

Center for Public Policy Priorities

News Release

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PLAYING KEEP-AWAY

New report, analysis show state will invest \$10 billion less in kids even as their needs rise

(AUSTIN, Texas) — A new report and analysis released today by the Center for Public Policy Priorities (CPPP) shows in the wake of a massive revenue shortfall the proposed state budget will invest \$10 billion less in Texas kids over the next two years, even while more of the state's children live in poverty, have no health insurance, and are born too early and too small. The state is approximately \$27 billion short of what it needs to write a budget that funds all essential services at current levels.

"This is a crisis about meeting our kids' needs," says Texas KIDS COUNT Director Frances Deviney, Ph.D. "Our children will not see a better tomorrow or have the opportunity to reach their full potential if we choose a one-size-fits all doctrine that robs them of their future."

According to the newly released report, *The State of Texas Children 2011*, since 2000 Texas has seen a rise in the child poverty rate, a fall in family incomes, an increase in uninsured kids from middle class families, and more babies born too early and too small who potentially face years of medical complications and learning delays.

The report concludes that if current trends continue, the "Texas Century" will likely be one where are kids are sicker, less educated, and unprepared to take on the challenges of the 21st century.

"To disregard these predictions in favor of the idealized 'Texas Century' is ignoring reality," says Deviney. "These predictions will come true if we simply stay on our current course—not to mention what happens if we choose to make life harder for Texas children and families through draconian cuts."

In CPPP's *Policy Point*, "Proposed Texas Children's Budget for 2012-13," analysis shows under current proposals the 2011 Legislature will invest \$10 billion—or approximately 13 percent—less in Texas kids and families compared to 2010-11 with most of the cuts coming in education and health care. Unlike the 2010-11 budget when federal stimulus dollars prevented damaging cuts, there is little additional federal aid to fill that hole this time around: federal funds would decrease by approximately \$8 billion or 23 percent.

"The federal budget spends less than one dime of every dollar on kids," says Bruce Lesley, president of First Focus. "That means states bear the majority of the responsibility for protecting our children and most vulnerable."

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Adds Eva DeLuna Castro, senior budget analyst at CPPP, "Texas' leadership is proposing significant cuts to our most basic services for children and families, including education, health, nutrition, children with special needs, and services that protect children from abuse. We have to take a balanced approach to balancing the budget if we hope to prevent long-term damage to our children and our economy."

CPPP's analyses reveals that states that have higher per-pupil education spending also have significantly higher 4th grade reading scores, lower dropout rates, and lower teen birth rates. Texas follows this trend by ranking 47th in per-pupil spending, and scoring worse than the national average on 4th grade reading, high school dropouts, and births to teens.

"Ignoring the options before us, such as using the Rainy Day Fund and finding new sources of revenue, is short-sighted and will be felt deeply in every county in Texas," says Deviney. "Over-packed classrooms, fewer children with access to doctors, and a host of other local reductions will be the state's legacy as it defaults on its promises to Texas children and families."

She concludes, "It's raining in Texas. If we don't want the hope of a Texas Century to be washed away, we must invest in children now. Taking a cuts-only approach is a wrong-headed proposal that puts ideology over our children's future."

The <u>Proposed Texas Children's Budget for 2012-13</u> shows how much Texas is proposing to spend on children in 2012-13 compared to previous years. *The State of Texas Children 2011*, the annual Texas Kids Count report, shows how kids are doing across the state and in each county, and why it is so important for Texas' future to invest in our children today.

For more information, including county-level child well-being data on more than 70 indicators, visit *The State of Texas Children* online at www.stateoftexaschildren.org.

Texas Century?

Texas Kids Rely Heavily on Education, Health Care, and Nutrition Programs				
	Number	Rate	Change since 2000*	
Public School Enrollment (2009-10)	4,847,844		UP 21%	
Pre-kindergarten: age 4 (2009-10)	379,774	51%	UP 43%	
Children Enrolled in Medicaid or CHIP (2009)	2,863,481	41%	UP 143%	
Children Receiving SNAP (2009) Formerly known as Food Stamps	1,600,995	24%	UP 165%	

^{*}Change is for the rate unless no rate is available

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Recent Outcomes for Texas Kids				
	Number	Rate	Change Since 2000*	
Child Population (2009)	6,557,436		UP 11%	
Child Poverty (2009)	1,655,085	24%	UP 17%	
Median Income (2009) 2000 adjusted for inflation to 2009 dollars	\$48,286		DOWN 1%	
Unemployment (Dec. 2010) Not seasonally adjusted	977,623	8.0%	UP 116%	
Births to Unmarried Teens (2007) Percentage of all live births	44,917	11%	UP 7%	
Preterm Births (2007)	55,094	13%	UP 39%	
Infant Mortality (2007)	2,605	6 Per 1,000 live births	UP 10%	
Confirmed Victims of Child Abuse (2009)	68,326	10 Per 1,000 children	UP 27%	
High School Attrition (Class of 2009)	125,508	31%	DOWN 22%	

^{*}Change is for the rate unless no rate is available

Note: Data is the most current data available to calculate rates at the time of publication.

For a complete listing of Texas' or any county's data, visit www.stateoftexaschildren.org.

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The Center for Public Policy Priorities (CPPP) is a nonpartisan, nonprofit policy institute committed to improving public policies to better the economic and social conditions of low- and moderate-income Texans. CPPP is working for a **BETTER** TEXAS^{\mathbf{M}}. CPPP is home to Texas KIDS Count, a county-by-county comparison of our children's well-being. You can learn more about CPPP at http://www.cppp.org.