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NEWS RELEASE

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Contact:

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CONNECTICUT WILL BE UNABLE TO EXPAND SUCCESSFUL JOBS PROGRAMS IF U.S. SENATE FAILS TO EXTEND TANF EMERGENCY FUND Employee Speaks to Importance of Program

A greatly expanded Connecticut subsidized employment program, which has provided jobs for over 6,000 low-income parents and youth, will never reach its full potential unless Congress this fall extends the federal program that funded it, according to a new report from the Center on Budget and Policy Priorities.

The employment program uses federal dollars provided through the TANF Emergency Fund, which President Obama and Congress created in last year's Recovery Act, to create subsidized jobs for low-income Connecticut residents with children and working-age youth who otherwise would be unemployed. Many of the job placements are with private-sector businesses and some already have led to permanent, unsubsidized jobs.

One worker who has benefited from the program is Sheila Barnes. Barnes was employed by a health care agency, on a per diem basis, sometimes working as little as 12 hours a week before a new subsidized job opportunity came along. Since June, Barnes has been working at Charter Oak Square Apartments, a leasing agency with both residential and commercial space. She uses her previously attained customer services skills in assisting residents and answering leasing related inquiries, and says she has learned a lot in a short period of time.

While her 12-week subsidized opportunity will come to an end, Barnes plans to study for her Licensed Practical Nurse (LPN) degree beginning in January and her five-year goal is to become a registered nurse. She does not know if Charter Oak will be able to hire her when the subsidy ends, but says that she feels that having the reference and experience from Charter Oak on her resume goes a long way in building her career.

"This opportunity has been amazing," said Barnes. "I wish the program was longer so that I could gain even more experience."

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. Connecticut will continue its program, but with fewer resources available will be limited in the number of people it can serve in the program.

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“This program provided the catalyst for multiple state and local government agencies, philanthropy and non-profits to come together to create valuable job opportunities for our most vulnerable families, said Elaine Zimmerman, executive director of the Connecticut Commission on Children.”

At 8.9 percent Connecticut’s unemployment rate is somewhat below the national average, but many people remain unemployed and increasing numbers have been unemployed for an extended period. Another bleak monthly national employment report is due out tomorrow from the 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 TANF Emergency 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 Sheila Barnes.

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.