

MOTION BY SUPERVISOR DON KNABE

January 11, 2011

The Temporary Assistance for Needy Families Emergency Contingency Fund (TANF ECF), which was established and funded by the American Recovery and Reinvestment Act (ARRA), expired on September 30, 2010 and is unlikely to be extended by Congress. This is unfortunate because TANF ECF was extremely cost-effective in creating jobs through subsidized employment, which benefited low-income participants, employers, and taxpayers. In Los Angeles County alone, over 10,000 adults were placed into subsidized jobs, and over 18,000 youth were placed into a summer jobs program funded by TANF ECF. Adult participants in the County earned an average of over \$1,400 a month in subsidized wages -- far more than what they previously received in CalWORKs grants. Their increased earnings, in turn, resulted in major CalWORKs grant and Food Stamp cost savings. Taxpayers also benefited from increased tax revenues generated from increased economic activity associated with the increased earned income while both private and public employers benefited from lower labor costs.

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Los Angeles County created more subsidized jobs than any *state* other than California, Illinois, and Texas. The County's success, in large part, was due to the close collaboration between the Department of Public Social Services (DPSS), which administers TANF, and Workforce Investment Boards (WIBs), which administer Workforce Investment Act (WIA) programs, in implementing subsidized employment in the County. Such collaboration between the TANF and WIA programs in creating subsidized jobs for public assistance recipients and low-income individuals who are at-risk of becoming dependent on welfare, such as former foster youth, should be promoted not only in Los Angeles County, but also throughout the State and nation.

For example, Governor Brown can use the 15 percent of California's total WIA funding, which is at the Governor's discretion, to support projects which provide subsidized employment to CalWORKs recipients and former foster youth through collaborations between WIBs and county welfare departments. Such projects can be implemented quickly, and would reduce State General Fund costs for CalWORKs grants. At the Federal level, both the TANF and WIA programs must be reauthorized this year so there will be an opportunity to enact program changes which would promote subsidized employment. In addition, there would be Federal cost savings to the extent that subsidized employment increases the earned income of individuals who receive or otherwise would receive Food Stamp benefits.

I, THEREFORE, MOVE THAT THE BOARD:

1. Direct County departments and Legislative Advocates to pursue Federal and State proposals and funding which would expand subsidized employment opportunities for public assistance recipients and former foster youth, and promote collaboration between Workforce Investment Act-funded Workforce Investment Boards and Temporary Assistance for Needy Families-funded agencies in administering subsidized employment to such persons;
2. Send a five-signature letter to the Governor, urging that he utilize Workforce Investment Act discretionary funds to support projects which provide subsidized employment to CalWORKs recipients and former foster youth through collaborations between Workforce Investment Boards and county welfare departments; and,
3. Send a five-signature letter to the President and the County's Congressional delegation urging their support for proposals and funding which would promote collaboration between Workforce Investment Boards and state and local welfare departments in providing subsidized employment, especially to public assistance recipients and former foster youth.

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