



Report: Money woes mount for some Indiana workers

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Published: November 10, 2014, 5:05 pm | Updated: November 10, 2014, 6:35 pm



(WISH Photo, file)

INDIANAPOLIS (AP) — The Indiana Association of United Ways highlighted the troubles facing Indiana's lower-income workers in a report released Monday, a few weeks before state lawmakers take up debate on a budget that impacts those same workers.

The group's ALICE (Asset Limited, Income Constrained, Employed) report is part of a national effort to focus on people earning just above the federal poverty level, but not making enough to pay for basic needs. According to the report, 23 percent of the state's households are just squeaking by and could slip into poverty with any crisis, including medical emergencies.

The report comes a little less than two months before lawmakers begin work in earnest on the next state budget, although Lucinda Nord, association vice president for public policy, said her organization is not making any specific recommendations for lawmakers.

“We have a lot of ALICE households, it’s just part of the economic condition, this is just a statement about economic conditions,” Nord said.

That group includes service workers, such as home health care aides, auto mechanics and retail clerks, all jobs which Nord said are vital to the state. It does not include so-called STEM (science, technology, engineering and math) jobs that state leaders are heavily focused on training workers for.

The state’s fiscal situation looks good by most measures, with Republican leaders and Gov. Mike Pence working to maintain \$2 billion in cash reserves while approving a budget which kept pace with the rate of inflation. But lagging tax collections led Pence’s budget director this past summer to caution that further spending cuts would be needed in the next budget if collections don’t improve.

John Ketzenberger, president of the Indiana Fiscal Policy Institute, pointed out that in some cases, families living near and just above the poverty line, were hit by decisions recently, such as reducing the federal food stamp, or SNAP, benefits and Pence’s decision not to take federal pre-kindergarten money.

But other areas, such as a proposal to expand Medicaid coverage using an altered version of the state-run Healthy Indiana Plan, could help “ALICE” families, he said.

“There are a number of things for economically insecure families that are up in the air,” he said.

The United Ways, working with models created by researchers at Rutgers University, came up with a “household survival budget” that estimated costs of food, housing, transportation and other necessities. Between 2007 and 2012, the cost for a family of four rose 9 percent for housing, 13 percent for child care, 26 percent for health care and 16 percent for food. Taxes, meanwhile, fell 4 percent.

The researchers determined that roughly 570,000 households earn just enough to get by, while 453,000 households are living in poverty.

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