

## Why do so many households struggle?

### The cost of living continues to increase...

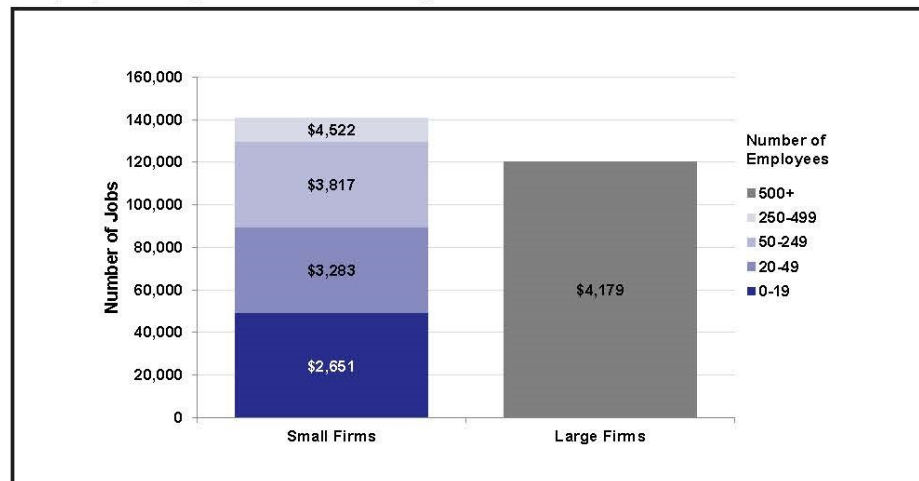
The Household Survival Budget reflects the bare minimum that a household needs to live and work today. It does not include savings for emergencies or future goals like college. In 2016, costs were well above the Federal Poverty Level of \$11,880 for a single adult and \$24,300 for a family of four. Family costs increased by 28 percent statewide from 2010 to 2016, compared to 9 percent inflation nationally.

Household Survival Budget, Pierce County		
	SINGLE ADULT	2 ADULTS, 1 INFANT, 1 PRESCHOOLER
Monthly Costs		
Housing	\$742	\$1,126
Child Care	\$-	\$1,408
Food	\$177	\$586
Transportation	\$409	\$818
Health Care	\$226	\$845
Technology	\$55	\$75
Miscellaneous	\$189	\$548
Taxes	\$286	\$621
Monthly Total	\$2,084	\$6,027
ANNUAL TOTAL	\$25,008	\$72,324
Hourly Wage	\$12.50	\$36.16

### ...and wages lag behind

Employment and wages vary by location and firm size, but across the state more than half of newly-hired workers earn less than the cost of the family Household Survival Budget. Small firms (<50 employees) often drive economic growth but their wages tend to be lower, especially in rural areas where they are the largest employers. Large firms (500+ employees) offer higher wages but are concentrated in cities, where the cost of living is also higher. Medium-size firms (50-500 employees) pay more but employ the fewest workers.

### Employment by Firm Size and Wage for New Hires, 2016



Sources: 2016 Point-in-Time Data: American Community Survey. ALICE Demographics: American Community Survey; the ALICE Threshold. Budget: U.S. Department of Housing and Urban Development; U.S. Department of Agriculture; Bureau of Labor Statistics; Internal Revenue Service; Child Care Aware of Washington, 2016.

Pierce County, 2016		
County Subdivisions	Total HH	% ALICE & Poverty
Alderton CDP	1,147	41%
Anderson Island CDP	614	42%
Artondale CDP	4,641	22%
Ashford CDP	131	50%
Bonney Lake City	6,174	29%
Browns Point CDP	503	25%
Buckley City	1,552	46%
Canterwood CDP	1,318	18%
Carbonado town	243	37%
Clear Lake CDP	348	24%
Clover Creek CDP	2,593	46%
Crocker CDP	449	37%
Dash Point CDP	370	23%
DuPont City	3,173	32%
Eatonville town	1,096	47%
Edgewood City	3,593	30%
Elk Plain CDP	4,826	46%
Fife City	3,516	50%
Fife Heights CDP	693	31%
Fircrest City	2,734	40%
Fort Lewis CDP	3,191	76%
Fox Island CDP	1,404	24%
Frederickson CDP	6,882	37%
Gig Harbor City	3,717	41%
Graham CDP	8,241	27%
Home CDP	633	47%
Key Center CDP	1,323	41%
Lake Tapps CDP	4,585	21%
Lakewood City	24,369	59%
Longbranch CDP	1,353	61%
Maplewood CDP	1,995	30%
McChord AFB CDP	761	64%
McKenna CDP	309	34%
McMillin CDP	623	16%
Midland CDP	3,316	66%
Milton City	2,922	40%
North Fort Lewis CDP	553	47%
North Puyallup CDP	880	43%
Orting City	2,329	35%
Parkland CDP	12,992	60%
Prairie Heights CDP	1,405	33%
Prairie Ridge CDP	4,171	35%
Purdy CDP	527	51%
Puyallup City	15,464	43%
Raft Island CDP	172	21%
Rosedale CDP	1,276	20%
Roy City	261	54%
Ruston town	432	30%
South Creek CDP	941	50%
South Hill CDP	18,552	34%
Spanaway CDP	10,220	45%
Stansberry Lake CDP	783	52%
Steilacoom town	2,520	43%
Summit CDP	3,005	40%
Summit View CDP	2,740	46%
Sumner City	3,889	48%
Tacoma City	81,811	48%
University Place City	12,734	45%
Vaughn CDP	218	32%
Waller CDP	3,139	39%
Wauna CDP	1,642	28%
Wilkeson town	170	41%
Wollochet CDP	2,460	28%

Note: Municipal-level data on this page is 5-year averages for Incorporated Places. Totals will not match county-level numbers because some places cross county borders, data is not available for the smallest places, and county-level data is often 1-year estimates.

UNITED WAY ALICE REPORT - WASHINGTON

# STATE POLICY AGENDA 2019-2020

UNITED WAY OF PIERCE COUNTY: TIER 1 & 2 PRIORITIES



Advocacy is a vital component in lifting 15,000 households out of poverty and into financial stability by 2028. This public policy agenda represents current positions of United Way of Pierce County as well as supportive positions for the multiple partners leading work to reduce barriers for struggling families or individuals. To tackle deeply entrenched and complex social problems we need to collaborate to achieve significant and lasting social change. No single policy, government department, organization or program can tackle or solve the increasingly complex problem of poverty.

## STABLE INDIVIDUALS

**Washington 2-1-1 [HB 2126]** In the 2017 budget, Washington was awarded \$1.5 million to continue to provide statewide infrastructure for 2-1-1. The 2019-2021 Governor's budget reflects a 33% cut of \$.5 million. Our South Sound 2-1-1 fields nearly 90,000 calls for help annually and serves Pierce, Thurston and Lewis Counties. The addition of specialized navigators in housing, mental health, transportation and basic needs adds targeted support that stabilizes individuals and families and enables them to gain self-sufficiency. With the recent federal government shutdown, 2-1-1 was the clearinghouse for assistance in the state and is the resource for individuals/families to turn to. *Lead agency:* United Way

## STRONG FAMILIES

**Working Family Tax Credit (WFTC) [HB 1527]** This became law in 2008 and is Washington State's version of the Earned Income Tax Credit (EITC), the federal government's most successful poverty reduction program. But the state legislature has never funded the WFTC, missing a vital opportunity to rebalance our tax code for low- and moderate-income Washingtonians. If implemented, the WFTC would refund a portion of the state sales tax (average \$400 to eligible households), thereby boosting families' economic security and mitigating the impact of our state's regressive tax structure. *Lead agency:* Poverty Action Network; *Supporting agency:* United Way

**Expand Access to Fresh Fruit & Vegetables for SNAP & WIC Households [HB 1587/ SB 5684]** Washington offers the Fresh Bucks and the Farmers Market Nutrition programs, making fruits and vegetables more affordable for SNAP & WIC participants by providing benefits that offset the cost of produce at participating farmers markets and grocery stores. These programs have a proven track record of increasing consumption of fresh, locally grown produce, putting money in the pockets of our growers while helping households eat more nutritious meals. We ask for continued support in providing state funds.

**Raise Temporary Assistance for Needy Families (TANF) Benefits [HB 1603/SB 5684]** In Washington State, WorkFirst, the TANF program, is designed to protect low-income families from the harm of deep poverty and support them to transition to stability. Families in poverty often have few or no assets in tough times and they need cash for basic needs: rent and utilities, personal care items, as well as gas or bus fare. Adjusting TANF cash assistance to the cost of living will help more families living at or below poverty afford the basics. *Lead agency:* Budget & Policy Center and Poverty Action Network; *Supporting agency:* United Way

## SUCCESSFUL KIDS

**Universal Home Visiting: Help Me Grow [SB 5683]** During the 2018 legislative session, Pierce County received funding from the Department of Children Youth & Family for community planning to design a comprehensive system of support for families (pregnant through age 5). The 2018- 2019 Governor's budget includes dollars to design a system statewide. We ask that the Governor's budget includes funding to design the statewide system with local flexibility for Help Me Grow implementation in Pierce County to work in 3 high need neighborhoods where child dependency is very high. Implementation will also include the utilization of 2-1-1 navigators. *Lead agency:* Project Child Success; *Supporting agency:* United Way

**Increase Access and Affordability of High-Quality Childcare [Increase Statewide Funding in Governor's Capital Budget]** Parents can't work if their childcare is lacking and the childcare provider workforce needs a livable wage to support their own families. By holistically addressing the childcare predicament to meet the needs of children, families, child care providers, businesses and our overall economy, we support the WA Childcare Access Now Act. *Lead agency:* Early Learning Action Alliance; *Supporting agencies:* United Way, Project Child Success

**Eliminate School Lunch Co-Pay for Low-Income Students [HB 1892]** Kids do better in school when they don't have to worry about affording meals. Some families struggle even to pay the cost of a reduced-price lunch. By eliminating the co-pay for all students (Pre-K to Grade 12) and increasing the number of schools using Community Eligibility (more students receive free meals), low-income kids can focus on learning, instead of being hungry. *Lead agency:* Bethel School District; *Supporting agency:* United Way

**Allow Local Governments to Retain a Portion of the State's Sales Tax for Affordable Housing** Collaboration across the public sector is required to preserve and expand affordable housing (HB 1406). If Pierce County were able to retain 3% of the state's sales tax it would bring in an additional \$4 million for the production and preservation of affordable housing. *Lead agency:* Affordable Housing Consortium; *Supporting agencies:* United Way

**Housing Trust Fund** This fund invests in affordable homes across Washington, but in recent years it has been considerably underfunded. A \$200 million investment in the Housing Trust Fund will enable communities to build safe, healthy, affordable homes that are guaranteed to be affordable for at least 40 years.

**Revision of Hunger-Free Rights Bill** The 2018 passage of this bill (ESHB 2610) required schools to provide students with a USDA-approved meal regardless of their ability to pay. The new law passed by state legislature prohibited "lunch shaming" or holding children accountable for unpaid school meals. However, the new law comes with a price and school districts are paying it (e.g. Bethel School District prior average: \$2,000 - \$3,000 in school debt annually; 2018 accrual- \$21,000; Tacoma \$77,000). Further revision of the bill would be beneficial because the current policy, while well-intended, increases meal debt and doesn't consider diverse needs of students, such as allergies or dietary restrictions.

**Bail Reform** Up to 75% of people in jail in Washington State have not been convicted of a crime. They're waiting for trial and can't afford the bail set by the judge. When someone accused of a low-level offense qualifies for bail pending trial but remains locked up, they can lose their job, their housing, custody of their children and their medication is disrupted. In 2018, the Legislature passed a bill (E2SHB 1783) to ensure that poor people are not unfairly jailed or tied for years to the criminal justice system because they are unable to pay court-imposed debts known as Legal Financial Obligations. These expenses and restitutions are imposed by courts on every person convicted of a crime in Washington. The interest accrued at 12% should be waived for those who were charged prior to the passage of this bill.

**Support of Washington Initiative 1000** With oversight by the Governor's Commission on Diversity, Equity and Inclusion, this measure would restore and clarify the definitions of affirmative action in Washington's State code without the use of quotas or preferential treatment. By guaranteeing all residents equal opportunity and access to public education, public employment and public contracting without discrimination based on race, sex, age, nationality, physical or mental disabilities or military veteran status, we ask that public agencies are enabled to use traits or status, as positive factors in educational admissions, employment hiring and public contracting.

**Protect and Increase Access to Quality Mental Health Services** An ideal state mental health system should be comprehensive, built on solid scientific evidence, focused on wellness and recovery. It should be inclusive, reaching neglected communities and fully integrated into the broader health care system. Delays in treatment can increase the severity of mental illness and consequently the intensity and cost of the services being provided. Research shows that timely treatment produces better outcomes and quicker recovery for individuals with mental illness. Access to seamless care coordination can prevent suicides, homelessness, loss of job earnings and incarceration.

**Early Learning Resources** Increase support to improve the quality of early learning by including the expansion of home visiting, boosting Working Connections Child Care reimbursement rates and expanding Early Childhood Education and Assistance Program (ECEAP) facilities, including eligibility via the capital budget.

**Unaccompanied Youth Support** Use HUD and/or State funding to advocate for unaccompanied youth. Youth who have experienced foster care and/or youth homelessness often face significant emotional, educational, financial, and legal barriers that threaten their independence. Civil legal assistance and other supports will help foster and assist homeless youth to navigate barriers.

**FEDERAL LEGISLATION**

**Public Charge** A proposed rule would punish immigrants going through official immigration processes and their families for applying for or receiving critical government benefits such as SNAP, Medicaid and housing assistance, for which they are legally eligible. Denying access to basic needs programs will severely impact their health and well-being. United Way opposes this rule.

**Working Families Tax Rebate** Fund this rebate and expand eligibility to more low-wage workers. The earned income tax credit (EITC) has been an effective tool to increase work and reduce poverty, but as designed today, most benefits go to families with children. By expanding the benefits to low-income workers without custodial children, this credit will provide critical tax relief to low-income workers who pay the largest percentages of their income for sales tax.

**Child Support Pass** Reinstate the Child Support Pass to allow parents to receive a portion of their child, support directly rather than have it taken by the state to subsidize the Temporary Assistance for Needy Families (TANF) program.

ALICE IN PIERCE COUNTY

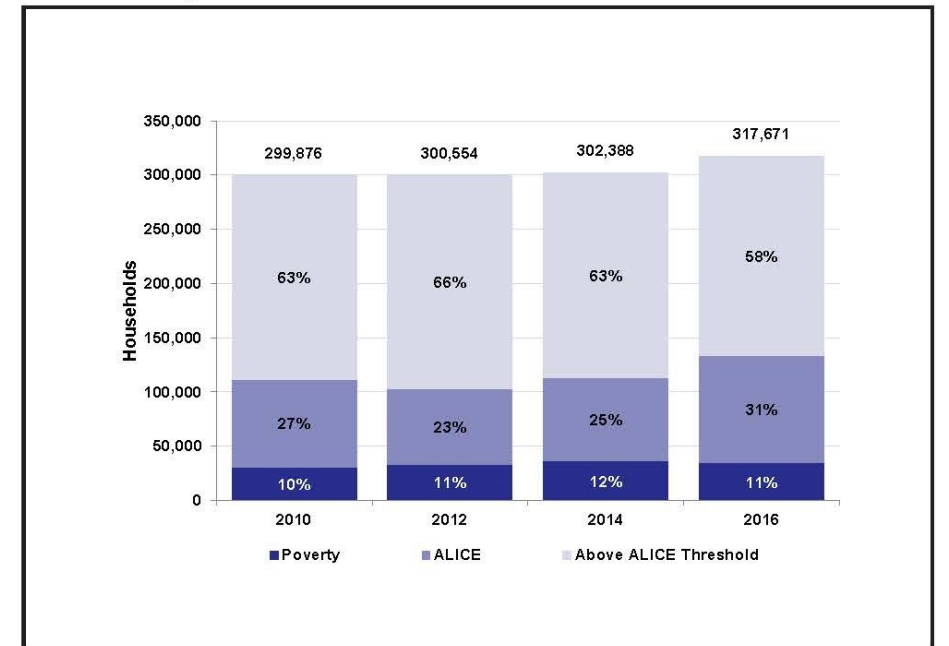
2016 Point-in-Time Data

**Population:** 861,312 • **Number of Households:** 317,671  
**Median Household Income:** \$64,434 (state average: \$67,106)  
**Unemployment Rate:** 6.2% (state average: 5.4%)  
**ALICE Households:** 31% (state average: 28%) • **Households in Poverty:** 11% (state average: 11%)

How has the number of ALICE households changed over time?

ALICE is an acronym for Asset Limited, Income Constrained, Employed – households that earn more than the Federal Poverty Level, but less than the basic cost of living for the county (the ALICE Threshold). Combined, the number of ALICE and poverty-level households equals the total population struggling to afford basic needs. The number of households below the ALICE Threshold changes over time; households move in and out of poverty and ALICE as their circumstances improve or worsen. The recovery, starting in 2010, has been uneven across the state. Conditions have improved for some families, but with rising costs, many still find themselves struggling.

Households by Income, 2010 to 2016



What types of households are struggling?

The way Americans live is changing. There are more different family and living combinations than ever before, including more people living alone or with roommates and more adult children living with their parents. Families with children are changing: There are more blended families with remarried parents, more non-married cohabiting parents, and more same-sex parents. The number of senior households is also increasing. Yet all types of households continue to struggle: There are ALICE and poverty-level households across all of these living arrangements.

Household Types by Income, 2016

