



# Committee On Finance

Max Baucus, Chairman

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**STATEMENT OF SENATOR MAX BAUCUS  
SENATE COMMITTEE ON FINANCE  
HEARING ON  
REQUIRING AND SUPPORTING WORK**

This is our second full committee hearing on the reauthorization of the 1996 welfare reform bill. The Subcommittee on Social Security and Family Policy, which is chaired by Senator Breaux, also has held a hearing and is likely to hold several more.

As I've said before, the 1996 welfare reform law was a bold experiment. The old system had failed, so we tried something new. I strongly supported the bill. Looking back, I'm glad I did.

Under welfare reform, literally hundreds of thousands of Americans have left the welfare rolls, just as we intended, but we have to remember an important point. Our objective has never been simply to reduce the welfare rolls. It's been to move people from welfare rolls to payrolls. And, even though we've been pretty successful, there's more to be done. As I've said before, the 1996 bill was about requiring work. The bill we will write this year will be about supporting work.

That brings us to the subject of today's hearing. How, exactly, can we accomplish this? How do we help more folks move from welfare to work, and stay there? How do we help the states support work? Let me put my cards on the table. To my mind, everyone should work. Montana is a frontier state. We believe that everyone needs to help pull the wagon, however they can. In fact, Montana's welfare program includes a broad participation requirement. At the same time, we also must keep in mind that some families on welfare face complicated and difficult challenges like children with

disabilities, adults with little or no education or work skills, and mental conditions or substance abuse problems. We need to identify these challenges; so that we can help the affected families get on the road to self-sufficiency.

Let me give you an example. In Montana right now, we're faced with an epidemic of methamphetamine abuse. Meth is tough stuff. It's easy to get addicted. I'm working hard to get the law enforcement resources we need to deal with it. At the same time, meth also can be a big problem for the welfare and child welfare systems. When a single mother gets caught up with meth, chances are good that she'll lose her job and need welfare. When she gets seriously addicted, she may neglect her child, who may then be placed in foster care. It's a terrible situation, but we can't just stand there. We've got to fight back. So in Billings, Montana, we're using TANF funds to intervene with families where there's a sign of meth abuse. The idea is to step in early and head off bigger problems. It's a really good program. It shows how you can approach difficult problem creatively, through prevention.

Another point. Once we get families into employment, our job doesn't necessarily stop. If we want to make a lasting difference, we may have to provide some help with child care, making sure that it's safe and high-quality. After all, a mother on welfare who takes a job without having a reliable child care arrangement is at higher risk of losing that job and cycling back on to welfare, health insurance too. We don't want a mother to have to choose between taking a job and providing health care coverage for her child.

Senator Breaux has a bill that would make some important improvements in this area, and I support it. These types of assistance – so-called "work supports" – are vital to the success of welfare reform. It's part of the solution. It's part of moving people *not just* off welfare but into stable, long-term employment. Work supports can prevent the need for welfare – and that's the best welfare reform of all.

With that background, let me say a few words about the Administration's proposal. It is comprehensive and ambitious. That's good. I appreciate that they believe states can do better. We can't rest on our laurels. I am continuing to assess the Administration's proposal. I recently held a session in Helena to get input on welfare reauthorization. Our governor attended, and we had an interesting panel discussion. Participants on the panel and from the audience had good ideas and some advice about how the Administration's plan would – and would not – work for Montana.

A couple of problems I need to point out. One is the way the Administration's plan would end Montana's current welfare waiver. We've developed a good plan for our state and we want to continue it. The second problem is the lack of child care funding. If we want more work, we need more child care. Somebody needs to look after the children. It's a simple equation.

I'm looking forward to hearing more today, both about the Administration's plan and other aspects of work. We are particularly pleased to be joined by Governors Engler and Dean, who are highly regarded for their expertise and leadership on these issues.

Senator Jeffords, I know you want to make a few remarks to welcome Governor Dean, and I'll ask you to do that right after Senator Grassley's opening statement.

In closing, I am pleased that Senator Grassley and I will be working together on a reauthorization bill. I hope other members of the Committee join us in this endeavor. In 1996, welfare reform was a bipartisan effort, and I'd like to keep it that way. Our goal is to release a bipartisan mark in May, so that the Committee can vote on the bill before the Memorial Day recess. It's an ambitious timetable. But I'm confident we can work out a proposal that will draw broad support.