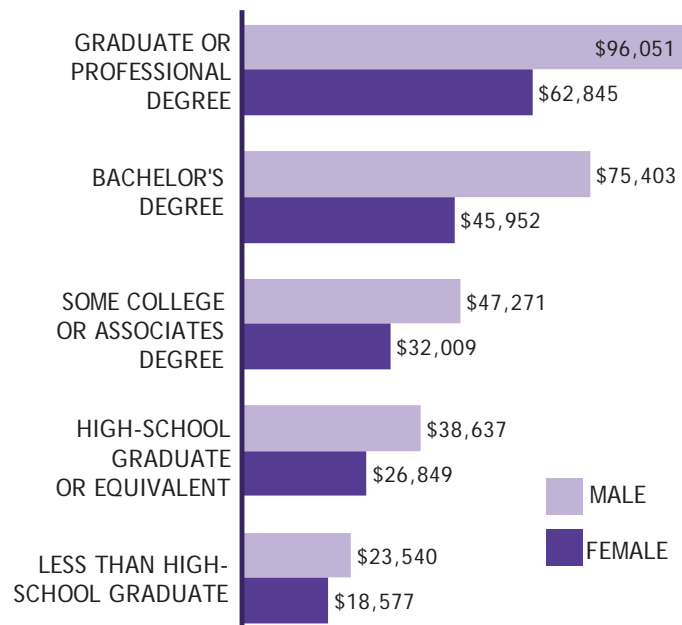
**PAY EQUITY LAWS.** Pay equity laws require employers to assess and compensate jobs based on skills, effort, responsibility, and working conditions, and not based on the gender or race/ethnicity of the job's occupants.<sup>29</sup> Women and people of color all too often face artificial barriers to fair hiring, fair wages, and equal benefits and promotion opportunities—barriers not addressed by tax credits or training and education strategies. It is important to recognize that not all barriers to self-sufficiency lie in the individuals or families seeking self-sufficiency, but that some are gender- or race-based structural constraints and discrimination.

### INCREASE SKILLS

**POST-SECONDARY EDUCATION/TRAINING.** Increasing the skills of low-wage workers provides paths to self-sufficiency and strengthens local economies. As businesses increasingly need workers with higher skill levels, a high school diploma or GED does not have the value that it once had in the job market.<sup>30</sup> As shown in **Figure 11**, the median earnings of male and female workers in Connecticut grow as education levels increase.<sup>31</sup> While increased education is important for both men and women, the gender wage gap at every level continues to present additional challenges for women workers.

**BASIC ADULT EDUCATION.** For many workers with inadequate education, language difficulties, or insufficient job skills or experience, basic adult education programs are an important first step. Due to welfare time limits and restrictions on education and training, short-term, high quality programs that teach basic skills and job skills together in a work-related context are important.

Figure 11. **Impact of Education on Median Earnings by Gender, Connecticut 2015**



Source: U.S. Census Bureau, American Factfinder, 2012 American Community Survey, "B20004. Median Earnings by Sex by Educational Attainment for the Population 25 Years and Over," Detailed Tables, <http://factfinder2.census.gov/> (accessed September 12, 2014).

**NONTRADITIONAL OCCUPATIONS.** For women, many “nontraditional” occupations (NTOs), such as in manufacturing, technology, and construction, require relatively little post-secondary training, yet can provide wages at self-sufficiency levels. In particular, demand for workers in the “green economy” is anticipated and investing in NTO training programs for women will broaden the pool of skilled workers available to employers and create a more diverse workforce that is reflective of the community.<sup>32</sup>

**INCUMBENT WORKER TRAINING.** For low-income workers who are already in an industry that offers adequate wages to medium or high-skilled workers, incumbent worker training creates a career ladder to self-sufficiency. Training incumbent workers allows employers to retain their employees while giving employees an opportunity to become self-sufficient. Retraining and training current employees is a “win-win” (for both employer and employee) strategy in many industries, particularly those which rely on skills and technology unique to a given company or industry subset.

**TARGETED JOBS/SECTOR STRATEGIES.** Aligning training and postsecondary education programs with the workforce needs of the local labor market increases the potential income of low-wage workers and helps communities strengthen their local economies by responding to businesses’ specific labor needs. Targeting job training programs towards occupations with both high growth projections and self-sufficient wages is one way to respond to workforce needs.

**COUNSELING AND COORDINATED TARGETED SERVICES.** Helping low-wage workers balance work, family, and financial responsibilities requires provision of a wide range of services that meet specific subsets’ of clients particular needs, including career counseling to find the occupations that best fit workers’ skills and needs; income and in kind supports such as child care, food, transportation, and health care assistance; as well as job specific characteristics such as flexible scheduling and benefits (e.g., paid sick and family leave).

## INCREASE ASSETS

**INDIVIDUAL DEVELOPMENT ACCOUNTS.** A necessary aspect of long-term economic security is the accumulation of assets. For families with no savings, the slightest setback—an unexpected hospital bill or a reduction in work hours—can trigger a major financial crisis. In addition to the Emergency Savings Funds discussed above individual Development Account (IDA) programs are one way to encourage asset building for low-wage workers. IDAs are savings accounts to which families make regular contributions which are then matched by contributions from a public or private entity and managed by community-based organizations. The savings can only be used for certain objectives that enhance long-term economic security, such as the down payment for a house, payment for higher education, or start-up costs for a small business. See the report, *The Road to Economic Security: Exploring Economic Security Pathways Using The Self-Sufficiency Standard for Connecticut*, for a discussion of how families, once they are meeting basic needs, can move towards increased economic security through saving for education, more secure housing, and retirement.

## How has the Self-Sufficiency Standard Been Used?

While the Self-Sufficiency Standard is an alternative measure of income adequacy that is more accurate, up-to-date, and geographically specific than federal measures, it is more than an improved measure. The Standard is a tool that can be used across a wide array of settings to benchmark, evaluate, educate, and illuminate. Below we briefly outline some of these uses. For more detail and examples, see **Appendix B**, which includes many more examples of the ways in which programs and persons have applied the Self-Sufficiency Standard in their work. In addition, references and websites are provided for those who wish to further explore these applications.

**POLICY ANALYSIS.** The Self-Sufficiency Standard is used as a tool to evaluate the impact of current and proposed policy changes. As shown in the previous section, *Closing the Wage Gap: Reducing Costs*, the Standard can be used to evaluate the impact of a variety of work supports (SNAP/ Food Stamp Program, Medicaid) on a family’s budget. Likewise, the Standard can be used to evaluate policy options such as changes in child care co-payments or tax schedules as they impact family incomes of low income families in particular.

**EVALUATIONS OF ECONOMIC DEVELOPMENT PROPOSALS.** The Self-Sufficiency Standard is used to help determine if businesses seeking tax breaks or other government subsidies will, or will not, create jobs that pay “living wages.” If not, employees may need public work supports to be able to meet their basic needs, essentially providing a “double subsidy” for businesses. Communities can use the Standard to evaluate economic development proposals and their net positive or negative effect on the local economy, as well as the impact on the well-being of potential workers and their families.

**EMPLOYMENT PROGRAMS.** The Self-Sufficiency Standard is used in employment programs to determine which individuals are eligible and/or to target those most in need of specific support or training services, as well as to determine training and counseling needs, and to measure the effectiveness of employment programs.

For example, the Self-Sufficiency Standard is used to **target job training resources**. Using a “targeted jobs strategy,” the Standard helps to match job seekers with employment that pays Self-Sufficiency Wages. Through an evaluation of the local labor market and available job training and education infrastructure, job seekers are matched to employment with family-sustaining wages. Through this analysis it is possible to determine the jobs and sectors towards which to target training and education resources.

Additionally, as a **counseling tool** the Self-Sufficiency Standard helps participants in work and training programs develop strategies to become self-sufficient. Computer-based counseling tools allow users to determine what their needed wages are, and then, using information on available programs and work supports, devise strategies that best meet their own costs and needs. These tools integrate a wide variety of data not usually brought together, allowing clients to access information about the benefits of various programs and work supports that can move them towards economic self-sufficiency.

Finally, the Self-Sufficiency Standard is used to **evaluate program outcomes** for clients in a range of employment programs, from short-term job search and placement programs, to programs providing extensive education or job training. By evaluating wage outcomes in terms of the Standard, programs are using a measure of true effectiveness. Such evaluations can help redirect resources to approaches that result in improved outcomes for participants.

### CASE HIGHLIGHT

In Washington State, the Workforce Development Council of Seattle-King County adopted the Self-Sufficiency Standard as its official measure of self-sufficiency and uses the Standard as a program evaluation benchmark and counseling tool shifting their focus from job placement alone to long-term economic self-sufficiency.

## Conclusion

As Connecticut continues to recover from the Great Recession, long-term economic prosperity will require responsible action at the state and community level that puts all Connecticut families on the path to self-sufficiency. A strong economy means good jobs that pay Self-Sufficiency Standard wages and a workforce with the skills necessary to fill those jobs. *The Self-Sufficiency Standard for Connecticut 2015* defines the income needed to realistically support a family without public or private assistance in Connecticut. For most workers, the Self-Sufficiency Standard shows that earnings above the official Federal Poverty Level are nevertheless far below what is needed to meet families' basic needs.

Although the Self-Sufficiency Standard determines an adequate wage level without public benefits, it does not imply that public work supports are inappropriate or unnecessary for Connecticut families. For workers with wages below the Self-Sufficiency Standard, public subsidies for such necessities as child care, health care, and housing are critical to meeting basic needs, retaining jobs and advancing in the workforce. By utilizing the Self-Sufficiency Standard, Connecticut has the opportunity to lay the foundation to achieve a strong workforce and thriving communities.

The Self-Sufficiency Standard is currently being used to better understand issues of income adequacy, to analyze policy, and to help individuals striving to be self-sufficient. Community organizations, academic researchers, policy institutes, legal advocates, training providers, Community Action Agencies, and state and local officials, among others, are using the Self-Sufficiency Standard.

In addition to Connecticut, the Standard has been calculated for Alabama, Arizona, California, Colorado, Delaware, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maryland, Massachusetts, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New York, North Carolina, Oklahoma, Ohio, Oregon, Pennsylvania, South Dakota, Tennessee, Texas, Utah, Virginia, Washington State, West Virginia, Wisconsin, Wyoming, and the Washington, DC metropolitan area.

For further information about the Standard, how it is calculated or used, or the findings reported here, as well as information about other states or localities, contact Dr. Diana Pearce at [pearce@uw.edu](mailto:pearce@uw.edu) or (206) 616-2850, or the Center for Women's Welfare staff at (206) 685-5264, or visit <http://selfsufficiencystandard.org>.

For more information on *The Self-Sufficiency Standard for Connecticut 2015*, this publication or the Standard wage tables for Connecticut regions, or to find out more about the programs at the Permanent Commission on the Status of Women, contact (860) 240-8300 or visit <http://ctpcsw.com/>.



## Endnotes

1. Jared Bernstein, *Crunch: Why Do I Feel so Squeezed (and other Unsolved Economic Mysteries)*. (San Francisco, CA: Berrett-Koehler Publishers, Inc., 2008).
2. According to the U.S. Bureau of Labor Statistics, both parents were employed in 59% of two-parent families with children in 2013. Likewise, 68% of single mothers and 81% of single fathers were employed in 2013. Although about 75% of employed women with children under 18 years of age worked full time in 2013, 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 when affordable/appropriate child care is not available. For many low-income mothers it is equally clear that economic necessity, as well as the TANF requirements that limit benefits and stipulate that recipients participate in job searches, preclude this option. U.S. Department of Labor, Bureau of Labor Statistics, "Employment Characteristics of Families in 2013," Economic News Releases, Employment and Unemployment, <http://www.bls.gov/news.release/pdf/famee.pdf> (accessed June 9, 2014).
3. Eligibility criteria for areas to be assigned 50th percentile FMRs were established by a rule published on October 2, 2000. The objective was to give Public Housing Authorities (PHAs) a tool to assist them in de-concentrating voucher program use patterns. (See 24 CFR 888.113.) U.S. Housing and Urban Development, "Fair Market Rents for the Section 8 Housing Assistance Payments Program," Data Sets, Fair Market Rents: Overview (2007), [http://www.huduser.org/datasets/fmr/fmrover\\_071707R2.doc](http://www.huduser.org/datasets/fmr/fmrover_071707R2.doc) (accessed February 20, 2013).
4. The Family Support Act, in effect from 1988 until welfare reform in 1996, required states to provide child care assistance at market rate for low-income families in employment or education and training. States were also required to conduct cost surveys biannually to determine the market rate (defined as the 75th percentile) by facility type, age, and geographical location or set a statewide rate.
5. U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, Center for Financing, Access, and Cost Trends, "Table II.D.3: Percent of Total Premiums Contributed by Employees Enrolled in Family Coverage at Private-Sector Establishments that Offer Health Insurance by Firm Size and State: United States, 2013," Medical Expenditure Panel Survey-Insurance Component, [http://meps.ahrq.gov/mepsweb/data\\_stats/summ\\_tables/insr/state/series\\_2/2013/tiid3.htm](http://meps.ahrq.gov/mepsweb/data_stats/summ_tables/insr/state/series_2/2013/tiid3.htm) (accessed July 18, 2014).
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8. Health care premiums are the statewide average paid by workers for single adults and for families, from the national Medical Expenditure Panel Survey (MEPS), which is 32.7% of the premium for family coverage and 25% of the premium for individual coverage in Connecticut. U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, Center for Financing, Access, and Cost Trends, "Tables II.C.3 and II.D.3: Percent of total premiums contributed by employees enrolled in single (family) coverage at private-sector establishments that offer health insurance by firm size and State: Connecticut, 2013," Medical Expenditure Panel Survey-Insurance Component, [http://meps.ahrq.gov/mepsweb/data\\_stats/quick\\_tables\\_results.jsp?component=2&subcomponent=2&year=2013&tableSeries=2&tableSubSeries=&searchText=&searchMethod=1&Action=Search](http://meps.ahrq.gov/mepsweb/data_stats/quick_tables_results.jsp?component=2&subcomponent=2&year=2013&tableSeries=2&tableSubSeries=&searchText=&searchMethod=1&Action=Search) (accessed February 24, 2015).
9. The lowest cost plan for a family with two adults (age 30) earning \$82,800 annually with one year old and 4 year old is \$653 per month after the estimated tax credit has been applied. Access Health Connecticut, "Get Health Coverage," <https://www.accesshealthct.com/AHCT/LandingPageCTHIX> (accessed January 21, 2015).
10. The Self-Sufficiency Wage for each of these places has been updated to current dollars using the Consumer Price Index for the appropriate regions. U.S. Department of Labor, Bureau of Labor Statistics, "Northeast/Midwest/South/West Regions All Items, 1982-84=100 - CUURA101SA0," Consumer Price Index, <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed December 1, 2014).
11. This calculation of the Connecticut Self-Sufficiency Standard reflects a change in methodology for child care costs. In 2005, infants were assumed be cared for in family homes while preschoolers and school-age children were assumed to receive care in centers. The Standard now weights child care costs based on average family and center facility usage. This methodology change increases infant costs but lowers the cost of care for preschoolers and school-age children as center care is more expensive than family homes. See the Methodology Appendix for more information.
12. U.S. Department of Labor, Bureau of Labor Statistics, "Northeast Region All Items, 1982-84=100 - CUURA101SA0," Consumer Price Index, <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed December 1, 2014).
13. U.S. Department of Housing and Urban Development, "FY 2014 Income Limits Summary, New London County," Data Sets, Income Limits, FY 2014 Income Limits Documentation System, [http://www.huduser.org/portal/datasets/il/il14/index\\_il2014.html](http://www.huduser.org/portal/datasets/il/il14/index_il2014.html) (accessed October 1, 2014).
14. Although these income limits are based on 80%, 50%, and 30% of the median income, the final income limit benchmarks are calculated after various adjustments are accounted for, such as high or low housing cost adjustments. Therefore the final income limits are not necessarily an exact percent of the original median income. Additionally, if 30% of median income is less than the federal poverty level, then the low income limit is set at the federal poverty level. Most housing assistance is limited to the "Very Low Income" category, and in some instances to the "Extremely Low Income" category. U.S. Department of Housing and Urban Development, "FY 2014 Income Limits Summary, New London County," Data Sets, Income Limits, FY 2014 Income Limits

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17. U.S. Department of Health and Human Services, Administration for Children & Families, Office of Child Support Enforcement, "FY 2013 Preliminary Report," Tables 4, 14, 15 and 75, <http://www.acf.hhs.gov/programs/css/resource/fy2013-preliminary-report> (accessed August 28, 2014). Data has been inflated using the Bureau of Labor Statistics Consumer Price Index. U.S. Department of Labor, Bureau of Labor Statistics, "Northeast Region All Items, 1982-84=100 - CUURA101SA0," Consumer Price Index, <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed December 1, 2014).
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23. Ibid.
24. Ibid.
25. Seattle's minimum wage will reach at least \$15 for all workers by 2021 (\$16.49 for those who reach \$15 earlier), and in 2025 the minimum wage will be \$18.13 across the board and will be indexed thereafter. City of Seattle, Office of the Mayor, "\$15 Minimum Wage," <http://murray.seattle.gov/minimumwage/#charts> (accessed March 11, 2015). City and County of San Francisco, Office of Labor Standards Enforcement, "Minimum Wage Ordinance (MWO)," <http://sfgsa.org/index.aspx?page=411> (accessed March 11, 2015).
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## Appendix A: Methodology, Assumptions, and Sources

This appendix explains the methodology, assumptions, and sources used to calculate the Standard. We begin with a discussion of our general approach, followed by the specifics of how each cost is calculated, ending with a list of data sources. Making the Standard as consistent and accurate as possible, yet varied by geography and the age of children, requires meeting several different criteria. To the extent possible, the data used in the Self-Sufficiency Standard are:

- Collected or calculated using standardized or equivalent methodology nationwide
- Obtained from scholarly or credible sources such as the U.S. Census Bureau
- Updated regularly
- Geographically and age-specific, as appropriate

Costs that vary substantially by place, such as housing and child care, are calculated at the most geographically specific level for which data are available. Other costs, such as health care, food, and transportation, are varied geographically to the extent there is variation and appropriate data available. In addition, as improved or standardized data sources become available, the methodology used by the Standard is refined accordingly, resulting in an improved Standard that is comparable across place as well as time.

The Self-Sufficiency Standard assumes adult household members work full time and therefore includes all major costs associated with employment for every adult household member (i.e., taxes, transportation, and child care for families with young children). The Self-Sufficiency Standard does not calculate costs for adults with disabilities or elderly household members who no longer work. It should be noted that for families with persons with disabilities or elderly family members there are costs that the Standard does not account for, such as increased transportation and health care costs.

The Standard assumes adults work eight hours per day for 22 days per month and 12 months per year. Each cost component in the Standard is first calculated as a monthly cost. Hourly and annual Self-Sufficiency Wages are calculated based on the monthly Standard by dividing the monthly Self-Sufficiency Standard by 176 hours per month

to obtain the hourly wage and multiplying by 12 months per year to obtain the annual wage.

The components of The Self-Sufficiency Standard for Connecticut 2015 and the assumptions included in the calculations are described below.

### EXTENDED FAMILY TYPES

The cost of each basic need and the Self-Sufficiency Wages for eight selected family types for each of 23 regions in Connecticut are included in Appendix D of this report. Connecticut's five Workforce Development Areas (WDAs) have been divided into 23 regions; see Appendix D for a list of the WDAs, the 23 regions, and the counties and towns within each WDA region. Overall, the 2015 edition of the Connecticut Self-Sufficiency Standard is calculated for 152 family types. The first 70 family types include all one- and two-adult families with zero to three children and range 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. The additional types include larger families, including multigenerational families and families with three or more adults and four or more children.<sup>a</sup> Note that the four ages of children in the Standard are: (1) infants—0 to 2 years old (meaning 0 through 35 months), (2) preschoolers—3 to 5 years old, (3) school-age children—6 to 12 years old, and (4) teenagers—13 to 18 years old.

In order to remain consistent with the Standard's methodology, it is assumed that all adults in one- and two-adult households are working full time. The Self-Sufficiency Standard therefore includes all major costs associated with employment for adult household members (i.e., taxes, transportation, and child care for families with young children) up to two adults per household.

For households with more than two adults, it is assumed that all adults beyond two are non-working dependents of the first two working adults, as household composition analysis has shown that a substantial proportion of additional adults are under 25, often completing school, unemployed, or underemployed.<sup>b</sup> The main effect of this assumption is that the costs for these adults do not include

transportation (but do include all other costs such as food, housing, health care, and miscellaneous).

As in the original Standard calculations, it is assumed that adults and children do not share the same bedroom and that there are no more than two children or two adults per bedroom.

Food costs for additional adults (greater than two) are calculated using the assumption that the third adult is a female and the fourth adult is a male, with the applicable food costs added for each.

The first two adults are assumed to be a married couple and taxes are calculated for the whole household together (i.e., as a family), with additional adults counted as additional (adult) tax exemptions.

The Standard assumes that all non-teenage children are in paid child care, even in larger families. This is consistent with the principle that self-sufficiency means having enough to pay the full cost of each basic need without public or private subsidies. Some families in fact may choose to have older children or other non-employed adults in the family care for younger children; however, that is a form of private subsidy and thus would make these Standards inconsistent in methodology from those calculated for smaller families.

## HOUSING

The Standard uses the most recent Fiscal Year (FY) Fair Market Rents (FMRs), calculated annually by the U.S. Department of Housing and Urban Development (HUD), to calculate housing costs for each state's metropolitan and non-metropolitan areas, and are used to determine the level of rent for those receiving housing assistance through the Housing Choice Voucher Program. Section 8(c)(1) of the United States Housing Act of 1937 (USHA) requires the Secretary to publish Fair Market Rents (FMRs) periodically, but not less than annually, to be effective on October 1 of each year. On October 3, 2014, HUD published final FMRs for fiscal year 2015. Housing costs in the 2015 Connecticut Self-Sufficiency Standard are calculated using the FY 2015 HUD Fair Market Rents.

The FMRs are based on data from the 1-year and 5-year American Community Survey, and are updated for inflation using the Consumer Price Index. The survey

sample includes renters who have rented their unit within the last two years, excluding new housing (two years old or less), substandard housing, and public housing. FMRs, which include utilities (except telephone and cable), are intended to reflect the cost of housing that meets minimum standards of decency. In most cases, FMRs are set at the 40th percentile; meaning 40% of the housing in a given area is less expensive than the FMR.<sup>c</sup> All of Connecticut's FMRs are set at the 40th percentile except for the Hartford-West Hartford-East Hartford metro area and the New Haven-Meriden metro area, which are set at the 50th percentile.

The FMRs are calculated for Metropolitan Statistical Areas (MSAs), HUD Metro FMR Areas (HMFAs), and non-metropolitan counties. The term MSA is used for all metropolitan areas. HUD calculates one set of FMRs for an entire metropolitan area. Because HUD only calculates one set of FMRs for each metropolitan area, and there are just eight metropolitan areas/counties in Connecticut (plus six nonmetropolitan areas), we used median gross rents by town from the U.S. Census Bureau's 2008-2012 American Community Survey (ACS) 5-Year Estimates to calculate adjusted FMRs weighted by the population in the 2010 Census for each of the 23 regions in Connecticut.<sup>d</sup>

To determine the number of bedrooms required for a family, the Standard assumes that parents and children do not share the same bedroom and no more than two children share a bedroom. Therefore, the Standard assumes that single persons and couples without children have one-bedroom units, families with one or two children require two bedrooms, and families with three children require three bedrooms. Because there are few efficiencies (studio apartments) in some areas, and their quality is very uneven, the Self-Sufficiency Standard uses one-bedroom units for the single adult and childless couple.

## DATA SOURCES

**Housing Cost:** U.S. Department of Housing and Urban Development, "Schedule B: FY 2015 Final Fair Market Rents for Existing Housing," Data Sets, Fair Market Rents, <http://www.huduser.org/portal/datasets/fmr.html> (accessed December 8, 2014).

**Town-Level Housing Costs:** U.S. Census Bureau, American Factfinder, "B25064 Median Gross Rent," 2009-2013 American Community Survey 5-Year Estimates, Detailed

Tables, <http://factfinder.census.gov/> (accessed January 26, 2015).

**Town Population:** U.S. Census Bureau, 2010 Census Redistricting File, [http://www2.census.gov/census\\_2010/01-Redistricting\\_File--PL\\_94-171/Connecticut/ct2010.pl.zip](http://www2.census.gov/census_2010/01-Redistricting_File--PL_94-171/Connecticut/ct2010.pl.zip), (accessed February 5, 2015).

## CHILD CARE

The Family Support Act, in effect from 1988 until welfare reform in 1996, required states to provide child care assistance at market rate for low-income families in employment or education and training. States were also required to conduct cost surveys biannually to determine the market rate (defined as the 75th percentile) by facility type, age, and geographical location or set a statewide rate.<sup>c</sup> Many states, including Connecticut, have continued to conduct or commission the surveys on a regular basis. Data for Connecticut child care costs are from the 2012 child care rate data from the Connecticut Office of Early Childhood (OEC).

Child care rates at the 75th percentile are provided in the OEC 2012 data for both center and family child care for five regions. Most of the 23 regions defined for this report fall entirely within one of the five child care regions, but Greater New London and Naugatuck Valley required weighting data from two child care regions by town population.

Rates were updated for inflation using the Northeast Region Consumer Price Index. For the 2015 Connecticut Standard, infant and preschooler costs were calculated assuming full-time care and costs for school-age children were calculated using part-time rates. Costs were calculated based on a weighted average of family child care and center child care. Since one of the basic assumptions of the Standard is that it provides the cost of meeting needs without public or private subsidies, the “private subsidy” of free or low-cost child care provided by relatives and others is not assumed. Note that previous Standards did not assume a weighted average of family and center child care. Previously, infants were assumed to be cared for in family child care while preschool and school-age children were assumed to be cared for in child care centers.

For infants, family child care accounts for 43% of the care and center child care accounts for 57%. For preschoolers,

family child care accounts for 26% of the care and center child care accounts for 74%. For school-age children, family child care accounts for 46% of the care and center child care accounts for 54%.<sup>f</sup>

## DATA SOURCES

**Child Care Rates:** Connecticut Office of Early Childhood, “Connecticut Child Care Market Rate Survey Data - DSS 09/2013 (United Way Data 12/2012),” personal communication with Charmaine Thomas, Public Assistance Consultant, on December 11, 2014.

**Inflation:** U.S. Department of Labor, Bureau of Labor Statistics, “Consumer Price Index—All Urban Consumers, Northeast Region Average,” Consumer Price Index, CPI Databases, <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed February 6, 2015).

**Town Population:** U.S. Census Bureau, 2010 Census Redistricting File, [http://www2.census.gov/census\\_2010/01-Redistricting\\_File--PL\\_94-171/Connecticut/ct2010.pl.zip](http://www2.census.gov/census_2010/01-Redistricting_File--PL_94-171/Connecticut/ct2010.pl.zip), (accessed February 5, 2015).

## FOOD

Although the Supplemental Nutrition Assistance Program (SNAP, formerly the Food Stamp Program) uses the U.S. Department of Agriculture (USDA) Thrifty Food Plan to calculate benefits, the Standard uses the Low-Cost Food Plan for food costs. While both of these USDA diets were designed to meet minimum nutritional standards, SNAP (which is based on the Thrifty Food Plan) is intended to be only a temporary safety net.<sup>g</sup>

The Low-Cost Food Plan costs 25% more than the Thrifty Food Plan, and is based on more realistic assumptions about food preparation time and consumption patterns, while still being a very conservative estimate of food costs. For instance, the Low-Cost Food Plan also does not allow for any take-out, fast-food, or restaurant meals, even though, according to the Consumer Expenditure Survey, the average American family spends about 40% of their food budget on food prepared away from home.<sup>h</sup>

The USDA Low-Cost Food Plan varies by month and does not give an annual average food cost, so the Standard follows the SNAP protocol of using June data of the current

year to represent the annual average. The 2015 Connecticut Standard uses data for June 2014.

Both the Low-Cost Food Plan and the Standard's budget calculations vary food costs by the number and ages of children and the number and gender of adults. The Standard assumes that a single-person household is one adult male, while the single-parent household is one adult female. A two-parent household is assumed to include one adult male and one adult female.

Geographic differences in food costs within Connecticut are varied using Map the Meal Gap data provided by Feeding America. To establish a relative price index that allows for comparability between counties, Nielsen assigns every sale of UPC-coded food items in a county to one of the 26 food categories in the USDA Thrifty Food Plan (TFP). The cost to purchase a market basket of these 26 categories is then calculated for each county. Because not all stores are sampled, in low-population counties this could result in an inaccurate representation of the cost of food. For this reason, counties with a population less than 20,000 have their costs imputed by averaging them with those of the surrounding counties.<sup>i</sup> Food costs for regions crossing county boundaries were calculated by weighting county costs by town population. Ratios of the regional market basket price to the state average are then calculated to compare the cost of food across Connecticut.

## DATA SOURCES

**Food Costs:** U.S. Department of Agriculture, Center for Nutrition Policy and Promotion, "Official USDA Food Plans: Cost of Food at Home at Four Levels, U.S. Average, June 2014," [http://www.cnpp.usda.gov/sites/default/files/usda\\_food\\_plans\\_cost\\_of\\_food/CostofFoodJun2014.pdf](http://www.cnpp.usda.gov/sites/default/files/usda_food_plans_cost_of_food/CostofFoodJun2014.pdf) (accessed August 26, 2014).

**County-Level Food Costs:** Craig Gunderson, Emily Engelhard, Amy Satoh, and Elaine Waxman, Feeding America, "Map the Meal Gap 2014: Food Insecurity and Child Food Insecurity Estimates at the County Level," received from [research@feedingamerica.org](mailto:research@feedingamerica.org) (May 13, 2014).

**Town Population:** U.S. Census Bureau, 2010 Census Redistricting File, [http://www2.census.gov/census\\_2010/01-Redistricting\\_File--PL\\_94-171/Connecticut/ct2010.pl.zip](http://www2.census.gov/census_2010/01-Redistricting_File--PL_94-171/Connecticut/ct2010.pl.zip), (accessed February 5, 2015).

## TRANSPORTATION

**PUBLIC 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 working population to commute to work. According to a study by the Institute of Urban and Regional Development, University of California, if about 7% of the general public uses public transportation, then approximately 30% of the low- and moderate-income population use public transit.<sup>j</sup> The Standard assumes private transportation (a car) in counties where less than 7% of workers commute by public transportation. For Connecticut, the Standard uses 2010-2012 American Community Survey 3-Yr Estimates to calculate the percent of each region's population that commutes by public transportation. Some regions along the Metro-North Commuter Railroad exceed the 7% mark, but only due to interstate commuting. Closer examination of within-county commuting revealed that less than 7% of people who work locally commute by public transit in Stamford and Lower Fairfield. This is a change in methodology from the 2005 Connecticut Standard, so these two regions will have substantially higher transportation costs than before. The three regions that continue to meet the bar for using public transit costs are Bridgeport, Hartford, and New Haven. All other Connecticut regions have fewer than 7% of workers using public transportation to commute.<sup>k</sup> Therefore, the Standard uses private transportation to calculate transportation costs for all other Connecticut regions.

**PRIVATE TRANSPORTATION.** For private transportation, the Standard assumes that adults need a car to get to work. Private transportation costs are based on the average costs of owning and operating a car. One car is assumed for households with one adult and two cars are assumed for households with two adults. It is understood that the car(s) will be used for commuting five days per week, plus one trip per week for shopping and errands. 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. Per-mile driving costs (e.g., gas, oil, tires, and maintenance) are from the American Automobile Association. The commuting distance is computed from the 2009 National Household Travel Survey (NHTS). The



Connecticut statewide average round trip commute to work distance is 28.3 miles. The New York/Northern New Jersey/Long Island NY-NJ-PA-CT MSA has a separate average round-trip commute distance of 26.5 miles.

The auto insurance premium is the average premium cost for a given state from the National Association of Insurance Commissioners (NAIC) 2012 State Average Expenditures for Auto Insurance. Regional variation in the cost of auto insurance for the 2015 Connecticut Standard is calculated using rates filed with the Connecticut Insurance Department through the System for Electronic Rate and Form Filing (SERFF) for two of the top market share companies (Allstate and Progressive Casualty). Market share information is obtained from the Connecticut Department of Insurance *Annual Ranking of 2012 Calendar Year Automobile Insurance Complaints*. We use the rates from the top market share companies to calculate ratios that compare the cost of insurance across regions and vary the statewide premium from the National Association of Insurance Commissioners by region ratio.

The fixed costs of car ownership such as fire, theft, property damage and liability insurance, license, registration, taxes, repairs, monthly payments, and finance charges are also included in the cost of private transportation for the Standard. However, the initial cost of purchasing a car is not. Fixed costs are from the 2009 Consumer Expenditure Survey data for families with incomes between the 20th and 40th percentile living in the Census Northeast region of the U.S. Auto insurance premiums and fixed auto costs are adjusted for inflation using the most recent and area-specific Consumer Price Index.

## DATA SOURCES

**Public Transportation Use:** U.S. Census Bureau, “Table B08101: Means of Transportation to Work,” 2010-2012 American Community Survey 3-Year Estimates, Detailed Tables, <http://www.factfinder.census.gov> (accessed December 10, 2014) and “Table B08130: Means of Transportation to Work by Place of Work -- State and County Level,” American Community Survey 3-Year Estimates, Detailed Tables, <http://www.factfinder.census.gov> (accessed February 2, 2015).

**Auto Insurance Premium:** National Association of Insurance Commissioners, “Average Expenditures for Auto

Insurance by State, 2008-2012,” Insurance Information Institute, <http://www.iii.org/fact-statistic/auto-insurance> (accessed February 7, 2015).

**Auto Insurance Market Share:** Connecticut Insurance Department, “Automobile Insurance Company Annual Ranking Reports 2012”, available at [https://www.ct.gov/cid/lib/cid/2012\\_Annual\\_Ranking\\_Report\\_-\\_Automobile\\_Insurance.pdf](https://www.ct.gov/cid/lib/cid/2012_Annual_Ranking_Report_-_Automobile_Insurance.pdf) (accessed December 14, 2014).

**Regional Insurance Premium:** National Association of Insurance Commissioners System for Electronic Rate and Form Filing, Connecticut Insurance Department Portal, <https://filingaccess.serff.com/sfa/home/CT/> (accessed January 23, 2015). Business Type: Property and Casualty; Type of Insurance: 19.0 Personal Auto; Company Name: Allstate, Progressive Casualty. Allstate: SERFF Tracking Number: ALSE-127331850, “Private Passenger Auto Insurance Manual.” Progressive Casualty: SERFF Tracking Number: PRGS-129744066, “Progressive Casualty Insurance Company, Private Passenger Automobile Program, Rates for the State of Connecticut.” Distance to Work: U.S. Department of Transportation, 2009 National Household Transportation Survey, “Average Person Trip Length (Trip Purpose: to/from Work),” Online Analysis Tools, <http://www.nhts.ornl.gov> (accessed January 21, 2010).

**Fixed Auto Costs:** Calculated and adjusted for regional inflation using Bureau of Labor Statistics data query for the Consumer Expenditure Survey. U.S. Department of Labor, Bureau of Labor Statistics, “Other Vehicle Expenses,” Consumer Expenditure Survey 2013, CE Databases, <http://data.bls.gov/pdq/querytool.jsp?survey=cx/> (accessed February 7, 2015).

**Inflation:** U.S. Department of Labor, Bureau of Labor Statistics, “Consumer Price Index—All Urban Consumers, U.S. City Average,” Consumer Price Index, CPI Databases, <http://data.bls.gov/cgi-bin/surveymost?cu> (accessed February 7, 2015).

**Per-Mile Costs:** American Automobile Association, “Your Driving Costs,” Behind the Numbers 2014 Edition, AAA Association Communication, <http://publicaffairsresources.aaa.biz/wp-content/uploads/2014/05/Your-Driving-Costs-2014.pdf> (accessed May 19, 2014).



## TREATMENT OF TAX CREDITS IN TABLE 7 AND FIGURE 10

The Standard shows refundable and nonrefundable tax credits as if they are received monthly. However, in Table 7 (Columns #2-#6) and Figure 10, the refundable federal Earned Income Tax Credit (EITC) and the “additional” refundable portion of the Child Tax Credit (CTC) are shown as received annually. However, the Child Care Tax Credit (CCTC) is nonrefundable, meaning it can only be used to reduce taxes and does not contribute to a tax refund. Therefore, it is shown as a monthly credit against federal taxes in both the Self-Sufficiency Standard and in the modeling section.

The tax credits are calculated this way in Table 7 and Figure 10 in order to be as realistic as possible. Until 2010, a family could receive part of their EITC on a monthly basis (called Advance EITC), but many workers preferred to receive it annually as a lump sum. In fact, nearly all families received the EITC as a single payment the following year when they filed their tax returns.<sup>a</sup> Many families preferred to use the EITC as “forced savings” to pay for larger items that are important family needs, such as paying the security deposit for housing, buying a car, or settling debts.<sup>b</sup> Therefore, in the modeling section, the total amounts of the refundable federal and state EITC the family would receive annually (when they file their taxes) are shown in the shaded rows at the bottom of the table instead of being shown monthly as in the Self-Sufficiency Standard column. This is based on the assumption that the adult works at this same wage, full time, for the whole year.

Like the EITC, the federal CTC is shown as received monthly in the Self-Sufficiency Standard. However, for the modeled work support columns, the CTC is split into two amounts with only the portion that can be used to offset any remaining (after the CCTC) taxes owed shown monthly, while the “additional” refundable portion of the CTC is shown as a lump sum received annually in the shaded rows at the bottom of Table 7.

a. Some workers may have been unaware of the advance payment option, and others may have had employers who did not participate. Also, research has shown that families make financial decisions based on receipt of the EITC (together with tax refunds) when they file their taxes early in the following year. Jennifer Romich and Thomas Weisner, “How Families View and Use the EITC: The Case for Lump-Sum Delivery,” *National Tax Journal*, 53(4) (part 2) (2000): 1107-1134; hereafter cited as How Families View and Use the EITC.

b. How Families View and Use the EITC.

## HEALTH CARE

The Standard assumes that an integral part of a Self-Sufficiency Wage is employer-sponsored health insurance for workers and their families. In Connecticut, 72% of non-elderly individuals in households with at least one full-time worker have employer-sponsored health insurance (this is the same as the national rate).<sup>1</sup> The full-time worker’s employer pays an average of 75% of the insurance premium for the employee and 67% for the family in Connecticut. Nationally, the employer pays 79% of the insurance premium for the employee and 73% of the insurance premium for the family.<sup>m</sup>

Health care premiums are obtained from the Medical Expenditure Panel Survey (MEPS), Insurance Component produced by the Agency for Healthcare Research and Quality, Center for Financing, Access, and Cost Trends. The MEPS health care premiums are the average employment-based health premium paid by a state’s residents for a single

adult and for a family. In Connecticut the average premium paid by the employee is \$125.17 for a single adult and \$460.17 for a family. The premium costs are then adjusted for inflation using the Medical Care Services Consumer Price Index.

To vary the state premium costs for Connecticut, the Standard uses sample premiums from the four top market share companies for health insurance in Connecticut. Market share information is obtained from the Connecticut Insurance Department publication, “Consumer Report Card on Health Insurance Carriers In Connecticut.” The state-level MEPS average premium is adjusted by region using ratios calculated from region-specific premium rates for the top market share companies.<sup>n</sup>

Health care costs also include regional out-of-pocket costs calculated for adults, infants, preschoolers, school-age children, and teenagers. Data for out-of-pocket health care costs (by age) are also obtained from the MEPS, adjusted

by Census region using the MEPS Household Component Analytical Tool, and adjusted for inflation using the Medical Care Consumer Price Index.

Although the Standard assumes employer-sponsored health coverage, not all workers have access to affordable health insurance coverage through employers.

However, as a result of the Patient Protection and Affordable Care Act of 2010, employers will now be required to provide health insurance or pay a fine (a mandate that is now set to be in effect in 2015). Those who do not have access to affordable health insurance through their employers must either purchase their own coverage or do without health insurance.<sup>o</sup> Those who do not have access to affordable health insurance through their employers, and who are not eligible for the expanded Medicaid program, must purchase their own coverage individually or through Connecticut's individual marketplace (Access Health CT), or pay a fine. Individuals who cannot afford health insurance may be eligible for a premium tax credit or cost-sharing reductions.<sup>p</sup>

## DATA SOURCES

**Inflation:** U.S. Department of Labor, Bureau of Labor Statistics, “Consumer Price Index – All Urban Consumers, U.S. City Average,” Medical Care Services (for premiums) and Medical Services (for out-of-pocket costs), <http://www.bls.gov/cpi/> (accessed February 7, 2015).

**Out-of-Pocket Costs:** U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, Center for Financing, Access, and Cost Trends, Medical Expenditure Panel Survey-Household Component Analytical Tool, “Total Amount Paid by Self/Family, all Types of Service, 2012” MEPSnetHC, [http://www.meps.ahrq.gov/mepsweb/data\\_stats/MEPSnetHC.jsp](http://www.meps.ahrq.gov/mepsweb/data_stats/MEPSnetHC.jsp) (accessed February 7, 2015).

**State Premiums:** U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, Center for Financing, Access, and Cost Trends, “Tables II.C.2 and II.D.2: Average Total Employee Contribution (in Dollars) per Enrolled Employee for Single/Family Coverage at Private-Sector Establishments that Offer Health Insurance by Firm Size and State, United States, 2013,” Medical Expenditure Panel Survey-Insurance Component,

[http://meps.ahrq.gov/mepsweb/data\\_stats/quick\\_tables.jsp](http://meps.ahrq.gov/mepsweb/data_stats/quick_tables.jsp) (accessed December 14, 2014).

**Health Insurance Market Share:** Connecticut Insurance Department, “Consumer Report Card on Health Insurance Carriers In Connecticut,” [http://www.ct.gov/cid/lib/cid/2014\\_Consumer\\_Report\\_Card\\_on\\_CT\\_Health\\_Insurance\\_Carriers.pdf](http://www.ct.gov/cid/lib/cid/2014_Consumer_Report_Card_on_CT_Health_Insurance_Carriers.pdf) (accessed December 14, 2014).

**Regional Premium Costs:** Access Health CT, “Get Health Coverage,” <https://www.accesshealthct.com/AHCT/LandingPageCTHIX/> (accessed January 21, 2015) and Aetna, “Get Individual Quotes or Apply Online,” <https://www51.aetna.com/iqs/cp/basicInfo.do> (accessed January 21, 2015).

## MISCELLANEOUS

This expense category consists of all other essentials including clothing, shoes, paper products, diapers, nonprescription medicines, cleaning products, household items, personal hygiene items, and telephone service.

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 commonly use 15% and account for other costs such as recreation, entertainment, savings, or debt repayment.<sup>q</sup>

## TAXES

Taxes calculated in the Standard include federal and state income tax, payroll taxes, and state and local sales tax where applicable. Federal payroll taxes for Social Security and Medicare are calculated at 7.65% of each dollar earned. Although the federal income tax rate is higher than the payroll tax rate, federal exemptions and deductions are substantial. As a result, while payroll tax is paid on every dollar earned, most families will not owe federal income tax on the first \$10,000 to \$15,000 or more, thus lowering the effective federal tax rate to about 7% for some family types. Income tax calculations for the Standard include state and local income tax. Connecticut income tax rates range from 3% to 6.7% depending on income level and filing status.

Indirect taxes (e.g., property taxes paid by the landlord on housing) are assumed to be included in the price of housing passed on by the landlord to the tenant. Taxes on gasoline

and automobiles are included in the calculated cost of owning and running a car.

Connecticut has a 6.35% state sales and use tax. There are no local sales taxes or tax districts.

## DATA SOURCES

**Federal Income Tax:** Internal Revenue Service, “1040 Instructions,” <http://www.irs.gov/pub/irs-pdf/i1040gi.pdf> (accessed June 8, 2014). Internal Revenue Service, “Revised Procedures 2013-35, Section 3. 2014 Adjusted Items,” <http://www.irs.gov/pub/irs-drop/rp-13-35.pdf> (accessed October 31, 2013).

**State Income Tax:** Connecticut Department of Revenue Services, “Connecticut Resident Income Tax Return and Instructions Booklet,” [www.ct.gov/drs/lib/drs/forms/2014forms/incometax/ct-1040\\_booklet.pdf](http://www.ct.gov/drs/lib/drs/forms/2014forms/incometax/ct-1040_booklet.pdf) (accessed December 12, 2014). Marginal rates: Connecticut Income Tax Brackets, “2014 Connecticut Income Tax Table,” <http://www.tax-brackets.org/connecticuttaxtable> (accessed February 9, 2015).

**State and Local Sales Tax:** State of Connecticut, Department of Revenue Services, Taxpayer Answer Center, “What is the sales tax rate in Connecticut?,” [http://askdrs.ct.gov/Scripts/drsrightnow.cfg/php.exe/enduser/std\\_adp.php?p\\_faqid=398](http://askdrs.ct.gov/Scripts/drsrightnow.cfg/php.exe/enduser/std_adp.php?p_faqid=398), accessed February 9, 2015.

## TAX CREDITS

The Standard includes federal tax credits (the Earned Income Tax Credit, the Child Care Tax Credit, and the Child Tax Credit) and applicable state tax credits. Tax credits are shown as received monthly in the Standard.

The Earned Income Tax Credit (EITC), or as it is also called, the Earned Income Credit, is a federal tax refund intended to offset the loss of income from payroll taxes owed by low-income working families. The EITC is a “refundable” tax credit, meaning working adults may receive the tax credit whether or not they owe any federal taxes. Connecticut has a state EITC that is set at 30% of the federal EITC.

The Child Care Tax Credit (CCTC), also known as the Child and Dependent Care Tax Credit, is a federal tax credit that allows working parents to deduct a percentage of their child care costs from the federal income taxes they

owe. Like the EITC, the CCTC is deducted from the total amount of money a family needs to be self-sufficient. Unlike the EITC, the federal CCTC is not a refundable federal tax credit; that is, a family may only receive the CCTC as a credit against federal income taxes owed. Therefore, families who owe very little or nothing in federal income taxes will receive little or no CCTC. In 2014, up to \$3,000 in child care costs was deductible for one qualifying child and up to \$6,000 for two or more qualifying children.

The Child Tax Credit (CTC) is like the EITC in that it is a refundable federal tax credit. In 2014, the CTC provided parents with a deduction of \$1,000 for each child under 17 years old, or 15% of earned income over \$3,000, whichever was less. For the Standard, the CTC is shown as received monthly.

## DATA SOURCES

**Federal Child Care Tax Credit:** Internal Revenue Service, “Publication 503. Child and Dependent Care Expenses,” <http://www.irs.gov/pub/irs-pdf/p503.pdf> (accessed February 24, 2015).

**Federal Child Tax Credit:** Internal Revenue Service, “Publication 972. Child Tax Credit,” <http://www.irs.gov/pub/irs-pdf/p972.pdf> (accessed February 24, 2015).

**Federal Earned Income Tax Credit:** Internal Revenue Service, “Publication 596. Earned Income Credit,” <http://www.irs.gov/pub/irs-pdf/p596.pdf> (accessed June 8, 2014). Internal Revenue Service, “Revised Procedures 2013-35, Section 3. 2014 Adjusted Items,” <http://www.irs.gov/pub/irs-drop/rp-13-35.pdf> (accessed October 31, 2013).

**Federal Tax Credits (General):** Internal Revenue Service, “1040 Instructions,” <http://www.irs.gov/pub/irs-pdf/i1040gi.pdf> (accessed June 8, 2014).

## EMERGENCY SAVINGS FUND

The Self-Sufficiency Standards are basic needs, no-frills budgets created for all family types in each county in a given state. As such, the Standard does not allow for anything extra beyond daily needs, such as retirement savings, education expenses, or emergencies. Of course, without question families need more resources if they are to maintain economic security and be able to weather any unexpected income loss. Therefore, new to this Self-

Sufficiency Standard update is the calculation of the most universal of economic security needs after basic needs are met at the Self-Sufficiency Standard level—that of savings for emergencies.

The emergency savings amount is calculated to make up for the earnings of one adult becoming unemployed over the average job loss period, less the amount expected to be received in unemployment benefits. In two-adult households, it is assumed that the second adult continues to be employed, so that the savings only need to cover half of the family's basic living expenses over the job loss period. Since the median length of job tenure among Connecticut workers is seven years, it is assumed that workers save for job loss over a course of seven years.

To determine the amount of resources needed, this estimate uses the average period of unemployment and assumes that the minimal cost of basic needs that must be met will stay the same, i.e., the family's Self-Sufficiency Standard. Since the monthly emergency savings contribution requires additional earnings, the estimate includes the calculation of taxes and tax credits of current earnings (at the Self-Sufficiency Standard level). Savings are assumed to have accumulated based on average savings account interest rates.

The emergency savings calculation is based on all current expenses in the Self-Sufficiency Standard.<sup>r</sup> The adult may not be commuting to work five days a week; however the overall transportation expenses may not change significantly. A weekly shopping trip is still a necessity, as is driving young children to child care. Actively seeking employment requires being available for job interviews, attending job fairs, and engaging in networking opportunities, in addition to the time spent looking for and applying for positions. Therefore, saving enough to cover the cost of continuing child care if unemployed is important for supporting active job seeking as well as the benefit of keeping children in their normal routine during a time of crisis.

In addition to the income needed to cover the costs of housing, food, child care and transportation, families need health insurance. The Self-Sufficiency Standard assumes that adults work full time and in jobs that provide employer-sponsored health insurance. In households with

two adults, it is assumed that if one adult loses employment the spouse's health insurance will provide coverage for the entire family at no additional cost. In a one-adult household, it is assumed coverage will be provided through the state-operated Affordable Insurance Exchanges under the Patient Protection and Affordable Care Act, at approximately the same cost as when employed.<sup>s</sup> In some cases, children, or the whole family, may be covered under state Medicaid or the Children Health Insurance Program, depending upon income, resources, and eligibility requirements in effect at the time, which would decrease health care costs below these estimates.<sup>t</sup>

## DATA SOURCES

**Job Tenure:** U.S. Census Bureau, Current Population Survey, "Connecticut: Median Years of Tenure with Current Employer, all workers" <http://dataferrett.census.gov/> (accessed February 10, 2015).

**Unemployment Duration:** U.S. Department of Labor, Employment and Training Administration, "Unemployment Insurance Data Summary," <http://www.workforcesecurity.doleta.gov/unemploy/content/data.asp> (accessed February 8, 2015).

**Unemployment Insurance:** Connecticut Department of Labor, "Filing an Unemployment Claim." <http://www.ctdol.state.ct.us/progsupt/unemplt/uceligb.htm#weekly%20benefit%20rate>, (accessed February 8, 2015).

**Savings Rate:** Federal Deposit Insurance Corporation. "Weekly National Rates" <http://www.fdic.gov/regulations/resources/rates/previous.html> (accessed August 26, 2014).

## ENDNOTES FOR APPENDIX A

a. The Standard was originally designed to provide calculations for 70 family configurations, which includes all one- and two-adult families with zero to three children (in four different age groups). In order to increase the number of family configurations to encompass larger families, that is, those with more than two adults or more than three children, Dr. Pearce examined Census data to determine the most common sizes of larger families, and calculated Standards for these families. Once the addition of a particular family configuration added less than 1% to the number of households covered, Dr. Pearce created a "catchall" Standard to cover these remaining larger but relatively rare family types, e.g., one-adult families with six or more children, or families with four or more adults and three or more children.

b. Diana Pearce and Rachel Cassidy, "Overlooked and Undercounted: A New Perspective on the Struggle to Make Ends Meet in California," Seattle: University of Washington



(2003), <http://www.insightcced.org/uploads/publications/wd/overlookedexecsumm.pdf> (accessed August 17, 2010).

c. U.S. Housing and Urban Development, “Fair Market Rents for the Section 8 Housing Assistance Payments Program,” Data Sets, Fair Market Rents: Overview (2007), [http://www.huduser.org/portal/datasets/fmr/fmrover\\_071707R2.doc](http://www.huduser.org/portal/datasets/fmr/fmrover_071707R2.doc) (accessed June 7, 2014).

d. Each of the five Workforce Development areas was divided into regions: large towns/cities (such as Hartford) were made into their own region, and remaining towns were grouped together based using the FMR areas and Census data. Using Census 2010 population and median gross rents by town, population-weighted averages of median gross rents were created for each of the 23 regions. These weighted median gross rents were then used to calculate ratios (reflecting relative housing costs in different areas). Finally, these ratios were applied to the FMRs, increasing/decreasing the FMR to reflect the particular mix in each region of housing costs, resulting in adjusted FMRs for each of the 23 regions.

e. U.S. Government Printing Office, “Section 9. Child Care,” 108th Congress 2004 House Ways and Means Committee Green Book, <http://www.gpo.gov/fdsys/pkg/GPO-CPRT-108WPRT108-6/pdf/GPO-CPRT-108WPRT108-6-2-9.pdf> (accessed June 7, 2014).

f. U.S. Census Bureau, Survey of Income and Program Participation (SIPP), 2008 Panel, Wave 8. “Who’s Minding the Kids? Child Care Arrangements: Spring 2011,” <http://www.census.gov/hhes/childcare/data/sipp/index.html> (accessed July 19, 2013).

g. U.S. Department of Agriculture, Center for Nutrition Policy and Promotion, “Thrifty Food Plan, 2006,” <http://www.cnpp.usda.gov/Publications/FoodPlans/MiscPubs/TFP2006Report.pdf> (accessed November 5, 2013).

h. U.S. Department of Labor, Bureau of Labor Statistics, “Consumer Expenditures in 2013,” Economic News Release, <http://www.bls.gov/news.release/cesan.nr0.htm> (accessed February 24, 2015).

i. Craig Gunderson, Emily Engelhard, Amy Satoh, and Elaine Waxman. “Map the Meal Gap 2014: Technical Brief,” <http://feedingamerica.org/hunger-in-america/hunger-studies/map-the-meal-gap/-/media/Files/research/map-meal-gap/2014-MMG-web-2014.ashx> (accessed May 28, 2014), pp. 2 and 11.

j. Chris Porter and Elizabeth Deakin, Socioeconomic and Journey-to-Work Data: A Compendium for the 35 Largest U.S. Metropolitan Areas (Berkeley: Institute of Urban and Regional Development, University of California, 1995).

k. U.S. Census Bureau, “Means of Transportation to Work,” 2008-2012 American Community Survey 5-Year Estimates, “Table B08101: Means of Transportation to Work by Age, Universe: Workers 16 Years and Over,” <http://www.factfinder2.census.gov/> (accessed July 11, 2014).

l. The Henry J. Kaiser Foundation State Health Facts Online, “Connecticut: Employer-Sponsored Coverage Rates for the Nonelderly by Family Work Status (2013),” <http://kff.org/other/state-indicator/rate-by-employment-status-2/?state=CT> (accessed December 14, 2014).

m. U.S. Department of Health and Human Services, Agency for Healthcare Research and Quality, Center for Financing, Access,

and Cost Trends, “Tables II.C.3 and II.D.3: Percent of Total Premiums Contributed by Employees Enrolled in Single/Family Coverage at Private-Sector Establishments that Offer Health Insurance by Firm Size and State: United States, 2013,” Medical Expenditure Panel Survey-Insurance Component, [http://www.meps.ahrq.gov/mepsweb/data\\_stats/quick\\_tables\\_results.jsp?component=2&subcomponent=2&year=2012&tableSeries=2&tableSubSeries=CDE&searchText=&searchMethod=1&Action=Search](http://www.meps.ahrq.gov/mepsweb/data_stats/quick_tables_results.jsp?component=2&subcomponent=2&year=2012&tableSeries=2&tableSubSeries=CDE&searchText=&searchMethod=1&Action=Search) (accessed December 14, 2014).

n. Aetna, Anthem Blue Cross and Blue Shield, Connecticare, and United Health Care are four of the top five market share companies for health insurance plans in Connecticut. Together these companies make up 76% of the total Connecticut health insurance market. Connecticut Insurance Department, “Consumer Report Card on Health Insurance Carriers In Connecticut.” [www.ct.gov/cid/lib/cid/2014\\_Consumer\\_Report\\_Card\\_on\\_CT\\_Health\\_Insurance\\_Carriers.pdf](http://www.ct.gov/cid/lib/cid/2014_Consumer_Report_Card_on_CT_Health_Insurance_Carriers.pdf) (accessed December 14, 2014).

o. Office of the Legislative Counsel, 111th Congress 2nd Session, Compilation of Patient Protection and Affordable Care Act, “Requirement to Maintain Minimum Essential Coverage,” Part 1 Individual Responsibility, Section 1501, p. 143, <http://docs.house.gov/energycommerce/ppacacon.pdf> (accessed August 31, 2010).

p. Center on Budget and Policy Priorities, Health Reform: Beyond the Basics, “Premium Tax Credits: Answers to Frequently Asked Questions,” <http://www.cbpp.org/files/QA-on-Premium-Credits.pdf> (accessed June 9, 2014).

q. Constance F. Citro and Robert T. Michael, eds., Measuring Poverty: A New Approach (Washington, DC: National Academy Press, 1995), <http://www.census.gov/hhes/povmeas/methodology/nas/report.html> (accessed June 7, 2014).

r. This amount excludes taxes and tax credits (which are in the Standard), as the family would be living on savings, on which taxes and tax credits have already been paid when earned, as described above.

s. Patient Protection and Affordable Care Act (ACA). Affordable Insurance Exchanges are required as of 2014, and health insurance tax credits are available to offset monthly premium costs for those enrolled in the Exchanges with income up to 400% FPL. Centers for Medicare & Medicaid Services, Fact Sheets, “Affordable Insurance Exchanges: Seamless Access to Affordable Coverage,” <http://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-Sheets/2011-Fact-Sheets-Items/2011-08-125.html> (accessed July 23, 2014).

t. Children are eligible for free coverage under Connecticut’s HUSKY Health Program if income is less than \$39,777 for a family of three. Three-person families above that level may be eligible for the same coverage at low cost: no monthly premiums, but some co-payments for income up to \$50,265, \$30 a month for the first child with a maximum of \$50 for families with income up to \$63,921. Husky Health Connecticut, “Connecticut HUSKY Health Program Annual Income Guidelines – effective March 1, 2014,” <http://www.huskyhealth.com/hh/lib/hh/pdf/HUSKYAnnualIncomeChart.pdf> (accessed January 7, 2015).

## Appendix B: Examples of How the Standard Has Been Used

The Standard is a tool that can be used across a wide array of settings to benchmark, evaluate, educate, and illuminate. Below we provide specific examples of some of these uses—with references and website addresses—so that you can explore these uses as well as contact programs and persons who have applied the Self-Sufficiency Standard in their work.

### ASSESSMENT OF PUBLIC POLICY OPTIONS

***The Self-Sufficiency Standard has been used as a tool to evaluate the impact of current and proposed policy changes.*** As in the modeling tables in this report, the Standard can be used to evaluate the impact of a variety of work supports (such as SNAP/Food Stamp Program or Medicaid) or policy options (such as changes in child care co-payments, tax reform, or tax credits) on family budgets.

- The Self-Sufficiency Standard for Massachusetts was used in the Crittenton Women’s Union 2007 report, *Unlocking the Doors to Higher Education and Training for Massachusetts’ Working Poor Families* to advocate for tuition-free community college education and other ways to address financial barriers to education in Massachusetts, citing the need for post-secondary education and training in order to acquire Self-Sufficiency Wage jobs (see [www.liveworkthrive.org/research\\_and\\_tools/reports\\_and\\_publications/The\\_Massachusetts\\_Working\\_Poor\\_Families\\_Project\\_Report](http://www.liveworkthrive.org/research_and_tools/reports_and_publications/The_Massachusetts_Working_Poor_Families_Project_Report)).
- In Colorado, the Colorado Center on Law and Policy used the Colorado Self-Sufficiency Standard to determine the impact of affordable housing on family stability and upward mobility. In addition, the Colorado Division of Housing used information from the Colorado Self-Sufficiency Standard statewide report *Housing Colorado: The Challenge for a Growing State* (see <http://www.dola.state.co.us/Doh>).
- In Maryland, Advocates for Children and Youth used the Self-Sufficiency Standard in their *Maryland Can Do Better for Children* campaign, a three-year plan to address critical needs of children and their families by 2010. During the 2007 special session of the Maryland General Assembly, the campaign utilized the Self-Sufficiency Standard for each of Maryland’s 24 jurisdictions to

successfully advocate for an expanded Refundable Earned Income Tax Credit for low-income families (see [www.acy.org](http://www.acy.org)).

- In December 2005, the Human Services Coalition of Dade County in Florida issued a policy brief titled *Nonprofits, Government, and the New War on Poverty: Beating the Odds in a Global Economy*, which used the Standard to examine Florida’s human services sector from an economic and community perspective. The Human Services Coalition of Dade County’s now Catalyst Miami at <http://catalystmiami.org>.
- In Pennsylvania, many groups, including PathWays PA, have used the Standard to model the impact of a state Earned Income Tax Credit on the ability of a family to reach self-sufficient wages (see [www.pathwayspa.org](http://www.pathwayspa.org)).
- When the Oklahoma Department of Human Services proposed large increases in child care co-payments, the Community Action Project (CAP) of Tulsa County used analyses based on the Self-Sufficiency Standard in their report, *Increased Child Care Co-Payments Threaten Access to Care for Low Income Families*, resulting in the Department rescinding the proposed increases. For more information about the work of the Community Action Project of Tulsa County, see [www.captc.org](http://www.captc.org).

### EVALUATION OF ECONOMIC DEVELOPMENT PROPOSALS

***The Self-Sufficiency Standard has been used to evaluate state and local level economic development proposals.***

Using the Standard can help determine whether businesses seeking tax breaks or other government subsidies will create jobs that pay “living wages.” If the jobs to be created pay wages that are below the Standard so that the employees will need public work supports to be able to meet their basic needs, the new business is essentially seeking a “double subsidy.” Economic development proposals can be evaluated for their net positive or negative effect on the local economy, as well as on the well-being of the potential workers and their families.

- Colorado’s Fort Carson is one of the first military bases to consider reviewing its vendor contracts using the Self-Sufficiency Standard. Their sustainability plan would seek



vendors who pay “livable wages” to their employees, as defined by the Standard.

- In Nebraska, the Nebraska Appleseed Center has developed a set of job quality standards that corporations should follow prior to receiving public funds (see [www.neappleseed.org](http://www.neappleseed.org)).
- The Delaware Economic Development Office has used the Delaware Self-Sufficiency Standard to evaluate strategic fund grant applications in order to focus its resources on quality employment growth.

## TARGETING OF JOB TRAINING RESOURCES

*The Self-Sufficiency Standard has been used to target job training resources.* Using a targeted jobs strategy, the Standard helps to match job seekers with employment that pays Self-Sufficiency Wages. Through an evaluation of the local labor market and available job training and education infrastructure, the skills and geographic location of current or potential workers are evaluated and job seekers are matched to employment with family-sustaining wages. Through this analysis it is possible to determine the jobs and sectors on which to target training and education resources.

- In Washington, D.C., the Standard was used in the 2000 Workforce Investment Act statute, which requires that the Workforce Investment Board target job-training dollars in high-growth occupations and assess the quality of the jobs in order to meet the wage and supportive service needs of job seekers.

## EVALUATION OF EMPLOYMENT PROGRAM OUTCOMES

*The Self-Sufficiency Standard can be used to evaluate outcomes for clients in a range of employment programs,* from short-term job search and placement programs to programs providing extensive education or job training. By evaluating wage outcomes in terms of the Standard, programs are using a measure of true effectiveness. Such evaluations can help redirect resources to approaches that result in improved outcomes for participants.

- In Washington State, the Workforce Development Council of Seattle-King County adopted the Self-Sufficiency Standard as its official measure of self-

sufficiency and uses the Standard as a program evaluation benchmark. Using data collected by caseworkers and the online Self-Sufficiency Standard Calculator, the Council demonstrates the impact of its education and training programs on the achievement of self-sufficiency by its participants. For more information on the Workforce Development Council of Seattle-King County, see [www.seakingwdc.org](http://www.seakingwdc.org).

- Under its Workforce Investment Act, the Chicago Workforce Investment Board adopted the Self-Sufficiency Standard as its self-sufficiency benchmark. For more information on Chicago’s Workforce Investment Act, see [www.cityofchicago.org](http://www.cityofchicago.org).
- The Colorado Center on Law and Policy successfully lobbied the Eastern Regional Workforce Board in Fort Morgan, Colorado to officially adopt the Self-Sufficiency Standard to determine eligibility for training and intensive services.
- ACHIEVEability in Pennsylvania works to break the cycle of poverty by helping families move towards financial freedom. They use the Standard to measure progress towards financial self-sufficiency (see <http://bit.ly/ACHIEVEabilityStandard>).

## TARGETING EDUCATION RESOURCES

*The Self-Sufficiency Standard helps demonstrate the pay off for investing in education and training* such as post-secondary education and training, including training for occupations that are nontraditional for women and people of color.

- For example, the Missouri Women’s Council of the Department of Economic Development used the Standard to begin a program for low-income women that promotes nontraditional career development, leading to jobs paying Self-Sufficiency Wages. For more information on the Missouri Women’s Council see [www.womenscouncil.org/about.html](http://www.womenscouncil.org/about.html).
- In California’s Santa Clara County, 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 targeted transportation jobs and provided \$140,000 to the

community college system to explore how to strengthen preparation for these jobs (see [www.insightcced.org](http://www.insightcced.org)).

- Following the release of the Crittenton Women's Union (CWU) 2005 report *Achieving Success in the New Economy: Which Jobs Help Women Reach Economic Self Sufficiency*, CWU has established an online Hot Jobs for Women guide. Using the Self-Sufficiency Standard for Massachusetts, the online guide assists women in identifying jobs in high demand that pay Self-Sufficiency Wages, yet require two years or less in full-time education or training (see [www.liveworkthrive.org/research\\_and\\_tools/hot\\_jobs](http://www.liveworkthrive.org/research_and_tools/hot_jobs)).
- In Connecticut, the Self-Sufficiency Standard has been adopted at the state level since 1998. It has been used in planning state-supported job training, placement and employment retention programs, and has been distributed to all state agencies that counsel individuals seeking education, training, or employment. Connecticut's Permanent Commission on the Status of Women regularly uses the Self-Sufficiency Standard in legislative testimony (see [ctpcsw.com](http://ctpcsw.com)).
- In New York, the Standard has been used in modeling services for young adults in career education to demonstrate how their future career choices and educational paths might impact their ability to support a future family or to address changing family dynamics. The Standard has also been used in New York for job readiness planning for women seeking skilled employment.
- In Delaware, the Standard was used to train people from the developmental disability community on how to retain their benefits when returning to the workforce.

## DETERMINATION OF NEED FOR SERVICES

*The Self-Sufficiency Standard has been used to determine which individuals are eligible or most in need of specific support or training services.*

- For example, in Virginia, Voices for Virginia's Children successfully advocated for the state's TANF Authorization Committee to use the Virginia Self-Sufficiency Standard as a tool for setting eligibility guidelines. For more information on the programs of Voices for Virginia's

Children go to [vakids.org/our-work/family-economic-success](http://vakids.org/our-work/family-economic-success).

- The Connecticut Legislature enacted a state statute that identified "the under-employed worker" as an individual without the skills necessary to earn a wage equal to the Self-Sufficiency Standard. The statute directed statewide workforce planning boards to recommend funding to assist such workers (see [larcc.org/files/larcc\\_files/documents/mapping\\_change\\_2002.pdf](http://larcc.org/files/larcc_files/documents/mapping_change_2002.pdf)).
- The Director of Human Resources and Human Services for Nevada incorporated the Nevada Self-Sufficiency Standard into Nevada's 2005 needs projections. Additionally, the Director used the Standard in the recommendations related to caseloads.

## COUNSELING TOOL FOR PARTICIPANTS IN WORK & TRAINING PROGRAMS

*The Self-Sufficiency Standard has been used as a counseling tool to help participants in work and training programs access benefits and develop strategies to become self-sufficient.* Computer-based counseling tools allow users to evaluate possible wages, then compare information on available programs and work supports to their own costs and needs. Computer-based Self-Sufficiency Calculators, for use by counselors with clients and the public, have been developed for California, Colorado, Illinois, Indiana, New York City, Ohio, Oregon, Pennsylvania, Washington State, Washington, D.C., and Wyoming. These tools integrate a wide variety of data not usually brought together, allowing clients to access information about the benefits of various programs and work supports that can move them towards self-sufficiency. Through online calculators, clients are empowered with information and tools that allow them to develop and test out their own strategies for achieving self-sufficient incomes.

- For example, in Washington State, a statewide Self-Sufficiency Calculator is used across workforce councils as a counseling tool and can be viewed at [www.thecalculator.org](http://www.thecalculator.org). Additionally, the Snohomish County Workforce Development Council in Washington has developed a self-sufficiency matrix that is used in case management. The self-sufficiency matrix can be

used as a case management tool, a self-assessment tool, a measurement tool, and a communication tool. The matrix is composed of 25 key outcome scales (e.g., employment stability, education, English language skills, life skills, and child care). The scales are based on a continuum of “in crisis” to “thriving.” The case manager works with the customer to score the scales and monitor progress. To learn more about the matrix, please visit <http://www.docstoc.com/docs/89226985/SELF-SUFFICIENCY-MATRIX>

- PathWays PA offers *The Pennsylvania Online Training and Benefits Eligibility Tool*, an interactive career-counseling tool based on the 2012 Pennsylvania Self-Sufficiency Standard. The online counseling tool can be used by counselors and clients to test the ability of various wages to meet a family’s self-sufficiency needs, as well as what training programs they might be eligible for at their current wage. This tool also allows clients to apply for benefits immediately or for counselors to do so on a client’s behalf. *The Pennsylvania Online Training and Benefits Eligibility Tool* can be found at [www.pathwayspa.org](http://www.pathwayspa.org).
- The Oregon *Prosperity Planner*, a calculator based on the Oregon Self-Sufficiency Standard can be found at [www.prosperityplanner.org](http://www.prosperityplanner.org).
- The Denver County Office of Economic Development, Division of Workforce Development uses the Self-Sufficiency Standard as well as the Colorado Economic Self-Sufficiency Standard Calculator to inform participants about the career choices that will move them toward economic self-sufficiency. The Workplace Center at the Community College of Denver utilizes the Colorado Economic Self-Sufficiency Standard Calculator to counsel participants on career choices, real wage determination and avoiding potential obstacles to economic self-sufficiency such as the systemic “cliff effect” built in to many work support programs.
- Virginia Kids developed *The Self-Sufficiency Standard for Virginia – Budget Worksheet Exercise* as a counseling tool (see [http://www.vakids.org/pubs/FES/budget\\_worksheet\\_exercise.htm](http://www.vakids.org/pubs/FES/budget_worksheet_exercise.htm)).
- In the D.C. Metropolitan Area, Wider Opportunities for Women developed and piloted a Teen Curriculum based on the Standard that educates adolescents about career choices, life decisions, and self-sufficiency (see [www.wowonline.org](http://www.wowonline.org)). Additionally, the Washington, D.C.

Metro Area Self-Sufficiency Calculator can be found at <http://www.dcmassc.org/calculator.cfm>.

- In New York the Women’s Center for Education and Career Advancement has used the Standard to train counselors to better communicate ideas about Self-Sufficiency and economic issues with their clients and assess benefit eligibility. The Women’s Center for Education and Career Advancement also hosts an online Self-Sufficiency Calculator for the City of New York. The Calculator for the City of New York can be accessed at [www.wceca.org/self\\_sufficiency.php](http://www.wceca.org/self_sufficiency.php).
- The Indiana Institute for Working Families hosts the calculator at [www.indianaselfsufficiencystandard.org](http://www.indianaselfsufficiencystandard.org).
- The California Self-Sufficiency Calculator, *The Calculator*, can be found at [www.insightcced.org/index.php/insight-communities/cfess/calculator](http://www.insightcced.org/index.php/insight-communities/cfess/calculator).
- The Wyoming Self-Sufficiency Standard & Personal Calculator can be viewed at <https://public.wyomingworkforce.org/sscalc/>

## PUBLIC EDUCATION

*The Self-Sufficiency Standard has been used as a public education tool.* As an education tool, the Standard helps the public at large understand what is involved in making the transition to self-sufficiency. For employers the Standard can be used to demonstrate the importance of providing benefits, especially health care, which help families meet their needs. As an education tool for service providers, the Standard can show how the various components of social services fit together, helping to facilitate the coordination of a range of services and supports. For policy makers and legislators, the Standard as an education tool shows both the need for and the impact of work support programs on low-wage workers’ family budgets.

- For example, Voices for Utah Children distributed copies of the Utah Self-Sufficiency Standard to state legislators and candidates during the 2003 legislative session to frame a discussion about increasing funding for Utah’s Children’s Health Insurance Program. For more information on Voices for Utah Children go to [www.utahchildren.org](http://www.utahchildren.org).
- In Seattle, bookmarks were distributed during the run of a play based on *Nickel and Dimed: On (Not) Getting By in America*, a book by Barbara Ehrenreich that explores the struggles confronted by low-wage workers. A computer

with a mock website allowed participants to enter their incomes and compare them to the Standard and begin to understand the plight of working families.

- MassFESS (hosted by the Crittenton Women’s Union) developed an Economic Self-Sufficiency Standard Curriculum that can be used by organizations to support their work in career development, education/training, economic literacy, living wage campaigns, and other types of community organizing, policymaking and advocacy efforts. For information on the Crittenton Women’s Union, see [www.liveworkthrive.org](http://www.liveworkthrive.org).
- In an initiative started at the University of Washington School of Social Work, policymakers participate in the “Walk-A-Mile” program, where they “walk” in the shoes of welfare recipients by living on a SNAP budget for one month. The Washington Standard was used to develop educational tools used by policymakers about the impact of benefits on family budgets.
- The Wisconsin Women’s Network distributed the Wisconsin Self-Sufficiency Standard to its many and varied women’s coalition members, many of whom continue to find a use for the Standard in their advocacy work. The Wisconsin Women’s Network website can be accessed at [www.wiwomensnetwork.org](http://www.wiwomensnetwork.org).

## CREATE GUIDELINES FOR WAGE SETTING

*The Self-Sufficiency Standard has been used as a guideline for wage setting.* By determining the wages necessary to meet basic needs, the Standard provides information for setting wage standards.

- For example, Vanderbilt University in Tennessee uses the Standard to educate employees and administrators about the need to increase the take-home pay of service staff. For more information go to [studentorgs.vanderbilt.edu/students4livingwage/info.php](http://studentorgs.vanderbilt.edu/students4livingwage/info.php).
- Employers and educational institutions have used the Self-Sufficiency Standard to set organizational wage standards in Colorado. The introduction of the Self-Sufficiency Standard in Pitkin County, Colorado, has encouraged county commissioners and directors to review current pay scales and work support policies.
- The Standard has been used in California, Illinois, New York, New Jersey, Hawaii, Nebraska, South Dakota, Tennessee, Virginia, and Washington State to advocate for higher wages through living wage ordinances and in negotiating labor union agreements.
- At the request of the state of California, the Center for the Child Care Workforce used the Self-Sufficiency Standard in 2002 to develop specific salary guidelines by county (see [www.ccw.org/data.html](http://www.ccw.org/data.html)).
- In Maryland, the Center for Poverty Solutions and Advocates for Children and Youth (among other organizations) proposed state legislation that would require the Maryland Secretary of Budget and Management to consider a specified Self-Sufficiency Standard when setting or amending a pay rate and require that a state employee whose pay rate is less than the Self-Sufficiency Standard receive a specified pay increase. For more information on Advocates for Children and Youth, see [www.acy.org](http://www.acy.org).
- In California, the National Economic Development and Law Center (now the Insight Center for Community Economic Development, or Insight CCED) used the Self-Sufficiency Standard in a wage analysis of University of California service workers, entitled *High Ideals, Low Pay*. The Standard was used to assess the degree to which University of California service workers’ wages are sufficient to provide the basic needs for employees and their families. Insight CCED recommends the University of California consider using the Standard to determine and adopt living wage policies (see [www.insightcced.org](http://www.insightcced.org)).
- The Self-Sufficiency Standard was an integral tool for increasing Hawaii’s minimum wage to \$6.75 on January 1, 2006 and \$7.25 on January 1, 2007.
- Georgetown University students ended a nine-day hunger strike when the University administration agreed to improve wages for the low-paid custodial, food service, and security workers. The student group utilized the Self-Sufficiency Standard for the District of Columbia in their campaign advocacy. The negotiated agreement included raising the minimum hourly wage to \$13 beginning July 2006 and annual wage adjustments based on the Consumer Price Index.
- The Standard was cited in research and testimony in support of the SeaTac living wage ordinance (raising wages to \$15/hour for covered employees) and in the successful campaign to raise the minimum wage in Seattle to \$15/hour (over several years, depending on establishment size).



## SUPPORT RESEARCH

***Because the Self-Sufficiency Standard provides an accurate and specific measure of income adequacy, it is frequently used in research.*** The Standard provides a means of estimating how poverty differs from place to place and among different family types. The Standard also 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.

- For example, the Self-Sufficiency Standard has been used to examine the cost of health insurance in Washington and Massachusetts. *Income Adequacy and the Affordability of Health Insurance in Washington State* and the *Health Economic Sufficiency Standard for Massachusetts* used the Standard to examine the cost of health insurance for different family types, with varying health statuses and health care coverage, in different locations (see [www.wowonline.org/ourprograms/fess/state-resources/documents/MAHealthEconomicSelf-SufficiencyStandard.pdf](http://www.wowonline.org/ourprograms/fess/state-resources/documents/MAHealthEconomicSelf-SufficiencyStandard.pdf)).
- PathWays PA cites the Self-Sufficiency Standard frequently in its publications, including *Investing in Pennsylvania's Families: Economic Opportunities for All*, a policy publication looking at the needs of working families in Pennsylvania earning less than 200% of the Federal Poverty Level (see [pathwayspa.org.mytempweb.com/wp-content/uploads/2014/01/Investing-in-PA-Families-2007.pdf](http://pathwayspa.org.mytempweb.com/wp-content/uploads/2014/01/Investing-in-PA-Families-2007.pdf)). PathWays PA also uses the Standard as a measure on which to base tax credits, healthcare reform, and other needs.
- In several states, the Self-Sufficiency Standard has been used along with data from the U.S. Census Bureau to measure the number of families above and below the Self-Sufficiency Standard, as well as the characteristics of those above and below the Standard, such as race, ethnicity, family type, education, and employment. These demographic reports have been published by the Center for Women's Welfare for seven states, such as the report *Overlooked and Undercounted 2009: Struggling to Make Ends Meet in California* (see [www.selfsufficiencystandard.org/pubs.html#addpubs](http://www.selfsufficiencystandard.org/pubs.html#addpubs)). The most recent of these reports, which demonstrate the impact of the Great Recession as measured by the Standard, is for Pennsylvania, and can be found at [selfsufficiencystandard.org/docs/PA2012\\_Web\\_101112.pdf](http://selfsufficiencystandard.org/docs/PA2012_Web_101112.pdf).

## Appendix C: Federal Approaches to Measuring Poverty

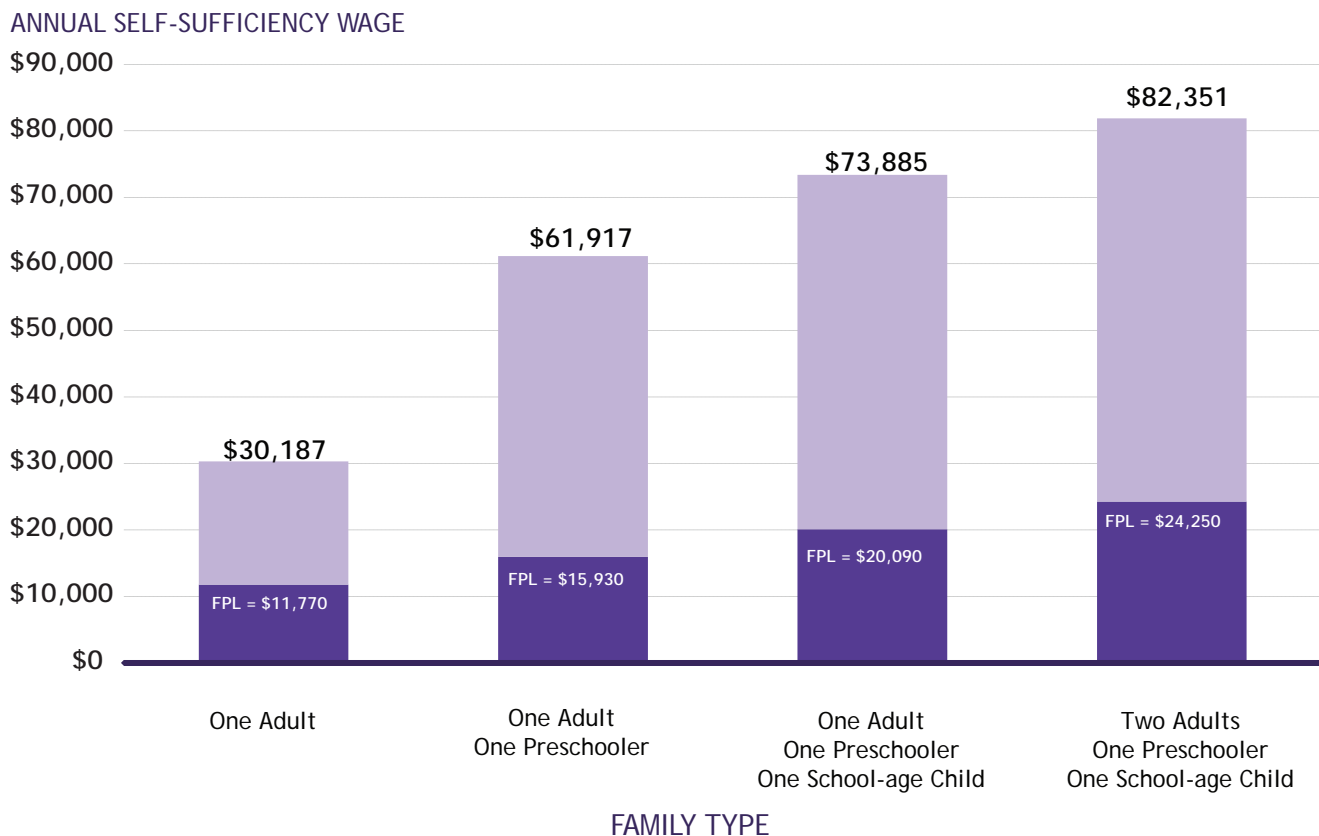
The official federal poverty measure, often known as the Federal Poverty Level (FPL), was developed over four decades ago and today has become increasingly problematic and outdated as a measure of income adequacy.<sup>a</sup> Indeed, the Census Bureau itself states, “the official poverty measure should be interpreted as a statistical yardstick rather than as a complete description of what people and families need to live.”<sup>b</sup> Despite the many limitations of the federal poverty measure, it is still used to calculate eligibility for a number of poverty and work support programs.

The most significant shortcoming of the federal poverty measure is that for most families, in most places, *the poverty level is simply too low*. **Figure C-1, The Self-Sufficiency Standard and Federal Poverty Level for Select Family Types**, demonstrates that for various family types in the Lower Connecticut River region the income needed to meet basic needs is far above the FPL. While the Standard changes by family type to account for the increase in costs specific

.....  
 THE MOST SIGNIFICANT SHORTCOMING OF THE FEDERAL POVERTY MEASURE IS THAT FOR MOST FAMILIES, IN MOST PLACES, THE POVERTY LEVEL IS SIMPLY TOO LOW.  
 .....

to the type of family member—whether this person is an adult or child, and for children, by age—the FPL increases by a constant \$4,160 for each additional family member and therefore does not adequately account for the real costs of meeting basic needs. **Table C-1, The Self-Sufficiency Standard as a Percentage of the Federal Poverty Level**, demonstrates that across all of Connecticut the income needed to meet basic needs is far above the FPL, indicating that families throughout Connecticut can have incomes above the federal poverty measure and yet lack sufficient resources to adequately meet their basic needs. For this

Figure C-1. **The Self-Sufficiency Standard and Federal Poverty Level for Select Family Types Lower Connecticut River, CT 2015**





reason, most assistance programs use a multiple of the federal poverty measure to determine need. For instance, children’s health insurance with low-cost premiums is available through Connecticut HUSKY B program for families with incomes up to 323% of the FPL.<sup>c</sup>

However, simply raising the poverty level, or using a multiple of the FPL, cannot solve the structural problems inherent in the official poverty measure. In addition to the fundamental problem of being too low, there are five basic methodological problems with the federal poverty measure.

*First, the measure is based on the cost of a single item—food—rather than a “market basket” of all basic needs.* Over five decades ago, when the FPL was first developed by Mollie Orshansky, food was the only budget item for which the cost of meeting a minimal standard, in this case nutrition, was known. (The Department of Agriculture had determined household food budgets based on nutritional standards.) Knowing that the average American family spent a third of their budget on food, Orshansky reasoned that multiplying the food budget by three would yield an estimate of the amount needed to meet other basic needs, and thus this became the basis of the FPL.<sup>d</sup>

*Second, the measure’s methodology is “frozen,” not allowing for changes in the relative cost of food or non-food items, nor the addition of new necessary costs.* Since it was developed, the poverty level has only been updated annually using the Consumer Price Index. As a result, the percentage of the household budget devoted to food has remained at one-third of the FPL even though American families now spend an average of only 13% of their income on food.<sup>e</sup> At the same time, other costs have risen much faster—such as health care, housing, and more recently, and energy—and new costs have arisen, such as child care and taxes. None of these changes are, or can be, reflected in the federal poverty measure based on a “frozen” methodology.

*Third, the federal poverty measure is dated, implicitly using the demographic model of a two-parent family with a “stay-at-home” wife, or if a single parent, implicitly assumes she is not employed.* This family demographic no longer reflects the reality of the majority of American families today. According to the U.S. Bureau of Labor Statistics, both parents were employed in 59% of two-parent families with children in 2013. Likewise, 68% of single mothers

with children were employed and 81% of single fathers with children were employed in 2013.<sup>f</sup> Thus paid employment with its associated costs such as child care, transportation, and taxes is the norm for the majority of families today rather than the exception. Moreover, when the poverty measure was first developed, these employment-related items were not a significant expense for most families: taxes were relatively low and child care for families with young children was not common.<sup>g</sup> However, today these expenses are substantial, and borne by most families, and thus these costs should be included in a modern poverty measure.

*Fourth, the poverty measure does not vary by geographic location.* That is, the federal poverty measure is the same whether one lives in Louisiana or in the San Francisco Bay Area of California (with Alaska and Hawaii the only exceptions to the rule). However, housing in the most expensive areas of the United States costs over three times as much as in the least expensive areas.<sup>h</sup> Even within states, costs vary considerably: in Connecticut, the cost of a three-bedroom housing rental in the Lower Fairfield region is \$2,475 per month, while in Windham a three-bedroom unit is \$1,042 per month.

*Finally, the federal poverty measure provides no information or means to track changes in specific costs (such as housing, child care, etc.), nor the impact of subsidies, taxes, and/or tax credits that reduce (or increase) these costs.* The federal poverty measure does not allow for determining how specific costs rise or fall over time. Likewise, when assessing the impact of subsidies, taxes, and tax credits, poverty measures cannot trace the impact they have on net costs unless they are explicitly included in the measure itself.

For these and other reasons, many researchers and analysts have proposed revising the federal poverty measure. Suggested changes would reflect twenty-first century needs, incorporate geographically based differences in costs, and respond to changes over time.<sup>i</sup>

## THE SUPPLEMENTAL POVERTY MEASURE

Besides the Self-Sufficiency Standard, the other major proposed alternative to the federal poverty measure is a measure based on recommendations from the National Academy of Sciences (NAS).<sup>j</sup> The Census Bureau produced poverty estimates based on various combinations of the

Table C-1. **The Self-Sufficiency Standard as a Percent of the Federal Poverty Level, 2015**  
*Three Family Types, All Connecticut Regions*

REGION	ONE ADULT ONE PRESCHOOLER		ONE ADULT ONE PRESCHOOLER ONE SCHOOL-AGE		TWO ADULTS ONE PRESCHOOLER ONE SCHOOL-AGE	
	Annual Self-Sufficiency Standard	Self-Sufficiency Standard as Percentage of Federal Poverty Level (FPL)	Annual Self-Sufficiency Standard	Self-Sufficiency Standard as Percentage of Federal Poverty Level (FPL)	Annual Self-Sufficiency Standard	Self-Sufficiency Standard as Percentage of Federal Poverty Level (FPL)
Waterbury	\$50,233	315%	\$61,535	306%	\$70,182	289%
Greater Waterbury	\$53,838	338%	\$65,008	324%	\$73,513	303%
Danbury	\$61,917	389%	\$73,885	368%	\$82,351	340%
Greater Danbury	\$64,072	402%	\$76,619	381%	\$84,327	348%
Northwest Corner	\$51,279	322%	\$62,708	312%	\$71,219	294%
Bridgeport	\$54,142	340%	\$64,940	323%	\$70,003	289%
Stratford	\$59,942	376%	\$70,586	351%	\$79,682	329%
Stamford	\$74,600	468%	\$87,013	433%	\$93,026	384%
Naugatuck Valley	\$54,893	345%	\$66,427	331%	\$75,139	310%
Upper Fairfield	\$71,024	446%	\$83,438	415%	\$90,117	372%
Lower Fairfield	\$77,800	488%	\$89,914	448%	\$95,447	394%
Hartford	\$46,753	293%	\$59,553	296%	\$63,381	261%
Hartford Suburbs	\$56,436	354%	\$68,742	342%	\$77,309	319%
North Central	\$55,764	350%	\$68,222	340%	\$76,801	317%
New Haven	\$51,597	324%	\$63,185	315%	\$67,225	277%
Upper Connecticut River	\$56,221	353%	\$68,078	339%	\$77,246	319%
Greater New Haven	\$58,449	367%	\$69,750	347%	\$78,467	324%
Lower Connecticut River	\$61,181	384%	\$73,394	365%	\$81,896	338%
Windham	\$44,657	280%	\$53,436	266%	\$61,064	252%
Greater Windham	\$53,074	333%	\$62,175	309%	\$71,025	293%
New London	\$47,787	300%	\$57,209	285%	\$65,990	272%
Greater New London	\$51,864	326%	\$61,228	305%	\$70,164	289%
Northeast Corner	\$47,590	299%	\$56,189	280%	\$63,901	264%

The 2015 FPL is: \$15,930 for a family of two, \$20,090 for a family of three, and \$24,250 for a family of four. See <http://aspe.hhs.gov/poverty/15poverty.cfm>.

NAS recommendations, designating them as experimental poverty measures.<sup>k</sup> The new Supplemental Poverty Measure (SPM) developed by the Obama Administration in 2011 is based on the NAS methodology, with some revisions, and the earlier work by the Census Bureau and others.<sup>l</sup> Since 2011, the Census Bureau has released reports of poverty trends utilizing the SPM measure.

Designed primarily to track poverty trends over time, the Supplemental Poverty Measure provides a new and improved statistic to better understand the prevalence of poverty in the United States. The primary differences from the FPL are two: first, the thresholds are based on expenditures, and thus track living standards, making the

SPM a relative measure. Second, the SPM uses a broader measure of resources, beyond cash income, including the value of some benefits (those that offset the core elements of the SPM, i.e., food, housing and utilities). The SPM is not intended to be a replacement for the FPL, but it will provide policymakers with additional data on the extent of poverty and the impact of public policies. At the same time, the SPM will not replace the need for other benchmarks of income adequacy, particularly because its thresholds are set at a level roughly the same as the FPL. The Standard will continue to be an essential tool for understanding what it takes to make ends meet at a minimally adequate level in today's economy.

## APPENDIX C ENDNOTES

- a. There are two federal measurements of poverty. A detailed matrix of poverty thresholds is calculated each year by the U.S. Census Bureau, which varies by the number of adults and the number of children in the household, and by age for one- and two-adult households. The threshold is used to calculate the number of people in poverty for the previous year. The other form of the poverty measure is called the “federal poverty guidelines” or the “Federal Poverty Level” (FPG/FPL). The FPL is calculated by the U.S. Department of Health and Human Services each February and is primarily used by federal and state programs to determine eligibility and/or calculate benefits, such as for SNAP (formerly the Food Stamps Program). The FPL only varies by family size, regardless of composition; the 2015 FPL for a family of three is \$20,090. The Standard references the FPL in this report. For more information about the federal poverty measurements, see <http://aspe.hhs.gov/poverty/faq.cfm> and <http://aspe.hhs.gov/poverty/15poverty.cfm>.
- b. Carmen DeNavas-Walt, Bernadette Proctor, and Jessica C. Smith, “Income, Poverty, and Health Insurance Coverage in the U.S.: 2012,” U.S. Census Bureau, Current Population Reports, Series P60-245, Washington, D.C. (U.S. Government Printing Office), <http://www.census.gov/prod/2013pubs/p60-245.pdf> (accessed June 24, 2014).
- c. State of Connecticut, “Connecticut HUSKY Health Program Annual Income Guidelines – effective March 1, 2014” <http://www.huskyhealth.com/hh/lib/hh/pdf/HUSKYAnnualIncomeChart.pdf> (accessed February 26, 2015).
- d. U.S. Department of Health and Human Services, “Frequently Asked Questions Related to the Poverty Guidelines and Poverty,” <http://aspe.hhs.gov/poverty/faq.cfm> (accessed February 26, 2015).
- e. In 2012 the average consumer expenditure on food was \$6,599 per year or 12.8% of total expenditures. U.S. Department of Labor, Bureau of Labor Statistics, “Consumer Expenditures in 2012,” <http://www.bls.gov/news.release/cesan.nr0.htm> (accessed February 26, 2015).
- f. U.S. Department of Labor, U.S. Bureau of Labor Statistics, “Employment Characteristics of Families-2013,” <http://www.bls.gov/news.release/pdf/famee.pdf> (accessed February 26, 2015).
- g. At the time the federal poverty measure was developed child care was a negligible component of consumer expenditures (p. 27) and the tax burden on the low-income population was relatively low at an effective 1% in 1966 (p. 29). Constance Citro and Robert Michael, Eds., *Measuring Poverty: A New Approach*, Washington, D.C.: National Academy Press, [http://www.nap.edu/openbook.php?record\\_id=4759](http://www.nap.edu/openbook.php?record_id=4759) (accessed June 25, 2014); hereafter cited as *Measuring Poverty*.
- h. Using the 2015 Fair Market Rents, the cost of housing (including utilities) at the 40th percentile for a two-bedroom unit in the most expensive place—the San Francisco metropolitan area—is \$2,062 per month. This is nearly four times as much as the least expensive housing in the country, found in most counties in Kentucky, where two-bedroom units cost \$558 per month. U.S. Housing and Urban Development Department, “Fair Market Rents,” <http://www.huduser.org/datasets/fmr.html> (accessed August 15, 2014).
- i. One of the first people to advocate implementing changes over time into the Federal Poverty Level was Patricia Ruggles, author of *Drawing the Line*. Ruggles’ work and the analyses of many others are summarized in *Measuring Poverty*.
- j. *Measuring Poverty*.
- k. Thesia I. Garner and Kathleen S. Short, “Creating a Consistent Poverty Measure Over Time Using NAS Procedures: 1996-2005,” U.S. Department of Labor, BLS Working Papers, Working Paper 417, April 2008, <http://www.bls.gov/osmr/pdf/ec080030.pdf> (accessed June 25, 2014).
- l. U.S. Department of Commerce, U.S. Census Bureau, Poverty – Experimental Measures, Supplemental Poverty Measure Methodology, “Observations from the Interagency Technical Working Group on Developing a Supplemental Poverty Measure,” March 2010, [https://www.census.gov/hhes/www/poverty/SPM\\_TWGObservations.pdf](https://www.census.gov/hhes/www/poverty/SPM_TWGObservations.pdf) (accessed June 25, 2014). U.S. Department of Commerce, U.S. Census Bureau, “Webinar: Supplemental Poverty Measure Research,” [http://www.census.gov/newsroom/releases/archives/news\\_conferences/2011-11-04\\_spm\\_webinar.html](http://www.census.gov/newsroom/releases/archives/news_conferences/2011-11-04_spm_webinar.html) (accessed November 10, 2011).

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## Appendix D: The Self-Sufficiency Standard for Select Family Types in Connecticut

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Appendix D provides detailed tables of the Self-Sufficiency Standard for eight select family types in each region in Connecticut. An excel file with detailed data for all one and two adult family types up to three children plus larger families is available at [www.selfsufficiencystandard.org/pubs/](http://www.selfsufficiencystandard.org/pubs/) or [www.ctpcsw.com](http://www.ctpcsw.com).

# Connecticut Workforce Development Areas, Regions, Towns, and Counties

## NORTHWEST WORKFORCE DEVELOPMENT AREA

### 1. Waterbury

Waterbury City, New Haven County

### 2. Greater Waterbury

Bethlehem, Litchfield County  
 Thomaston, Litchfield County  
 Watertown, Litchfield County  
 Woodbury, Litchfield County  
 Cheshire, New Haven County  
 Middlebury, New Haven County  
 Naugatuck, New Haven County  
 Prospect, New Haven County  
 Southbury, New Haven County  
 Wolcott, New Haven County

### 3. Danbury

Danbury, Fairfield County

### 4. Greater Danbury

Bethel, Fairfield County  
 Brookfield, Fairfield County  
 New Fairfield, Fairfield County  
 Newtown, Fairfield County  
 Redding, Fairfield County  
 Ridgefield, Fairfield County  
 Sherman, Fairfield County  
 Bridgewater, Litchfield County  
 New Milford, Litchfield County  
 Roxbury, Litchfield County  
 Washington, Litchfield County

### 5. Northwest Corner

Hartland, Hartford County  
 Barkhamsted, Litchfield County  
 Canaan, Litchfield County  
 Colebrook, Litchfield County  
 Cornwall, Litchfield County

Goshen, Litchfield County  
 Harwinton, Litchfield County  
 Kent, Litchfield County  
 Litchfield, Litchfield County  
 Morris, Litchfield County  
 New Hartford, Litchfield County  
 Norfolk, Litchfield County  
 North Canaan, Litchfield County  
 Salisbury, Litchfield County  
 Sharon, Litchfield County  
 Torrington, Litchfield County  
 Warren, Litchfield County  
 Winchester, Litchfield County

## SOUTHWEST WORKFORCE DEVELOPMENT AREA

### 6. Bridgeport

Bridgeport City, Fairfield County

### 7. Stratford

Stratford City, Fairfield County

### 8. Stamford

Stamford City, Fairfield County

### 9. Naugatuck Valley

Shelton, Fairfield County  
 Ansonia, New Haven County  
 Beacon Falls, New Haven County  
 Derby, New Haven County  
 Oxford, New Haven County  
 Seymour, New Haven County

### 10. Upper Fairfield

Easton, Fairfield County  
 Fairfield, Fairfield County  
 Monroe, Fairfield County  
 Trumbull, Fairfield County

### 11. Lower Fairfield

Darien, Fairfield County  
 Greenwich, Fairfield County  
 New Canaan, Fairfield County  
 Norwalk, Fairfield County  
 Weston, Fairfield County  
 Westport, Fairfield County  
 Wilton, Fairfield County

## NORTH CENTRAL WORKFORCE DEVELOPMENT AREA

### 12. Hartford

Hartford City, Hartford County

### 13. Hartford Suburbs

Bloomfield, Hartford County  
 East Hartford, Hartford County  
 Manchester, Hartford County  
 Newington, Hartford County  
 South Windsor, Hartford County  
 West Hartford, Hartford County  
 Wethersfield, Hartford County  
 Windsor, Hartford County

### 14. North Central

Avon, Hartford County  
 Berlin, Hartford County  
 Bristol, Hartford County  
 Burlington, Hartford County  
 Canton, Hartford County  
 East Granby, Hartford County  
 East Hartford, Hartford County  
 East Windsor, Hartford County  
 Enfield, Hartford County  
 Farmington, Hartford County  
 Glastonbury, Hartford County  
 Granby, Hartford County  
 Marlborough, Hartford County

New Britain, Hartford County  
 Plainville, Hartford County  
 Rocky Hill, Hartford County  
 Simsbury, Hartford County  
 Southington, Hartford County  
 Suffield, Hartford County  
 Windsor Locks, Hartford County  
 Plymouth, Litchfield County  
 Andover, Tolland County  
 Bolton, Tolland County  
 Ellington, Tolland County  
 Hebron, Tolland County  
 Somers, Tolland County  
 Stafford, Tolland County  
 Tolland, Tolland County  
 Vernon, Tolland County

### **SOUTH CENTRAL WORKFORCE DEVELOPMENT AREA**

#### **15. New Haven**

New Haven City, New Haven County

#### **16. Upper Connecticut River**

Cromwell, Middlesex County  
 Durham, Middlesex County  
 East Haddam, Middlesex County  
 East Hampton, Middlesex County  
 Haddam, Middlesex County  
 Middlefield, Middlesex County  
 Middletown, Middlesex County  
 Portland, Middlesex County

#### **17. Greater New Haven**

Clinton, Middlesex County  
 Killingworth, Middlesex County  
 Branford, New Haven County  
 Bethany, New Haven County  
 East Haven, New Haven County  
 Guilford, New Haven County  
 Hamden, New Haven County  
 Madison, New Haven County  
 Meriden, New Haven County

Milford, New Haven County  
 North Haven, New Haven County  
 North Branford, New Haven County  
 Orange, New Haven County  
 Wallingford, New Haven County  
 West Haven, New Haven County  
 Woodbridge, New Haven County

#### **18. Lower Connecticut River**

Chester, Middlesex County  
 Deep River, Middlesex County  
 Essex, Middlesex County  
 Old Saybrook, Middlesex County  
 Westbrook, Middlesex County

### **EASTERN WORKFORCE DEVELOPMENT AREA**

#### **19. Windham**

Windham, Windham County

#### **20. Greater Windham**

Colchester, New London County  
 Lebanon, New London County  
 Columbia, Tolland County  
 Coventry, Tolland County  
 Mansfield, Tolland County  
 Union, Tolland County  
 Willington, Tolland County  
 Ashford, Windham County  
 Chaplin, Windham County

#### **21. New London**

New London, New London County

#### **22. Greater New London**

Bozrah, New London County  
 East Lyme, New London County  
 Franklin, New London County  
 Griswold, New London County  
 Groton, New London County  
 Ledyard, New London County  
 Lisbon, New London County

Lyme, New London County  
 Montville, New London County  
 North Stonington, New London County  
 Norwich, New London County  
 Old Lyme, New London County  
 Preston, New London County  
 Salem, New London County  
 Sprague, New London County  
 Stonington, New London County  
 Voluntown, New London County  
 Waterford, New London County

#### **23. Northeast Corner**

Brooklyn, Windham County  
 Canterbury, Windham County  
 Eastford, Windham County  
 Hampton, Windham County  
 Killingly, Windham County  
 Plainfield, Windham County  
 Pomfret, Windham County  
 Putnam, Windham County  
 Scotland, Windham County  
 Sterling, Windham County  
 Thompson, Windham County  
 Woodstock, Windham County



## Northwest Workforce Development Area

Table 1  
The Self-Sufficiency Standard for Waterbury, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$742	\$904	\$904	\$904	\$904	\$904	\$904	\$1,126
Child Care	\$0	\$982	\$2,012	\$1,519	\$537	\$1,030	\$1,519	\$2,549
Food	\$265	\$402	\$528	\$606	\$701	\$643	\$832	\$920
Transportation	\$322	\$330	\$330	\$330	\$330	\$630	\$630	\$630
Health Care	\$186	\$542	\$553	\$565	\$598	\$600	\$621	\$633
Miscellaneous	\$151	\$316	\$433	\$392	\$307	\$381	\$451	\$586
Taxes	\$306	\$844	\$1,246	\$1,077	\$697	\$926	\$1,158	\$1,625
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$11.20	\$23.78	\$32.60	\$29.14	\$21.93	\$14.15 per adult	\$16.62 per adult	\$21.93 per adult
MONTHLY	\$1,972	\$4,186	\$5,738	\$5,128	\$3,859	\$4,981	\$5,849	\$7,719
ANNUAL	\$23,664	\$50,233	\$68,859	\$61,535	\$46,308	\$59,766	\$70,182	\$92,626
EMERGENCY SAVINGS (Monthly Contribution)	\$35	\$70	\$111	\$89	\$71	\$43	\$50	\$62

Table 2  
The Self-Sufficiency Standard for Greater Waterbury, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$891	\$1,106	\$1,106	\$1,106	\$1,106	\$1,106	\$1,106	\$1,383
Child Care	\$0	\$982	\$2,012	\$1,519	\$537	\$1,030	\$1,519	\$2,549
Food	\$269	\$408	\$535	\$615	\$711	\$652	\$844	\$933
Transportation	\$311	\$319	\$319	\$319	\$319	\$608	\$608	\$608
Health Care	\$183	\$533	\$544	\$556	\$589	\$591	\$612	\$624
Miscellaneous	\$165	\$335	\$452	\$412	\$326	\$399	\$469	\$610
Taxes	\$369	\$938	\$1,351	\$1,157	\$793	\$1,017	\$1,235	\$1,741
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$12.43	\$25.49	\$34.39	\$30.78	\$23.67	\$14.97 per adult	\$17.40 per adult	\$23.01 per adult
MONTHLY	\$2,188	\$4,487	\$6,052	\$5,417	\$4,166	\$5,269	\$6,126	\$8,098
ANNUAL	\$26,259	\$53,838	\$72,624	\$65,008	\$49,992	\$63,233	\$73,513	\$97,177
EMERGENCY SAVINGS (Monthly Contribution)	\$38	\$73	\$122	\$99	\$74	\$44	\$51	\$65

Table 3  
The Self-Sufficiency Standard for Danbury, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$1,058	\$1,432	\$1,432	\$1,432	\$1,432	\$1,432	\$1,432	\$1,785
Child Care	\$0	\$982	\$2,012	\$1,519	\$537	\$1,030	\$1,519	\$2,549
Food	\$304	\$462	\$606	\$696	\$805	\$738	\$955	\$1,056
Transportation	\$305	\$314	\$314	\$314	\$314	\$597	\$597	\$597
Health Care	\$199	\$592	\$603	\$615	\$649	\$650	\$671	\$683
Miscellaneous	\$187	\$378	\$497	\$458	\$374	\$445	\$517	\$667
Taxes	\$462	\$1,134	\$1,709	\$1,390	\$1,017	\$1,246	\$1,438	\$2,068
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$14.29	\$29.32	\$39.23	\$34.98	\$27.90	\$17.06 per adult	\$19.50 per adult	\$25.72 per adult
MONTHLY	\$2,516	\$5,160	\$6,905	\$6,157	\$4,910	\$6,004	\$6,863	\$9,055
ANNUAL	\$30,187	\$61,917	\$82,861	\$73,885	\$58,924	\$72,043	\$82,351	\$108,654
EMERGENCY SAVINGS (Monthly Contribution)	\$42	\$82	\$146	\$125	\$82	\$48	\$56	\$69

Table 4  
The Self-Sufficiency Standard for Greater Danbury, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$1,179	\$1,579	\$1,579	\$1,579	\$1,579	\$1,579	\$1,579	\$1,974
Child Care	\$0	\$982	\$2,012	\$1,519	\$537	\$1,030	\$1,519	\$2,549
Food	\$298	\$452	\$594	\$682	\$789	\$723	\$936	\$1,035
Transportation	\$305	\$314	\$314	\$314	\$314	\$597	\$597	\$597
Health Care	\$194	\$572	\$584	\$596	\$629	\$630	\$652	\$663
Miscellaneous	\$198	\$390	\$508	\$469	\$385	\$456	\$528	\$682
Taxes	\$521	\$1,184	\$1,789	\$1,493	\$1,064	\$1,298	\$1,483	\$2,176
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$15.31	\$30.34	\$40.41	\$36.28	\$28.86	\$17.56 per adult	\$19.96 per adult	\$26.49 per adult
MONTHLY	\$2,695	\$5,339	\$7,111	\$6,385	\$5,079	\$6,180	\$7,027	\$9,326
ANNUAL	\$32,340	\$64,072	\$85,338	\$76,619	\$60,954	\$74,160	\$84,327	\$111,911
EMERGENCY SAVINGS (Monthly Contribution)	\$43	\$89	\$152	\$131	\$85	\$49	\$57	\$70

Table 5  
The Self-Sufficiency Standard for Northwest Corner, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$771	\$989	\$989	\$989	\$989	\$989	\$989	\$1,252
Child Care	\$0	\$982	\$2,012	\$1,519	\$537	\$1,030	\$1,519	\$2,549
Food	\$279	\$422	\$554	\$637	\$737	\$675	\$874	\$967
Transportation	\$303	\$311	\$311	\$311	\$311	\$592	\$592	\$592
Health Care	\$177	\$509	\$521	\$533	\$566	\$568	\$589	\$600
Miscellaneous	\$153	\$321	\$439	\$399	\$314	\$385	\$456	\$596
Taxes	\$312	\$871	\$1,271	\$1,104	\$737	\$951	\$1,182	\$1,669
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$11.33	\$24.28	\$33.12	\$29.69	\$22.58	\$14.37 per adult	\$16.86 per adult	\$22.37 per adult
MONTHLY	\$1,994	\$4,273	\$5,830	\$5,226	\$3,974	\$5,058	\$5,935	\$7,876
ANNUAL	\$23,926	\$51,279	\$69,959	\$62,708	\$47,693	\$60,690	\$71,219	\$94,507
EMERGENCY SAVINGS (Monthly Contribution)	\$36	\$71	\$115	\$92	\$72	\$43	\$50	\$63

## Southwest Workforce Development Area

Table 6  
The Self-Sufficiency Standard for Bridgeport, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$828	\$1,054	\$1,054	\$1,054	\$1,054	\$1,054	\$1,054	\$1,380
Child Care	\$0	\$1,186	\$2,605	\$1,676	\$490	\$1,418	\$1,676	\$3,094
Food	\$304	\$462	\$606	\$696	\$805	\$738	\$955	\$1,056
Transportation	\$70	\$70	\$70	\$70	\$70	\$140	\$140	\$140
Health Care	\$199	\$592	\$603	\$615	\$649	\$650	\$671	\$683
Miscellaneous	\$140	\$336	\$494	\$411	\$307	\$400	\$450	\$635
Taxes	\$265	\$945	\$1,686	\$1,156	\$696	\$1,023	\$1,154	\$1,893
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$10.27	\$25.64	\$38.92	\$30.75	\$21.89	\$15.03 per adult	\$16.57 per adult	\$24.24 per adult
MONTHLY	\$1,807	\$4,512	\$6,851	\$5,412	\$3,853	\$5,290	\$5,834	\$8,531
ANNUAL	\$21,688	\$54,142	\$82,209	\$64,940	\$46,242	\$63,485	\$70,003	\$102,377
EMERGENCY SAVINGS (Monthly Contribution)	\$33	\$74	\$145	\$99	\$71	\$44	\$50	\$67

Table 7  
The Self-Sufficiency Standard for Stratford, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$871	\$1,109	\$1,109	\$1,109	\$1,109	\$1,109	\$1,109	\$1,452
Child Care	\$0	\$1,186	\$2,605	\$1,676	\$490	\$1,418	\$1,676	\$3,094
Food	\$304	\$462	\$606	\$696	\$805	\$738	\$955	\$1,056
Transportation	\$315	\$323	\$323	\$323	\$323	\$616	\$616	\$616
Health Care	\$199	\$592	\$603	\$615	\$649	\$650	\$671	\$683
Miscellaneous	\$169	\$367	\$525	\$442	\$338	\$453	\$503	\$690
Taxes	\$384	\$1,089	\$1,906	\$1,287	\$851	\$1,287	\$1,377	\$2,233
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$12.74	\$28.38	\$42.10	\$33.42	\$24.70	\$17.44 per adult	\$18.86 per adult	\$26.92 per adult
MONTHLY	\$2,243	\$4,995	\$7,410	\$5,882	\$4,347	\$6,138	\$6,640	\$9,474
ANNUAL	\$26,912	\$59,942	\$88,925	\$70,586	\$52,165	\$73,658	\$79,682	\$113,692
EMERGENCY SAVINGS (Monthly Contribution)	\$39	\$80	\$162	\$116	\$76	\$48	\$54	\$71

Table 8  
The Self-Sufficiency Standard for Stamford, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$1,491	\$1,852	\$1,852	\$1,852	\$1,852	\$1,852	\$1,852	\$2,306
Child Care	\$0	\$1,186	\$2,605	\$1,676	\$490	\$1,418	\$1,676	\$3,094
Food	\$304	\$462	\$606	\$696	\$805	\$738	\$955	\$1,056
Transportation	\$310	\$318	\$318	\$318	\$318	\$606	\$606	\$606
Health Care	\$199	\$592	\$603	\$615	\$649	\$650	\$671	\$683
Miscellaneous	\$230	\$441	\$598	\$516	\$411	\$526	\$576	\$775
Taxes	\$684	\$1,499	\$2,431	\$1,845	\$1,175	\$1,593	\$1,683	\$2,836
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$18.29	\$35.32	\$49.70	\$41.20	\$31.15	\$20.60 per adult	\$22.02 per adult	\$31.27 per adult
MONTHLY	\$3,219	\$6,217	\$8,747	\$7,251	\$5,482	\$7,250	\$7,752	\$11,006
ANNUAL	\$38,623	\$74,600	\$104,961	\$87,013	\$65,789	\$87,001	\$93,026	\$132,077
EMERGENCY SAVINGS (Monthly Contribution)	\$49	\$117	\$202	\$157	\$98	\$55	\$62	\$84

Table 9  
The Self-Sufficiency Standard for Naugatuck Valley, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$896	\$1,119	\$1,119	\$1,119	\$1,119	\$1,119	\$1,119	\$1,434
Child Care	\$0	\$977	\$2,041	\$1,530	\$552	\$1,064	\$1,530	\$2,593
Food	\$280	\$424	\$556	\$639	\$740	\$678	\$877	\$970
Transportation	\$313	\$321	\$321	\$321	\$321	\$613	\$613	\$613
Health Care	\$191	\$560	\$572	\$584	\$617	\$619	\$640	\$651
Miscellaneous	\$168	\$340	\$461	\$419	\$335	\$409	\$478	\$626
Taxes	\$379	\$966	\$1,422	\$1,190	\$840	\$1,071	\$1,272	\$1,853
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$12.65	\$25.99	\$35.37	\$31.45	\$24.47	\$15.45 per adult	\$17.79 per adult	\$23.84 per adult
MONTHLY	\$2,227	\$4,574	\$6,226	\$5,536	\$4,307	\$5,439	\$6,262	\$8,391
ANNUAL	\$26,721	\$54,893	\$74,708	\$66,427	\$51,688	\$65,269	\$75,139	\$100,686
EMERGENCY SAVINGS (Monthly Contribution)	\$38	\$74	\$127	\$104	\$76	\$45	\$52	\$66



Table 10  
The Self-Sufficiency Standard for Upper Fairfield, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$1,322	\$1,683	\$1,683	\$1,683	\$1,683	\$1,683	\$1,683	\$2,203
Child Care	\$0	\$1,186	\$2,605	\$1,676	\$490	\$1,418	\$1,676	\$3,094
Food	\$304	\$462	\$606	\$696	\$805	\$738	\$955	\$1,056
Transportation	\$314	\$323	\$323	\$323	\$323	\$615	\$615	\$615
Health Care	\$199	\$592	\$603	\$615	\$649	\$650	\$671	\$683
Miscellaneous	\$214	\$425	\$582	\$499	\$395	\$510	\$560	\$765
Taxes	\$606	\$1,382	\$2,314	\$1,728	\$1,106	\$1,526	\$1,616	\$2,765
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$16.82	\$33.63	\$48.00	\$39.51	\$29.73	\$19.91 per adult	\$21.33 per adult	\$30.77 per adult
MONTHLY	\$2,960	\$5,919	\$8,449	\$6,953	\$5,233	\$7,008	\$7,510	\$10,832
ANNUAL	\$35,517	\$71,024	\$101,386	\$83,438	\$62,798	\$84,093	\$90,117	\$129,980
EMERGENCY SAVINGS (Monthly Contribution)	\$46	\$108	\$193	\$148	\$89	\$54	\$60	\$82

Table 11  
The Self-Sufficiency Standard for Lower Fairfield, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$1,601	\$1,989	\$1,989	\$1,989	\$1,989	\$1,989	\$1,989	\$2,478
Child Care	\$0	\$1,186	\$2,605	\$1,676	\$490	\$1,418	\$1,676	\$3,094
Food	\$304	\$462	\$606	\$696	\$805	\$738	\$955	\$1,056
Transportation	\$307	\$316	\$316	\$316	\$316	\$601	\$601	\$601
Health Care	\$199	\$592	\$603	\$615	\$649	\$650	\$671	\$683
Miscellaneous	\$241	\$454	\$612	\$529	\$425	\$540	\$589	\$791
Taxes	\$740	\$1,617	\$2,529	\$1,938	\$1,231	\$1,649	\$1,739	\$2,956
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$19.28	\$36.84	\$51.10	\$42.57	\$32.32	\$21.17 per adult	\$22.60 per adult	\$32.13 per adult
MONTHLY	\$3,393	\$6,483	\$8,993	\$7,493	\$5,688	\$7,452	\$7,954	\$11,310
ANNUAL	\$40,721	\$77,800	\$107,914	\$89,914	\$68,252	\$89,423	\$95,447	\$135,718
EMERGENCY SAVINGS (Monthly Contribution)	\$51	\$125	\$209	\$164	\$106	\$57	\$63	\$89

## North Central Workforce Development Area

Table 12  
The Self-Sufficiency Standard for Hartford, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$770	\$959	\$959	\$959	\$959	\$959	\$959	\$1,195
Child Care	\$0	\$1,052	\$2,195	\$1,663	\$611	\$1,143	\$1,663	\$2,806
Food	\$263	\$399	\$524	\$602	\$697	\$639	\$826	\$914
Transportation	\$54	\$54	\$54	\$54	\$54	\$108	\$108	\$108
Health Care	\$178	\$514	\$526	\$538	\$571	\$573	\$594	\$606
Miscellaneous	\$127	\$298	\$426	\$382	\$289	\$342	\$415	\$563
Taxes	\$211	\$752	\$1,217	\$1,032	\$590	\$734	\$983	\$1,529
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	(\$36)	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$53)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$9.11	\$22.14	\$32.01	\$28.20	\$19.98	\$12.40 per adult	\$15.00 per adult	\$20.94 per adult
MONTHLY	\$1,603	\$3,896	\$5,635	\$4,963	\$3,516	\$4,364	\$5,282	\$7,370
ANNUAL	\$19,233	\$46,753	\$67,615	\$59,553	\$42,195	\$52,374	\$63,381	\$88,443
EMERGENCY SAVINGS (Monthly Contribution)	\$30	\$67	\$107	\$86	\$70	\$39	\$47	\$60

Table 13  
The Self-Sufficiency Standard for Hartford Suburbs, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$954	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,189	\$1,480
Child Care	\$0	\$1,052	\$2,195	\$1,663	\$611	\$1,143	\$1,663	\$2,806
Food	\$263	\$399	\$524	\$602	\$697	\$639	\$826	\$914
Transportation	\$320	\$329	\$329	\$329	\$329	\$626	\$626	\$626
Health Care	\$178	\$514	\$526	\$538	\$571	\$573	\$594	\$606
Miscellaneous	\$172	\$348	\$476	\$432	\$340	\$417	\$490	\$643
Taxes	\$394	\$1,005	\$1,557	\$1,243	\$864	\$1,109	\$1,322	\$1,927
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$12.96	\$26.72	\$37.10	\$32.55	\$24.90	\$15.80 per adult	\$18.30 per adult	\$24.58 per adult
MONTHLY	\$2,282	\$4,703	\$6,529	\$5,728	\$4,383	\$5,561	\$6,442	\$8,652
ANNUAL	\$27,381	\$56,436	\$78,346	\$68,742	\$52,595	\$66,734	\$77,309	\$103,828
EMERGENCY SAVINGS (Monthly Contribution)	\$39	\$76	\$135	\$111	\$76	\$45	\$53	\$68

Table 14  
The Self-Sufficiency Standard for North Central, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$920	\$1,148	\$1,148	\$1,148	\$1,148	\$1,148	\$1,148	\$1,430
Child Care	\$0	\$1,052	\$2,195	\$1,663	\$611	\$1,143	\$1,663	\$2,806
Food	\$270	\$409	\$537	\$617	\$714	\$654	\$847	\$937
Transportation	\$316	\$324	\$324	\$324	\$324	\$616	\$616	\$616
Health Care	\$179	\$517	\$528	\$540	\$573	\$575	\$596	\$608
Miscellaneous	\$168	\$345	\$473	\$429	\$337	\$414	\$487	\$640
Taxes	\$382	\$986	\$1,531	\$1,231	\$848	\$1,090	\$1,310	\$1,912
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$12.70	\$26.40	\$36.76	\$32.30	\$24.65	\$15.64 per adult	\$18.18 per adult	\$24.43 per adult
MONTHLY	\$2,235	\$4,647	\$6,470	\$5,685	\$4,338	\$5,507	\$6,400	\$8,598
ANNUAL	\$26,818	\$55,764	\$77,641	\$68,222	\$52,055	\$66,081	\$76,801	\$103,176
EMERGENCY SAVINGS (Monthly Contribution)	\$38	\$75	\$133	\$109	\$76	\$45	\$53	\$67

## South Central Workforce Development Area

Table 15  
The Self-Sufficiency Standard for New Haven, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$1,008	\$1,258	\$1,258	\$1,258	\$1,258	\$1,258	\$1,258	\$1,566
Child Care	\$0	\$976	\$2,049	\$1,532	\$556	\$1,073	\$1,532	\$2,605
Food	\$265	\$402	\$528	\$606	\$701	\$643	\$832	\$920
Transportation	\$54	\$54	\$54	\$54	\$54	\$108	\$108	\$108
Health Care	\$186	\$542	\$553	\$565	\$598	\$600	\$621	\$633
Miscellaneous	\$151	\$323	\$444	\$402	\$317	\$368	\$435	\$583
Taxes	\$306	\$879	\$1,301	\$1,115	\$748	\$863	\$1,083	\$1,615
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$11.19	\$24.43	\$33.63	\$29.92	\$22.82	\$13.58 per adult	\$15.92 per adult	\$21.82 per adult
MONTHLY	\$1,970	\$4,300	\$5,920	\$5,265	\$4,016	\$4,779	\$5,602	\$7,680
ANNUAL	\$23,641	\$51,597	\$71,036	\$63,185	\$48,187	\$57,347	\$67,225	\$92,159
EMERGENCY SAVINGS (Monthly Contribution)	\$35	\$72	\$118	\$93	\$73	\$42	\$48	\$62

Table 16  
The Self-Sufficiency Standard for Upper Connecticut River, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$933	\$1,162	\$1,162	\$1,162	\$1,162	\$1,162	\$1,162	\$1,448
Child Care	\$0	\$976	\$2,049	\$1,532	\$556	\$1,073	\$1,532	\$2,605
Food	\$302	\$458	\$601	\$690	\$798	\$732	\$947	\$1,048
Transportation	\$321	\$329	\$329	\$329	\$329	\$626	\$626	\$626
Health Care	\$187	\$546	\$558	\$570	\$603	\$605	\$626	\$638
Miscellaneous	\$174	\$347	\$470	\$428	\$345	\$420	\$489	\$636
Taxes	\$405	\$1,000	\$1,499	\$1,228	\$887	\$1,121	\$1,321	\$1,898
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$13.19	\$26.62	\$36.37	\$32.23	\$25.36	\$15.92 per adult	\$18.29 per adult	\$24.28 per adult
MONTHLY	\$2,321	\$4,685	\$6,401	\$5,673	\$4,464	\$5,605	\$6,437	\$8,548
ANNUAL	\$27,858	\$56,221	\$76,813	\$68,078	\$53,567	\$67,260	\$77,246	\$102,578
EMERGENCY SAVINGS (Monthly Contribution)	\$40	\$76	\$132	\$109	\$77	\$46	\$53	\$67

Table 17  
The Self-Sufficiency Standard for Greater New Haven, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$1,068	\$1,335	\$1,335	\$1,335	\$1,335	\$1,335	\$1,335	\$1,674
Child Care	\$0	\$976	\$2,049	\$1,532	\$556	\$1,073	\$1,532	\$2,605
Food	\$267	\$404	\$531	\$610	\$705	\$646	\$837	\$926
Transportation	\$324	\$333	\$333	\$333	\$333	\$635	\$635	\$635
Health Care	\$186	\$542	\$553	\$565	\$599	\$600	\$621	\$633
Miscellaneous	\$185	\$359	\$480	\$438	\$353	\$429	\$496	\$647
Taxes	\$453	\$1,055	\$1,591	\$1,266	\$930	\$1,170	\$1,349	\$1,945
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$14.10	\$27.67	\$37.53	\$33.03	\$26.10	\$16.35 per adult	\$18.58 per adult	\$24.76 per adult
MONTHLY	\$2,482	\$4,871	\$6,605	\$5,812	\$4,594	\$5,755	\$6,539	\$8,715
ANNUAL	\$29,788	\$58,449	\$79,266	\$69,750	\$55,133	\$69,062	\$78,467	\$104,582
EMERGENCY SAVINGS (Monthly Contribution)	\$41	\$78	\$137	\$114	\$79	\$46	\$54	\$68

Table 18  
The Self-Sufficiency Standard for Lower Connecticut River, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$1,076	\$1,444	\$1,444	\$1,444	\$1,444	\$1,444	\$1,444	\$1,989
Child Care	\$0	\$976	\$2,049	\$1,532	\$556	\$1,073	\$1,532	\$2,605
Food	\$302	\$458	\$601	\$690	\$798	\$732	\$947	\$1,048
Transportation	\$307	\$315	\$315	\$315	\$315	\$599	\$599	\$599
Health Care	\$187	\$546	\$558	\$570	\$603	\$605	\$626	\$638
Miscellaneous	\$187	\$374	\$497	\$455	\$372	\$445	\$515	\$688
Taxes	\$465	\$1,118	\$1,710	\$1,375	\$1,009	\$1,248	\$1,427	\$2,217
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$14.34	\$28.97	\$39.25	\$34.75	\$27.74	\$17.08 per adult	\$19.39 per adult	\$26.80 per adult
MONTHLY	\$2,524	\$5,098	\$6,907	\$6,116	\$4,882	\$6,013	\$6,825	\$9,434
ANNUAL	\$30,286	\$61,181	\$82,888	\$73,394	\$58,589	\$72,157	\$81,896	\$113,209
EMERGENCY SAVINGS (Monthly Contribution)	\$42	\$81	\$146	\$124	\$82	\$48	\$55	\$71



## Eastern Workforce Development Area

Table 19  
The Self-Sufficiency Standard for Windham, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$624	\$836	\$836	\$836	\$836	\$836	\$836	\$1,042
Child Care	\$0	\$827	\$1,797	\$1,228	\$401	\$970	\$1,228	\$2,198
Food	\$240	\$365	\$479	\$550	\$636	\$583	\$754	\$834
Transportation	\$309	\$317	\$317	\$317	\$317	\$603	\$603	\$603
Health Care	\$182	\$528	\$540	\$552	\$585	\$587	\$608	\$620
Miscellaneous	\$136	\$287	\$397	\$348	\$278	\$358	\$403	\$530
Taxes	\$246	\$694	\$1,096	\$888	\$500	\$815	\$923	\$1,390
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	(\$119)	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$58)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$9.87	\$21.14	\$29.52	\$25.30	\$18.24	\$13.12 per adult	\$14.46 per adult	\$19.51 per adult
MONTHLY	\$1,737	\$3,721	\$5,195	\$4,453	\$3,210	\$4,618	\$5,089	\$6,867
ANNUAL	\$20,842	\$44,657	\$62,340	\$53,436	\$38,522	\$55,419	\$61,064	\$82,399
EMERGENCY SAVINGS (Monthly Contribution)	\$32	\$66	\$91	\$80	\$72	\$41	\$46	\$57

Table 20  
The Self-Sufficiency Standard for Greater Windham, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$922	\$1,180	\$1,180	\$1,180	\$1,180	\$1,180	\$1,180	\$1,470
Child Care	\$0	\$827	\$1,797	\$1,228	\$401	\$970	\$1,228	\$2,198
Food	\$294	\$446	\$585	\$672	\$777	\$712	\$922	\$1,020
Transportation	\$310	\$319	\$319	\$319	\$319	\$605	\$605	\$605
Health Care	\$184	\$537	\$549	\$561	\$594	\$596	\$617	\$629
Miscellaneous	\$171	\$331	\$443	\$396	\$327	\$406	\$455	\$592
Taxes	\$392	\$916	\$1,294	\$1,092	\$802	\$1,054	\$1,178	\$1,652
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$12.92	\$25.13	\$33.52	\$29.44	\$23.77	\$15.31 per adult	\$16.81 per adult	\$22.20 per adult
MONTHLY	\$2,273	\$4,423	\$5,899	\$5,181	\$4,183	\$5,391	\$5,919	\$7,816
ANNUAL	\$27,277	\$53,074	\$70,789	\$62,175	\$50,201	\$64,687	\$71,025	\$93,791
EMERGENCY SAVINGS (Monthly Contribution)	\$39	\$73	\$117	\$90	\$74	\$45	\$50	\$63

Table 21  
The Self-Sufficiency Standard for New London, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$664	\$871	\$871	\$871	\$871	\$871	\$871	\$1,115
Child Care	\$0	\$827	\$1,797	\$1,228	\$401	\$970	\$1,228	\$2,198
Food	\$299	\$454	\$595	\$684	\$791	\$725	\$938	\$1,038
Transportation	\$312	\$320	\$320	\$320	\$320	\$609	\$609	\$609
Health Care	\$191	\$560	\$571	\$583	\$617	\$618	\$639	\$651
Miscellaneous	\$147	\$303	\$416	\$369	\$300	\$379	\$429	\$561
Taxes	\$289	\$780	\$1,174	\$978	\$658	\$921	\$1,051	\$1,522
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$10.80	\$22.63	\$31.12	\$27.09	\$21.26	\$14.09 per adult	\$15.62 per adult	\$20.87 per adult
MONTHLY	\$1,900	\$3,982	\$5,478	\$4,767	\$3,742	\$4,960	\$5,499	\$7,345
ANNUAL	\$22,804	\$47,787	\$65,734	\$57,209	\$44,900	\$59,522	\$65,990	\$88,139
EMERGENCY SAVINGS (Monthly Contribution)	\$34	\$68	\$101	\$84	\$70	\$42	\$48	\$60

Table 22  
The Self-Sufficiency Standard for Greater New London, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$823	\$1,080	\$1,080	\$1,080	\$1,080	\$1,080	\$1,080	\$1,382
Child Care	\$0	\$834	\$1,808	\$1,242	\$408	\$974	\$1,242	\$2,216
Food	\$299	\$454	\$595	\$684	\$791	\$725	\$938	\$1,038
Transportation	\$310	\$319	\$319	\$319	\$319	\$606	\$606	\$606
Health Care	\$191	\$560	\$571	\$583	\$617	\$618	\$639	\$651
Miscellaneous	\$162	\$325	\$437	\$391	\$321	\$400	\$451	\$589
Taxes	\$354	\$885	\$1,265	\$1,070	\$773	\$1,024	\$1,158	\$1,640
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$12.15	\$24.56	\$33.01	\$28.99	\$23.25	\$15.04 per adult	\$16.61 per adult	\$22.08 per adult
MONTHLY	\$2,139	\$4,322	\$5,809	\$5,102	\$4,092	\$5,294	\$5,847	\$7,773
ANNUAL	\$25,662	\$51,864	\$69,711	\$61,228	\$49,105	\$63,531	\$70,164	\$93,276
EMERGENCY SAVINGS (Monthly Contribution)	\$37	\$72	\$114	\$88	\$73	\$44	\$50	\$63

Table 23  
The Self-Sufficiency Standard for Northeast Corner, CT 2015

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler School-age	Adult + School-age Teenager	2 Adults + Infant	2 Adults+ Preschooler School-age	2 Adults + Infant Preschooler School-age
Housing	\$733	\$983	\$983	\$983	\$983	\$983	\$983	\$1,224
Child Care	\$0	\$827	\$1,797	\$1,228	\$401	\$970	\$1,228	\$2,198
Food	\$240	\$365	\$479	\$550	\$636	\$583	\$754	\$834
Transportation	\$310	\$318	\$318	\$318	\$318	\$605	\$605	\$605
Health Care	\$182	\$528	\$540	\$552	\$585	\$587	\$608	\$620
Miscellaneous	\$147	\$302	\$412	\$363	\$292	\$373	\$418	\$548
Taxes	\$289	\$775	\$1,158	\$954	\$631	\$888	\$995	\$1,468
Earned Income Tax Credit (-)	\$0	\$0	\$0	\$0	(\$6)	\$0	\$0	\$0
Child Care Tax Credit (-)	\$0	(\$50)	(\$100)	(\$100)	(\$50)	(\$50)	(\$100)	(\$100)
Child Tax Credit (-)	\$0	(\$83)	(\$167)	(\$167)	(\$167)	(\$83)	(\$167)	(\$250)
SELF-SUFFICIENCY WAGE								
HOURLY	\$10.80	\$22.53	\$30.79	\$26.60	\$20.59	\$13.79 per adult	\$15.13 per adult	\$20.30 per adult
MONTHLY	\$1,901	\$3,966	\$5,419	\$4,682	\$3,625	\$4,855	\$5,325	\$7,147
ANNUAL	\$22,812	\$47,590	\$65,031	\$56,189	\$43,496	\$58,256	\$63,901	\$85,768
EMERGENCY SAVINGS (Monthly Contribution)	\$34	\$68	\$99	\$83	\$69	\$42	\$47	\$59

## Appendix E: Impact of Work Supports on Wage Adequacy

Appendix E. Impact of Work Supports on Wage Adequacy  
 One Adult, One Preschooler, and One School-Age Child  
 Hartford, CT 2015

	#1	#2	#4	#3	#5
	CONNECTICUT 2015 MINIMUM WAGE	MEDIAN WAGE OF TOP CONNECTICUT OCCUPATIONS			
		Retail Salespersons	Janitors and Cleaners (Except Maids & House Cleaners)	Nursing Assistants	Bookkeeping Accounting and Auditing Clerks
<b>HOURLY WAGE:</b>	\$9.15	\$10.70	\$12.55	\$14.92	\$20.30
<b>TOTAL MONTHLY INCOME:</b>	\$1,610	\$1,854	\$2,176	\$2,586	\$3,519
<b>PANEL A: NO WORK SUPPORTS</b>					
<b>MONTHLY COSTS:</b>					
Housing	\$959	\$959	\$959	\$959	\$959
Child Care	\$1,663	\$1,663	\$1,663	\$1,663	\$1,663
Food	\$602	\$602	\$602	\$602	\$602
Transportation	\$54	\$54	\$54	\$54	\$54
Health Care	\$538	\$538	\$538	\$538	\$538
Miscellaneous	\$382	\$382	\$382	\$382	\$382
Taxes	\$161	\$193	\$275	\$373	\$632
Tax Credits (-) *	\$0	(\$11)	(\$43)	(\$84)	(\$212)
<b>TOTAL MONTHLY EXPENSES</b>	\$4,358	\$4,380	\$4,429	\$4,486	\$4,618
<b>SHORTFALL (-) OR SURPLUS</b>	(\$2,748)	(\$2,526)	(\$2,254)	(\$1,901)	(\$1,099)
<b>WAGE ADEQUACY Total Income/Total Expenses</b>	37%	42%	49%	58%	76%
<b>PANEL B: CHILD CARE ASSISTANCE</b>					
<b>MONTHLY COSTS:</b>					
Housing	\$959	\$959	\$959	\$959	\$959
Child Care	\$628	\$638	\$651	\$719	\$845
Food	\$602	\$602	\$602	\$602	\$602
Transportation	\$54	\$54	\$54	\$54	\$54
Health Care	\$538	\$538	\$538	\$538	\$538
Miscellaneous	\$382	\$382	\$382	\$382	\$382
Taxes	\$161	\$193	\$275	\$373	\$632
Tax Credits (-) *	\$0	(\$11)	(\$43)	(\$84)	(\$212)
<b>TOTAL MONTHLY EXPENSES</b>	\$3,324	\$3,356	\$3,418	\$3,543	\$3,801
<b>SHORTFALL (-) OR SURPLUS</b>	(\$1,714)	(\$1,501)	(\$1,242)	(\$957)	(\$282)
<b>WAGE ADEQUACY Total Income/Total Expenses</b>	48%	55%	64%	73%	93%
<b>ANNUAL REFUNDABLE TAX CREDITS*:</b>					
Annual Federal EITC	\$5,145	\$4,529	\$3,716	\$2,680	\$321
Annual State EITC	\$1,544	\$1,359	\$1,115	\$804	\$96
Annual Federal CTC	\$2,000	\$2,000	\$2,000	\$2,000	\$716

\* The Standard shows refundable and nonrefundable tax credits as if they are received monthly. However, in order to be as realistic as possible, tax credits that are available as a refund on annual taxes are shown at the bottom of this table. EITC is shown only as annual tax credits. The nonrefundable portions of the Child Tax Credit (which is a credit against federal taxes) is shown as available to offset monthly costs, and the refundable portions are shown in the bottom of the table. The Child Care Tax Credit however is nonrefundable, and therefore is only shown as part of the monthly budget and does not appear in the bottom shaded rows of the table. See the discussion in *Appendix A: Methodology, Assumptions, and Sources* titled *Treatment of Tax Credits in the Modeling Table and Wage Adequacy Figure*.

Table E-1 *Continued*. **Impact of Work Supports on Wage Adequacy**  
*One Adult, One Preschooler, and One School-Age Child*  
 Hartford, CT 2015

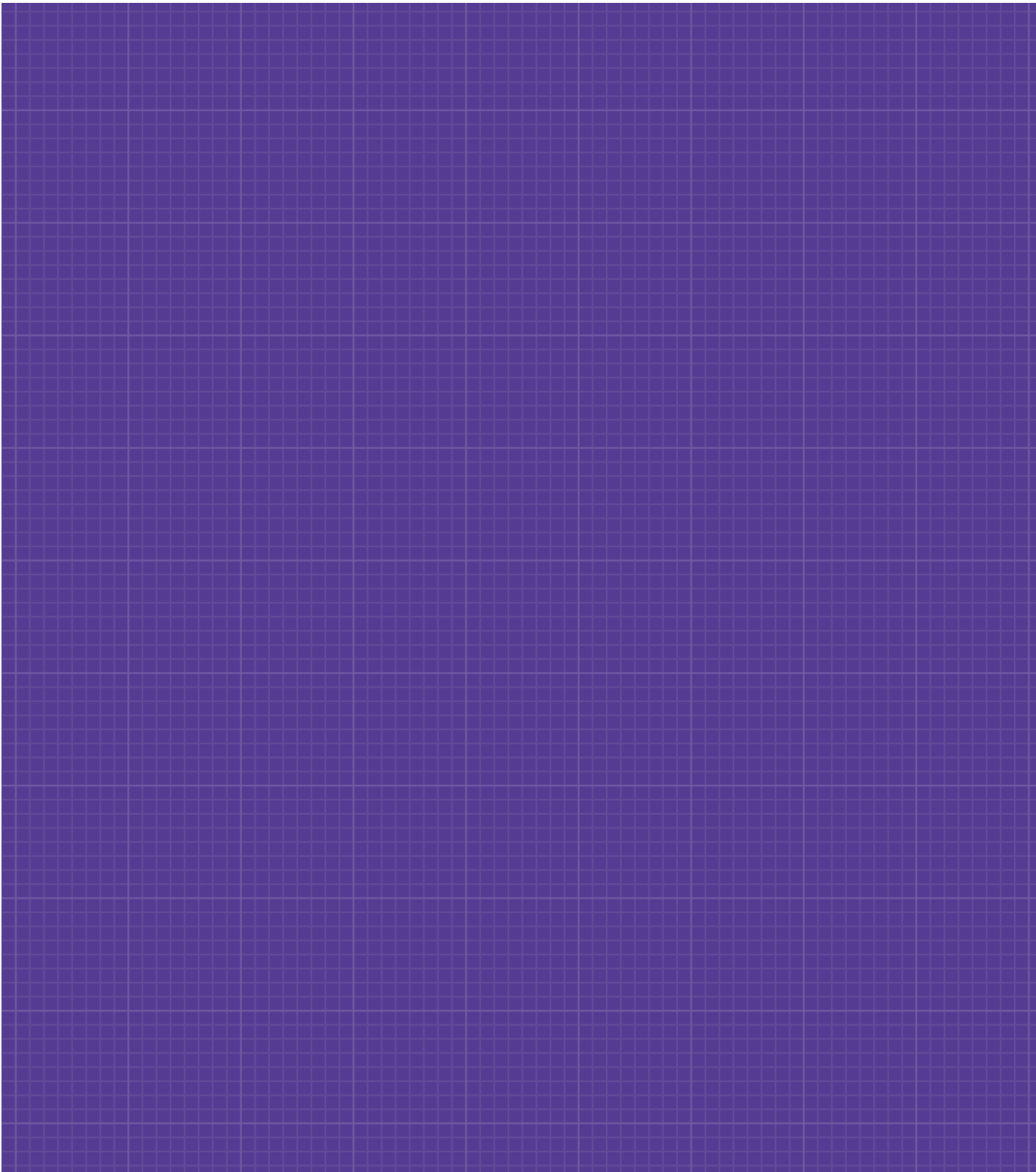
	#1	#2	#4	#3	#5
	Connecticut 2015 Minimum Wage	Median Wage of Top Connecticut Occupations			
		Retail Salespersons	Janitors and Cleaners (Except Maids & House Cleaners)	Nursing Assistants	Bookkeeping Accounting and Auditing Clerks
<b>HOURLY WAGE:</b>	\$9.15	\$10.70	\$12.55	\$14.92	\$20.30
<b>TOTAL MONTHLY INCOME:</b>	\$1,610	\$1,854	\$2,176	\$2,586	\$3,519
<b>PANEL C: CHILD CARE, FOOD (SNAP/ WIC), &amp; HUSKY (MEDICAID/CHIP)</b>					
<b>MONTHLY COSTS:</b>					
Housing	\$959	\$959	\$959	\$959	\$959
Child Care	\$628	\$638	\$651	\$719	\$845
Food	\$50	\$105	\$179	\$295	\$602
Transportation	\$54	\$54	\$54	\$54	\$54
Health Care	\$0	\$0	\$0	\$0	\$178
Miscellaneous	\$382	\$382	\$382	\$382	\$382
Taxes	\$161	\$193	\$275	\$373	\$632
Tax Credits (-) *	\$0	(\$11)	(\$43)	(\$84)	(\$212)
<b>TOTAL MONTHLY EXPENSES</b>	<b>\$2,234</b>	<b>\$2,321</b>	<b>\$2,456</b>	<b>\$2,697</b>	<b>\$3,441</b>
<b>SHORTFALL (-) OR SURPLUS</b>	<b>(\$623)</b>	<b>(\$466)</b>	<b>(\$280)</b>	<b>(\$112)</b>	<b>\$78</b>
<b>WAGE ADEQUACY Total Income/Total Expenses</b>	<b>72%</b>	<b>80%</b>	<b>89%</b>	<b>96%</b>	<b>102%</b>
<b>PANEL D: HOUSING, CHILD CARE, FOOD (SNAP/ WIC), &amp; HUSKY (MEDICAID/CHIP)</b>					
<b>MONTHLY COSTS:</b>					
Housing	\$483	\$556	\$653	\$776	\$959
Child Care	\$628	\$638	\$651	\$719	\$845
Food	\$127	\$189	\$270	\$350	\$602
Transportation	\$54	\$54	\$54	\$54	\$54
Health Care	\$0	\$0	\$0	\$0	\$178
Miscellaneous	\$382	\$382	\$382	\$382	\$382
Taxes	\$161	\$193	\$275	\$373	\$632
Tax Credits (-) *	\$0	(\$11)	(\$43)	(\$84)	(\$212)
<b>TOTAL MONTHLY EXPENSES</b>	<b>\$1,835</b>	<b>\$2,001</b>	<b>\$2,241</b>	<b>\$2,569</b>	<b>\$3,441</b>
<b>SHORTFALL (-) OR SURPLUS</b>	<b>(\$225)</b>	<b>(\$147)</b>	<b>(\$65)</b>	<b>\$17</b>	<b>\$78</b>
<b>WAGE ADEQUACY Total Income/Total Expenses</b>	<b>88%</b>	<b>93%</b>	<b>97%</b>	<b>101%</b>	<b>102%</b>
<b>ANNUAL REFUNDABLE TAX CREDITS*:</b>					
Annual Federal EITC	\$5,145	\$4,529	\$3,716	\$2,680	\$321
Annual State EITC	\$1,544	\$1,359	\$1,115	\$804	\$96
Annual Federal CTC	\$2,000	\$2,000	\$2,000	\$2,000	\$716

\* The Standard shows refundable and nonrefundable tax credits as if they are received monthly. However, in order to be as realistic as possible, tax credits that are available as a refund on annual taxes are shown at the bottom of this table. EITC is shown only as annual tax credits. The nonrefundable portions of the Child Tax Credit (which is a credit against federal taxes) is shown as available to offset monthly costs, and the refundable portions are shown in the bottom shaded rows of the table. The Child Care Tax Credit is nonrefundable, and therefore is only shown as part of the monthly budget and does not appear in the bottom shaded rows of the table. See the discussion in *Appendix A: Methodology, Assumptions, and Sources* titled *Treatment of Tax Credits in the Modeling Table and Wage Adequacy Figure*.



## About the Author

Diana M. Pearce, PhD is on faculty at the School of Social Work, University of Washington in Seattle, Washington, and is Director of the Center for Women's Welfare. Recognized for coining the phrase "the feminization of poverty," Dr. Pearce founded and directed the Women and Poverty Project at Wider Opportunities for Women (WOW). 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 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 PhD degree in Sociology and Social Work from the University of Michigan.



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