

## **Senate TANF Vote Means Pink-Slips for Thousands**

*By Diana Spatz*  
*WeNews commentator*  
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*Last week Congress let federal funding expire, potentially costing more than 200,000 parents and young people their jobs. In contrast to the \$700 billion Wall Street bailout, the \$1 billion program that created these jobs was actually working.*

(WOMENSENEWS)--On Oct. 1 Congress let federal funding for temporary jobs expire, impacting the jobs of over 200,000 parents and young people.

Some state governments may rescue these jobs, but most workers will be let go and have to enter the worst job market our country has seen since the Great Depression. And all for want of three Senate votes.

The jobs at stake were created under the TANF Emergency Contingency Fund, which expired Sept. 30. TANF, or Temporary Assistance to Needy Families, is the federal program that was created under the 1996 welfare overhaul.

This year, the House of Representatives tried to extend the emergency fund three times. Each time Senate Democrats tried to pass the bill however, it fell a few votes short of the 60 needed to avoid a Republican filibuster. Last week, 57 senators voted in favor, just three votes short of what it needed to pass.

Created as part of the American Recovery and Reinvestment Act, the TANF emergency fund was created to help states meet rising welfare caseloads, while providing temporary subsidies that would cover a portion of workers' wages and help employers create new jobs.

The jobs-funding program was premised on the idea that it's cheaper to create jobs directly, by investing in communities from the bottom up, than to pour billions into Wall Street and hope it will trickle down.

### **A Program That Worked**

Unlike the \$700 billion Wall Street bailout, which failed to get credit rolling into our communities again as it was supposed to, the modest \$1 billion emergency jobs fund has actually worked.

Since 2009, the fund has created nearly a quarter million jobs for pennies on the dollars that were spent on firms deemed too big to fail.

The program enabled struggling employers to hire the help they needed to stay in business, while giving unemployed Americans the chance to work and bring home much-needed income for their families. This



Diana Spatz

includes employers such as LIFETIME (Low-Income Families' Empowerment through Higher Education), the nonprofit organization in Oakland, Calif., that I founded and direct. Our organization helps low-income parents pursue post-secondary education and training and career-path employment.

Like small businesses across the country, LIFETIME has been battered by the recession and funding cuts have jeopardized our ability to staff the organization at a time when our community needs us the most.

Because of the TANF emergency fund, LIFETIME and employers across California were able to put more than 35,000 parents and young people to work and keep our businesses running. The same is true in other states, such as Texas, where the emergency funding created jobs for 51,000 Texans--including 27,000 young people. In Tennessee, where rising welfare caseloads led one state administrator to observe that "I haven't seen anything like this in 38 years," the program created over 1,100 jobs.

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## **New Hires**

Some of the new hires include Ashley Smith, a teen mother from Oakland, Calif., who now works for LIFETIME. She praised the chance "to work hard and earn a decent paycheck that allows me to buy my son diapers and formula," and cried when she received her first paycheck ever.

Another new hire is Rebeca Walker-Marquez, who says the program gave her "the opportunity to have a meaningful job and to look forward to the day when my son and I will have a place to live and fix our car and get our old life back."

In turn, Smith and Walker-Marquez, along with eight other parents LIFETIME hired through the emergency jobs program, have helped scores of other parents apply for food stamps and gain job training, while they look for work and pray for better days.

And until better days arrive, the extension of this fund was that much more crucial, as the Great Recession--news of its technical demise notwithstanding--enters its fourth year.

When Congress passed the TANF welfare overhaul in 1996, it was in the context of a strong economy and record rates of job growth.

Now welfare rolls are on the rise for the first time since that year.

## **Doubling of Jobless Rate for Single Mothers**

The unemployment rate for single mothers--who constitute over 90 percent of parents who receive welfare--has more than doubled since the Great Recession officially began in 2007, reaching its highest level in 25 years.

An astounding 1-in-8 Americans now receive food stamps, a record enrollment for the program.

And recent data from the Census Bureau found that the poverty rate has risen for the third consecutive year, reaching its highest level in 15 years. The gap between rich and poor is now the largest on record. And 1-in-5 American children now live in poverty, with poverty rates in rural areas of our country topping 72 percent for families headed by Latina single mothers and 63 percent for those headed by black single mothers.

Without the emergency jobs program, prospects for unemployed parents will be increasingly grim.

Days are numbered for literally millions of Americans who have exhausted their unemployment benefits, as Republicans block any hope of an extension before the November elections. Consequently, many more families will be added to the welfare rolls, where the outlook will be even worse. In lieu of jobs with pay and dignity, parents who receive welfare are being required to "work first," even though jobs don't exist, and to perform up to 40 hours a week of unpaid "workfare" assignments, in exchange for welfare benefits that in some states are as low as \$68 a month.

By contrast, the emergency fund has enabled hundreds of thousands of low-income Americans to bring home a paycheck, instead of a welfare or unemployment check.

The failure of Congress to extend this fund has even conservative economists, including Arizona Sen. John McCain's economic advisor, asking "how could any sensible person oppose such a move?"

Sensibility--and common sense--are apparently in short supply in our nation's Congress.

*Diana Spatz fought and won the right to pursue her college degree as a single mother receiving public assistance. Today she is director of LIFETIME in Oakland, Calif., which works to empower low-income parents to earn college degrees and graduate off welfare into career-path jobs.*

## **For more information:**

GOP Blocks Reauthorization Of 'Important Social Safety Net Program:

[http://www.huffingtonpost.com/2010/09/29/gop-blocks-reauthorizatio\\_n\\_743500.html](http://www.huffingtonpost.com/2010/09/29/gop-blocks-reauthorizatio_n_743500.html)

About the Emergency Contingency Fund:

<https://www.cfda.gov/index?s=programandmode=formandtab=step1andid=e5ff240d0ad5bd71f102271526926a9e>

Workers News on Emergency Fund Extension:

<http://www.putworkersfirst.com/content/tanf-emergency-contingency-fund-extension>

LIFETIME (Low-income Families Empowerment through Higher Education:

<http://www.geds-to-phds.org/index.html>

[http://womensenews.org/story/labor/101001/senate-tanf-vote-means-pink-slips-thousands?page=0,0&sms\\_ss=facebook&at\\_xt=4caa8c12198ae997,0](http://womensenews.org/story/labor/101001/senate-tanf-vote-means-pink-slips-thousands?page=0,0&sms_ss=facebook&at_xt=4caa8c12198ae997,0)