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12,000 PENNSYLVANIA JOBS TO DISAPPEAR ON SEPTEMBER 30 IF U.S. SENATE FAILS TO EXTEND TANF EMERGENCY FUND

Local Employer, Employee, Speak to Importance of Program

As many as 12,000 workers in Pennsylvania could lose their jobs this month if the Senate fails to extend federal funding that allowed the state to create *Way to Work*, a highly successful program that subsidizes private- and public-sector jobs for unemployed parents and youth, according to a new report from the Center on Budget and Policy Priorities.

Way to Work 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 Pennsylvania residents with children and low-income youth who otherwise would be unemployed. Most of the job placements are with private-sector employers. The program only began this spring. Without an extension, it will never have the opportunity to reach its full potential.

One of the workers who has benefited from the program is Regina Dyson, a 40-year-old single mother of three, who had been seeking work for several months until she was hired by the African-American Chamber of Commerce through the *Way to Work* program. Laid-off from her job as acting director of a local elementary school, Dyson had been struggling to find a new job despite years of professional experience and a degree in marketing and communications. After exhausting her savings, she had no choice but to apply for cash assistance.

Through the *Way to Work* program, Dyson attended a Philadelphia Workforce Development Corporation job fair in June, where she connected with the African-American Chamber of Commerce. At the time, the Chamber was in dire need of additional help to meet local businesses' increased need for services. The *Way to Work* program provided the organization with critical support to grow the Chamber's capacity during difficult economic times.

"Regina was the perfect fit for the organization," according to the Chamber's Director of Programs and Marketing, Nicole Giles. "She had the right skill set and experience, and I honestly don't think I could have found a better candidate to help us."

Through participation in the program, Dyson regained financial independence while continuing to develop her professional skills. "I found just what I was searching for," Dyson said, "meaningful work and a wonderful job."

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But unless Congress extends funding for the *Way to Work* program, organizations like the African-American Chamber of Commerce will lose the funding that has made hiring workers like Dyson possible.

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

Sandi Vito, Secretary of the Pennsylvania Department of Labor & Industry, is proud to be at the helm of the *Way to Work* initiative.

“The program has provided a ray of hope to many unemployed parents in Pennsylvania,” said Vito. “It has helped them to pay their bills and provide for their families during these hard economic times. Businesses across the state have enthusiastically embraced the program. It has made weathering the recession easier for them and they are proud to be a part of a program that is helping to change people’s lives.”

Unfortunately, the TANF Emergency Fund will expire on September 30 unless Congress extends it. With no assurance that Congress would act, programs across the state will have no choice but to start notifying participating employers that the program will no longer be able to subsidize wages after September 30 unless the program is extended. As many as 12,000 individuals in Pennsylvania could become unemployed if the program is not extended.

At 9.3 percent Pennsylvania’s unemployment rate is comparable to the national average. However, unlike in many states where the unemployment rate has started to decline, Pennsylvania’s unemployment rate has been increasing and is up from 8.9 percent since February of this year. Another bleak national monthly 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 Regina Dyson and/or her employer Nicole Giles at the African-American Chamber of Commerce.

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.