

September 1, 2010

Letter also sent to Senator Debbie Stabenow

Honorable Carl Levin
U.S. Senate
269 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Levin:

Michigan is facing steep cuts to vital services that help families during these difficult and uncertain times. An extension of the TANF Emergency Fund, which expires Sept. 30, would help meet the basic needs of citizens as Michigan continues to struggle with very high rates of unemployment.

It is disappointing that the Senate did not vote to extend the TANF Emergency Fund prior to its recess. Time is running out to extend the fund and help vulnerable households. We urge your support of \$2.5 billion in TANF Emergency funds.

The TANF Emergency Fund was created in 2009, as part of the American Recovery and Reinvestment Act. It provided Michigan \$232.6 million this fiscal year for spending on needy families for cash assistance, short-term benefits or subsidized employment.

Michigan's TANF (Temporary Assistance for Needy Families) block grant has remained at \$775.3 million for more than a decade, without adjusting for inflation or for rising caseloads, even as need has grown.

The state's unemployment rate, 13.1 percent in July, remains in the double digits, making it even harder for those on assistance to get jobs. Those who have exhausted benefits are turning to safety net programs to help their families.

Unfortunately, the Great Recession has dramatically reduced state revenues even as demand for services, such as health care, education and help for abused children, is growing. Emergency food and shelter providers across the state report growing demand for help. The number of homeless in Michigan reached 100,000 in 2009; a 10 percent increase over the prior year.

Michigan has been able to draw down the emergency dollars through a state match based on estimated state spending of more than \$205 million for the state Earned Income Tax Credit. The EITC is an excellent strategy in tough times because it rewards work and it stimulates the economy because families receiving the credits spend the dollars quickly on basic needs.

The emergency fund dollars were used to pay for the back-to-school clothing allowance for children in families receiving cash assistance and for job services to parents in families receiving cash assistance. These funds helped low-income families and individuals meet their basic needs.

As you know, Michigan has led the nation in the unemployment rate for much of the past four years. The TANF Emergency Fund needs to be extended until the state's employment recovers.

Sen. John Kerry is expected to circulate a letter in support of the TANF Emergency extension. We, the undersigned groups, urge you to sign the letter and support an extension of the TANF Emergency Fund.

Sincerely,

ACSET Community Action Agency (Grand Rapids)
Adult Well-Being Services (Detroit)
Alger Marquette Community Action Board
Baraga-Houghton-Keweenaw Community Action Agency
Cancer Services (Midland)
Center for Civil Justice
Chippewa, Luce, Mackinac Community Action Agency
City of Detroit Department of Human Services
Community Action Agency of Jackson Hillsdale Lenawee
Community Economic Development Association of Michigan
Dickinson-Iron Community Services Agency
EightCAP, Inc (Gratiot, Ionia, Isabella, and Montcalm)
Food Bank Council of Michigan
Genesee County Community Action Resource Department
Haven House (East Lansing)
Lutheran Social Services of Michigan
Macomb County Community Services Agency
Menominee-Delta-Schoolcraft Community Action Agency
Michigan Asset Building Policy Project
Michigan Coalition Against Homelessness
Michigan Coalition for Children and Families
Michigan Community Action Agency Association
Michigan Council for Maternal and Child Health
Michigan Council on Crime and Delinquency
Michigan County Social Services Association
Michigan Environmental Council
Michigan 4C Association
Michigan Jewish Conference
Michigan League for Human Services
Michigan Protection and Advocacy Service, Inc.
Michigan's Children
Mid-Michigan Community Action Agency
Monroe County Opportunity Program
Mustard Seed Shelter (Saginaw)
National Association of Social Workers – Michigan Chapter
Northeast Michigan Community Service Agency
Northwest Michigan Community Action Agency
Oakland Livingston Human Service Agency
Ottawa County Community Action Agency
PHI-Michigan
Prevention Network
Saginaw County Community Action Committee, Inc
The Arc Michigan
Washtenaw County ETCS