

REP. PETE STARK (CA)

SENIOR DEMOCRAT

REP. CAROLYN B. MALONEY (NY)

REP. MELVIN L. WATT (NC)

REP. BARON P. HILL (IN)

SEN. JACK REED (RI)

SEN. EDWARD M. KENNEDY (MA)

SEN. PAUL S. SARBANES (MD)

SEN. JEFF BINGAMAN (NM)

Congress of the United States
Joint Economic Committee
Democrats

108TH CONGRESS

804 HART SENATE OFFICE
BUILDING
WASHINGTON, DC 20510-6602
202-224-0372
FAX 202-224-5568
www.jec.senate.gov/democrats

WENDELL PRIMUS
STAFF DIRECTOR

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Contact: Nan Gibson

202-224-0377

TANF CASELOAD DECLINES DESPITE RISE IN POVERTY
Bush Administration Fails to Even Acknowledge a Problem

Washington, D.C. – Overall poverty and child poverty have increased and unemployment among single mothers has steadily climbed since the 2001 recession and during the current jobless recovery. At the same time, the number of individuals receiving cash welfare assistance has declined, according to a new report released today by the **Joint Economic Committee (JEC) Democrats**.

“The Bush Administration is boasting that TANF is working because caseloads have dropped in recent years. But the decline in welfare caseloads during a recession and a jobless recovery is cause for concern, not celebration,” said **Rep. Pete Stark (D-CA), Senior Democrat** on the **JEC**. “TANF is supposed to help people during hard economic times, but there’s clearly a fundamental flaw in the program when poverty is rising and caseloads are falling. Just as with the war in Iraq, the Administration lauds success when the facts show there are serious problems.”

During recessionary periods, as unemployment increases and incomes fall, greater numbers of families typically qualify for – and receive – public support. As expected, caseloads for other income support programs did expand in the wake of the 2001 recession – only the Temporary Assistance to Needy Families (TANF) caseload declined.

Just yesterday, the Bush Administration put out a press release proclaiming the success of falling welfare rolls. Wade Horn, Health and Human Services Assistant Secretary for Children and Families, said, “This is an extraordinary milestone in the Bush Administration’s effort to help families leave public assistance and escape poverty.”

“Contrary to Bush Administration claims, TANF is not helping children and low-income families escape poverty. In fact, millions more families are living in poverty on his watch. This report shows that dramatic changes are necessary when Congress returns to the task of reauthorizing welfare reform next year,” said **Rep. Stark**.

After years of steady decline, there are 4.3 million more individuals and 1.3 million more children living in poverty under the Bush Administration. The average annual unemployment rate for mothers who maintain families increased from 5.9 to 8.5 percent since President Bush took office.

Despite the weak labor market and increasing poverty rates, the average number of individuals receiving monthly cash assistance benefits under TANF has *declined* by about 500,000 during the Bush Administration, from 6 million in 2000 to 5.5 million in 2003. In contrast, cash welfare recipients *increased* by nearly 3 million during a comparable period surrounding the 1990-91 recession and subsequent jobless recovery.

Full text of the JEC Democrats’ report, *TANF Caseload Declines, Despite Rise in Poverty*, is available at <<http://jec.senate.gov/democrats/Documents/Reports/tanfcaseloadoct2004.pdf>>.

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