



# *Poverty and Local Responses*

SURAJ SOOD, PH.D. CANDIDATE  
JEANNETTE DIAZ, PH.D.

# Poverty defined

- Poverty in Carrollton determined with data from the most current U.S. census, and with info from the U.S. Census Bureau, Bureau of Labor Statistics, and GA Department of Labor
- Poverty **rate** determined with data from the Census of Population and Housing, 1990 (Census Bureau)
- Take-home: local poverty defined by reference to federal and state data

Source: Carrollton City Code of Ordinances §86-82 (2016)

# Poverty defined (cont.)



FAMILY SIZE	FPG (100%)	
	YEAR	MONTH
1	\$12,060	\$1,005
2	\$16,240	\$1,353
3	\$20,420	\$1,702
4	\$24,600	\$2,050
5	\$28,780	\$2,398
6	\$32,960	\$2,747
7	\$37,140	\$3,095
8	\$41,320	\$3,443
*	\$4,180	\$348

Federal poverty level (FPL):  
Minimum amt. of gross  
income a family needs for  
food, clothing, transport,  
shelter, and other  
necessities

Source: Federal Poverty Guidelines 2017 (set  
by Dept. of Health and Human Services)

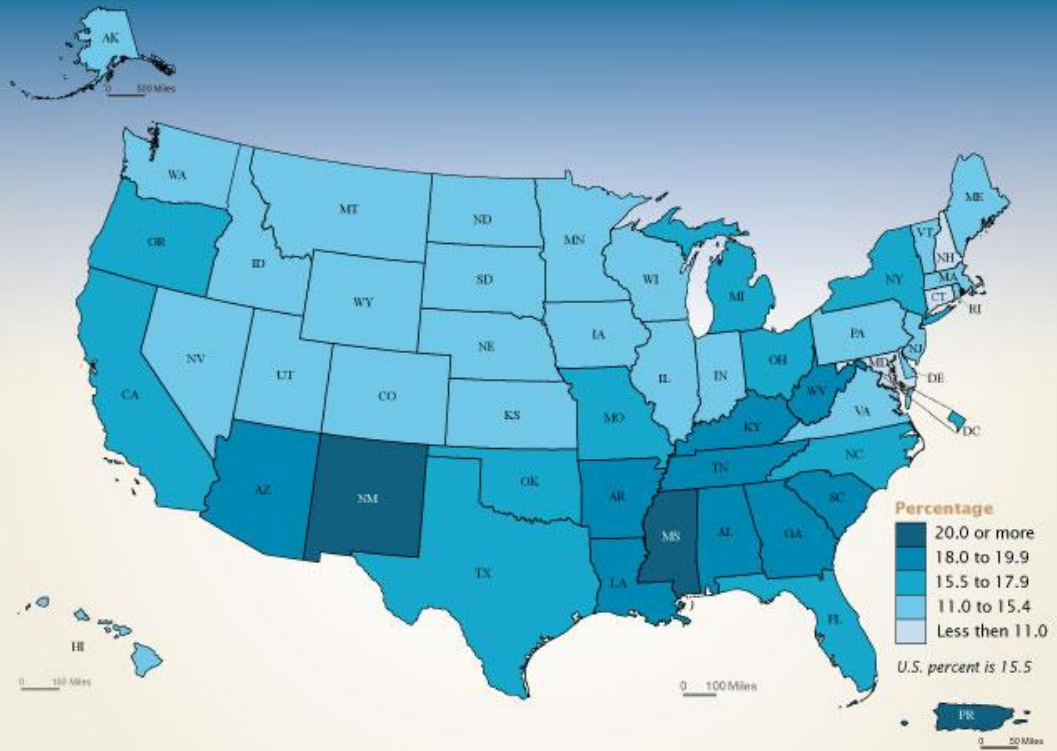


# *Poverty percentage in Carrollton: **28.7%***

Source: 2015 American Community Survey, 5-year estimates

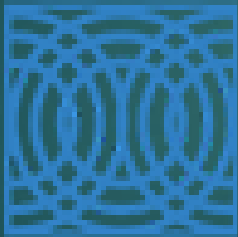
# Poverty in the United States

Percentage of people in poverty by state: 2014



# *Barriers to eliminating poverty*

“In 2014, the Circles [U.S.A.] network was asked what is the biggest barrier to getting out of poverty. **The answer was unequivocally the Cliff Effect that is built into assistance programs**” (Circles USA website).



**CIRCLES**.USA

*Thriving Families, Thriving Communities*

## *Cliff effect definition*

**As a person's wages increase (e.g., from minimum wage), their benefits ("work support", including earned income tax credits; Medicaid; child care assistance) decrease, such that their total amount of physical resources available ends up lower than before.**

<b>WORKING <u>PART-TIME</u></b>		<b>WORKING <u>FULL-TIME</u></b>	
<b>I RECEIVE GOVERNMENT BENEFITS</b>		<b>I LOSE MOST BENEFITS</b>	
<b>MONTHLY BILLS</b>		<b>MONTHLY BILLS</b>	
<b>Bills</b>	<b>Minimum Due</b>	<b>Bills</b>	<b>Minimum Due</b>
Tithes	\$ 64.00	Tithes	\$ 124.00
Rent	\$ 161.00	Rent	\$ 383.00

Jeri's bills: a local case  
of the cliff effect



Child Care	\$ 70.00	Child Care(after school program)	\$ 220.00
Health Insurance for self	\$ -	Health Insurance for self	\$ 40.00
Health Insurance for son	\$ -	Health Insurance for son	\$ 35.00
<b>Monthly Total</b>	<b>\$ 1,332.00</b>	<b>Monthly Total</b>	<b>\$ 1,839.00</b>
<b>Income and Benefits</b>		<b>Income and Benefits</b>	
Bring home	\$ 590.00	Bring home	\$ 1,018.00
Child Support	\$ 270.00	Child Support	\$ 270.00
Food Stamps	\$ 165.00	Food Stamps	\$ 50.00
Medicaid for son			
Medicaid for self			
<b>Total Income/ Benefits</b>	<b>\$ 1,025.00</b>	<b>Total Income/ Benefit</b>	<b>\$ 1,338.00</b>
<b>Deficit</b>	<b>\$ 307.00</b>	<b>Deficit</b>	<b>\$ 501.00</b>
<p>If I take a full-time job and lose most of my benefits, I'm worse off than I was working part-time!            How can I afford to work full-time when my monthly deficit will increase by \$200?</p>			

# *The main problem: local vs. state*

- ▶ Almost all of the relevant legislation to address the cliff effect lies on the state level
  - ▶ “Self-sufficiency”
  - ▶ Eligibility limits (programs like SNAP, TANF, CCDF)
    - ▶ Supplemental Nutrition Assistance Program, Temporary Assistance for Needy Families, Child Care Development Fund

# *How GA already addresses the cliff effect*

- ▶ Georgia disregards child support collected by the state in determining eligibility
- ▶ GA has low income tax credit for people w/ incomes < \$20k
- ▶ GA defines self-sufficiency standards at the county level

MONTHLY COSTS	Adult	Adult + Preschooler	Adult + Infant Preschooler	Adult + Preschooler Schoolage	Adult + Schoolage Teenager	Adult + Infant Preschooler Schoolage	2 Adults+ Infant Preschooler	2 Adults + Preschooler Schoolage
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## 22. THE SELF-SUFFICIENCY STANDARD FOR CARROLL COUNTY, GA 2008

Housing	485	539	539	539	539	656	539	539
Child Care	0	369	736	576	207	943	736	576
Food	188	285	370	426	493	500	533	586
Transportation	266	273	273	273	273	273	521	521
Health Care	128	331	345	351	375	365	409	415
Miscellaneous	107	180	226	217	189	274	274	264
Taxes	229	270	329	299	247	465	426	394
Earned Income Tax Credit (-)	0	-141	-174	-207	-283	-30	-80	-114
Child Care Tax Credit (-)	0	-70	-85	-70	-33	-120	-102	-85
Child Tax Credit (-)	0	-83	-167	-167	-131	-250	-167	-167

### SELF-SUFFICIENCY WAGE

HOURLY	\$7.96	\$11.09	\$13.60	\$12.71	\$10.65	\$17.48	\$8.78*	\$8.32*
MONTHLY	\$1,402	\$1,952	\$2,394	\$2,238	\$1,875	\$3,076	\$3,090	\$2,928
ANNUAL	\$16,821	\$23,421	\$28,726	\$26,852	\$22,503	\$36,915	\$37,080	\$35,140

# *How GA still needs to address the cliff effect*

- ▶ Raise asset limit for TANF applicants—for GA, \$1k or more in savings makes a person ineligible
- ▶ Set higher income eligibility thresholds (14 other states set theirs at or above 200% FPL)
  - ▶ ↑ income eligibility threshold OR sliding scales lessen the impact of losing benefits
  - ▶ Exempt vehicles from asset calculation for eligibility determination (18 other states do this)

Source: North Dakota State Govt. website

# *Solutions?*

- ▶ Update city law: self-sufficiency standard > FPL
- ▶ Assess and propose most promising-seeming legislative changes to GA General Assembly



# *What can each of us do?*



- ▶ Work with Circles
- ▶ Attend city council meetings
  - ▶ Get involved in city, state—or federal politics!
- ▶ Stay informed on the state of the situation
  - ▶ Census.gov is a good resource for data, infographics, blog posts...
  - ▶ Carrollton city legislation available online

# References

- ▶ Enterprise Zone Employment Act, O.C.G.A. § 36-88-1 et seq. (1997).
- ▶ Federal Poverty Guidelines 2017:  
[https://dch.georgia.gov/sites/dch.georgia.gov/files/2017\\_Federal\\_Poverty\\_Guidelines.pdf](https://dch.georgia.gov/sites/dch.georgia.gov/files/2017_Federal_Poverty_Guidelines.pdf)
- ▶ Poverty thresholds: <https://www.census.gov/hhes/povmeas/publications/orshansky.html>
- ▶ Cliff effect: <http://www.systemdynamics.org/conferences/2015/papers/P1389.pdf>
- ▶ Steps toward addressing the cliff effect, info regarding individual state responses:  
[http://www.legis.nd.gov/files/committees/64-2014%20appendices/17\\_9066\\_01000appendixb.pdf](http://www.legis.nd.gov/files/committees/64-2014%20appendices/17_9066_01000appendixb.pdf)
- ▶ Poverty statistics, info, visuals: <https://www.census.gov>
- ▶ Carrollton city council meeting notes (6/6/2016): <http://www.carrollton-ga.gov/wp-content/uploads/2015/12/06-06-2016-1-1.pdf>
- ▶ Carrollton Code of Ordinances:  
[https://www.municode.com/library/ga/carrollton/codes/code\\_of\\_ordinances?nodeId=PTIIC\\_OOR\\_CH86TA](https://www.municode.com/library/ga/carrollton/codes/code_of_ordinances?nodeId=PTIIC_OOR_CH86TA)
- ▶ Circles U.S.A.: <http://www.circlesusa.org/>
  - ▶ West GA chapter: <https://circlesofwestgeorgia.com/>
- ▶ GA self-sufficiency standards, 2008:  
<http://depts.washington.edu/selfsuff/docs/Georgia%202008.pdf>