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Opening Statement of Sen. Chuck Grassley
Senate Committee on Finance
Hearing on Welfare Reform
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Today's hearing on welfare reform marks the first Finance Committee hearing on this important program since Congress enacted sweeping reforms nearly six years ago that ended a 60-year-old entitlement program and ended welfare as we knew it. There's no doubt that states have excelled at transforming welfare into work. By doing so, millions of families are no longer on the fringe of society where the stigma of welfare held them back. Instead, working adults and their children are now a part of mainstream society.

Our expert witnesses will describe how states became laboratories of change and created modern and dynamic state work programs. Today, no two programs look or act alike except in their pursuit of four overarching goals set forth by the reform law. Teams of leaders around the country have discovered innovative approaches to creating jobs for low-income workers. As a result, the quality of life for million of American families has improved greatly. By facilitating work and job placement, millions of adults are now experiencing the dignity of holding a job. The personal gains are greater than just financial ones.

In my state, most Iowans who leave welfare do so because of increased earnings, but the advantages of work over welfare are important to note. Iowans leaving welfare say that work not only yields financial gain, but it has also helped to improve self-esteem, independence, and a sense of responsibility. Some say it even provides a new opportunity to socialize. What's more, Iowans who leave welfare report that they are better parents while employed and that the family generally gets along better when the parents are employed.

Finding high quality child care is among the greatest challenges facing working parents, but 91 percent of the parents in Iowa who leave welfare report being satisfied with the quality of their child care arrangements. Economically, welfare to work is paying off. The majority of Iowa families leaving welfare are living above the federal poverty level. And many of these same families report that their standard of living is better now than while on welfare. Nationally, child poverty is at an all-time low. I commend the President for focusing on child well-being by insisting that improved child well-being be added to the overarching purposes of welfare reform. It would be naive to say that there isn't room for improvement. Indeed, much more work can be done to support working families. Single mothers in particular have proven that they can excel in the workforce, but many working women have yet to realize their full earning potential.

I am especially pleased to have Secretary Thompson here to talk about both the results from the first years of TANF as well as the vision for the next phase. Our goal in re-authorizing the reform act should be to build on success. To do this, we must first learn all we can from those who have delivered results, particularly state officials. In my view, the collaboration between the states and the Congress in 1996 was an integral part of the successful reform process and we should again put our heads together and work toward a common goal.

Given the time constraints this year, Congress needs to get right to business. To move things along, I will begin work on legislation. For guidance, I'll look to the principles set forth by the President and Secretary Thompson as well as the policies advanced by the governors and other important stakeholders. I hope to work closely and collaboratively with Chairman Baucus so that the Finance Committee can produce a strong, bipartisan product in the coming months. I'm confident that the next phase of welfare reform can be at least as successful as the first.

