

Empowering Working Families- Strategies for Moving Families Toward Self-Sufficiency

Mississippi Economic Policy Center

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www.mepconline.org

Mississippi Economic Policy Center

The Mississippi Economic Policy Center (MEPC) engages in rigorous, accessible and timely analysis to inform the policy debate on issues that affect the economic and social well being of working families and low-wealth Mississippians. MEPC's areas of focus include:

- Tax and Budget Analysis
- Issues supporting Working Families
- Responsible Lending

An independent, nonpartisan initiative, MEPC is managed by the Enterprise Corporation of the Delta (ECD), a regional financial institution and community development intermediary dedicated to strengthening communities, building assets and improving lives in economically distressed areas in the Mid South.

Enterprise Corporation of The Delta/HOPE Community Credit Union



- Regional Development Financial Institution
 - Commercial Loans
 - Mortgage Loans
 - Retail Financial Services
- Community Development Intermediary
 - Development Services in partnership with public agencies, banks, foundations, nonprofits, etc.
- Policy Center
 - Inform and influence resources that affect low-wealth residents
 - Analysis of budget and tax policy, lending practices, affordable housing, and other relevant issues

What is the Self-Sufficiency Standard?

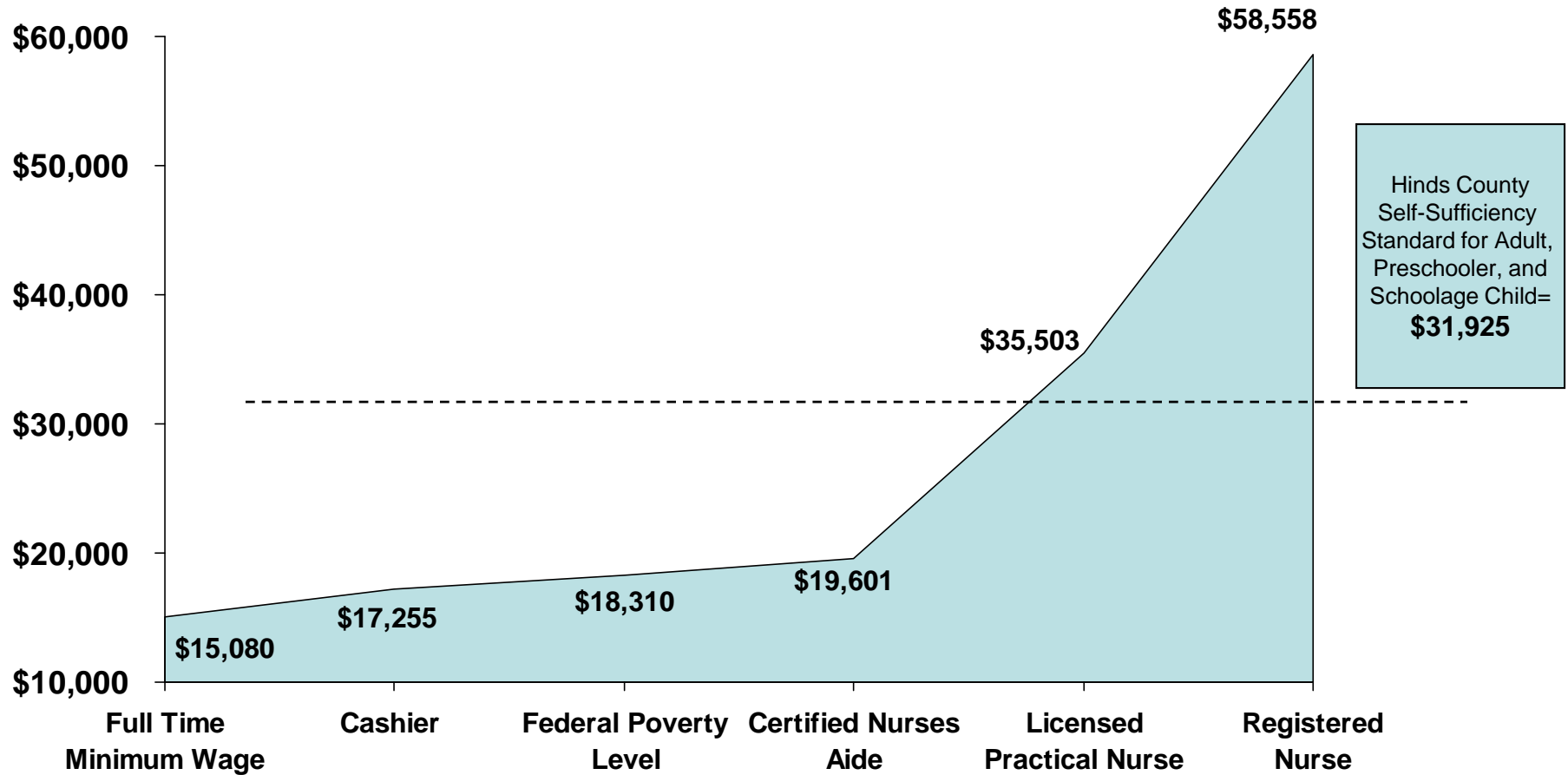
- The Federal Poverty Guidelines measure income inadequacy
- The MS Self-Sufficiency Standard is a measure in income adequacy.
- It is also a measure of how much a family of a certain structure in a geographic area needs to earn to meet their needs without public or private assistance.
- It is a county-specific cost-of-living index for people under 65.
- The Standard uses public data sources to calculate following expenses: housing, child care, food, transportation, health care, miscellaneous expenses and taxes for 70 family types.

Self-Sufficiency Expenditure Categories

- Housing: Fair Market Rents set by HUD (including basic utilities)
- Food: USDA Low-Cost Food Plan
- Child Care: State child care market rate surveys
- Transportation: Public transportation where available, but in MS it is costs of owning and operating the average car
- Health care: Average employee premiums and out-of-pocket costs for employer-sponsored insurance
- Miscellaneous: 10% of all other costs
- Taxes: Federal income and payroll taxes, state and local sales taxes minus tax credits.



Self-Sufficiency is a Continuum



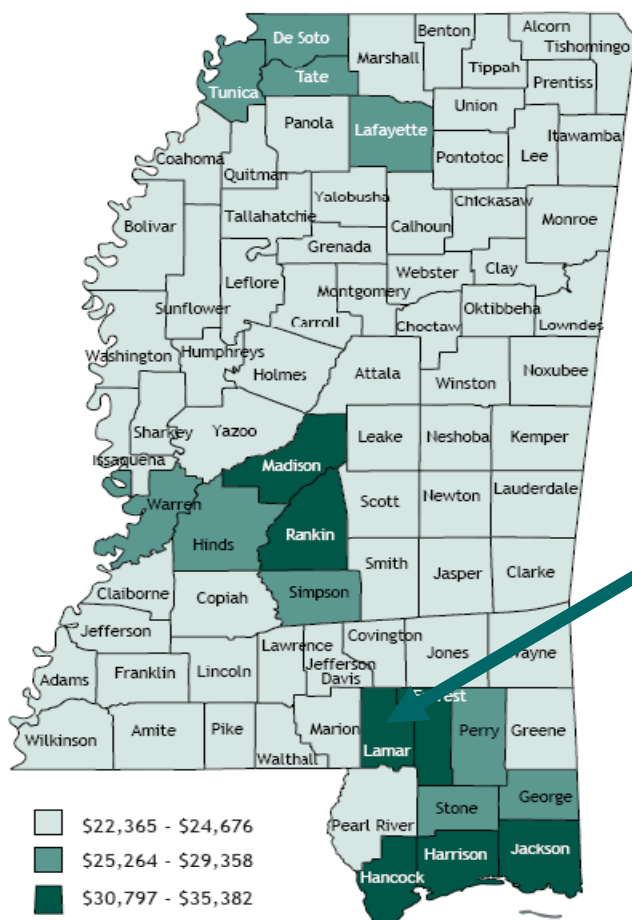
Source: MS Department of Employment Security , Average Annual Wage for Jackson MSA.

Self-Sufficiency for Hinds County- Selected Family Types

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler Schoolage	Adult + Schoolage Teenager	Adult + Infant Preschooler Schoolage	2 Adults+ Infant Preschooler	2 Adults + Preschooler Schoolage
Housing	644	747	747	747	747	898	747	747
Child Care	0	420	836	592	171	1008	836	592
Food	207	313	411	468	542	552	588	643
Transportation	248	255	255	255	255	255	485	485
Health Care	133	365	378	387	416	400	443	451
Miscellaneous	123	210	263	245	213	311	310	292
Taxes	262	401	517	422	305	672	610	489
Earned Income Tax Credit (-)	0	-81	-72	-147	-256	0	-23	-111
Child Care Tax Credit (-)	0	-68	-120	-108	-50	-100	-100	-108
Child Tax Credit (-)	0	-83	-167	-167	-167	-250	-167	-167
Making Work Pay Tax Credit (-)	-33	-33	-33	-33	-33	-33	-67	-67
SELF-SUFFICIENCY WAGE								
HOURLY	\$9.00	\$13.90	\$17.13	\$15.12	\$12.18	\$21.10	\$10.41 per adult	\$9.22 per adult
MONTHLY	\$1,585	\$2,446	\$3,015	\$2,660	\$2,144	\$3,713	\$3,663	\$3,247
ANNUAL	\$19,015	\$29,349	\$36,177	\$31,925	\$25,725	\$44,560	\$43,956	\$38,960



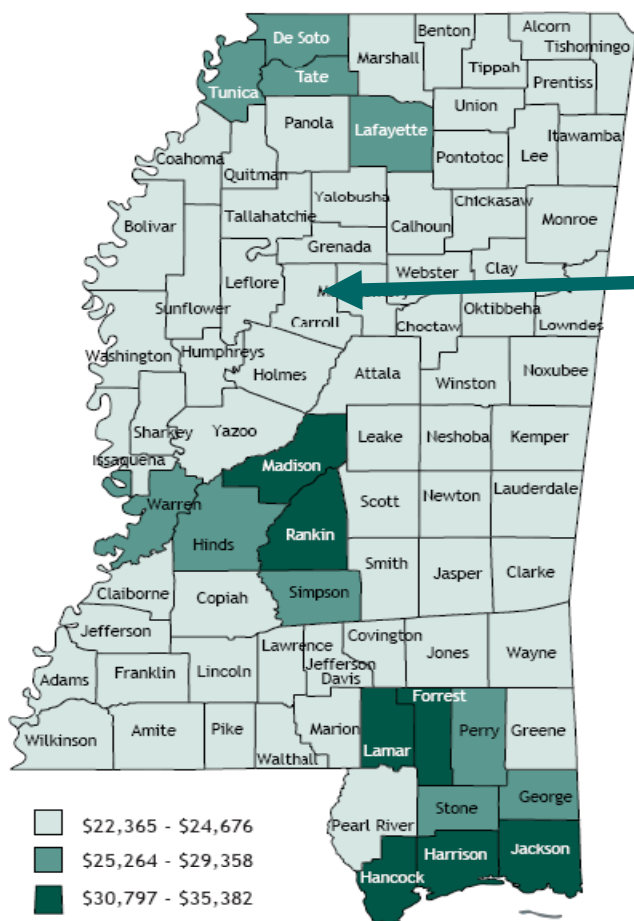
Self-Sufficiency Wage for *One Adult and One Preschooler*, Lamar County, MS 2009



Self Sufficiency Standard	
Expense Type	Cost
Housing	\$978.74
Child Care	\$420.45
Food	\$323.64
Transportation	\$242.88
Health Care	\$382.96
Miscellaneous	\$234.87
Taxes	\$542.68
Earned Income Tax Credit	(\$1.08)
Child Care Tax Credit	(\$60.00)
Child Tax Credit	(\$83.33)
Making Work Pay Credit	(\$33.33)
Self Sufficiency Wage	
Hourly	\$16.75
Monthly	\$2,948.48
Annually	\$35,381.80



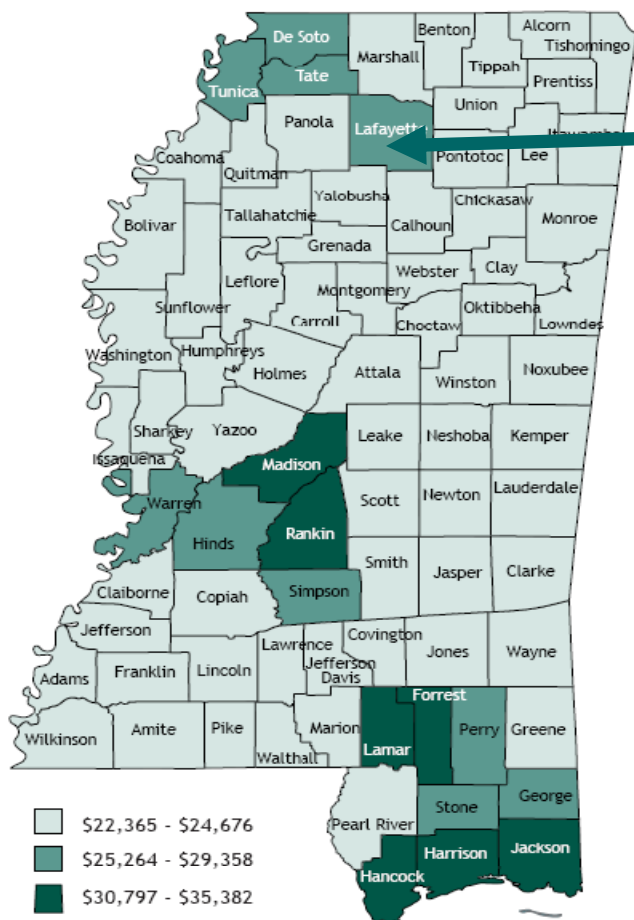
Self-Sufficiency Wage for *One Adult and One Preschooler*, Leflore County, MS 2009



Self Sufficiency Standard	
Expense Type	Cost
Housing	\$536.00
Child Care	\$339.55
Food	\$325.23
Transportation	\$247.69
Health Care	\$322.88
Miscellaneous	\$177.14
Taxes	\$262.29
Earned Income Tax Credit	(\$174.42)
Child Care Tax Credit	(\$55.96)
Child Tax Credit	(\$83.33)
Making Work Pay Credit	(\$33.33)
Self Sufficiency Wage	
Hourly	\$10.59
Monthly	\$1,863.74
Annually	\$22,364.90



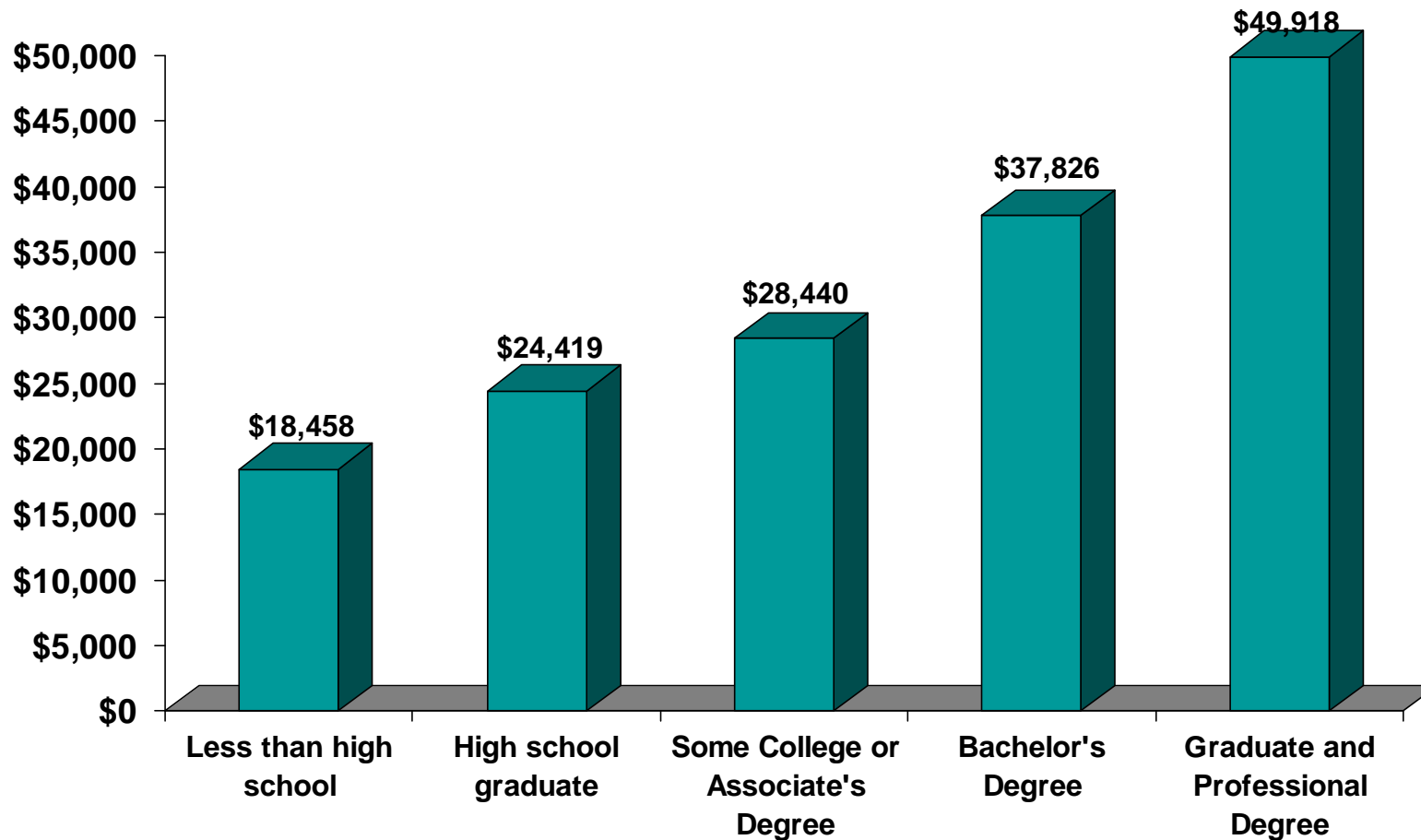
Self-Sufficiency Wage for *One Adult and One Preschooler*, Lafayette County, MS 2009



Self Sufficiency Standard	
Expense Type	Cost
Housing	\$700.00
Child Care	\$339.55
Food	\$325.23
Transportation	\$247.69
Health Care	\$354.35
Miscellaneous	\$196.68
Taxes	\$335.15
Earned Income Tax Credit	(\$122.81)
Child Care Tax Credit	(\$72.50)
Child Tax Credit	(\$83.33)
Making Work Pay Credit	(\$33.33)
Self Sufficiency Wage	
Hourly	\$12.42
Monthly	\$2,186.68
Annually	\$26,240.10



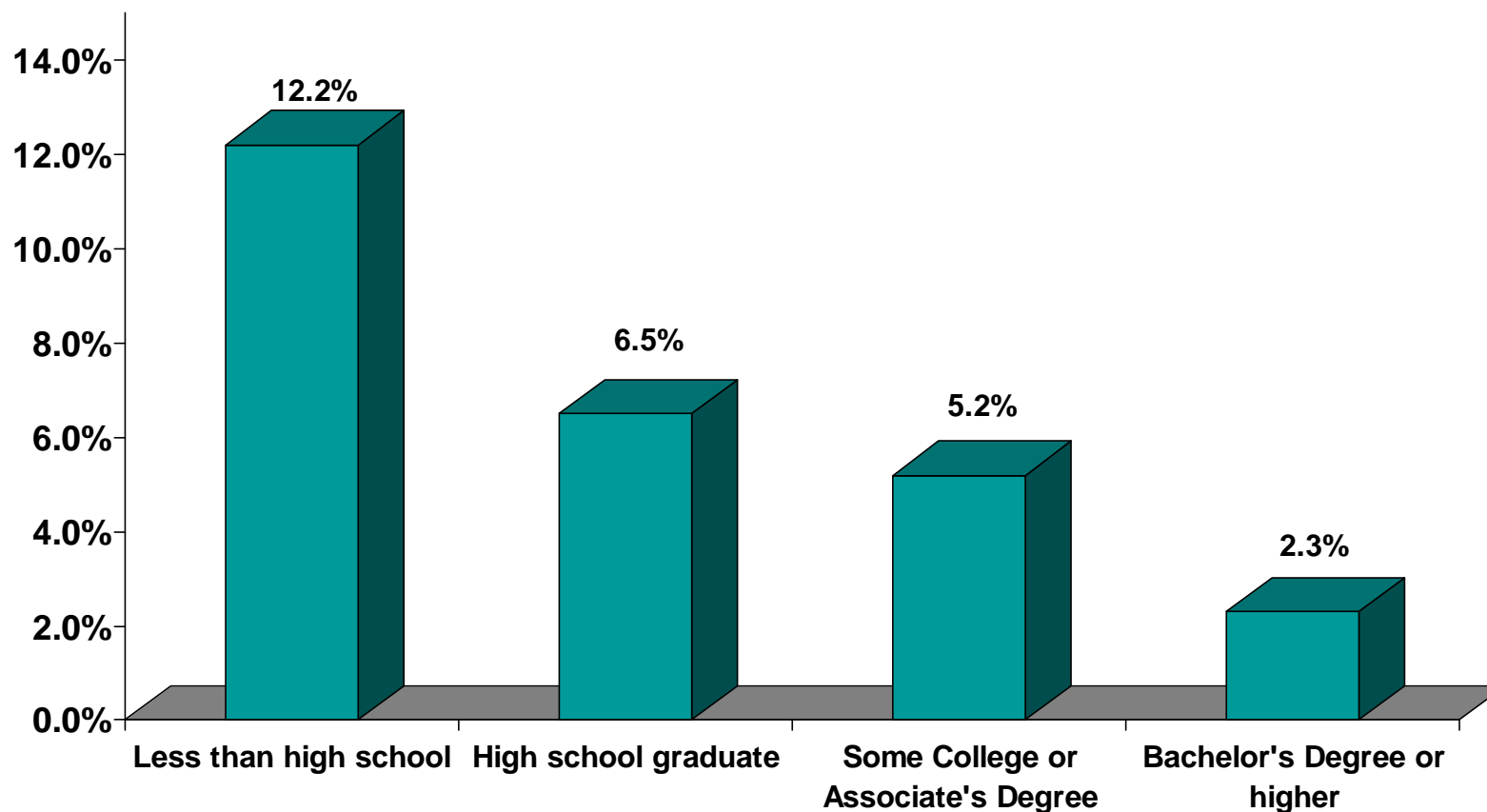
Mississippi Median Earnings by Educational Attainment, 2008



Source: U.S. Census Bureau, 2008 American Community Survey. Population 25 years and over with earnings (in 2008 Dollars)



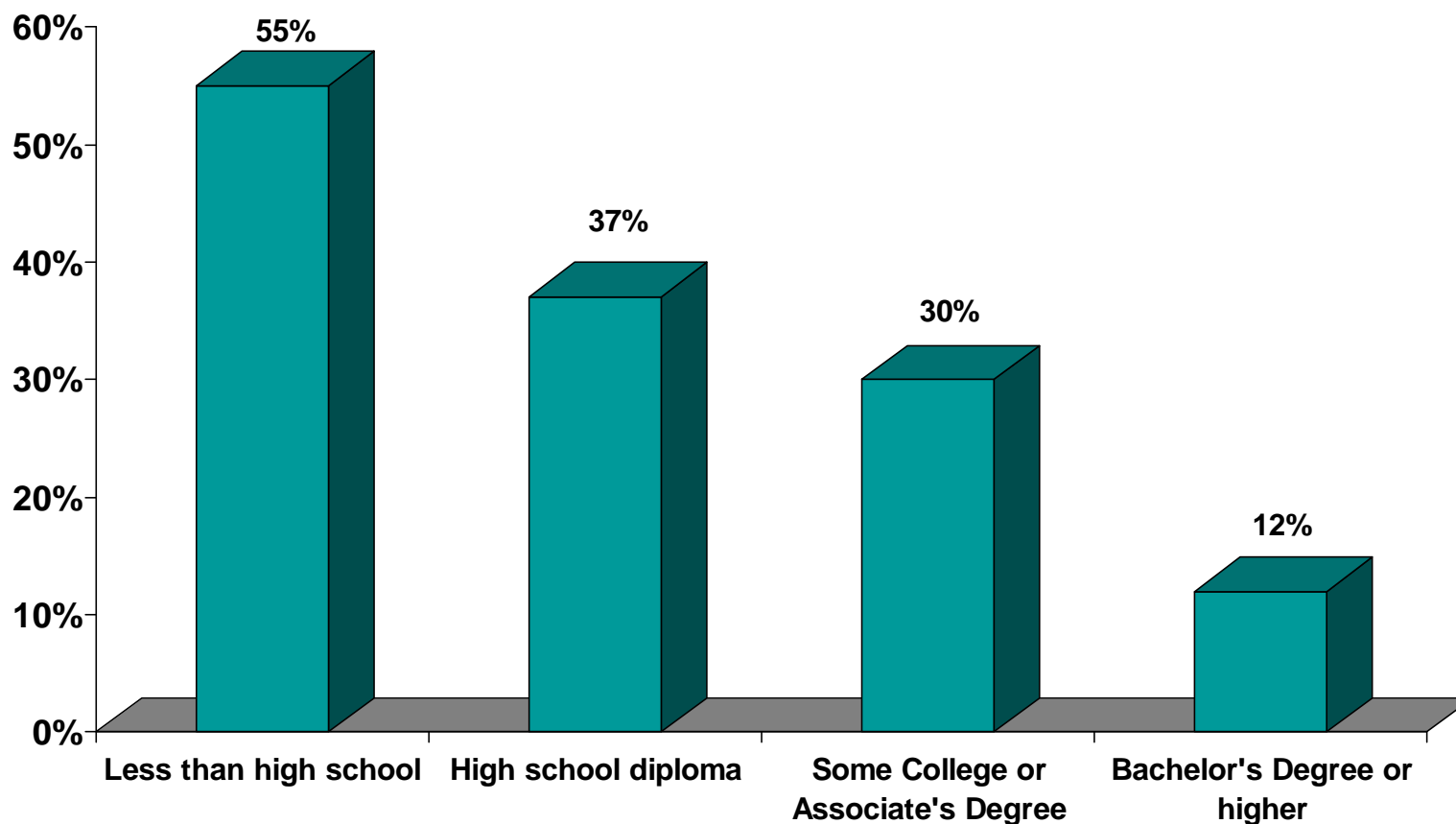
Mississippi Unemployment Rate by Educational Attainment, 2008



Source: U.S. Census Bureau, 2008 American Community Survey. Population 25 to 64 years old.



Mississippi Households below the Self Sufficiency Standard by Educational Attainment



Source: Overlooked and Undercounted: Struggling to Make Ends Meet in Mississippi: Forthcoming December 2009

What is the Educational Attainment “Tipping Point”

- Researchers have identified a “tipping point” where a worker’s educational attainment leads to a job that pays ways sufficient to support a family.
- Workers can gain a substantial increase in earnings by getting at least one year of college and a credential.
- 1 year’s worth of full-time enrollment has been shown to increase wages and earnings substantially, up to 11.3% for men and 11.8% for women in one study.



Mid-level Skills Jobs with Highest Projected Growth in Mississippi (2004-2014)

Occupation	Average Annual Wage	Education Required
Registered Nurse	\$48,460	Associate's Degree
Licensed Practical Nurse	\$28,140	Vocational Education
Welders	\$31,950	Vocational Education
Automotive Service Technicians and Mechanics	\$28,040	Vocational Education
Truck Drivers, Heavy and Tractor Trailer	\$32,890	Vocational Education

Source:Mississippi State WIA and Wagner-Peyser Plan 2007-2009.



Closing the Gap Between Wages and the Self-Sufficiency Standard

- Education and Training
 - Expanded and Enhanced Adult Basic Education
 - Student Support Services
 - Career Pathways
- Work Supports
 - Child Care
 - Housing
 - SNAP
 - Medicaid and SCHIP

Contact Us

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