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NEWS RELEASE

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Gov. Christie Whitman today announced that more than \$59 million in new funds will go primarily to New Jersey's urban areas over the next two years to help long-term welfare recipients get and keep jobs.

The first \$23 million installment of \$46 million in federal Welfare-to-Work funds will become available through the state Department of Labor in October. Initially, these funds will target long-term welfare recipients who have been on public assistance for five years or more and also have one of the following barriers to employment: The recipient has low reading skills, low math skills, no high school diploma, no graduate equivalency diploma or a substance abuse problem.

"For the first time ever, we are focusing attention on people living in our cities who have made welfare their lifestyle," Gov. Whitman said. "With some extra help, many welfare recipients will find jobs and will enjoy a better lifestyle and the dignity that comes with earning a paycheck."

The Governor explained that states had discretion in how to spend these federal funds.

"When we started Work First New Jersey, we made a commitment to try to improve the lives of everyone on welfare, not just those people who were the easiest to serve. That's why in New Jersey, we decided to target these federal funds on services for those most in need," the Governor said.

These federal funds will be used to purchase services tailored to the specific work-related needs of the welfare recipient. For example, the services will include case management and job coaches who will help to orient the welfare recipient to a new job and intercede if there are problems that develop in the future between the new employee and the employer. The funds may also be used to develop specialized on-the-job training for employers such as English as a Second Language classes that may be offered at a work site during the workday.

These services will be provided by both public and non-profit agencies in collaboration with many agencies at the local level.

Funding distribution for this latest federal Welfare-to-Work grant is based on three factors: poverty rate, the number of long-term welfare recipients and the unemployment rate.

"This funding will certainly give added impetus to our present Welfare-to-Work program," said State Labor Commissioner Mel Gelade. "This will help us link our job training efforts in this program with employment for those moving off the welfare rolls."

"These funds will give local officials the ability to tailor services to a client's job-related needs," said Human Services Commissioner Michele K. Guhl. "We know from meeting with the women who have been on welfare for more than five years that some of them have fairly specialized needs that we could not meet with the array of services we are currently offering."

Commissioner Guhl explained that these federal funds can be used for very practical, "hands-on services."

"If we have a client who needs help picking out appropriate clothes for a job interview or can't seem to get the children off to school and herself to work on time, a "job plus coordinator" may actually visit her at home to work through those problems," Guhl explained.

The second focus of these funds is to help former welfare recipients retain their jobs.

"We know that a personal crisis, such as a sick child or a child care situation that falls apart, is enough of an obstacle to land a mother back on welfare," Guhl said. "That's where the job plus coordinator would again step in and help to smooth out the minor set backs."

These Welfare-to-Work services are expected to become available early in 1999.

In the spring, the Department of Human Services identified 23,000 women who had been on welfare for more than five years. In the early summer, county staff met with those women and began developing a plan to help them get into a work activity or to get a job. Through those efforts, the number dropped to 17,000 in three months.

It is estimated that 4,000 to 5,000 people will receive Welfare-to-Work services in the first year. The number of people served will vary depending on extent of the needs of welfare recipients.

In addition to the federal Welfare-to-Work funds, there are a number of other initiatives that will bring additional employment-related services to people on welfare.

Under a competitive federal grant, Hudson and Union counties are receiving \$5 million each over the next two years to focus tailored services on hard-to-employ welfare recipients. The first installment of those funds became available in June and services to residents in these counties became available in September. These funds will pay for such services as job coaches, on-the-job training, remedial education, and development of off-hour child care services.

A third component to this effort to target hard-to-employ welfare recipients living in the state's urban areas is the Twenty First Century Cities Partnership Demonstration program. Under this \$3 million program, the state is encouraging collaborative efforts by non-profits to look at creative approaches to targeting hard-to-employ welfare recipients. This program will focus both on families as well as single people and childless couples. Planning grants of \$30,000 were given to nine agencies. Those programs to be funded will be selected from the field of nine by the end of the year and services are expected to be available early in 1999.

The state also received a \$50,000 planning grant from the federal Department of Health and Human Services to expand and refine current efforts to increase job retention and advancement of families leaving welfare.