## 1 in 4 Georgia children live in poverty Families still reeling from recession

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GBPI Senior Policy Analyst Clare S. Richie is available for comments and interviews. Media coverage is invited.

ATLANTA - Georgia has the 10th highest poverty rate in the nation of 17.9 percent (tied with Texas), according to recently released data from the U. S. Census Bureau's American Community Survey. Nearly 1.7 million Georgians have income below the federal poverty level (\$22,314 for a family of four), even though a family needs at least double that income to make ends meet. Even more alarming, Georgia has the 5th highest percentage of people living in deep poverty (8.2 percent) - half of the federal poverty level (income of \$11,157 for a family of four).

There were notably high rates of poverty in counties such as Clarke and Dougherty, which shared an overall poverty rate of 36 percent. The child poverty rates were even higher with more than 40 percent in Clarke County and 52 percent in Dougherty County. This highlights the widespread impact of the recession and the need for Georgia to protect its citizens.

Unemployment is more than 10 percent, with half a million Georgians out of work and only one job opening for every five laid-off workers seeking employment. In fact, median income fell to a decade low of \$46,430 (after adjusting for inflation). Those fortunate to be employed are struggling to meet their families' basic needs as their incomes fall and costs rise.

Hit hardest are the 610,722 Georgia children (or 1 in 4) living in poverty, including 36 percent of African American children and more than 40 percent of Hispanic children. The future of these children is at risk as recent research shows that poverty among young children not only affects achievement in school but also reduces their earnings as adults.

With Georgia continuing to face budget shortfalls, state lawmakers have made deep cuts to health care, education and other key services that struggling families need. More cuts are likely as the state's economic crisis persists.

"Continuing to rely only on cuts will not solve our problems; in fact, it will just make things worse by making it more difficult for working families and the poor to keep a roof over their head and food on the table. We need to take a balanced approach that includes new revenues so we can invest in our state's economy and provide help for those who need it most," said Clare S. Richie, senior policy analyst for the Georgia Budget & Policy Institute.

Georgia's policymakers will continue to face tough decisions about how to balance the state's budget in 2012. The Department of Human Services, which provides services and assistance to the elderly, disabled, abused and neglected children, and the poor has seen its budget cut by a 25 percent since the recession began even though need for its services has increased. For example, the number of eligibility workers who help families access public programs like Food Stamps has dropped by nearly 16 percent, while the number of Food Stamp cases has increased by nearly 70 percent. This disparity continues to worsen.

"Policymakers should not initiate any further cuts that limit access to services or safety net supports because as bad as the news is today, we know that without public programs (like Food Stamps and the Earned Income Tax Credit) the poverty rate would double - primarily among the elderly, disabled, and working poor," said Richie.

For more information download GBPI fact sheet, <u>Department of Human Services FY 2012 Budget: Deep Cuts Since 2009</u>.

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## **About Georgia Budget & Policy Institute**

GBPI is the state's leading independent, nonpartisan nonprofit engaged in research and education about the fiscal and economic health of the state of Georgia. GBPI provides reliable, timely analysis of Georgia's budget and tax policies, and promotes greater state government fiscal accountability, improved services and an enhanced quality of life for all Georgians.