The Impact of the Recession and State Budget Decisions on Arizona’s Women and Children

What Arizona’s Leaders Need to Know
Executive Summary
Thousands of Arizona families are struggling. Arizona faces critical policy decisions. Choices made in the Arizona budget directly impact critical programs that Arizonan women and families depend on. Child care subsidies, funding for community colleges and continued expansion of Medicaid, leveraging federal funding from the Affordable Care Act, are critical. Investments in women are investments in Arizona.

Report Highlights

**Child Care Subsidies**

- **REDUCED 36%**
  - Funding for subsidized child care declined by 36% from 2007-2013; three years ago, child care subsidy program was frozen because funding from state General Fund was eliminated.
  - Monthly median cost of a licensed child care center is $820; monthly federal poverty income level for a single mother with one child is $1,319.

*Why this is critical:* Providing child care is the difference between being able to work vs staying at home for many mothers. Women in business provide diversity and increase customer satisfaction scores for companies.

*Return on Investment:* $11.40 return for every $1 spent on childcare by impacting the economic self-sufficiency of women and their children over the long run.

**Community College & Higher Education**

- **REDUCED 158%**
  - Funding declined for community colleges by 58% from 2007-2013.
- **REDUCED 139%**
  - Funding declined for universities by 39% from 2007-2013.
- **5,679 ARIZONANS WAITING**
  - State funding was eliminated from 2010-12 for Adult Education services, then restored in 2013 to $4.5 million, yet 5,679 Arizonans were on the waitlist for services.

*Why this is critical:* A bachelor’s degree or higher opens the door to higher-paying occupations and helps fill the pipeline of needed talent for many companies. Unemployment rates are far lower among individuals with a bachelor’s degree or higher. Community colleges are what the American Association of Community Colleges call “brokers of opportunity for a stronger middle class and more prosperous nation.”

*Return on Investment:* 6x higher. The poverty rate among women with less than a high school degree is six times higher than women with a bachelor’s degree or higher. Women in Arizona with some college education or an associate’s degree earn $5,692 more per year than those with just a high school diploma or GED. This earnings effect impacts public and private economies and is a return of 16.1% to state and local governments.

**Health Care**

- **INCREASED 58%**
  - The number of Arizonans enrolled in Arizona Health Care Cost Containment System (AHCCCS) increased 25% between 2007 and 2013, and with the expansion of Medicaid through the Affordable Care Act in 2014, more than 169,000 Arizonans are newly enrolled.
  - Enrollment in Medicaid leads to improved health outcomes and decreased mortality rates among infants and children.

*Why this is critical:* Women who are healthy are more likely able to fully participate in the workforce. Health care reaps tremendous dividends in other ways as well (longer life spans) and ultimately health care coverage for people who would otherwise be uninsured makes economic sense.

*Return on Investment:* 21% reduction. Medicaid expansion reduces health care costs and improves health outcomes, leading to a 21% reduction in cost-related delays in health care.
The Problem

500,000
WOMEN IN POVERTY

More than 500,000 of Arizona's women are poor.

The Problem

In the last six years, the Arizona budget deeply cut or eliminated funding for programs that impact women and children. And, it's only getting worse.

How This Affects Women

59%
Women are more likely to be unemployed or underemployed. 59% of all individuals not in the labor force are women.

ONLY
1 in 5

Women are more likely to work low-paying jobs. Only 1 in 5 of the most common occupations for Arizona's women provide economic self-sufficiency.

79%

Single-parent families struggle economically. 79% of single-parent families with incomes below the poverty level are headed by women.

The Opportunity

Increased funding for child care subsidies will immediately impact over 6,000 women and families on waiting lists, providing a pathway out of poverty.

Increased funding for community colleges will provide a pathway to self-sufficiency for thousands of women continuing their education and learning new skills to compete in the job market.

Continuing full implementation of the Affordable Care Act in Arizona leverages critical federal funding for women and families in need, providing access to health care, reducing preventable emergency room visits and improving health outcomes.

A Call to Action

In the last six years, in nearly every program we analyzed, the Arizona budget deeply cut or eliminated funding for programs that impact the economic self-sufficiency of women. Legislators should strengthen programs that Arizona women and families depend on. If we want a stronger workforce and economic base, we have to invest in Arizona's women.
“When women are insufficiently represented in the workplace, we lose out on fifty percent of the talent pool. In an environment where human capital makes all the difference between success and failure, this is a massive loss which countries and corporates can ill afford.”

Cyrus Mistry, Chairman Tata Global Beverages

These data are from the report Supporting Arizona Women’s Economic Self-Sufficiency Update, released February 2015. To read the full report, please visit www.azfw.org or www.womengiving.org.

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Contact Information

Arizona Foundation for Women
2828 North Central, Suite 1125
Phoenix, AZ 85004
www.azfw.org
602-532-2800

Women’s Foundation of Southern Arizona
2250 E. Broadway Blvd.
Tucson, AZ 85719
www.womengiving.org
520-622-8886

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