



For Immediate Release

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U.S. Senate Vote Threatens Oregon's and Nation's Recovery **Statement by OCPP Policy Analyst Janet Bauer**

Yesterday, the U.S. Senate threw a punch to the gut of an economic recovery that was already unsteady on its feet. Despite support from Oregon Senators Ron Wyden and Jeff Merkley, the Senate voted against moving forward on a jobs bill that would extend assistance to cash-strapped states, laid-off workers and struggling families.

In failing to extend key Recovery Act provisions, the Senate closed its eyes to the fiscal crisis gripping the states. The Great Recession shrunk state revenue and at the same time increased the number of those turning to the states for help. Without more federal aid, state budget cuts nationwide could cost the economy 900,000 jobs in the public and private sectors.

Through inaction the Senate rejected a provision that would have sent Oregon an additional \$156 million in Medicaid funds. Those funds, which typically flow through the Oregon Department of Human Services, would have prevented cuts in a wide array of health and social services, many of which are delivered by private sector workers.

Through inaction the Senate denied additional funding for Temporary Assistance for Needy Families (TANF), which provides supportive services and employment assistance for thousands of Oregon's most vulnerable families with children.

Through inaction the Senate rejected extending unemployment insurance benefits for tens of thousands of Oregon workers who face the toughest job market in decades. For those workers, the lifeline that is unemployment insurance benefits just got a whole lot shorter.

The Senate's vote will harm not just vulnerable workers but the economy as well. Prominent economists have urged that what the nation needs now is continued short-term public spending to spur economic activity. Federal dollars have allowed the states to keep teachers in the classroom, cops on the beat and health care workers in public and private clinics and hospitals. Unemployment insurance

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money in the hands of struggling families has been spent quickly and locally, helping businesses and protecting the jobs they provide.

Today's Senate vote bodes ill for our state and the nation.

Note to editors and reporters:

For more information on impacts to Oregon, see the OCPP fact sheet [*What's at Stake for Oregon if Congress Fails to Extend Key Recovery Act Provisions?*](#), June 23, 2010.

For details on the role that TANF Emergency Contingency Funds play in Oregon, see the OCPP fact sheet [*Continue What's Working: Congress Should Extend the TANF ECF to Bolster the Economy and Struggling Families*](#), May 20, 2010.