

# Fact Sheet



IWPR R590

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## Basic Economic Security in the United States: How Much Income Do Working Adults Need in Each State?

Economic security is a critical part of the overall health and well-being of women, men, and children. To experience economic security, working adults must have enough income to meet their basic monthly expenses—such as housing, food, transportation, and child care expenses—and save for emergencies and retirement. The Basic Economic Security Tables (BEST) Index provides a measure of how much income working adults of different family types need to be economically secure in each state.<sup>1</sup>

This fact sheet presents new national and state-level BEST data calculated by the Institute for Women's Policy Research. BEST data for many more family types than shown here are available at <http://www.basiceconomicsecurity.org/>.

### Economic Security Snapshot: United States

- Only 67 percent of working adults (aged 19–64) in the United States are economically secure, meaning their family household income is enough to meet monthly basic expenses and reach modest asset development goals (Table 1).
- Working men are more likely to be economically secure than working women (68.2 percent of men are economically secure, compared with 65.5 percent of women).
- White men are the most likely to live with economic security in the United States, and Hispanic men and women are least likely to live with economic security.
- Just under one in four households headed by single mothers in the United States are economically secure and live with family incomes above the BEST Index for their family type. Families headed by single mothers are the least likely to be economically secure, while married couples without children are the most likely to be economically secure.

### Amount of annual income working adults with employment benefits need for basic economic security in the United States...



A single working adult

**\$33,012**



A single parent with  
1 infant

**\$50,916**



2 working adults  
with 1 infant, 1 preschooler

**\$79,224**

Table 1 shows how much income working adults—both with and without employment-based benefits—in the United States need for basic economic security.

- A single working adult needs \$2,751 per month, or \$33,012 per year, to be economically secure.
- A single working parent with one infant needs \$4,243 per month, or \$50,916 per year, for their family to be economically secure.
- A family with two working parents, one infant, and one preschooler needs a monthly income of \$3,301 per worker (or, \$6,602 per couple), or nearly \$80,000 per year, to experience basic economic security.

The BEST Index shows that living above the federal poverty threshold is not necessarily enough for basic economic security. In 2017, the federal poverty line for a single adult under age 65 was \$12,752 and \$16,895 for a household with one adult and one child under age 18.<sup>2</sup>

Working adults without employment-based benefits need more income to have basic economic security. Without benefits, workers need to pay for health insurance and save for retirement on their own (Table 1).<sup>3</sup>

**Table 1. The Basic Economic Security Tables for the United States, 2018**

Monthly Expenses	Workers with Benefits			Workers without Benefits		
		1 Worker	2 Workers		1 Worker	2 Workers
	1 Worker	Infant	Preschooler	1 Worker	Infant	Preschooler
Housing & Utilities	\$785	\$895	\$895	\$785	\$895	\$895
Food	\$267	\$381	\$702	\$267	\$381	\$702
Transportation	\$476	\$520	\$985	\$476	\$520	\$985
Child Care	\$0	\$667	\$1,435	\$0	\$667	\$1,435
Personal & Household Items	\$389	\$472	\$591	\$389	\$472	\$591
Healthcare	\$177	\$373	\$596	\$315	\$485	\$806
Emergency Savings	\$102	\$174	\$246	\$111	\$188	\$260
Retirement Savings	\$72	\$72	\$70	\$121	\$121	\$117
Taxes	\$483	\$782	\$1,259	\$516	\$807	\$1,349
Tax Credits	\$0	-\$93	-\$177	\$0	-\$92	-\$177
<b>Monthly Total (per worker)</b>	<b>\$2,751</b>	<b>\$4,243</b>	<b>\$3,301</b>	<b>\$2,980</b>	<b>\$4,444</b>	<b>\$3,481</b>
<b>Annual Total</b>	<b>\$33,012</b>	<b>\$50,916</b>	<b>\$79,224</b>	<b>\$35,760</b>	<b>\$53,328</b>	<b>\$83,544</b>
<b>Hourly Wage (per worker)</b>	<b>\$15.63</b>	<b>\$24.11</b>	<b>\$18.76</b>	<b>\$16.93</b>	<b>\$25.25</b>	<b>\$19.78</b>
<b>Additional Asset Building Savings</b>						
Children's Education and Training	\$0	\$100	\$201	\$0	\$100	\$201
Homeownership	\$123	\$144	\$144	\$123	\$144	\$144

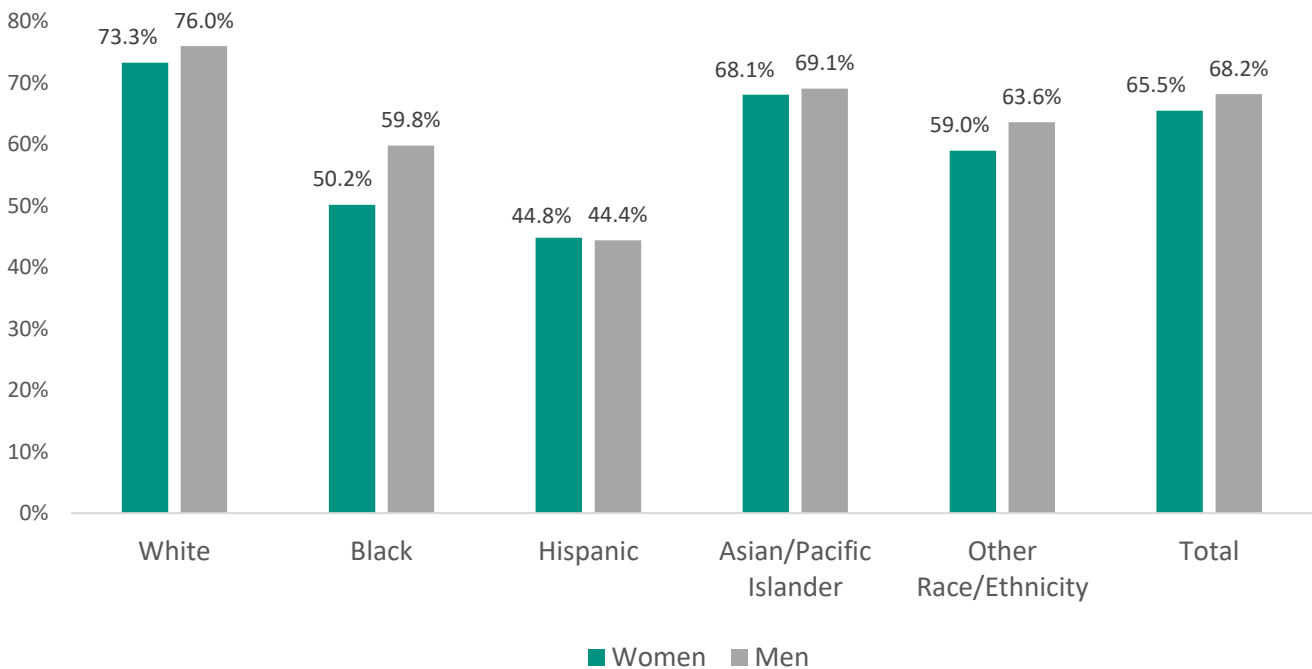
Notes: “Benefits” include employment-based health insurance and retirement plans. Infants are aged 0–12 months and preschool children are 13–48 months. Hourly wages are for 176 hours per month.

Source: IWPR compilation of data from the Basic Economic Security Tables available at [www.basiceconomicsecurity.org](http://www.basiceconomicsecurity.org).

## Basic Economic Security by Race and Ethnicity

### Figure 1. Working Women and People of Color are Less Likely to Have Basic Economic Security

Percent of Working Adults Living with Economic Security by Gender and Race/Ethnicity, United States, 2016



Notes: Includes working adults aged 19-64. Racial groups are non-Hispanic.

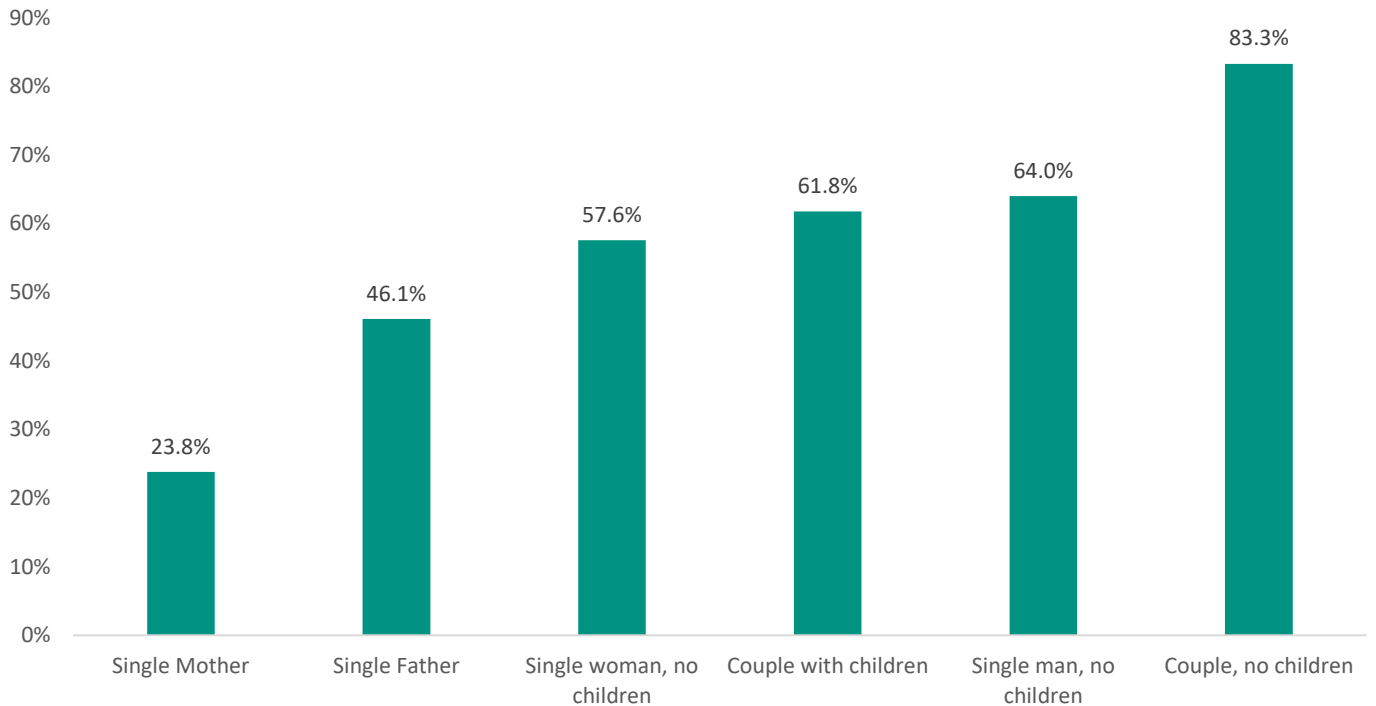
Sources: IWPR analysis of five years (2012 – 2016) of data from American Community Survey (Integrated Public Use Microdata Series, Version 7.0) and the Basic Economic Security Tables Index.

- White men are the most likely to live with economic security in the United States. Among working women from the racial and ethnic groups shown in Figure 1, White women are the most likely to live with economic security (73 percent; Figure 1).
- Hispanic men and women are the least likely to have economic security (44 percent and 45 percent, respectively).
- Among working women, White women are the most likely to live with economic security (73 percent), while Hispanic women are the least likely (45 percent). Among working Black women, 50 percent experience economic security, which is substantially lower than the rate among working Black men, at nearly 60 percent (Figure 1).

## Basic Economic Security by Family Type

### Figure 2. Families with Single Working Mothers are the Least Likely Family Household Type to Have Economic Security

Percent of Households with Economic Security by Household Type, United States, 2016



Notes: Children are aged under 19 and the number of children are capped at 6 to make it comparable to the BEST indices. Married couples include cohabiting partners.

Sources: IWPR analysis of five years (2012 – 2016) of data from American Community Survey (Integrated Public Use Microdata Series, Version 7.0) and the Basic Economic Security Tables Index.

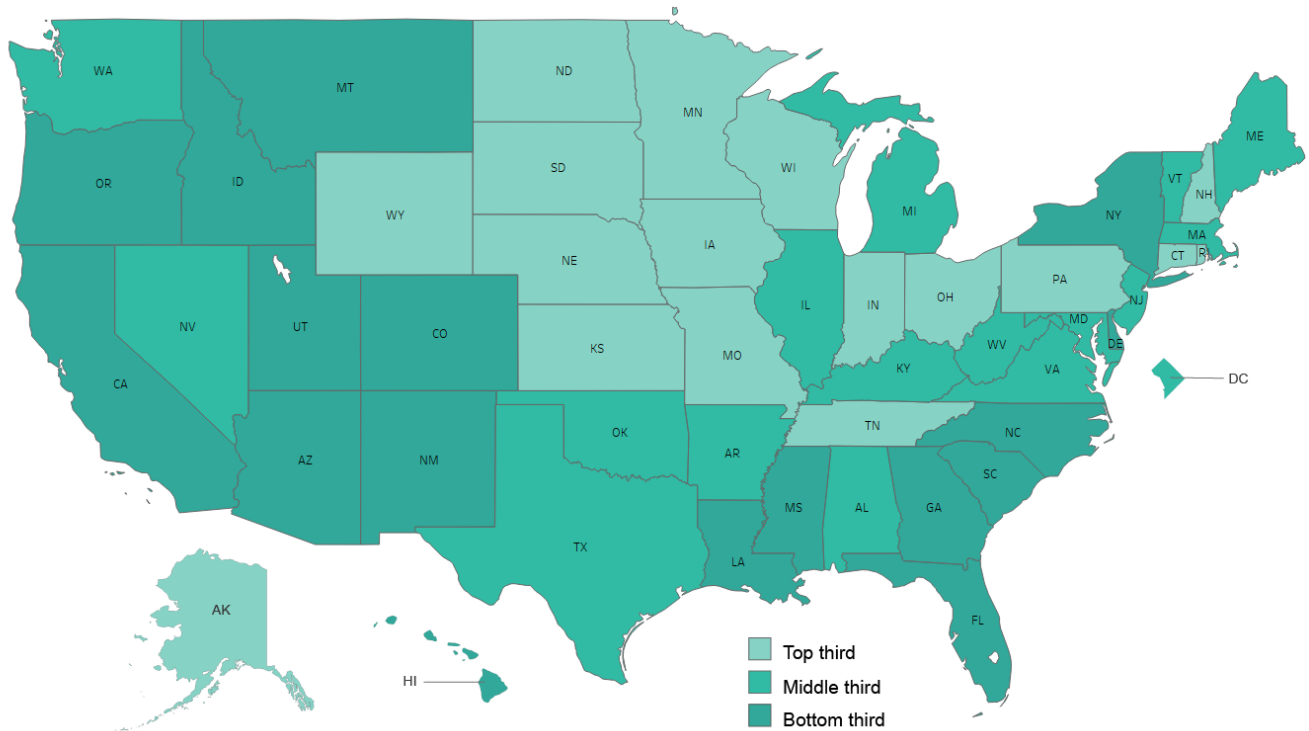
- Just under one in four households headed by single mothers in the United States are economically secure and live with family incomes above the BEST Index for their family type (Figure 2). Households headed by single fathers are nearly twice as likely to have incomes that provide economic security.
- New York has the lowest rate of single mothers with economic security at 17 percent. New Hampshire has the highest share of single mothers experiencing economic security, but rates are still relatively low, with just one in three families headed by a single mother experiencing economic security. (Data not shown.)
- Married couples without children are the most likely to be economically secure in every state. Eighty-three percent have incomes above the BEST Index economic security threshold for their household type.

# Basic Economic Security by State

The share of working adults who are economically secure varies widely by state.

- **Best States for Economic Security:** New Hampshire, Ohio, South Dakota, Iowa, and Connecticut have the highest shares of working adults who are economically secure (Table 2).
- **Worst States for Economic Security:** California, New York, Hawaii, Oregon, and Florida have the lowest shares of working adults who are economically secure (Table 2).

## Map 1. How the States Measure Up on Basic Economic Security



Source: IWPR compilation of data from the Basic Economic Security Tables available at [www.basiceconomicsecurity.org](http://www.basiceconomicsecurity.org).

The level of income required to live with basic economic security varies widely around the country for each family type (Table 2).

- A **single working adult** needs \$24,648 (with benefits) to live with economic security in **South Dakota**, but \$50,508 to live in the **District of Columbia**, the areas with the lowest and highest annual incomes necessary for basic economic security for this family type.
- A **single working parent with one infant** needs \$37,128 (with benefits) to live with economic security in **Arkansas**, but \$81,588 to live in the **District of Columbia**, the areas with the lowest and highest annual incomes necessary for basic economic security for this family type.
- A **family with two working parents, one infant, and one preschooler** needs \$60,816 (with benefits) to live with economic security in **Arkansas**, but \$124,320 to live in the **District of Columbia**, the areas with the lowest and highest annual incomes necessary for basic economic security for this family type.

**Table 2. Annual Income Needed for Economic Security by Family Household Type and State, 2016**

State	BEST Index		BEST Annual Income Needed by Household Type, 2016					
	% with Economic Security	State Ranking	single working adult		single working parent with one infant		two working parents with one infant and one preschooler	
			With Benefits	Without Benefits	With Benefits	without benefits	with benefits	without benefits
Alabama	67	31 <sup>st</sup>	\$29,580	\$30,852	\$41,088	\$40,488	\$64,224	\$65,232
Alaska	73	9 <sup>th</sup>	\$34,536	\$36,456	\$55,728	\$56,256	\$85,344	\$87,624
Arizona	65	45 <sup>th</sup>	\$30,120	\$31,776	\$47,196	\$48,420	\$75,912	\$78,000
Arkansas	68	30 <sup>th</sup>	\$26,112	\$27,024	\$37,128	\$35,508	\$60,816	\$60,480
California	58	51 <sup>st</sup>	\$42,060	\$47,292	\$64,620	\$69,588	\$94,992	\$106,848
Colorado	67	36 <sup>th</sup>	\$34,152	\$38,136	\$56,124	\$59,400	\$88,512	\$94,248
Connecticut	74	5 <sup>th</sup>	\$36,936	\$40,908	\$60,168	\$64,608	\$92,136	\$98,904
Delaware	65	43 <sup>rd</sup>	\$35,124	\$39,120	\$54,228	\$57,588	\$85,032	\$88,032
District of Columbia	69	26 <sup>th</sup>	\$50,508	\$55,884	\$81,588	\$87,048	\$124,320	\$135,744
Florida	62	47 <sup>th</sup>	\$31,668	\$33,780	\$50,112	\$50,964	\$74,568	\$77,568
Georgia	64	46 <sup>th</sup>	\$32,544	\$35,532	\$47,148	\$48,300	\$72,816	\$75,168
Hawaii	61	49 <sup>th</sup>	\$45,456	\$52,452	\$66,588	\$73,308	\$96,216	\$105,504
Idaho	66	40 <sup>th</sup>	\$26,220	\$27,996	\$40,260	\$40,476	\$65,040	\$67,200
Illinois	70	24 <sup>th</sup>	\$32,688	\$35,556	\$51,276	\$54,012	\$82,032	\$88,560
Indiana	71	16 <sup>th</sup>	\$27,204	\$28,068	\$41,520	\$41,484	\$70,968	\$74,640
Iowa	75	4 <sup>th</sup>	\$26,436	\$27,276	\$41,424	\$41,256	\$68,424	\$71,784
Kansas	72	14 <sup>th</sup>	\$26,352	\$27,408	\$41,292	\$41,328	\$69,840	\$72,504
Kentucky	70	22 <sup>nd</sup>	\$27,396	\$28,296	\$41,052	\$41,568	\$66,288	\$67,704
Louisiana	67	35 <sup>th</sup>	\$29,472	\$30,912	\$41,544	\$38,760	\$65,544	\$64,224
Maine	70	23 <sup>rd</sup>	\$31,284	\$33,684	\$48,372	\$51,192	\$74,616	\$78,744
Maryland	69	25 <sup>th</sup>	\$43,272	\$47,700	\$66,264	\$69,624	\$94,248	\$100,464
Massachusetts	70	20 <sup>th</sup>	\$41,340	\$45,552	\$66,312	\$70,740	\$105,984	\$116,856
Michigan	71	18 <sup>th</sup>	\$28,752	\$30,216	\$44,280	\$46,344	\$70,896	\$76,704
Minnesota	72	12 <sup>th</sup>	\$30,588	\$32,832	\$50,028	\$52,704	\$84,696	\$91,032
Mississippi	65	42 <sup>nd</sup>	\$27,948	\$29,364	\$37,932	\$36,276	\$61,176	\$60,048
Missouri	72	15 <sup>th</sup>	\$27,204	\$28,320	\$39,540	\$39,516	\$66,216	\$67,944
Montana	66	41 <sup>st</sup>	\$27,648	\$29,172	\$43,488	\$43,956	\$70,224	\$72,672
Nebraska	73	11 <sup>th</sup>	\$26,472	\$27,312	\$42,672	\$42,312	\$68,928	\$71,208
Nevada	69	27 <sup>th</sup>	\$27,360	\$28,464	\$46,080	\$46,848	\$72,648	\$74,592
New Hampshire	78	1 <sup>st</sup>	\$32,892	\$34,680	\$52,200	\$52,752	\$80,832	\$84,552
New Jersey	70	21 <sup>st</sup>	\$40,296	\$45,108	\$61,356	\$66,216	\$92,448	\$99,120
New Mexico	65	44 <sup>th</sup>	\$27,228	\$28,260	\$43,644	\$44,328	\$70,224	\$71,976
New York	59	50 <sup>th</sup>	\$44,088	\$49,740	\$66,972	\$77,184	\$101,496	\$118,272
North Carolina	67	37 <sup>th</sup>	\$29,976	\$31,776	\$46,164	\$46,632	\$73,704	\$75,504
North Dakota	74	7 <sup>th</sup>	\$27,144	\$28,344	\$41,232	\$41,100	\$66,864	\$68,520
Ohio	76	2 <sup>nd</sup>	\$26,052	\$26,676	\$40,848	\$40,740	\$66,624	\$69,264
Oklahoma	67	34 <sup>th</sup>	\$27,480	\$28,500	\$43,368	\$41,940	\$68,496	\$68,472
Oregon	61	48 <sup>th</sup>	\$34,200	\$38,892	\$53,400	\$56,928	\$85,608	\$91,416
Pennsylvania	74	8 <sup>th</sup>	\$30,408	\$32,004	\$47,856	\$49,356	\$76,608	\$80,496
Rhode Island	72	13 <sup>th</sup>	\$32,868	\$34,980	\$53,748	\$55,140	\$84,552	\$89,712
South Carolina	66	39 <sup>th</sup>	\$29,784	\$31,740	\$42,624	\$42,216	\$67,776	\$68,760
South Dakota	75	3 <sup>rd</sup>	\$24,648	\$24,744	\$37,140	\$34,596	\$61,416	\$59,592
Tennessee	71	17 <sup>th</sup>	\$26,892	\$27,600	\$40,500	\$39,264	\$65,880	\$66,144
Texas	67	32 <sup>th</sup>	\$29,172	\$30,624	\$44,652	\$44,256	\$69,504	\$69,720
Utah	66	38 <sup>th</sup>	\$28,104	\$29,988	\$47,496	\$49,848	\$74,568	\$79,344
Vermont	68	28 <sup>th</sup>	\$33,528	\$36,252	\$52,392	\$54,528	\$81,720	\$87,840
Virginia	67	33 <sup>rd</sup>	\$39,384	\$43,764	\$58,920	\$63,228	\$89,448	\$94,152
Washington	68	29 <sup>th</sup>	\$35,316	\$39,144	\$56,040	\$59,040	\$86,112	\$92,352
West Virginia	70	19 <sup>th</sup>	\$27,024	\$27,984	\$39,948	\$39,756	\$65,184	\$68,280
Wisconsin	73	10 <sup>th</sup>	\$28,368	\$29,604	\$48,588	\$51,000	\$78,672	\$84,360
Wyoming	74	6 <sup>th</sup>	\$26,676	\$27,768	\$40,752	\$41,556	\$67,680	\$69,192
<b>United States</b>	<b>67</b>	<b>n/a</b>	<b>\$33,012</b>	<b>\$35,760</b>	<b>\$50,916</b>	<b>\$53,328</b>	<b>\$79,224</b>	<b>\$83,544</b>

Notes: "Benefits" include employment-based health insurance and retirement plans. Infants are aged 0–12 months and preschool children are 13–48 months.

Source: IWPR compilation of data from the Basic Economic Security Tables available at [www.basiceconomicsecurity.org](http://www.basiceconomicsecurity.org).

# Policies that Increase Access to Economic Supports for Vulnerable Populations Will Strengthen Economic Security

Policies that promote economic security for economically vulnerable populations are essential to improving the health, well-being, and stability of individuals, families, and the nation as a whole. For example, initiatives to increase access to education and training opportunities that lead to well-paid jobs, strong safety net programs for those who earn very low wages or cannot work, and access to affordable financial services—such as credit repair and debt remediation, and financial assistance, can help ensure that individuals across the nation have the economic security they need to thrive.

## Notes

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<sup>1</sup> The Basic Economic Security Tables (BEST) were originally created by researchers at Wider Opportunities for Women (WOW) and the Center for Social Development (CSD) at Washington University as a part of WOW’s national BEST Initiative.

<sup>2</sup> U.S. Department of Commerce. Economics and Statistics Administration. 2017. “Poverty Thresholds for 2017 by Size of Family and Number of Related Children under 18 Years.” <<https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>> (accessed June 13, 2018).

<sup>3</sup> While the BEST Index’s calculations for workers with benefits include only employer-provided health insurance and a retirement plan, additional benefits such as paid sick days, paid family and medical leave, life insurance, and temporary disability insurance would also help many working adults to have basic economic security.

## Technical Notes

Calculations are based on analyses of data from the American Community (ACS) Survey for 2012–2016 (Integrated Public Use Microdata Series: Version 7.0). The sample includes households where the householder and their spouse or partner are aged 19 to 64 years, one or both are employed, and up to 6 related, dependent children under age 19 are living with them. Workplace benefits are measured as employment-based health insurance for either the householder or their spouse/partner. Economic security is determined by comparing the household’s economic resources (the total income reported by the householder and their spouse/partner) to the Basic Economic Security Index for their family structure considering number of workers and distribution of related children by age. Households with economic resources greater than or equal to their BEST needs are counted as economically secure.

## About the Basic Economic Security Tables Index

The BEST Index was originally developed by Wider Opportunities for Women and the Center for Social Development at Washington University-St. Louis, and is maintained by the [Institute for Women’s Policy Research](#). The BEST Index presents the specific economic needs of more than 400 family types—all possible one- or two-worker families with up to six children—for every state and county in the United States. The Index draws on more than 100 data sources from the federal government and other organizations, including the Bureau of Labor Statistics, the National Center

for Education Statistics, the U.S. Department of Health and Human Services, and Child Care Aware of America, among others. To find a list of these sources and the BEST Index for a particular state or county, see <http://www.basiceconomicsecurity.org/>.

## **About the Institute for Women’s Policy Research**

The Institute for Women's Policy Research (IWPR) conducts and communicates research to inspire public dialogue, shape policy, and improve the lives and opportunities of women of diverse backgrounds, circumstances, and experiences. The Institute's research strives to give voice to the needs of women from diverse ethnic and racial backgrounds across the income spectrum and to ensure that their perspectives enter the public debate on ending discrimination and inequality, improving opportunity and increasing economic security for women and families. The Institute works with policymakers, scholars, and public interest groups to design, execute, and disseminate research and to build a diverse network of individuals and organizations that conduct and use women-oriented policy research. IWPR's work is supported by foundation grants, government grants and contracts, donations from individuals, and contributions from organizations and corporations. IWPR is a 501(c)(3) tax-exempt organization that also works in affiliation with the Program on Gender Analysis in Economics at American University.

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