

# MARYLAND

Department of Human Resources



*ESTIMATED  
MINIMUM LIVING LEVELS  
for  
TEMPORARY CASH ASSISTANCE  
PARTICIPANTS*

Updated Through  
**FISCAL YEAR 2016**

***ESTIMATED MINIMUM LIVING LEVEL***

for

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***FISCAL YEAR 2016***

***Department of Human Resources***  
***Sam Malhotra, Secretary***

***Family Investment Administration***  
Rosemary Malone, Executive Director

INQUIRIES TO:  
**VINCE KILDUFF**  
Office of Programs  
410- 767- 7187

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## ESTIMATED MINIMUM LIVING LEVEL

### *Fiscal Year 2016 Update*

#### **Background**

The Minimum Living Level represents a minimal standard of living for a family in Maryland. In 1979, the Governor's Commission on Welfare Grants proposed that the estimated monthly Minimum Living Level for recipients of Aid to Families with Dependent Children (AFDC) be increased from \$314 per month to \$600 per month for a family of four persons. To be consistent with the average of 2.7 persons per household in 1995, the Minimum Living Level data was recalculated in Fiscal Year (FY) 1995 to convert the standard household from four persons to three persons.

Senate Joint Resolution 34, enacted by the General Assembly in 1980, requires the Department of Human Resources to use the Commission's "findings, updated annually, as a basis for evaluating budgetary requirements for the various public assistance programs." This document updates the Minimum Living Level for FY 2016. The standard recommended by the Governor's Commission for FY 1980 was based on actual costs for July 1979. The Department of Human Resources has completed updates for the proposed Minimum Living Level annually, except for FY 1981.

#### **Methodology**

We determined the Minimum Living Level for FY 2016 by comparing the year over year change between May 2014 and May 2015 in the Consumer Price Index for All Urban Consumers (CPI-U), found in the U.S. Department of Labor, Bureau of Labor Statistics Monthly Labor Review. The result of this comparison was a zero percent change. Consequently, there is no increase in the Minimum Living Level (MLL) for FY 2016. This is consistent with the United States Department of Agriculture's (USDA) determination of a zero percent change in the index it uses to determine Supplemental Nutrition Assistance Program (SNAP) benefits, called the Food Supplement Program in Maryland.

We adopted a streamlined method for determining the FY 2016 MLL in order to be consistent with cost of living increase calculations in other programs. Historically the MLL was based upon individual calculations for nine components of a family budget, as recommended by the 1980 report from the Governor's Commission on Welfare Grants. The following considerations influenced our decision to change methods with this report:

- The standards established in 1979 may not reflect current market conditions.
- No other Maryland assistance programs use the nine-component index from 1980 to determine cost of living adjustments, and most federal assistance programs use the Consumer Price Index.

The Department of Human Resources will calculate the Minimum Living Level cost of living adjustments using the CPI-U, U.S. city average for “All items” rather than the subset of nine items used in previous editions of this report.

We calculate the MLL on the Federal Fiscal Year in order to align changes to the Temporary Cash Assistance (TCA) benefit with the annual changes in the SNAP benefit.

**TABLE 1**  
**MINIMUM LIVING LEVELS**  
**TEMPORARY CASH ASSISTANCE**

SOURCE	Fiscal Year	TOTAL
<b>Governor's Commission Report (FAMILY OF FOUR)</b>	<b>FY '80</b>	<b>\$600</b>
<b>Commission Report - Prorated (FAMILY OF THREE)</b>	<b>FY '80</b>	<b>\$504</b>
Updated Minimum Living Level	FY '81	---
Updated Minimum Living Level	FY '82	\$585
Updated Minimum Living Level	FY '83	\$614
Updated Minimum Living Level	FY '84	\$631
Updated Minimum Living Level	FY '85	\$659
Updated Minimum Living Level	FY '86	\$685
Updated Minimum Living Level	FY '87	\$704
Updated Minimum Living Level	FY '88	\$728
Updated Minimum Living Level	FY '89	\$761
Updated Minimum Living Level	FY '90	\$798
Updated Minimum Living Level	FY '91	\$852
Updated Minimum Living Level	FY '92	\$867
Updated Minimum Living Level	FY '93	\$987
Updated Minimum Living Level	FY '94	\$1,007
Updated Minimum Living Level	FY '95	\$1,079
Updated Minimum Living Level	FY '96	\$1,107
Updated Minimum Living Level	FY '97	\$1,134
Updated Minimum Living Level	FY '98	\$1,163
Updated Minimum Living Level	FY '99	\$1,194
Updated Minimum Living Level	FY '00	\$1,232
Updated Minimum Living Level	FY '01	\$1,278
Updated Minimum Living Level	FY '02	\$1,356
Updated Minimum Living Level	FY '03	\$1,374
Updated Minimum Living Level	FY '04	\$1,406
Updated Minimum Living Level	FY '05	\$1,460
Updated Minimum Living Level	FY '06	\$1,517
Updated Minimum Living Level	FY '07	\$1,569
Updated Minimum Living Level	FY '08	\$1,624
Updated Minimum Living Level	FY '09	\$1,700
Updated Minimum Living Level	FY '10	\$1,708
Updated Minimum Living Level	FY '11	\$1,726
Updated Minimum Living Level	FY '12	\$1,773
Updated Minimum Living Level	FY '13	\$1,806
Updated Minimum Living Level	FY '14	\$1,837
Updated Minimum Living Level	FY '15	\$1,881
<b>Updated Minimum Living Level</b>	<b>FY 2016</b>	<b>\$1,881</b>

**TABLE 2**

**CALCULATION OF THE YEAR/YEAR CHANGE IN CPI-U**

<b>Month/Year</b>	<b>Expenditure category</b>	<b>Unadjusted indexes</b>
May 2014	All items	237.900
May 2015	All items	237.805

<b>Year over Year Change</b>	<b>0%</b>
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**TABLE 3**

**CALCULATION OF THE FFY 2016 MINIMUM LIVING LEVEL HOUSEHOLD OF THREE**

<b>Year</b>	<b>Percentage Change</b>	<b>MLL</b>
2015		\$1,881
<i>(multiplied by x +1)</i>	0%	
<b>2016</b>		<b>\$1,881</b>

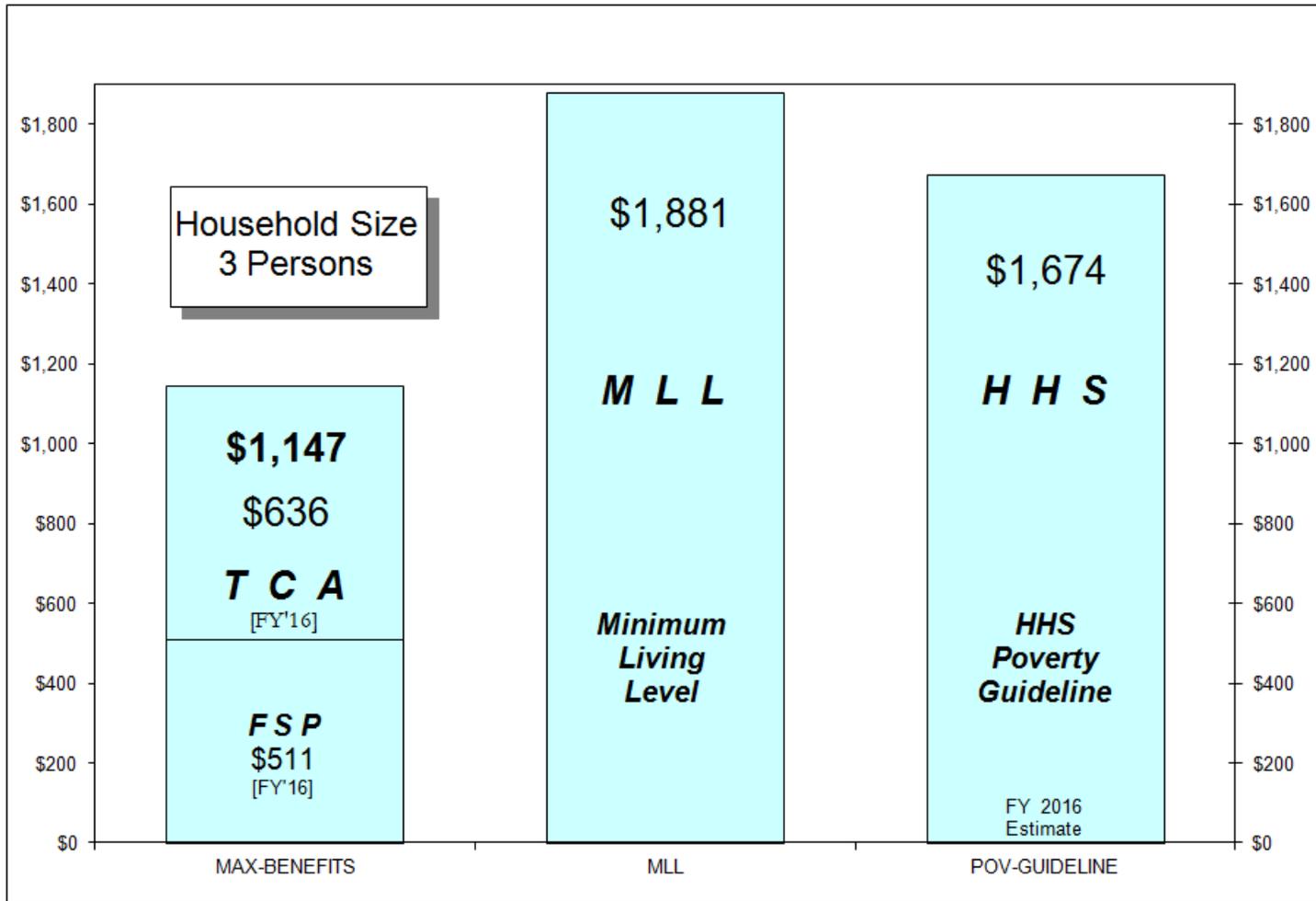
**TABLE 4**

**CALCULATION OF THE MAXIMUM TCA GRANT FOR A  
HOUSEHOLD OF THREE, FY 2016**

<b>Year</b>	<b>MLL</b>	<b>Target for TCA and FSP maximum benefits as a percentage of the MLL</b>	<b>MLL multiplied by the target percentage</b>	<b>FSP grant for household of three (set by the USDA)</b>	<b>Subtract FSP grant from the MLL multiple to determine TCA grant for household of three</b>
<b>2015</b>	<b>\$1881</b>	<b>61%</b>	<b>\$1147</b>	<b>\$511</b>	<b>\$636</b>
<b>2016</b>	<b>\$1881</b>	<b>61%</b>	<b>\$1147</b>	<b>\$511</b>	<b>\$636</b>

**TABLE 5**

**TCA & FSP MAXIMUM GRANTS / MLL / FEDERAL POVERTY LEVEL**



**TABLE 6**

**FFY 2016 TCA & FSP MAXIMUM GRANTS  
BY HOUSEHOLD SIZE**

Household Size	Allowable TCA Payment	Allowable FSP Payment	TCA Payment Room & Board Schedule	Total Children With One Needy Caretaker
1	\$288	\$194		
2	\$503	\$357	\$503	1
<b>3</b>	<b>\$636</b>	<b>\$511</b>	\$636	2
4	\$762	\$649	\$762	3
5	\$883	\$771	\$883	4
6	\$971	\$925	\$971	5
7	\$1091	\$1,022	\$1091	6
8	\$1091	\$1,169	\$1091	7
9	\$1295	\$1,315	\$1295	8
10	\$1399	\$1,461	\$1399	9
11	\$1526	\$1,607	\$1526	10
12	\$1596	\$1,753	\$1596	11
13	\$1693	\$1,899	\$1693	12
14	\$1792	\$2,045	\$1792	13
15	\$1894	\$2,191	\$1894	14
16	\$2016	\$2,337	\$2016	15