

Modeling the impact of public benefits on family budgets in Allegheny County, PA

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What is the FRS?

- Calculates a family's net resources at various earnings levels. The calculation is (resources) – (expenses):
 - Resources = earnings + interest on savings + SSI + child support + TANF + SNAP + EITC + refundable portion of CTC
 - Expenses = Federal income taxes after nonrefundable credits + payroll taxes + state and local income taxes + sales taxes + child care costs + rent costs + utility costs + food costs + transportation costs + health care costs + disability-related costs + afterschool care costs + debt payments
- Produces graphical output that can model public benefits, marginal tax rates, and minimum wages.

What is the FRS?

- Public benefits the FRS currently models:
 - Medicaid/CHIP
 - TANF
 - CCDF subsidies
 - SSI/SSP
 - WIC
 - HCVP (Section 8)
 - LIHEAP
 - Child support
 - Pre-K and afterschool, where available
 - Free and reduced price meal programs
 - Federal, state, and local tax credits (e.g. EITCs, CTCs, CDCTCs, and Premium Tax Credits)
 - Public transportation
 - Lifeline

How our collaboration began

- Seth H. presented poster about the FRS at RECS 2018
- Seth C. knew of interest in a similar tool for Pittsburgh
- Seths worked together to tailor an FRS spreadsheet for Allegheny County.

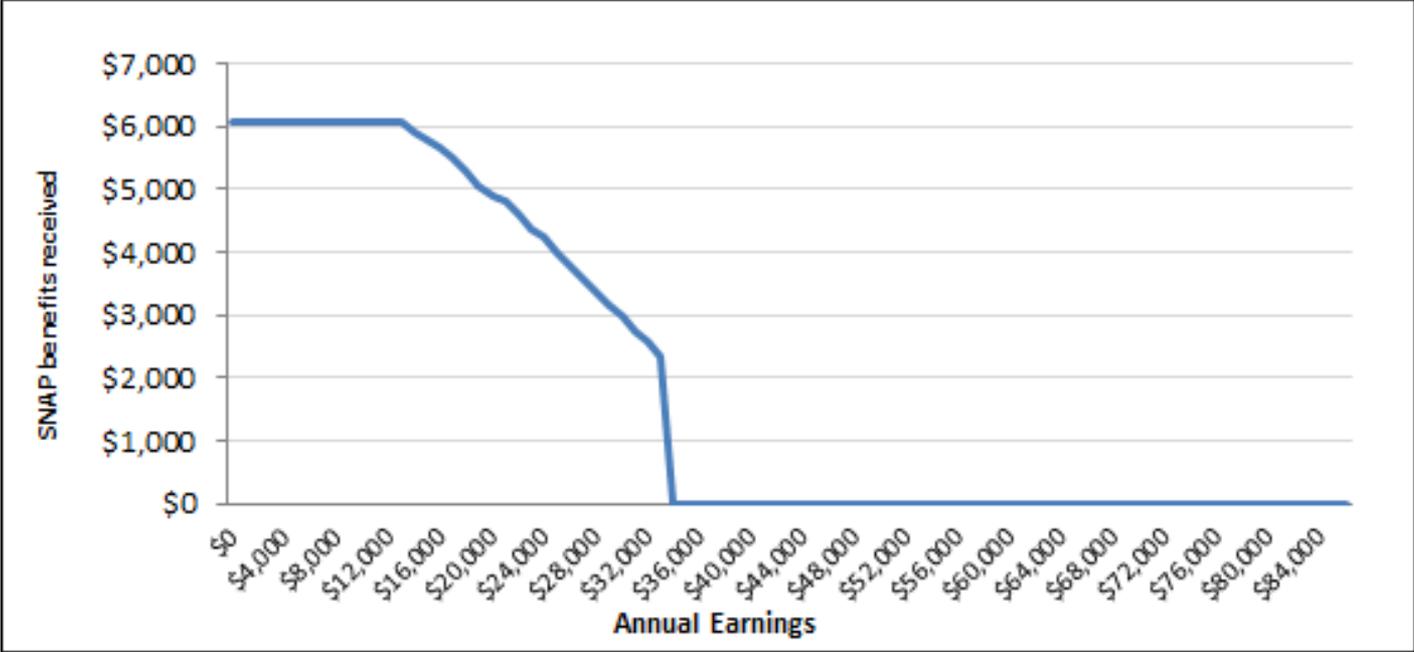
Public benefits in Allegheny County, PA

- Public benefits are administered by state government, not counties
- State supplemental SSI payments
- No state-level EITC
- Pittsburgh MSA uses small-area Fair Market Rents for Section 8

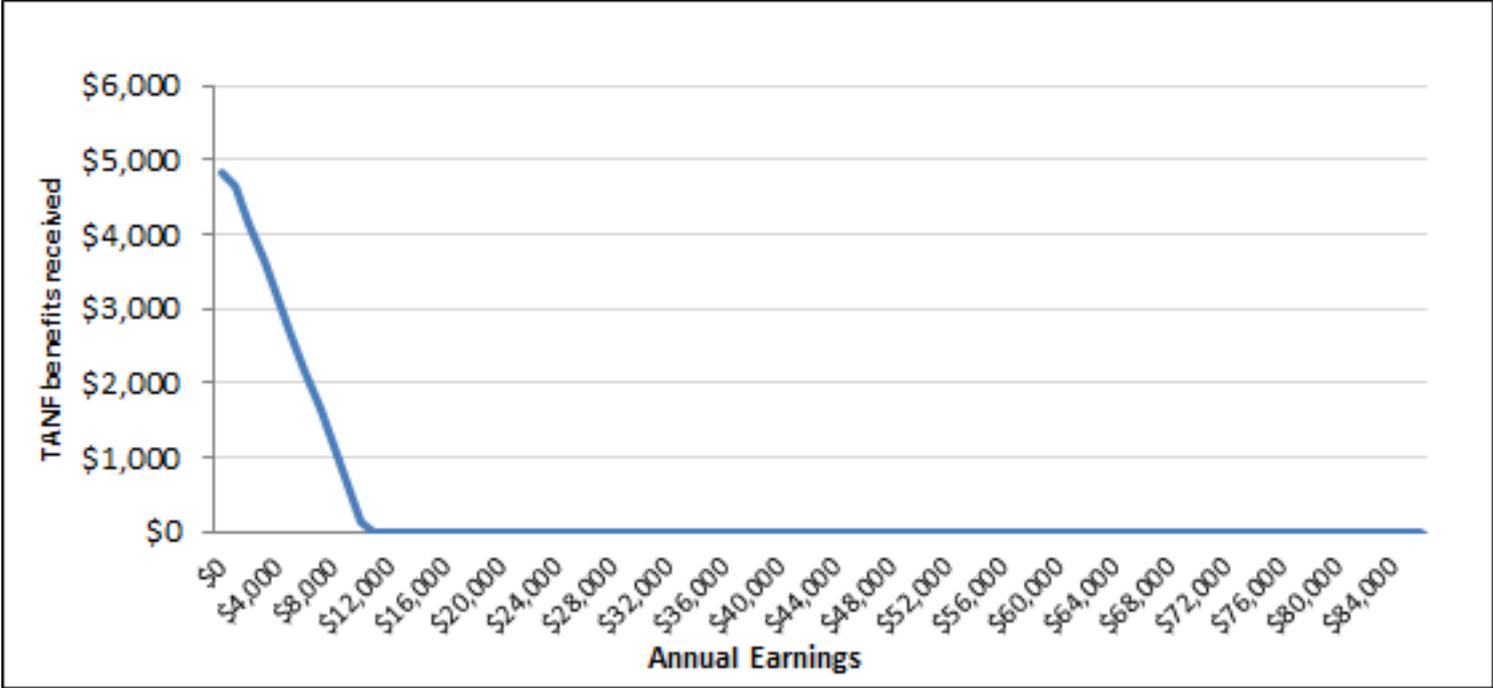
Budget simulation

- Budget simulation for the following Allegheny County family:
 - Single mother, age 26
 - Two children, ages 1 and 3
 - Receives child support for one child; NCP's earnings are \$30,000 per year
 - Works up to 40 hours per week, Monday through Friday, 9 am to 5 pm
 - Takes public transit to work
 - Breastfeeds the infant child
 - Pays \$100 per month on outstanding debt
 - Has \$800 in savings account
 - Uses STAR level 1 center-based child care
 - Receives a Housing Choice Voucher
 - Lives in an apartment with gas heating
 - 3 year-old is not enrolled in public pre-K
 - Starting hourly wage is \$12.50 per hour

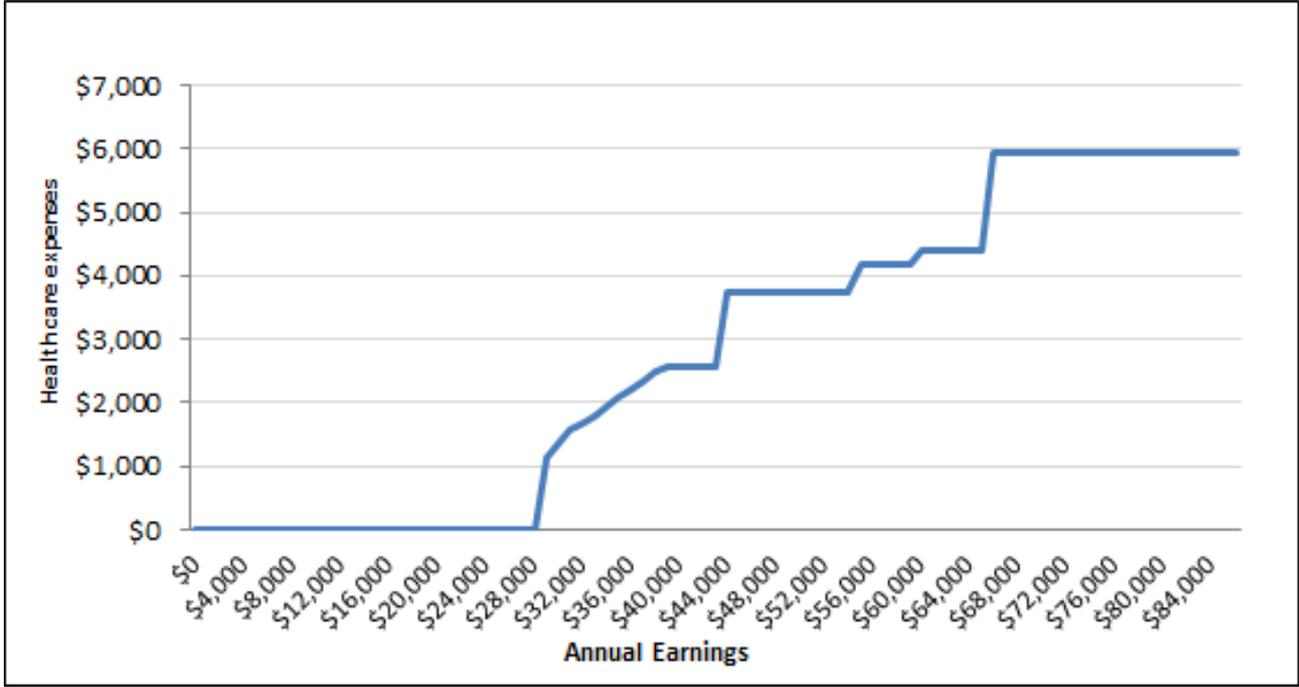
Budget simulation - SNAP



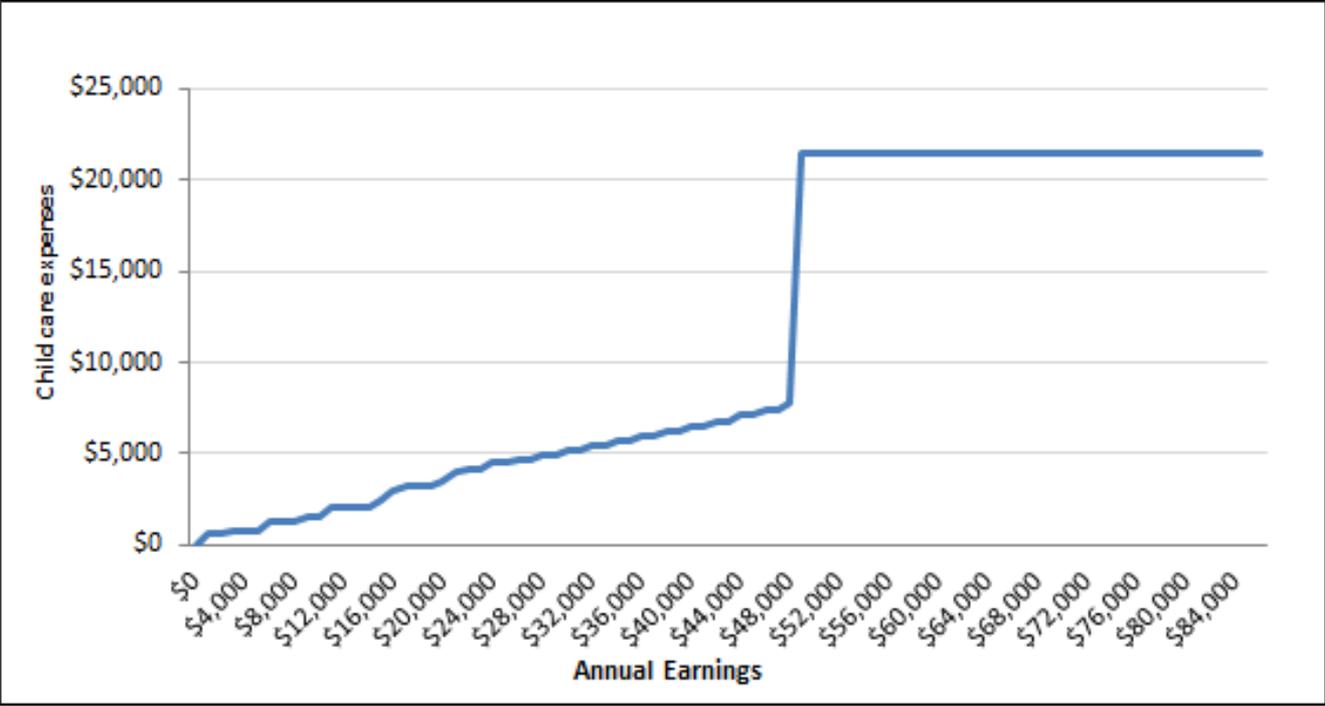
Budget simulation - TANF



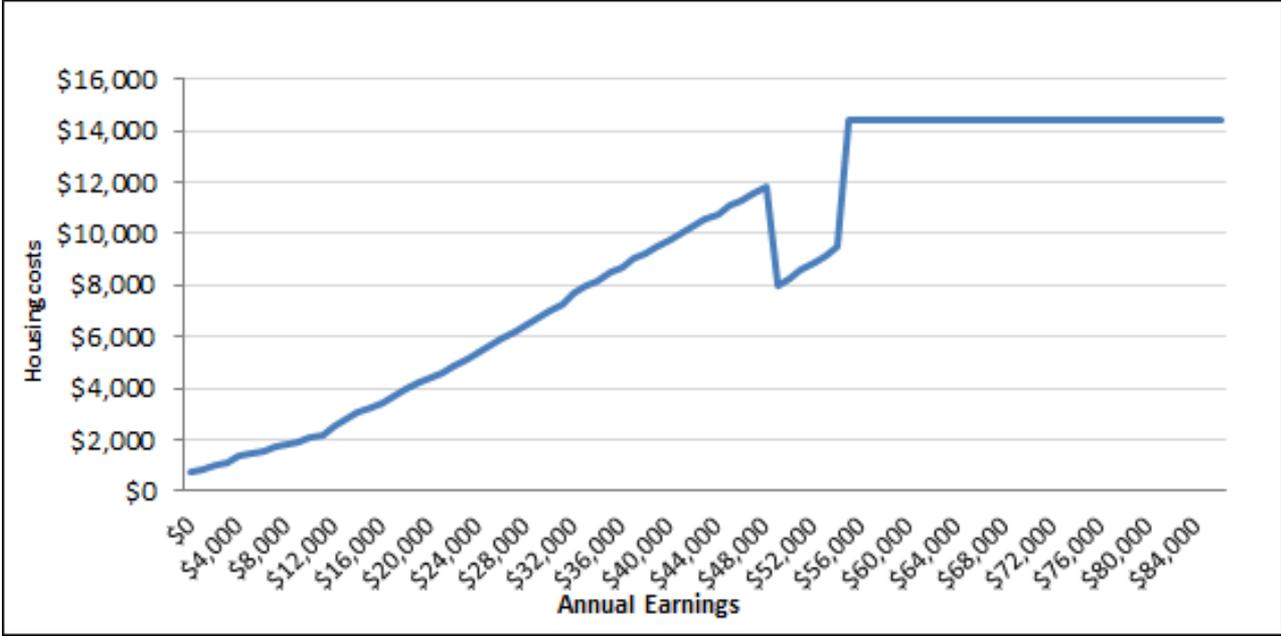
Budget simulation - Health care expenses



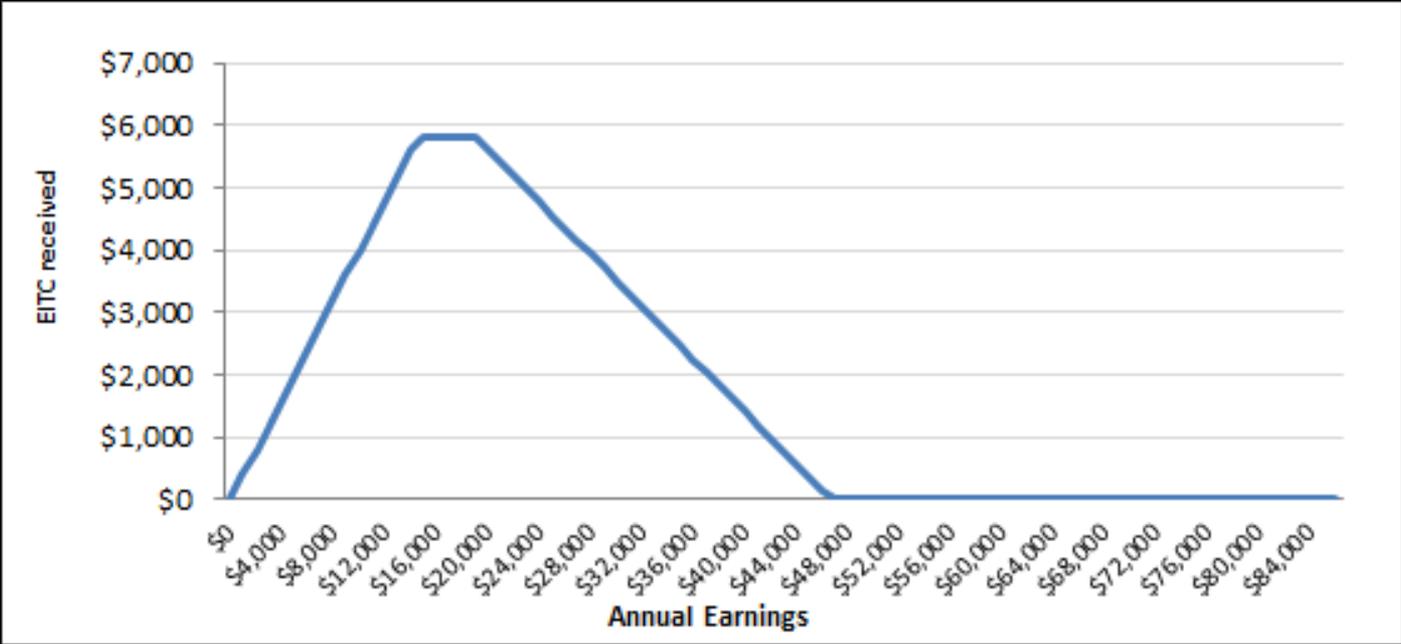
Budget simulation - Child care expenses



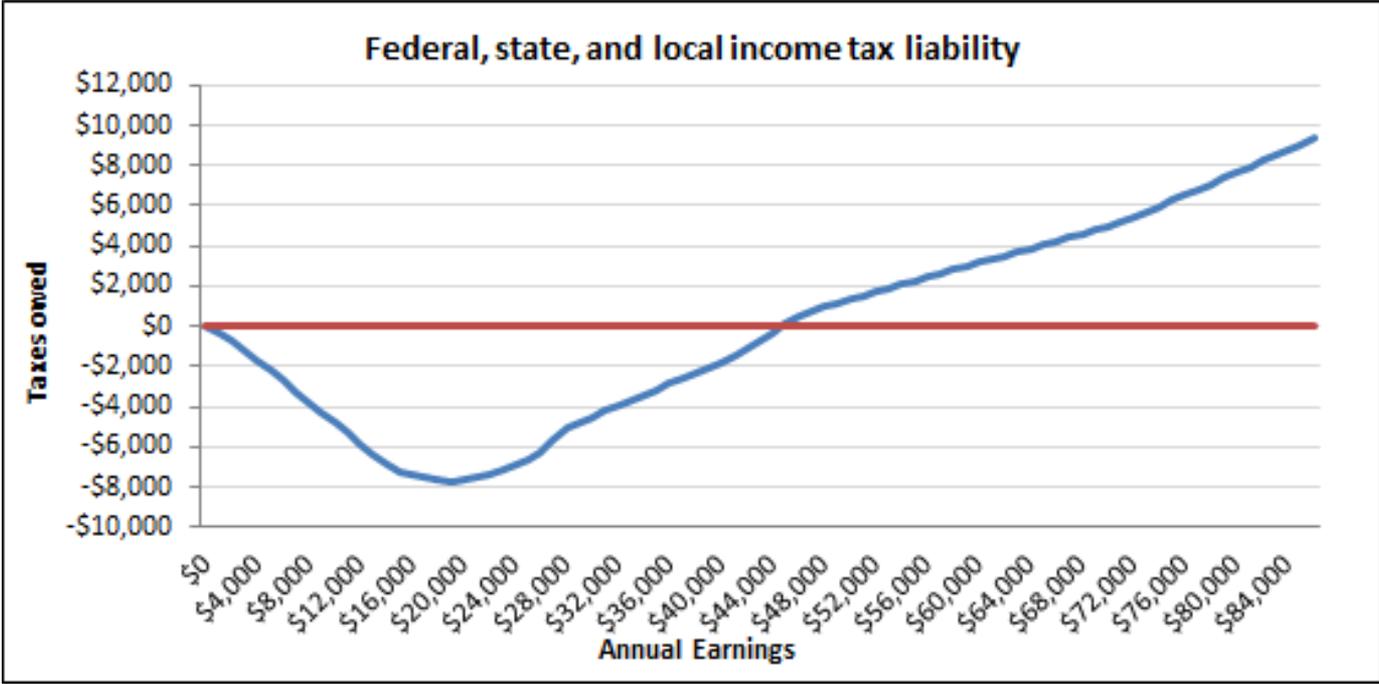
Budget simulation - Housing costs



Budget simulation - EITC



Budget simulation - Taxes



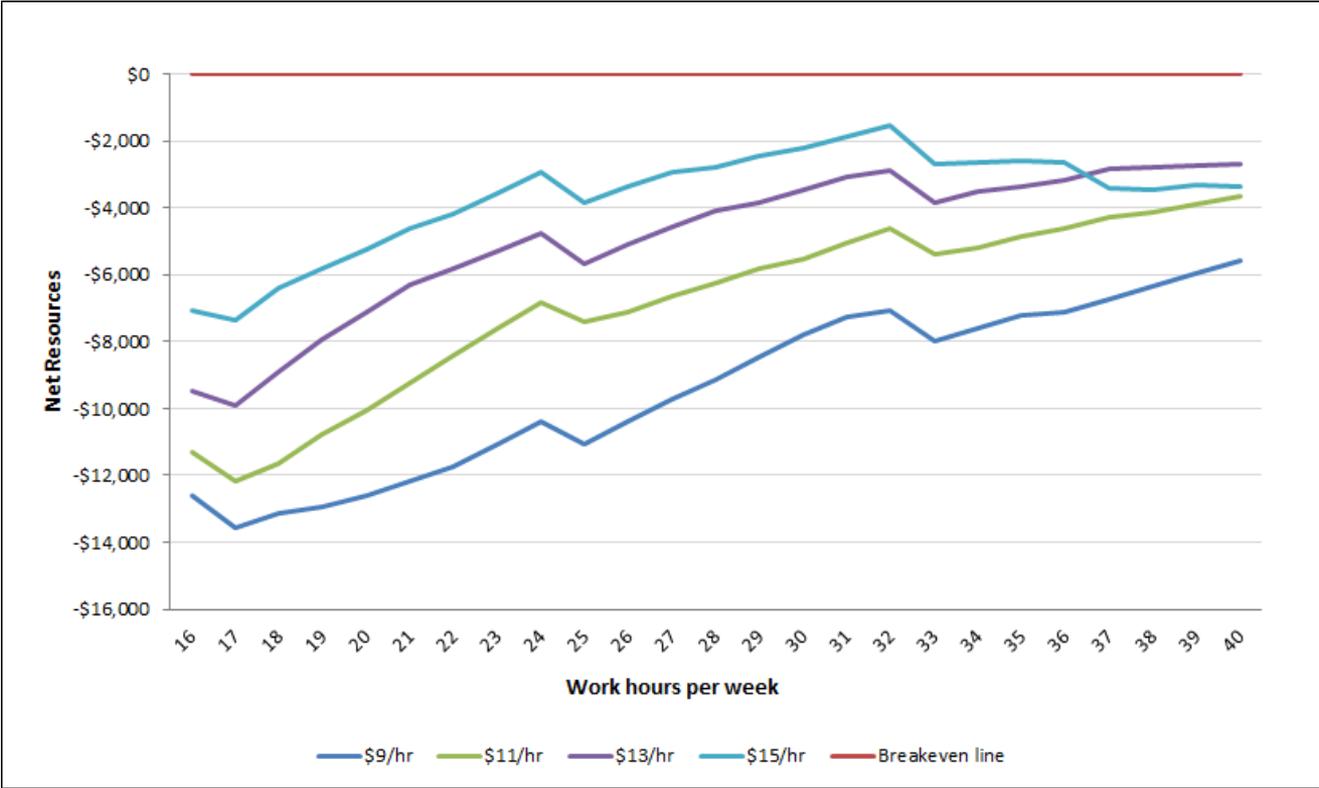
Other components of net resources

- Earnings from wages
- LIHEAP, incorporated in housing costs
- Food expenses, based on USDA low cost food plan
- “Other necessities”, such as clothing, personal care items, household repairs, and telephone costs.
- Lifeline subsidy, incorporated into “Other necessities” calculation
- Sales taxes
- Costs related to disability, such as additional equipment people might need in order to work
- After school child care costs
- Debt payments

Budget simulation - Net resources



Simulation of minimum wage increase



Next steps

- Allegheny County is part of federal project to develop a new FRS geared towards use by human services clients and case workers.
- Long-term vision for FRS is to create open source code for localities to use to maintain their own versions of the tool
- NCCP is open to collaborations to create new locally-tailored versions of the FRS.

Using the FRS online



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Family Resource Simulator

The Family Resource Simulator illustrates the impact of “work supports”—such as earned income tax credits and child care assistance—on the budget of a hypothetical family. Based on the answers provided on steps 1 through 7, the Simulator generates graphs that show how family resources and expenses change as earnings increase. Create your own scenario by following the steps below or see [sample results](#). A related tool, the [Basic Needs Budget Calculator](#), allows users to see how much income is necessary to cover a family’s basic expenses.



1 Select state and city (or county).



---Select a State---

---Select a Location---

also of interest

- ◆ Read about how the Family Resource Simulator was used to model potential policy changes in [Colorado and Ohio in 2015](#) and in [Florida in 2016](#)
- ◆ Learn more about the policies included in the Family Resource Simulator on our [Work Supports](#) page and related [publications](#).
- ◆ Learn more about [Low-Wage Work](#)

Thanks!

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