

# GENDER MATTERS

AN ANALYSIS OF THE TEXAS STATE BUDGET

2010-2011



25<sup>TH</sup> ANNIVERSARY  
DALLAS WOMEN'S  
FOUNDATION



Our mission at Dallas Women's Foundation is to strengthen the community through investments in women and girls. Over the last 25 years, we have proven that philanthropy is one effective way to accomplish this goal, investing with our donors more than \$12.5 million in women's and girls' programming. With this study, we invite the community to examine other powerful means to enact change: public policy and government budgets.

The Dallas Women's Foundation, with generous funding by The Cecilia and Garrett Boone Family Donor Advised Fund at the Dallas Women's Foundation, commissioned the Center for Public Policy Priorities to conduct a gender-conscious study of the Texas state budget. It examines how the state of Texas spends money – our money – and the implications for women and girls. A greater understanding of gender budget analysis will enable legislators, advocates and agencies to identify and act upon important intervention points.

Issues impacting women and girls are an acknowledged bellwether of problems on the rise in our communities. As the state of Texas is poised to experience massive population growth to 30 million residents by 2020, poverty rates are significantly higher and rising among households headed by women. This problem is compounded by a regressive tax system that penalizes the poor.

To manage our state's growth and ensure our future, we must shift our thinking about how we invest our tax dollars. Like all good investors, we must look for the most effective and efficient ways to get a return on our monies. Because they most consistently and in documented ways act as catalysts to break the cycle of poverty, we advocate focusing on women and girls. It is a sound investment.

A handwritten signature in black ink that reads 'Becky R. Sykes'.

Becky R. Sykes  
President & CEO  
Dallas Women's Foundation

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2010-11



*Published and commissioned by*  
Dallas Women's Foundation

*Conducted by*  
Center for Public Policy Priorities

*Underwritten by*  
The Cecilia & Garrett Boone Advised Fund  
at the Dallas Women's Foundation

*The full report of this study is available online at*  
[www.dallaswomensfoundation.org/research](http://www.dallaswomensfoundation.org/research)





## ACKNOWLEDGEMENTS

### Collaborators

#### **The Cecilia and Garrett Boone Family Donor Advised Fund**

*Gender Matters: An Analysis of the Texas State Budget* was underwritten by The Cecilia and Garrett Boone Family Donor Advised Fund at the Dallas Women's Foundation. The fund was established in 2006 by Cecilia and Garrett Boone.

Cecilia Boone is a leader in promoting and nurturing women's philanthropy who was recently honored as one of 21 Leaders for the 21st Century. At the Dallas Women's Foundation she is a past Board President and the Chair of the Foundation's \$30 million Comprehensive Campaign.

Cecilia and Garrett Boone and their partners founded The Container Store in 1978. Currently, Garrett is Chairman Emeritus of The Container Store and one of the co-founders of Texas Business for Clean Air. He is a member of the Dallas Women's Foundation Advisory Council.

#### **Dallas Women's Foundation**

*Gender Matters: An Analysis of the Texas State Budget* was commissioned and published by Dallas Women's Foundation, which utilizes engaged research to increase community awareness, inform those making policy decisions and create an environment for collaboration and action. This program provides locally focused, gender-specific research, as well as information about emerging trends and other issues impacting the well-being of women and girls.

The Dallas Women's Foundation strengthens the entire community by increasing the investment in women and girls and empowering women's philanthropy.

#### **Center for Public Policy Priorities**

All the research presented in *Gender Matters* was conducted by the Center for Public Policy Priorities (CPPP), a nonpartisan, nonprofit policy institute committed to improving public policies to better the economic and social conditions of low- and moderate-income Texans.

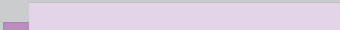
#### **Special Thanks**

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# GENDER MATTERS

## EXECUTIVE SUMMARY: WHY GENDER BUDGETING?

### What is a Gender Responsive Budget?

A government's budget is perhaps the most accurate statement of its real policies and values. Laws and policies may be put forward, but until money is spent on them, they are simply pieces of paper. Once money is spent, people's lives are impacted.

For centuries, politicians and policymakers across the globe and in our own backyards have been predominantly men. Today women continue to be underrepresented in these roles. As a result, our society generally treats men's needs as the norm and largely ignores gender differences.

A gender responsive budget examines fiscal policy, taking into account how public revenues and expenditures impact the individual lives of men and women. Rather than creating separate budgets or dividing a budget equally, this approach determines where allocations should be the same and where they should be different.

### Where are Gender Budgets being done?

Australia introduced the first gender sensitive budget in 1984<sup>1</sup>, and in 1995 participants in the United Nations' World Conference formally called on all governments to adjust their budgets to ensure equal access to public expenditures.<sup>2</sup>

Increasingly more countries are recognizing gender budgeting as an effective strategy for achieving gender equality as a means to improving the overall well-being of a nation. Gender budgeting is gaining hold in more than 40 countries from Mexico to South Africa and from India to Tanzania. The United Kingdom is taking the lead in gender budgeting among Western countries.<sup>3</sup>

Yet here, in the United States, gender budgeting has yet to take hold in any substantial way. A gender responsive budget in Texas not only helps address the unique needs of women and girls, but also sets an example to other states looking for innovative and effective ways to address societal challenges.

<sup>1</sup> United Nations Platform for Action Committee: <http://www.unpac.ca/gender/whatis.html>.

<sup>2</sup> The United Nations Fourth World Conference on Women: <http://www.un.org/womenwatch/daw/beijing/platform/economy.htm>.

<sup>3</sup> The United Nations Platform for Action Committee: <http://www.unpac.ca/gender/whatis.html>. More detailed description of government programs and initiatives: <http://www.unpac.ca/gender/learnmore.html>.

## EXECUTIVE SUMMARY: STUDY OVERVIEW

*Gender Matters: An Analysis of the Texas State Budget* is part of the Dallas Women's Foundation's engaged research program. Through this and other studies, we seek to increase community awareness, inform those making policy decisions and create an environment for collaboration and action.

This study examines Texas' \$182.5 billion budget for the two year-period of 2010-2011 through a gender lens. It focuses on the impact of fiscal policy on the health, safety, education and economic security of our state's 12.2 million women and girls, who represent one half of our total state population.

The goal of the study is to help determine where allocations should be different to address the unique needs of women and girls. Conducted by the Center for Public Policy Priorities and the Dallas Women's Foundation, it identifies intervention points and considers actions needed to improve outcomes for women and girls in our state.

It is a widely acknowledged fact that when you help a woman, you also help her family and, ultimately, her community. Investing in women creates a ripple effect that produces the kind of social change that can lift up our entire region. Ultimately, a gender analysis of Texas' state budget is not only in the interest of equality. A gender responsive budget will help ensure we will be a healthy, thriving state now and in the future.

### Research



*"If women have a roof over their heads and a home free of violence, and good affordable health care, then so do children. In the larger picture, it's not just about women, but entire communities. Women are the conduits through which change is made."*

- Chris Grumm, president and CEO of the Women's Funding Network

## EXECUTIVE SUMMARY: KEY FINDINGS

### FISCAL POLICY

***State fiscal policies place heavy tax burdens on female-headed households and fail to maximize federal dollars available to assist women and girls in Texas.***

The economic vulnerability of Texas' 2.4 million female-headed households is compounded by the regressive tax system in this state. Under current policy, proportionately more is taken from low-income households through consumption-based taxes such as sales tax, leaving them with less to pay for other household essentials or save for a rainy day. More than half of all female-headed households report incomes in the lowest 20 percent of all Texans and therefore pay 12.4 percent in state and local taxes – twice the average rate of 6.2 percent that other Texans pay.

In addition, generally low tax rates in Texas yield fewer program dollars to bring matching federal monies back into the state. Of particular importance to women and girls, Texas forfeits billions of federal dollars in health and child care subsidies each year.

### HEALTH & SAFETY

***State investments in health and safety programs for Texans consistently rank among the lowest in the nation, resulting in limited services and protections for victims of family violence, who are predominantly women and girls.***

A concerted effort has been made recently in the state budget to improve outcomes of child abuse investigation, foster care and adoption subsidy programs. Yet, Texas still spends very little compared to other states, ranking 45th in public spending per capita on child abuse programs.

Texas also spends far less on emergency shelter and other services for victims of domestic violence than do other high-population states such as Illinois and New York. The state currently funds approximately 38 cents on the dollar for these programs, placing the remainder of the burden on local governments, private foundations and individuals.

## ECONOMIC SECURITY

***Rising higher education costs, combined with exceptionally low investments in cash assistance and child care subsidies for poor families, undermine the economic security of women in Texas, particularly single mothers and their children.***

### *Access to higher education*

For women, even more so than for men, a college degree is the best defense against poverty. To lower her risk of poverty below 10 percent, a woman in Texas must achieve a higher degree, while her male counterparts need only have some post-secondary education. Unfortunately, tuition deregulation and stagnant general revenue support from the state budget are making the type of education essential to a woman's economic stability less affordable.

### *Child care and support*

In 2008, child support enforcement programs in Texas pulled 83,000 children out of poverty. However, Texas provides very little in cash assistance and child care subsidies, which are critical supports for the state's families led by single mothers. Only three states provide lower cash grants for poor families, and only four report smaller shares of low-income children in subsidized child care.

### *Public employment*

Women are almost twice as likely as men to work for the government. As such, legislative decisions related to staffing levels and compensation in Texas affect women disproportionately, especially in state health and human services agencies as well as public elementary and secondary schools.



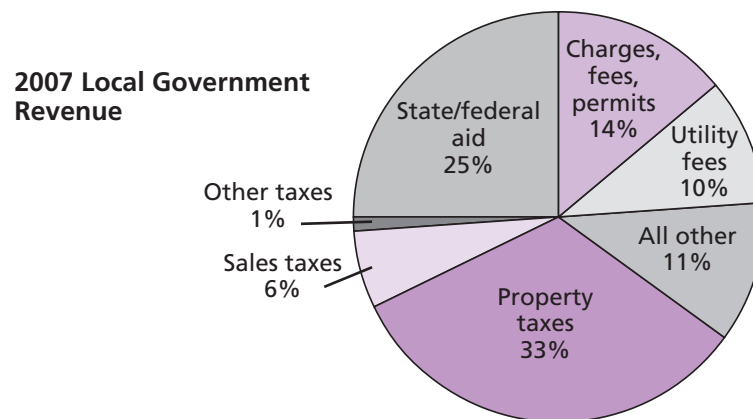
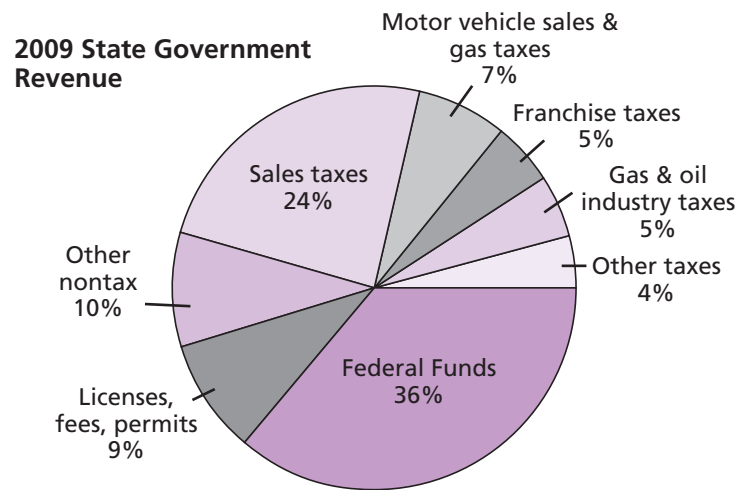


**CLOSE-UP:  
Fiscal Policy**

## CLOSE-UP: FISCAL POLICY

Texas, with a population of 25 million, requires an enormous budget to maintain a positive quality of life for its residents. For the two-year budget for 2010-11, there is \$182.5 billion allocated to state expenditures on everything from public health services and education to transportation infrastructure.

These monies, however, fall significantly short of meeting the state's budget needs. Shortfalls are expected to be in the billions this budget cycle, even with Texas spending less per capita on its residents than any other state in the nation.



SOURCE: Texas Comptroller of Public Accounts, 2009 Annual Cash Report; U.S. Census Bureau, Local Government Finances by Type of Government and State: 2006-07.

### A Quick Look at the Texas State Budget

- \$182.5 billion budget for 2010-2011
- 3rd largest state budget in the U.S. after California and New York
- 5th most regressive tax system in the nation
- One of only nine states without a broad-based personal income tax
- Sales tax is the largest source of tax revenue
- 50th in state government spending per capita
- 49th in state taxes collected per capita

To understand how an inadequate budget is created, we look to the revenues that make up the Texas state budget.

Taxes pay for the largest share of the Texas state budget in 2010-11— \$78 billion, or approximately 45 percent of all revenues. The majority of those taxes are sales and other consumption taxes. Local governments raise most of their revenue through property taxes, sales taxes and fees or user charges.

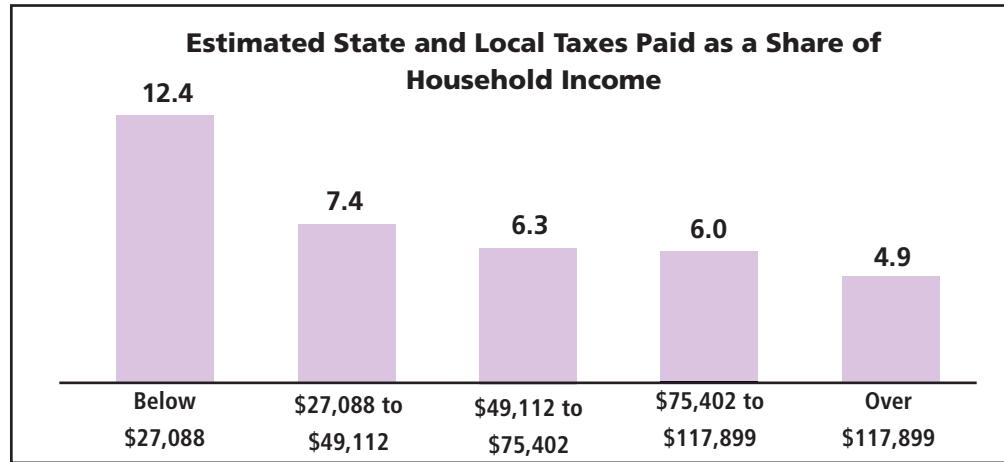
As a result, the state and local tax system in Texas is the fifth most regressive in the country. In a regressive tax system, lower-income households pay much more as a share of their income than do higher-income households. The poorest households bear the greatest tax burden.<sup>4</sup>

#### **Definition: Regressive Taxes**

Regressive taxes take a larger percentage of the income of low-income people than of high-income people. For example, sales and other consumption taxes place a heavier burden on lower income households, taking away a higher percentage of their available incomes to pay for basic needs.

<sup>4</sup>Institute on Taxation and Economic Policy, Who Pays? A Distributional Analysis of the Tax Systems in all 50 States, November 2009, [www.itepnet.org/wp2009/tx\\_whopays\\_factsheet.pdf](http://www.itepnet.org/wp2009/tx_whopays_factsheet.pdf).

**The Impact on Female-Headed Households**



*Source: Calculations by CPPP, using data from Texas Comptroller of Public Accounts, 2009 Tax Incidence Report.*

Almost 1.3 million, or 54 percent, of female-headed households in Texas fall into the lowest income bracket with the highest tax burden. These single mothers, elderly women living alone and other female householders are paying twice the average tax rate of the remaining 80 percent of Texas households. This disproportionate burden increases the challenge for a low-income household trying to make ends meet on less than \$27,100 a year.

Another 20 percent of women-headed households fall into the second-lowest income quintile shown in the chart above, and 10 percent are in the middle income quintile. In total, 84 percent of Texas’ women-headed households are in the bottom three income brackets where taxes take more than 6 percent of income.

Single mothers and other female householders are often the only wage earners in the family as well as the only caregivers. Relieving the tax burden on these households by relying less on consumption taxes, or providing income-based sales or property tax relief, would go a long way to helping women in poverty make ends meet for themselves and their families.

### Inadequate Funding

Despite the high and unrelieved tax burdens on low-income residents, Texas has the 7th lowest tax effort in the nation. Overall state and local taxes result in an effective tax rate of 9.3 percent of personal income, generating one of the lowest levels of support for public services in the nation.<sup>5</sup> In 2008, Texas ranked last (50th) per capita on state government spending and 44th on state/local spending per capita.<sup>6</sup>

In addition to not generating adequate revenue, Texas' tax system is also not keeping pace with growth in the state economy or with the demand or cost of public services, particularly health care. Texas' general revenue budget is lower in 2010-11 than it was a decade earlier in 2000-01, after adjusting for population growth and inflation.<sup>7</sup>

In addition, federal monies for state programs are also often left on the table. For example, Texas usually receives \$1.50 in federal dollars for every state dollar invested in Medicaid programs. However, limited state funding for these programs leaves billions in federal funds unclaimed each year.

Supporting more than one-third of the state budget overall, federal dollars are critical not only to Medicaid and other health programs, but also to nutrition, child care, child support enforcement, child protection, foster care and certain educational programs, such as special education or Title I (for economically disadvantaged children). Bringing federal tax dollars paid by Texas households "home" would yield a good return on investment to help pay for health care and other underfunded social services.



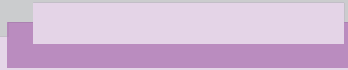
*Texas' general revenue budget will be lower in 2010-11 than it was a decade earlier in 2000-01, after adjusting for population growth and inflation.*

<sup>5</sup> State & Local Government Finance Data Query System, [www.taxpolicycenter.org/slf-dqs/pages.cfm](http://www.taxpolicycenter.org/slf-dqs/pages.cfm), The Urban Institute-Brookings Institution Tax Policy Center. Data from U.S. Census Bureau, Annual Survey of State and Local Government Finances, Government Finances, 2007. Date of access: May 26, 2010.

<sup>6</sup> U.S. Census Bureau, July 2008 State Population Estimates and 2008 Annual Survey of State Government Finances, [www.census.gov/govs/state/](http://www.census.gov/govs/state/). Texas had total expenditures of \$4,149 per capita, compared to a U.S. state government average of \$5,720. State/local direct general expenditure data for 2007 are from U.S. Census Bureau, 2007 State & Local Government, [www.census.gov/govs/estimate/](http://www.census.gov/govs/estimate/). Texas averaged \$6,130 in state/local spending per capita, compared to the U.S. average of \$7,436.

<sup>7</sup> Legislative Budget Board, Fiscal Size Up 2010-11 Biennium, [www.lbb.state.tx.us/Fiscal\\_Size-up/Fiscal%20Size-up%202010-11.pdf](http://www.lbb.state.tx.us/Fiscal_Size-up/Fiscal%20Size-up%202010-11.pdf), p. 9.





**CLOSE-UP:  
Health & Safety**

## CLOSE-UP: HEALTH &amp; SAFETY

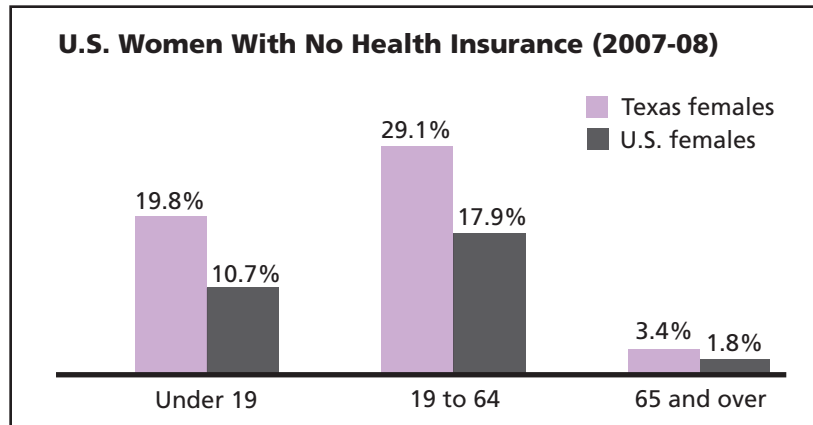
## 2010-11 State-Funded Programs Supporting Health &amp; Safety

Budget item	Description	Amount Budgeted for Women & Girls
Medicaid	Federally and state-funded health insurance program for low-income individuals and women with the Medicaid Women's Health Waiver.	\$25.5 billion
Children's Health Insurance Program (CHIP)	Health insurance program for low-income children who are not poor enough to qualify for Medicaid. Also provides perinatal coverage for low-income pregnant women.	\$990 million
Long-term care	Non-Medicaid funding of long-term care services including nursing home care, hospice care and community care. Direct-care workers are primarily female.	\$362 million
WIC Special Supplemental Nutrition Program for Women, Infants & Children	Federally funded program that improves diet and nutrition for pregnant, postpartum and breastfeeding women, as well as infants and children.	\$1.7 billion
Women's & Children's Health Services	Includes Title V Fee-for-Services Maternal and Child Health program for low-income women and children.	\$142 million
Family Planning	Low-cost reproductive care services at more than 300 clinics throughout the state.	\$111 million
Child Protective Services and Foster Care	Child abuse investigation, foster care homes, prevention services, adoption subsidies, child care for foster families and other services to protect children from further abuse or neglect.	\$882 million
Family Violence Services	Emergency shelter for children and their parents and non-residential services including counseling and legal assistance.	\$990 million

Source: Estimates by Center for Public Policy Priorities, based on appropriated amounts, S.B. 1 Conference Committee Report for the 2010-11 Biennium, Legislative Budget Board.

### Health Care

Women and girls in Texas have, at every stage of life, among the worst health care access in the U.S. Overall, 23 percent of Texas females have no health insurance, putting the state at 50th in the nation in terms of access to health care.<sup>8</sup>



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2008 and 2009.

The main reason for these poor rankings is a lack of jobs in Texas that provide employer-sponsored health insurance or pay wages high enough for workers to afford coverage. Women are more likely to work part-time and for lower wages than men, making them especially vulnerable to these gaps in employer-sponsored benefits.

The high cost and lack of access to private coverage creates increased demand for public sector health coverage. The state's public health care programs help approximately 1.9 million low-income girls and women have access to a variety of health and nutrition services. Females are more likely to receive assistance from Medicaid and other health programs than males due to programs specifically targeting reproductive health.

However, public sector health coverage is more restrictive and less well funded in Texas than in other states. The largest public program is Medicaid, and it is so poorly funded that Texas covers only 7.1 percent of working-age women compared to 10.2 percent in the rest of the U.S. due to highly restrictive eligibility requirements.<sup>9</sup> In addition to this lower portion of the population being served, Texas has the 4<sup>th</sup> lowest spending per Medicaid enrollee in the nation.<sup>10</sup>

<sup>8</sup> Two-year state averages for uninsured females, U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2008 and 2009. [www.census.gov/hhes/www/cpstc/cps\\_table\\_creator.html](http://www.census.gov/hhes/www/cpstc/cps_table_creator.html).

<sup>9</sup> State rates for Medicaid coverage of females ages 19 to 64, U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplement, 2009. [www.census.gov/hhes/www/cpstc/cps\\_table\\_creator.html](http://www.census.gov/hhes/www/cpstc/cps_table_creator.html).

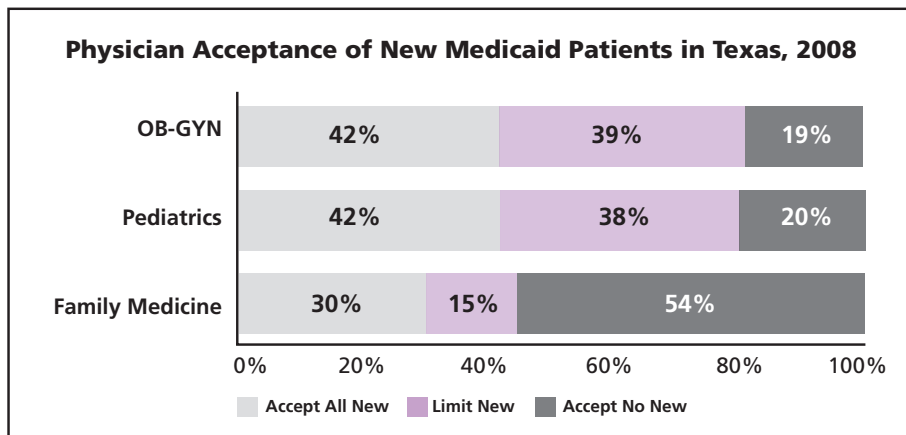
<sup>10</sup> Kaiser State Health Facts, "Medicaid Payments Per Enrollee, FY 2006," Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on data from Medicaid Statistical Information System (MSIS) reports from the Centers for Medicare and Medicaid Services (CMS), 2009.

## HEALTH & SAFETY

	Medicaid spending per child enrollee	Rank	Medicaid spending per adult enrollee	Rank	Medicaid spending per enrollee (any age)	Rank
Arizona	\$1,983	23	\$1,533	48	\$2,206	50
Georgia	1,435	44	2,806	24	3,296	48
Illinois	1,400	46	1,981	45	4,129	41
New York	2,140	15	3,554	5	7,927	2
<b>Texas</b>	<b>1,607</b>	<b>40</b>	<b>2,510</b>	<b>34</b>	<b>3,367</b>	<b>47</b>
U.S. Average	\$1,708		\$2,142		\$4,575	

Source: Kaiser State Health Facts, "Medicaid Payments Per Enrollee, FY 2006," Urban Institute and Kaiser Commission on Medicaid and the Uninsured estimates based on data from Medicaid Statistical Information System (MSIS) reports from the Centers for Medicare and Medicaid Services (CMS), 2009.

Even those who are enrolled in Medicaid can experience challenges gaining access to care. As health care costs continue their relentless climb, one of the only ways legislators can slow the growth of Medicaid spending is to restrict the rates paid to doctors and other health care providers. As a result, 24 percent of private physicians limit the number of Medicaid patients they will see, and a full 35 percent refuse new Medicaid patients altogether. With the number of doctors willing to accept Medicaid shrinking, some communities now experience severe shortages of certain kinds of providers.<sup>11</sup>



Source: Texas Department of State Health Services, based on Texas Medical Association Physician Survey 2008.

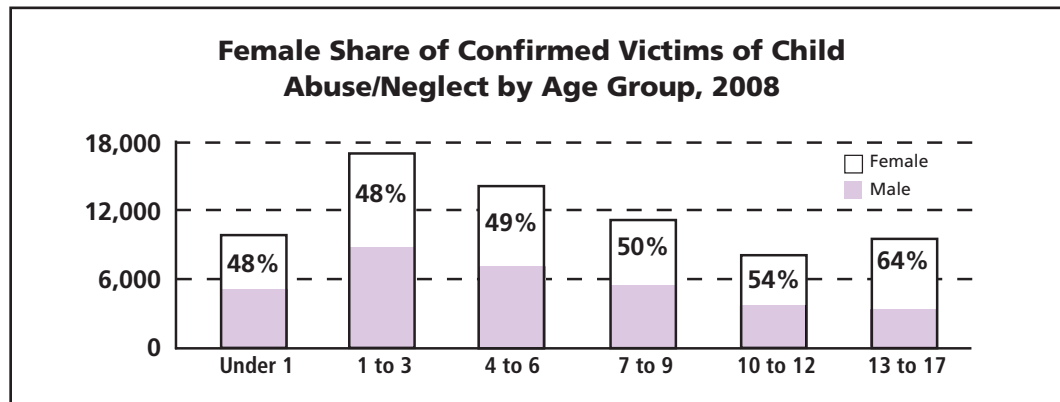
<sup>11</sup> Texas Department of State Health Services, based on Texas Medical Association Physician Survey 2008.

The other means legislators can use to curb Medicaid costs is by limiting eligibility by income level and certain other criteria. Texas' Medicaid policies are most restrictive for low-income adults who are not pregnant and do not have a physical disability that prevents them from working.

While raising eligibility cut-offs would require increased state general revenue spending, it would also increase federal funds for health care by an even larger amount. For example, if Texas expanded its Medicaid income eligibility for low-income women so that it covered the national average (25 percent), an additional 221,000 women would have health insurance. Plus, \$1 billion more in federal funds would flow through the biennial budget to Texas communities for women's health care.<sup>12</sup>

## Safety

### Child Abuse & Neglect



Source: Texas Department of Family and Protective Services, 2008 Annual Data Book.

One area of the budget in which Texas has made a concerted effort to improve outcomes for children is child abuse investigation, services to families, and foster care and adoption subsidy programs. Yet, Texas still spends very little compared to other states in these areas – and hardly anything at all on child abuse prevention.

<sup>12</sup> Calculation assumes the "usual" Medicaid match rate for health care of 40 percent state funding/60 percent federal funding. State General Revenue required for this illustrated expansion would be \$672 million per biennium. NOTE: the recently enacted national health care reform legislation requires states, beginning in January 2014, to expand Medicaid coverage to 133 percent of poverty for parents and childless adults.

## HEALTH & SAFETY

Annually, more than 36,200 girls in Texas are newly confirmed as victims of abuse or neglect, and more than 7,900 girls are in state foster care. Despite considerable total funding of \$1 billion for fighting and responding to child abuse, Texas ranks 45th in per-capita public spending on child protection.<sup>13</sup>

### Family Violence Services

State funds for family violence programs total \$51 million – far less than expenditures in other high-population states. For example, in 2005, New York City alone spent \$72 million on emergency and transitional shelters operated specifically for victims of family violence, plus \$68 million on other homeless shelter beds used by women and children fleeing domestic violence.<sup>14</sup> In 2008, Texas spent 99 cents per capita on family violence services compared to \$2.21 in Illinois<sup>15</sup> and \$1.10 in California.<sup>16</sup>

Funding through the state budget is estimated to cover just 38 percent of the total cost of Texas' local family violence programs. State support has not yet recovered from significant reductions in 2003, when the state last had a revenue shortfall. For example, in 2008, almost 23 percent of adults seeking emergency shelter due to family violence were denied due to lack of space, up from 16 percent turned away in 2001.<sup>17</sup>

Yet, even in the face of another budget shortfall, it is critical that we at least maintain the budgets for these programs so no women and children seeking emergency shelter from family violence will be turned away when in crisis. Any increases in state support would help more women and children escape domestic violence.

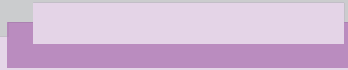
<sup>13</sup> "Per capita" was calculated as total child welfare spending for each state divided by its population under the age of 18. Spending data are from Child Trends, Federal, State, and Local Spending to Address Child Abuse and Neglect in FFY 2006, December 2008. [www.childtrends.org/Files/Child\\_Trends-2009\\_02\\_17\\_FR\\_CWFinancePaper.pdf](http://www.childtrends.org/Files/Child_Trends-2009_02_17_FR_CWFinancePaper.pdf).

<sup>14</sup> New York City Independent Budget Office, IBO Fiscal Brief, City Spending on Domestic Violence: A Review, June 2007. These figures do not include federal, state, or private funding going directly to the city's nonprofits, outside of the city budget. [www.ibo.nyc.ny.us/iboreports/DomesticViolenceSpending.pdf](http://www.ibo.nyc.ny.us/iboreports/DomesticViolenceSpending.pdf).

<sup>15</sup> Email correspondence from Larry Joseph, Illinois Voices 4 Kids, November 18, 2009. Per capita figures were calculated using total state populations, not just clients served or potentially needing domestic violence services.

<sup>16</sup> California Department of Public Health information and email correspondence from Hanh Quach, California Budget Project, November 23, 2009.

<sup>17</sup> Texas Council on Family Violence, "Family Violence Statistics in Texas," [www.injurypreventioncenter.org/pdf/Year%202009%20family%20violence%20statistics.pdf](http://www.injurypreventioncenter.org/pdf/Year%202009%20family%20violence%20statistics.pdf).



# **CLOSE-UP: Economic Security**

CLOSE-UP: ECONOMIC SECURITY

2010-11 State-Funded Programs Supporting Economic Security

Budget item	Description	Amount Budgeted for Women & Girls
Elementary/Secondary Education	Public school programs, including education programs for children and salaries for school employees and teachers.	\$27 billion
Higher Education	Public community colleges and universities.	\$5.3 billion
Child Support Enforcement	Programs run by the Office of the Attorney General to enforce child support payments by non-custodial parents to custodial parents or guardians.	\$603 million
Temporary Assistance for Needy Families (TANF)	Cash welfare programs for low-income families.	\$200 million
Child Care Subsidies	Provided to working poor families, families in the TANF program and some children in the child protective services system through local workforce development boards and the Texas Workforce Commission.	\$1.3 billion
State Government Employment	Wages and benefits for state government employees, including those working for state and public education institutions.	\$18.5 billion

Sources: Estimates by Center for Public Policy Priorities, based on appropriated amounts, S.B. 1 Conference Committee Report for the 2010-11 Biennium, Legislative Budget Board.

## Education

### *Higher Education*

Education is widely recognized as the most effective way to increase an individual's earning power. To this end, access to public education is the single largest commitment made by the State of Texas to its residents, whether in terms of dollars spent or people educated.

For women, who must obtain higher degrees of education to achieve the same economic success as men, education is an even more essential defense against poverty. All women in Texas, whether single or married, must have a college degree or higher to lower their risk of living in poverty below 10 percent. In contrast, men need only have some post-secondary education to achieve a similar level of reduced risk.<sup>18</sup>

Education is particularly critical for women heading households alone, especially single mothers with children. Whereas poverty impacts 10 percent of families headed by men or married couples who have not completed college, it reaches 35 percent of households in Texas headed by women with the same levels of educational achievement.<sup>19</sup>

<sup>18</sup> U.S. Census Bureau, 2008 American Community Survey, Table B15004.

<sup>19</sup> U.S. Census Bureau, 2008 American Community Survey, Table 17018.

## ECONOMIC SECURITY

Women comprised 57 percent of all students enrolled in public higher education in Texas in Fall 2008.<sup>20</sup> While women are enrolling in greater numbers than men, Texas females lag behind their sisters in other states. Texas ranks 33<sup>rd</sup> among the states in the percent of women age 25 or over with at least a bachelor's degree.<sup>21</sup>

Affordability poses the main challenge to growing the number of Texas women obtaining college degrees. Tuition deregulation, as well as stagnant state funding, have increased the cost of attending both community colleges and state universities. Legislative efforts to increase need-based financial aid or to restrict growth in deregulated tuition and fees will directly benefit all of Texas, but particularly women for whom education is so critical.

### Texas Public Higher Education Tuition Increases (Fall 2003 vs. Fall 2008)

	Female share of Fall 2008 enrollment	Percent increase in tuition (State Average: 69%)
<b>Highest % of Female Enrollment</b>		
Texas Woman's University	91%	72%
Texas A&M – Texarkana	72%	50%
University of Houston – Victoria	67%	49%
University of Houston – Clear Lake	65%	61%
Texas A&M – Commerce	63%	51%
<b>Highest Total Female Enrollment</b>		
University of Texas at Austin	25,525	104%
Texas A&M College Station	22,474	77%
University of North Texas	19,435	75%
University of Houston	18,371	82%
Texas State University	16,321	85%

Source: Texas Higher Education Coordinating Board. Increases shown are for statutory and designated tuition, not fees.

<sup>20</sup> Texas Higher Education Coordinating Board, Enrollment - Statewide by Gender and Ethnic Origin, Fall 2008, for Public Universities, Public Two-Year Colleges and Health-Related Institutions.

<sup>21</sup> U.S. Census Bureau, 2008 American Community Survey, Table C15002.

### *Elementary & Secondary Education*

For a woman to significantly decrease her risk of poverty, she must achieve some level of higher education. To obtain higher education, a solid elementary and secondary education is an essential foundation.

Despite public education being a top budget priority at both the state and local government levels, property tax relief has created a \$9 billion hole in biennial state funding of public schools.<sup>22</sup> Texas ranks 44<sup>th</sup> in the nation in spending per pupil and 50<sup>th</sup> in the share of women age 25 or older with at least a high school diploma.<sup>23</sup>

Girls tend to outperform boys on all state standardized tests, except in the areas of science and math.<sup>24</sup> Female students also have better graduation rates, are better prepared for college when they exit public high schools, and have lower dropout rates than male students.<sup>25</sup> However, in recent years this achievement gap has been closing but in the wrong direction—not because boys are doing better, but because girls are doing worse, especially in high school completion.

<sup>22</sup>The cost of property tax relief is estimated to be \$7.3 billion in 2010 and \$7.6 billion in 2011, or \$14.9 billion for the biennium; see House Bill 1, 79th Legislature, Third Called Session, Fiscal Note, Enrolled Version. The amount of new state revenue raised to pay for the tax cuts is \$2.6 billion in fiscal 2010 and \$2.8 billion in fiscal 2011, or \$5.4 billion for the biennium, according to the Texas Comptroller of Public Accounts, Certification Revenue Estimate for 2010-11, November 24, 2009, Table A-10. The resulting \$9.5 billion gap was financed with state general revenue that would otherwise have been available for additional state spending on education, health and human services or any other legislative appropriation.

<sup>23</sup>National Education Association, *Rankings of the States 2008 and Estimates of School Statistics 2009*, December 2008; U.S. Bureau of the Census, 2006-2008 American Community Survey 3-Year Estimates, Table C15002. Sex by Educational Attainment for the Population 25 Years and Over.

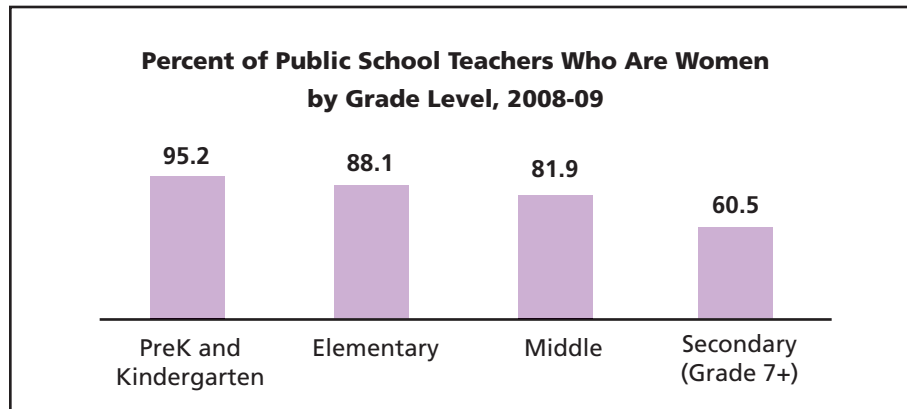
<sup>24</sup>Percentages of male and female students meeting 2009 TAKS Standard, Texas Education Agency, Division of Performance Reporting, Academic Excellence Indicator System, 2008-09 State Performance Report, <http://ritter.tea.state.tx.us/perfreport/aeis/2009/state.html>.

<sup>25</sup>Annual dropout rates (Grades 7-8, 7-12, 9-12), Completion/Student Status Rate (Grade 9-12), Completion Rates I and II, and College Readiness Indicators for male and female students, Texas Education Agency, Division of Performance Reporting, Academic Excellence Indicator System, 2008-09 State Performance Report, <http://ritter.tea.state.tx.us/perfreport/aeis/2009/state.html>.

## ECONOMIC SECURITY

Public education funding is critical not only to the education of the state's children, but also to the individuals the schools employ. Texas public schools employ and provide a livelihood to almost 498,000 women; 77 percent of public school teachers are female.<sup>26</sup>

Texas legislators will continue to debate long-term solutions to the state's need for equitable and adequate school finance. Any solutions should keep in mind the importance of our public schools not only as a critical factor in improving earnings for women, but also as an employer of almost half a million of the state's female wage earners.



*Source: Texas Education Agency, Texas Public School Districts Including Charter Schools, Full-Time Equivalent Counts by Personnel Type, Gender and Ethnicity, PEIMS Data 2008-09.*

<sup>26</sup> Texas Education Agency, Texas Public School Districts Including Charter Schools, Full-Time Equivalent Counts by Personnel Type, Gender and Ethnicity, PEIMS Data 2008-09.

## Child Care & Support

Texas provides very little help to poor families in terms of cash and child care assistance. The result is a failure in state support that is particularly harmful to single mothers who live in poverty or are the working poor.

Low-income single mothers are often the only wage earner and the only provider of child care. These competing demands create an impossible situation in which women must choose between providing for their families or staying home to care for them.

### *Child Support Enforcement*

One way the state has addressed this problem is through child support enforcement programs run by the Office of the Attorney General, which are often held up as an example of success in other states.

The state has helped 1.1 million Texas families receive child support, with total collections expected to reach \$2.9 billion by 2011. Through this program, the state has reduced the childhood poverty rate in Texas from 23 to 22 percent.

This percentage may seem like small progress, but one percent translates into 83,000 fewer children growing up in poverty.<sup>27</sup> With further innovation, such as job training for non-custodial parents, this success could be further enhanced.

### *Cash Welfare*

Less help is offered to single mothers and children in terms of cash welfare. Very few poor families receive any cash assistance from the Temporary Assistance for Needy Families (TANF) program.

For example, in October 2009, with at least 3.3 million non-elderly Texans living below the poverty line, only 99,000 children and 19,000 parents received TANF. The average monthly grant was \$71 per person, or \$213 for a family of three – the fourth lowest amount in the nation.<sup>28</sup>

A redesign of cash assistance for parents or grandparents who have no prospects in the labor market could dramatically reduce poverty among children and female-headed families.

<sup>27</sup> U.S. Census Bureau, Current Population Survey (CPS) Table Creator II, Poverty Status – Alternative variables, CPS data collected in 2009. Poverty estimates were calculated for Texas children in poverty universe, ages 0 to 18, with income defined as all cash market income sources, all government cash income sources (means-tested or nonmeans tested), and educational benefits, plus child support contributions from outside the household. [www.census.gov/hhes/www/cpstc/apm/cpstc\\_alt pov.html](http://www.census.gov/hhes/www/cpstc/apm/cpstc_alt pov.html).

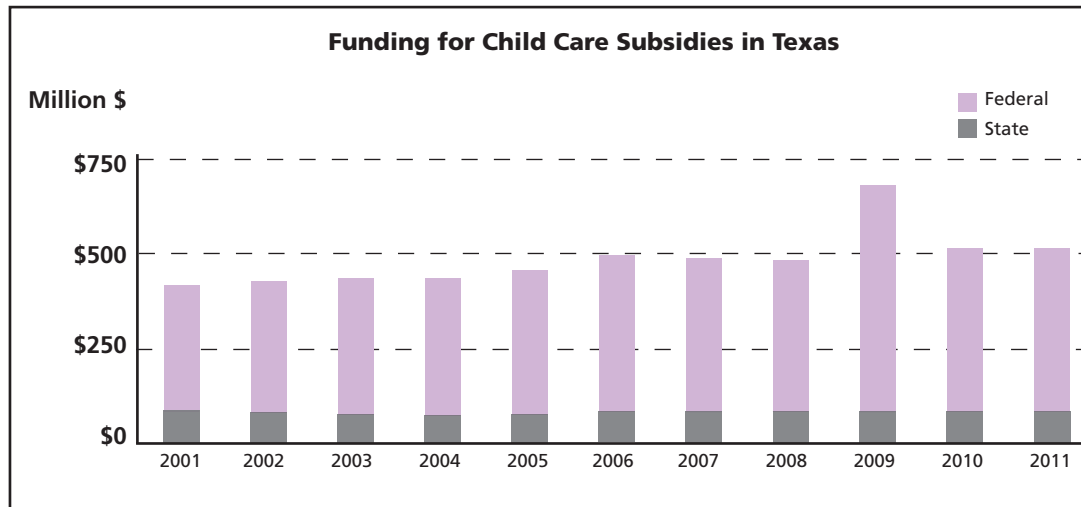
<sup>28</sup> Calculated from TANF federal and state maintenance of effort spending on basic assistance, divided by the average number of families (two-, one-, or no-parent) receiving TANF in 2008. Caseload and financial data available at [www.acf.hhs.gov/programs/ofa/data-reports/index.htm](http://www.acf.hhs.gov/programs/ofa/data-reports/index.htm).

## ECONOMIC SECURITY

### Child Care Assistance

Another path to lifting families out of poverty is by providing quality child care that enables women to engage or increase their involvement in the workforce. With the assurance that children are supervised and in a safe environment, mothers are freed up to find and maintain a job outside the home.

Commitment to increased funding for child care to keep pace with the demand is low. In 2008, only 4.6 percent of low-income children under 13 received child care subsidies, and there was an official waiting list of more than 33,000 children for publicly supported child care.<sup>29</sup> With funding remaining fairly flat (other than a one-time injection of monies in 2009 from the federal government), Texas has the 5th lowest share of low-income children under 13 served by child care subsidies.<sup>30</sup>



Source: Texas Legislative Budget Board and Texas Workforce Commission.

Increased state support for child care could improve not only the amount of child care that is provided, but also the quality of care. Employment in the child care industry as a whole is predominantly female, with almost 95 percent of child care workers in Texas being women.<sup>31</sup> Their wages are low; the median hourly wage for Texas child care workers, regardless of gender, was only \$7.82 in 2008, which is not much higher than the federal minimum wage.<sup>32</sup>

<sup>29</sup> Waiting list figure is from Texas Workforce Commission, 2010 Operating Budget, Fiscal 2008 expended data, [www.twc.state.tx.us/business/fmgc/operating\\_budget\\_10.pdf](http://www.twc.state.tx.us/business/fmgc/operating_budget_10.pdf), III.A. Page 28 of 56.

<sup>30</sup> U.S. Department of Health and Human Services, Administration on Children and Families, Child Care Bureau, FFY 2008 Child Care and Development Fund Data Table (Preliminary Estimates), Table 1: Average Monthly Adjusted Number of Families and Children Served (FFY 2008). [www.acf.hhs.gov/programs/ccb/data/ccdf\\_data/08acf800\\_preliminary/list.htm](http://www.acf.hhs.gov/programs/ccb/data/ccdf_data/08acf800_preliminary/list.htm).

<sup>31</sup> U.S. Census Bureau, American Community Survey 1-Year Estimates for Texas, Table B24010. Sex by Occupation for the Civilian Employed Population 16 Years and Over.

<sup>32</sup> U.S. Bureau of Labor Statistics, State Occupational Employment and Wage Estimates, May 2008.

## Public Employment

One final area in which Texas legislators may be making state budget choices without fully recognizing the impact by gender is in the area of government employment. Almost 940,000 jobs held by women in Texas – or one out of every five – are in the public sector, compared to one out of nine for men.<sup>33</sup> As a major employer, the state has significant influence over women's earnings.

Texas state agencies that have the highest shares of female workers include the Department of Family and Protective Services (83 percent female), the Health and Human Services Commission staff (79 percent female) and the Department of Aging and Disability Services (75 percent female).<sup>34</sup>

Public jobs often pay less than their occupational private-sector counterparts. The fringe benefits, however, such as pensions or health insurance for workers, retirees and their dependents, are often better than in the private sector. The downside is that these benefits are expensive, making them a perennial target for budget cutting. State officials looking to public staffing or compensation for budget savings should keep in mind these cuts could have disproportionate negative impacts on women and their families.

<sup>33</sup> U.S. Bureau of the Census, 2008 American Community Survey, Table B24080. Sex by Class of Worker for the Civilian Employed Population 16 Years and Over.

<sup>34</sup> State Auditor of Texas, Agency Workforce Summaries (2008), <http://sao.hr.state.tx.us/publications/wfsummaries.html>.

## APPENDIX

### Appendix: How the Texas State Budget Is Written

Since 1991, Texas has used a strategic planning and budgeting system to help state leaders move away from crisis-driven decision-making to a more rational allocation of public resources. The goal is to prepare the state to respond better to the most critical long-term issues facing its residents.

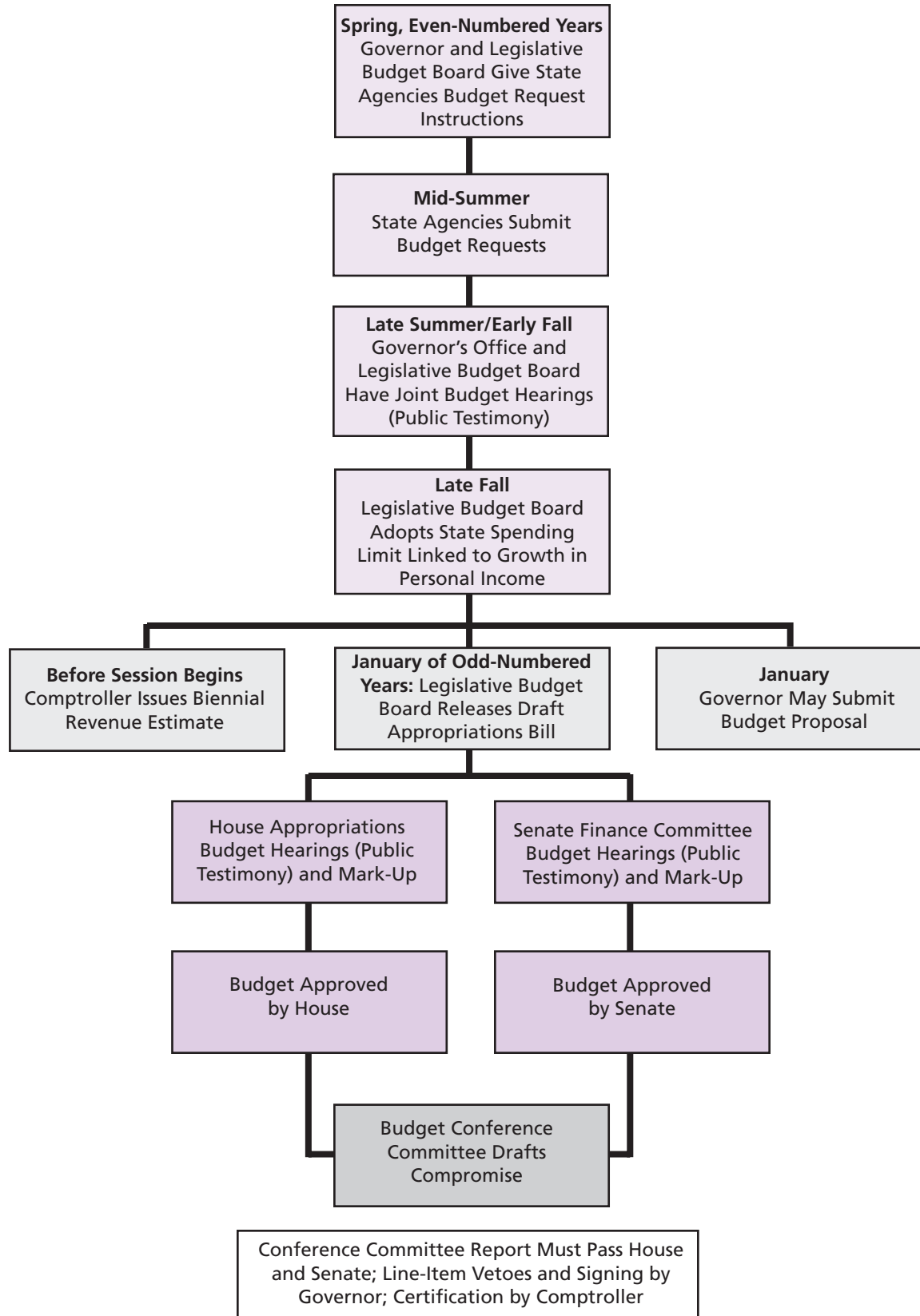
#### Current Strategic Priorities for Texas

- Ensuring the economic competitiveness of our state by adhering to principles of fiscal discipline, setting clear budget priorities, living within our means and limiting the growth of government.
- Investing in critical water, energy and transportation infrastructure needs to meet the demands of our rapidly growing state.
- Ensuring excellence and accountability in public schools and institutions of higher education as we invest in the future of this state and ensure Texans are prepared to compete in the global marketplace.
- Defending Texans by safeguarding our neighborhoods and protecting our international border.
- Increasing transparency and efficiency at all levels of government to guard against waste, fraud and abuse, ensuring that Texas taxpayers keep more of their hard-earned money to keep our economy and our families strong.<sup>35</sup>

Using these strategic priorities as a guideline, legislators write the Texas state budget on a biennial (two-year) basis. The State Senate and the House of Representatives develop two different budget proposals that have to be reconciled.

As in other states, the Texas budget must be balanced when enacted, meaning that unless legislators are willing to raise taxes, they are limited to the amount of taxes and other general revenue that the state expects to have by the end of that budget cycle.

<sup>35</sup> Texas Governor's Office of Budget Planning, and Policy and Legislative Budget Board, Agency Strategic Plan Instructions for Fiscal Years 2011 to 2015, "Appendix A: Strengthening our Prosperity: The Statewide Strategic Planning Elements for Texas State Government," March 2010, p. 35. [www.lbb.state.tx.us/Strategic\\_Plans/StrategicPlans2011-2015\\_A\\_StrengtheningProsperity.pdf](http://www.lbb.state.tx.us/Strategic_Plans/StrategicPlans2011-2015_A_StrengtheningProsperity.pdf).



## ABOUT US

### About the Dallas Women's Foundation

The Dallas Women's Foundation strengthens the entire community by increasing the investment in women and girls and empowering women's philanthropy. We affirm that by changing the lives of women, we create a ripple effect, changing whole families, which in turn lifts the entire community. To do this we,

- **Conduct Gender-Specific Research.** Engaged research at the Dallas Women's Foundation seeks to increase community awareness, inform those making policy decisions and create an environment for collaboration and action. This program provides locally focused, gender-specific research, as well as information about emerging trends and other issues impacting the well-being of women and girls.
- **Make Targeted Grants.** Through our grant making, the Dallas Women's Foundation invests in programs that impact social issues affecting women and girls. We fund programs in five key areas that reflect the holistic needs of women and girls: economics, health, family violence, education and training and prevention. With more than \$2.5 million in annual grant making, the Dallas Women's Foundation is lifting the community by investing in women and girls.
- **Conduct Philanthropy Education.** The Dallas Women's Foundation encourages women to discover the joy of purposeful giving. We provide educational opportunities in which women can network and learn more about philanthropy. Our focus is on helping women and their families connect their giving with their values, so they can create charitable opportunities that make a difference in the areas that matter most to them.

Founded in 1985, the Dallas Women's Foundation has invested more than \$12.5 million in nearly 1,000 programs primarily in Dallas, Denton and Collin counties, assisting a million women and girls. The organization is one of the oldest and the largest of the 160 women's funds worldwide.

*For more information about the Dallas Women's Foundation, visit  
[www.dallaswomensfoundation.org](http://www.dallaswomensfoundation.org)  
or call (214) 965-9977*

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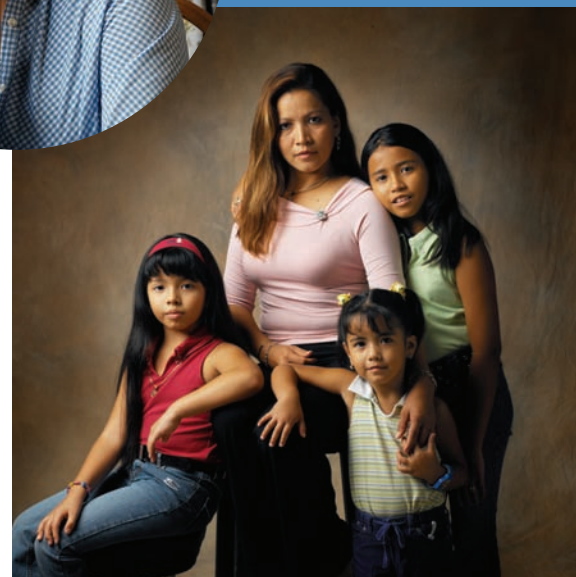
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