

THE BASIC ECONOMIC SECURITY TABLES™

FOR THE

WASHINGTON, DC METRO AREA

POLICY BRIEF

EXECUTIVE SUMMARY

**A PROJECT OF WIDER OPPORTUNITIES
FOR WOMEN'S FAMILY ECONOMIC
SECURITY PROGRAM**

**Fall
2010**

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The Basic Economic Security Tables™ (BEST) are tabulated by Wider Opportunities for Women (WOW) and the Center for Social Development (CSD) at Washington University in St. Louis as part of the national BEST Initiative led by WOW.

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Executive Summary

Increasing Costs, Too Few Good Jobs, Insufficient Education and Training and a Lack of Savings Prevent District Residents from Achieving Economic Security

Economic security remains elusive for Washington, DC residents with a wide range of incomes. Nearly 20% of the District’s population lives below the federal poverty line (\$18,310 for a family of 3 in 2010), and more than one-in-three DC residents is low-income, living below 200% of the federal poverty line.¹ The DC metro area is home to the most educated populace in the nation, but one-third of DC residents lack education beyond a high school degree and must compete in a regional labor market that increasingly requires post-secondary education or training for “good jobs.”

While recession slowed the economy, raised the DC unemployment rate to a peak of 12%, and led to falling home prices, District residents still face prices for basic needs that reflect past years’ steady inflation. In just the past five years, child care costs for some families have increased by approximately 100%, food costs have risen by a third, and the cost of public transit in the city increased by as much as 80%.² Meanwhile, unemployment within the city has risen to 10.9% among workers without post-secondary education,³ and incomes for low- and middle-income single-parent and married couple families were lower in 2008 than they were in 2000.⁴ The continued decline in families’ purchasing power undermines attempts to make ends meet, and to build economic security by erecting savings as a buffer against instability.

Together, increasing costs, a lack of good jobs, insufficient education and training and inability to save keep communities unstable—and public assistance programs designed to prevent poverty, rather than foster economic security, sometimes fail to sustain those in need while they pursue stability. Many more Washington, DC families can overcome insecurity if the public, private and non-profit sectors devote themselves to the idea and practice of economic security by: (1) defining, creating and supporting good jobs; (2) improving the District’s workforce system; (3) identifying public assistance leverage points; and (3) promoting savings.

Table 1: Basic Economic Security Tables, 2010
(Workers with Employment-based Benefits)

Washington, DC, Selected Family Types

Monthly Expenses	1 Worker	1 Worker, 1 Infant
Housing	\$814	\$928
Utilities	\$162	\$185
Food	\$301	\$434
Transportation	\$210	\$210
Child Care	\$0	\$1,181
Personal & Household Items	\$344	\$417
Health Care	\$148	\$304
Emergency Savings	\$93	\$169
Retirement Savings	\$87	\$87
Taxes	\$513	\$1,048
Tax Credits	-\$34	-\$184
Monthly Total	\$2,638	\$4,779
Annual Total	\$31,656	\$57,348
Hourly Wage	\$14.99	\$27.15
Additional Asset Building Savings		
Children's Higher Education	\$0	\$53
Homeownership	\$440	\$553

Note: "Benefits" include unemployment insurance and employment-based health insurance and retirement plans.

The Basic Economic Security Tables Help Identify Good Jobs for DC Residents, and Show How Economic Security Can Be Achieved

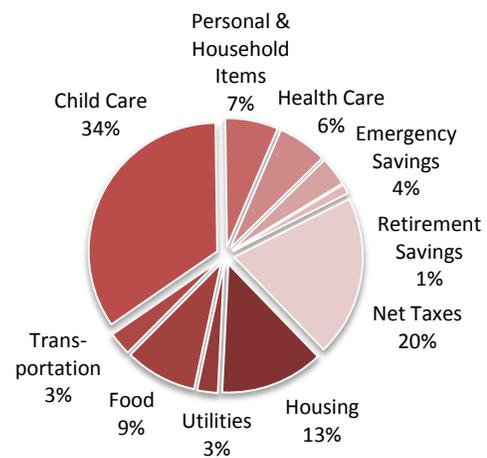
As Washington, DC grapples with and emerges from the “Great Recession,” it must prepare for recovery, and place a renewed emphasis on the pursuit of economic security. The economic security that District workers aspire to, particularly in times of instability, is defined by the Basic Economic Security Tables Index (BEST). The core components of economic security allow families to work, to make ends meet and to save for emergencies and retirement—housing, utilities, food, transportation, child care, essential personal and household items, health care and taxes. Because simply meeting basic needs is not enough to be economically secure, the definition of security must also include emergency and retirement savings, which can help families of all incomes avoid crises, if not poverty, in the present and into the future. Homeownership savings and education savings, once central to the American dream, are not required by all workers, but have brought security to generations of workers, and are included in the BEST Index as addenda to the core Index.

The BEST shows that a broad spectrum of local incomes fall short of economic security. Median incomes of DC’s single childless adults and married couples rise above their BEST Indexes. However, the typical single parent lives well below the Index, and Wider Opportunities for Women estimates that incomes below the BEST Index—and the accompanying lack of security—is a worry that unites approximately half of all DC residents.⁵

Because the BEST Index measures the income workers require to make ends meet and save, and quantifies the value of employment-based benefits, it is a de facto definition of good incomes and good jobs, a starting point for the policymakers, advocates, researchers and service providers who help workers build stability in the District’s communities. It is incumbent upon the District government—in cooperation with the private and non-profit sectors—to create more jobs, to support more “good jobs,” and to further develop and support the workforce education and training “system” that will prepare District residents for those jobs. The BEST allows the District government to benchmark prevailing wages against economic security wages and evaluate worker welfare and local economic security. By helping to define desirable jobs, it helps users:

- Identify jobs and careers which don’t require 4-year degrees and support stable families and communities
- Evaluate education and training needs, and adapt the District’s workforce development strategies
- Evaluate economic development opportunities
- Improve workers’ and students’ financial planning; and
- Evaluate and improve the efficacy of public assistance programs that support workers while they study, train and retrain.

Figure 1: Washington, DC Basic Economic Security Tables Expenses for 1 Worker, 1 Preschooler and 1 Schoolchild, 2010



Job Creation Strategies, Improvements to the Education and Workforce Systems, and Attention to Publicly-Funded Bridges to Economic Security Increase the Number of Good Jobs Available to District Workers

City policies, funding and programs can have a targeted impact on DC families by: (1) linking residents to good job career paths in fast-growing industries; (2) providing information to DC residents about good jobs in growing fields and available education and training; (3) directing public training dollars to prepare job seekers for those good jobs; and (4) providing incentives to employers in these sectors who pay family-sustaining wages or demonstrate an emphasis on building career paths.

The BEST Index report identifies the three private industry sectors growing most rapidly in the DC metro area: (1) professional and business services; (2) trade, transportation and utilities; and (3) education and health services. These industries represent a range of jobs requiring varying skills and offering different wage levels, from minimum wage to family-sustaining wages. It is incumbent upon the District workforce system to help District residents prepare for positions in such industries. And over one-third of jobs in the District are public sector jobs. Government must not forget or hesitate to provide education and training to the many who can serve the District's public.

Similarly, the District must prepare District workers for "green" or "greening" jobs. There has been an unprecedented growth in job training programs that prepare DC residents for jobs in the emerging "green sector." While demand for these jobs has been slow to appear, opportunities will grow in construction, transportation/transit and area utilities over the coming months and years.⁶

The Brookings Institute estimates that approximately, 60,000 DC residents are unemployed or underemployed. A continuum of job training and education programs must be put in place to address their and District employers' needs. These programs should include career-based education for all ages, job readiness skills, hard skill training, recruitment, outreach, job placement and retention strategies.

Building the most effective and comprehensive workforce system in the District will require the full engagement of key leaders in the public, private and non-profit sectors, who must coordinate and maximize investments in education and workforce training. The Mayor and City Council have, above all else, the ability to convene serious discussions among all those who work within and or with the existing workforce system. Utilizing this convening power offers a unique opportunity to be responsive to city leaders engaged in workforce development, labor and business-centric organizations such as Chambers of Commerce and the Sustainable Business Network, the Washington Board of Trade, community-based service providers, and educators located across the metropolitan area.

Reinvigorating the District Workforce Investment Council (WIC), a centerpiece of the District workforce system, can attract a critical mass of employers. A clear mandate that clarifies the WIC's authority to oversee the public or entire workforce system can harmonize economic and workforce development needs of the city. The WIC should have direct access to the Mayor and, conversely, the Mayor should seek input from this body in the development of workforce policy and proposed legislation.

WOW has documented the success of approaches by workforce investment boards (WIBs) across the country, approaches which can offer ideas and guidance to all those interested in improving metro area workforce systems.⁷ This research demonstrates communities' abilities to strengthen their own fiscal bases and increase the number of residents who earn economic security wages through a strategic jobs agenda, including the streamlining and coordination of education and training systems. Subsequent research has also demonstrated how workforce

investment boards can address the needs of specific populations who obtain fewer good jobs, such as women, ex-offenders and youth.⁸

Work supports such as transportation, child and elder care, transitional and subsidized employment, cash assistance and stipends can help adults prepare for jobs and bridge the financial gaps for those families living in poverty as they move closer toward economic security. Making investments in these “hard to serve” residents will reap rewards in the near and the longer term for households, the regional economy, and even the public sector. After entering quality jobs, formerly ‘hard to serve’ individuals and their families will no longer rely on public assistance programs, will contribute to the tax base, and will create increased consumer demand.

Public Assistance Programs are Critical to the Pursuit of Economic Security, but Those with the Greatest Impact Are Least Accessible

The BEST income targets allow better evaluation of the effectiveness of public assistance programs, such as Temporary Assistance for Needy Families (TANF), SNAP (food stamps), WIC, child care assistance, housing assistance and Medicaid/SCHIP. Such programs have been critical help to DC families, both working and unemployed, during the recent recession. By creating a well-defined and explicit standard of need, the BEST allows us to determine how well assistance fills the gaps between income and economic security, protecting families from instability while they pursue genuine economic security. Analysis of assistance available to a family of one worker and two young children demonstrates that:

- Improvements in public assistance programs such as food stamps, and tax credits such as the EITC and Making Work Pay credit, have helped many avoid destitution, but without child care assistance or housing assistance, most local low- and moderate-wage families with children will struggle to maintain any form of economic stability while they climb career ladders or pursue training.
- TANF, at current benefit levels, does not by itself lift families out of poverty, and contributes little to security if recipients do not also participate in all other major public assistance programs provided in the District, including scarce housing and child care assistance. TANF recipients are unlikely to be able to pursue sufficient education and training or climb career ladders toward economic security if they languish on waiting lists, experience delays in obtaining assistance, are not aware of other forms of public assistance, or become ineligible for TANF due to sanctions, savings, or lifetime limits on receipt of benefits.

Only through Saving Can District Residents, and the District Itself, Achieve True Economic Security

Meeting basic monthly living expenses alone leaves a family short of genuine financial stability. Workers must develop assets to attain both short-term and lifelong economic security. At a minimum, workers seeking security need to save for emergencies throughout much of their lives, and need to save, preferably early and consistently, for retirement.

For each of its four savings components, the BEST emphasizes economy and safety—workers save consistently over long periods and make low- or moderate-risk investments with the goal of meeting only basic, no-frill needs. BEST assets are:

- Emergency savings that allow families to weather a typical period of unemployment. To successfully protect themselves from unexpected expenses, if not poverty, DC residents pursuing security should be saving 1%-4% of BEST budgets, depending on family type. For some families, emergency savings may well be economic security's low hanging fruit.
- Retirement savings that will allow seniors to make ends meet and age in their communities. Single workers in DC can retire with security by saving less than \$100 per month—over the course of a career.
- Education savings that will allow families to finance community college and a bachelor's degree without incurring debt. Parents whose children attend school in or near the District and work during summers can develop enough savings for school by saving approximately \$90 per month.
- Homeownership savings which allow workers to purchase a District home with a value at the 25th percentile of home values, by family size and number of bedrooms, in the District. A 2-bedroom "starter" home in the District costs approximately \$197,100. Even after the bursting of the housing bubble, would-be-homebuyers will find it very challenging to save for a 20% down payment and closing costs on such a home—even if they earn an economic security wage. Housing burdens, whether of renters or homeowners, remains one of the largest financial issues in the District.

The recession took its toll on American savings accounts. From 2008 to 2010, the percentage of Americans saving for a specific goal declined from 62% to 55%, and those who include general savings in their budgets declined from 49% to 46%.⁹ Inability or failure to save has left Americans vulnerable to unemployment, family emergencies, or illnesses, and makes retirement an uncertain goal. A chief policy goal, therefore, should be to promote savings in its many forms and educate workers on savings needs using the BEST and other tools.

Six Steps to Building the Economic Security of DC Residents

1. Create good jobs in the District.
2. Build a coordinated system of training and education to prepare DC residents for growing good jobs in the District.
3. Increase the availability of child care and housing for low- and moderate-income families in the District.
4. Help DC residents save for emergencies and their retirement.
5. Ensure that DC residents who require a range of public assistance have these services available, are informed about these programs and are provided easy access to them.
6. Align District services and programs to build the economic security of DC residents through the establishment of an interagency task force and a citizen-based advisory group.

Key Recommended Policy Actions

■ **Create Good Jobs in the District**

- The Mayor and city agencies (e.g. Deputy Mayors Office of Economic Development, Office of Planning), in conjunction with the DC Workforce Investment Council (WIC), the Green Jobs Council, industry and labor leaders (e.g. DC Chamber of Commerce, AFL-CIO of the DC Metro Area, Board of Trade), implement the Mayor's efforts to promote the creation of jobs for DC residents in the three fastest growing industries in the region (professional and business services, trade transportation and utilities, and education and health services) and in the green economy. A timetable with the number of jobs to be created should be established with a priority on middle-skill jobs.
- City Council, the Mayor and city agencies can ensure that city investments in emerging industries and building projects are ones that will benefit local and disadvantaged workers through the development of agreements of community benefit agreements or project labor agreements that establish hiring targets for local residents, women and minorities in addition to establishing conditions of work.

■ **Build a coordinated system of training and education to prepare DC residents for growing good jobs in the District**

- The WIC, Mayor and city agencies (DOES-Department of Employment Services, OSSE-Office of State Superintendent of Education and DHS-Department of Human Services), implement the existing goal of self-sufficiency in the DC Workforce Investment Act in the operation of the public workforce system as

modeled in other workforce boards across the country—from targeting job training dollars to client counseling and benchmarks of success.

- The WIC, the Mayor and a range of city agencies (including DOES; OAIT- Office of Apprenticeship, Information and Training; HHS-Department of Human Services; and DPS-Department of Public Schools) with input from community based training and education programs and CCDC (Community College of the District of Columbia), create a comprehensive and coordinated workforce system that includes career-based education for all ages, job readiness skills, hard skill training, recruitment, outreach, job placement and retention strategies. A range of supports should be available to those who need them.
 - City Council, the Mayor and the business community launch a campaign to increase Adult Literacy by 20% (22,800 adults) each year between 2011 and 2015 with a focus on building more intergenerational and FCE (Functional Literacy) programs throughout the community.
 - The Mayor and city agencies (DOES, CSOSA, and HHS) undertake targeted strategies to train and place job seekers and underemployed workers who face multiple barriers through making available targeted and coordinated training and education opportunities. The first step would be to develop RFPs and fund programs currently available through the allocation of local funds totaling \$9.2 million.
 - To facilitate coordination and reflect the city’s priority on good jobs for DC residents, the Mayor and City Council take steps to reinvigorate and empower the DC WIC, create a high level position within the Executive Office of the Mayor who is charged with ensuring that the multiple city agencies engaged in job training, education or job placement are better integrated and develop a transparent oversight system that includes data collection on the nature of services provided and outcomes in moving job seekers toward economic security.
- **Help workers overcome the high and growing cost of key economic security components by increasing the availability of child care and housing for low- and moderate-income parents in the District**
- The Mayor, in conjunction with OSSE, the Office of Early Childhood Development and the Early Childhood and Education Administration, and City Council act to increase the number of District residents benefiting from DC’s Child Care Subsidy program by increasing outreach to parents eligible for the current subsidy and increasing the number of spaces available.
 - The Mayor and the DC Housing Authority act to preserve existing affordable housing in good condition through effective monitoring of Section 8 properties and public housing.
 - The City Council and Mayor (Deputy Mayor for Economic Development) expand the number of new low income affordable units through the support of housing tax credits, a fully-funded Housing Production Trust Fund, and the full implementation inclusionary zoning, which encourages development of higher-density, low-income housing.
- **Help DC residents save for emergencies and their retirement**
- The Mayor, City Council and relevant agencies work to remove barriers and create opportunities for District residents to save. Opportunities for positive change include: removing savings disincentives by increasing assets limits for public assistance programs; supporting funding for Individual Development Accounts, such as the Opportunity Accounts savings program, and creating novel ways to save, such as automatic savings plans and through city tax returns.

■ **Ensure that DC residents who require a range of public assistance have these benefits, are informed about these programs and are provided easy access to them**

- District agencies which provide training and social services—such as the Department of Employment Services, Department of Human Services, Child and Family Services Agency, Office of State Superintendent of Education, and the Department of the Environment—should better coordinate service provision to provide stabilizing “wrap-around” services for the unemployed and low- and moderate-income workers. These agencies should also educate staff and clients on the components of economic security, and assist them in maximizing their overall economic security.

■ **Align District services and programs to build the economic security of DC residents through the establishment of an interagency task force and a citizen-based advisory group.**

- The Mayor establish an interagency task force like that instituted on the national level through the White House Middle Class Task Force and in-state task forces (e.g. Minnesota, Colorado and Wyoming) to assess city policies, funding priorities and programs conducted by city workers or funded by public monies to assess how such activities help DC residents build economic security and recommend further action where necessary.
- The Mayor and City Council appoint a joint citizen-based advisory group to provide regular input into a city plan to build the economic security of DC residents. This advisory will be composed of a diverse range of citizens serving, building and residing in the District.
- As the District emerges from the current recession, the Mayor and City Council establish priorities to restore funding to those agencies and programs that help District residents obtain jobs, maintain stability and pursue economic security, including the Department of Employment Services, Department of Human Services, Child and Family Services Agency and the Office of the State Superintendent of Education.

Recommended Policy Actions

Workforce and Economic Development

Job Creation that Builds Economic Security

- Apply a sector approach that engages all stakeholders in the development and implementation of a plan that meets the needs of industry employers, workers and the city or county at large.
- Expand the availability of middle skill occupations in the District of Columbia, those occupations that require less than a four-year degree, but more than a high school diploma.
- Capitalize on federal and local investments in Green Jobs. Maximize the opportunities within the District's "Green Building Act of 2006" and the DC Clean and Affordable Energy Act of 2008 to support both small businesses and low-income job seekers.
 - Adopt the language, concept, and local economic security wage rates from WOW's DC BEST Index and include the Index in current and future District legislation targeting 'Green Economic Development' as it expands in the DC metro area.
- Seek funds from relevant federal agencies to allow for the funding or partial funding of building and/or retrofitting government structures, improving public transportation and rebuilding the city's aging infrastructure.
- Require infrastructure development fund recipients to advance inclusive hiring practices through qualified apprenticeship and pre-apprenticeship programs serving underrepresented populations including in those that are designated as megaprojects by the federal government.
- Ensure that city investments in emerging industries and building projects are ones that will benefit local workers and those who face discrimination in the workplace.
 - Establish Community Workforce Benefits Agreements and/or Project Labor Agreements that offer employment-based benefits and pay economic security wages or offer career ladders to such jobs and include hiring goals for disadvantaged residents.
 - Monitor the development of the building of a Wal-Mart store in DC to protect local workers against substandard wages and treatment.
- Support local budget priorities that sustain and build permanent, quality jobs in the public sector from police officers to social workers and schoolteachers. Where these jobs are contracted out, monitor the contractors to ensure fair wages and treatment of employees.
- Support self-employment and microenterprise through incentives for entrepreneurs, such as in the 'economic gardening' model of economic development started in Littleton, Colorado and currently in use in Florida and Michigan.
- Hire locally. Local employees provide continued support to the community's economic well-being by spending their earnings locally.
 - Strongly enforce DC's First Source laws.

A Continuum of Education and Training Opportunities

- Create a comprehensive and coordinated workforce system that includes career-based education for all ages, job readiness skills, hard skill training, recruitment, outreach, job placement and retention strategies. A range of supports should be available to those who need them.
- Establish a continuum of education programs to prepare students and residents of all ages for work.
 - Fully integrate a life skills curriculum in schools beginning in elementary school through high school that introduce a range of careers for all students, offer job readiness skills in preparing for work and financial literacy in handling income and credit.
 - Support intergenerational literacy projects.
 - Expand the availability of the Workforce Readiness Credential.
 - Reduce Adult Literacy by 20% (22,800 adults) each year between 2011 and 2015.
 - Enhance community colleges and, in particular, the Workforce Development & Lifelong Learning Division of CCDC as it develops courses in conjunction with growing industries in the region with a special focus of reaching students in high poverty neighborhoods.
- Prepare Washington, DC residents for high growth/high wage jobs in the region.
 - Use regional labor market information to inform the DC workforce system.
 - Implement the existing goal of self-sufficiency in the DC Workforce Investment Act in the operation of the public workforce system as modeled in other workforce boards across the country—from targeting job training dollars to client counseling and benchmarks of success.
 - Institute long needed improvements and innovations in the One Stop Centers consistent with a series of reviews conducted internally by DOES as well as recommendations from community providers.
 - Maximize the opportunity created by the authorization of local funds totaling \$9.2 million to help those job seekers who face multiple barriers to work.
 - Prepare underemployed and unemployed residents for well-paid work and to build their own economic security through targeted investment of outreach and training dollars and the undertaking of innovative programs like Workplace DC.
 - Prepare incarcerated adults and youth for well-paying work while they are institutionalized with significant support following their release.
 - Increase long distance learning opportunities for those without access to transportation, have child or adult care giving needs, work full time or would otherwise benefit from such training programs
- Put a strong oversight system in place to ensure that the city has a coordinated and comprehensive job training and education system that meets the needs of workers and employers.
 - Create a high level position within the Executive Office of the Mayor charged with ensuring that the multiple city agencies engaged in job training, education or job placement are better integrated and that movement towards economic security is a shared outcome.
 - Collect employment data on how One Stop “customers” are moving toward economic security on an incremental basis with the goal of closing the gap between a customer’s present income and one that will provide economic security.

- Collect data on the customer’s first visit to a One Stop Center, rather than only upon receiving intensive services or training services.
- Collect aggregated and disaggregated data, including information on race, age, and gender of individuals using the One Stop Center.
- Make easily accessible to the public outcome data on how public dollars are spent to promote the recruitment, training, job placement, job retention and promotion of DC jobseekers.

Building Bridges to Employment for Low-Income Adults

- Expand those services that encourage and enable workers and job seekers to fully participate in the work force, such as increasing availability and access to transportation and high-quality child care.
- Promote policies that help workers balance work and family responsibilities.
 - Fully Enforce the DC Paid Sick Leave Act.
 - Promote job equity for part-time workers, many of whom are women and seniors.
 - Increase opportunities for TANF recipients to prepare for quality jobs through increasing education and training opportunities and supporting transitional employment programs.

Public Assistance

TANF

- Eliminate or limit education-related sanctions within the TANF program. Such sanctions make it more difficult for recipients and their children to complete higher education and start on a stable career path.
- Increase funding for the TANF block grant in response to current record-breaking unemployment and poverty.
- Make an effort to continue the subsidized training initially made available through the increase of the TANF Cash Emergency Funds authorized under the Recovery Act.
- Improve the likelihood that TANF recipients will pursue training, which will lead to long-term security, rather than only to the most easily available job or work program. Provide the same incentives for training and education vendors who refer TANF participants to training as for those who refer TANF participants to work programs. In 2007, review of several years of TANF referrals found that fewer than 10% of adults participating in work-related activities had participated in education and training activities.¹⁰
- Improve initial needs assessments for TANF participants. Many who require in-depth services to address work barriers do not receive them. An estimated 20% of DC TANF participants experienced domestic violence in 2008, but less than 1% received domestic violence services from the TANF program’s provider.¹¹

Child Care Subsidies/CCDF

- Increase investments in child care fee assistance and in quality improvement efforts. Child care costs in the District have doubled in the past five years, and quality childcare is the largest BEST expense for families with two or more children. Funding for child care subsidies has not kept pace, meaning fewer families are receiving less assistance with rising costs.¹²
- Increase supply and decrease program waiting lists. Raise provider payment rates or reimbursement rates to at least the current 75th percentile of market providers. The latest DC Market rate survey in 2008 showed that none of the subsidy rates met the 75th percentile of the market rate. Subsidizing child care at a lower rate forces child care providers to lose money on every subsidized child they take, reducing the number of slots available to families receiving subsidies and increasing the waiting list.¹³
- Reduce barriers that prevent families from receiving child care assistance by streamlining the application process.¹⁴

Housing Assistance

- Increase funding for affordable rental housing preservation and development in the District. Since 2000, the number of low cost rental housing units available has fallen by one-third, making it increasingly difficult for low-income families in the District to find any housing.¹⁵
- Improve and expand homeownership assistance programs. Include long-term affordability provisions in subsidized homeownership programs. Such provisions ensure that there will continue to be affordable housing for low-income families into the future, allowing more families the benefits of homeownership.
- Protect tenants whose landlords face financial difficulties or foreclosures by ensuring that tenants do not face sudden evictions, and that buildings are kept in habitable condition.¹⁶

Food Assistance (SNAP)

- Reject SNAP benefits cuts to reduce deficits or pay for other government programs. During recession, SNAP participation has greatly increased, demonstrating true levels of need. Reducing food assistance spending will leave more unemployed and underemployed workers and families without basic nutrition and reduce stability before families have recovered.¹⁷
- Expand access by eliminating the asset limits on SNAP eligibility. The asset limits, normally \$2,000 or \$3,000, require families to eliminate any protection from poverty before receiving assistance. Such limits require families to sacrifice long-term economic security prospects to satisfy short-term needs and ensure that families will need more assistance once those savings and assets are gone.

Tax Credits

- Expand EITC outreach so that more residents will apply for credits.
- Improve tax credits and deductions for families to assist in paying for child care. Make the DC child and dependent care tax credit available to those with higher incomes. Child care rates have increased much faster than incomes, meaning that those with higher incomes who could once afford child care may now be struggling.¹⁸

Savings

- Help Washington, DC's low- and moderate-income families establish the fundamental means of saving. Increase low-income workers' access to financial services by encouraging banks to build branches in underserved areas and to offer savings accounts requiring low initial deposits.
- Provide financial education and literacy courses in public schools and as part of savings and public assistance programs.
- Connect DC's savers to other savers to create supportive peer groups.
- Offer savings incentives such as matched accounts or tax credits.
- Expand, and expand knowledge of, existing savings programs in the District (IDAs, First Accounts, CSAs, FSS, Bank on DC) to allow more access to IDAs, homeownership programs, and other savings promotion tools.
- Allow limited IDA savings to be used to promote economic security and development items, such as emergency savings, a computer or car.
- Encourage savings for all workers through Automatic IRAs (Individual Retirement Accounts), or other automatic contributions of income to savings.
- Simplify saving by allowing individuals and families to elect to save into IDAs, retirement, education or other accounts on their tax returns, and have refunds deposited in such accounts.
- Educate workers about the newly established unemployment insurance reforms in Washington, DC and how they affect their eligibility and their need to save for a period of unemployment. In order to be eligible for the full ARRA funding, Washington, DC instituted dependent allowances and allows extra benefits to workers in training programs.
- Designate a default investment option in the DC College Savings 529 plan. Indecision and shifting priorities can hamper a family's intention to save, but an automatic default will allow parents to make an initial decision to open an account and then manage their investment on an annual basis.
- Allow for enrollment in a 529 plan on the state tax return and deposit of tax refunds into such an account. This allows families a simple way to start a 529 plan without transaction costs or expending much effort, and to save part or all of their tax refunds.
- End home-state bias in the DC College Savings and other states' 529 plan. Allow families to shop across state borders for plans. Increased competition between state 529 plans can result in lower fees and more investment options.
- Support Shared Equity Homeownership

Single Mothers Confronting Occupational Segregation

Single mothers in Washington, DC are disproportionately lower income, and struggle harder to attain the several components of security. In 2009, approximately 70% of Washington, DC families living in poverty were headed by single mothers. The median income for single mothers in Washington, DC is \$28,181, 24% less than the median income for single fathers, 41% less than the income for single women without children, 59% less than the overall median family income in Washington, DC, and 78% less than the median family income for a married couple.¹⁹

Rising costs, rising unemployment and stagnant wages have all contributed to increasing gaps between incomes and economic security. The economic security gap suffered by single women raising children is further widened, however, by occupational segregation and care-giving responsibilities.

Nationwide, 49% of women work in services, sales and low-level administrative positions, the largest employers of minimum and low-wage employees. In 2009, median annual women's wages in these occupations ranged from \$21,736 to \$31,304, well below BEST Indexes for families including more than one child, regardless of DC metro area county or city of residence.²⁰

- Build career awareness for women and girls about “nontraditional” careers. Including conducting outreach, assessment, and pre-apprenticeship training to prepare women for construction and other male-dominated industries.
- Provide women access to training or retraining to prepare them for well-paying jobs that do not require a bachelor's degree.
- Institute a range of employer incentives to hire women, and hold employers accountable for commitments they have made to recruit, hire and retain women.
- Promote collaboration between industry and labor partners to promote workplace equity.
- Fund wrap-around services (e.g., child care subsidies, mentoring) and promote workforce flexibility to increase the supply of qualified women.
- The city should conduct a pay equity study of compensation packages paid to city workers. To the extent that there are disparities attributed to gender differences a corrective plan must be put in place.

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- ¹ US Census Bureau. 2009 American Community Survey.
- ² Wider Opportunities for Women. *The Basic Economic Security Tables Index for the Washington, DC Metro Area*. Washington, DC: Wider Opportunities for Women, 2010.
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