



Strategies Georgia Can Use to Reduce Rising Poverty

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Strategies Georgia Can Use to Reduce Rising Poverty

- A review of successful TANF-funded state initiatives that increase families' self-sufficiency, including recommendations that Georgia policymakers and lawmakers can implement now
- [Full report](#) **available for download**



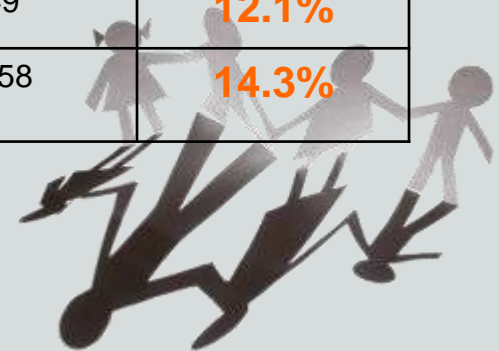


Poverty in Georgia

Georgians Living in Poverty by Age Group, 2007

| Georgians | Less than 100% FPL* 2007 | Total Population | Percent of Population |
|------------------------|-----------------------------|---------------------|--------------------------|
| Children under age 18 | 490,381 | 2,489,544 | 19.7% |
| Adults 18-64 | 723,628 | 5,892,365 | 12.3% |
| Adults 65+ | 109,819 | 904,249 | 12.1% |
| Total Georgians | 1,323,828 | 9,286,158 | 14.3% |

* FPL = Federal poverty level





Temporary Assistance for Needy Families

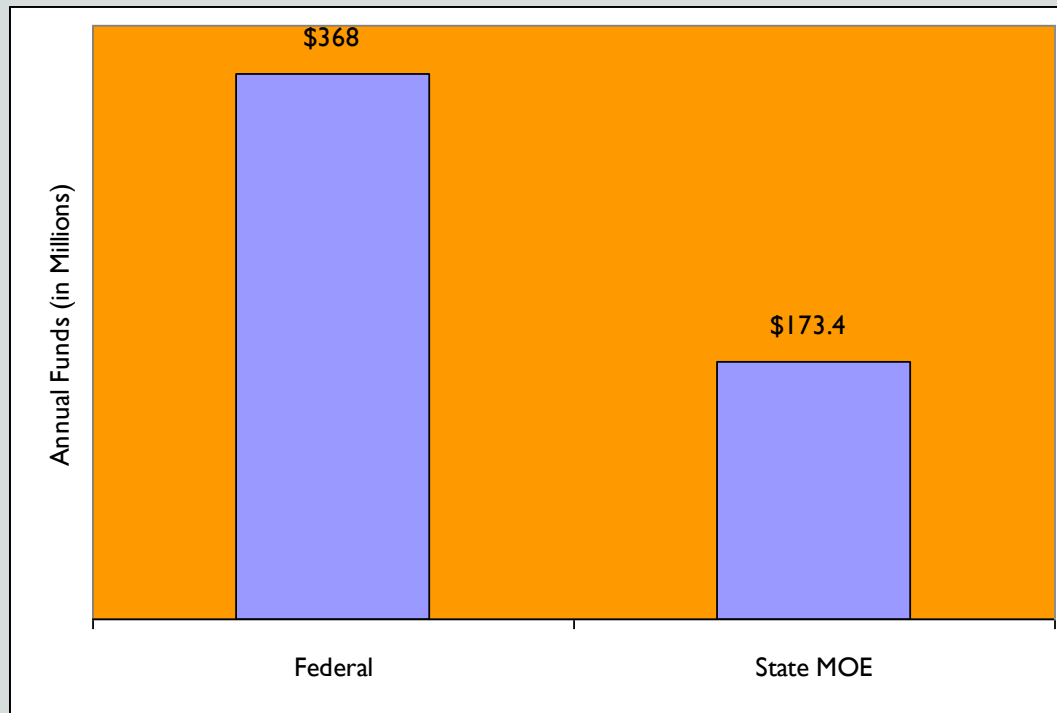
States must use TANF funds to satisfy one of these four broad purposes:

1. **Provide assistance to needy families** so that children can be cared for in their own homes or homes of relatives.
2. End TANF dependency by **promoting job preparation, work, and marriage.**
3. Prevent out-of-wedlock pregnancies.
4. Encourage the formation and maintenance of two-parent families.





TANF in Georgia





Poverty Indicators in Georgia

TANF recipients drop while other indicators on the rise

| Indicator | Jan 2002* | 2008 | Percent Change |
|-----------------------|-----------|-----------|----------------|
| TANF Adults | 32,352 | 2,521 | -92% |
| TANF Children | 102,994 | 35,455 | -66% |
| Unemployed Persons | 183,838 | 317,500 | 73% |
| Persons Below Poverty | 1,053,357 | 1,323,828 | 26% |
| Food Stamp Recipients | 591,608 | 1,086,410 | 84% |





How to Use TANF Funds in Georgia

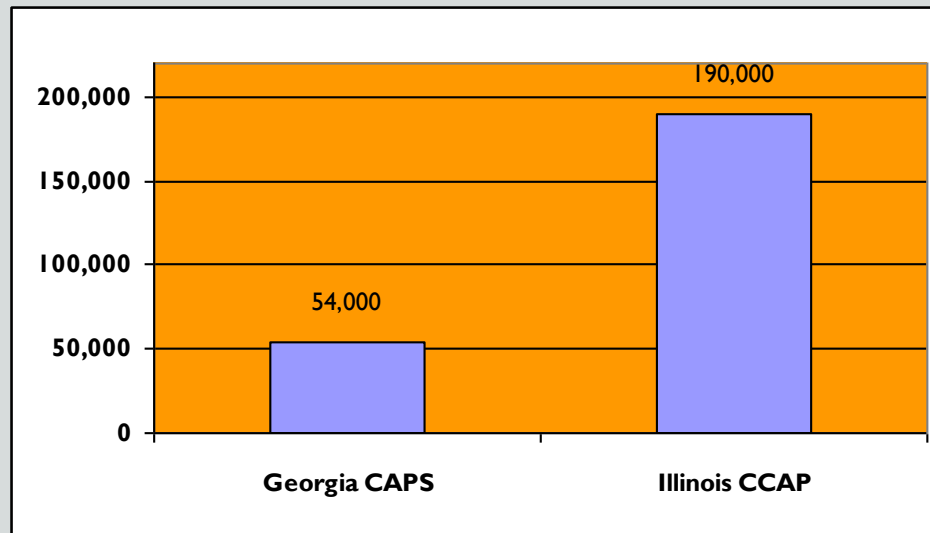
- Provide cash assistance to needy families
- Proven initiatives that help move families out of poverty





Child Care – Most States Invest More than Georgia

Illinois and Georgia each have approximately **600,000 children** between the ages birth to 13 living in households earning **below 150 percent of federal poverty**. IL serves almost **four** times more children per month than GA.





Child Care Recommendations

- **Eliminate the waiting list** for subsidized child care provided through Georgia's Child Care and Parents Services (CAPS) program
- Use stimulus funds through ARRA (American Reinvestment and Recovery Act) for FY 2010 and FY 2011
- Invest TANF funds at least at the FY 2007 level (\$29.7 million) for FY 2012 and beyond





Problems with Georgia's Income Supports

- Georgia cannot assess the effectiveness of its Work Support Program or Diversion Program
- Georgia DHS does not track what percentage of employed TANF leavers or employed TANF applicants receive payments or services.





Income Support Recommendations

- **Update DHS data systems** to track participants and outcomes
- **Use ARRA funds to expand diversion payments** - Washington state offers work support payments to diverted applicants.
- Streamline administration to provide increased access to payments and services





Car Ownership in Georgia

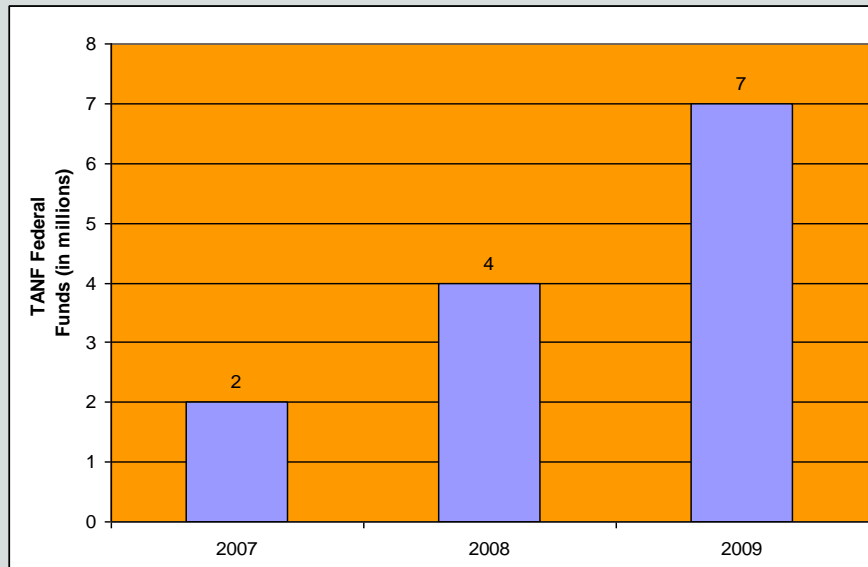
- Wheels to Work in Georgia initially assisted TANF recipients in select counties
- Participants purchased low-cost cars with no down payment, zero interest loans, and low monthly payments
- Program went statewide in 2001 with TANF funds





Car Ownership in Georgia

- No federal or state funds invested in GA Wheels to Work since 2001
- NY Wheels to Work has major TANF investment





Car Ownership Recommendations

- **Reconstitute Georgia's statewide Wheels to Work Program** for TANF applicants, recipients, and employed leavers
- Use ARRA TANF Emergency Funds for re-launch
- Reinvest TANF funds for FY 2012 and beyond





Career Pathways Initiatives

- Help low-income families pursue **post-secondary education linked to local employment opportunities** that pay self-sufficiency wages
- Provide on-campus case management and support services for students
- Arkansas, Kentucky, and Washington are proven state models with strong outcomes





Career Pathways Initiatives

Arkansas CPI Outcomes from 2006 and 2007

| | Year 1 | Year 2 |
|--|--------------|--------------|
| Total Enrollments | 2,233 | 3,750 |
| GEDs | 22 | 42 |
| WAGE/Employability Certificates | 161 | 205 |
| Certificate of Proficiency | 80 | 249 |
| Technical Certificates | 74 | 204 |
| Associate Degrees | 60 | 221 |
| Total Certificates and Degrees Attained | 397 | 921 |





Career Pathways Recommendations

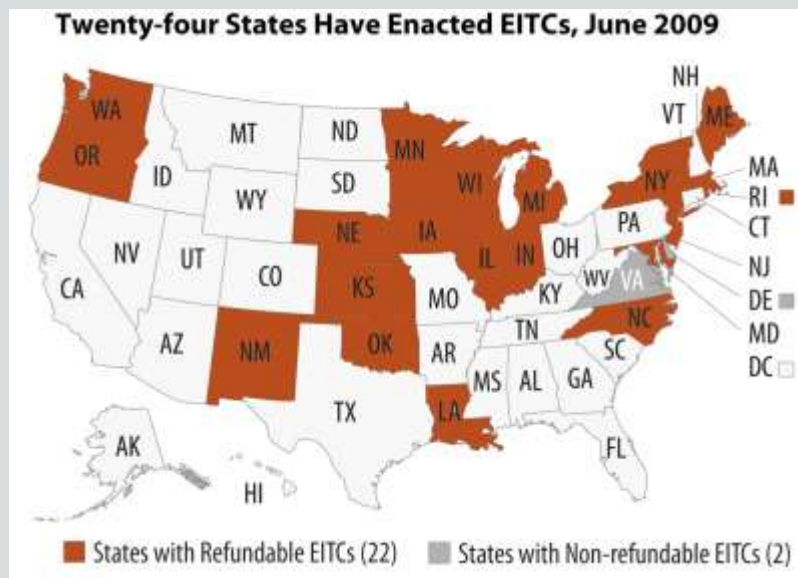
- **Pilot a Career Pathways Initiative in Georgia for low-income families**
- Build on the Georgia's Work Ready Program, post-secondary system, and career centers
- Use TANF funds or ARRA funds to pilot in seven Work Ready Regions





Building Assets – State Earned Income Tax Credits

- State EITCs are simple to implement, administer, and claim – they piggyback on the federal EITC





Building Assets – Individual Development Accounts

- 22 states have state-supported Individual Development Account (IDA) programs.
- **Georgia's TANF-funded IDA program exists in policy only**





Asset Building Recommendations

- Enact a state EITC in Georgia
- Provide funding and outreach for the TANF-IDA program





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