

## Employment Plan Draws Praise, Criticism

### **A state program offers incentives to businesses who hire the unemployed.**

By KTRH's John Labus

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The Texas Back to Work program pays employers to hire unemployed Texans. "The Legislature allocated \$15 million for the two years of the biennium, so that TWC could roll out this program."

Ann Hatchitt with the [Texas Workforce Commission](#) says they're targeting low-wage workers who are drawing unemployment benefits. Businesses are paid \$2,000 for each worker that sticks around for at least four months.

But Talmadge Heflin with the free-market [Texas Public Policy Foundation](#) believes there's a better way. "If we really want... long term jobs, good jobs created, we would continue to minimize the tax load on business."

Hatchitt says its saves money by getting people off the unemployment rolls. "The \$2,000 subsidy we're offering employers certainly is less than the \$8,000 that person would be getting from the Unemployment Trust Fund."

But Heflin counters that the money still has to come from somewhere. "The argument might be made that you could get a short-term bump; but long term this will stymie job creation by taking money out of the private sector, and putting it in the public coffers and then redistribute it."

Heflin says the goal is admirable, but the state is going about it the wrong way. Others see the project as a success.

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