

**GBPI**  
Georgia Budget and Policy Institute

# STATE BUDGET FACTS

## GEORGIA CAN PROMOTE A PATHWAY FROM POVERTY TO THE MIDDLE CLASS

### MORE THAN 500,000 GEORGIA CHILDREN LIVE IN POVERTY

One in five children in Georgia live in poverty, including 33 percent of African American children and 42 percent of Hispanic children. These children are more likely to have poor health, to drop out of school, to be in contact with the juvenile justice system, and to be unemployed as adults.

### WE ALL PAY WHEN FUTURE WORKERS GROW UP IN POVERTY

National research prior to the Great Recession estimated the cost to the U.S. from childhood poverty at approximately \$500 billion per year, or the equivalent of nearly 4 percent of GDP.

### HARD WORKING FAMILIES ARE STRUGGLING TO MAKE ENDS MEET

Median income in Georgia fell to a decade low of \$47,590 (after adjusting for inflation) while costs have risen. The American Dream of economic security is out of reach for one in four working families who earn wages below the poverty level.

### SERVICES REDUCED AS NEED RISES

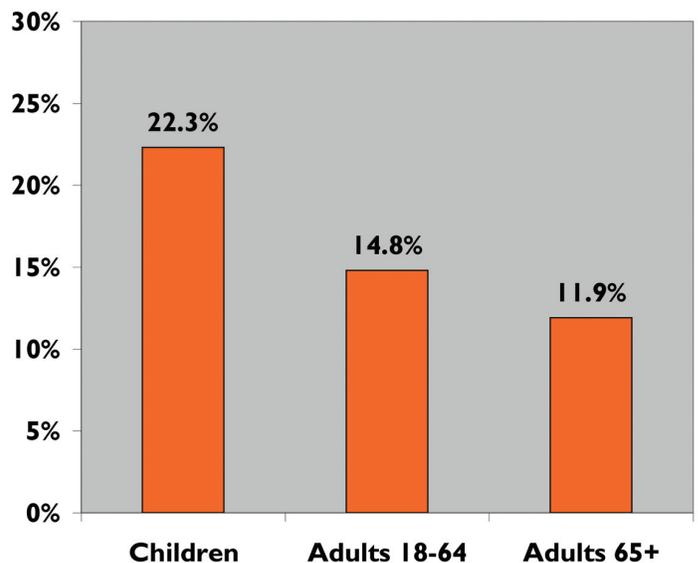
Facing a steep decline in revenues, state policymakers have deeply cut k-12 education, adult literacy, public health, food stamp caseworkers, and other key services. More cuts are likely as Georgia faces a budget shortfall of up to \$2 billion for the current budget year.

### R E C O M M E N D A T I O N

**PROTECT VITAL PUBLIC SERVICES** as workers cope with stagnant wages or job loss. Use a balanced approach for solving the state budget shortfall.

**ESTABLISH A STATE ECONOMIC SECURITY TASK FORCE**, with key members from the private and public sector, community participation, a target and timeline for poverty reduction, an implementation plan, an annual legislative agenda, and an annual report card. Download full report at [www.GBPI.org](http://www.GBPI.org)

### GEORGIA IS THE 12TH POOREST STATE IN THE NATION, ALARMING PERCENTAGES LIVE IN POVERTY



*American Community Survey Data 2009*

### THOUGHTFUL ANALYSIS...RESPONSIBLE POLICY

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