

# NOMINATION OF JO ANNE BARNHART

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## HEARING

BEFORE THE

### COMMITTEE ON FINANCE UNITED STATES SENATE

ONE HUNDRED SEVENTH CONGRESS

FIRST SESSION

ON THE

NOMINATION OF

JO ANNE BARNHART TO BE COMMISSIONER OF SOCIAL SECURITY

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OCTOBER 4, 2001  
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**NOMINATION OF JO ANNE BARNHART TO BE  
COMMISSIONER OF SOCIAL SECURITY**

**THURSDAY, OCTOBER 4, 2001**

U.S. SENATE,  
COMMITTEE ON FINANCE,  
*Washington, DC.*

The hearing was convened, pursuant to notice, at 10:05 a.m., in room 215, Dirksen Senate Office Building, Hon. Max Baucus (chairman of the committee) presiding.

Also present: Senator Lincoln.

The CHAIRMAN. This hearing will come to order.

This morning we consider the nomination of Jo Anne Barnhart to be Commissioner of Social Security.

But before we hear from our nominee, I would very much like to recognize my good friend from Virginia, the senior Senator from Virginia, Senator John Warner, who I think wishes to say a few words on the nominee's behalf.

**STATEMENT OF HON. JOHN WARNER, A U.S. SENATOR FROM  
VIRGINIA**

Senator WARNER. Well, thank you, Mr. Chairman.

Knowing I would see you today, I was struck with the first weather report of frost in your State.

The CHAIRMAN. Yes. I was, too.

Senator WARNER. That got my attention at about 6:30 this morning.

But this is not a chilly atmosphere in here, this is a very happy one for all who are gathered. You and I have served here, for me, 23 years in this institution, and we look forward to these moments when we have the opportunity to appear on behalf of nominees by the Presidents of the United States. I know of no one more qualified to undertake the position for which President Bush has designated Jo Anne Barnhart. She is an outstanding individual.

I would like, first, to ask unanimous consent that a statement by your predecessor, Chairman Bill Roth, be placed in the record ahead of what I am about to say.

The CHAIRMAN. Without objection.

Senator WARNER. Thank you very much.

[The prepared statement of William V. Roth, Jr. appears in the appendix.]

Senator WARNER. The Commissioner of Social Security has numerous duties, as the distinguished presiding officer knows, including managing a staff of approximately 65,000 nationwide.

In addition, the Commissioner is in charge of administering an agency that, in 2001, will issue checks to over 45 million Americans for over \$400 billion in Social Security benefits.

I just cite those statistics, Mr. Chairman, to think of the enormity of this task and how this system, envisioned many years ago, is absolutely one of the pillars on which our great Nation rests.

We must select, irrespective of political affiliation and who may be President, only the best qualified, such as this nominee, to undertake the fiduciary responsibilities for this system.

They are awesome responsibilities. Ultimately, this nominee must ensure that Social Security checks, which so many Americans depend on, are not issued a day late or a penny short.

Mr. Chairman, I have known Jo Anne Barnhart for many years and I am confident that she is more than able to meet the great responsibilities our Social Security Commissioners are confronted with.

She has vast experience as an administrator and extensive experience here in the Senate of the United States, both of which will serve her well in this position.

She has a very impressive resume. I shall not recite it all, but ask unanimous consent that the entire resume be a part of my statement.

The CHAIRMAN. Without objection.

[The prepared resume of Ms. Barnhart appears in the appendix.]

Senator WARNER. She served as Assistant Secretary for Children and Families in the Department of Health and Human Services. In this capacity, she managed a workforce of 2,000 employees and an annual budget of \$28 billion.

She has also served as Assistant Secretary for Family Support at the Department of Health and Human Services. I might add, momentarily, she will introduce her family.

On Capitol Hill, Ms. Barnhart served the former distinguished Chairman of the committee, Senator Roth.

I conclude my statement and ask that the balance be placed in the record, and simply say to this nominee, you are on your own. Good luck. [Laughter.]

Ms. BARNHART. Thank you.

Senator WARNER. Thank you, Mr. Chairman.

The CHAIRMAN. What a pal! [Laughter.]

Thank you very much, Senator. We deeply appreciate your very, very kind and thoughtful words on behalf of the nominee.

I would also like, now, to introduce Mr. Stanford Ross, who is the former Commissioner of the Social Security, and who is currently the chairman of the nonpartisan Social Security Advisory Board, of which Ms. Barnhart is a member.

Chairman Roth, for whom Ms. Barnhart worked on several occasions, a very, very good friend of this committee, would like to have been here to speak on the nominee's behalf, but I understand that he is overseas. He is not currently in our country. But he has submitted a statement—I have not read it, but I can guess it is a very glowing statement—for the record, and it certainly will be included.

So, Mr. Ross, now it is your turn. We would like to hear from you.

**STATEMENT OF STANLEY ROSS, CHAIRMAN, SOCIAL  
SECURITY ADVISORY BOARD**

Mr. ROSS. Thank you, Mr. Chairman. I appreciate greatly the opportunity to be here today and to speak in support of the nomination of Jo Anne Barnhart to be Commissioner of Social Security.

It is my firm belief that she will be an outstanding Commissioner. She comes to the job with deep knowledge of the issues facing Social Security, both in the areas of policy and service to the public.

Over the last four and a half years, I have had the privilege of working closely with Jo Anne on the Social Security Advisory Board, which, although appointed in a bicameral and bipartisan way, has operated in a nonpartisan way.

She has been a thoughtful and dedicated participant in all of the board's work, and she has brought to the board a rich understanding of matters relating to Social Security and the public administration. She draws on a vast experience in the legislative and executive branches of government.

Like all members of the board, she has willingly volunteered extensive amounts of time to studying the problems facing the Social Security Administration and developing recommendations to address them.

She has signed every report the board has issued, ranging from the first on policy leadership to the most recent on Social Security financing issues.

Much of the board's work has been centered on improving the agency's service to the public, a charge specifically given to the board by the Congress in the 1994 legislation that established the board and made it an independent body advising the independent agency.

This has included extensive work on the agency's disability programs, which we believe are at the heart of SSA's service delivery problems.

I know that the job of Social Security Commissioner carries with it some of the most important responsibilities in government, and Jo Anne Barnhart has the outstanding credentials and qualities of character that are needed to carry out these responsibilities.

She has learned much about the nature and magnitude of the many serious problems that SSA is facing, and I am sure that she will be enthusiastically welcomed by the agency because of this prior work and their knowledge that they will have leadership that is informed, dedicated, and unstinting.

So I know for my own self that she will serve the American people and the Social Security Administration well, and I strongly support her nomination.

I ask that the rest of my statement simply be put in the record. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you very much, Mr. Ross. We very much appreciate those comments, and I agree with them.

[The prepared statement of Mr. Ross appears in the appendix.]

**OPENING STATEMENT OF HON. MAX BAUCUS, A U.S. SENATOR  
FROM MONTANA, CHAIRMAN, COMMITTEE ON FINANCE**

The CHAIRMAN. Before I go any further, though, I want to thank the Social Security Administration. Given the tragic events of September 11th, the Social Security Administration has risen to the occasion.

I think we all can be quite proud of its flexibility and its going the extra mile to get survivor and disability benefits to family members and to injured workers as quickly as possible. I very much applaud the efforts of the administration.

Social Security, clearly, is a critical program for seniors, for disabled workers, for their families, and for families of workers who have died.

I might say, I think this is a point worth remembering. If we did not have Social Security today, 48 percent of our seniors would be in poverty. If we did not have Social Security today, 48 percent of our seniors would be in poverty.

On a more sour note, however, although Social Security will continue to run yearly budget surpluses for quite a while, its long-run financial situation needs to be fixed. I believe that the sooner we fix that, that is, the long-run solvency question, the better.

President Bush has a proposal to change the way Social Security is financed. As you know, he supports diverting part of the Social Security payroll tax into private savings accounts. He has convened a commission to flesh out the details of such a proposal.

I personally have very serious concerns about such a proposal because it would lead to deep cuts in retirement income for seniors.

A study done by the Century Foundation by four top economists shows that diverting 2 percentage points of payroll taxes into private accounts would result in a 20 percent drop in retirement income for all those under age 55 today, and after taking into account the income for the private accounts.

Moreover, private accounts are subject to all the rises and the risks of the stock market. The recent huge declines in stock prices, I think, should give us pause about using the value of shares and stocks in place of guaranteed Social Security benefits.

With that said, the Social Security Administration has a number of major challenges facing it over the next decade. Now, Ms. Barnhart has been a member of the Social Security Advisory Board since 1997. During that time, this nonpartisan board has produced many valuable reports that have catalogued the daunting challenges facing SSA now and in the years ahead. It has also made recommendations on how to meet these challenges.

Fortunately, Ms. Barnhart's membership on the board means she is already extremely familiar with the problems facing the Social Security Administration. That is good. Not the problems, but your experience.

The Advisory Board's reports indicate the Disability programs of Social Security, especially, have problems that need immediate attention. One of these, is that it can take way too much time for applicants to get through all the layers of appeal in order to get their benefits. You and I have spoken about this. You knew about it in advance, but it is a very serious problem that must be addressed.

I might say, in my home State of Montana it is not uncommon for individuals to wait two to 3 years for a final decision on disability benefits.

Of course, during this time these individuals have no earnings, which puts them and their families into true hardship. This is happening not just in my State of Montana, but virtually all over the country. It is, clearly, unacceptable.

In Montana, we have found that part of the problem creating these long delays is that SSA just does not have enough employees. The Advisory Board has found that the shortage of workers in the Disability program has occurred all over the country. The reason is, SSA's budget is inadequate.

So I would like Ms. Barnhart to tell us whether she agrees that the agency has insufficient staff and budget resources, and whether she will try to fix this problem by seeking a bigger budget.

SSA has serious administrative problems in some other ways. For example, last year only 66 percent of the 800 number telephone calls received by SSA were answered, once calls that had been abandoned were taken into account. I would like to hear Ms. Barnhart make a commitment to dramatically improve on that situation.

Finally, SSA faces a problem that will plague all Federal agencies, that is, an aging Federal workforce. It is projected that almost 50 percent of the SSA workforce will be leaving the agency over the next decade, mainly due to retirements, but also normal attrition.

Given that it generally takes two to two and a half years to get new hires up to speed, this talent drain needs to be dealt with immediately. I would like our nominee to say how she will recruit a sufficient number of people quickly enough to fill these vacancies.

So it is clear that SSA faces daunting challenges now and in the future. The next Commissioner will be sorely tested. Ms. Barnhart, SSA needs an outstanding individual like you at the helm. The country deserves no less.

If you are confirmed, I would look forward to working with you to meet these challenges because I believe that, working together, we can solve them.

Now, at this time, I would like to have you say whatever you want to say. I know some of your family is here. All of us would be very, very grateful if you could begin by introducing your family, and any other comments you might want to make.

**STATEMENT OF JO ANNE BARNHART, NOMINATED TO BE  
COMMISSIONER OF SOCIAL SECURITY**

Ms. BARNHART. Thank you very much, Mr. Chairman.

Mr. Chairman, members of the committee, and Chairman Ross, I am truly honored to be here today as the nominee of our President, George W. Bush, for Commissioner of Social Security. I welcome this opportunity to serve our Nation and I ask for your support.

Although my parents are unable to be here today, I would like to introduce my sister, Jan Nell Bryant.

The CHAIRMAN. Would you stand, Jan Nell? Stay standing. [Laughter.] Do you have other family?

Ms. BARNHART. I do. My husband, David Barnhart and my son, Niles.

The CHAIRMAN. All stay standing. Let us give them all a round of applause. We have to give a lot of support here.

[Applause.]

The CHAIRMAN. Because when you are working and you are not at home, we are all going to need their support, too.

Ms. BARNHART. Thank you very much.

They are also joined by some of my closest friends and colleagues, many of whom are here today.

Mr. Chairman, I have a short statement which I would like to give. But, first, I would like to thank Senator Warner and Chairman Ross for their most generous comments this morning and for taking the time to be here today.

I also want to thank Senator Roth. Although a previous commitment abroad, as you mentioned, prevents him from being here, I really, as always, appreciate his support.

The CHAIRMAN. Yes. He is a good man.

Ms. BARNHART. Yes, he is.

The CHAIRMAN. Do you know he and I graduated from the same high school?

Ms. BARNHART. I know. But I understand it was not the same year. [Laughter.]

The CHAIRMAN. You are doing very well. [Laughter.]

Ms. BARNHART. Throughout my life and career I have had the great fortune to learn much from some ordinary and extraordinary people.

My father served overseas in the Army in both World War II and the Korean War, and he continues today to provide the finest example of patriotism that I know. He also taught me that any job worth doing is worth doing right.

My mother taught me to judge people for who they are, not what they are. Senator Roth and Senator Warner, who have served our Nation so well through their work in the Senate, taught me that the best decisions are made by strong adherence to principle and thoughtful consideration of the facts.

My sister's work with her students at the Alexandria Adult Learning Center shows, daily, the difference we can make in the lives of other on an individual basis.

My husband is truly the most honest person I have ever known. My 12-year-old son Niles, every day, provides the opportunity to see through his eyes a world that is filled with the possibilities of what can be. I take this opportunity to publicly thank them all.

Mr. Chairman and members of the committee, I tell you all of this because these are the values that will guide me as Commissioner of Social Security.

America is a diverse Nation. I have had the opportunity to spend time in 47 of our 50 States. Through my work and travels across our Nation, I have learned that each State is unique, somehow different from the next.

More importantly, America is many different people. People who go to work, people who are not able to work. People who choose to be homemakers. Young people, old people. People who are Native

Americans, people who are born Americans, people who are Americans by choice.

Whatever the individual circumstance, the vast majority of Americans will at some point in their lives be touched by our most important social program, Social Security.

Providing survivor benefits to children and spouses, disability benefits, retirement benefits, and supplemental security income, the Social Security Administration's programs reach into almost every single home.

For the millions of Americans currently receiving benefits, these programs play an important role, be it a supplement to a private retirement or a lifeline of critically needed income support.

Today, as you mentioned, Mr. Chairman, and Senator Warner mentioned, Social Security faces great challenges: ensuring the program's financial solvency for future generations, providing good service to the public, particularly as the number of beneficiaries increases each year with the aging of baby boomers like myself, and improving program integrity through sound fiscal stewardship.

Mr. Chairman, one of the immediate challenges the agency now confronts, again, as you mentioned, is to assure the smooth and expeditious processing of applications for benefits filed by the families of the victims of the recent terrorist attacks.

I understand that SSA expects to receive several thousand—in fact, they have already received over 3,000—of these applications. It is vitally important that each be treated with compassion.

I assure you and the other members of the committee that, if I am confirmed, I will make it my first priority to see that the necessary arrangements are made to process these applications as quickly as possible and in a manner that expresses to each family member the entire Nation's understanding and sympathy.

I look forward to confronting this, and the many other challenges that will come our way in the weeks and years ahead. In doing so, I will work within the administration, with the Congress, and with the dedicated and experienced employees of the Social Security Administration to find the best solutions.

While doing so, I will strive to put a face on the work of the Social Security Administration. By this I mean looking beyond and behind the numbers and recognizing that each number represents a person, someone whose life will be affected by the work that we do and how well we do it.

Mr. Chairman, as I told you and other members when we met prior to this hearing, I do not seek this position to manage the status quo. Through my work on the Social Security Advisory Board, I have become convinced that we can, and must, do better. The people of America expect it and they deserve it.

Whether they are just beginning their careers or retiring next month, the people of America expect and deserve to know that Social Security will be there when they need it.

Whether they are applying for a Social Security number for a new baby or for disability benefits for themselves, the people of America expect and deserve timely service.

The people of America who fund the Social Security program through their payroll tax contributions and fund SSI through their

income tax payments expect and deserve well-managed programs, providing accurate payments that safeguard their trust.

As my father would say, the task that lies before me, if confirmed, is, indeed, a job worth doing. You have a commitment of a daughter who takes her father's lessons to heart that I will do my best to do it right.

Thank you. I would be happy to answer any questions.

The CHAIRMAN. Thank you very much, Ms. Barnhart.

[The prepared statement of Ms. Barnhart appears in the appendix.]

The CHAIRMAN. I would like to explore with you some of the points I made in my statement, namely the budget of the Social Security Administration, your thoughts, candidly, about what you think we need to meet the growing needs of the baby boomers retiring, as it affects disability, probably the long waiting time and so forth. What are your thoughts about that?

Ms. BARNHART. Well, my thoughts, Mr. Chairman, quite frankly, are that, first of all, we need to decide what level of service is the right level of service. One of the issues I have, looking at the current situation, is we tend to back into determining what Social Security needs in terms of resources.

As you point out, it can take two to 3 years for a disability claim to be settled, ultimately. I, quite frankly, think that is unacceptable. I am sure you do, too. I am positive that your constituents who deal with that system would agree.

So, the first thing that I plan to do, if confirmed, is to decide what our goals should be. What is a reasonable time? What should the goals be we are working for in terms of processing time and in terms of program integrity, as I look across all the activities that SSA has to undertake and has responsibility for.

What I plan to do, is to calculate what level of resources it would take to provide that optimum level of service, then, obviously, working with the Congress through the budget process, and within the administration, to help make decisions about what balancing that ultimate level of where we should be with what resources the combined and collective wisdom believe are actually available when you look at it within the context of the entire Federal budget.

The CHAIRMAN. How long do you think it is going to take you to make that determination?

Ms. BARNHART. I knew you were going to ask me that question.

The CHAIRMAN. I knew you knew it, too. That is why I asked.

Ms. BARNHART. I am probably known for my impatience, to some extent. I intend to get to this immediately. In order to do a really thorough job, to be able to provide the sufficient back-up to answer further questions that you and other members will have, I really believe that it will probably take somewhere between five to 6 months, in all candor.

That may sound like a long time, but I think it is a job that is so important, that it has to be done correctly. It is going to require my working with the senior management, the career staff at Social Security who have the data, the information about how many cases ALJs can process, how many cases the front-line workers can process, really working out the actual math of the situation and getting a firm grasp of the facts.

As I said in my statement, I really believe we need to consider the facts. I would like to start with getting the facts and then moving on from there.

The CHAIRMAN. So how about March 31st? Is that a good date for us to shoot for?

Ms. BARNHART. That sounds perfectly reasonable.

The CHAIRMAN. That is about 5 months. It is a little more than 5 months from now.

Ms. BARNHART. That sounds reasonable. It also, as I am sure you are aware when you said it actually, fits in very well with the Federal budget cycle in terms of when appropriations hearings and those kinds of things start.

The CHAIRMAN. I would appreciate if, at the end of that period, say, March 31st or roughly that date, if you would give us a summary of your analysis, what you see needed and what you think should be done. I would appreciate that very much.

I understand that SSA also has the capability to do a distributional analysis, that is, indicate benefits according to age groups, family backgrounds, gender, and so forth.

When this committee asks for such distributional analyses, would you make that available to us?

Ms. BARNHART. Absolutely. In fact, I think that is really a very important role. Actually, to me, it is an obligation of a public agency like Social Security. I think it is a very important role. I think it is safe to say that virtually no place else in the country can the Congress and others receive the kind of information and data analysis that they can from the Social Security Administration.

From my work on the board, I know they have a modeling system called MINT. We have acronyms for everything, you know. I think it stands for Modeling in the Near Term. Using that modeling system, SSA is able to do the kind of distributional analysis that you are speaking of.

I would like to make the commitment to you and other members of this committee that, as you move ahead and you have developed proposals and have requests for information, that we will be as responsive as we possibly can.

The CHAIRMAN. What about the aging workforce?

Ms. BARNHART. That is a real issue, as you have pointed out. In fact, my information is that less than 10 percent of the employees at Social Security are under age 30, which is pretty startling.

I have several thoughts on that issue, Mr. Chairman. The first, is that whatever the agency is doing—and I know from speaking with Paul Barnes, who is the Deputy Commissioner for Human Resources at Social Security and members of his staff, again, from my work on the board, that the agency engages in recruitment efforts at college campuses, and so forth.

I think whatever is being done there needs to go even broader, and I look forward to working with that staff to come up with ideas about how we could reach out to more people.

I think one of the things that history shows us when we look at the numbers, for those Social Security employees eligible for retirement, and as you point out, for the many who are going to become eligible, there is the potential for roughly 50 percent of the workforce to retire or leave for other reasons over the next decade.

The CHAIRMAN. That is the information I have, too.

Ms. BARNHART. That is really incredible, when you think about the experience, the complexity of these programs, the rules, and the learning curve it will require to train new people.

Typically, Social Security employees actually do not necessarily retire when they are retirement eligible. Part of that, is because I think the Social Security employees are among the most dedicated workforce that I have ever known.

Actually, in one of my prior jobs, I was part of the Social Security Administration and got to see that firsthand, and I have tremendous respect for the employees at the agency.

But when you look at the work loads today, and the pressures and the stresses that employees are under, particularly from the travels I have done to the District Offices, the people who serve the citizens of Montana and other States up front, up close and personal, I think that unless we can remove some of that stress and the feeling of being overwhelmed, they are going to be more likely to follow the lead of their counterparts elsewhere in the Federal Government and they will opt to retire when they are eligible.

So I think addressing the workload issues, addressing many of the issues of the agency, will hopefully make working at Social Security more enjoyable, as it was some time ago. That is not to say that people do not enjoy what they do, but certainly if you are feeling pressured and stressed, you are going to be more likely to retire.

The final thing I would say, is this. That is, I think somehow I, the Congress and my counterparts throughout the Federal Government, need to restore the idea that pursuing a career in the Federal Government is a noble and a worthy cause.

When I graduated from high school in 1968, many people, including myself, looked forward to getting a job in the government and considered it an honor and something that was sought after.

I think, over the years, that view has been tarnished and diminished. I really think this requires all of us who are in a position to do so to use the bully pulpit to restore the respect for the Federal workforce that I believe it deserves.

The CHAIRMAN. That is an excellent point. I agree with you. I have known people who work for Social Security who are some of the best people I have ever met. They have worked harder and are more dedicated than anybody else I have ever met. They are honest, and just wonderful people. Just wonderful.

Ms. BARNHART. I agree.

The CHAIRMAN. I think it is unfortunate that a lot of people in public service criticize Washington, criticize the Federal bureaucracy. It undermines our country. It does not boost them, the critics. It undermines them and our country, both. It is cheap, it is easy, and it is wrong.

I hope that more of us heed your advice because it is absolutely correct, and I thank you for making that statement.

Someone once said, and I think it is true, that the most noble human endeavor is service, service to family, to church, to community, to State, Nation, in whatever ways that seem to make the most sense to each individual, that is, what form of service makes

the most sense. For many people, it is working for the Federal Government, and it is service. I thank you again for that statement.

I see we are joined by my good friend from Arkansas, Senator Lincoln. We would like to hear your questions and statements at this point.

**OPENING STATEMENT OF HON. BLANCHE L. LINCOLN, A U.S.  
SENATOR FROM ARKANSAS**

Senator LINCOLN. Absolutely. Thank you, Mr. Chairman. I join you and our other colleagues in welcoming Ms. Barnhart here this morning.

Ms. Barnhart, I am certainly impressed by your broad government experience. You have a background that really suggests that you would be effective both as an administrator and also as someone who will contribute to the policy debate over Social Security. But, after hearing your statement, I am even more enlightened as well as impressed.

As a daughter of a farmer, a seventh generation Arkansas farm family, and knowing that there is not a day that goes by that I do not look to the values and the lessons that were taught to me by my parents. I am pleased to know that you are carrying those through.

With twin boys that I just put on the school bus, I also know the demands on your family. We welcome them and thank them for being willing to support you in this endeavor, because this is a very important job to so many of us.

Without a doubt, as a baby boomer myself, I realized this summer, and did not realize it until we had some field hearings in the State in August, that not only am I of the sandwich generation, I am of the club sandwich generation. [Laughter.]

The CHAIRMAN. Let me ask, to be clear. What is that?

Senator LINCOLN. Well, the fact is, I have small children. My husband and I both have our parents who are retired and aging. But my husband's grandmother just turned 104 this week and she is very active.

So, it is amazing that I am not only the sandwich generation, but the club sandwich, with three generations surrounding us, and my husband and I being the only two there in that circle that are actually in the workforce and putting into Social Security, which we will all be very, very dependent on.

In watching that aging process and realizing that, of our generation, the baby boomer generation, there is going to be enormous pressure put on Social Security and other programs that the aging community and the aging population have.

It is going to be absolutely essential we have someone, as the Chairman said, at the helm that has the kind of background, but also the kind of dedication and perseverance that you have to make these programs strong, because our Nation is truly going to depend on it.

But, more than that, everything that I think you and I hold near and dear, which are our families, our children, our parents, our sisters, are going to be very dependent on it as well. So, I will join you in the challenges, and certainly in your dedication, to doing what we can.

I would like to ask just a few questions. In the particular demographics that we have in Arkansas, with an extremely large aging population above the national average, and again, unfortunately, standing out because an enormous portion of that aging population also live in poverty, the majority of those being women. In our State in Arkansas, 25 percent of the elderly women live in poverty.

The aging issue, I see very much from a woman's point of view, but I guess everybody understands why. But it is quite a woman's issue because we find that, obviously, women, in regard to Social Security, are in and out of the workforce more frequently, whether to have children or to take care of aging parents or infirmed family members. Unfortunately, we earn less on the dollar. We also live longer, on average, 7 years.

My father is homebound at this point and my mother is the principal caregiver. Understanding how that scenario has normally gone, where you find in an aging couple that depletes their resources, then again you have got a woman who is dependent basically on Social Security.

So I guess I would really like to hear your views on what, in the near-term, can and should be done through the Social Security and the SSI program to alleviate poverty among women in this country.

Ms. BARNHART. Well, as you know from looking at my resume, I have spent a great deal of time working in the welfare arena. In fact, I would point out that I actually spent the better part of the last 2 years working in Arkansas.

Senator LINCOLN. That is great. I did notice that, and I am excited. If we do the Welfare Reform reauthorization, we are going to need your help there, too.

Ms. BARNHART. I have seen almost every corner of Arkansas, I think, except Ft. Smith, in the last couple of years.

Senator LINCOLN. That is great. You know what I am up against then.

Ms. BARNHART. I do. I do. My mother's family is all from there, Pine Bluff.

Senator LINCOLN. Oh, great.

Ms. BARNHART. So I spent a lot of time there, growing up.

Looking at the issue of women in poverty, I think what is happening in welfare reform now is positive in many respects because women are being helped to obtain jobs at a much earlier time, and many women who never would have worked before are going to work. That is certainly happening in your State. You have had great success in Arkansas helping move people into the workforce.

Senator LINCOLN. We have.

Ms. BARNHART. I think that is important because they are going to end up being contributors to Social Security from an earlier point in time, which obviously is more beneficial when they retire.

As for the issue of aged women and women who are surviving spouses and those types of issues, that obviously is a concern and will continue to be an even greater concern as the baby boomers retire, because we are going to have even more women, probably, living longer than their husbands.

Social Security has made some strides over the years. I know when I first got involved with these issues it used to be that you got your husband's benefit regardless of whether you had earned

more than your husband. That is no longer the case, I am happy to say.

So, women are treated equitably in terms of the way the Social Security benefits are now provided, and that is a step in the right direction, certainly something that should have happened.

In terms of where we go from here, to be perfectly honest, I am not exactly sure where we go from here. I know it is an issue. I have looked at it.

I know there is the whole issue of homemakers who do not enter the workforce, but who certainly are contributing to the fabric of American society. But in their own right. They are not eligible for Social Security because they never paid payroll taxes directly.

The whole issue of the so-called "mommy track", as you move in and out of the workforce when you have children, women tending to work part-time more than men, which, as you say, are all things that even exacerbate the issue and the fact that women generally are not paid at the same level as men.

I look forward to working with you and other members to try to determine where we should go, because I do think, as a societal issue, it is something that we need to look at.

Obviously, anything we do along those lines is going to have budgetary implications and, given the fact that women now outnumber men in this country, probably fairly significant ones. So I think we really need to look at what the options are, decide what we want our National policy to be in looking at that whole issue.

Senator LINCOLN. Just to follow-up with that, I would like to echo both your comments and the Chairman's comments about the wonderful employees at the Social Security Administration.

I know from my State office and my regional offices, they have a wonderful working relationship for our case work and have really complimented the Social Security workers that they work with.

One of the things, though, that studies indicate, is that 40 percent of those that are eligible for SSI do not receive it. My one thing would be that you might think about, or I would like your comments on, is how the Social Security Administration might work more with the local and the community groups to better inform low-income widows about SSI and what might be available to them.

If there are 40 percent that are eligible but are not receiving, that is a number where we could maybe really work with those elderly women that are living in poverty.

Ms. BARNHART. Yes. Absolutely, we could. I always find it astounding, perhaps because I have spent so much of my career working in government assistance programs, when you hear a statistic like that. But I believe there are similar statistics in food stamps, quite frankly, for people, who obviously if they were eligible for SSI, would be eligible for food stamps.

For those of us who are familiar, intimately familiar, and work with these programs on a day-to-day basis and hear about them all the time, it is hard to imagine there are people who do not know about them. But you are right, and we do find that.

Certainly in the Children's Health Insurance Program, all across Medicaid, one of the things they are finding out as States are implementing CHIP, is for every child they find eligible for CHIP,

there is one who really was eligible for Medicaid already and was not getting it.

Senator LINCOLN. Exactly.

Ms. BARNHART. So, I understand the point you are making.

Senator LINCOLN. We talk about these programs all the time in our day-to-day lives, but we forget sometimes that many of the people who really do need them and who are eligible, just from a lack of information or really for us to look at the most common place for them to get that information, we are just not making the information as available, or perhaps targeting in areas where we know that they could find out about these programs.

Ms. BARNHART. Yes. I do think that that is an issue that, over time, is going to evaporate to some extent because I think the people who are older today grew up in an America where the public assistance programs were not as prevalent as they are today.

When I look at my parents and the things that they are aware of versus the things that I have been aware of and you have been aware of growing up, I think that we are going to have a more informed constituency with the baby boomers, and they are going to know more than the current generation of retirees knows. But it will continue to be an issue because there will always be people who do not know. But I am hopeful that, over time, it will become less of a problem.

Senator LINCOLN. Mr. Chairman, may I ask just one more?

The CHAIRMAN. Absolutely.

Senator LINCOLN. You touched on it a little bit. I know that Ms. Barnhart is very aware that the President and others have proposed a partially privatized Social Security program. Many individual account proposals call for the diversion of 2 percentage points of the payroll tax into an individual account, and the Chairman alluded to that some earlier.

I have seen some of the reports that suggested that, if such a diversion occurs, the Social Security program will begin to run deficits in 2007 and we will be forced to begin drawing down on the trust fund.

And to send the program into deficit, even before the first baby boomers retire, certainly, is alarming, I think, to some of us. We want to be very cautious and careful about how we do things.

But I would like to ask you, or certainly give you a chance, to share with us some of your views on the transition costs that are associated with that partial privatization plan and ask you whether Congress can realistically fund such a transition in an operation where we are also looking to modernize in other ways and spend dollars to bring Social Security up to speed for all of those things, especially in light of the new demands that we have on our Federal budget and the pressing domestic priorities, such as prescription drugs. I mean, we could go on forever, and ever, and ever about the other things that are out there.

But just maybe share some of your views about what those transitions are going to cost us, and how they may occur if they were to occur, and whether you feel like that is something that has to be taken out over time, or just whatever your views may be.

Ms. BARNHART. Well, if I may just say a couple of things about the long-term solvency issue. The first, is as Chairman Ross point-

ed out, I signed every report that the Social Security Advisory Board has issued.

One of those urged that action be taken soon. I do think that is the important thing as we look ahead in terms of the solvency predictions. We start to get in trouble about 15 to 20 years from now, depending on whose report you look at, and we have major problems in the 2030's when the trust funds are projected to be exhausted. So, I do think that it is important that it happen soon.

I also think, based on my experience in having been involved in amendments to the Social Security Act of 1977 as a Senate staffer working here, and again in 1983, that it is very important that the effort that is undertaken be a bipartisan consensus. I do think that is important and I think that is the way that real change is going to happen.

In terms of the specific proposals and being able to address the costs, I really would prefer to do that for the record. I am not an economist. I have to be perfectly honest and tell you, I have certainly looked at the range of proposals that have been offered, and there is a wide range, as you know, from more conventional efforts to provide long-term solvency, to the personal accounts. There is a huge range. It seems to me there is a wide gamut of issues that are being looked at. I have not really studied any one that carefully to look at those issues.

I am aware, however, of the proposal that you are talking about. I know that there are transition costs in some of the proposals because fellow board members of mine actually have written papers along those lines and discussed those issues on occasion. So, if I could provide that for the record, I would prefer to do that.

[The following information was subsequently received for the record:]

There are a number of variables that would come into play in determining the transition cost of any plan that involved private accounts. Clearly, the level of payroll taxes funding private accounts would be a major determinant, but there would be other factors as well. For example, the plan's design, which would affect the number of participants, and whether implementation were phased in over time would also affect the level of transition costs to the Social Security trust funds. So, at this point, I'm afraid I cannot give you a precise amount. It is true that transition costs may well be substantial. But, I believe we should look at those costs in the context of the projected shortfall in the Social Security trust funds under the system as it is today. One calculation puts the cost to restore actuarial balance to the Social Security trust funds at \$3.4 trillion in present day dollars.

Senator LINCOLN. Absolutely. I just wanted to put that in your mind so that you can, because you will ultimately be the person, I think, responsible for making sure that it is administered correctly and that it happens, and everything falls into place as it should.

So, your views on that, I think, are going to be very important. I hope you will take your time and give us some response in terms of where you think that is going to go, and how you think it best can come down.

Ms. BARNHART. I would be pleased to do that. As you point out, I think there is a huge administrative infrastructure issue that is going to have to come into play, and that is one role that I think the Social Security Administration can play, since the agency currently is responsible for maintaining records for many individuals,

some 44 million current beneficiaries. I think there are 270 million current cardholders around the country. I think the agency issued about 6 million new ones last year, so it is an ever-growing number. I think that those administrative infrastructure issues are very important.

Senator LINCOLN. Thank you. I will turn it back over to you again. Thank you.

The CHAIRMAN. Thank you, Senator.

Why do you want this job? I mean, the burden sounds virtually overwhelming.

Ms. BARNHART. I am glad you asked me that question because, in all candor, I had not planned on coming back into public service, Mr. Chairman. As you know, I had started my own business 5 years ago and have been working with State and local governments all over the country, helping them implement welfare reform efforts.

This is the only job that would have lured me back into public service. The main reason for that, is based on my experience on the board for the last 4½ years, I have gotten a really in-depth view of the issues that face the Social Security Administration. They are huge issues.

When you look at the numbers of benefits the agency processes, I mean, just to give you some idea, the agency puts out 390 million notices a year. That is over a million notices a day. There are 44 million current beneficiaries, and SSA issues \$440 billion in benefits annually. I think the budget for Social Security is four times that of the State of California, and bigger than the GDP of all but 10 or 11 countries.

It does touch almost every single home in America. As I said in my statement, I think we can do a lot better than we are doing, and I think we must do better. As an American citizen, I believe the other citizens should expect more from their government and they should get a better job from their government.

I am also a person who likes a challenge. I enjoy looking at something that is not working and figuring out how to make it work. To me, that is what really makes life worth living, quite frankly, is meeting the so-called obstacles or challenges on a day-to-day basis and finding out a way to outsmart them.

I also believe that Social Security has the talent in the agency to be able to address these problems, and really is looking for strong leadership to align the people in the agency to do it.

Finally, because, as I said in my statement, I was raised to be patriotic, and I was taught that giving something back is one of the most important things that we can do in our lives. As I said, my father is a huge patriot, always has been. I believe that public service and working on these issues is probably the best thing that I could do for my country.

The CHAIRMAN. How do you want to be remembered?

Ms. BARNHART. I would like to be remembered as the person who met the challenge and conquered it.

The CHAIRMAN. But when people think of Ms. Barnhart as the previous, long-time Social Security Commissioner, in addition to, generally, really worked hard and did a great job, is there some-

thing more specific that you would like to be remembered for? That is, she did X, she did Y, she did Z?

Ms. BARNHART. She was responsible for providing the kind of public service that people should get. She was responsible for making sure that people did not have to wait 3 years to get a disability check.

She was responsible for making sure that more of the government money that was paid out in benefits and used in the agency was used for the intended purpose that Congress had in mind. She was responsible for working to help make sure that Social Security was there for future generations, and she made it clear that Social Security is our Nation's most important social program.

The CHAIRMAN. Well, I thank you very much. I can tell you are going to do a very good job. I know you have a very proud family sitting behind you to your right. I have been watching their expressions. They are beaming with pride.

Ms. BARNHART. Thank you, Mr. Chairman.

The CHAIRMAN. I also encourage you, and I know you do this anyway, is to get out of Washington and get around the country, see people, talk to people, whether at town meetings, Social Security offices, regional, district, and so forth, because, clearly, you are going to learn a lot. It is going to just help you so much in seeing how that fits, why that is a problem, or now I get a better idea. Various lights will go on in your eyes and it is going to be very, very helpful.

Senator LINCOLN. She has already been to Arkansas.

The CHAIRMAN. It was a very subtle way of trying to say, some other States in addition to Arkansas. [Laughter.] I wish you very well. We have gone over some of the concerns that people have, and they are your concerns as well. We wish you very, very well and want you to know that you have got an open door at this committee.

Ms. BARNHART. Thank you very much.

The CHAIRMAN. If you have any problem whatsoever, you let us know, because we are in this together. We want to accomplish the same objectives that you want to accomplish.

Ms. BARNHART. Thank you very much. I appreciate that, Mr. Chairman.

The CHAIRMAN. Thank you. Good luck to you.

Ms. BARNHART. Thank you.

The CHAIRMAN. The hearing is adjourned.

[Whereupon, at 10:54 a.m., the hearing was concluded.]



## APPENDIX

### ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

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PREPARED STATEMENT BY JO ANNE B. BARNHART

Mr. Chairman, members of the Committee, Senator Warner, and Chairman Ross, I am truly honored to be here today as the nominee of our president, George W. Bush, for Commissioner of Social Security. I welcome this opportunity to serve our nation, and I ask for your support.

Although my parents are unable to be here today, I would like to introduce my sister, Jan Nell Bryant, my husband, David, and my son, Niles who are joined by some of my closest friends and colleagues.

Mr. Chairman, I have a short statement which I would like to give. But first, I want to thank Senator Warner and Chairman Ross for their generous comments and for taking the time to be here today. I also want to thank Senator Roth. Although a previous commitment abroad prevents him from being here today, I truly appreciate his support.

Throughout my life and career, I have had the great fortune to learn much from some ordinary and extraordinary people. My father served overseas in the Army in both World War II and the Korean War, and continues today to provide the finest example of patriotism I know. He also taught me that any job worth doing is worth doing right. My mother taught me to judge people for who they are, not what they are. Senator Roth and Senator Warner, who have served our nation so well through their work in the Senate, taught me that the best decisions are made by strong adherence to principle and thoughtful consideration of the facts. My sister's work with her students at the Alexandria adult learning center shows daily the difference we can make in the lives of others on an individual basis. My husband is truly the most honest person I have ever known. And my twelve year old son, Niles, every day provides me the opportunity to see, through his eyes, a world that is filled with the possibilities of what can be.

I take this opportunity to publicly thank them all.

Mr. Chairman, and members of the Committee, I tell you all of this because these are the values that will guide me as Commissioner of Social Security.

America is a diverse nation. I have had the opportunity to spend time in forty-seven of our fifty states. Through my work and travels across our nation, I have learned that each state is unique, different from the next. More importantly, America is many different people. People who go to work every day. People who are not able to work. People who choose to be homemakers. Young people, old people. People who are native Americans. People who are born Americans. People who are Americans by choice.

Whatever the individual circumstance, the vast majority of Americans will at some point in their lives be touched by our most important social program, Social Security. Providing survivor benefits to children and spouses, disability benefits, retirement benefits, and Supplemental Security Income, the Social Security Administration's programs reach into almost every home. For the millions of people currently receiving benefits, these programs play an important role—be it a supplemental to private retirement or a lifeline of critically needed income support.

Today, Social Security faces great challenges ensuring the program's financial solvency for future generations, providing good service to the public as the number of beneficiaries increases each year with the aging of the baby boomers, and improving program integrity through sound fiscal stewardship.

Mr. Chairman, one of the immediate challenges the agency now confronts is to assure the smooth and expeditious processing of applications for benefits filed by the families of the victims of the recent terrorist attacks. I understand that SSA expects

to receive several thousand of these applications, and it is vitally important that each be treated with compassion. I assure you that, if I am confirmed, I will make it my first priority to see that the necessary arrangements are made to process these applications as quickly as possible and in a manner that expresses to each family member the entire Nation's understanding and sympathy.

I look forward to confronting this and the many other challenges that will come our way in the weeks and years ahead. In doing so, I will work within the Administration, with the Congress, and with the dedicated and experienced employees of the Social Security Administration to find the best solutions. While doing so, I will strive to put a face on the work of the Social Security Administration. By this I mean, looking beyond and behind the numbers and recognizing that each number represents a person, someone whose life will be affected by the work that we do, and how well we do it.

Mr. Chairman, as I told you and other members when we met prior to this hearing, I do not seek this position to manage the status quo. Through my work on the Social Security Advisory Board, I have become convinced that we can and must do better. The people of America expect it, and they deserve it.

Whether they are just beginning their careers or retiring next month, the people of America expect and deserve to know that Social Security will be there when they need it. Whether they are applying for a Social Security number for a new baby or for disability benefits for themselves, the people of America expect and deserve timely service. And, the people of America, who fund the Social Security program through their payroll tax contributions, and fund SSI through their income tax payments, expect and deserve well managed programs providing accurate payments that safeguard their trust.

As my father would say, the task that lies before me, if confirmed, is, indeed, a job worth doing. And you have the commitment of a daughter who takes her father's lessons to heart, that I will do my best to do it right.

**SENATE FINANCE COMMITTEE  
STATEMENT OF INFORMATION REQUESTED OF NOMINEE**

**A. BIOGRAPHICAL INFORMATION**

1. Name: (Include any former names used.)  
Jo Anne Bryant Barnhart  
Jo Anne Bryant Ross  
Jo Anne Bryant
  
2. Position to which nominated:  
Social Security Commissioner
  
3. Date of nomination:  
July 18, 2001
  
4. Address: (List current residence, office, and mailing addresses.)  
  
Residence:  
4609 S. 8th Street  
Arlington, Virginia 22204  
  
Office:  
JAB & Associates  
3900 Fairfax Drive  
Suite 301  
Arlington, Virginia 22203

5. Date and place of birth:

Memphis, Tennessee  
August 26, 1950

6. Marital status: (Include maiden name of wife or husband's name.)

Married  
Husband's Name: David Ray Barnhart

7. Names and ages of children:

Son:  
Niles David Barnhart

Birth date:  
October 11, 1988

8. Education: (List secondary and higher education institutions, dates attended, degree received, and date degree granted.)

1970-1974      University of Delaware  
Newark, Delaware  
B.A., English, June, 1975

1968-1970      University of Tennessee  
Knoxville, Tennessee

1965-1968      Brandywine High School  
Wilmington, Delaware  
HS Diploma, June, 1968

9. Employment record: (List all jobs held since college, including the title or description of job, name of employer, location of work, and dates of employment.)

See attached resume.

10. Government experience: (List any advisory, consultative, honorary, or other part-time service or positions with Federal, State or local governments, other than those listed above.)

1997-present      Member  
Social Security Advisory Board

1995-1997        Member  
Advisory Board on Welfare Indicators

11. Business relationships: (List all positions held as an officer, director, trustee, partner, proprietor, agent, representative, or consultant of any corporation, company, firm, partnership, other business enterprise, or educational or other institution.)

President  
Jo Anne B. Barnhart & Associates  
3900 Fairfax Drive  
Suite 301  
Arlington, VA 22203

Political Director  
National Republican Senatorial Committee  
425 2nd Street, NE  
Washington, DC

As a direct, sub, or "sub-sub" contractor JAB & Associates provided consulting services to:

Chassman Barnhart Consulting  
1705 Woodman Drive  
McLean, VA

Division of Child Support Enforcement  
Administration for Children & Families  
US Department of Health & Human Services  
370 L'enfant Promenade, SW  
Washington, DC

Department of Health & Social Services  
State of Delaware  
1901 N. duPont Highway  
New Castle, DE

Arkansas Department of Social Services  
Little Rock, AR

Department of Economic Security  
State of Arizona  
PO Box 6123  
Phoenix, AZ

Department of Social Services  
State of Connecticut  
25 Sigourney Street  
Hartford, CT

District of Columbia Department of Human Services  
801 East Bldg  
Washington, DC

Idaho Department of Health & Welfare  
PO Box 83720  
Boise, ID

Cabinet for Children & Families  
Commonwealth of Kentucky  
275 E. Main Street  
Frankfort, KY

Human Resources Administration  
City of New York  
New York, NY

Department of Social Services  
San Diego County  
1255 Imperial Avenue  
#864  
San Diego, CA

Texas Workforce Commission  
101 E. 15th Street  
Austin, TX

Department of Social Services  
Commonwealth of Virginia  
630 E. Broad Street  
Richmond, VA

Arthur Andersen  
1666 K Street, NW  
Washington, DC

BDM, International  
1501 BDM Way  
McLean, VA

Benton & Associates  
12237 Carroll Mill Road  
Ellicott City, MD

BETAH  
7910 Woodmont Street  
Suite 400  
Bethesda, MD

Dyncorp  
401 W. Capitol  
Suite 310  
Little Rock, AR

Kaiser Group, Inc.  
237 South Street  
Waukesha, WI

Keane Federal Systems  
Bethesda, MD

MAXIMUS, Inc.  
1356 Beverly Road  
McLean, VA

SSCI  
4020 Inverness Crossing  
Roswell, GA

TRW  
1501 BDM Way  
McLean, VA

American Institute for Full Employment  
2636 Biehn Street  
Klamath Falls, OR

Institute for Responsible Fatherhood & Family Revitalization  
1146 19th Street, NW  
Washington, DC

The Washington Times  
3600 New York Avenue, N.E.  
Washington, DC

The Washington Times Foundation  
3600 New York Avenue, NE  
Washington, DC

Roth Senate Committee  
PO Box 105  
Wilmington, DE

The Wish List  
499 S. Capitol Street, SW  
Suite 408  
Washington, DC

Americans for a Republican Majority  
1155 21st Street, NW  
Suite 300  
Washington, DC

Rigler for Congress  
711 Prince Street  
Alexandria, VA

US Family Network  
1320 D Street, SE  
Washington, DC

Virginia Victory Fund  
6329 Downing Court  
Annandale, VA

Reelect Panny Rhodes  
PO Box 14569  
Richmond, VA

Shandwick Public Affairs  
Metropolitan Square  
655 15th Street, NW  
Suite 475  
Washington, DC

Empowerment Consultants International, Inc.  
17 Rosewood Drive  
Fredericksburg, VA 22408

Gilmore for Governor  
PO Box 19071  
Richmond, VA

Friends of Senator D'Amato  
PO Box 888  
Mineola, NY

Lunde & Burger, Inc.  
2010 Corporate Ridge, 7th Floor  
McLean, VA

12. Memberships: (List all memberships and offices held in professional, fraternal, scholarly, civic, business, charitable, and other organizations.)

Member, Welfare Studies Committee, Manpower Demonstration Research Corporation, 1998-present

Arlington County Republican Committee, 1993-1997  
 Greater McLean Republican Women, 1998 - present  
 Barcroft School and Civic League, Fundraising Chairman, 2000-present

13. Political affiliations and activities:

a. List all public offices for which you have been a candidate.

I have never been a candidate for public office.

b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

- 2000 Consulting Services, Roth Senate Committee  
Served as campaign manager for the reelection campaign for US Senator William V. Roth, Jr.
- 2000 Consulting Services, Americans for A Republican Majority  
Provided media relations services.
- 1999 Consulting Services, Virginia Victory Fund  
Provided media relations services to six candidates for local office in the Commonwealth of Virginia.  
  
Consulting Services, Reelect Panny Rhodes  
Provided general consulting services to committee to reelect Delegate Anne G. Rhodes of Richmond, Virginia.
- 1997 Consulting Services, Gilmore for Governor  
Provided general consulting services to election campaign of James Gilmore for Governor of Virginia.
- 1995-1996 Political Director, National Republican Senatorial Campaign  
Directed the political division which provided advice and political support for Republican U.S. Senate campaigns.
- 1994 Campaign Manager, Roth Senate Committee  
Served as campaign manager for the reelection campaign for US Senator William V. Roth, Jr.
- 1988 Campaign Manager, Roth Senate Committee  
Served as campaign manager for the reelection campaign for US Senator William V. Roth, Jr.

- c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.

Please note that I had records only for 1998 to present.

1998

Delaware State Republican Party	\$250
Arlington Young Republicans	\$100
Friends of Michael Battaglia	\$100
Arlington County Republican Committee	\$60
Virginia Federation of Republican Women	\$60
Citizens for Joe Malone	\$50

1999

Friends of Dan Rinzel	\$390
Delaware State Republican Party	\$250
Lane for County Board	\$100
Arlington County Republican Committee	\$100
Greater McLean Republican Women's Club	\$100
Arlington Young Republicans	\$100
Metz for Delegate	\$50

2000

Delaware State Republican Party	\$500
Rochford for Lieutenant Governor	\$250
Alexandria Republicans	\$100
Arlington Young Republicans	\$100
Virginia Federation of Republican Women	\$100
Lazio 2000	\$100
Shields for Register in Chancery	\$50

2001

Kevin Raye for Congress	\$250
Virginia Federation of Republican Women	\$220
Arlington Young Republicans	\$100

14. Honors and Awards: (List all scholarships, fellowships, honorary degrees, honorary society memberships, military medals, and any other special recognitions for outstanding service or achievement.)

Commissioner's Citation  
Social Security Administration, 1985

Secretary's Distinguished Service Award  
U.S. Department of Health & Human Services, 1991

15. Published writings: (List the titles, publishers, and dates of all books, articles, reports, or other published materials you have written.)

1985 - I wrote an article to recognize the 50th anniversary of the Aid to Families with Dependent Children program for publication in the *Social Security Bulletin*, an internal publication of the Social Security Administration. I do not have a copy of the article.

1991 - While serving as Assistant Secretary for Families & Children, wrote an op ed on child care which appeared in the *Washington Post*. I do not have a copy of the article.

As a public policy consultant, I have prepared many reports for federal, state and local as well as non-profit social service agencies. The subject of the reports has been how to improve the operation of welfare-to-work, child care, and child support enforcement programs for those agencies. The reports have been for the internal use of the agencies and as a result are considered proprietary.

16. Speeches: (List all formal speeches you have delivered during the past five years which are on topics relevant to the position for which you have been nominated. Provide the Committee with **two** copies of each formal speech.)

2001 - presentation at a student seminar for members of the American Meteorological Society. My topic, based on my experience as Assistant Secretary for Children and Families at the U.S. Department of Health & Human Services, was to discuss "Running a Large Federal Agency." I had no written text for my remarks which focused on process not substance. I include this presentation because as Commissioner of Social Security, I would be running a large federal organization

Other than the presentation described above, I have not given any speeches in the past five years that are relevant to the position of Social Security Commissioner.

17. Qualifications: (State what, in your opinion, qualifies you to serve in the position to which you have been nominated.)

My interest in Social Security began twenty-five years ago as a legislative assistant to Senator Bill Roth and has continued over the years to include

employment by the Social Security Administration as both Deputy Associate Commissioner and Associate Commissioner for Family Assistance. As a member of the Social Security Advisory Board for the past five years, I have had the opportunity to study the programs, administrative structure and processes of the Social Security Administration. The information I have gained from this experience provides me with an understanding of the important programmatic, administrative, and financing issues facing SSA. As an Associate Commissioner in Social Security and an Assistant Secretary in the U.S. Department of Health & Human Services, I was responsible for managing large federal programs and workforces. I understand the many facets of government management including the federal budget process, personnel, EEO, and labor/management relations. From my experience as a staff member to a United States Senator and Minority Staff Director of the U.S. Senate Committee on Governmental Affairs, I appreciate the importance of Executive Branch testimony before and dialogue with the Congress. Finally, I place great value on public service and the importance of living up to the responsibility with which one is entrusted in high public office. I believe Social Security is our nation's most important social program and I will bring my personal commitment to provide the best possible service to the public.

**B. FUTURE EMPLOYMENT RELATIONSHIPS**

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.

My business will be sold, the name will be changed, and I will sever all connections.

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.

No

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No

4. If you are confirmed by the Senate, do you expect to serve out your full term

or until the next Presidential election, whichever is applicable? If not, explain.

Yes

**C. POTENTIAL CONFLICTS OF INTEREST**

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of interest in the position to which you have been nominated.

None

2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

None

3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the Federal government need not be listed.

None

4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items. (Provide the Committee with **two** copies of any trust or other agreements.)

Not applicable based on previous answers

5. **Two** copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.

I contacted the designated agency ethics officer who indicated the opinions have already been provided directly to the Committee.

6. The following information is to be provided only by nominees to the positions of United States Trade Representative and Deputy United States Trade Representative:

Have you ever represented, advised, or otherwise aided a foreign government or a foreign political organization with respect to any international trade matter? If so, provide the name of the foreign entity, a description of the work performed (including any work you supervised), the time frame of the work (e.g., March to December 1995), and the number of hours spent on the representation.

**D. LEGAL AND OTHER MATTERS**

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No

2. Have you ever been investigated, arrested, charged, or held by any Federal, State, or other law enforcement authority for a violation of any Federal, State, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

I am not aware of any specific litigation. However, as the Associate Commissioner for Family Assistance, Social Security Administration, and the Assistant Secretary for Family Support, the Assistant Secretary for Children & Families, I may, due to my position, as a matter of course, have been named in litigation. I do know that I have never had to appear as a witness.

4. Have you ever been convicted (including pleas of guilty or *nolo contendere*) of any criminal violation other than a minor traffic offense? If so, provide details.

No

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None

**E. TESTIFYING BEFORE CONGRESS**

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?

Yes

2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?

Yes

## Jo Anne B. Barnhart

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### PROFESSIONAL HISTORY

**1997- Present      President  
JAB & Associates**

JAB & Associates provides political and public policy consulting services to federal, state and local candidates for public office and to federal, state and local governments on welfare and social services program design, policy, implementation, evaluation and legislation.

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**1995-1997      Political Director  
National Republican Senatorial Committee (NRSC)  
Washington, D.C.**

Directed the political division which provided advice and political support for Republican U.S. Senate campaigns.

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**1993 - 1995      Campaign Manager/Professional Staff Member  
Senator William V. Roth, Jr.  
Washington, D.C./Wilmington, Delaware**

Served as senior advisor for welfare, Social Security and child and family issues.  
Took a leave of absence from Senate to manage Senator Roth's 1994 campaign for re-election.

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**1991-1992      Assistant Secretary for Children & Families  
U.S. Dept. of Health & Human Services  
Washington, D.C.**

Directed agency with responsibility for over 60 federal programs directed at the well-being of children and families, including programs to support family self-sufficiency, such as the Job Opportunities and Basic Skills Program (JOBS), Aid to Families with Dependent Children (AFDC), Child Support Enforcement, and various Child Care programs and programs to strengthen families such as Head Start, Child Welfare Services, National Center for Child Abuse and Neglect, Community Services, Social Services Block Grant and Domestic Violence Services. As the principal operating official, directed a Headquarters Central Office and 10 subordinate Regional Offices. Managed workforce of 2,000 employees and annual budget of \$28 billion.

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**1990-1991      Assistant Secretary for Family Support  
U.S. Dept. of Health & Human Services  
Washington, D.C.**

Nominated by President Bush and confirmed by the U.S. Senate, directed agency with responsibility for the nation's largest cash assistance programs including Aid to Families with Dependent Children, Child Support Enforcement, Low Income Home Energy Assistance and Refugee Resettlement. Directed a workforce of 1,000 employees and an annual budget of \$17 billion. In 1991, was named first Assistant Secretary for newly formed Administration for Children & Families, combining cash assistance and social service programs.

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**1986-1990**    **Minority Staff Director**  
**Government Affairs Committee**  
**United States Senate**  
**Washington, D.C.**

Directed minority staff for the Committee, which had jurisdiction for legislative initiatives involving government management, personnel and financial issues.

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**1987-1988**    **Campaign Manager**  
**U.S. Senator William V. Roth, Jr.**  
**Wilmington, Delaware**

Took a part-time leave of absence from the Committee to manage Senator Roth's 1988 campaign for re-election.

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**1986**            **Consultant**  
**(Apr.-Oct.)**    **Office of Policy Development**  
**The White House**  
**Washington, D.C.**

Provided consultation to the Office of Policy Development principals in the development of welfare program initiatives, including the development of President Reagan's welfare reform report, Up from Dependency.

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**1983-1986**    **Associate Commissioner for Family Assistance**  
**Social Security Administration**  
**U.S. Dept. of Health & Human Services**  
**Washington, D.C.**

As an appointed official, administered the Aid to Families with Dependent Children (AFDC) program, the Low Income Home Energy Assistance (LIHEAP) program and the Repatriation program. The AFDC program served over 10 million Americans and operated with a budget of \$14 billion. As the principal operating official, directed a Headquarters Central Office organization and 10 subordinate Regional Offices. Responsible for the administrative, day-to-day, and programmatic operation of the Office of Family Assistance and accomplished its objectives through a staff of 700 employees.

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**1981-1983**    **Deputy Associate Commissioner for Family Assistance**  
**Social Security Administration**  
**U.S. Dept. of Health & Human Services**  
**Washington, D.C.**

Served as alter ego to the Associate Commissioner position and performed the duties outlined above, in directing the operation of the Office of Family Assistance.

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**1977-1981**    **Legislative Assistant**  
**U.S. Senator William V. Roth, Jr.**  
**Washington, D.C.**

Had legislative responsibility for health, welfare, social security, aging, disability, veterans, labor, domestic nutrition and women's rights issues. Coordinated U.S. Senate Senior Citizen Intern program for all Congressional offices. Managed office college intern program.

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**1975-1977 Project Director  
SERVE Nutrition Project  
Wilmington Senior Center  
Wilmington, Delaware**

Developed the budget for the SERVE program and administered the program which provided over 1,000 meals per day at 9 locations for senior citizens. Directed a staff of 65 employees. (SERVE was funded under Title VII of the Older Americans Act).

**1973-1975 Legislative Liaison/Administrative Assistant  
Mental Health Association of Delaware  
Wilmington, Delaware**

Organized and conducted fund raising campaigns, recruited members and organized/developed additional Chapters. Served as staff liaison to the Board of Directors. Wrote and produced the newsletter and all promotional literature. Provided all background documentation and sole testimony on behalf of amendments to the Delaware Code affecting mental patients.

**1970-1973 Space and Time Buyer/Traffic Manager  
deMartin-Marona & Associates  
Wilmington, Delaware**

Researched cost effective space and time purchases for clients and prepared production schedules for client jobs including layout, design and printing.

**BOARDS**

**Advisory Board on Welfare Indicators:** Appointed by Majority Leader Bob Dole and confirmed by the U.S. Senate to serve as a member of the Advisory Board created by the Welfare Indicators Act of 1994 to develop indicators of the rate, duration and dependency level of welfare recipients and to assess the data necessary to report annually on such indicators. Final Report issued October 1997.

**Social Security Advisory Board:** Appointed by the Speaker of the House of Representatives and confirmed by the U.S. Senate in March, 1997 to fill an unexpired term. Appointed and confirmed for a full six-year term in 1999. Created by PL103-296, establishing Social Security as an Independent Agency to advise the Commissioner on policies related to the old-age, survivors, and disability insurance program under title II and the Supplemental Security Income program under Title XVI.

**EDUCATION**

B.A., English, University of Delaware, 1974  
Health Economics Studies, 1980, Institute for Health Care Officials, University of Miami

**PERSONAL**

Reside in Arlington, Virginia with husband, David Ray Barnhart and son, Niles David, age 12.

**RESPONSES TO QUESTIONS FROM SENATOR BAUCUS**

**1. A Larger Budget for SSA?**

*Question:* As we discussed at your hearing, it can take applicants for Social Security's disability programs a very long time to get their benefits. This is especially true if they have to go through many layers of the appeals process.

The Social Security Advisory Board's reports indicate that one of the main causes of this problem is a shortage of workers in the disability program. And this in turn is caused by inadequate budget resources.

Do you agree that part of the problem of long waits for disability benefits is caused by shortages of staff and budgetary resources?

Will you try to fix this problem and other budget-related problems in the disability program by working to get a bigger budget for SSA?

*Answer:* I appreciate your concern about lengthy disability processing times I believe we can and must do better. As we discussed during my hearing, the length of time to complete the appeals process for a final decision on disability claims can take as long as almost three years to complete. The factors contributing to the lengthy time for completion are many, including the volume of the workload, processing systems, the inability to hire a full complement of Administrative law judges due to a pending case against the Office of Personnel Management and the policy complexity of the cases being processed. If confirmed, I intend to review the entire disability claims processing system, including a review of the Hearing Process Improvement (HPI) initiative begun last year, to identify problem areas and desirable changes, develop a time line for implementing the changes, and determine associ-

ated resource needs to provide an optimum level of service. Requirements for optimum service delivery can then be considered in the context of the budget process.

#### 2. Growing Disability Work Load

*Question:* The Social Security Advisory Board, which you have been serving on, has issued a number of reports indicating severe backlogs and processing delays in the disability program and other SSA programs.

The problems in the disability program will only get worse during the coming decade as the baby boom generation moves into its 50's, the age at which disability incidence increases.

How do you plan to deal with this increase in workload?

Won't this require more resources?

*Answer:* As a part of the effort I described in response to your previous question, my review of the issues in the disability program will, necessarily, include projections for anticipated increases in disability claims. Therefore, the strategy for dealing with the anticipated, increased workload in future years will be factored into all plans for future changes and resource allocation.

#### 3. Answering Telephone Calls

*Question:* According to one of the Advisory Board's reports, in the year 2000, only 66% of telephone calls to SSA's toll-free number were answered, once calls that were abandoned are taken into account.

Will you make a commitment now to dramatically improve that situation if you become Commissioner?

*Answer:* From my work on the Social Security advisory Board, it is my understanding that a few months ago, SSA updated the software for the 800 number, providing for the identification of the next available service representative. According to briefings provided to the Board prior to implementation of the new capability, it was anticipated that the telephone service would be substantially improved. If confirmed, I will review most recent data related to telephone service to determine if the anticipated improvements have been accomplished, and you have my commitment that I will work with the SSA teleservice management and staff to identify needed enhancements to continue to improve the delivery of service provided by the 800 number.

#### 4. Changes to the PEBES Statements

*Question:* Bills have been introduced that would require the Social Security statements sent annually to each worker (Personal Earnings and Benefit Estimate Statement, or PEBES) to include verbiage that advocates a particular view point about Social Security or its finances.

Can you assure me, that as Commissioner, you would not administratively make any changes to the Social Security Statements with the intention of advocating for financial reform of one kind or another?

*Answer:* I believe it is important that the Social Security Statement provide factual information to assist individuals in planning for their retirement. That is the standard that will guide me as Commissioner, if confirmed, regarding making any changes in the statement, which I view as a factual document to educate the public for the purpose of retirement planning.

#### 5. Impartial Analysis Provided by SSA

*Question:* The Social Security Administration has a top notch research office. It is my understanding that you would like to make SSA the source of impartial facts, figures and analysis during the debate on Social Security financial reform. Is that the case?

*Answer:* As we discussed during my hearing, if confirmed, I intend to use the resources of the SSA research and policy staff to respond, to the extent that resources permit, to requests for information related to the effects on beneficiaries and actuarial projections. Specifically, SSA has developed a modeling program, MINT (Modeling in the Near Term) which I believe can be particularly helpful in determining the effect of proposals on beneficiaries. As we have previously discussed, due to resource limitations, I would expect to provide priority response to members of House and Senate Committees of jurisdiction.

#### 6. Representative Payees

*Question:* Last year there were several hearings on the Social Security Administration's monitoring of representative payees. Those hearings highlighted some egregious cases where representative payees embezzled the benefits meant for the people they were supposed to protect. In addition, a series of Pulitzer prize-winning articles criticized the District of Columbia, acting as a representative payee, where

subcontractors abused clients and embezzled Social Security benefits. SSA committed to establishing a much tighter monitoring program. Could you give us a progress report on SSA's efforts to improve monitoring of the representative payees?

Please include your plans for monitoring local governments acting as payees in your progress report.

*Answer:* You have highlighted an extremely important issue. Anyone who embezzles Social Security benefits is robbing from some of America's most vulnerable citizens. Of course it will be a priority of mine to prevent such abuse and to ensure that all force of applicable law and punishment be brought to bear on offenders. It is my understanding that over six million beneficiaries have representative payees. Of the total, approximately 750,000 beneficiaries have organizations serving as payees. Such organizations constitute approximately 1% of all such payees. It is further my understanding that the most substantial problems with representative payees have occurred among organizational representative payees, with, as I recall, a few organizations causing the most egregious problems. If confirmed, I will be pleased to provide a progress report on SSA's efforts to improve monitoring of representative payees, including monitoring activities associated with local governments acting as representative payees.

#### 7. Disability Inconsistencies

*Question:* What will you do as Commissioner about the inconsistency of disability decisions across states, time periods, and levels of the application/appeals process?

*Answer:* I share your concern regarding the issue of inconsistencies in disability claims decisions. The disparity across states is long-standing. In fact, the first GAO report I ever read as a Senate staff member, in the late 1970's focused on the inconsistencies in disability decisions from state to state. It is my understanding from briefings the Advisory Board has received, that the SSA policy staff has done some analysis related to isolating the various demographic factors that contribute to such inconsistencies. It is also my understanding that court decisions affect the consistency issue. If confirmed, I look forward to having the opportunity to become more fully knowledgeable about SSA's analysis and other available information to determine the cause of the inconsistencies. That said, I am confident that other factors, such as providing adequate training and consistent policy guidance contribute to the inconsistencies as well. I will work to identify methodologies for addressing the inconsistency issue within the agency as well as with the State Disability Determination offices across the nation.

#### RESPONSES TO QUESTIONS FROM SENATOR ROCKEFELLER

*Question 1:* Social Security touches every American and we are all concerned about the future of the program. I am sure you share with me a desire to preserve Social Security. What do you consider to be your role in the ongoing debate about the future of Social Security?

Congress ensured that the Social Security Administration is an independent agency. As the Commissioner of Social Security and an expert in the field, how do you view this status as an independent agency? What do you believe are your obligations and responsibilities in reporting to Congress?

*Answer:* I share your belief that ensuring the long-term solvency of the Social Security program is critically important. As I said in my statement at the hearing, whether an individual is just beginning their career or retiring next month, they should know that Social Security will be there when they need it. In confronting this challenge, if confirmed, I will work within the Administration, with the Congress, and with the dedicated and experienced employees of the Social Security Administration. As Commissioner, I intend to use the resources of the SSA research and policy staff to respond, to the extent that resources permit, to requests for information related to the effects on beneficiaries and actuarial projections. Specifically, SSA has developed a modeling program, MINT (Modeling in the Near Term) which I believe can be particularly helpful in determining the effect of proposals on beneficiaries. As I have previously discussed with Chairman Baucus, due to resource limitations, I would expect to provide priority response to members of House and Senate Committees of Jurisdiction.

Regarding the independence of the Social Security Administration, it is my understanding from the legislation establishing the independent agency that although the Commissioner is appointed to a fixed six-year term, the agency is not excluded from provisions of law, governing other cabinet level agencies with respect to how the agency functions as a part of the Executive branch, and within the Administration. I would be pleased to discuss this matter further with you or your staff to address any specific issues you have related to SSA's status as an independent agency.

With respect to obligations and responsibilities to the Congress, if confirmed, I look forward to working with members of Congress and their staffs to address the many challenges facing SSA. As a former Senate staff member and Senate committee staff director, I realize full well that the best solutions to difficult issues are found when the Executive and Legislative branches of government work together. Accordingly, I look forward to establishing positive working relationships with the Committees of jurisdiction and I will be pleased to appear as requested by the Congress. You have my commitment that I will provide the most accurate data and information available to me.

*Question 2:* When the President's Commission on Social Security does issue its report will you promise the Finance Committee, which has oversight over the Social Security insurance program, that you will provide us with an independent analysis of all the ramifications of the Commission's recommendations, including the impact on the current shortfall of 1.86% of payroll and any impact on the solvency dates, including when interest is needed to pay benefits, when principal is needed and when the trust funds are exhausted?

*Answer:* As I responded to your previous question, if confirmed, I will be pleased upon request to provide the Congress the most accurate data and information available to me. This would, of course include, information related to solvency dates, including when interest is needed to pay benefits, when principal is needed and when trust funds are exhausted.

*Question 3:* In the Senate, the Finance Committee has primary jurisdiction to oversee the Social Security insurance program. When the President's Commission on Social Security issues its report will you promise the Finance Committee that as the Commissioner of Social Security, you will provide us with a detailed analysis of any transition costs, including any general revenues needed on a year-by-year basis?

*Answer:* As I responded to your previous questions, I will be pleased upon request, to provide the Congress the most accurate data and information available to me. This would, of course, include information, based on actuarial projections, related to the costs of proposals affecting Social Security.

*Question 4:* Currently, the Social Security Administration has a distribution analysis model. This model was only developed within the last few years but has already provided some very useful information on issues, such as the impact of different proposals on women receiving Social Security. It is my understanding that some of the data used in the model is only available to government sources due to confidentiality and privacy concerns. Therefore, it is intrinsic that SSA maintain the ability to do distribution analysis. It is very important that we have information on the impact of different proposals on women, minorities and the low-income recipients. Can you promise the Finance Committee that you will maintain and update that model, as necessary, so that we can continue to get distribution analysis of proposals?

*Answer:* I assume that you are referring to the MINT (Modeling in the Near Term) model, which has been developed by SSA's policy office, and I assure you that I believe it is very important to maintain and update the model as necessary to enable SSA to provide distribution analysis upon request.

*Question 5:* The Social Security statements are proving to be a useful tool to educate the public about the basic tenets of Social Security, to apprise families of their estimated benefits under the retirement, survivors and disability insurance programs and, hopefully, to encourage retirement planning. If the statements are made too complex, the public is less likely to read and use them. It is important to preserve the current concise clarity of the statements to encourage Americans to read and use them. Can you give this Committee assurances that the Statements will be kept basically in their concise format?

*Answer:* I share your belief that it is important that the Social Security Statement provide concise, factual information to assist individuals in planning for their retirement. That is the standard that will guide me as Commissioner, if confirmed, regarding making any changes in the statement, which I view as a factual document to educate the public for retirement planning purposes.

*Question 6:* A GAO study in January 2001, called Potential Effects on SSA's Disability Programs and Beneficiaries, reported that private accounts would negatively effect the fiscal solvency of the Disability Trust Fund. Few Americans realize that almost one-third of the people who depend on Social Security benefits are receiving disability benefits or survivor benefits. In West Virginia, almost 40% of our recipients are covered by these two programs. How do you plan to protect this benefit program? Will you commit to provide the Finance Committee with full and independent analysis on how any proposed changes, including potential private accounts would effect the disability and survivor benefits? Social Security cases represent one-third of the constituent case requests that my caseworkers deal with in West

Virginia. Our offices try to help more than 800 West Virginians get the benefits and services they deserve from Social Security.

The ever growing backlog at the Appeals Council and the Office of Hearings and Appeals is a huge problem. A lot of this could be eliminated, according to my caseworkers, if, at the initial levels, the Disability Determination Offices would do a better job of screening cases. The DDS offices turn down so many cases that should be approved. Somehow, we have to have SSA and DDS work together.

Another concern or question is, that last year the Office of Hearings and Appeals decided to revise the way they do cases so that things could be more efficient. The Hearing Process Improvement, known as HPI is not effective. Everyone is constantly in training, which is causing the backlog to get larger—and processing times longer. After a year, it would seem that we would start seeing results.

Lastly, why can't something be done at the Appeals Council to take care of the backlog? My staffs report that it takes 24 months to 30 months to prepare a case at this level. This is too long. Several members of my West Virginia staff have worked on cases for more than 16 years and they report that there has always been a backlog with the Appeals Council—what will you do to change this situation to ensure that West Virginians and Americans receive better service?

An additional concern, after the events of September 11th, we must think of security in our federal buildings. There have always been concerns about citizens who are upset when they come into Social Security offices and learning of problems or denials. How can we protect federal workers and keep Social Security offices safe? Do you think we need metal detectors located at the SSA offices, if not, what precautions and safe measure would be effective?

*Answer:* Preserving disability benefits is critically important for the millions of individuals currently receiving benefits and for future beneficiaries. Further, it is my understanding that projections estimate the number of disability claimants will increase substantially as baby boomers age. Thus, addressing the many problems you describe in the disability system must be an agency priority. As I said in my statement, I do not seek this position to manage the status quo. This particularly applies to my view of the disability claims processing system.

As you so correctly point out, the length of time to complete the appeals process for a final decision on disability claims takes too long, sometimes as long as almost three years to complete. The factors contributing to the lengthy time for completion are many, including the volume of the workload, processing systems, the inability to hire a full complement of Administrative law judges due to a pending case against the Office of Personnel Management, and the policy complexity of the cases being processed. If confirmed, I intend to review the entire disability claims processing system, including a review of the Hearing Process Improvement (HPI) initiative begun last year, to identify problem areas and desirable changes, and develop a time line for implementing the changes to work toward providing an optimum level of service. As I said in my hearing, I believe the first step should be determining what an optimum level of service is.

As a part of this effort my review of the issues in the disability program will, necessarily, include the backlog at the Appeals Council. Therefore, the strategy for dealing with the current Appeals Council backlog, as well as improving the situation for the future will be factored into all plans for future changes in the system.

Given the integral role that state DDS offices play in the disability system, identifying methodologies to assist them in service delivery and improve the working relationship with SSA, will, of course, be an extremely important part of my efforts to improve disability claims processing.

Again, I share your concerns regarding this important program, and I am committed to using the collective experience in SSA and in the State DDS offices, as well as among the Administrative Law Judges and the Appeals Council, to find solutions to immediately address the challenge of providing significantly better service to the public.

Finally, I definitely share your concerns regarding security in SSA field and hearing offices. It is my understanding that, although the majority of SSA offices had security guards prior to September 11, as a result of the terrorist attacks, SSA has placed guards in the few remaining field offices that did not have a guard. Although I am not prepared at this time to make a recommendation regarding metal detectors, I assure you that, if confirmed, I will make sure the agency conducts a thorough review and assessment of current security measures. I will use the results of the assessment to determine any additional security measures necessary to make sure that SSA employees who work in the offices, as well as citizens who come to the offices for service, do so in a safe and secure environment.

## RESPONSE TO A QUESTION FROM SENATOR DASCHLE

*Question:* In 1999, Congress passed the landmark Ticket to Work and Work Incentives Improvement Act, a bill to help disabled Social Security and SSI beneficiaries return to work. This legislation had very, strong bipartisan support, passing by a vote of 95 to 1 in the Senate and 418 to 2 in the House. President Bush also indicated in his New Freedom Initiative that he supports swift implementation of this legislation.

The legislation authorizes several new programs under the Social Security Administration, including the Ticket to Work Program and the Benefits Planning, Assistance, and Outreach Program. As Commissioner, would you make the implementation of programs under the Ticket to Work legislation a top priority, and seek to provide full funding for these programs?

*Answer:* I believe the Ticket to Work Program provides an exciting opportunity for SSA to offer a positive change in the lives of individuals who participate in the program. It is my understanding that the agency has made substantial progress as it moves toward implementation. The thirteen states for Phase I have been selected, the RFP for Employment Networks has been issued, and a program manager has been selected. In addition, it is further my understanding that regulations implementing the program are currently in the final stages of clearance. With respect to the Benefits, Planning, Assistance, and Outreach Program, it is my understanding that over 100 cooperative agreements have been awarded providing funding to enable SSA disability beneficiaries to make informed choices about work. If confirmed, you have my commitment that I will work to make sure that the program is implemented swiftly, as President Bush committed in the New Freedom Initiative, and to make sure the goals of the legislation are realized.

## RESPONSES TO QUESTIONS FROM SENATOR CONRAD

*Question:* Between 1993 and the present, the Social Security Administration, in an effort to meet a 15 to 1 staff to management ratio, reduced the number of front-line supervisors in its field offices and teleservice centers by over 1000 positions. The Social Security Advisory Board in its 1999 report, "How the Social Security Administration Can Improve Its Service to the Public", pointed out that this reduction in front-line supervisory positions has resulted in too little training and mentoring of employees, inadequate review of work, and frustrated, overworked managers. The Advisory Board recommended that the agency rethink its commitment to this arbitrary staff management ratio. How will you respond to the Advisory Board's recommendations?

*Answer:* Having served as member of the Social Security Advisory Board for almost five years, I participated in developing the report which you cite. I believe the important work performed by SSA's field offices plays a vital role in ensuring service to the public. As a result, although I do not have specific actions identified at this time, if confirmed, I will work to make sure that field offices provide the level of service that the public expects and deserves.

*Question:* Staffing in SSA's network of community based field offices has declined by over 30 percent since the early 1980's. As a result, 40 percent have 15 or fewer employees and almost 200 have 10 or fewer. According to both the Social Security Advisory Board and the National Council of Social Security Management Associations, waiting time both at the field offices and in telephone service has been exacerbated by insufficient staffing levels in field offices. What plans do you have to address the needs of SSA's network of community based field offices?

*Answer:* As I responded to your previous question, I believe the important work performed by SSA's field offices plays a vital role in ensuring service to the public. This belief, of course, extends to the teleservice centers as well. Again, although I do not have a specific plan of action at this time, you have my commitment that, if confirmed, I will review the issue of waiting times and work to make sure that field offices and teleservice centers provide the level of service that the public expects and deserves.

*Question:* As reported by the Social Security Advisory Board in its January 2001 report, "Charting the Future of Social Security's Disability Programs. The Need for Fundamental Change", SSA's actuaries project that between now and 2010, the number of Title II disability beneficiaries will increase by 50% and the number of SSI disability recipients by 15%. This tremendous increase in disability workloads will further strain a system that is already struggling. The Social Security Advisory Board has reported that "the structural problems of the agency's disability determinations and appeals process are at the heart of many of the agency's service delivery problems." What short-term as well as long-term plans do you have for dealing with this issue?

*Answer:* I share your concerns regarding the disability program. As I responded previously, I have been a member of the Social Security Advisory Board for almost five years, and I also participated in the development of the Board's report on the disability program. When we met prior to my hearing, and again in my statement at the hearing, I said that I do not seek this position to manage the status quo. I believe we can and must do much better in providing service to the public, particularly with respect to disability claims processing. The length of time to complete the appeals process for a final decision on disability claims can take as long as almost three years to complete. The factors contributing to the lengthy time for completion are many, including the volume of the workload, processing systems, the inability to hire a full complement of Administrative law judges due to a pending case against the Office of Personnel Management, and the policy complexity of the cases being processed. If confirmed, I intend to review the entire disability claims processing system, including a review of the Hearing Process Improvement (HPI) initiative begun last year, to identify problem areas and desirable changes and develop a time line for implementing the changes.

*Question:* In its 1999 report, "How the Social Security Administration Can Improve Its Service to the Public," the Social Security Advisory Board reported that SSA has a strong institutional resistance to open discussion of problems, and also suffers from poor communication between headquarters and employees in the field. How would you improve intra-Agency communication to address these problems?

*Answer:* I strongly believe that the kind of agency cultural change you suggest is critically important to SSA's success in identifying and confronting problems and meeting the many challenges that the agency faces today and will face in the future. I also firmly believe that the cultural transformation that is needed can only be accomplished by strong leadership by example. If confirmed, I will begin immediately to encourage problem identification and open discussion of the issues. My management style is open and inclusive, and I intend to reach out to all parts of the agency, both headquarters and the field, to work for the best solutions. Improving intra-agency communications on a day-to-day operating basis will, of course, be an important part of this effort. As a result, I intend to examine the current communications and sign-off procedure and establish new or enhanced avenues of communication between the headquarters and field staff to ensure that information and ideas flow both ways to accomplish common goals.

*Question:* The 1996 welfare legislation required that when SSI disabled children turn 18, they are redetermined for SSI as if they were new adult applicants for SSI under the adult disability test. An unintended consequence of these mandatory redeterminations have been the termination from SSI of many young adults—even though they continue to suffer from severe disabling mental impairments and learning disabilities. They could also benefit from special education, vocational rehabilitation, or other training to prepare them for the labor market. Losing the SSI income support undermines this better transition to employment. What proposals do you have for either administrative or legislative reform to avoid this unfair termination of 18 year olds, and to allow them to access special education and vocational training before loss of SSI?

*Answer:* In all candor, I have not focused on this issue, and currently I do not have any specific proposals to respond to your question. However, I assure you that, if confirmed, I will look into the issue to determine options for addressing this issue.

#### RESPONSES TO QUESTIONS FROM SENATOR GRAHAM

*Question:* Social Security touches every American and we are all concerned about the nature of the program. I am sure you share with me a desire to preserve Social Security. What do you consider to be your role in the ongoing debate about the future of Social Security? The Social Security Administration is an independent agency. As the Commissioner of Social Security and an expert in the field, will you provide your own plan to Congress?

*Answer:* I share your view that Social Security is our nation's most important social program, and as I said in my statement, whether they are just beginning their careers or retiring next month, the people of America expect and deserve to know that Social Security will be there when they need it. It is my sincere hope that ensuring the future of Social Security can be accomplished soon, and in a bi-partisan manner. To that end, if confirmed, I intend to use the resources of the SSA research and policy staff to respond to requests for information related to the effects on beneficiaries and actuarial projections. Specifically, SSA has developed a modeling program, MINT (Modeling in the Near Term) which I believe can be particularly helpful in determining the effect of proposals on beneficiaries. As I have discussed with

Chairman Baucus, due to resource limitations, I would expect to provide priority response to members of House and Senate Committees of jurisdiction.

Regarding the independence of the Social Security Administration, it is my understanding from the legislation establishing the independent agency that although the Commissioner is appointed to a fixed six-year term, the agency is not excluded from provisions of law governing other cabinet level agencies with respect to how the agency functions as a part of the Executive branch and within the Administration. Accordingly, I do not anticipate developing my own plan. I would be pleased to discuss with you or your staff any specific issues you have related to SSA's status as an independent agency.

Currently, the Social Security Administration has a distribution analysis model. This model was developed within the last few years and has provided some very useful information on issues, such as the impact of different proposals on women receiving Social Security. It is my understanding that some of the data used in the model is only available to government sources due to confidentiality and privacy concerns therefore it is important that SSA maintain the ability to do distribution analysis. It is very important that we have information on the impact of different proposals on women, minorities and the low-income recipients. Do you plan to maintain and update that model, as necessary, so that we can continue to get distribution analysis of proposals?

*Answer:* I assume that you are referring to the MINT (Modeling in the Near Term) model, which has been developed by SSA's policy office, and I assure you that I believe it is very important to maintain and update the model as necessary to enable SSA to provide distribution analysis upon request.

Over the last two decades, significant cuts have been made in SSA's workforce and now the agency faces a growing workload as the population ages. The Social Security Advisory Board, of which you are a member, issued a report in February of this year concluding that as a result of these and other factors "SSA is facing serious service delivery problems in carrying out its important responsibilities." To avoid harm to the public, the next Commissioner will have to address these and other agency challenges. Could you please describe what you think the operational priorities for SSA should be and how you plan to address them? Could you specifically address your plans for making disability determinations more quickly and accurately in the first instance and your plans to improve the lengthy appeals process? In particular, how do you plan to meet the resource and workforce needs of the agency as the population ages?

*Answer:* As I said in my statement, I believe the agency's greatest operational challenges are providing good service to the public as the number of beneficiaries increases each year with the aging of the baby boomers, and improving program integrity through sound fiscal stewardship. As you point out, improving the disability claims processing system is an important part of improving public service.

As I discussed with Chairman Baucus during my hearing, the length of time to complete the appeals process for a final decision on disability claims can take as long as almost three years to complete. The factors contributing to the lengthy time for completion are many, including the volume of the workload, processing systems, the inability to hire a full complement of Administrative law judges due to a pending case against the Office of Personnel Management and the policy complexity of the cases being processed. If confirmed, I intend to review the entire disability claims processing system, including a review of the Hearing Process Improvement (HPI) initiative begun last year, to identify problem areas and desirable changes, develop a time line for implementing the changes, and determine associated resource needs to provide an optimum level of service. Requirements for optimum service delivery can then be considered in the context of the budget process.

With respect to program integrity, it is my understanding from my work on the Social Security Advisory Board, that while many activities to improve fiscal stewardship, for example, efforts to prevent erroneous payments in SSI, have an associated administrative cost, the program benefit savings is substantial. I intend to assess the cost/benefit of such activities and establish a priority plan of action for implementation.

I appreciate the many concerns you have expressed, and I recognize the enormous task that lies before the Commissioner. I assure you that I do not seek this position to manage the status quo. If confirmed, I intend to work within the Administration, with the Congress and with the experienced SSA workforce to begin immediately to confront the agency's operational challenges and to find the best solutions.

## RESPONSES TO QUESTIONS FROM SENATOR BINGAMAN

*Question 1:* Like many others, I am concerned that all of the Commissioners on the President's Commission on Social Security support some type of private accounts. What are your thoughts on adding private accounts to the Social Security program? What are you planning on doing with the report once it is issued? As the Commissioner of Social Security, I would like your commitment that you will provide us with a detailed analysis of any transition costs, including any general revenues needed on a year-by-year basis.

*Answer:* Ensuring the Social Security program's financial solvency for future generations is one of the most important challenges facing the program. As I said in my statement, whether they are just beginning their careers or retiring next month, the people of America expect and deserve to know that Social Security will be there when they need it. It is my sincere hope that ensuring the future of Social Security can be accomplished soon, and in a bi-partisan manner. To that end, if confirmed, I intend to use the resources of the SSA research and policy staff to respond to requests for information related to the effects on beneficiaries and actuarial projections. Specifically, SSA has developed a modeling program, MINT (Modeling in the Near Term) which I believe can be particularly helpful in determining the effect of proposals, including those that propose establishing private accounts, on beneficiaries. If confirmed, I will be pleased, upon request to provide Congress the most accurate data and information available to me, including, of course, information related to the costs of proposals affecting Social Security. As I have discussed with Chairman Baucus, due to resource limitations, I would expect to provide priority response to members of House and Senate Committees of jurisdiction.

*Question 2:* The current Social Security Administration distribution analysis model has been very useful to assess various proposals and how existing policies treat different segments of our population. Will you continue to use these models, particularly to assess any legislation that is being proposed?

*Answer:* I assume that you are referring to the MINT (Modeling in the Near Term) model, which has been developed by SSA's policy office and to which I referred in my previous answer. If confirmed, I would definitely use MINT to provide distribution analysis upon request as Congress considers legislative proposals affecting Social Security.

*Question 3:* One of the most important benefits of our existing Social Security statements is that they are relatively clear and easy to understand. Can you give your assurances that the Statements will be kept basically in their current concise format or, at the very least, that you will provide us with an assessment of the effects any new complexity would have on beneficiaries and their families?

*Answer:* I share your belief that it is important that the Social Security Statement provide concise, factual information to assist individuals in planning for their retirement. That is the standard that will guide me as Commissioner, if confirmed, regarding making any changes in the statement, which I view as a factual document to educate the public for retirement planning purposes.

## RESPONSES TO QUESTIONS FROM SENATOR GRASSLEY

(1) Background—The Social Security Advisory Board issued a report on the disability program this year that stated, "The application and appeals process is too slow, and there are inconsistencies in decision making among different regions of the country and different parts of the disability system. Disability policy and process are difficult for claimants to understand and adjudicators to implement and to explain. Disability rules and procedures differ in significant ways from one level of adjudication to another."

*Question:* Do you believe the current federal-state partnership is the most efficient way to handle disability benefits? What actions would you take to improve the disability decision-making process?

*Answer:* The federal-state partnership in Social Security's disability program is long-standing. Given the projected increases in disability claims in the future, I believe it is important to use the combined experience of federal and state staff in making program improvements from the point of initial fixing of claims to final disposition through the appeals process.

As I discussed during my hearing, the length of time to complete the appeals process for a final decision on disability claims can take as long as almost three years to complete. The factors contributing to the lengthy time for completion are many, including the volume of the workload, processing systems, the inability to hire a full complement of Administrative law judges due to a pending case against the Office of Personnel Management, and the policy complexity of the cases being processed. If confirmed, I intend to review the entire disability claims processing system, in-

cluding a review of the Hearing Process Improvement (HPI) initiative begun last year, to identify problem areas and desirable changes, and develop a time line for implementing the changes.

(2) Background—Earlier this summer the Social Security Advisory Board issued a report on the need for Social Security reform. Specifically, the report stated, “There are many views about the kinds of changes that should be made in the Social Security program. Whatever one’s views, essential facts should be agreed upon. [T]wo realities that every citizen needs to take account of (1) the dimensions of the changes that are required if the Social Security system is to maintain solvency beyond 2038, and (2) the need to make these changes sooner rather than later.” It goes on to note, “delay uses up valuable time, and gives policy makers and the American people fewer and more difficult choices.”

*Question:* What additional steps would you take as Social Security Commissioner to help educate the American public about the need for Social Security reform?

*Answer:* The issue of public education about Social Security is truly an important one. Through my work as a member of the Social Security Advisory Board and, based on conversations I have had in recent months with well-educated, generally informed individuals, I have very real concerns that many people do not fully understand the current Social Security program, much less the financing issues the program faces in the future. While I do not have specific recommendations to make at this time, if confirmed, I do intend to work with the SSA Communications office to examine public education efforts currently underway, and to enhance and improve them as well as to identify additional opportunities and develop new ways of increasing public understanding of the Social Security program.

(3) Background—The Social Security Administration has a toll-free (800 number) phone service to allow beneficiaries to contact the agency about benefits or other program information. The General Accounting Office (GAO) has recently supported three protests against the SSA regarding its handling of a recent bid on the SSA’s automatic call distribution system. GAO stated “the RFP [request for proposals] was misleading and the offerors did not have a fair opportunity to propose a competitive proposal in response to the RFP.” As a result, it would seem the losing bidders have lost millions of dollars in potential business and the government has failed to procure 800 services at the lowest possible cost.

*Question:* As Social Security Commissioner, you will have the responsibility of managing the contract and procurement process as it pertains to the overall communication and technology needs of the agency. How would you assure that SSA gets the full benefit of fair and open competition in its procurement process? How would you respond to GAO recommendations on matters of procurement?

*Answer:* In all candor, until you posed this question, I was unaware of this issue. If confirmed, I assure you that I will investigate the matter to determine the cause, nature, and extent of the past problems. Of course, reading the GAO report you cite would be the first step in investigating the situation. With all due respect, I would like to request that I be able to defer providing any recommendations to you until I have had the opportunity to gather the facts and have a full understanding of the issue.

(4) Background—Vulnerabilities in the Social Security Administration’s programs and operations have provided wrongdoers with opportunities to commit fraud by using Social Security Numbers to create false identities and obtain program benefits they do not deserve. The Office of the Inspector General reports that it received over 90,000 allegations of fraud, waste and abuse last year, over half of these reports involved the misuse of Social Security Numbers.

*Question:* How would you improve the Social Security Administration’s programs and operations to ensure the proper assignment and issuance of Social Security Numbers?

*Answer:* I am aware that the Inspector General has done a substantial amount of work on the issue of misuse of Social Security numbers, and, if confirmed, I look forward to working with Mr. Huse to address this and other program integrity issues. The issue of establishing false identities, and using them to commit program fraud, presents a very real and substantial problem in ensuring proper fiscal stewardship for SSA’s benefit programs. My efforts to address this problem would likely include a review of documentation required for obtaining a Social Security number, an assessment of safeguards in the enumeration processing system, and an analysis of the identified fraud cases to determine any correlation between incidence of improper assignment and specific field offices.

## PREPARED STATEMENT OF HON. CHARLES E. GRASSLEY

I would like to congratulate you on your nomination as Commissioner of the Social Security Administration.

I believe President Bush made a wise choice. You have an impressive array of experience in both the legislative and executive branches of government that will serve you well as you undertake your new assignment.

As you are aware from your work as a member of the Social Security Advisory Board, the Social Security program will face many challenges in the days ahead.

I believe your first challenge will be maintaining the quality and integrity of the current program. Achieving this goal will not only require additional investment in new technology, but it will also require a continued emphasis on good old-fashioned team work. A motivated and experienced workforce is essential to providing today's workers with the level of service they expect and deserve.

The second challenge you will face is helping Congress address Social Security's long-term fiscal problems. Americans are living longer and having fewer children. This demographic shift will force us to think about Social Security in new ways. I believe you can play a vital role in educating the public about the choices we must make.

Developing a plan to protect and improve Social Security will not be easy. But, with your help I'm confident we can succeed.

Once again, congratulations on your nomination. I look forward to working with you.

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 PREPARED STATEMENT OF STANDFORD G. ROSS

I am pleased to be here today to speak in support of the nomination of Jo Anne Barnhart as Commissioner of Social Security. It is my firm belief that she will be an outstanding Commissioner. She comes to the job with deep knowledge of the issues facing Social Security in the areas of both policy and service to the public.

Over the last four and a half years Jo Anne has served as a member of the Social Security Advisory Board where she has been a thoughtful and dedicated participant in all of the Board's work. She has brought to the Board a rich understanding of matters relating to Social Security and to public administration based on her extensive prior experience in the legislative and executive branches of government.

Like all members of the Board, she has willingly volunteered extensive amounts of time to studying the problems facing the Social Security Administration and developing recommendations to address them. She has signed every report the Board has issued, beginning with the Board's first report in March 1997 on how the Social Security Administration can provide greater policy leadership, to the most recent report issued in July of this year that describes the dimensions of the Social Security financing shortfall and explains the reasons why changes should be made soon.

Much of the Board's work to this date has been centered on improving the agency's service to the public, a charge specifically given to the Board by Congress in the 1994 legislation that established the Board and made SSA an independent agency. This has included extensive work on the agency's disability programs, which we believe are at the heart of SSA's service delivery problems.

As part of this work, Jo Anne has probed deeply into many aspects of the agency's operations. She, along with other Board members, has met with SSA officials in Baltimore and Washington and with thousands of other employees throughout the United States. Through this work, she has learned about the nature and magnitude of the many serious problems that SSA is facing. I am sure that she will be enthusiastically welcomed by the agency.

As Chairman of the Board, I have had an opportunity to work closely with Jo Anne on many issues. In addition to her knowledge of the agency and its responsibilities, she will bring to the job of Commissioner integrity, sound judgment, and unstinting dedication to duty.

The job of Commissioner of Social Security carries with it some of the most important responsibilities in government and Jo Anne Barnhart has the outstanding credentials and qualities of character that are needed to carry out these responsibilities. I know that she will serve the American people and the Social Security Administration well, and I strongly support her nomination.

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## PREPARED STATEMENT OF HON. WILLIAM V. ROTH, JR.

It is indeed a great pleasure to submit this statement to this committee where I once served, and where we did so many great things for the American people.

And, it is especially gratifying to introduce Jo Anne Barnhart to you.

Many of you already know Jo Anne—from her years as a Senate staffer, her service in past administrations, and her expertise as a political and public policy consultant. Over the years, the Senate has voted to confirm her to positions of great responsibility within government, and to serve on numerous advisory panels. Committees in both the House and Senate have called on Jo Anne Barnhart to testify, and have benefited from her knowledge and insights.

I have known Jo Anne for 25 years. She is a trusted advisor and loyal friend. If I need something done—and done right—I call on Jo Anne.

I boasted many times that I had the best staff in Washington. Jo Anne Barnhart was one of the reasons I could make such a claim.

Jo Anne dedicated herself to helping others, working tirelessly to improve the lives of the young, the old, and the less fortunate.

Jo Anne joined my staff in 1977. As a legislative assistant, she advised me on a wide range of issues including health care, aging, welfare, veterans' issues, and Social Security.

While managing the college intern program in my office, Jo Anne took on the additional responsibility of coordinating the Senior Citizen Intern Program for the entire United States Senate. Some of you may remember when we first started the Senior Intern Program, only a handful of offices participated.

Under Jo Anne's leadership, the program grew in size and scope. Today, thanks in large part to her work, seniors from all across the country come to Washington for a week of policy discussions and legislative training.

In 1981, Jo Anne was appointed to the Social Security Administration's Office of Family Assistance. As the Assistance Commissioner, she managed a staff of 700 employees in administering the Aid to Families with Dependent Children program, the Low Income Home Energy Assistance Program and the Repatriation program.

Jo Anne later returned to work in the Senate, as Minority Staff Director for the Government Affairs Committee. I can testify she served the Republican members of the committee well—representing our interests in negotiations, as well as supervising the staff that informed us of hearings, mark-ups and floor action.

In 1990, President Bush appointed Jo Anne Assistant Secretary for Family Support at the Department of Health and Social Services, where she again had responsibility for the nation's largest cash assistance programs.

A year later, Jo Anne became the first Assistant Secretary for the newly created Administration for Children and Families. It was yet another opportunity for Jo Anne to apply her knowledge and leadership skills in a way that would help children and families. More than 60 federal programs were under her control, including the JOBS program, Child Support Enforcement, Child Welfare Services and Head Start.

Over the years, Jo Anne also managed three of my reelection campaigns for the Senate. She did so with great creativity, and the highest degree of integrity. Under the direction, each of these efforts were positive, honest, and issue-driven.

Today, Jo Anne is considered a national expert in the fields of welfare and social services. Federal, state and local governments come to her for advice on program design, policy making and implementation.

Jo Anne is also a member of the Social Security Board—a bipartisan panel that advises the Commissioner on agency policies.

As busy as she is professionally, Jo Anne's top priority is her family. She and her husband, David, have done a wonderful job raising their son, Niles. He is a delightful young man, and a true reflection of his parents.

Mr. Chairman, I cannot think of a better person to head the Social Security Administration than Jo Anne Barnhart. She has the knowledge, experience and leadership qualities required of a Commissioner.

With Americans living longer, and the first wave of baby boomers set to retire in the next decade, the Social Security program's ability to provide top quality service will be put to the test. Jo Anne Barnhart has the energy, the ideas and the leadership skills to make this goal a reality.

When I was Chairman of this committee, I knew the best way to get things accomplished was to work in a bipartisan fashion.

The challenges facing Social Security in the future will require Congress and the Administration to put aside politics in favor of bipartisan solutions.

Mr. Chairman, I ask that you approach the consideration of Jo Anne Barnhart's nomination in a bipartisan way. She is uniquely qualified to serve. I urge the members of this committee, and indeed the entire Senate, to act in a bipartisan fashion to confirm her as the next Commissioner of Social Security.

Thank You.

