

Economic Self-Sufficiency in Michigan

A Benchmark

— *for* —

Ensuring Family Well-Being

Michigan League for Human Services



May 2007

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A United Way Agency





The Michigan League for Human Services seeks to ensure that low-income individuals and families across the state achieve economic security through a range of public and private supports including public assistance, work and family supports, job training and education. Through research, analysis, public education and advocacy efforts the League brings credible and accessible information to the public policy discussion of the critical issues that affect the lives of low-income people.

The League is comprised of over 1,800 organizational and individual members representing business, labor, human services professionals, representatives of state and local government, faith-based organizations, academics and concerned citizens.

MICHIGAN LEAGUE FOR HUMAN SERVICES

**1115 South Pennsylvania Avenue, Suite 202
Lansing, MI 48912**

Phone: (517) 487-5436 — Fax: (517) 371-4546
Web site: <http://www.MiLHS.org>

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Foreword


On behalf of the Michigan League for Human Services, we are pleased to present this fourth edition of *Economic Self-Sufficiency in Michigan: A Benchmark for Ensuring Family Well-Being*. This report, first published in 1998, was created as a tool to assess the adequacy of wages earned by families in the low-wage labor market. Since its first publication, it has been used extensively in a variety of public policy discussions related to poverty, welfare and wages, and the benchmark has been used in program planning by several human services agencies in the State of Michigan.

The League is grateful for the financial support that has made this second publication possible: the Ford Foundation, the Charles Stewart Mott Foundation, the Joyce Foundation, and the W.K. Kellogg Foundation.

We welcome feedback on how your agency has utilized *Economic Self-Sufficiency in Michigan*, as well as suggestions for future editions of the report. Please send your comments to the Michigan League for Human Services, 1115 South Pennsylvania Avenue, Suite 202, Lansing, MI, 48912-1658 or e-mail: pruark@michleagueforhumansvs.org.



H. Lynn Jondahl
Board Chair
May 2007



Ann Marston
President/CEO
May 2007

Economic Self-Sufficiency in Michigan

A Benchmark for Ensuring Family Well-Being

Michigan's economy during the past several years has made circumstances difficult for working families and individuals. Many of the manufacturing jobs that were a reliable staple of Michigan's economy have either left the state or become obsolete due to automation. As a result, many families that were previously "middle class" have fallen on hard times, and the jobs they have now pay only a fraction of the wages they earned previously. At the same time, the rising costs of health care, natural gas and automotive fuel have consumed a larger part of their paychecks. Such families must often make difficult decisions and forego certain necessities in order to meet their monthly expenses, and frequently rely on government or private support to meet basic needs.

Households that were poor when Michigan's economy was strong are in large part worse off today. While the 1990's held a promise for many of these families to escape poverty, there are now fewer opportunities available to help them do so. Those who are unemployed often subsist on a very meager cash assistance grant that leaves them far below the poverty line, and those who are employed must often spend a large portion of their wages on child care and transportation to their workplaces.

Why Identify a Self-Sufficiency Level?

The federal poverty threshold has generally been recognized as the measurement of household economic well-being. However, the threshold is not estimated at the state level, and researchers and economists are increasingly viewing it as an out of date tool that does not reflect the true costs incurred by families in today's economy. The Economic Policy Institute says the following about the effectiveness of the federal poverty threshold:

The methodology used to create the poverty thresholds assumes that one-third of family income was spent on food. But, over time, the relative prices of the items that families consume have changed considerably. For example, families spend more of their income on hous-

ing, health care, and transportation than they used to, and less on food. In addition, families now spend more on certain items, like child care, due to the increased number of women in the labor force. Due to these changes, families now spend less than one-fifth of their income on food. So if we were to multiply food costs by the share of income families spend on food today, we would come up with poverty thresholds higher than those currently in use because food costs would be multiplied by five instead of three. These official poverty thresholds are made even more out of date because they have not been adjusted to reflect improvements in standards of living. The failure to increase the poverty thresholds as incomes (adjusted for inflation) have grown means those who fall

below the poverty line are worse off relative to the typical (median) family now than they were 30 years ago. (Economic Policy Institute, *EPI Issue Guide: Poverty and Family Budgets*, www.epinet.org)

Many families live above the poverty line, yet cannot meet their basic needs based on their wages alone. It is clear that there is an ongoing need for a state-level benchmark that can more precisely determine whether a Michigan individual or family is economically self-sufficient.

The Michigan League for Human Services has been responding to this need since the late 1990's by identifying a "self-sufficiency level" for Michigan families, defined as the level at which a household is able to meet all of its basic expenses without relying on government or non-profit assistance. This report updates three previous studies.

This edition marks a change from previous editions of the report. Earlier editions grouped the counties according to the county classification system used by the state government, which categorizes each county according to its geographical location and its relationship to an urban center. Because each county category contains a wide range of expense levels for rent and child care, that system is not ideal for adequately reflecting the costs within those counties.

In recognition of the fact that the cost of living varies across the state, this edition of the report identifies a self-sufficiency level for each of twelve county clusters. The county clusters are arranged according to the level of cost for family necessities, with Cluster 1 comprising the lowest-cost counties and Cluster 12 the highest-cost county. The clusters allow county-level advocates and others to work with numbers that more closely reflect costs in their areas. Grouping

the counties according to their expense levels themselves, rather than according to their levels of urbanization, allows for better representation of individual county costs.

How to Use This Report

Economic Self-Sufficiency in Michigan establishes a standard against which needs can be identified and progress toward economic self-sufficiency can be measured. It is written for the lawmaker, the advocate, the social services or non-profit administrator, and anyone else with an interest in the economic well-being of Michigan's families. It is intended to inform discussions at all levels of government as policies are debated, jobs are created, and programs are developed. As a critical component in an overall strategy for moving Michigan's families into the economic mainstream, this self-sufficiency benchmark can be helpful in the following ways:

- It is an indicator for measuring the progress of Michigan's working families toward economic self-sufficiency;
- It is a guide for assessing the adequacy of worker wages and benefits;
- It underscores the importance of public benefits programs and targeted tax relief that assist families who have not yet, or may not ever, realize economic self-sufficiency; and
- It is a tool for economic development efforts as a clear standard against which to measure the adequacy of employment opportunities in a local community.

It should be kept in mind that there is a distinction between a self-sufficiency household income level for a household and a self-sufficiency wage. The self-sufficiency wage is the hourly wage that one full-time worker must earn in order to bring his or her family

Economic Self-Sufficiency Level:
The level at which a household is able to meet all of its basic expenses without relying on government or non-profit assistance.

Most Families in Michigan Must Pay the Costs of:

- Housing** — Based on HUD Fair Market Rents, a two bedroom apartment costs \$588 per month.
- Food** — The USDA Low-Cost Food Plan puts the cost of feeding a single parent with two children under six at \$390 per month.
- Child Care** — According to the Michigan 4C Association, full-time care averages \$1,068 per month for two children.
- Health Care** — Based on the Bureau of Labor Statistics' Consumer Expenditure Survey, family health care spending averages \$214 per month for a single parent with two children.
- Transportation** — Based on the Internal Revenue Service mileage reimbursement rate, it costs \$347 per month for a single-parent family to drive a car 10,000 miles per year. This does not include the cost of the purchase of the car.
- Clothing, Personal Care, Housekeeping & Telephone** — Based on Consumer Expenditure Survey and basic telephone service charges, this expense is calculated at \$342 per month for a single parent with two children.
- Taxes** — Federal income taxes, payroll taxes and state income taxes cost a single parent with two children approximately \$351 per month if they are at the self-sufficiency level.

to the self-sufficiency level.¹ This distinction is important, not only because a household with two wage earners can more easily reach the self-sufficiency household income level than a household with only one wage earner, but because many low-wage earners find themselves having to work overtime or at more than one job in order to meet the needs of their family.

Calculating the Self-Sufficiency Level

Using standard measurements, the report calculates the expenses for the seven basic needs that are common to most Michigan families. To arrive at a self-sufficiency level for Michigan families, the monthly expenses of the seven basic needs are calculated for four household composition types (single person, single parent of two children under six, two-parent family with two children under six in which one parent works, and two-parent family with two children in which both parents work) using measures that are widely accepted among policymakers and researchers. The seven expenses are then added together to reach a monthly expense total for each

Michigan self-sufficiency wage levels are identified as:

- Single individual—\$9.08 per hour;
- Single-parent family with two children under six—\$19.35 per hour;
- Two-parent family with two children under six in which both parents work—\$10.74 per hour each;
- Two-parent family with two children under six in which one parent works—\$12.58 per hour

¹ All self-sufficiency wage levels assume the worker works 40 hours per week, 52 weeks per year.

household type; this total is determined to be the amount of income that a family needs in order to adequately provide for itself. The monthly total is also stated as a yearly income and as an hourly wage that assumes a 40-hour week with no unpaid absences.

For a single parent with two children in Michigan, the income needed to meet basic expenses is \$19.35 per hour, nearly as high as the income needed by a two-parent family with two children in which both parents are working and close to the median household income in Michigan during 2004.² Due to child care expenses, the single-parent family must account for many of the same expenses as the two-parent family, with only minor savings in food costs, clothing and household items, and taxes. On the other hand, the self-sufficiency level for a two-parent family in which only one parent works is substantially lower because the family does not have to pay for child care.

It should be acknowledged that many families have opportunities and support systems that can reduce some of these expenses. For example, some single parents have other family members to help care for their children and can thus reduce the cost of child care, and some two-parent families are able to work different shifts so that there is always at least one parent at home with the children. Some working parents live close to their place of employment or have carpool arrangements that reduce transportation costs. However, many low-income and poor families do not have such cost-saving opportunities.

A single parent with two children who works full-time at minimum wage cannot rise above the poverty level based on earnings alone.

Estimated monthly expenses identified in this report do not allow for savings or emergencies, nor do they account for common family expenditures such as purchase of a house or a child's education. Some self-sufficiency calculations done in other states are far more generous in determining what common family expenditures constitute a need, and include the cost of appliances, furniture, reading materials, entertainment (television, music and toys), union dues, and banking fees. The wages given in this benchmark, however, are intended to reflect expenses for only the very basic needs of families and should be seen as the bare minimum that a family needs to earn to attain economic self-sufficiency.

Michigan's New Minimum Wage

Michigan has raised its minimum wage to a level above the federal minimum wage. The increase is in three incremental steps:

- October 2006—\$6.95 per hour
- July 2007—\$7.15 per hour
- July 2008—\$7.40 per hour

All references in this report to the minimum wage, unless otherwise noted, are to the highest level (\$7.40 per hour).

Note: All references to the federal minimum wage are based on the level from 1996 through the end of 2006 (\$5.15 per hour). At the time of this writing, there are discussions in Congress about raising the federal minimum wage.

²The U.S. Department of Agriculture's Economic Research Service puts the median household income for Michigan in 2004 at \$44,409. "Median household income" is defined as the median income received by all household members aged 15 years old and over. A median divides the income distribution into two equal parts, one having incomes above the median and the other having incomes below it.

Federal and State Policies Can Move Families Closer to Economic Self-Sufficiency

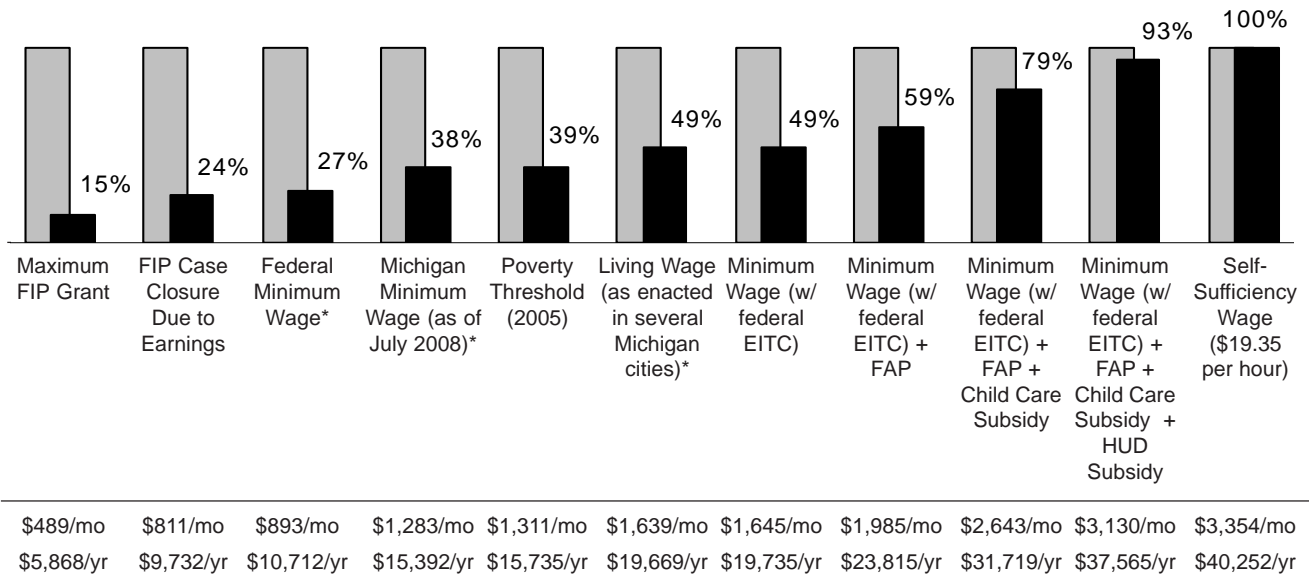
The self-sufficiency levels identified in this report stand in sharp contrast to the income levels associated with cash assistance, minimum wage employment, and even the “Living Wage” enacted in some local communities. While the recent increase in Michigan’s minimum wage was a very positive step for low-wage workers, a single parent with two children who works full-time at minimum wage still cannot rise above the poverty level based on earnings alone, much less attain economic self-sufficiency. However, when public supports augment low wages, the income available to the family increases dramatically. As the charts on page 6 show, a single parent with two children who works full-time at minimum wage, claims the federal earned income tax credit, and receives food, child care and housing assistance now has a combined household income of just under the self-sufficiency level. This would not be the case had Michigan kept its minimum wage at the federal level of \$5.15 per hour.

Numerous strategies are available to help families move closer to the self-sufficiency wage needed to meet basic needs. Such strategies include, but are not limited to, the following:

- **Direct assistance:** Direct assistance provides an important safety net for families who have fallen on hard times or are, for various reasons, unable to become employed. People often think of cash assistance (“welfare”) as the primary form of direct government assistance to needy families. However, in Michigan the eligibility standard for the Family Independence Program (FIP) is so low that a large number of such families, including many below the federal poverty line, do not qualify. While the State of Michigan can and should adjust its FIP eligibility scale in order to reach more families, there are
- **Investment in skills education:** Building skills in order to enhance employment opportunities is for many people the key to leaving poverty. Some workers need to build vocational skills that are in demand by the labor market. Other workers lack the basic skills (i.e. literacy and mathematics) and need adult basic education before participating in a vocational program. Both kinds of skill-building programs can be offered through community colleges, workforce development agencies, secondary schools, private businesses, churches, non-profit organizations or other institutions, and many successful programs are partnerships between two or more of these entities. Other approaches aim to increase opportunities for more secure, higher-paying employment; such strategies include public investments in education and training coupled with policies that ensure accessibility by low-income workers.
- **Investment in public transportation:** Many low-income and poor parents in Michigan have their job opportunities severely limited by lack of reliable transportation. In Detroit this problem is particularly acute, as many workers must commute from the city to jobs in the suburbs. Local infrastructure investments in public transportation can not only save on such workers’ costs of

also other state and federal assistance programs in place. Housing subsidies, for example, have been shown to be critical to reducing transience and thereby enhancing labor market success, child care subsidies help to ensure that parents remain employed, and MICHild and Medicaid help to reduce the costs associated with health care (or the neglect of health care for economic reasons). Adequate funding of these programs, and in some cases responsible policy adjustments, are necessary to ensure that these programs remain effective.

Various Income Levels as a Percent of the Self-Sufficiency Wage (Single Parent Working Full-time Year-Round, with Two Children Under Six)



*Figure represents pre-tax wages and assumes full-time, year-round work
Source: Michigan League for Human Services

working, but can decrease their chance of missing work due to a car breakdown.

- Changes to wage and tax policies:** In 2006, Michigan became the 22nd state to enact a state-level earned income tax credit modeled on the federal credit (which was enacted in the 1970's and expanded several times since). Michigan has also joined many other states in raising its minimum wage.

The table to the right highlights the impact on a single parent of two children when a range of federal and state supports are added to a minimum wage income.

Single Parent with Two Children at Minimum Wage (\$7.40 at 40 hrs/wk)

	Hourly	Monthly	Yearly
Wage	\$7.40	\$1,282	\$15,392
State Tax	(\$0.08)	(\$14)	(\$167)
Medicare	(\$0.11)	(\$19)	(\$223)
Social Security	(\$0.46)	(\$80)	(\$954)
Take home wages	\$6.75	\$1,171	\$14,048
Federal EITC	\$2.12	\$368	\$4,417
Food Assistance	\$1.96	\$340	\$4,080
Child Care Subsidy	\$3.80	\$659	\$7,904
HUD Housing Subsidy	\$2.81	\$487	\$5,846
State EITC (effective Tax Year 2009) ¹	\$0.42	\$74	\$883
Total	\$17.87	\$3,098	\$37,178








Note: Parentheses indicate a reduction in income.

¹The state EITC will be 10 percent of the federal EITC in Tax Year 2008, and 20 percent of the federal EITC in Tax Year 2009 and beyond. This figure reflects the 2009 amount.

Calculations by Michigan League for Human Services

Michigan

Family Type	Number of Children under Age 6	Self-Sufficiency Wage	
		Hourly	Annual
Single person	0	\$9.08	\$18,896
Single parent family	2	\$19.35	\$40,252
Two parent family (both working)	2	\$10.74 each	\$22,346 each
Two parent family (one working)	2	\$12.58	\$26,166

Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$486 30.9%	\$588 17.5%	\$588 15.8%	\$588 27.0%
 Food	\$213 13.5%	\$390 11.6%	\$559 15.0%	\$559 25.6%
 Child Care	Not Applicable	\$1,068 31.8%	\$1,068 28.7%	Not Applicable
 Health Costs	\$92 5.8%	\$268 8.0%	\$296 7.9%	\$296 13.6%
 Transportation	\$347 22.0%	\$347 10.3%	\$431 11.6%	\$347 15.9%
 Clothing, Household, Personal & Phone	\$166 10.5%	\$342 10.2%	\$399 10.7%	\$399 18.3%
 Taxes ²	\$270 17.2%	\$351 10.5%	\$383 10.3%	(\$9) ³ (0.4%)
Total Monthly Expense	\$1,575	\$3,354	\$3,724	\$2,180

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions. ³Parentheses indicate a refund.

Calculating Basic Expenses

►Housing

This report uses the 2007 Fair Market Rents (FMR) to calculate housing costs. The U.S. Department of Housing and Urban Development (HUD) annually publishes the FMR for each county in the United States in order to calculate families' housing assistance needs. The FMR is set at the 40th percentile of rents in the area³ and includes both shelter costs and utility costs (except for telephone service).

The FMR for a one-bedroom unit is used to calculate the housing costs for a single individual, and a two-bedroom FMR is used for a single parent with two children and a two-parent family with two children. The FMR for these two housing unit sizes in each county of a given Michigan region is averaged to determine the housing cost for the four family types within that region. It is acknowledged that a three-bedroom housing unit may be more appropriate for families in which the two children are of opposite genders. (The FMR for each Michigan county is given in Appendix A.)

HUD has determined that for housing to be considered affordable, it must consume no more than 30 percent of a family's monthly income. (If housing costs more, it is said to constitute a "cost burden" for the family.) At the self-sufficiency wage established in this report, the percentage of income spent on housing costs is at a level considered to be affordable, with a state average of 15.8 percent for a two-parent

family with both parents working, 27 percent for a two-parent family with only one parent working, and 17.5 percent for a single parent family. However, if a single parent with two children in Wayne County earns \$7.45 per hour (the level of Michigan's minimum wage as of July 2008), the family's rent for a two-bedroom dwelling would consume 61 percent of its income. If Michigan's minimum wage had not been raised and the family were earning the federal minimum of \$5.15 per hour, rent for the same family would consume 89 percent of its income.

A study of 2000 census data by Wayne State University's Center for Urban Studies found that almost one-third of Detroit's households (32%) paid 30 percent or more of their income on housing costs, and about half of these (17%) spent 50 percent or more of their income on housing costs. The study also found that affordability problems in Detroit are driven more by low-incomes than high housing costs, as 49 percent of the renters with a cost burden earned less than \$10,000 annually, and 59 percent of homeowners with a cost burden earned less than \$20,000 annually.⁴

►Food

Average costs for food are calculated from the U.S. Department of Agriculture's *Cost of Food at Home* (June 2006), a monthly publication of food cost that accounts for age, gender and family size, at

³The 40th percentile denotes the level at which the cost of 40 percent of rental housing in the area is lower while 60 percent is higher.

⁴Thomson, Dale E., *At What Cost?: An Analysis of Housing Affordability in Detroit, MI (Final Report)*, Center for Urban Studies, Wayne State University, 2004.

four different expense levels based on types and convenience of food purchased. The Low-Cost Food Plan is used for this report because it corresponds to the spending patterns of the bottom one-third of income groups. The plan provides for a nutritious diet using generic and less expensive foods, and assumes that ingredients for every meal and snack are purchased at the store and prepared at home. It does not include the cost of “convenience food” items that do not require preparation, such as TV dinners, canned soups, and frozen pizzas. The June figure is used by the department as the annual average for each year. The calculation assumes that adults are age 20-50 and that a family with two children has one child age 2 and one child age 3-5.

Although the Low-Cost Food Plan saves families considerable money, it takes up 32 percent of the income of a single parent with two children working full-time at the federal minimum wage, 30 percent of the income of the same parent working full-time at Michigan’s new minimum wage, but only 11.6 percent of the income of the parent earning the self-sufficiency wage. Thus, the cost of food is a larger strain on a low-income family’s budget, taking into consideration that they must also pay for housing, transportation, clothing and household items, child care, and health care.

It must also be kept in mind that although the Low-Cost Food Plan assumes that families have access to food that is both nutritious and inexpensive, for many families this is not the case. Grocery stores located in urban and rural low-income areas tend to have much higher prices than large suburban supermarkets. Moreover, their aisles tend to be heavily stocked with convenience foods such as frozen pizzas and TV dinners while offering little in the way of fresh produce and other nutritious food items. Inadequate transportation, therefore, compels many low-income families to spend more on food than they would otherwise spend while also limiting their nutritional choices.

►Child Care

Child care costs are based on the 2006 Provider Survey by the Michigan Community Coordinated Child Care Association. Appendix B shows the average full-time (45 hours a week) day care costs for each age group, as reported by providers in child care centers and in family and group homes. The child care cost estimate used in the family expense calculations assumes all children are below age 6 and are not in school, and therefore require full-time child care. Child care costs are not included in the expenses for two-parent families in which only one parent is working (as it is assumed that the other parent is available and able to care for the children). For two-parent families in which both parents work, it is assumed the parents both work full time on the same shift and therefore need full-time care.

Although this report assumes all children are under age six, parents of children over age six often need to pay for child care for any or all of the following reasons:

- They work outside of school hours (i.e. 2nd or 3rd shifts or weekends);
- Their children require before- or after-school care;
- Their children require care during summer vacation and holiday breaks.

Costs vary by the type of child care provider the family chooses. They range from a high of \$733 per month for one infant in Washtenaw County to \$370 per month for a preschool child in Lake County, with a weighted state average of \$534 per month for a child not yet in school. Care for school-age children, which is not figured into these calculations, tends to be a little bit lower than for children not yet in school.

According to these estimates, if a family requires full-time child care, that expense constitutes the largest of its monthly expenses. Both a single-parent family and a two-parent family earning a self-sufficiency income will spend around 30 percent of its income on child care expenses.

A single-parent with two children working full-time at the federal minimum wage (\$893 per month) cannot afford child day care for both children at Michigan's average cost of \$1068 per month. Fortunately, Michigan's decision to raise its minimum wage helps make it easier for such a parent to pay for child care. Furthermore, though a single parent earning minimum wage or higher is not eligible for FIP cash assistance, he or she may be eligible for child care assistance. In order for the child care subsidy to remain effective in helping poor and low-income working families afford child care, however, the rates need to be updated to reflect increasing child care costs.

► Health Costs

The health care costs in this report assume that the family has employer-sponsored health insurance. The amount of the premium paid by the family is calculated using the Medical Expenditure Panel Survey (MEPS) of the Agency for Healthcare Research and Quality.⁵ Out-of-pocket expenses such as deductibles and co-pays are calculated using the "Coverage Advisor" provided by Blue Cross Blue Shield of Michigan.⁶ All estimates assume each family member's health is "generally well" with no medical conditions or long-term medications.

Because these calculations are based on the assumption that each household is covered by employer-sponsored insurance, the final self-sufficiency numbers must also do the same. However, it must be acknowledged that many low-wage working families (and even some middle-income working families) do not have employer-provided health insurance. This underscores the

importance of publicly-funded health coverage for low-income and poor families such as Medicaid and MI-Child.

In 2005, 11.4 percent of people in Michigan did not have form of health coverage at some point during the year.⁷ Families without insurance spend less on health care than families that have health insurance, often by going without necessary vision and dental care and routine doctor and dentist visits. However, as hourly wage levels increase, the likelihood of being uninsured decreases. This is because jobs that pay higher wages are also more likely to offer health insurance, and because workers who do not have insurance through their employer are more likely to purchase it themselves if their wages enable them to afford it.

► Transportation

Transportation costs are based on the assumption that families own a private vehicle, since access to adequate public transportation is limited in most areas of Michigan. While specific estimates for the number of miles driven by families for work and work-related expenses are not available, data from the U.S. Department of Transportation's 2001 National Household Travel Survey (the most recent survey available) leads to an estimate of 779 miles per month for work and family needs for a single person, a single-parent family and a two-parent family in which only one parent is working, and 968 miles per month for a two-parent family in which both parents work. Calculations for costs are based on the 2006 Internal Revenue Service Mileage Reimbursement Rate of 44.5 cents per mile, and do not include the cost of purchase of a car.

⁵Agency for Healthcare Research and Quality, Medical Expenditure Panel Survey, 2004.

⁶The "Coverage Advisor" is found on the Blue Cross Blue Shield of Michigan website (http://www.bcbsm.com/home/coverage_options/coverage_advisor.shtml). Adults were assumed to be 28 years old, children were assumed to be 3 and 2 years old, and single parents were assumed to be female.

⁷Economic Policy Institute analysis of U.S. Census Bureau data.

While this report assumes a transportation expense rate for each family structure based on the method described above, it should be noted that transportation costs can vary among families depending on a variety of factors, including:

- commuting time to work;
- number of cars owned;
- age and condition of vehicle;
- access to public transportation;
- age of children; and
- cost of insuring the car.

This estimate should be seen as a bare minimum. It takes into account only the travel that is necessary for work, school, shopping, and other essential family needs, and it assumes that a two-parent family's second car will be used only to transport one parent to and from work. Because most families also use their cars for purposes beyond these parameters (such as for entertainment and leisure), and because low-

income parents in particular often have older cars with high repair costs not reflected in the IRS reimbursement rate, family transportation expenditures are often much higher than the amounts given here.

The working poor tend to spend less money than other workers on commuting expenses, but their costs amount to a significantly higher proportion of their income. According to the Bureau of Transportation Statistics, those with an annual income of less than \$8,000 spend nearly 10 percent of their income on commuting expenses (compared with 4 percent spent by the total population). However, when measured in terms of mode of transportation, the working poor who use their own vehicle to commute spend a median of 21 percent of their personal income on commuting expenses, and those who use public transit spend 13 percent.⁸ In the Detroit metropolitan area, families driving their own vehicle spent an average of \$5,888 on gasoline, motor oil and

Average Cost of Owning and Operating an Automobile^a

Average total cost per mile (in 2004 cents)	56.2¢
Gas	6.5¢
Gas as a percent of total cost	11.6¢
Maintenance (incl. oil)	5.4¢
Tires	0.7¢
Average total cost per 15,000 miles (in 2004 dollars)	\$8,431
Variable cost	\$1,890
Fixed cost ^b	\$6,541

^a All figures reflect the average cost of operating a vehicle 15,000 miles per year in stop and go conditions.

^b Fixed costs (ownership costs) include insurance, license, registration, taxes, depreciation, and finance charges.

Note: The 2004 fuel costs are based on average late-2003 U.S. prices from AAA's Fuel Gauge Report: www.fuelgauge.com. Insurance figures are based on a full-coverage policy for a married 47-year-old male with a good driving record living in a small city and commuting three to ten miles daily to work. The policy includes \$100,000/\$300,000 level coverage with a \$500 deductible for collision coverage and a \$100 deductible for comprehensive coverage.

Source: U.S. Department of Transportation Bureau of Transportation Statistics

Prepared by Michigan League for Human Services

⁸U.S. Department of Labor, Bureau of Transportation Statistics, *Commuting Expenses: Disparity for the Working Poor*, 2003

other personal vehicle expenses (excluding cost of purchase) in 2004, while families utilizing public transportation spent an average of only \$444 on public transportation expenses.⁹ This underscores the importance of investment in public transportation as a strategy to help low-income and working poor families.

The Bureau of Transportation Statistics estimates the cost of owning and operating a vehicle and driving it 15,000 miles per year (the amount considered typical for many American households) to be 56.2 cents per mile (see table on page 11).¹⁰ Using this estimate, the cost of transportation for Michigan workers reaches \$702 per month.¹¹ Although the BTS estimate differs from this self-sufficiency report in that it factors in more miles than what are driven for the bare work and family necessities, its numbers are instructive. As Michigan is an automobile-

dependent state with inadequate public transportation in many areas, owning a car may be essential to finding and keeping a higher paying job or working a 2nd or 3rd shift job. It is impossible, however, for a person earning minimum wage (\$1,282 a month as of July 2008) to afford to drive a car at a cost approaching \$702 per month.

>Clothing, Household Necessities, Personal Care and Telephone

In this category, expenses related to clothing, personal care products and services, and household necessities are taken from the 2005 Consumer Expenditures Survey of the Bureau of Labor Statistics. Phone services in Michigan are estimated at \$30 per month including all taxes and line charges, but excluding long distance and accessory services.

Clothing, Household Necessities, Personal Care and Telephone						
Category	Single Person		Single Parent		Two-Parent Family	
	Year	Month	Year	Month	Year	Month
Apparel and Services	\$980	\$82	\$2,441	\$203	\$2,850	\$238
Housekeeping Supplies ^a	\$321	\$27	\$682	\$57	\$843	\$70
Personal Care Products and Services ^b	\$328	\$27	\$626	\$52	\$740	\$62
Telephone	\$360	\$30	\$360	\$30	\$360	\$30
Total	\$1,989	\$166	\$4,109	\$342	\$4,793	\$399

⁹Bureau of Labor Statistics, Consumer Expenditures Survey, 2004-2005.

¹⁰This estimate takes into account gas, oil, maintenance, tires, depreciation, loan payments and insurance premiums.

¹¹This is based on an assumption of 15,000 miles per year, so depreciation costs for driving only for work and family necessities would decrease the amount.

> Taxes

Federal, state, and payroll taxes are estimated based on family income, and reflect receipt, when applicable, of the federal Earned Income Tax Credit (EITC), the federal Child and Dependent Care Tax Credit, the federal Child Tax Credit and the state child deduction.

Local income taxes were not included in the estimates because many Michigan

residents do not pay local tax. (The state tax estimates assume no credit for taxes paid to Michigan cities.) Twenty-two Michigan cities apply income taxes for residents and for nonresidents who work in the city - ranging from .5 percent to 2.5 percent of income. (A listing of those cities and tax rates can be found on the table below.) Property taxes and Michigan's 6 percent sales tax are also not included.

City Income Tax Rates 2006		
City	Resident	Nonresident
Albion	1.0%	0.5%
Battle Creek	1.0	0.5
Big Rapids	1.0	0.5
Detroit	2.7	1.35
Flint	1.0	0.5
Grand Rapids	1.3	0.65
Grayling	1.0	0.5
Hamtramck	1.0	0.5
Highland Park	2.0	1.0
Hudson	1.0	0.5
Ionia	1.0	0.5
Jackson	1.0	0.5
Lansing	1.0	0.5
Lapeer	1.0	0.5
Muskegon	1.0	0.5
Muskegon Heights	1.0	0.5
Pontiac	1.0	0.5
Port Huron	1.0	0.5
Portland	1.0	0.5
Saginaw	1.5	0.75
Springfield	1.0	0.5
Walker	1.0	0.5








Source: Michigan Department of Treasury

Cluster 1

Alcona	Cass	Gratiot	Keweenaw	Menominee	Ogemaw	St. Joseph
Alger	Cheboygan	Hillsdale	Lake	Missaukee	Ontonagon	Sanilac
Antrim	Clare	Huron	Mackinac	Montcalm	Osceola	Wexford
Arenac	Gladwin	Iosco	Mason	Montmorency	Oscoda	
Branch	Gogebic	Kalkaska	Mecosta	Newaygo	Roscommon	

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$9.19	\$19,106
Single parent family	2	\$17.01	\$35,387
Two parent family (both working)	2	\$9.64 each	\$20,057 each
Two parent family (one working)	2	\$11.67	\$24,271

Expenses Per Month and as a Percent of Income¹








Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$443 27.8%	\$532 18.0%	\$532 15.9%	\$532 26.3%
 Food	\$213 13.4%	\$390 13.2%	\$559 16.7%	\$559 27.6%
 Child Care	Not Applicable	\$837 28.4%	\$837 25.0%	Not Applicable
 Health Costs	\$148 9.3%	\$214 7.3%	\$246 7.4%	\$246 12.2%
 Transportation	\$347 21.8%	\$347 11.8%	\$431 12.9%	\$347 17.2%
 Clothing, Household, Personal & Phone	\$166 10.4%	\$342 11.6%	\$399 11.9%	\$399 19.7%
 Taxes ²	\$275 17.3%	\$287 9.7%	\$339 10.4%	(\$60) ³ (3.0%)
Total Monthly Expense	\$1,592	\$2,949	\$3,343	\$2,023

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions. ³Parentheses indicate a refund.

Cluster 2

Alpena	Chippewa	Dickinson	Isabella	Muskegon	Schoolcraft
Berrien	Crawford	Houghton	Luce	Oceana	
Charlevoix	Delta	Ionia	Manistee	Presque Isle	

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$9.57	\$19,914
Single parent family	2	\$18.65	\$38,795
Two parent family (both working)	2	\$10.27 each	\$21,352 each
Two parent family (one working)	2	\$12.54	\$26,083








Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$445 27.9%	\$536 17.4%	\$536 15.5%	\$536 26.4%
 Food	\$213 13.4%	\$390 12.7%	\$559 16.2%	\$559 27.5%
 Child Care	Not Applicable	\$928 30.2%	\$928 26.9%	Not Applicable
 Health Costs	\$148 9.3%	\$214 7.0%	\$246 7.1%	\$246 12.1%
 Transportation	\$347 21.8%	\$347 11.3%	\$431 12.5%	\$347 17.1%
 Clothing, Household, Personal & Phone	\$166 10.4%	\$342 11.1%	\$399 11.6%	\$399 19.7%
 Taxes ²	\$275 17.3%	\$319 10.4%	\$352 10.2%	(\$58) ³ (2.8%)
Total Monthly Expense	\$1,660	\$3,233	\$3,559	\$2,174

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions. ³Parentheses indicate a refund.

Cluster 3

Barry	Emmet	Marquette
Benzie	Iron	Shiawassee
Calhoun	Jackson	

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$9.49	\$19,747
Single parent family	2	\$18.23	\$37,927
Two parent family (both working)	2	\$10.20 each	\$21,211 each
Two parent family (one working)	2	\$12.15	\$25,269








Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$483 29.3%	\$588 18.6%	\$588 16.6%	\$588 27.9%
 Food	\$213 12.9%	\$390 12.3%	\$559 15.8%	\$559 26.5%
 Child Care	Not Applicable	\$951 30.1%	\$951 26.9%	Not Applicable
 Health Costs	\$148 9.0%	\$214 6.8%	\$246 7.0%	\$246 11.7%
 Transportation	\$347 21.1%	\$347 11.0%	\$431 12.2%	\$347 16.5%
 Clothing, Household, Personal & Phone	\$166 10.1%	\$342 10.8%	\$399 11.3%	\$399 18.9%
 Taxes ²	\$289 17.6%	\$329 10.4%	\$362 10.2%	(\$33) ³ (1.6%)
Total Monthly Expense	\$1,646	\$3,161	\$3,535	\$2,106

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions. ³Parentheses indicate a refund.

Cluster 4

Allegan	Bay	Otsego
Baraga	Lenawee	Van Buren

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$9.59	\$19,951
Single parent family	2	\$18.70	\$38,903
Two parent family (both working)	2	\$10.43 each	\$21,699 each
Two parent family (one working)	2	\$12.32	\$25,628








Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$495 29.8%	\$608 18.8%	\$608 16.8%	\$608 28.5%
 Food	\$213 12.8%	\$390 12.0%	\$559 15.5%	\$559 26.2%
 Child Care	Not Applicable	\$1,002 30.9%	\$1,002 27.7%	Not Applicable
 Health Costs	\$148 8.9%	\$214 6.6%	\$246 6.8%	\$246 11.5%
 Transportation	\$347 20.9%	\$347 10.7%	\$431 11.9%	\$347 16.2%
 Clothing, Household, Personal & Phone	\$166 10.0%	\$342 10.5%	\$399 11.0%	\$399 18.7%
 Taxes ²	\$294 17.7%	\$338 10.4%	\$371 10.3%	(\$23) ³ (1.1%)
Total Monthly Expense	\$1,663	\$3,242	\$3,616	\$2,136

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions. ³Parentheses indicate a refund.

Cluster 5

Eaton	Leelanau	Saginaw
Genesee	Midland	Tuscola
Kalamazoo	Ottawa	

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$9.75	\$20,281
Single parent family	2	\$19.27	\$40,077
Two parent family (both working)	2	\$10.71 each	\$22,286 each
Two parent family (one working)	2	\$12.53	\$26,059








Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$515 30.5%	\$632 18.9%	\$632 17.0%	\$632 29.1%
 Food	\$213 12.6%	\$390 11.7%	\$559 15.0%	\$559 25.7%
 Child Care	Not Applicable	\$1,065 31.9%	\$1,065 28.7%	Not Applicable
 Health Costs	\$148 8.8%	\$214 6.4%	\$246 6.6%	\$246 11.3%
 Transportation	\$347 20.5%	\$347 10.4%	\$431 11.6%	\$347 16.0%
 Clothing, Household, Personal & Phone	\$166 9.8%	\$342 10.2%	\$399 10.7%	\$399 18.4%
 Taxes ²	\$301 17.8%	\$350 10.5%	\$382 10.3%	(\$11) ³ (0.5%)
Total Monthly Expense	\$1,690	\$3,340	\$3,714	\$2,172

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions. ³Parentheses indicate a refund.

Cluster 6

Clinton	Ingham	Gr. Traverse
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Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$10.08	\$20,970
Single parent family	2	\$19.52	\$40,606
Two parent family (both working)	2	\$10.84 each	\$22,505 each
Two parent family (one working)	2	\$13.04	\$27,128

Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$557 31.8%	\$692 20.5%	\$692 18.4%	\$692 30.6%
 Food	\$213 12.2%	\$390 11.5%	\$559 14.9%	\$559 24.7%
 Child Care	Not Applicable	\$1,044 30.8%	\$1,044 27.8%	Not Applicable
 Health Costs	\$148 8.5%	\$214 6.3%	\$246 6.5%	\$246 10.9%
 Transportation	\$347 19.9%	\$347 10.3%	\$431 11.5%	\$347 15.3%
 Clothing, Household, Personal & Phone	\$166 9.5%	\$342 10.1%	\$399 10.6%	\$399 17.6%
 Taxes ²	\$316 18.1%	\$355 10.5%	\$387 10.3%	\$17 0.8%
Total Monthly Expense	\$1,747	\$3,384	\$3,758	\$2,261

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions.

Kent	Lapeer	Monroe
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Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$10.58	\$22,010
Single parent family	2	\$20.27	\$42,169
Two parent family (both working)	2	\$11.22 each	\$23,331 each
Two parent family (one working)	2	\$13.50	\$28,082








Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$621 33.9%	\$746 21.2%	\$746 19.2%	\$746 31.9%
 Food	\$213 11.6%	\$390 11.1%	\$559 14.4%	\$559 23.9%
 Child Care	Not Applicable	\$1,105 31.5%	\$1,105 28.4%	Not Applicable
 Health Costs	\$148 8.1%	\$214 6.1%	\$246 6.3%	\$246 10.5%
 Transportation	\$347 18.9%	\$347 9.9%	\$431 11.1%	\$347 14.8%
 Clothing, Household, Personal & Phone	\$166 9.1%	\$342 9.7%	\$399 10.3%	\$399 17.1%
 Taxes ²	\$339 18.5%	\$370 10.5%	\$402 10.3%	\$42 1.8%
Total Monthly Expense	\$1,834	\$3,514	\$3,889	\$2,340

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions.

Cluster 8

St. Clair

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$10.91	\$22,696
Single parent family	2	\$20.60	\$42,850
Two parent family (both working)	2	\$11.38 each	\$23,665 each
Two parent family (one working)	2	\$13.90	\$28,922








Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$663 35.1%	\$793 22.2%	\$793 20.1%	\$793 32.9%
 Food	\$213 11.3%	\$390 10.9%	\$559 14.2%	\$559 23.2%
 Child Care	Not Applicable	\$1,107 31.0%	\$1,107 28.1%	Not Applicable
 Health Costs	\$148 7.8%	\$214 6.0%	\$246 6.2%	\$246 10.2%
 Transportation	\$347 18.3%	\$347 9.7%	\$431 10.9%	\$347 14.4%
 Clothing, Household, Personal & Phone	\$166 8.8%	\$342 9.6%	\$399 10.1%	\$399 16.6%
 Taxes ²	\$354 18.7%	\$377 10.6%	\$409 10.4%	\$66 2.7%
Total Monthly Expense	\$1,891	\$3,571	\$3,944	\$2,410

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions.

Wayne

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$10.91	\$22,696
Single parent family	2	\$20.83	\$43,332
Two parent family (both working)	2	\$11.46 each	\$23,831 each
Two parent family (one working)	2	\$13.90	\$28,892

Expenses Per Month and as a Percent of Income¹








Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$663 35.1%	\$793 22.0%	\$793 20.0%	\$793 32.9%
 Food	\$213 11.3%	\$390 10.8%	\$559 14.1%	\$559 23.2%
 Child Care	Not Applicable	\$1,132 31.3%	\$1,132 28.5%	Not Applicable
 Health Costs	\$148 7.8%	\$214 5.9%	\$246 6.2%	\$246 10.2%
 Transportation	\$347 18.3%	\$347 9.6%	\$431 10.9%	\$347 14.4%
 Clothing, Household, Personal & Phone	\$166 8.8%	\$342 9.5%	\$399 10.0%	\$399 16.6%
 Taxes ²	\$354 18.7%	\$393 10.9%	\$412 10.4%	\$66 2.7%
Total Monthly Expense	\$1,891	\$3,611	\$3,972	\$2,410

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions.

Cluster 10

Macomb

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$10.91	\$22,696
Single parent family	2	\$21.67	\$45,083
Two parent family (both working)	2	\$11.81 each	\$24,558 each
Two parent family (one working)	2	\$13.90	\$28,922








Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$663 35.1%	\$793 21.1%	\$793 19.4%	\$793 32.9%
 Food	\$213 11.3%	\$390 10.4%	\$559 13.7%	\$559 23.2%
 Child Care	Not Applicable	\$1,239 33.0%	\$1,239 30.3%	Not Applicable
 Health Costs	\$148 7.8%	\$214 5.7%	\$246 6.0%	\$246 10.2%
 Transportation	\$347 18.3%	\$347 9.2%	\$431 10.5%	\$347 14.4%
 Clothing, Household, Personal & Phone	\$166 8.8%	\$342 9.1%	\$399 9.7%	\$399 16.6%
 Taxes ²	\$354 18.7%	\$432 11.5%	\$426 10.4%	\$66 2.7%
Total Monthly Expense	\$1,891	\$3,751	\$4,093	\$2,410

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions.

Cluster 11

Livingston Oakland

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$11.17	\$23,227
Single parent family	2	\$22.68	\$47,181
Two parent family (both working)	2	\$12.27 each	\$25,531 each
Two parent family (one working)	2	\$14.17	\$29,480








Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$696 35.9%	\$825 21.0%	\$825 19.4%	\$825 33.6%
 Food	\$213 11.0%	\$390 9.9%	\$559 13.1%	\$559 22.8%
 Child Care	Not Applicable	\$1,336 34.0%	\$1,336 31.4%	Not Applicable
 Health Costs	\$148 7.6%	\$214 5.4%	\$246 5.8%	\$246 10.0%
 Transportation	\$347 17.9%	\$347 8.8%	\$431 10.1%	\$347 14.1%
 Clothing, Household, Personal & Phone	\$166 8.6%	\$342 8.7%	\$399 9.4%	\$399 16.2%
 Taxes ²	\$366 18.9%	\$478 12.2%	\$460 10.8%	\$81 3.3%
Total Monthly Expense	\$1,936	\$3,932	\$4,255	\$2,457

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions.

Cluster 12

Washtenaw

Family Type	Number of Children under Age 6	Self-Sufficiency Wage ¹	
		Hourly	Annual
Single person	0	\$11.74	\$24,412
Single parent family	2	\$24.16	\$50,248
Two parent family (both working)	2	\$13.01 each	\$27,064 each
Two parent family (one working)	2	\$15.11	\$31,431

Expenses Per Month and as a Percent of Income ¹				
Basic Needs	Single Person	Single Parent	Two Parents (both working)	Two Parents (one working)
 Housing	\$768 37.8%	\$934 22.3%	\$934 20.7%	\$934 35.7%
 Food	\$213 10.5%	\$390 9.3%	\$559 12.4%	\$559 21.3%
 Child Care	Not Applicable	\$1,414 33.8%	\$1,414 31.4%	Not Applicable
 Health Costs	\$148 7.3%	\$214 5.1%	\$246 5.5%	\$246 9.4%
 Transportation	\$347 17.1%	\$347 8.3%	\$431 9.6%	\$347 13.2%
 Clothing, Household, Personal & Phone	\$166 8.2%	\$342 8.2%	\$399 8.8%	\$399 15.2%
 Taxes ²	\$392 19.3%	\$546 13.0%	\$527 11.7%	\$134 5.1%
Total Monthly Expense	\$2,034	\$4,187	\$4,511	\$2,619

¹Percent may not add to 100% due to rounding. ²Net taxes: Federal and State taxes minus EITC and other deductions.

Fair Market Rents, 2007

County	Bedroom(s)				County	Bedroom(s)			
	One	Two	Three	Four		One	Two	Three	Four
Michigan	\$486	\$588	\$759	\$833	Lapeer	663	793	948	978
Alcona	424	519	699	740	Leelanau	561	680	849	874
Alger	435	519	640	720	Lenawee	544	668	852	930
Allegan	525	629	788	845	Livingston	728	856	1,234	1,502
Alpena	466	519	717	793	Luce	438	519	681	742
Antrim	454	548	762	961	Mackinac	431	533	643	700
Arenac	435	519	694	769	Macomb	663	793	948	978
Baraga	435	519	640	720	Manistee	432	567	679	761
Barry	478	584	842	926	Marquette	436	519	653	709
Bay	449	546	729	750	Mason	397	519	679	746
Benzie	561	680	849	874	Mecosta	454	550	731	964
Berrien	479	584	714	916	Menominee	432	519	685	913
Branch	464	610	731	752	Midland	483	595	820	876
Calhoun	498	610	743	765	Missaukee	483	570	749	823
Cass	484	535	709	823	Monroe	619	745	973	1,071
Charlevoix	514	570	820	846	Montcalm	468	535	722	745
Cheboygan	425	525	705	741	Montmorency	426	532	701	742
Chippewa	431	532	645	722	Muskegon	423	549	726	747
Clare	395	519	699	720	Newaygo	470	537	727	748
Clinton	549	679	860	933	Oakland	663	793	948	978
Crawford	426	531	700	742	Oceana	438	522	632	673
Delta	429	519	683	724	Ogemaw	419	519	671	742
Dickinson	410	519	626	853	Ontonagon	428	519	635	755
Eaton	549	679	860	933	Osceola	432	519	711	895
Emmet	491	611	824	871	Oscoda	424	519	699	740
Genesee	541	649	804	829	Otsego	499	657	788	828
Gladwin	435	519	694	769	Ottawa	557	669	926	999
Gogebic	428	519	635	755	Presque Isle	424	519	699	740
Gr. Traverse	574	719	941	971	Roscommon	433	519	674	830
Gratiot	434	519	692	773	Saginaw	482	608	728	748
Hillsdale	451	537	755	825	St. Clair	663	793	948	978
Houghton	432	519	675	773	St. Joseph	482	568	701	786
Huron	434	519	688	836	Sanilac	466	519	731	751
Ingham	549	679	860	933	Schoolcraft	438	519	681	742
Ionia	469	572	685	762	Shiawassee	460	573	789	880
Iosco	449	519	755	783	Tuscola	430	546	655	784
Iron	428	519	635	755	Van Buren	518	630	837	874
Isabella	466	519	747	815	Washtenaw	768	934	1,175	1,210
Jackson	508	606	753	776	Wayne	663	793	948	978
Kalamazoo	518	630	837	874	Wexford	484	564	746	822
Kalkaska	488	542	658	679					
Kent	581	700	893	936					
Keweenaw	428	519	635	755					
Lake	434	519	679	817					

Source: U.S. Department of Housing and Urban Development

Appendix B

Average Monthly Full-Time Child Care Costs, 2006

County	Infant Care	Toddler Care	Pre-school Care	School Age Care	County	Infant Care	Toddler Care	Pre-school Care	School Age Care
Michigan	\$553	\$535	\$516	\$487	Lapeer	527	523	518	509
Alcona	435	425	425	435	Leelanau	525	511	507	503
Alger	506	471	395	462	Lenawee	484	472	464	458
Allegan	489	480	475	470	Livingston	690	671	631	592
Alpena	493	468	466	464	Luce	463	451	455	453
Antrim	447	438	419	419	Mackinac	460	434	436	423
Arenac	432	426	407	407	Macomb	641	622	598	565
Baraga	508	508	588	462	Manistee	475	463	461	455
Barry	486	465	453	413	Marquette	552	503	492	480
Bay	572	562	516	501	Mason	440	428	423	424
Benzie	439	434	433	418	Mecosta	419	407	399	388
Berrien	466	443	431	402	Menominee	471	447	443	447
Branch	407	394	394	346	Midland	582	519	534	484
Calhoun	487	457	440	411	Missaukee	406	399	395	369
Cass	434	407	395	366	Monroe	568	554	538	507
Charlevoix	450	428	430	425	Montcalm	419	405	396	391
Cheboygan	448	437	433	433	Montmorency	423	417	413	425
Chippewa	459	447	439	437	Muskegon	458	445	442	443
Clare	414	401	398	394	Newaygo	437	427	420	410
Clinton	539	523	515	515	Oakland	714	687	657	584
Crawford	474	453	443	454	Oceana	485	476	474	472
Delta	515	482	465	487	Ogemaw	400	397	389	385
Dickinson	507	496	454	489	Ontonagon	446	421	421	421
Eaton	523	497	482	427	Osceola	361	360	352	352
Emmet	475	474	474	446	Oscoda	419	400	400	402
Genesee	532	527	522	507	Otsego	478	465	462	461
Gladwin	440	422	411	414	Ottawa	535	522	513	509
Gogebic	465	428	414	423	Presque Isle	495	465	454	456
G. Traverse	519	502	490	464	Roscommon	427	419	405	403
Gratiot	441	424	422	412	Saginaw	541	535	531	497
Hillsdale	402	394	403	395	St. Clair	565	560	538	525
Houghton	479	480	465	451	St. Joseph	435	420	404	386
Huron	436	427	412	410	Sanilac	419	406	404	402
Ingham	561	535	516	466	Schoolcraft	477	478	473	466
Ionia	465	447	437	428	Shiawassee	497	470	460	414
Iosco	467	446	439	431	Tuscola	627	581	523	341
Iron	518	504	502	478	Van Buren	517	497	477	450
Isabella	477	459	451	451	Washtenaw	733	706	686	625
Jackson	464	454	448	448	Wayne	604	586	516	480
Kalamazoo	536	522	471	471	Wexford	403	394	386	378
Kalkaska	418	422	407	407					
Kent	591	551	542	542					
Keweenaw	477	455	412	412					
Lake	373	373	370	373					

Source: Michigan 4C Association

Living Wage Provisions in Selected Michigan Cities			
Place	Passed	Coverage	Main Provisions*
Ann Arbor	Mar-01	Contracts and subsidies over \$10,000	\$9.91 with benefits—\$11.48 without
Detroit	Nov-98	Contracts, subsidies or financial assistance \$50,000 or more	Equivalent to poverty level* for family of 4 with health benefits—125% of poverty level without
Eastpointe	Mar-01	Contracts or tax incentives of \$5,000 or more	Equivalent to poverty level* for a family of 4 with benefits—125% of poverty level without
Ferndale	Feb-01	Contracts \$25,000 or more	\$8.50 if insurance is included—\$9.75 without
Ingham County	June-03	Employees working for Ingham County; contracts over \$50,000; subcontracts over \$25,000	125% of poverty level*, provided that costs paid by employer for an employee's health care benefits by counted towards up to hourly rate payable to employee
Lansing	Sept-03	Unclear	125% of the Federal Poverty Guidelines*
Pittsfield Township	Apr-01	Contracts or financial assistance (tax breaks, loans and grants) over \$10,000	\$9.88 with benefits—\$11.58 without
Southfield	Jul-02	Contracts over \$50,000; employers receiving tax abatement from the city	Equivalent to poverty level* for a family of 4 with benefits—125% of poverty level without
Taylor	Nov-02	Contracts over \$50,000	\$9.67 with benefits—\$12.09 without benefits for contracts over \$50,000—\$10.80 for other contracts
Warren	Jan-00	Contracts or tax incentives of \$50,000 or more	Equivalent to poverty level* for a family of 4 with benefits—125% of poverty level without
Washtenaw County	Oct-01	Contracts \$10,000 or more	\$9.87 with benefits—\$11.58 without
Ypsilanti (city)	Jun-99	Contracts or financial assistance over \$20,000	\$8.50 with health benefits—\$10.00 without
Ypsilanti Township	Jun-99	Contracts over \$10,000	\$8.50 with health benefits—\$10.00 without

*For 2005-2006, the poverty level wage is \$10/hour, and the wage at 125% of the poverty level is \$12.50/hour.

Source: Living Wage Resource Center

Chart created by Michigan League for Human Services

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MICHIGAN LEAGUE FOR HUMAN SERVICES

**1115 South Pennsylvania Avenue, Suite 202
Lansing, MI 48912**

Phone: (517) 487-5436 — Fax: (517) 371-4546

Web site: <http://www.MiLHS.org>

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