Welcome and Overview

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State of Working Georgia
June 26, 2012
Georgia: A Wealthy State, But Not For Everyone

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9th largest population in the nation at 9.7 million

11th largest personal income in the nation at $354 billion

11th largest economy in the nation at $403 billion GDP
Does Georgia’s Economy Support its Low and Middle Income Residents?
Georgia Ranks Below National Peer States on Poverty and Median Household Income

<table>
<thead>
<tr>
<th></th>
<th>Median Household Income 2010</th>
<th>Poverty Rate 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer States</td>
<td>$53,437</td>
<td>13.8</td>
</tr>
<tr>
<td>United States</td>
<td>$49,445</td>
<td>15.3</td>
</tr>
<tr>
<td>Georgia</td>
<td>$44,108</td>
<td>17.9</td>
</tr>
<tr>
<td>Southern States</td>
<td>$41,652</td>
<td>17.9</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
<table>
<thead>
<tr>
<th>State</th>
<th>Median Household Income 2010</th>
<th>National Rank</th>
<th>Poverty Rate 2010</th>
<th>National Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maryland</td>
<td>$64,025</td>
<td>3</td>
<td>9.9</td>
<td>2</td>
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<tr>
<td>New Jersey</td>
<td>$63,540</td>
<td>4</td>
<td>10.3</td>
<td>5</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>$61,333</td>
<td>5</td>
<td>11.4</td>
<td>9</td>
</tr>
<tr>
<td>Virginia</td>
<td>$60,363</td>
<td>7</td>
<td>11.1</td>
<td>7</td>
</tr>
<tr>
<td>Washington</td>
<td>$56,253</td>
<td>11</td>
<td>13.4</td>
<td>19</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>$48,460</td>
<td>26</td>
<td>13.4</td>
<td>19</td>
</tr>
<tr>
<td>Michigan</td>
<td>$46,441</td>
<td>31</td>
<td>16.8</td>
<td>36</td>
</tr>
<tr>
<td>Ohio</td>
<td>$46,093</td>
<td>35</td>
<td>15.8</td>
<td>32</td>
</tr>
<tr>
<td>Georgia</td>
<td>$44,108</td>
<td>39</td>
<td>17.9</td>
<td>41</td>
</tr>
<tr>
<td>North Carolina</td>
<td>$43,753</td>
<td>40</td>
<td>17.5</td>
<td>39</td>
</tr>
</tbody>
</table>

Source: U.S. Census Bureau
Poverty

10th highest poverty rate in the nation at 17.9% in 2010
Nearly 1.7 million were in Poverty
• $22,000 for a family of four

777,000 were in Deep Poverty
• $11,000 for a family of four

Nearly 3.7 million were Near Poverty
• $44,000 for a family of four
Who Are the Poor in Georgia?
Higher Poverty Rate for Hispanics and African-Americans

- White: 12.5%
- Black or African-American: 26.7%
- Hispanic: 31.9%

Source: U.S. Census Bureau
Poverty Rate for Children and Teenagers Higher Than Other Age Groups

In 2010, nearly 610,000 or one out of four in this age group was below the poverty line.

Source: U.S. Census Bureau
State of Working Georgia
Worsened by the "Great Recession" of 2007
Georgia’s Job Market Hit by Recession
Year over Year Job Change in Georgia, January 2001 to April 2012

Unemployment is now 8.9%, up from 5.1% in December 2007

Unemployment peaked at 10.5% in 2009

Source: Bureau of Labor Statistics
Georgia’s Median Household Income Falls to Early-’90s Levels

Source: U.S. Census Bureau
Spike in Number of Georgians Living in Poverty Since 2008

Poverty in Georgia Higher than U.S. and Rising

Child Poverty in Georgia Higher than U.S. and Rising

Source: U.S. Census Bureau
THANK YOU.
Safety Net Not Keeping Pace in Georgia

Clare S. Richie
Senior Policy Analyst
crichie@gbpi.org
Safety Net Programs - Different Funding Streams Produce Different Results

Temporary Assistance for Needy Families (TANF)
- Federal Block Grant
- 4,278 Adult Cases

Supplemental Nutrition Assistance Program (SNAP) / Food Stamps
- Federal Entitlement
- 1,870,781 Recipients

Unemployment Benefits
- Employer Funded
- 262,426 Recipients
Temporary Assistance for Needy Families (TANF)
Caseload is Decreasing
TANF Not Keeping Pace With Rise in Poverty in Georgia

Source: U.S. Census Bureau
SNAP Food Stamp Program Is More Responsive
## Food Stamps More Responsive to Needs

<table>
<thead>
<tr>
<th>Category</th>
<th>2002</th>
<th>2011</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Persons Below Poverty</td>
<td>1,053,057</td>
<td>1,688,932</td>
<td>60%</td>
</tr>
<tr>
<td>TANF Adult Cases</td>
<td>32,352</td>
<td>4,278</td>
<td>-87%</td>
</tr>
<tr>
<td>TANF Child Cases</td>
<td>102,994</td>
<td>26,678</td>
<td>-74%</td>
</tr>
<tr>
<td>Food Stamp Cases</td>
<td>591,608</td>
<td>1,870,781</td>
<td>216%</td>
</tr>
</tbody>
</table>
Food Stamp Recipients in Georgia

- Children Under Age 18: 60.6%
- Adults Age 60 & Older: 22.5%
Most Food Stamp Recipient Families Included a Worker Within the Past 12 Months

- One working adult in the household: 48.7%
- Two or more working adults in the household: 29%
State Unemployment Insurance (UI) in Georgia Moving in the Wrong Direction
State Unemployment Insurance in Georgia

Employers contribute to state fund from which state UI benefits are paid

Low Unemployment Insurance Taxes
Ranks 48th in the nation

Low Unemployment Insurance Benefits
Ranks 49th in the nation
Unemployment Insurance Cuts

Employer tax cuts drained billions from state fund

Georgia owes Federal Government $746.8 million

New Law:
• Permanently reduces maximum weeks of UI benefits to lowest in the country
• Gives employers a permanent cut in their UI obligations
THANK YOU.
Georgia’s Health Care System

Timothy Sweeney
Director of Health
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Georgia Faces Many New Health Challenges

Infant Mortality: 43rd
Infectious Disease: 41st
Cardiovascular Deaths: 40th
Premature Deaths: 40th
Geographic Disparity: 37th
Obesity: 38th
Diabetes: 34th
Air Pollution: 46th

With 1.9 million residents without health insurance, Georgia has the 5th highest uninsured rate in the nation.
Georgia has Limited Medical Providers Throughout the State

- 87% of counties have at least one Primary Care Health Professional Shortage Area
- 93% of counties have Medically Underserved Areas/Populations
- 16 counties have either no doctors’ offices or no primary care providers
- 5 counties have neither doctors’ offices nor primary care providers

159 Counties

Photo Credit: Troup Together
How are Georgians Insured?
### Employer-sponsored Insurance
Dominant method of private health coverage where employers and workers share the costs
- **52.4%**
  - 5.8 million

### Individual Insurance
More costly method of private health insurance
- **8.0%**
  - 782,600

### Medicare
Federally funded public program, serves Americans over 65
- **11.0%**
  - 1.1 million

### Medicaid
State and federally funded program, serves low-income kids, pregnant women, individuals with disabilities, very low-income adults
- **13.7%**
  - 1.3 million

### No Insurance Coverage
- **19.6%**
  - 1.9 million
How is Medicaid funded?
Georgia Relies on Federal Dollars to Fund Medicaid and PeachCare Benefits

- **67%** State Funds: $5,192,000,371
- **33%** Federal Funds: $2,582,943,439
Are Georgia’s Most Vulnerable Populations Supported by Public Health Programs?
Public Programs Reduce Uninsured for Children and Elderly

- **Kids < 18**: 57% Private Coverage, 40% Public Coverage, 10% No Coverage
- **Adults 18-64**: 64% Private Coverage, 14% Public Coverage, 26% No Coverage
- **Adults 65+**: 46% Private Coverage, 92% Public Coverage, 2% No Coverage

Source: U.S. Census figures compiled by Custer & Ketsche, PhDs, GSU Center for Health Services Research
Working Age Adults Depend on Private Coverage More than other Age Group Groups
Low-Income Adults Often Uninsured

Source: U.S. Census figures compiled by Custer & Ketsche, PhDs, GSU Center for Health Services Research
Racial Disparities in Health Care Coverage
Higher Percentage of African-Americans are Uninsured

Uninsured Rate (Georgia) by Age, 2009-2010

Source: U.S. Census Bureau
National Health Reform
National Health Reform Expands Public Coverage for Adults at/near Poverty

(Poverty = $11,200 for individual, $19,100 for family of three)

Family Income as a % of Poverty

- Pregnant Women
- Kids < 1
- Kids 1-5
- Kids 6-18
- Parents
- Childless Adults
- Elderly & Disabled

- Affordable Care Act (New Coverage)
- Existing Programs
THANK YOU.
Public Education in Georgia

Cedric Johnson
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How Does Public Education Fare in Georgia?
<table>
<thead>
<tr>
<th>PK-12 Education</th>
<th>Higher Education</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enrollment</strong></td>
<td></td>
</tr>
<tr>
<td>1.7 million Students</td>
<td>500,000+ Students</td>
</tr>
<tr>
<td><strong>Completion</strong></td>
<td></td>
</tr>
<tr>
<td>67% Statewide graduation rate</td>
<td>36% Georgians with college degree</td>
</tr>
<tr>
<td><strong>State Funding</strong></td>
<td></td>
</tr>
<tr>
<td>-17% Per pupil funding cut since FY 2001</td>
<td>-46% Per pupil funding cut since FY 2001</td>
</tr>
</tbody>
</table>
University System State Funding Allocations per Full-Time Equivalent Student
Lags the nation in reading & math scores in 4th & 8th grades

Lags the nation in SAT score by 85 points

Lags Southern States in reading & math in 4th & 8th grades

Photo Credit: Excelencia in Education www.edexcelencia.org
Georgia Lags the Nation in Various Post-Secondary Benchmarks

<table>
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<tr>
<th>Percent of Adults with College Degrees</th>
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<tbody>
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<td>United States</td>
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<tr>
<td>Georgia</td>
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<table>
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<th>Percent of 18 to 24 Year Olds Enrolled in College</th>
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<th>Percent of First-time College Freshmen Who Complete a Program of Study Within Six Years</th>
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<td>Georgia</td>
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Cumulative Tuition and State Funding per Full-Time Equivalent Student
Lottery-funded Education Programs

Early Education
- Universal Pre-K program (4-year olds)
- 84,300 slots (2011)

Postsecondary Education
- Scholarships for students within university system (merit-based)
- Grants for students attending technical colleges
- 257,834 total awards (2011)

$1.08 billion in lottery expenditures (2011)
Closing/Q&A

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THANK YOU.

LET’S KEEP IN TOUCH.

About the Georgia Budget & Policy Institute
GBPI seeks to build a more prosperous Georgia. We rigorously analyze budget and tax policies and provide education to inspire informed debate and responsible decision-making, advancing our vision of a state in which economic opportunity and well-being are shared among all. GBPI is an independent, nonpartisan nonprofit founded in 2004.

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