



For Immediate Release
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Contact: Scott Mulhauser/Erin Shields
(202)-224-4515

**Hearing Statement of Senator Max Baucus (D-Mont.)
Regarding Welfare Reform: A New Conversation on Women and Poverty**

The prophet Isaiah exhorts us: "Share your food with the hungry, and give shelter to the homeless. Give clothes to those who need them, and do not turn away."

Today we look at fighting poverty in America. On the eve of its expiration, we examine the Temporary Assistance for Needy Families program — or TANF.

TANF is a key part America's social safety net. And it's all the more important in hard economic times like these.

Last week, the Census Bureau told us that poverty last year was the highest since 1994. Last year, nearly four million more Americans fell into poverty. More than a million of them were children.

Poverty went up among all types of families — two-parent households and single-parent households alike. But nearly one in every three households headed by a single woman is living in poverty.

Today we'll discuss preventing poverty, across the spectrum. And we'll focus on the strong but vulnerable women with dependent children who make up such a significant part of the TANF caseload.

More than four out of every five TANF families with an adult are headed by a single woman. And seven in ten of those mothers are caring for a child under the age of six.

In this Great Recession, TANF has not responded as other safety net programs have. TANF has not automatically expanded, as Food Stamps and Medicaid did. It's time to take another long, hard look at TANF.

In the early 1990's, welfare was an open-ended system. It did not promote self-sufficiency. And it did not effectively serve most of the people in need.

The 1996 welfare reform was a reaction to a broken system.

The 1996 law moved us from a cash assistance welfare system to one that emphasized work and jobs. We created the TANF program as a flexible block grant for states.

We maintained a safety net. But we also created a program that would provide child care, transportation, and job search support.

The Deficit Reduction Act of 2005 reinforced the new system. But the system was not built for a recession like the one that started in 2008.

At the end of last year, fewer than two million families received cash assistance through TANF. That's three million fewer than received Aid to Families with Dependent Children in 1994.

Quite simply, a welfare reform system focused on jobs can work when there are plenty of jobs. But that kind of system poses harsh realities when a recession sets in.

The time-limited cash assistance and flexible TANF program has enabled many to transition into jobs and self-sufficiency. But there's also evidence that efforts to encourage state welfare-to-work innovations have not succeeded across the board.

A safety net to prevent poverty is only as good as it is in hard times.

We have an opportunity to learn from these hard times. We can see what works and what doesn't. And we can build on that experience as we extend and improve TANF.

One example of what works is the TANF Emergency Contingency Fund.

We created the fund in the Recovery Act. It helps states to meet increased demand for help. And it also funded more than 250,000 transitional jobs.

These jobs are building good work histories. And these jobs are allowing many to learn and build skills.

As of last week, 48 states, the District of Columbia, Puerto Rico, and the Virgin Islands have been using this fund. And 36 states, D.C., and the Virgin Islands have created jobs with the fund.

States from Massachusetts to Alabama are clamoring for continuation of the fund. They want to create even more jobs.

I've read dozens of testimonials from newly-hired employees. They tell how these opportunities allowed them to meet their families' needs. Many spoke to the value of the on-the-job training and the permanent job that followed for them.

Last week, I hosted an Economic Development Summit in Butte, Montana. On a panel on job creation, Ray Kuntz, a small business employer, spoke about what the transitional jobs program has meant for his business.

With wage assistance, he was able to bring on two additional employees — at first temporarily, and then permanently. He has provided work experience and training for many more.

The TANF Emergency Contingency Fund has been getting Americans back to work.

The Great Recession and TANF's upcoming expiration present us with the opportunity to build a system for all seasons.

The policy details of encouraging work and economic mobility are important. But let's not lose sight of a basic principle — America has to have a social safety net.

Needy families with children will fall on tough times. And we need to respond.

Today's hearing will be the first in a series on TANF and related programs.

Congress must act quickly and cooperatively to extend this program, which expires in nine days on September 30.

And then, as this Committee prepares for a full reauthorization next year, we will explore the program's strengths, needs, and challenges for women, men, and children.

And so, let us start to prepare for extending and improving TANF. Let us begin with a new conversation on women and poverty. And let us talk about how we can help those who need help, and not turn away.

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