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Statement by Sen. Chuck Grassley
Mark-up of Welfare Reform
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In preparing for today's mark-up, Senator Baucus and I met regularly and worked hard to come up with a joint piece of legislation for the committee to consider. I think it's fair to say that our discussions went relatively well but did not lead us to a joint bill. There are many aspects to the chairman's mark that I support; however there are some that I am not satisfied with. I remain open to deliberating amendments.

I'd also like to comment on the committee's preparation for today's mark-up. Starting in March of this year, the Finance Committee began holding hearings to examine the welfare reform law that Congress enacted in 1996. The reform law ended a 60-year-old entitlement program and ended welfare as we knew it. The committee received testimony from many of the key leaders of the 1996 reform efforts, including Secretary Tommy Thompson, Governors Engler and Dean, as well as numerous other expert witnesses.

The hearings confirmed much of what we've heard anecdotally since 1996. States have excelled at transforming welfare into work by creating modern and dynamic state work programs. Today, no two programs look or act alike except in their pursuit of transforming welfare to work.

The most obvious result of the reform act is that millions of adults are employed and experiencing the dignity of holding a job. The quality of life for these families has improved greatly. Iowans leaving welfare say that work not only yields financial gain, but it has also helped to improve self-esteem, independence, and a sense of responsibility. Iowans who leave welfare also report that they are better parents while employed and that the family generally gets along better when the parents are employed.

The transformation of welfare to work has highlighted the fact that high quality child care is among the greatest challenges facing working parents. The committee dedicated an entire hearing to this important topic.

I have heard a great deal from my own constituents on the topic of child care. The high demand for qualified, dependable, and available child care is a pressing issue in my state. Iowa ranks second in the country for high numbers of two-parent working households. This high rate of two-parent working families demonstrates my state's strong work ethic and is something that Iowans are proud of. At the same time, these rising work rates have contributed to dramatic rises in demand for child care services. Growing demands for high quality child care present challenges to policymakers, but I am confident that solutions can be found.

The objective today is to begin the legislative process of re-authorizing the reform law. Our goal should be to build on the act's successes.

The way I see it, the goal for re-authorizing welfare is to incorporate improvements into a program that is largely succeeding in its mission. In other words, we should work at perfecting our national reform efforts. We should be careful to avoid steps that may unintentionally undo any of the fundamental components of the 1996 act.

In my view, the collaboration between the states and the Congress in 1996 was integral to the successful reform process, and we should continue this effective partnership in the next phase of reform. States have instructed us to maintain flexibility and provide ample resources. I hope the Committee can deliver on both points.

For further guidance, I look to the principles set forth by the President and Secretary Thompson. For one, we should continue to cultivate a strong work ethic in our welfare system. We should further encourage state innovation in meeting welfare reform goals through continued state flexibility. And, we should improve policies around strengthening families and providing opportunities for work and education.

In particular, the President has taken a bold and brave step in choosing to showcase the value of marriage as it relates to family economic stability. We should not shy away from supporting public policies that help low-income families stay intact. We know that financial stress and other challenges of family life present threats to family stability. The President's healthy marriage demonstration proposal is a good proposal, and I support it whole-heartedly. I also support the proposals to improve child support policies that deliver more child support payments to families and encourage fathers to meet financial obligations.