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A Clear-Eyed Look At Regional Poverty

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How little do you need to earn to be considered poor in Prince George's County? What's the poverty cutoff in Arlington County or the District of Columbia?

Many will be startled to learn that a single person earning \$10,500, or a family of four earning \$21,500, would not officially be considered to be living in poverty. These unrealistically low figures, determined by the federal poverty formula in place since the 1960s that sets the standard for many assistance programs, do not reflect what it really costs to raise a family today. The formula that determines the poverty level is based largely on the cost of food and doesn't include the costs of housing, health care, transportation and energy, which have been rising faster than food.

Congress has held hearings on a new national poverty definition. But some city officials aren't waiting. New York Mayor Michael Bloomberg has reconfigured how the city calculates poverty. New York's new formula uses a common-sense approach that factors in expenses such as food, clothing, shelter and utilities and that counts tax credits and government assistance as income. It also adjusts housing costs depending on geography. The result is a more realistic -- and more detailed -- portrait of who is truly poor.

Washington area jurisdictions should follow New York's example. But until they do, Wider Opportunities for Women has unveiled an online calculator (<http://www.dcmassc.org>) to help families plan their budgets, assess their eligibility for public benefits and learn about high-wage, high-demand jobs in the region. You can plug in your monthly expenses and income. In an instant, you will know whether your income covers your expenses -- or not -- and can try out different scenarios, such as the effect of a second child on child-care expenses. The calculator then suggests benefit programs you might be eligible for and provides links to government agencies' Web sites so you can apply directly.

Wider Opportunities for Women, a women's nonprofit group that works nationally and in the Washington area, has also updated its Family Economic Self-Sufficiency Standard, which measures how much income working adults in 35 states and the District of Columbia need to meet their basic needs, broken down to the county of residence. It's an important tool for analyzing how families here are faring.

For example, what is the real measure of economic self-sufficiency for a single mother with an infant and a preschooler? In Prince George's County, she needs to earn at least \$55,298 a year. In the District, the same mother needs to earn at least \$58,621. The figure goes up to \$69,881 in Arlington County and \$70,975 in Montgomery. Visit <http://www.wowonline.org/> to see the poverty cutoff for your family configuration in your county. These are realistic measures that take into account the true costs for families in the Washington area, and this new standard is helping us and many other nonprofits do a better job.

As making ends meet grows harder every day for families, tools for accurately measuring and overcoming poverty are sorely needed in our area. Local policymakers and program providers in the District, Maryland and Virginia should follow Bloomberg's example. In our fight to help women and families thrive, we must begin by being realistic about the financial challenges they face.

-- Phyllis R. Caldwell
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