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Business Center Seeks Lottery Funds

Among the seventy two proposals for use of lottery funds was the request for \$500,000 to fund the African-American Business Center for Economic Development. Standing alone, the proposal was the only one submitted on behalf of an African-American organization dealing with business solutions to economic problems in Northeast Portland.

Speaking before the Joint Legislative Committee on Trade and Economic Development Joseph McHenry and O.B. Hill expressed the need to establish a stable business environment to facilitate community revitalization in Northeast Portland.

According to McHenry, "in the past the voices that spoke for us were the voices of those who spoke through others. Now we choose to speak for ourselves."

The African-American Business Center would provide support for the growth of African-American business and not compete or otherwise cross purposes with the business incubators and plan centers in the area. The center will have a research and development component and operate as an anchor and support the growth of African-American owned, operated and controlled business in the area.

As a non-profit organization, the business center will be able to solicit funds from a variety of sources however funding by the legislature would show definite commitment that it acknowledges the fact that all business communities should share in the "Oregon Comeback".

"We need all the help we can get" said Hill. "We ask all persons and organizations to pledge their support to the project".

BAD NEWS ON THE NEW WELFARE LAW

When the Family Support Act of 1988 (P.L. 100-485) became law last October, its supporters touted it as a major reform of the welfare system, one that would move large numbers of welfare recipients off the rolls. By contrast, critics pointed to the absence in the law of strong work requirements, and the measure's reliance on expensive new services; because of these, they said, the overhaul of the welfare system would fail to reduce dependency. A recent study by the Congressional Budget Office (CBO) not only confirms the critics' concerns, but suggests that the critics actually may have understated the bill's weaknesses.

The CBO finds that this newest "reform" actually will increase the number of families on welfare. While the CBO estimates that the law's training and work provisions will result in 50,000 fewer families on welfare by the end of five years, this is just 1 percent of the caseload. What is worse, the law's expanded eligibility and benefits, according to CBO analysts, will add 80,000 families to the welfare rolls, for a net increase of 30,000 families on welfare by 1993.

The CBO's study highlights other likely effects of the Family Support Act that agree with the claims of critics. Among them:

The great majority of welfare recipients will continue to receive benefits without any obligation to participate in work or training activities. Under the terms of the Act, half of families on Aid to Families with Dependent Children (AFDC), the main welfare program, are exempt from the requirement to participate in work and training programs. More over, only 20 percent of the remaining adults on welfare must be enrolled by states in a work or training program by 1993. And if a state does

not reach this goal, the only penalty on the state will be a slight drop in federal support for the costs of such programs, from 59 percent of the programs' costs to 50 percent. The national rate of participation in work and training programs already is between 10 percent. The national rate of participation in work and training programs already is between 10 percent and 15 percent, according to estimates by the Department of Health and Human Services.

States will spend large amounts of money on training programs that will have little effect on reducing welfare rolls.

About one million welfare recipients are expected to participate in the new training or work programs, according to the CBO, at a minimum cost of \$3,075 per participant. Fewer than 4 percent of those who do participate in training and work programs, however, will find employment. Studies of state work programs show that the largest reductions in welfare rolls actually result from very modest programs. The CBO cites a Arkansas work program that costs just \$158 per participant and reduced the welfare caseload by 5 percent. By contrast, a Maryland training and work program costs \$838 per participant with a less than 1 percent reduction in the caseload.

Very expensive day care benefits will be provided to thousands of recipients who would have left welfare even without such benefits.

Beginning in April 1990, states must provide twelve months of child care assistance to families leaving welfare for a job. The CBO estimates that 470,000 families will qualify for this new benefit, but virtually all of these families would have left welfare without this additional assistance. Thus the new spending on these services will induce few extra welfare recipients to take a job, while costing taxpayers, according to CBO estimates, about \$1.2 billion over five years. Child care for children under age 15 costs an estimated average of \$159 per month, but the CBO cautions that this could escalate

quickly if states chose ill-designed funding mechanisms and service delivery systems. Under Massachusetts' education and training (ET) program, for instance, costs are \$270 per month, chiefly because state officials discourage the use of less expensive informal child care and refuse to reimburse care by relatives.

The new mandatory AFDC coverage for two-parent families will add thousands of families to be welfare rolls.

Requiring the 22 states that do not currently provide AFDC benefits to two-parent families to do so will add an average of at least 65,000 families each month to the welfare system, says the CBO. Provisions that liberalize the amount of earned income that can be disregarded in determining welfare eligibility will add another 15,000 families. This increase in the number of AFDC beneficiaries, and increase in AFDC benefits, will cost the federal government \$1.3 billion and state governments \$1.0 billion over five years. In sum, the CBO study refutes the rhetoric used by the bill's proponents to push it through Congress. Lawmakers were told that the bill would mandate work in exchange for welfare payments and that new transitional benefits would induce thousands of families to leave the welfare rolls. The sponsors promised too that the measure would pay for itself by reducing welfare expenditures. Yet taking into account the total price tag of the legislation, each of the 50,000 families likely to leave the rolls because of the training and work provisions will cost American taxpayers an average of \$66,000 to place in a job. The bill's generous funding, moreover, will not go to the poor. Instead, this money will go to bureaucrats, caseworkers, teachers, and accountants who run the programs. In the sense that these middle-class professionals also are dependent for their livelihood on the welfare services, thousands of non-poor individuals will join the system.

Toward a Workable Act. The CBO's analysis clearly gives an "F" grade to the Family Support Act.

Lawmakers thus should stop assuming that last year's legislation reformed the system and reopen the debate over reform. Meanwhile, the Bush Administration should do what it can to make the Act as workable as possible.

In particular, Health and Human Services (HHS) Secretary Louis Sullivan should make sure that the bill's regulations, now being drafted by his department, are designed to move Americans off welfare. For example, states should be given the broadest possible flexibility to design efficient mandated work programs, such as that in Arkansas. The new regulations also should strengthen the work requirements whenever possible, perhaps by requiring welfare recipients who do not have a child under the age to six to participate for at least 30 hours a week in a work or training program. Any less stringent requirement would have a negligible impact on the welfare rolls. Finally, HHS and the White House should strengthen the role of the Low Income Opportunity Board. This interagency board "fast-tracks" requests from states for temporary waivers of federal rules to permit innovative state experiments to reduce welfare dependency. The Board has been the catalyst for real welfare reform in the states. The Bush Administration also should ask Congress to grant the Board broader waiver authority to help states create a welfare system that actually reduces dependency. Current law prevents the Board from allowing states to transfer funds between many major programs.

Expanding the Welfare Trap.

During the welfare reform debate last year, Ronald Reagan stated that the test of any welfare reform proposal is: How many does it move off welfare? The Family Support Act flunks this test according to the CBO's analysis. Only a modest number of existing welfare families will leave the welfare rolls, at an enormous cost to the taxpayer. Thousands more American families will fall into the welfare trap as attractive new benefits tempt working families to sign on to welfare.

JEFFERSON AWARDS CONTINUE TO FOMENT DISSENSION

Manner of Presentation Cloaked In Secrecy
Stephen E. McPherson, Special Correspondent

The current Jefferson awards continue to foment dissension within the lower Northeast Community. Ironically, the avowed purpose of this distinction is to recognize those unsung persons who have made significant contributions to a community but never have been singled out for their efforts. Ever since the awards were announced there has been a public outcry from those who objected to the fact that one of the recipients is a person who publishes a scandal sheet that is always bereft with undisguised racism. Each year these awards are jointly sponsored in the Portland area by KOIN-TV. Initially, the station took the position that the award had been made by several anonymous judges over whom they had no control. Even after it was pointed out that the person in question had an outstanding criminal charge against her, Karen Rice, a spokesperson for the group did not consider that fact to be a serious impediment to receiving the honor. Since then it has been learned that the awardee, herself, managed all of the information that went into her nomination. Her sponsorship for the award was not only challenged by the St. Andrews Parish, but has also caused so much dissension within that church it is very likely that the parish minister will be removed by the archdiocese.

Last week, Richard M. Schafbuch, general manager of KOIN-TV, made a halfhearted attempt to resolve the controversy by suggesting that the contested honoree return her award so as to silence the public's objection to this affront. As would be expected, the person in this case refused. In making such a pronouncement, Mr. Schafbuch avoided making any reference to the yellow rag which is the point of contention and also declined to make any statement with regard to the station's position on racism. He has since stated that as sponsor of the award, KOIN-TV retained the right to rescind the decision of any judge if they so chose. In this case they did not. In the future however the rules have been changed so that all finalists will be made public prior to announcing the ultimate decision. This is still too little and too late. It certainly is an exercise the City of Roses can ill-afford to repeat.

At press time it was learned that Station KOIN-TV was going to make a major departure from the usual manner in which awards are presented. The awards were to be presented privately to the five individuals. The manner in which the objectionable award will be made is cloaked in secrecy. It is known, however, that the details were negotiated between Jack F. Olson, attorney for the indigent awardee and Owen D. Blank, general counsel for KOIN-TV. The announcement will not be carried on the evening news, nor will a press release follow from KOIN-TV. I suppose that in their good judgement this approach was their method of handling a very difficult situation. It is interesting to observe that there are far more jelly fish in the ocean than there are strong fish with sturdy backbones.

Congratulations

CITIZEN OF THE YEAR AWARD

The National Association of Social Workers Oregon Chapter will hold an awards luncheon as part of its annual state conference on Saturday, April 15 in the Oregonian Room at Nendel's Inn on Canyon Road in Portland.

The CITIZEN OF THE YEAR Award will be given to **Mariah Taylor** pediatric nurse practitioner who runs a non-profit children's clinic in northeast Portland that serves low income, uninsured families.

Believing that health care is a right, not a privilege Taylor testified powerfully before the Legislature on the need for everyone to have access to health care. While she sees people who cannot pay, she does not give free care. "There is no dignity in free care" says Taylor who bills for patient care and allows people to provide a service in lieu of fees.

In addition to providing primary-care services she offers free juice or coffee, children's books and used clothing - and hope and encouragement. Taylor's clinic is funded by **United Way**, grants and donations.



To Ms. Mariah A. Taylor RNCPC 1989, Jefferson Award winner for outstanding Community Service. As founder and Director of The North Portland Nurse Practitioner Clinic, Ms. Taylor has provided quality health care to indigent residents since November, 1980. Her tireless efforts to help those in need at no cost or a fraction of the cost has not gone unnoticed. Hence, her long overdue recognition as a champion for health issues for the under privileged.

Thank you Ms. Taylor for caring.

Student of Week



By Jimi Johnson

Nazareth Gazai, a senior at Jefferson High School came to the United States in 1982. Born in Asmera, Eritera in East Africa, she and her family moved to the U.S. to escape the civil war in Ethiopia between the Ethiopian and the Eriteran people.

An ESP (English as second language) student, Nazareth couldn't speak a word of English upon her arrival in the U.S. After hard work, tutoring, and watching a lot of T.V., Nazareth has mastered the language and is currently holding a 3.3 accumulative GPA.

An active student in the International club at Jefferson (a cultural awareness club focusing on people from foreign countries) says her ultimate goal is to become a doctor and return to her home land in East Africa to help those less fortunate than herself.

Nazareth believes that "when young African-Americans kill each other through, gang violence or what ever, they're doing what the American government wants, they're doing their job for them" she continued, in reference to the feelings of the U.S. governments attitude toward Black on Black crime. She feels that "young African-American people should know their heritage and understand the price their ancestors paid for them to get freedom of education and the opportunities should not be wasted. I would like to see more African-Americans studying to be doctors, lawyers, and government officials" she continued.

Ms. Gazai plans to attend either Oregon State or Eastern Oregon college majoring in Pre-Med next fall.