

ADVISORY

FROM THE COMMITTEE ON WAYS AND MEANS SUBCOMMITTEE ON HUMAN RESOURCES

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Chairman Reichert Announces Hearing Reviewing How Today's Fragmented Welfare System Fails to Lift Up Poor Families

Congressman Dave Reichert (R-WA), Chairman of the Subcommittee on Human Resources of the Committee on Ways and Means, today announced that the Subcommittee will hold a hearing titled, "More Spending, Less Real Help: Reviewing How Today's Fragmented Welfare System Fails to Lift Up Poor Families." The hearing will review programs designed to assist low-income individuals and families, how the programs can create disincentives to increasing earnings, and how they often fail to address factors that caused individuals to seek assistance in the first place. **The hearing will take place at 2:00 pm on Tuesday, June 18, 2013, in Room 1100 of the Longworth House Office Building.** This hearing will be the first in a three-part series of hearings on welfare reform issues.

In view of the limited time available to hear from witnesses, oral testimony at this hearing will be from invited witnesses only. Witnesses will include experts on current federal welfare programs, researchers who have studied the effects of the current system, and professionals working with low-income families to help them escape poverty. However, any individual or organization not scheduled for an oral appearance may submit a written statement for consideration by the Committee and for inclusion in the printed record of the hearing.

BACKGROUND:

According to the [Congressional Budget Office](#) (CBO), "[t]he federal government devotes roughly one-sixth of its spending to 10 major means-tested programs and tax credits, which provide cash payments or assistance in obtaining health care, food, housing, or education to people with relatively low income or few assets." Those programs include the Temporary Assistance for Needy Families and Supplemental Security Income programs under the jurisdiction of the Subcommittee on Human Resources, as well as the low-income subsidy for Part D of Medicare and the refundable portions of the earned income tax credit (EITC) and child tax credit (CTC), under the Committee on Ways and Means' health and tax jurisdictions. Further, CBO notes that "[t]otal federal spending on those 10 programs (adjusted to exclude the effects of inflation) rose more than tenfold — or by an average of about 6 percent a year — in the four decades since 1972 (when only half of the programs existed)."

A recent calculation by the [Congressional Research Service](#) indicated that there are at least 83 different federal programs focused on helping the low-income population, and these programs are spread across more than a dozen federal agencies. This broader list includes additional Human Resources programs such as the Child Support Enforcement program, Foster Care and Adoption Assistance, the John H. Chafee Foster Care Independence program, the Social Services Block Grant program, and the Child Care and Development Fund.

While often individually and collectively called “work supports,” research has demonstrated how low-income individuals collecting such benefits may receive little economic reward from increasing their earnings, especially if they receive benefits from multiple welfare programs. Those with incomes at or near the poverty line may be especially prone to losing more in benefits and tax credits than they gain from additional work and increased earnings. [Recent research](#) suggests that this effect may be exacerbated by certain policy changes that will further lower individuals’ real financial gains from increasing their work and earnings.

In addition to creating work disincentives, key federal welfare programs provide assistance to low-income families and individuals without addressing factors that caused individuals to seek help in the first place. More broadly, of the 83 programs highlighted in the Congressional Research Service report, few federal welfare programs require benefit recipients to participate in activities that help them find work or work more, escape poverty, and move up the economic ladder. Some programs provide assistance for indefinite periods, often without reviewing why the individual needs ongoing help. In some cases, benefits are provided without a representative of the program ever meeting the recipient in person.

In announcing the hearing, Chairman Reichert stated, **“Our nation’s welfare system should help people overcome their challenges and move up the economic ladder. Unfortunately, the current maze of programs not only fails to lift up many poor families in need, but it too often punishes those who work hard and do the right thing. It’s time to highlight how this increasingly expensive system fails to address the real needs of low-income individuals and families, so we can determine how to craft reforms that provide the actual help families need to escape poverty.”**

FOCUS OF THE HEARING:

The hearing will review current programs designed to assist low-income individuals and families, how they can create disincentives to increasing earnings, and how they often fail to address factors that caused individuals to seek assistance in the first place.

DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:

Please Note: Any person(s) and/or organization(s) wishing to submit for the hearing record must follow the appropriate link on the hearing page of the Committee website and complete the informational forms. From the Committee homepage, <http://waysandmeans.house.gov>, select “Hearings.” Select the hearing for which you would like to submit, and click on the link entitled, “Please click here to submit a statement or letter for the record.” Once you have followed the online instructions, submit all requested information. Attach your submission as a Word document, in compliance with the formatting requirements listed below, **by Tuesday, July 2, 2013**. Finally, please note that due to the change in

House mail policy, the U.S. Capitol Police will refuse sealed-package deliveries to all House Office Buildings. For questions, or if you encounter technical problems, please call (202) 225-1721 or (202) 225-3625.

FORMATTING REQUIREMENTS:

The Committee relies on electronic submissions for printing the official hearing record. As always, submissions will be included in the record according to the discretion of the Committee. The Committee will not alter the content of your submission, but we reserve the right to format it according to our guidelines. Any submission provided to the Committee by a witness, any supplementary materials submitted for the printed record, and any written comments in response to a request for written comments must conform to the guidelines listed below. Any submission or supplementary item not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

1. All submissions and supplementary materials must be provided in Word format and **MUST NOT** exceed a total of 10 pages, including attachments. Witnesses and submitters are advised that the Committee relies on electronic submissions for printing the official hearing record.
2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.
3. All submissions must include a list of all clients, persons, and/or organizations on whose behalf the witness appears. A supplemental sheet must accompany each submission listing the name, company, address, telephone, and fax numbers of each witness.

The Committee seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-1721 or 202-226-3411 TTD/TTY in advance of the event (four business days notice is requested). Questions with regard to special accommodation needs in general (including availability of Committee materials in alternative formats) may be directed to the Committee as noted above.

Note: All Committee advisories and news releases are available online at <http://www.waysandmeans.house.gov/>.