



Committee On Finance

Max Baucus, Chairman

NEWS RELEASE

www.senate.gov/~finance

For Immediate Release
Tuesday, March 12, 2002

Contacts: Michael Siegel, Joshua LeVasseur
202-224-4515

**STATEMENT OF SENATOR MAX BAUCUS
SENATE COMMITTEE ON FINANCE
HEARING ON
“WELFARE REFORM: WHAT HAVE WE LEARNED?”**

Good morning, and welcome to the first Finance Committee hearing of the year on TANF reauthorization. The 1996 welfare reform law was a landmark, a bold experiment to end a failed system and try something new. I strongly supported it and, as we look back, it was the right thing to do.

This year, the TANF law expires, and we need to reauthorize it. That’s one of my priorities for the Finance Committee over the coming months. I’m looking forward to working with Senator Grassley and the rest of the members of the Committee to develop bipartisan legislation.

I’m also looking forward to working with Secretary Thompson and the Administration. There is no one in the Administration who is a better representative to work on these issues than Secretary Thompson. The Secretary has a tremendous amount of experience and expertise in welfare policy.

As we start down the path toward reauthorization, I’d like to share some of my own views on the TANF program and what we’ve learned over the past six years. Under welfare reform, millions of Americans left welfare for work. Just as we intended. The states have done a remarkable job, and I’m glad we have a state administrator, Robin Arnold Williams of Utah, here to testify to that. We learned that states know something about how to get people into jobs.

Child poverty is also down, despite the fears of critics. However, it’s not down by as much as the welfare rolls are. We’ve learned that getting a job isn’t always a ticket out of poverty. And that points to one issue I’d like to focus on this year – making sure that parents who are working hard to make ends meet don’t have to raise their children in poverty. There are

too many families who have left welfare for work and are just barely getting by, always at risk of falling back onto welfare.

A recent study in Montana found that even though we have a great record of moving people into jobs, only 10% are economically self-sufficient. We need to do better. Welfare reform in 1996 was about requiring work. Welfare reauthorization in 2002 should be about supporting work.

That could mean a lot of things. As we hear from our witnesses today, I hope to learn more about what has been important in getting us this far down the road. That will help us make sure we build on the success to date. Here are a few things that make sense to me:

First, increased funding for child care. We need to make sure low-income parents who work have the child care they need. If people work at night, or on weekends, child care should be available so they don't have to leave kids at home alone. And we need to make sure that the child care is high quality.

No parent should have to spend their workday – or work night – worrying that their child may not be in good hands. The Administration's proposal to increase weekly participation requirements by 33% without any new child care funding causes me to be concerned.

Second, extending and improving transitional Medicaid coverage for those who leave welfare for work. No one should lose their health care just because they take a job. We need to make sure that signing up is easy.

Senator Breaux has a good bill on this already, and I plan to work with him on it. While I appreciate that the Administration included a one-year extension of TMA in their budget, I believe that is simply not enough.

_____ Third, let low-income working families keep more of their child support payments. I know both the Administration and Senator Snowe have proposals out there, and I look forward to talking to them more about this issue. These payments can both help the family put food on the table and improve how a non-custodial father relates to his child. It's win-win.

Fourth, I know that there is a lot of talk about including marriage promotion as part of welfare reauthorization. In my view, we should proceed with caution in this area. Marriage is a wonderful institution. I'm happily married myself. But it is also a personal decision and private choice. We need to think carefully about government interference here.

Finally, there's one aspect of the President's reauthorization proposal that does not make any sense to me, and I am hoping that Secretary Thompson can clarify.

The Administration has proposed ending all current TANF waivers. Montana has

designed a very good welfare-to-work program under our waiver. It has worked well for the state, and we want to improve it, not end it. I look forward to hearing more from the Secretary about how state flexibility might be in jeopardy under this proposal.

Before I close, I'd like to add that I am very proud of our work here in the Finance Committee last year to make the expanded child tax credit partially refundable. It will lift as many as 500,000 children in low-income working families out of poverty. This is an example of what we can achieve when we work together. And it's representative of how I'd like to see proceed as we take up welfare reauthorization.

Thank you, Secretary Thompson, for joining us here today. I look forward to working closely with you and the Ranking Member of the Committee, my friend Chuck Grassley, as well as with all the other members of the Committee who have expressed great interest in and dedication to this issue.