



The Policy Group

For Florida's Families and Children

Community
Commitment Issues

August 2006

ALL FAMILIES SHOULD HAVE THE OPPORTUNITY TO
GAIN ADEQUATE INCOME, HOUSING AND SUPPORT

With basic needs met, families can focus on nurturing their children

As the primary providers of love, nurturing, security, and stability for their children, the adults in families need to have opportunities to gain adequate income, support, and housing. Too often, a full-time job at low wages is not enough to support a family, and families require work support benefits that ensure that earning more always improves family financial security.

Research suggests that, on average, families need an income equal to about two times the federal poverty level to meet their most basic needs.¹ Forty-two percent of Florida's children live in families with incomes below 200% of poverty, with 18% living in families at 100% of poverty and 8% living in extreme poverty. In female-headed families with children under age 5, the poverty rate is 44.6%.² Most of Florida's jobs are in the retail and service sectors where wages are generally lower paying than other sectors such as manufacturing, transportation, and communication.³ Most of these jobs are located away from low-income housing areas and families often lack reliable, affordable transportation.

Florida typically establishes funding and eligibility rules for family support programs that are lower and more restrictive than the national average. This restrictiveness includes child care subsidies and welfare programs. Even working full-time, many parents cannot get ahead simply by earning more. Work support benefits (e.g., earned income tax credit, child care subsidies, health care coverage, food stamps) are means-tested so as earnings increase, families begin to lose eligibility before they are self-sufficient. The result is that parents can work and earn more without moving closer to financial security. With fewer resources, these families face tough choices – go hungry, go without health insurance or needed medical care, select cheaper less stable child care, or live in an unsafe neighborhood or over-crowded housing. Since eligibility and phase-out rules for different programs are typically developed independently, they can have a cumulative effect that is far more severe than policymakers intended.⁴

Research demonstrates that families would benefit from:

- **An adequate minimum wage.** Working full-time should ensure that families have adequate resources to meet basic needs.
- **Job training and education supports.** In an economy that values education, only about a quarter of the working poor have any education beyond a high school education.⁵
- **Coordination of program eligibility rules.** Coordination of eligibility rules and requirements across programs with gradual phase out of benefits can ensure that family financial security is not threatened even as earnings increase.
- **Higher eligibility limits.** Providing additional supports can help low-wage workers achieve resource adequacy.

¹ National Center for Children in Poverty, 2006

² Annie E. Casey Foundation, 2006

³ Colburn & deHaven-Smith, 2002

⁴ Cauthen, 2006

⁵ Shore, 2000