

Working full time not enough to lift thousands of Florida's working parents out of poverty

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Even after working 40 or more hours a week, thousands of Florida parents would need to earn nearly double the state's current hourly minimum wage in order to break even, according to policy analyses conducted by researchers at the National Center for Children in Poverty (NCCP), Columbia University Mailman School of Public Health. Findings from NCCP's latest brief, on Florida's minimum wage, underscore the importance of considering the consequences of policies—and policy interactions—on the lives of working families.

"For all but the smallest Florida households, working full time will not be enough to make ends meet or to provide families with a sure path out of poverty," said NCCP Director Renée Wilson-Simmons, DrPH, who is also assistant professor of Health Policy and Management at the Mailman School. "At Florida's current minimum wage of \$8.05, some 200,000 parents working full time live in poverty, and still more struggle to pay for such basics as [child care](#), [health care](#), and housing. And, perversely, in many households, taking on more hours can actually cost more money as important benefits decline."

In the past year, Florida state legislators have advanced legislation or promoted ballot initiatives that would raise the state's minimum wage to as much as \$15 per hour. However, insufficient support from Florida lawmakers and business leaders has blocked those efforts, despite arguments by advocates that raising the minimum wage would help

working Floridians cover much-needed family expenses, leading to increased spending that would, in turn, help spur the state's economy.

To help inform this debate, NCCP researchers released the policy brief *The Florida Minimum Wage: How Much Can It Really Buy, and How High Should It Be?* which illustrates how changes in the minimum wage would affect the budgets of low-income households at a range of working hours.

Here are some of the Florida findings:

- Single parents of more than one child who are working at the current minimum wage cannot access federal health care subsidies under the Affordable Care Act (ACA), leaving them without affordable health insurance if they lack employer-provided coverage. Without expanded Medicaid coverage, more than 100,000 Florida working parents confront a coverage gap: They earn too much to qualify for Medicaid and too little to be eligible for health insurance subsidies. Florida is second only to Texas among states with the highest number of people falling into the coverage gap.
- For many families with child care needs and without access to employer-provided health care, the state minimum wage is too low to act as an adequate incentive for a second parent to work more than part time. Adding more working hours can easily run up more costs in child care, transportation, and other work expenses—and decrease federal work supports like the Supplemental Nutrition Assistance Program (i.e., food stamps) and the Earned Income Tax Credit.

"Exploring how proposed changes affect families' real choices and opportunities is crucial to any policy debate," said NCCP researcher Seth Hartig. "For example, a Jacksonville family with two parents earning the

minimum wage with one child in day care would see a boost once they qualify for health care subsidies, at the point when one parent works 40 hours a week and a second parent works eight hours a week. But our model estimates that for every hour a parent works after that, it costs an average of \$7.92 an hour as expenses like child care and transportation go up."

This latest analysis of the Florida [minimum wage](#) policy is derived from a recent update of NCCP's Family Resource Simulator, an online tool that allows users to analyze how federal and state supports function separately and together to strengthen—or weaken—family economic security. The web-based platform gives users latitude to explore and test a variety of scenarios.

The Florida Family Resource Simulator includes six localities—Highlands County, Jacksonville, Miami, Orlando, Tallahassee, and Tampa—and reflects policy rules in effect as of summer 2015. Over the past 13 years, NCCP has developed simulators for 26 states, most recently updating the tool for Florida, Colorado, and Ohio.

To use the Family Resource Simulator or any of NCCP's other policy tools, visit <http://www.nccp.org/tools>.

Provided by Columbia University's Mailman School of Public Health

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