



NEW YORK STATE SENATOR

Thomas P. Morahan

Concern Over Governor's Welfare Giveaway Plans

THOMAS P. MORAHAN August 11, 2009

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I am very unhappy to report that Governor Paterson has secret plans to spend \$140 million of federal stimulus money to give \$200 per child “back to school” grants to welfare and food stamp recipients. The new welfare give-away reportedly was detailed in a secret memo from the Office of Temporary Disability Assistance.

The grants would be given out regardless of whether a welfare recipient complied with work and other requirements; regardless of whether a child was enrolled in school, attending school or even dropped out. The grants would be available at ATMs – with no requirements, no accountability, and no legislative oversight.

Governor Paterson is ready to give out \$140 million in free money to welfare and food stamp recipients -- with no accountability and no restrictions on what it could be used for. This spending does nothing to create jobs and doesn't even need to be used to back to school supplies.

This is a totally irresponsible use of federal stimulus money. He should be using these funds to roll back some of the \$8.5 billion in tax hikes he put in the budget; or use to help restore property tax rebates that he and Senate Democrats eliminated. The new program is in addition to a 10 percent increase in the basic welfare grant that was part of the new state

budget, which took effect last month. Welfare grants will increase by a total of 30 percent by July 2011.

The Governor wanted to keep his new giveaway plan a secret to avoid any transparency so taxpayers wouldn't know about it until it was too late. This is free money available at ATMs – it is a plan that is ripe for fraud and abuse and could be continued to years, saddling taxpayers with another questionable public assistance program at a time when we are already facing a \$2.1 billion budget deficit caused by the Democrats' big spending budget.

We enacted new laws a decade ago to ensure accountability in our social services programs through workfare and learnfare – to encourage personal and parental responsibility and cut back fraud and abuse. After those changes, welfare rolls decreased, as did child poverty.

However, this plan would be a big step backwards and I urge the Governor not to go through with it. He should be using stimulus money for the intended purpose of creating jobs and reducing taxes, not giving for a secret give-away program.