



PRESS RELEASE

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Report: Thousands of New Mexicans Lifted Out of Poverty by Federal Stimulus Relief act kept 252,000 more from sliding deeper into poverty

ALBUQUERQUE—Nearly 55,000 New Mexicans were lifted above the poverty level in 2009 by the American Recovery and Reinvestment Act (ARRA), according to analysis by the Center on Budget and Policy Priorities (CBPP). The severity of poverty was reduced for another quarter of a million New Mexicans, through the ARRA's increased benefits.

Using Census Bureau data, the CBPP examined seven of the ARRA's provisions, including tax credits, expanded unemployment and food stamp benefits, and one-time assistance to retirees, veterans and people with disabilities.

"Most of the impact of the Recovery Act has been fairly invisible to the general public, but that doesn't mean that it's not having a very positive effect on the economy," said Gerry Bradley, Research Director for New Mexico Voices for Children. "What this report points out – and economists have long known – is that when you lift family income you provide a boost to the economy at large. Expanded tax credits and food stamps allow families to continue to purchase goods and services that they might otherwise not be able to afford. This has a 'trickle up' effect in that it bolsters businesses, helping them keep layoffs to a minimum," he added.

The report estimates that nationally, the seven ARRA provisions are keeping more than 6 million Americans out of poverty and reducing the severity of poverty for 33 million more. The report also quotes the Congressional Budget Office estimates that the ARRA had increased employment by 600,000 to 1.6 million jobs as of September 2009 and is expected to boost employment by 900,000 to 2.3 million jobs by the fourth quarter of this year.

The report is attached separately as a pdf and is available online at:
<http://www.cbpp.org/cms/?fa=view&id=3035&emailView=1>

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