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NEWS RELEASE

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'HIRE COLORADO' JOBS PROGRAM TO END IF U.S. SENATE FAILS TO EXTEND TANF EMERGENCY FUND

Local Business Owner, Employee, Speak to Importance of Program

Hire Colorado, a new subsidized employment program that has provided jobs for 1,600 parents in counties across the state, will shut its doors on September 30 if Congress fails this month to extend the federal program that funded it, according to a new report from the Center on Budget and Policy Priorities.

Most of the job placements for *Hire Colorado* are with private-sector businesses and non-profits and many have led to permanent, unsubsidized jobs. The program is designed to provide individuals who have exhausted their unemployment insurance benefits or are receiving cash payments from county Temporary Assistance for Needy Families (TANF) programs with an opportunity to work to provide for their families. It also is designed to help local businesses weather the recession. The program uses federal dollars provided through the federal Temporary Assistance for Needy Families Program (TANF) Emergency Fund, which President Obama and Congress created in last year's Recovery Act.

One of those workers who have benefited from the program is Phil Rorick, a father of three who had been seeking work for a year and a half until he was hired for a groundskeeper/building maintenance position with Echelon Properties through *Hire Colorado*. Rorick had worked as an equipment operator for most of his life.

Through *Hire Colorado*, Rorick has gained valuable job skills and increased financial independence. After working for more than four months in a subsidized position, Rorick was hired permanently by a sister property of his employer.

"This program allowed me to try out two potential employees before incurring any recruiting costs," said Rorick's previous employer, Shaylene Kraft, of Echelon Properties. "I am truly grateful for this program and have recommended it to numerous business owners and managers."

But unless Congress extends funding for *Hire Colorado*, employers will lose the funding that has made hiring and training workers like Rorick possible.

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Effective Job-Creation Program Set to End September 30 Unless Congress Acts

The federal TANF Emergency Fund that pays for the subsidized employment program is set to expire on September 30 unless Congress extends it. While some states will continue their programs on a smaller scale, Colorado does not have the funds to do so and will end the program on September 30.

“*Hire Colorado* is an invaluable program,” according to Sue Tuffin, Mesa County Workforce Director. “Employers gain the support they need to maintain staffing levels during difficult economic times. Workers gain experience and new skills, while earning the paycheck they need to support their families.”

At 8.0 percent, Colorado’s unemployment rate is lower than the national average of 9.5 percent, but it has been increasing since January, and another bleak national monthly employment report is due out tomorrow from the U.S. Department of Labor.

“It makes no sense to shut down an effective jobs program and put more people out of work right now,” said LaDonna Pavetti co-author of the report. “It’s the *opposite* of what the country needs: jobs will evaporate, unemployed mothers and fathers will struggle to make ends meet, and it will add more strain to the already fragile economic recovery.”

Congress Can Extend Program, Save Tens of Thousands of Jobs Nationwide

The House has voted twice to extend the Fund, which has placed an estimated 250,000 low-income parents and youth in subsidized private- or public-sector jobs nationwide. But, the Senate has yet to act. The costs of the House extensions were fully offset and would not add to the deficit.

The Emergency Fund was included in last year’s Recovery Act with the purpose of providing states with extra resources to meet the increased need for assistance during a recession. The Fund gives states the ability to put money in the hands of people who will spend it, which helps lessen the damage that the recession would have otherwise done to the economy and especially to vulnerable populations.

Thirty-seven states operate subsidized employment programs using these funds. Yet many of the programs — including most of the largest ones — will have to close their doors on September 30 if Congress doesn’t extend the fund; others plan to greatly scale back operations.

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Note to reporters: Please contact Shannon Spillane, Center on Budget and Policy Priorities to schedule interviews with program participant Phil Rorick and/or his employer Shaylene Kraft.

The full report, featuring state-by-state data, is available at:
<http://www.cbpp.org/cms/index.cfm?fa=view&id=3274>.

The Center on Budget and Policy Priorities is a nonprofit, nonpartisan research organization and policy institute that conducts research and analysis on a range of government policies and programs. It is supported primarily by foundation grants.
