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GEOGRAPHIC DISPERSION OF FEDERAL FUNDS IN GEORGIA AND ITS MAJOR URBAN REGIONS

Introduction

This brief examines the geographic distribution of federal spending in Georgia. Due to the continued budgetary pressure on the federal government as well as the Budget Control Act of 2011 (BCA), it seems likely that federal spending will decline in Georgia in the years to come. Federal spending in Georgia is substantial. For instance, fiscal year 2010 federal spending examined in this brief of \$92.4 billion, represented as a ratio of Georgia 2010 gross state product (GSP), is 22 percent or roughly \$9,285 spent per Georgia resident. This federal spending includes the largest federal programs: Social Security, health care spending, and military spending (including salaries and wages).

Federal spending was not uniformly distributed across the state geographically or in terms of population in 2010. Programs that are generally associated with retirement or healthcare were more evenly distributed across the state and its population. Federal spending for salaries and wages and procurement contracts tended to be clustered in the few regions of the state with active military bases or defense related industries. Thus, an across the board federal cut of 10 percent will generally impact those few counties with greater military presence more than the rest of the state. This 10 percent across the board cut is derived loosely

from the BCA, commonly referred to as sequestration, which has been estimated by the Center on Budget and Policy Priorities, to require about an 8 percent cut in non-defense programs and about a 10 percent cut in defense discretionary programs in FY 2014. The BCA requires that defense discretionary programs account for roughly half the required cuts.¹ We find that such a 10 percent across the board cut would represent 2 percent of Georgia GSP. However, for the large diversified regional economy of Atlanta, the cut would represent 1.4 percent of gross regional product (GRP). For Savannah and Columbus, urban areas of the state with economies that are more dependent on Department of Defense (DOD) spending, such an across the board cut would represent 5.1 percent and 4.4 percent of each region's GRP respectively. The impact on these two regions would be even greater if the cuts were more concentrated in DOD programs, including active military wages.

In this brief we use data from the 2010 Consolidated Federal Funds Report (CFFR) printed and electronic versions. While, the CFFR data have been replaced by USA Spending.gov, CFFR data were necessary as they have several features unavailable in USA Spending.gov.² CFFR includes, salary and wage data necessary to estimate effects of potential DOD spending cuts. CFFR

also has complete documentation discussing data sources, their reliability, what is excluded, and how the dollar amounts are summarized. The CFFR report also has summary tables of certain agency expenditures including DOD. These DOD summary tables were necessary to ensure relevant DOD spending was allocated accurately to counties. Finally, to estimate the relative size of potential cuts in federal spending across the state, gross state and regional product data were used from IMPLAN economic modeling software for FY 2010.

The CFFR categorizes federal expenditures into several broad categories referred to as object categories, these are: ³

- Direct Payments for Individuals (Retirement and Disability only);
- Direct Payments for Individuals (Other than Retirement and Disability);
- Direct Payments Other than for Individuals;
- Grants (Block, Grants, Formula Grants, Project Grants, and Cooperative Agreements);
- Procurement Contracts;
- Salaries and Wages.

The object categories include familiar federal programs, which often account for large portions of spending in the object category. Social Security makes up the majority of spending listed under direct payments for individuals (retirement and disability only, referred to hereafter as retirement and disability payments). Medicare was the largest program under direct payments for individuals (other than retirement and disability, referred to hereafter as other direct payments), while Medicaid was the largest program categorized under grants.

Results

Examining the selected object categories from the list in Table 1, we see that federal spending was somewhat evenly distributed among five of the six object categories. This brief will focus on the five largest categories. The sixth category, direct payments other than individuals, accounted for only 2 percent of federal spending in 2010 to Georgia. Among the other five object categories the top object, retirement and disability payments, accounted for 28 percent of selected spending with the fifth object procurement contracts, accounting for 13 percent.

The distribution of federal spending across the state, however, was not particularly even. For instance, the 10 counties that received the most in federal funds in each of the six object categories accounted for 57 percent of federal spending.⁴ Examining the individual object categories in Table 1, there is even more variation in the share going to these top 10 counties.

Federal object categories vary in their distribution geographically across counties as well as across the state's population, with some object categories distributed somewhat more uniformly than others. Two object categories that were distributed somewhat evenly geographically as well as across the state's population were retirement and disability payments and other direct payments. For instance, the 10 counties (top 10) that received the most retirement and disability payments accounted for 41 percent of all retirement and disability payments received in Georgia. These top 10 counties for retirement and disability payments also contained 45 percent of total state population. Other direct payments were distributed similarly, with the top 10 counties receiving 36 percent of all other direct payments. These top 10 counties for other direct payments contained 44 percent of the state's population.

Salaries and wages and procurement contracts were not as evenly distributed across the state geographically or among the population. For salaries and wages, the top 10 counties received 82 percent of federal salaries and wages in Georgia. Yet, the top 10 counties for salaries and wages contained only 28 percent of the state's population. Similarly, the top 10 counties for procurement contracts accounted for 85 percent of all federal procurement contracts spending in Georgia but contained 41 percent of the state's population. This unequal distribution of funding across the state and its population, suggests that cuts to different programs will have disparate impacts across the state. Note Highway Planning and Construction funding is primarily allocated by the state Department of Transportation, as such almost all funding under this program was categorized as being received by Fulton County.

Table 2 examines the top spending in two or three individual federal programs that make up each object category. Table 2 illustrates how several large programs that serve primarily older or retired Americans and the military, accounted for a large share of the federal spending in Georgia and further helps explain the areas of disparity in distribution of federal funds.

The Social Security program was the largest, with three subprograms accounting for 72 percent of all retirement and disability payments to Georgia. The largest subprogram in Georgia, Social Security retirement insurance, paid Georgians \$11.4 billion and accounted for 44 percent of all retirement and disability payments benefits paid in Georgia. Social Security disability insurance and Social Security survivors benefit insurance paid Georgians, \$3.7 billion each, and each program accounted for 14 percent of all retirement and disability payments received in the state. Another large program serving primarily older Americans is Medicare. Medicare's two largest

TABLE 1. TOTAL OBJECT CODE SPENDING, TOP 10 COUNTY SHARE AND POPULATION DISTRIBUTION*

CFFR Object Type	CFFR Code	Object Total Spending	Object % of All Spending	Top 10 Cnty Share of Object Spending	Top 10 Cnty Share of State Pop
Direct Payments for Individuals (Retirement and Disability only)	DR	\$26.06	28%	41%	45%
Direct Payments for Individuals (Other than Retirement and Disability)	DO	\$17.8	19%	36%	44%
Salaries and Wages	SW	\$17.4	19%	82%	28%
Grants (Block, Grants, Formula Grants, Project Grants, and Cooperative Agreements)	GG	\$16.8	18%	61%	35%
Procurement Contracts	PC	\$12.5	13%	85%	41%
Direct Payments Other than for Individuals	DX	\$1.9	2%	30%	41%
TOTAL		\$92.4			

SOURCE: CFFR electronic data for FY 2010 and author's calculations.

*All data from FY 2010 in billions of 2010 dollars.

TABLE 2. INDIVIDUAL PROGRAM SPENDING AND TOP 10 COUNTY DISTRIBUTIONS*

CFFR Object Type and Program	Program Spending	Program Share of Object Total Spending	Top 10 Cnty Share of Program Total
-----Direct Payments for Individuals (Retirement and Disability only)-----			
Social Security/Retirement Insurance	\$11.4	44%	41%
Social Security/Disability Insurance	\$3.7	14%	37%
Social Security/Survivors Insurance	\$3.7	14%	42%
-----Direct Payments for Individuals (Other than Retirement and Disability)-----			
Medicare/Hospital Insurance	\$5.7	32%	42%
Medicare/Supplementary Medical Insurance	\$4.5	25%	43%
Supplemental Nutrition Assistance Program	\$2.6	14%	50%
-----Grants (Block, Grants, Formula Grants, Project Grants, and Cooperative Agreements)-----			
Medical Assistance Program	\$6.3	38%	35%
Highway Planning and Construction	\$1.7	10%	100%
-----Procurement Contracts-----			
Procurement Contracts/Defense Department	\$8.4	67%	91%
Procurement Contracts/All Other Federal Government (not postal service)	\$3.7	29%	92%
-----Salaries and Wages-----			
Salaries and Wages/Defense Department (Military-Active)	\$9.8	57%	97%
Salaries and Wages/All Other Federal Government Civilian	\$3.1	18%	29%

SOURCE: CFFR electronic data for FY 2010 and author's calculations.

*All data from FY 2010 in billions of 2010 dollars.

programs, hospital insurance and supplemental medical insurance, paid \$5.7 billion and \$4.5 billion to Georgia and accounted for 32 percent and 25 percent of all other direct payments spending in Georgia respectively in 2010. In total, the selected Social Security and Medicare programs accounted for \$28.9 billion in federal spending in Georgia.

DOD spending primarily falls into two object categories, procurement contracts and salaries and wages. DOD procurement contracts totaled \$8.4 billion, which accounted for 67 percent of all federal procurement contract spending in Georgia. Salaries and wages for DOD, active military personnel, totaled \$9.8 billion and accounted for 57 percent of all federal salary and wage spending in Georgia. DOD spending on salaries and wages and procurement contracts for these selected programs combined accounted for \$18.2 billion of federal spending in Georgia. The share of the selected seven Social Security, Medicare and DOD programs totals \$47.1 billion, approximately 51 percent of total federal spending of \$92.4 billion.

Medicare and Social Security are more uniformly distributed across the state geographically than DOD procurement contracts or DOD salaries and wages with much of the DOD spending concentrated in the top 10 counties. For the largest Social Security subprogram, retirement insurance benefits, the top 10 counties received 41 percent of all retirement insurance benefits in Georgia. The largest Medicare program, hospital insurance, had a similar top 10 county distribution, with 42 percent of all Medicare hospital insurance funding going to the top 10 counties. This is in contrast to the DOD procurement contracts and salaries and wages, which were highly concentrated in the top 10 counties. For the DOD procurement contracts, 91 percent of the funding went to the top 10 counties while 97 percent of DOD salaries and wages went to the top 10 counties.

These different geographic distributions leave different areas vulnerable to cuts in certain types of federal spending. For instance, cuts in federal Social Security or Medicare spending would likely be more uniformly distributed across the state. While many Georgians would feel the effect of the cuts, the cuts would be generally smaller for the average beneficiary recipient. However, if DOD procurement contracts or salaries and wages were to be cut, the effect would be concentrated primarily in the top 10 counties.

We next examine how different regions in the state might be affected by cuts in federal spending. As was shown earlier, much of federal spending is concentrated in the top 10 counties. Considerable overlap exists in these top 10 counties

in various object categories and programs. We generally find that the top 10 counties for the various programs are associated with an urban area in the state. Not surprisingly, the five core urban counties of metropolitan Atlanta are among the top 10 in multiple object categories. These counties are: Clayton, Cobb, DeKalb, Fulton, and Gwinnett. However, other counties associated with urban areas throughout the state from Columbus to Savannah are also in the top 10 in one or more federal object categories. These counties and the associated urban areas include: Muscogee and Chattahoochee (Columbus), Bibb and Houston (Macon), Richmond and Columbia (Augusta), and Chatham and Bryan (Savannah). We use IMPLAN to create separate regions for each of the five named urban regions. Each region is made up of the counties that were listed earlier. For instance, Savannah includes Chatham and Bryan counties. IMPLAN was then used to estimate the 2010 gross regional product for the five different regions.⁵

Table 3 and Chart 1 illustrate the size of federal spending relative to gross regional product (GRP) and GSP as well as the amount of federal spending received per capita in Georgia and the selected regions. In all regions but Atlanta, federal spending as a share of GRP and per capita federal funds received were larger than the Georgia state average. In Georgia, the \$92.4 billion received in federal spending represented about 22 percent of Georgia GSP (see Chart 1).⁶ Savannah had the highest ratio of federal spending to GRP at 51 percent and Columbus was second with 44 percent. Atlanta had the lowest ratio, with federal spending representing only 14 percent of GRP.

Another indicator of the degree the local economy relies on federal spending is the amount received per capita. Savannah and Columbus had the largest per capita receipts of federal funds with \$23,783 and \$27,546 respectively. Atlanta received the least amount of federal spending per capita with \$8,842. The state of Georgia received on average \$9,324 in federal spending per capita (see Table 3, column 5).

Higher ratios of federal spending to GRP in a region, appears to be associated with the relative size of federal military spending in the region, particularly active military wages. The two regions with the highest ratios of federal spending per GRP also had the highest shares of active military wages as a share of federal spending with 36 percent and 33 percent respectively.⁷ While in the Atlanta region, only 2 percent of federal spending was from active military wages. For all of Georgia, active military wages accounted for 11 percent of the 2010 federal spending.

As was noted earlier, active military wages made up a considerable share of federal money received for the regions of

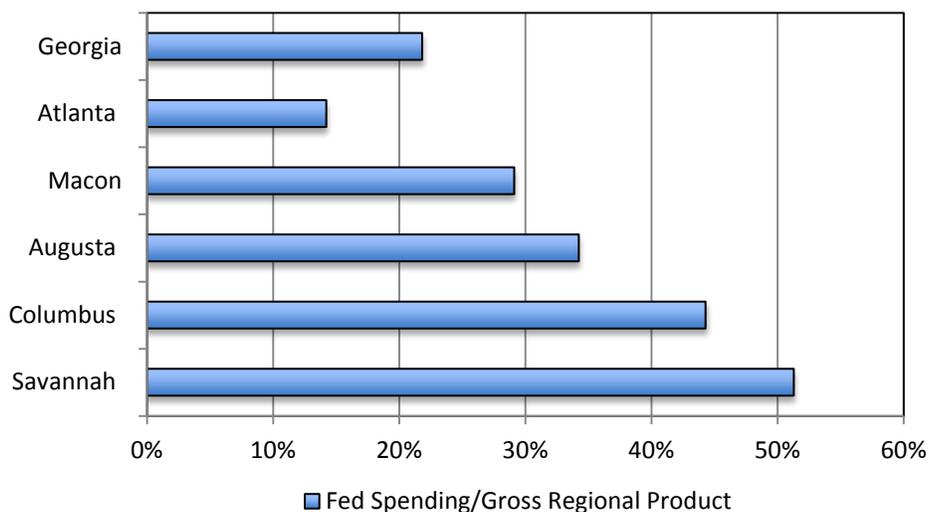
TABLE 3. FEDERAL SPENDING RELATIVE TO GROSS REGIONAL PRODUCT*

Region	Gross Regional Product 2010 Column (1)	Regional Federal Spending Column (2)	CFFR Fed \$/Gross Regional Product Column (3)	IMPLAN Fed \$/Gross Regional Product Column (4)	CFFR Fed \$/Population Column (5)	IMPLAN Fed \$/Population Column (6)
Savannah	\$13.6	\$7.0	51%	38%	\$23,783	\$17,400
Columbus	\$12.7	\$5.6	44%	44%	\$27,546	\$27,100
Augusta	\$12.7	\$4.4	34%	35%	\$13,753	\$14,043
Macon	\$14.5	\$4.2	29%	30%	\$14,288	\$14,731
Atlanta	\$225.3	\$32.0	14%	14%	\$8,842	\$8,940
Georgia	\$423.4	\$92.4	22%	21%	\$9,324	\$9,126

SOURCE: CFFR electronic data for FY 2010 and author's calculations.

*All data from FY 2010 in billions of 2010 dollars.

Chart 1
2010 Regional Federal Spending as a Share of Gross Regional Product



SOURCE: CFFR electronic data for FY 2010 and author's calculations.

Savannah and Columbus. However, how the CFFR attributed active military wages to counties makes the consistent measurement of military salaries and wages over time difficult. The data that CFFR received on active military wages were attributable to a duty station rather than the military personnel's place of residence.⁸ Duty stations correspond to the military base where soldiers are stationed. CFFR military active wages do not include wages for those soldiers stationed out of the country. Thus, as soldiers rotate from active duty abroad, back to a position in the United States, county military active wages can change. Also, soldiers can move from one duty station to another. Thus, the amount of salaries and wages for active military personnel may fluctuate considerably from year to year. This fluctuation can have a large economic

impact on less populous counties with a large duty station such as Bryan County (one of the counties in which Fort Stewart is located).

Another problem exists with the CFFR military personnel salary and wage data. In 2009, the DOD changed the way they reported salaries and wages to CFFR. These changes are evident when one compares the year-over-year changes in military salaries and wages from 2008 to 2009 versus those in previous years. For instance, in 2008 CFFR reported total year-over-year military salaries and wages declined by 5 percent from 2007. However, in 2009 CFFR reported total military wages increased by 52 percent from 2008. Additional evidence of the impact of the reporting changes are documented in the Appendix.

Given this variation across data sources for military salaries and wages, it is possible that the CFFR data are not accurate. In order to try to control for the potential inaccuracy, we look to another source of military salary and wage data. IMPLAN has labor compensation data, which corresponds roughly to salary and wages, for all military personnel.⁹ The IMPLAN data can be used as an alternative estimate for military salaries and wages. We use the IMPLAN data in two ways. First, to check our allocations of active military wages across regions and second, to check the level of total military active wages (for a detailed explanation of our methods see Appendix).

Using the IMPLAN data for allocating total military salary and wages somewhat alters the regional allocations generated from the CFFR data. In addition, total military salaries and wages in the 2010 CFFR are 20 percent higher than those in IMPLAN. We correct for this possible overstatement of active military salaries and wages by adjusting them down by 20 percent. As a result of these two adjustments the total military compensation in Georgia fell, and its distribution across the various regions changed.

In four of the five regions, these changes in the military salaries and wages resulted in little or no change in the shares of federal dollars received as a share of GRP or as federal dollars received per capita. The regions of Augusta and Macon show a small 1 percentage point increase in their share of federal dollars received per GRP (see Table 3, column 4). In addition, there is also a small increase in federal dollars received per capita in these two regions, despite the decrease in total military wages. (see Table 3, column 5). Only in Savannah was there a large change, the share of federal spending per GRP fell from 51 percent to 38 percent and federal spending per capita fell from \$27,783 to \$17,400.

Several potential explanations exist for why Savannah may have experienced a temporary large increase in military salaries and wages. As was discussed earlier, Fort Stewart in the Savannah region may have been a designated duty station for soldiers returning home from overseas. It is also possible that the 2010 data for Chatham and Bryan counties were reported to the CFFR with error. However, even after the adjustments discussed above, Savannah was still second in terms of its reliance on federal spending as a share of GRP and per capita dollars received, behind Columbus.

Conclusion

Federal funds are likely to contract due to the BCA, commonly referred to as the sequester, and/or other budget tightening. How the federal government decides to trim the budget could have disparate impacts across the state. To illustrate these differences, we examine two scenarios suggested at the start of the brief: an across the board 10 percent cut effecting all the federal programs included in this brief and a 10 percent cut in overall federal spending to the state of which 50 percent is borne by the DOD in reductions in active military salaries and wages and DOD procurement contracts, with the remaining 50 percent coming from reductions in all other federal spending. Both scenarios assume the same program allocations as in 2010.¹⁰ Finally, we illustrate the magnitude of estimated cuts by comparing the cut as a share of GRP to estimated employment growth for the regions in 2014.

Both proposed reductions in federal spending would result in a \$9.2 billion drop in federal funds coming to Georgia, which would represent 2.2 percent of state GSP (see Table 4). For the 10 percent across the board cut, the regions with the highest share of federal spending per GRP would be impacted accordingly by the cuts. Thus, the cuts for Savannah and Columbus would represent 5.1 percent and 4.4 percent respectively of the urban areas 2010 GRP (see Table 4).

The column labeled, "DOD Focused Cut" in Table 4 shows the effect on the urban regions in Georgia if half of an overall 10 percent cut in federal spending was borne by DOD active military salaries and wages and DOD procurement contracts, with the remaining 50 percent coming from all other federal spending. In this case, the value of the proposed cuts borne by Savannah and Columbus increase to 7.8 percent and 6.4 percent of GRP respectively.¹¹

These changes in federal funds would likely have serious implications for these urban areas' economic performance. To put them in perspective, in the August 2013 economic forecast for the regions of Savannah and Columbus 2014 growth in employment is estimated to be 2.3 percent and 1.2 percent for the two regions respectively.¹² This compares to the Atlanta region in which employment was forecast to grow by 2 percent in 2014 and the value of the estimated 50 percent DOD cut represents only 1.3 percent of GRP. Thus, cuts in federal government spending will likely have disparate impacts on the urban economies across the state. If the federal government were to concentrate those cuts in DOD programs, this would further negatively impact those urban areas with high shares of federal spending relative to GRP.

TABLE 4. PROPOSED 10% FEDERAL SPENDING CUTS AS A SHARE OF GROSS REGIONAL PRODUCT

Region	Across the Board Cut	Dept. of Defense Focused Cut	Forecasted Employment Growth for 2014
Atlanta	1.4%	1.3%	2.0%
Augusta	3.4%	5.1%	1.7%
Columbus	4.4%	6.4%	1.2%
Macon	2.9%	2.6%	1.0%
Savannah	5.1%	7.8%	2.3%
Georgia	2.2%	---	---

SOURCE: CFFR electronic data for FY 2010, Economic Forecasting Center, August 2013, and author's calculations.

APPENDIX TABLE 1*

Fiscal Year	All Military Personnel ----Salaries and Wages----		CFFR % --Difference---		Year over Year Change
	CFFR	White House Budget	From White House budget	White House Budget	
2010	\$177,306	\$157,102	11%	34%	5%
2009	\$132,229	\$149,290	-13%	52%	7%
2008	\$86,829	\$139,031	-60%	-5%	6%
2007	\$91,153	\$131,754	-45%	2%	3%
2006	\$89,514	\$128,485	-44%	---	---

SOURCE: CFFR electronic data for FY 2010, Office of Management and Budget 2012, and author's calculations.

*All in millions of nominal dollars.

Appendix: Robustness Check of Estimates

In 2009, the Department of Defense (DOD) changed the way they reported salaries and wages to the Consolidated Federal Funds Report (CFFR). These changes are evident when one compares the year-over-year changes in military salaries and wages from 2008 to 2009 versus those in previous years as can be seen in Appendix Table 1. In 2007, the CFFR total year-over-year (YOY) military salaries and wages increased by 2 percent and in 2008 they declined by 5 percent.¹³ However, in 2009 CFFR total military wages increased by 52 percent from the prior year (see Appendix Table 1).¹⁴

While the year-over-year changes in CFFR total military salaries and wages are similar to those in the White House budget, the levels differ greatly in the years 2006 through 2008 (see Appendix Table 1). CFFR total military salaries and wages were considerably less than those in the federal budget, ranging from 44 percent to 60 percent smaller than the federal budget amounts.¹⁵ In 2009, after the DOD changed how it reported military salaries and wages, CFFR salaries and wages were 13

percent less than federal budget military salaries and wages. In 2010, CFFR salaries and wages were 11 percent greater than federal budget military salaries and wages. Note the 2010 YOY change was 34 percent. This could be a result of further refinement in the DOD reporting methods or an arithmetical artifact of the CFFR estimated military salaries and wages surpassing the amount reported in the federal budget, when in the previous year CFFR military salaries and wages were less than the federal budget amount. The 2009 and 2010 CFFR estimates of military salaries and wages seem comparable to those of the federal budget, as the absolute values of the differences are considerably smaller than in previous years (see Appendix Table 1).

Given this variation across data sources for military salaries and wages, it is possible that the CFFR data are not accurate. In order to try to control for the potential inaccuracy, we look to another source of military salary and wage data. IMPLAN has labor compensation data, which corresponds roughly to salary and wages, for all military personnel. The IMPLAN data can be

used as an alternate estimate for military salaries and wages. We use the IMPLAN data in two ways. First, to check our allocations of military active wages across regions. Second, to check the level of total active military wages.

To check allocations we use IMPLAN data to estimate the share of federal government military payroll as a share of total regional employee compensation. For instance, the five county Atlanta region has estimated federal government military employee compensation of \$1.2 billion in 2010, which was 11 percent of total Georgia state federal government military employee compensation of \$10.5 billion. We use the 11 percent to allocate the total Georgia state active military wages of \$9.8 billion found in the CFFR. Returning to the Atlanta example, using the new IMPLAN allocation, estimated military active wages increase to \$1.1 billion from \$535 million as determined using CFFR data.

We next correct for what might be errors in total military active wages reported to CFFR. IMPLAN lists the total military labor compensation for Georgia in 2010 to be roughly \$10.5 billion. This is approximately 20 percent smaller than the total military salaries and wages in CFFR of approximately \$12.6 billion. To account for this discrepancy we then adjust the regional allocations down by 20 percent.

NOTES:

1. Kogan, Richard (2012). "Two Sequestrations How the Pending Automatic Budget Cuts Would Work." Center on Budget and Policy Priorities, at <http://www.cbpp.org/cms/index.cfm?fa=view&id=3879>.
2. See, U.S. Census Bureau, *Consolidated Federal Funds Report for Fiscal Year 2010*. Issued September 2011, at www.census.gov/prod/2011pubs/cffr-10.pdf.
3. CFFR also has categories for insurance and direct loans. However, these amounts are not included in CFFR Table I, which is CFFR's summary of all federal government expenditures by state. To be consistent, we do not include these two categories in our analysis.
4. Considerable overlap exists in the counties that received large amounts of federal funds. Thus, for each of the six object categories the top 10 counties only represent 21 unique Georgia counties.
5. IMPLAN defines gross regional product as, the value of goods and services produced in a region and sold to final users during the calendar year. In the case of gross state product, the region is the whole state.
6. Different estimates of Georgia gross state product exist. The Bureau of Economic analysis estimated Georgia GSP to be \$402 billion in 2010, while the IMPLAN model estimated it to be \$423.4 billion. We use the IMPLAN estimate to be consistent, as IMPLAN is necessary to estimate the gross regional products used in this brief.

7. Active military wages are the largest category of DOD spending and represent 43 percent of the \$22.8 billion that the DOD spent in Georgia in FY 2010 (*Consolidated Federal Funds Report for Fiscal Year 2010*. Issued September 2011, at www.census.gov/prod/2011pubs/cffr-10.pdf).
8. See, *Consolidated Federal Funds Report for Fiscal Year 2010*. Issued September 2011, at www.census.gov/prod/2011pubs/cffr-10.pdf.
9. IMPLAN uses several different data sets to construct its estimates for salaries and wages including: The Bureau of Labor Statistics, Covered Employment and Wages data, Bureau of Economic Analysis, Regional Economic Accounts data, and the Census, County Business Patterns data (http://implan.com/v4/index.php?option=com_multicategories&view=article&id=634:634&Itemid=71).
10. It is possible that some object categories could face steeper cuts than others. For instance, the BCA required that DOD spending make up 50 percent of federal spending cuts. However, military personnel salaries were exempted. Military salaries and wages are included here, as the sequester could be revised and/or changes could occur in the demand for military personnel. For more detailed analysis of the BCA's potential impact on Georgia see, "The Department of Defense Budget Cuts: Economic Impact on Georgia and Selected Counties" (Peter Bluestone). FRC Brief 261 (2013-03) (<http://aysps.gsu.edu/frc/reports/2013>).
11. Note if Savannah active military wages were overstated by CFFR, then the value of the cuts would be closer to that of Augusta at 5.1 percent of GRP.
12. See, Economic Forecasting Center, Economic Forecast August 2013, Robinson College of Business, Georgia State University, August 2013. Note the urban regions used in the forecast may differ from those defined in this brief.
13. These numbers are similar to those in the White House budget of 3 percent and 6 percent as well as the Department of Defense Green book of 2 percent and 5 percent. For matters of comparison, we will use the White House budget numbers (See DOD green book at, Office of The Under Secretary of Defense (Comptroller) May 2013, *National Defense Budget Estimates For FY 2014* and White house budget at: Office of Management and Budget, Fiscal Year 2012 *Historical Tables Budget of the U.S. Government, Budget Authority by Function 1976-2016*, available at: <http://www.whitehouse.gov/sites/default/files/omb/budget/fy2012/assets/hist.pdf>).
14. See, U.S. Census Bureau, *Consolidated Federal Funds Report for Fiscal Year 2010*. Issued September 2011, at www.census.gov/prod/2011pubs/cffr-10.pdf., *Consolidated Federal Funds Report for Fiscal Year 2009*. Issued August 2010, *Consolidated Federal Funds Report for Fiscal Year 2008*. Issued July 2009, *Consolidated Federal Funds Report for Fiscal Year 2007*. Issued September 2008, *Consolidated Federal Funds Report for Fiscal Year 2006*. Issued April 2008,
15. The White House budget numbers available are only for total military personnel for the whole country.

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A Snapshot of Georgia School District Expenditures and the Response to the 2008 Recession. This brief provides a short review of expenditures in Georgia's school districts over the past decade (2001-2011) with a particular focus on school district cutback responses to the 2008 recession in overall expenditures as well as within various expenditure categories. (November 2012)

Impact of the Recession on School Revenues Across the State. This report examines the impact of the 2008 recession on inflation-adjusted, per pupil revenues in Georgia and explores the characteristics of districts most adversely affected by revenue shortfalls. (November 2012)

School Facility Funding in Georgia and the Educational Special Purpose Local Option Sales Tax (ESPLOST). This report reviews Georgia's system of school facility finance, emphasizing the role of the Educational Special Purpose Local Option Sales Tax (ESPLOST). (October 2012)

Georgia's Revenue and Expenditure Portfolio in Brief, 1989-2009. This brief uses Census data to examine how Georgia ranks in terms of spending and revenue by functions and objects and examines how Georgia's portfolio has changed over time compared to national peers. (August 2012)

Estimated Distributional Impact of T-SPLOST in the Atlanta Metropolitan Area. This brief examines the distributional impact of the Atlanta area T-SPLOST by income level and age. (July 2012)

Georgia's Tax Portfolio: Present and Future. This paper proposes a tax policy analysis methodology that applies financial market portfolio concepts to simultaneously consider both the growth and volatility of Georgia's historical and future tax revenue receipts. (September 2012)

Jobs in Georgia's Municipalities: Distribution, Type, and Quality of Jobs. This brief discusses the distribution, type, and quality of jobs and examines the percentage by municipality of total state employment. (June 2012)

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Geographic Dispersion of Federal Funds in Georgia and its Major Urban Regions

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