

# The Miami Herald

## Study aims to redefine who is poor, how to help

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**GETTING HELP:** Angelic Northcut, 28, places baby son Barthalavous in his car seat next to food given to Northcut from Cooperative Feeding, an emergency food bank.

Angelic Northcut is struggling to get by. The single mother of three works 67 hours a week and can barely keep her kids clothed and fed. To the government, she is not poor. But according to a report being released today by a nonprofit advocacy group, to make ends meet without help, Northcut needs to make a seemingly staggering amount: \$24.14 an hour, almost double what she makes from her two jobs combined.

"I need to work two jobs, there's no other way I can survive," said Northcut, 28, who lives in Fort Lauderdale, taps her mom for loans and free baby-sitting, and relies on a food pantry to stock her shelves. "They've cut the lights and electric before. My biggest fear is that we're going to be put out."

The Self Sufficiency Standard for Florida report says that the state's families need a lot more than minimum wage to get by without subsidies

or public or private help. The report's creator, Wider Opportunities for Women, of Washington, D.C., has created similar studies for 27 other states, where they have been used by policymakers to make life better for the working poor. The reports, which are specific to each county, compile data from the Department of Housing & Urban Development with transportation, child- and healthcare costs, and detail necessary wages for 70 family types. The purpose: to give policy makers, advocates and workforce trainers a comprehensive, regionally specific template to gauge basic needs, and a realistic alternative to the federal poverty level, which is widely considered inaccurate and out-of-date.

### FAULTY MEASURE?

"The poverty level no longer measures who is poor," said Diana Pearce, a professor at the University of Washington who spearheaded the Self Sufficiency reports. "Times have changed but the basic poverty line hasn't."

For the working poor to achieve self-sufficiency, a number of pieces must fall into place. Employers need to provide healthcare and decent wages; local governments need to provide housing subsidies and affordable child-care; people need to be trained for jobs that pay them enough; low-wage earners need to fully tap opportunities to build skills and tax breaks.

At first glance, self sufficiency wages seem inordinately high. Northcut's theoretical 24.14 an hour, for example, translates to slightly more than \$50,000 a year, \$9,000 more than the year 2000 median income for Broward (Miami-Dade's median income that year was \$35,966).

But median income, the report's authors say, includes single people and retirees, whose

expenses are not comparable to a single woman with three young kids.

Pearce also said \$24.14 an hour is what Northcut needs in resources, and can be made up by a combination of wages, child-care assistance, noncustodial baby-sitting and food-subsidy supports. The figure includes monthly child-care of \$1,240; a relatively lean food budget of \$464 a month; and monthly rent of \$1,051 -- the report assumes parents do not share bedrooms with kids, and that a maximum of two kids share a room -- and 60 percent of three-bedroom apartments in Broward are more expensive than that.

"People look at the report's wages and they're taken aback," Pearce said. She points out if Northcut had a partner, they would each need to earn just \$12.50 an hour. `` But this isn't fancy housing; the food budget does not include restaurants or take out. This is bare bones stuff."

Bare bones or not, advocates say the self-sufficiency standard is light years beyond the poverty line.

"The federal government's poverty definition is so meaningless, which is why this report is essential," said Barbara Ehrenreich, author of *Nickle and Dimed: On (Not) Getting by in America*. `` The federal government doesn't have any measure for what it takes to live on."

The 2002 poverty line is \$8,860 for a single person and \$18,100 for a family of four. A third of Miami's population lives below that line, making it the poorest city of its size in the country.

"If you can survive in [South Florida] on less than \$20,000 a year, you're not eating well," said Marti Forman, executive director of Cooperative Feeding, the Broward food pantry which Northcut visits. `` If you have kids, then those kids are at-risk."

Devised in the mid-1960s by the Social Security Administration, the federal poverty level was calculated on the assumption that people spend

one-third of their income on food, and twice the cost of food on everything else.

## RISING COSTS

In the 40 years since, rent, child-care, transportation and health costs have skyrocketed. Child-care costs, for example, have risen tenfold, yet the poverty level is still calculated the same way as it was in the 1960s, leaving thousands of needy people, such as Northcut, out in the cold.

Northcut, whose children are 1, 3 and 5, earns \$6 an hour serving food for 30 hours a week in a school cafeteria, and \$8.25 an hour as a school security guard at night, where she works about 37 hours a week. That works out to \$25,233 a year, pushing her above the eligibility threshold for food stamps which, for a family of four, was \$23,530 this year.

"I always wish I could give the kids something that I've never had," said Northcut, who goes to Cooperative Feeding as much as she is allowed: once every two months. `` But the way things are going, they're going to have to scrape by, just the way I am."

Pearce launched self-sufficiency reports in 1995 in anticipation of the 1996 welfare-to-work law. Critics were afraid welfare reform would push millions into poverty, but the law's chief backers heralded it as a victory.

"We've broken an intergenerational cycle of dependency. It's been a success and more," said Rep. E. Clay Shaw, R-Fla., who helped author the welfare reform law.

Shaw said the poverty line was an adequate measure because many programs, such as food stamps, are geared to people who earn a certain percent above its top limit.

But Pearce and her backers want their reports incorporated into the welfare reform law because, they say, the poverty line is a faulty yardstick. The law comes up for reauthorization next Monday, but a tight Senate schedule could push the renewal to next year.

## REPORTS' IMPACT

Still, the self-sufficiency reports are already having an impact. In Tulsa, Seattle, Washington, D.C., and Philadelphia, city administrators used the reports to determine eligibility for training services in workforce development. Connecticut recently passed a law requiring the calculation and adoption of a self-sufficiency standard statewide.

In Pennsylvania, the report was used to head off a legislative push to raise subsidized child-care co-payments that would have forced thousands of low-income parents to yank their kids out of day care, which is exactly what happened to the Hall family of Northwest Miami-Dade.

Thomas Hall, 45, has two herniated disks and has been denied disability insurance. His wife, Virginia, who earns \$16 an hour, is the family's sole breadwinner. At first, child-care at Opa-locka's Unity School was free. But the Halls learned that they earned too much to qualify for free child-care, and would have to pay at least \$85 per child a week. The family could only afford child-care for Johnathan, 4. Beverly, 6, is in school. The twins Shaka and Robert, both 2, either spend their days with their grandmother or with their father, traveling to his doctor's appointments.

"I've been working all my life, not being able to contribute is a tough thing," said Hall, who uses a cane and is scheduled for a back operation next week. "But with all my appointments, my biggest concern is day care for the kids."

If Florida's self-sufficiency report has the impact that Pearce hopes for, child-care would be extended to people such as the Halls, who earn more than the poverty level but not enough to put their kids into subsidized day care.

In Miami, Javier Fernandez of Mayor Manny Diaz's office said the city plans to use the self-sufficiency report to expand entrepreneurship programs, leverage funds for groups assisting the working poor, and work with banks to broaden financial literacy. The Human Services

Coalition of Miami-Dade County, the local group launching the report, is pushing to broaden awareness of the Earned Income Tax Credit, which provides low-income families with tax credits. Efforts have not been planned yet for Broward.

The bottom line, according to Pearce, is getting communities to invest early in their low-income workers, provide them with the proper education and tools to hoist themselves, at the very least, into subsistence living. "We're already paying, directly or indirectly," Pearce said.

The Self-Sufficiency Standard for Florida is available online at [www.SixStrategies.org](http://www.SixStrategies.org).