

**A THREAT TO AMERICA'S CHILDREN:  
THE TRUMP ADMINISTRATION'S  
PROPOSED CHANGES TO THE  
POVERTY LINE CALCULATION**

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**HEARING**

BEFORE THE  
SUBCOMMITTEE ON GOVERNMENT OPERATIONS  
OF THE

**COMMITTEE ON OVERSIGHT AND  
REFORM**

**HOUSE OF REPRESENTATIVES**

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**Wednesday, February 5, 2020**

HOUSE OF REPRESENTATIVES  
SUBCOMMITTEE ON GOVERNMENT OPERATIONS  
COMMITTEE ON OVERSIGHT AND REFORM  
*Washington, D.C.*

The subcommittee met, pursuant to notice, at 10:08 a.m., in room 2154, Rayburn Office Building, Hon. Gerald E. Connolly (chairman of the subcommittee) presiding.

Present: Representatives Connolly [presiding], Maloney, Norton, Sarbanes, Lawrence, Plaskett, Khanna, Ocasio-Cortez, Meadows, Massie, Hice, Grothman, Comer, Miller, and Steube.

Mr. CONNOLLY. Committee will come to order.

Without objection, the chair is authorized to declare a recess of the committee at any time, and I now recognize myself for my opening statement.

And we welcome our witness, our colleague, Representative Ocasio-Cortez, and I know she is going to be joined by Representative Miller hopefully soon.

The ranking member, Mr. Meadows is on his way, but I am going to get started so that we do not have undue delays for the hearing.

I was 17 years old when Robert Kennedy, then Senator from New York, father of 10 children at the time, traveled to the Mississippi Delta to see firsthand the hunger and poverty experienced by the families and children living there.

He was inspired to do so by congressional testimony from a civil rights lawyer named Marion Wright Edelman, at the time Marion Wright. She was the founder of the Children's Defense Fund and the first African American woman admitted to the Mississippi bar.

The images of RFK's tour were searing. They left an indelible mark on our national images and understanding of poverty, and they showed the Nation the faces of people who are all too often otherwise forgotten. Fifty years later, we are revisiting Marion Wright's testimony, but this time, the face of the administration's assault on the poor.

Today we commence a series of four hearings that will lay bare the Trump administration's attempts to gut regulations and programs that protect the health and welfare of our Nation's children. This hearing in particular will examine what it means to experience poverty in America, explore the inaccuracy of the Federal Gov-

ernment's current and proposed measures of poverty, and consider our government's responsibility to help Americans struggling to break free from the cycle of poverty.

Specifically, we will look at how a recent Trump administration proposal to recalculate the poverty threshold would in fact make poverty lines less accurate and deprive hundreds of thousands of children access to critical healthcare and nutritional benefits.

In May 2019, the Office of Management and Budget published a proposal to change the inflation index used to calculate annually the poverty threshold. While a switch to a different cost-of-living adjustment may seem like a small measure and a technicality, the ripple effects of this proposal are not. They would be quite consequential.

If OMB elected to use a Chained Consumer Price Index, CPI, for example, the poverty line's growth would slow by about 0.2 percentage points a year. Not because we have conquered poverty, but because we simply redefined it.

If the administration moves to a chained price index, by 2030, the poverty line for a family of four would be \$691 lower than it would be using the existing inflation index. Over time, the impact of using that chained CPI to calculate the poverty threshold compounds, prompting really consequential impacts on families and children who rely on social safety nets to access food, healthcare, and eventually to escape poverty.

While a \$691 reduction of the poverty line may seem like a modest impact, it is not, especially when you are living day by day, dollar by dollar, to make ends meet as all too many Americans still are.

After 10 years with the Chained CPI reducing the poverty line by roughly two percent, the Center on Budget and Policy Priorities estimates that more than 300,000 children would lose healthcare.

More than 200,000 school-aged children would lose eligibility for free or reduced-price school meals. That number, by the way, is bigger than the entire school system of my district, my county, which is the tenth largest school district in America.

Nearly 200,000 people, mostly in working households, would lose their Supplemental Nutritional Assistance Program, or SNAP, benefits, and 40,000 infants and young children would lose benefits for supplemental nutrition.

Those are not insignificant numbers. The two-percent drop in inflation would affect eligibility in 80 anti-poverty programs. The impacts of that are yet to be measured.

Children would lose access to these life-changing programs not because their parents had more money in their pockets, but simply because the administration decided to define poverty in a way that redefines reality.

The administration cannot solve the Nation's poverty problem by simply lowering the dollar amount that defines poverty and claim victory. Its efforts disregard the hardships that those experiencing poverty endure, and they ignore the growing body of evidence that show those in poverty face higher rates of inflation and therefore have less access to basic needs.

The premise of the administration's proposal is that every customer has choices, such as the option to swap to a cheaper product

when prices escalate, but those in poverty often do not face choices. Retail choices are limited. Food choices are limited. Convenience and proximity are limited in terms of access and transportation.

Second, those in poverty spend most of their income on basic necessities already: medical care, housing, utilities. The costs of these basic needs have skyrocketed in comparison to the broader basket of goods assessed in the standard inflation rate.

Let's give one example. The cost of rent in America, and in some parts of the country much higher, has gone up by 31 percent in the last 10 years—31 percent. The existing inflation index rose by 17 percent. And if we use the administration's Chained CPI, it would have gone up only 14 percent. So, rent, 31 percent; inflation where we peg poverty, 14 percent—a growing gap.

Given the criticality and the flawed assumptions baked into the proposal, it is no surprise that OMB received over 57,000 comments, and counting, most in opposition to lowering the inflation index for the official poverty measure.

OMB's proposal failed to acknowledge that many government programs are administered using the poverty threshold and the huge impact it would have on children's access to vital programs. The administration's proposal to lower the poverty line ignores growing income inequality, and to me, misses the point entirely.

The inadequacy of the existing poverty calculation is that it is too low, not that it is too high. In 2020, across all 48 contiguous states and the District of Columbia, the poverty threshold for a family of four is \$26,200. Even in the poorest counties of our country, it is hard to imagine a family of four getting by on an annual income of \$26,200.

Just last year, the National Academy of Sciences released a report that found child poverty costs the Nation between 800 billion and \$1.1 trillion annually. The report also stated our Nation could reduce poverty by 50 percent by simply increasing SNAP benefits, increasing housing vouchers, and expanding the social net. These actions would cost a lot less than that trillion-dollar cost of doing nothing.

I commend my colleague, Congresswoman Ocasio-Cortez, on her legislation, Recognizing Poverty Act, that tackles the inadequacy of our current poverty measured by directing the Department of Health and Human Services and statistical agencies to propose a new poverty line that makes more sense.

We are long overdue for a complete rewrite of a poverty threshold that was established over a half a century ago. This bill requires the updated poverty line to factor in geographic cost variation, cost-related health insurance, work expenses, childcare, and new necessities such as Internet access, all of which are excluded from the existing poverty measure. Hard to believe, but they are.

I am proud to be an original co-sponsor of Ms. Ocasio-Cortez' bill, and I hope many of my subcommittee colleagues will join in this effort.

If there is one basic value that ought to unite us on this committee and in the Congress as Democrats and Republicans, it is how we treat our children. It does not matter where these children live or whose children they are. They are in our care. They are in our charge. They are America's children.

With that, I—do you want to go first, or do you want me to call upon the chairman of the full committee?

Mr. MEADOWS. Knowing that this is a political environment, I would certainly want you to call on the chairman of the full committee, and then I will be glad to go after that.

Mr. CONNOLLY. Thank you, Mr. Meadows.

Chairwoman Maloney. Well, I would say, Mr. Chairman, that it is not a political hearing. It is a very substantive and important one, and I think that the ranking member should go first, and I will follow him.

Mr. CONNOLLY. With that, I call upon Mr. Meadows, the ranking member.

Mr. MEADOWS. Well, I thank you both. Mr. Chairman, thank you for calling this hearing, and obviously this is a critical issue.

I can say that in my district in western North Carolina, free and reduced lunches and a number of other issues that relate to poverty is still a present-day problem, and so I thank you for highlighting this particular issue. I thank both of my colleagues for being here today to address it from two different perspectives in two different states. So, I thank you both.

I would say this: One of the concerns I have is the premature nature of this hearing. The Trump administration has taken no action, and I would repeat no action, other than public comment.

And there are two different buckets that we are looking at here. And the chairman knows that as it relates to other issues with regards to inflation indexing, chained, you know, whatever you want to call it, I have a real concern when we look at the real inflation rate that not only those in poverty face, but our seniors face, as well. Because sometimes the way the government calculates this is on the purchase of iPods and iPads, and I can tell you that a lot of times, those that are affected the most, they are not making those kinds of purchases. They are purchasing food and rent and the basic necessities to stay—really, to live.

And, so, I think it is important that we look at this. The public comment that we are facing here is looking at two different buckets, what should go into it, how should it be adjusted. And, so, as we look to move forward with this, what I would love to do is work in a bipartisan way to really address the real need of what we have here.

There is no denying that the economy is growing. And in fact, just the other day as I looked at economic numbers—and some would say well, it is only the economic numbers for the very top percentage, but actually, the increase in our economy has affected the bottom 10 percent more than it has any other group as the economy continues to go.

Those are facts. Those are statistics that the Department of Labor and certainly the economic advisors have. And yet, is there a real problem that we need to continue to address? The answer is certainly yes.

And, so, with that, I would just ask that my entire written statement be made part of the record, and I would be glad to yield to the—



Mr. CONNOLLY. Without objection, and I thank my friend. I know he is committed to addressing issues of poverty. He and I worked together on a hearing on houseboats and we both learned—

Mr. MEADOWS. And I thank you for that.

Mr. CONNOLLY. We both learned the impact of banning houseboats on lower income folks in your district. And I saw your commitment, so of course we will be glad to work with you on a bipartisan basis, but we also want to highlight what could happen if the administration moves forward on its proposal.

And I call on the distinguished chairman of the full committee, Ms. Maloney, for an opening statement.

Chairwoman MALONEY. Thank you. Good morning, everyone, and I thank you all for coming. And as Chair of the Oversight and Reform Committee, I want first to thank my friend and colleague, Gerry Connolly, for calling this very important hearing on the proposed recalculation of the poverty line. And I also would like to thank my friend and colleague from the great state of New York, Ocasio-Cortez, for her hard work and dedication and research on this issue.

This is the first in a series of four hearings that we are going to hold over the next two days, today and tomorrow, on the negative effects on children of the Trump administration's poverty, housing, hunger, and health regulations.

Put simply, the administration is engaged in an attack on children. Instead of creating economic opportunity and ensuring the health and wellbeing of our Nation's children, this administration prioritizes special interests at their expense. It is our responsibility as a Nation, and as lawmakers in particular, to protect all of our children from harm. We will not stand idly by as this administration implements policies and regulation that impede child development.

Today, we examine the Office of Management and Budget's proposal to adopt an inflation rate that would purge thousands of children from eligibility and programs that promote growth and help them escape from poverty. The administration's efforts remove access to essential and proven services, such as healthcare and nutrition assistance. I find it particularly disturbing that this administration fights for tax breaks for the more fortunate while it seeks to take food literally from the mouths of hungry children by proposing to cut the SNAP program.

This hearing will highlight how any change to the social safety net should do more, not less, to help America's children.

I look forward to the testimony from both of my distinguished colleagues, and I yield back.

Mr. CONNOLLY. I thank the distinguished Chair, and thank you so much for joining us again this morning.

I now want to welcome our first panel, which will consist of our committee colleagues who will discuss ways to accurately measure poverty in the United States.

Congresswoman Alexandria Ocasio-Cortez of New York, who is the author of the bill I mentioned, and Congresswoman Carol Miller of West Virginia. Welcome to both of you.

I thank my colleagues for their testimony, and without objection, both of you are welcome to join us in the dais and participate in the remainder of this hearing.

Ms. Ocasio-Cortez, welcome.

**STATEMENT OF HON. ALEXANDRIA OCASIO-CORTEZ, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK**

Ms. OCASIO-CORTEZ. Thank you, Chairman Connolly. I am honored to be here today on behalf of my constituents in New York's 14th congressional District. And I want to thank you and this entire subcommittee, as well as the committee at-large, for participating and leading this week's historic hearings to examine the status of our Nation's children.

I am testifying today not only as a Member of Congress, but as a former child of a family in poverty and who has family that continues to live in poverty.

I am the daughter of a domestic worker. My mother cleaned houses growing up, and I grew up doing my homework on the stairs of other people's houses and on other people's kitchen tables and reading in other people's living rooms as my mother scrubbed toilets and swept floors to make sure that we had a better life.

I am also the daughter of young business owner. My dad, at the age of 29, had me and started a business at a very young age. Growing up, we struggled a lot. Right around the time things started turning up better for my family, my father was diagnosed with Stage 4 lung cancer and he passed away when I was about 18 years old. Suddenly, I was the daughter of a single mom.

Growing up, trying and striving as a first generation family, to be able to be the first in my family to go to college, to work, and to have the distinguished honor of interning for the late Senator Kennedy in that time. And then after graduating college, returning home to the Bronx, to my community, to try to make a difference, to see that these cycles of intergenerational poverty cannot be broken unless we take deep, strong, and systemic action.

Oftentimes, we hear and see a lot of, I believe, unnecessary—there is a lot of unnecessary, I would say, scandal that is kicked up around the poverty line; that recognizing poverty is some secret conspiracy to expand our social safety nets. Because in a time of endless war and corporate giveaways, one of the biggest mistakes we can make, I suppose, is to help people too much. But, I do believe that what we need to do is actually recognize the state of poverty in the United States.

The current level of the poverty line is simply being calculated by the price of minimum dietary requirements times three.

The current poverty line assumes that you have a spouse at home, fulltime, taking care of your children.

The current poverty line assumes that you do not really have any significant healthcare costs.

The current poverty line does not acknowledge geographic difference, which in a time when people complain and talk about how government does not understand the regional difference between urban, suburban, and rural communities, our poverty line treats all of these communities exactly the same.

All of this is wrong. And even with that drastically mistaken number, even with that and by that calculation today, 40 million Americans live in what the government recognizes as poverty—that is one in 10; 18.5 million Americans live in recognized extreme poverty; and 5.3 million Americans live in recognized absolute poverty.

You know, last year I spent a very long time putting together, along with our team and with other members and you included, colleagues of Congress, the Recognizing Poverty Act. This asks the Federal Government to do a simple thing: to actually measure the amount of poor people in the United States of America. We do not do that. And, as a consequence, America is in a state of denial about the level of poverty in this country. As a consequence of that, we do not truly understand the actual status of where people are.

So, as a consequence, the Recognizing Poverty Act requires the Secretary of Health and Human Services, in collaboration with the Census Bureau and the Bureau of Labor Statistics, to work with the National Academy of Sciences to change the poverty line, adjusting for family size and geographic differences in the cost of goods and services.

We must look at where our children live and what they need because we cannot go another year with kids not getting food that they need; not—losing parents because they cannot afford healthcare. This is a moral wrong. And for children to lose their parents because they cannot afford insulin or chemotherapy in what we proudly call the richest country in the world, is a moral injustice and a moral outrage.

Thank you very much.

Mr. CONNOLLY. Thank you so much and thank you for your leadership on this issue.

Representative Miller, welcome.

**STATEMENT OF HON. CAROL MILLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WEST VIRGINIA**

Mrs. MILLER. Thank you, Chairman Connolly and Ranking Member Meadows. What an honor it is to be here in front of you today. I want to speak about the positive effects of the Trump economy in my home state of West Virginia.

After years of over-burdensome regulation, we are finally seeing incremental, positive change in my state. Positive economic changes like this do not happen overnight, but it takes years to see, and I am excited to see that that is happening in West Virginia.

When it comes to poverty, we should always strive to do better. When we talk about poverty, we must also recognize how far we have passed from where we were five or 10 years ago. We must build upon this progress, not destroy it.

It is innovation that has driven humankind forward. And as a farmer, I learned by myself that necessity is the mother of invention. It has improved our quality of life. It has extended our life expectancy and it has made our society healthier and more vibrant. Innovation is the engine of our society's progress, and capitalism is the fuel that powers it.

When West Virginia became a state, the quality of life was not nearly what it is today. There were no antibiotics, electricity, or running water in homes, no vaccines. And even if you lived in the

top echelon of society in 1863, your life expectancy was nearly half of what it is today. A century and a half ago, the richest person in the world would envy the standard of life that we are ensuring for every single American.

That being said, only a few years ago in West Virginia, we experienced the darkest time in recent history. In 2009, President Obama's administration took drastic steps to wage war on the coal industry. In January of that year, there were 86,400 coalminers in the United States, and by the end of his administration, the number dropped all the way to 50,600. In 2009, West Virginia had 20,927 individuals employed in coalmining, and this number dropped to 16,000 by 2016.

West Virginians have witnessed the devastating impacts of poorly thought out policy. Not only were thousands of coalminers out of work, but communities surrounding them struggled, too. Machine shops, grocery stores, motels, clothing stores, all the surrounding businesses suffered. Sometimes they were shuttered completely as a result of disastrous policies. Small business and entrepreneurship are the heart and soul of our towns, and the war on coal collapsed these communities like dominoes.

The devastation around the communities gave rise to great hopelessness, and when people experience despair, they will turn to anything to numb their pain. In the case of West Virginia, we saw the devastating rise of the opioids. My state experienced three times the number of opioid overdose deaths than the national average.

In 2016, the excitement of having a new leader, a businessman and someone who understands economics, helped breathe new life into West Virginia. Our unemployment rate is now at five percent, down over three percent from the height of the Obama Administration.

And over 374,000 people who were receiving SNAP benefits at that time. Since Trump's election, we have seen the number decrease by 315,000. This decrease means that more individuals have the opportunity to work and provide for their families. Thanks to the Tax Cuts and Jobs Act, we are seeing people across the country taking home more of their hard-earned money.

Furthermore, the administration has drastically reduced these over-burdensome regulations and made our country more business friendly. The economy and the competition has created increased wages five percent annually for workers in West Virginia. It is hard to argue with the numbers.

As I discussed earlier, innovation is crucial to move our country forward. The President has given businesses the opportunity to create new jobs and build life-saving solutions to further increase the quality of life. And certainly, there are still many individuals and many families who are struggling, and we must continue to move forward and help them. But, I must say that West Virginia is doing better.

I have reviewed the Notice for Comment by the Office of Management and Budget, and I want to stay engaged with it. However, I think that this particular hearing is premature and will only instill fear into individuals and families. We should not be spreading fal-

sities that the government is going to take away benefits when in fact that is not true.

As we sit here today, we can disagree on the causes, and we can disagree on the solution. But there is one thing I want to say before I finish. Every person in this room cares, and do not let anyone tell you otherwise. My colleagues in both parties join me here today. They are good people who care about eliminating poverty in our society.

Those in the administration and in the previous administration and in our states and local government, they are good people and they care about eliminating poverty in our society.

We can disagree on what helps and what hurts, but our goals are the same. I know that a strong economy is the best way to lift our neighbors and friends out of poverty. We must support an environment with stable tax policy where businesses can create jobs and good-paying wages, and where competition helps spur innovation.

The only thing that has ever lifted people out of poverty is opportunity and the desire to achieve more. Our goal must be to provide that path for every American to walk down.

Thank you, Chairman Connolly.

Mr. CONNOLLY. Thank you. I will point out that you are comparing today to 1863. My seat that I hold in Virginia, we had 11 seats back then and we lost my seat because of the succession of West Virginia. We did not get it back until 1992.

[Laughter.]

Mr. CONNOLLY. Just thought I would mention that. Anyway, we want to thank you both so much for coming here today, and you are both welcome to join the panel for the hearing if you have time.

We will now call our second panel. As we are getting ready, let me introduce who is coming.

Mr. Indi Dutta Gupta, who is the co-executive director of the Center of Poverty at Georgetown Law School; a familiar face, Sister Simone Campbell, executive director of Network Lobby; Rob Smith, member of the president's advisory board of the Legacy Republican Alliance; and Amy Jo Hutchison, who is an organizer for Healthy Kids and Families Coalition in West Virginia.

Welcome, everybody.

[Witnesses sworn.]

Mr. CONNOLLY. Thank you. Let the record show that all of our witnesses answered in the affirmative.

The microphones are sensitive, so if you will pull them up close to you. That way we all hear you.

Your full statement will be entered into the record, and so we encourage everybody to summarize their testimony as best they can, and each of you has five minutes in which to do so.

We will begin with you, Mr. Dutta Gupta.

Mr. GUPTA. Thank you, Chairman Connolly.

Mr. CONNOLLY. I forgot to say, you have to press the button to turn it on.

**STATEMENT OF INDI DUTTA GUPTA, CO-EXECUTIVE  
DIRECTOR, CENTER ON POVERTY, GEORGETOWN LAW**

Mr. GUPTA. Thank you, Chairman Connolly, Ranking Member Meadows, and the members of the subcommittee and committee.

My name is Indi Dutta Gupta, and I am co-executive director of the Georgetown Center on Poverty and Inequality. I have worked on the issue of poverty measurement for over a decade, and I am honored to speak before this subcommittee about the importance of an accurate poverty measurement for children, families, and society as a whole.

Measuring and understanding economic hardship is essential to creating a society in which everyone has, at a minimum, a decent standard of living.

Currently we use the poverty measure in two crucial ways. First, it helps us paint a statistical picture of poverty to understand our economy's performance and reveal who experiences income deprivation, which is more common than many of us appreciate, yet very substantial across people and place, in part because of serious social and economic barriers, such as discrimination in the labor and housing markets, segregation, systemic racism, and mass incarceration.

Second, because policymakers have recognized how harmful poverty is in our country, they use the poverty measure for targeting resources, including through over 80 Federal programs, like Medicaid, SNAP, and the National School Lunch Program. These programs keep millions of people out of poverty and help boost wages, earnings, and educational and health outcomes, in turn advancing our Nation's long-term prosperity.

These two purposes require an accurate, thorough poverty measurement consistent with the lived experiences of income deprivation in the United States. Yet, as we heard from Representative Ocasio-Cortez, the official poverty measure is largely based on 1950's, family arrangements, and spending patterns, and on 1960's emergency food diet, primarily updated for inflation over the past half century.

Today, these outdated assumptions have vast implications for hundreds of billions of dollars of funding for economic security and opportunity programs and result in an overly optimistic picture of financial hardship in this country.

So, there is a strong case for new approaches to measuring poverty. Many alternative updates to the official poverty measure, including the supplemental poverty measure, the Census Bureau's preferred alternative measure, as well as public opinion, suggest that both the poverty thresholds and rates should be higher, not lower.

The Trump administration is considering a proposal that would change the inflation index used to update the official poverty measure to the Chained Consumer Price Index, which grows more slowly than the currently used inflation index. The proposed change is technically questionable, economically unwise, and morally troubling.

While the Chained Consumer Price Index may measure average inflation across the whole economy with some accuracy, it is not intended to be an accurate measure for people with low incomes.

But more importantly, updating a poverty measure only for inflation, regardless of the inflation index, at best acts to freeze in time living standards, which is inappropriate for measuring income deprivation.

Economist and philosopher Adam Smith observed that while a linen shirt was considered a luxury in the past, lacking one indicated poverty in much of the late 18th century Europe. Centuries later and an ocean away, in 1964 and in these very buildings, Republican members of the Joint Economic Committee wrote, "In America, as our standard of living rises, so does our idea of what is substandard." I couldn't agree more.

The administration's proposal would gradually shrink the already-low Federal poverty line relative to its current trajectory. In turn, fewer people would be eligible for foundational support programs as the proposal's effects compound over time.

Hundreds of thousands of children would lose access to programs like Medicaid and SNAP, which improve kids' health when they become adults, and increase their educational attainment, including high school graduation rates. Programs like WIC, which reduce infant mortality and improve birth outcomes, would also see declines in participation.

This is a crucial conversation for our country. Poverty lines should always be connected to our living standards. Our current method of measuring poverty falls short, but the administration's proposal arbitrarily singles out and dubiously adjusts one aspect of the poverty measure without accounting for the broader ramifications to the measure's usefulness, relevance, and accuracy. This change would move the overall measure in the wrong direction.

Instead, changes to poverty measurement should be considered carefully through significant research in consultation with experts, including people with lived experience with poverty.

As someone who immigrated to this country with my family carrying \$80 and having a place to stay, I will say this: This seemingly technical change poses enormous dangers to families struggling against structural barriers to their own prosperity. And as a researcher who has worked on this issue for years, I will say this: This change poses very real dangers to our Nation's prosperity, as well.

Thank you. I look forward to taking questions.

Mr. CONNOLLY. Thank you. Perfectly timed. Sister Campbell, welcome back. You have five minutes.

**STATEMENT OF SISTER SIMONE CAMPBELL, EXECUTIVE  
DIRECTOR, NETWORK LOBBY**

Sister CAMPBELL. Thank you, Chairman Connolly and Ranking Member Meadows. It's an honor for me to appear here for our organization, Network Lobby for Catholic Social Justice. I'm honored to address this critical issue of what is happening, how do we determine poverty, and what do we use to assess it into the future.

Today's hearing is examining this impact on children of a proposed regulation modifying the calculation of the Consumer Price Index. The two topics of Chained CPI and children might seem totally disconnected, but I'm here to tell you that they are integrally connected and not in a good way.

Chained CPI is based on the upper class experience of comparison shopping and buying in bulk. If we apply the experience of the wealthy to low-income families, we deny struggling families their experience, exacerbate their poverty, and thus hurt their children.

By reducing the CPI over time, it will push parents and their children off critical life-saving programs, which has been the design of the current administration.

At Network, on our various Nuns on the Bus campaigns, we have traveled the country, listening to people's experience and lifting up Federal policies that can make a difference in their lives. Additionally, in 2019, our organization held 17 roundtables in rural communities in 16 states. So that you can have some sense of the breadth of our travel, I invite you to look at our map of the states where we have been, color-coded, in either On the Bus or in our 2019 series or rural roundtables.

While we've missed the northwest, as we can tell, on our major trips, we have developed a sense of the economic reality in both urban and rural settings. What we found in rural communities is that the people have no options for shopping.

In Tutwiler, Mississippi, we saw that there was only the Dollar General store on the outskirts of town, and it had no fresh fruits or vegetables. If you wanted something else to eat, there was only, quote, "gas station chicken," prepared by the gas station owners, and there were no options, no choices. There were also no restaurants or fast food outlets.

Outside Tiffin, Ohio, the story was the same. The rural residents referred to their Dollar General as the shopping mall because it carried a bit of everything and was their only option.

In rural northern California, we learned that the tribal casino was beginning to stock food items in their souvenir store because the casino bus was the only bus transportation in several county-wide areas. People without cars were depending on the bus. It was the only way for many families to get to any form of a store, and these rural residents had no store, no choice, no opportunity.

Chained CPI's major premise of options does not exist for wide swaths of our people. This results in families having to pay the single price offered. There's no capacity to shop for lower prices. There's also no capacity to, quote, "buy in bulk" because there's no extra money available for the added bulk cost. And there's no room available in cramped rental spaces to store the products, and often no convenient transportation to haul bulky items home.

Additionally, in urban settings, as well as rural, low-income families are already stretched thin. In Milwaukee, Wisconsin, I met Billy and his wife and two boys, aged 14 and six. They told me—Billy told me that he and his wife are employed, but their rent and utilities take their entire salaries. Billy said living in the car was not an option for the boys.

So, they consolidate the rent—their wages for rent, use SNAP benefits for the boys during the day, and go to St. Benedict the Moor dining room in the evening for a free supper. Billy said it was the—it was okay for a parent to eat once, maybe twice a day, but growing children need more than that. This truth was emphasized by his 14-year-old son eyeing his dad's roll, sitting uneaten on Billy's plate. Billy felt his son's desire without even looking at him. He just said, okay, go ahead, you can have it. And this hungry 14-year-old pounced on the roll.



If there is any reduction in SNAP benefits for this hard-working family, Billy's kids will suffer the same fate as their parents, and they will not be able to eat three meals a day.

As a Catholic sister, I value the moral framework set by my faith. At World Youth Day in 2013, Pope Francis said, "The measure of the greatness of a society is found in the way it treats those most in need, those who have nothing apart from their poverty."

So, my prayer for you, as you look at this critical issue, is may our wealthy Nation recover its moral and constitutional compass and invest in our children and their families. This will be a step toward realizing our constitutional commitment, for we, the people, to promote the general welfare and secure the blessings of liberty to ourselves and our posterity.

Mr. CONNOLLY. Thank you, Sister Campbell. Mr. Smith?

**STATEMENT OF ROB SMITH, ADVISORY BOARD MEMBER,  
LEGACY REPUBLICAN ALLIANCE**

Mr. SMITH. Good morning, Honorable Chair, Ranking Member, and honorable members of this committee. My name is Rob Smith. I'm a U.S. Army veteran and a proud Black conservative.

I grew up in the working class community of Akron, Ohio and was raised by a single mother who was, yes, on government assistance for a small point in time when I was very young after my mother and father divorced. Although we didn't have much money or access to a whole lot of resources, she worked very hard to provide for her children.

Like many who grew up in Akron, Ohio, I attended some of the lowest performing and under-funded schools in the neighborhood. Disaffected teachers would routinely come to class unprepared, and my counselors had little idea of what to do with a student who quite obviously didn't have an athletic scholarship ready and available for him upon graduation.

What we did have in our poor, working-class neighborhood, however, was a strong sense of community and an undying belief in self. The figureheads, parents, and activists of my day always spoke positively of a brighter future, one where they'd have successfully passed on the torch of leadership and hope of opportunity to us so that we could pave the way for additional successes, just like our forefathers and mothers had done for us.

That undying belief in the ability for us as human beings, each of us all endowed with great gifts, to continuously improve and better our circumstances and the world around us is what drove me to better myself and to serve my country.

I graduated from high school near the top of my class and decided to serve my country as an infantryman in the United States Army, including a deployment to both Kuwait and Iraq. I credit the time that I spent in the Army with building the unshakable belief that I have in myself; that I am not a victim; that there is nothing that I cannot achieve; and that I am in the best place I could possibly be in to do this, which is the United States of America.

I joined the military because I love my country and because it offered a working-class kid like me the opportunity to see the world far beyond the confines of Akron, Ohio. It offered me the American Dream.

Today, I'm a political analyst who has provided commentary on several major news networks, including CNN and Fox News. I have met the last two Presidents of the United States. I have met Ambassadors, Congressmen and women, and senators.

I advocate for veteran's rights. I protested for the repeal of the Don't Ask, Don't Tell law that barred service for military members who were openly lesbian, gay, or bisexual.

I am the first person in the history of my family to receive my bachelor's degree from Syracuse University and also my master's degree from Columbia University.

I'm now a contributor to several reputable online resources and will publish my memoir in May.

I am living a life far beyond what my high school education and upbringing would have suggested, and I wouldn't have been able to accomplish any of these things had my mentality and beliefs about self been any different. If I had succumbed to the soft bigotry of low expectations or to any of the rhetoric from elected officials who wished to substitute the role that strong individuals and communities play in supporting each other, with that of an all-powerful, unaccountable, and bloated government, where would I be today?

Granted, it wasn't until I started to reject the messages that seek to take control and responsibility out of the hands of the individual and put that into the government that I saw my greatest personal and career successes.

Just a few decades ago, such an existence would have been infeasible in the communities where I come from. No one wants their lives dictated by the government. It is the exact antithesis of the values that have and continue to make our country great.

Yes, I have family members who remain on government assistance. I have seen firsthand how the government can easily take on the role of father in the household and the destruction and dysfunction that that can cause.

After a long and steady drum beat by this latest flock of so-called progressives, people have unfortunately come to believe that more government may actually be a solution to their problems.

A casual glance at the economy under President Trump suggests otherwise. Since his first days in office, the President has worked to unlock the economy by removing regulatory burdens from small business owners and entrepreneurs so that they can continue to innovate in the diverse communities where they live, work, and play. I have seen Black, small-business owners that I myself patronize thrive in this economy.

Objectively, we can see results. We can see poverty on the decline. The Black unemployment rate at the lowest it's been in recorded history, and the stock market has experienced an unprecedented rally that's undoubtedly been good for the retirements of working-class American families. The proof is right in front of us for all to see.

Even those who advocate for socialism——

Mr. CONNOLLY. Mr. Smith, you are going to——

Mr. SMITH [continuing]. Continue to reap benefits of the greatest economy this generation has seen.

Mr. CONNOLLY. Thank you, Mr. Smith.

Mr. SMITH. Thank you.  
Mr. CONNOLLY. Ms. Hutchison.

**STATEMENT OF AMY JO HUTCHISON, ORGANIZER, HEALTHY  
KIDS AND FAMILIES COALITION, WEST VIRGINIA**

Ms. HUTCHISON. Good morning. My name is Amy Jo Hutchison. I'm a single mom of two who's lived in West Virginia all my life. I'm also a community organizer for West Virginia Healthy Kids and Families, Our Future West Virginia, where I organize and advocate for poor, marginalized folks.

Today I'm here to help you better understand poverty because poverty is my lived experience. And I'm also here to acknowledge the biased beliefs that poor people are lazy and that poverty is their fault. But how do I make you understand things like working fulltime for \$10 an hour is only about \$19,000 a year, even though it's well above the Federal minimum wage of \$7.25 an hour.

I want to tell you about a single mom I met who was working at a gas station. She was promoted to manager, and within 30 days, she had to report her new income to DHHR. Within 60 days, her rent bumped from 475 to 950 a month, she lost her SNAP benefits, and her family's health insurance. So, she did what poor people are forced to do all the time. She resigned her promotion and went back to working part time just so she and her family could survive.

Another single mom I know encouraged her kids to get jobs. For her DHHR review, she had to claim their income, as well. She lost her SNAP benefits and her insurance, so she weaned herself off of her blood pressure medicines because she, working full time in a bank and part time at a shop on the weekends, couldn't afford to buy them. Eventually, the girls quit their jobs because their part-time fast food income was literally killing their mother.

You see, the thing is, children aren't going to escape poverty as long as they're relying on a head of household—excuse me—who's poor. Poverty rolls off the backs of parents and right onto the shoulders of our children despite how hard we try.

I can tell you about my own food insecurity and the nights I went to bed hungry so my kids could have seconds, and I was employed full time as a Head Start teacher.

I can tell you about being above the poverty guideline, nursing my gallbladder with essential oils and prayer, chewing on cloves, eating ibuprofen like they're Tic Tacs because I don't have health insurance and I can't afford a dentist.

I have two jobs and a bachelor's degree, and I struggle to make ends meet. The Federal poverty guidelines say that I'm not poor, but I cashed in a jarful of change the other night so my daughter could attend a high school band competition with her band. I can't go grocery shopping without a calculator. I had to decide which bills not to pay to be here in this room today. Believe me, I pulled myself up by the bootstraps so many damn times that I've ripped them off.

The current poverty guidelines are ridiculously out of touch. The poverty line for a family of three is \$21,720. Where I live, because of the oil and gas boom, a three-bedroom home rents for \$1,200 a month. So, if I made \$22,000 a year, which could disqualify me

from assistance, I would have \$8,000 left to raise two children and myself on, and yet the poverty guidelines wouldn't classify me as poor.

I Googled Congressmen's salary the other day, and according to **senate.gov**, the salary for senators, representatives, and delegates is \$174,000 a year. So a year of work for you is the equivalent of almost four years of work for me, and I'm \$24,000 above the Federal poverty guidelines' definition of poor. It would take nine people working full time for a year at \$10 an hour to match y'all's salary.

I also read that each senator is authorized \$40,000 for state office furniture and furnishings, and this amount has increased each year to reflect inflation. That \$40,000 a year for furniture is \$360 more than the Federal poverty guidelines for a family of seven.

And yet, here I am, begging you on behalf of the 15 million children living in poverty in the United States, on behalf of the one in three kids under the age of five, and nearly 100,000 children in my state of West Virginia living in poverty, to not change anything about these Federal poverty guidelines until you can make them relevant and reflect what poverty really looks like today.

You have a \$40,000 furniture allotment. West Virginia has a median income of \$43,000 and some change. People are working full time and are hungry. Kids are about to be kicked off their free and reduced lunch rolls because of changes y'all want to make to SNAP, even though 62 percent of West Virginia SNAP recipients are families with children—the very same children who cannot take a part-time job because their parents will die without insurance.

People are working full time in this country for very little money. They're not poor enough to get help; they don't make enough to get by. They're working while they're rationing their insulin, and they're skipping their meds because they can't afford food and healthcare at the same time.

So, shame on you. Shame on you, and shame on me, and shame on each and every one of us who haven't rattled the windows of these buildings with cries of outrage at a government that thinks their office furniture is worthy of \$40,000 a year and families and children aren't.

I'm not asking you to apologize for your privilege, but I'm asking you to see past it. There are 46 million Americans living in poverty, doing the best they know how with what they have, and we, in defense of children and families, cannot accept anything less from our very own government. Thank you.

Mr. CONNOLLY. Thank you, Ms. Hutchison.

[Applause.]

Ms. HUTCHISON. Thank you.

Mr. CONNOLLY. I think we just heard why this hearing is important.

I call on the distinguished chairman of the full committee, Ms. Maloney, for five minutes of questioning.

Chairwoman MALONEY. Thank you, Mr. Chairman. Today's important hearing examines how this administration is seeking to further distort what it means to live in poverty in the United States by adopting an inflation index that ignores true costs. We will also examine how the current official poverty measure inad-

equately addresses the needs of families with low incomes, as we have heard from some of our witnesses.

This proposal, one of many efforts by the administration that could hurt children and families across this country who are living in poverty, policies that failed to help those in need, and, in fact, continue poverty.

Ms. HUTCHISON, you work in West Virginia with low-income moms; correct?

Ms. HUTCHISON. Yes, ma'am.

Chairwoman MALONEY. And you have likely heard claims that because the stock market and economy are doing well, all Americans must be benefiting from these economic gains. So, my question is, are you benefiting from these economic gains? Are the women and families that you work with benefiting from the economic gains?

Ms. HUTCHISON. My answer to that, ma'am, would be no. West Virginia is one of the handful of states here in the Nation whose poverty rate has steadily increased over the course of the past two years.

Chairwoman MALONEY. Ms. Hutchison, what are some of the ways that life in poverty continues and impedes a child's future opportunities? How does it stop future opportunities, living in poverty?

Ms. HUTCHISON. I'm pretty emotional right now, so I want to apologize for that right off the bat.

There is a toxic stress that comes with being poor. It affects me, I pray, a lot more than it does my girls. You don't know what it's like to not be able to feed your kid what the neighbor kids are eating. That's why we have Title I programming, right, because they have extra needs and extra requirements for those kids in poverty.

We all know that it affects the first thousand days of a child's life, having proven to be the most important as far as brain development. If we can't nurture these kids, if we keep gutting the systems and crippling their mothers, we're never going to be able to see any improvement as far as children, whether that's social or emotional development.

You know, we also have a childcare crisis in West Virginia, so these kids aren't getting the early education that they require. But we're not working and focusing on brain development because that's so closely related to nutrition and economic, socioeconomic status, that we have to start paying attention to that.

Chairwoman MALONEY. Thank you. Sister Campbell, your organization works nationwide to promote justice and dignity for all. How would the administration's proposal to adjust the inflation index for the poverty threshold affect the families with whom you work?

Sister CAMPBELL. Congresswoman, I am keenly aware that this proposal would undercut the very tenuous hold that families have on stability.

I want to underscore that these families are not victims. These families are not subject to takeover by government. What they are subject to, however, principally, is low wages, low economic opportunity.

The alternatives to SNAP benefits, would be raising wages. If we raised wages in a significant fashion, that would dramatically reduce the need for SNAP benefits.

But in my view, working families deserve to eat. And when their wages and hours don't match the current costs, well, then we, as a Nation, have a responsibility to care for them.

Chairwoman MALONEY. Thank you. Mr. Dutta Gupta, you have researched poverty and inequality across our Nation. Could you summarize for some of us your key findings that detail the harms the families are suffering as a result of the actions of this administration? Specifically, how are current policies continuing inequality and deepening inequality in our Nation?

Mr. GUPTA. Thank you, Congresswoman Maloney, for the question.

First, we have seen, despite continued economic growth, for the first time since the enactment of the Affordable Care Act an actual decline in health coverage for children, which is really astonishing, and that's because of some of the sabotage and efforts to attack the health coverage options.

And then we've seen tax cuts that obviously wildly, disproportionately go to the very wealthiest and enrich people who least need it, while people who have the low and moderate incomes get very, very little, if anything.

Chairwoman MALONEY. Thank you. My time has expired. I would like to send you future questions in writing. Thank you for your testimony.

Mr. CONNOLLY. I thank the Chair.

Chairwoman MALONEY. All of your testimony.

Mr. CONNOLLY. The Chair now calls on Mr. Comer from Kentucky. Five minutes.

Mr. COMER [continuing]. Chairman. And I want to thank all the witnesses for being here today. My questions are for Mr. Smith.

We are talking about the poverty line here today, and the poverty line is determining eligibility for certain welfare payments and welfare programs. So, I think it is pertinent to discuss the welfare system and whether or not it is working. I have always believed that the best way to get people out of poverty is not necessarily through government programs, but through creating an environment where those living in poverty have access to a good-paying job.

If you look at the macro environment today, we have a very strong economy. Now, I represent a lot of areas of excessive poverty, and I will admit, there are communities in Kentucky and in America that have not benefited as well as others.

But regardless of what community where I travel in Kentucky, there are an enormous number of jobs available in every community right now. The unemployment rate is the lowest it has been in my lifetime, and I do not know—I represent 30 counties in Kentucky. I do not know of a single county that does not have at least 50 to 100 jobs posted. Some counties have thousands of jobs posted online.

But my question, Mr. Smith, with reference to the welfare system, is the welfare system today working for people in poverty?

Mr. SMITH. It is not of my opinion that the welfare system today is working for people in poverty. My experience in welfare, like I testified, I have family members that are on government assistance. My mother was on government assistance when I was younger.

My experience, from what I've seen with my own two eyes, I'm not somebody that studies this and works in it—works in it in some big overarching way. What I have seen with my own two eyes is people become dependent on a system. What I have seen is people figure out ways that they can use a system. And what I see is that fundamentally, when people are within the system, what I've seen for years and years and years and years, it's almost like it takes away their ability to see anything more for themselves and to see a better life for themselves because they are so used to being what I call the surrogate father, Uncle Sam. That is what I have seen with my own two eyes.

Now, I know that people may have different experiences. I'm not here to testify about anybody else's experiences. I'm here to tell you what I've seen with my own two eyes. And as somebody that is an African American in this society, there are so many messages that are pushed to us that we need government assistance, that we need help, that we are weak, that we are victims, that we cannot create, that we cannot do things for ourselves.

And I feel like the welfare system as it stands right now is a part of those messages that we get. And I am aware that there are more Whites than Blacks in America, and I am aware that there are more White people on government assistance than Black people. But, what I see is the primary messages that are given about the welfare system, about government assistance, are being directed toward African Americans.

Mr. COMER. OK. One of the complaints I hear from both employers desperately trying to find more workers, as well as people who are living right there on the poverty line, is that many times it is more advantageous to remain on welfare than to take that leap of faith and go into the work force.

I believe that what we should be talking about is trying to come up with bridge programs to get people from welfare to the work force, and we have to recognize the fact that minimum wage is not a living wage.

Having said that, I do not think it is government's responsibility to determine the minimum wage. I think if you want to start a business and you can find employees willing to work for minimum wage, I think that is your prerogative.

But, I do have a problem in states like Kentucky where we give tax credits and tax incentives and grants to companies that do not pay a living wage. I think that is the way to address the wage issue. I do not think we need to set minimum wages in Congress for the private sector, but I do believe we need to re-evaluate our tax incentives as far as awarding the companies that do not pay a living wage.

So, I hope that we can take this committee hearing and look at ways to get people that are able-bodied from welfare out of this cycle, this never-ending cycle of welfare, that is not work. It is not work.

Mr. CONNOLLY. Thank you.

Mr. COMER. We need to get them into the work force, and that is what we need to focus on today, Mr. Chairman. Thank you.

Mr. CONNOLLY. I thank the gentleman. The gentleman from Maryland, Mr. Sarbanes, is recognized for five minutes.

Mr. SARBANES. Thank you, Mr. Chairman. I am going to thank the panel for your testimony. I appreciate you coming today. I want to salute my colleague, Ms. Ocasio-Cortez for her legislation on recognizing poverty.

This question of whether we even see poverty in the ways that we should as lawmakers and political leaders in this country I think is a persistent one.

I remember when I went to the funeral for Freddie Gray in Baltimore, and Elijah Cummings, former Chair of our full committee here, gave one of the eulogies and he said, did you see him? Did you see him when he was alive? I mean, there were thousands of people in the church that day, but Congressman Cummings wanted to know when he was alive, did we see Freddie Gray? Did we see him?

And I think the answer is we often do not see people in poverty in this country in a way that motivates us to do the right thing and to put the policies in place. Too often the people we see are the people who have the power to get access to us and show up in our offices because they are entitled, they can get the meetings, and then the policy gets made on their behalf.

We have to fix that. The moral integrity of a Nation can be measured by how we deal with poverty, and by that measure, we are failing every single day in this country. It is incredible in the richest Nation on earth that so many people suffer in poverty and often suffer in silence.

So, I want to thank the whole panel. I want to thank you, Sister Campbell, for the work of Network, the Faithful Democracy initiative where you are connecting the dots for us in terms of how money and influence determines policy when it comes to economic equality, or let's call it inequality in this country; where Wall Street decides what we should focus on, and the people that are left out and locked out do not have their priorities being met.

You know, I went back and found a quotation from Bob Dole, Republican Senator, 1983. Here is what he said. He said, "When these political action committees give money, they expect something in return other than good government." So, he was talking about the tie between how lobbyists spend their money and special interests spend their money and the policy that gets made and it is not what good government should do.

But then he went on to say this. Very poignant. He said, "Poor people don't make political contributions. You might get a different result if there were a poor PAC up here in Washington." That is Bob Dole talking about the reality of how money influences policy and the impact it has in terms of our ability to address poverty in this country.

So, Sister Campbell, maybe you could just give me your thoughts. I expect you probably have some perspective on this, given the great work that Network is doing to try to expose that connection between money and policy that leaves people who are suffering in



poverty out of the equation. So, I invite you to give me your thoughts on it. Thank you.

Sister CAMPBELL. Thank you, Congressman. I want to connect it to what Congressman Comer was saying because I was recently in West Virginia—in Kentucky. I was also in West Virginia, but I was recently in Kentucky, in the eastern part, in Congressman Rogers' district. And they have many signs there for help wanted, and the fact is they're all minimum wage jobs and people can't survive on these minimum wage jobs.

So, the—what—the roundtable we had, Mickey McCoy, who's a high school teacher, almost was in tears at the end when he said the thing that he wanted most, just wanted most, was for his representatives to actually represent him; just to meet with him just once and hear his actual story instead of only speaking to big coal.

And I think that is the tension in our democracy right now. And it goes to many of the issues that you've been working on, Congressman Sarbanes, on the issues of access to voting and making sure that we have an actual democracy.

But the key is, if you don't talk to ordinary people working minimum wage jobs, working in the schools, working in the various service sectors, then you're going to come away with your preconceptions that have been nourished by the ones you do talk to, who are the folks at the top, who then benefit from tax policy. It's a serious problem.

Mr. SARBANES. I yield back.

Mr. CONNOLLY. I thank the gentleman. The Chair now recognizes the gentleman from Georgia, Mr. Hice, for five minutes.

Mr. HICE. Thank you, Mr. Chairman, and thank each of you for being here today and for this hearing.

Mr. Smith, I do want to go to you. We, as I am sure each of you know, we spend a little over a trillion dollars a year in welfare programs, over 90 different programs between Federal, state, and local. And yet, even with this trillion dollars a year, 12 percent of Americans remain in poverty.

So, I do think—and I would like to piggyback some on Mr. Comer's line of thought and questions, as well. I do think it is pertinent for us to have a discussion about the welfare system and whether or not it works. Obviously, what all of us want is to see people come off of poverty. And in spite of spending a trillion dollars a year, we still have 12 percent in poverty.

So, the question that I want to begin with you is, do you think welfare programs as they currently exist are helping to alleviate poverty?

Mr. SMITH. I don't—do not believe that welfare systems as they stand are helping to alleviate poverty because I think that we're not talking a lot about personal responsibility and decisions that sometimes people may make that can put them into poverty.

Case in point: There is not a single woman in my family who made it to 21 years old without having a child. Every woman in my family who had a child before that age also had a child and was unmarried.

And I think that these things really do factor into whether people will live in poverty, and I feel like the welfare system as it stands right now is supposed to be a governmental solution to a

problem that starts with different choices. And I think that if the programs keep on expanding and expanding and expanding, we're not taking into account the choices and we're not talking about the fact that personal responsibility is going to have some sort of effect as to whether or not people live in poverty.

Now, I told you my story earlier when I testified, and I'm a bootstrapper through and through. I grew up working class poor. I made the decision at 17 years old to join the United States Army. The United States Army is where I learned discipline. The United States Army is where I learned how to take care of myself. The United States Army is where I learned all of the things that I believe that this government intervention, that these welfare programs, are trying to imbue in the households without having to be there.

That is what I really truly fundamentally believe. I realize that that is not a popular position to take not only in this chamber, but in American society, but it is what I believe because it has been my personal experience.

Mr. HICE. Well, and the studies that I have read through all of this, you are spot on in identifying it is a complex issue. But from my research, the three key issues and factors to get out of poverty include family, education, strong education, and economic opportunity. Those three things have to be available for all this. So, it's a multifaceted issue that we have got to discuss.

Here primarily today we are talking about the welfare programs primarily themselves. So, if the welfare programs as they currently exist are not ultimately helping to alleviate poverty, then we must second ask what does alleviate poverty. You have mentioned family. We have mentioned need of education, kids graduating from high school, and so forth.

But on the welfare side of things, the economy is critical so the people can have the opportunities, as Mr. Comer was saying, to get a high-paying job.

Mr. SMITH. Absolutely.

Mr. HICE. So what is the role of the economy in alleviating poverty?

Mr. SMITH. The role of the economy, I mean, we have a very strong economy right now. And what I wanted to say, as well, is that we don't realize how many more people are working right now. I am nowhere near the one percent and this economy has benefited me via the tax breaks that I got when I did taxes with my husband. It helps in a lot of different ways.

And I think that when there's more opportunity for people out there—you have Detroit right now—I read a story from NPR in Detroit. There are prisoners that were released for non-violent offenses over—under the First Step Act, which was passed by this administration. These are men and women who served 10, 15, 20 years. There are now so many jobs that people that are employers are rethinking their stance on hiring people that were previous offenders, and there are so many jobs open for them right now. So, I think that the economy really does have a very strong part in lifting people out of poverty. I really do.

Mr. CONNOLLY. I thank the gentleman.

Mr. HICE. Thank you, Mr. Chairman.

Mr. CONNOLLY. The Chair recognizes himself.

The idea that someone is poor because they made bad choices, or they embrace poverty as a choice is a very convenient way of ignoring reality. People are born into circumstances.

[Applause.]

Mr. CONNOLLY. People are born into circumstances. They do not control them. No child chooses poverty. This kind of rhetoric is a leftover from the Calvinist idea of predestination and the elect. It is your fault you are poor. What is wrong with you?

Yes, we have a full employment economy. I have lots of jobs in my district that are open. All of them require a graduate degree and a security clearance. Got one? We are not going to employ the people who have to find work at below-minimum wage, pumping gas or flipping hamburgers behind the fast food desk.

And, oh, by the way, this myth that this is welfare dependence; and if only you broke that cycle, you would not be poor; have the courage to make the right decision. The fact of the matter is the data shows that since we actually adopted programs from the Great Society, we did reduce the poverty level. We did help people with a handout to actually get out of poverty, to give kids an opportunity.

I started my opening statement by remembering Robert Kennedy's visit to the Mississippi Delta. This country did not see poverty. It was shocked. When those images were on television and we saw distended bellies in our country, we were shocked into action. No kid made that decision. No parent made that decision.

I am glad there is occasion where somebody apparently bootstraps himself up successfully, but not everybody has that opportunity. And that is not the story for lots of people, and it is not their fault. We are having a hearing today about the impact of a Chained CPI at the margins of people who are already living in the margins.

This is a test about who we are as a people. This is a test about whether we are willing to invest in our kids and their parents and guardians in the richest country in the world. To live with such poverty and, oh, by the way, to add to the stigma of blame like it is their fault is not worthy of a great country. It is not who we ought to be.

[Applause.]

Mr. CONNOLLY. Ms. Hutchison, I want to give you a chance because we heard earlier testimony that actually things are a lot better in West Virginia since West Virginia became a state in 1863.

[Laughter.]

Mr. CONNOLLY. I am very glad to hear that news.

Ms. HUTCHISON. They got that one right.

Mr. CONNOLLY. Although, we are still a little bitter in Virginia, but I will let that go.

And the other thing is whatever problems we have got pretty much are due to a war on coal. So your circumstances and that of your family, your understanding is that is based on the war on coal?

Ms. HUTCHISON. I don't have a coalminer in my family, sir.

Mr. CONNOLLY. Oh. Maybe you would like to react to some of the testimony we heard about your state.

Ms. HUTCHISON. Yes. And, you know, in the state of West Virginia in 2019, it was reported that two in five—two in every five children are on SNAP. Two in every five. I have two children myself, and there are three kids that live next door. So my two kids used to be on SNAP. I can't—one thing I do want to say is that I have been told for 15 years to stop having kids I couldn't afford. That's a child support issue and that's an accountability issue for the other parent who is not supporting their child, not this one.

[Applause.]

Ms. HUTCHISON. I'm sorry, but I wanted to say that out loud.

There are 349,423 West Virginians that rely on SNAP every month, and I was—we were talking this morning. I said I know a lot of poor people. That's my job. I organize poor folks. I don't know a welfare queen.

We are resilient. We were talking about how hard it is to get to D.C. when you're poor and you don't have a credit card, right? That was my asset. That was my thing. I don't have a credit card. And I don't know if you all know, you can't manipulate your way through D.C. without a credit card.

You know, and so we were talking about just the barriers, buying new clothes, feeling like you don't belong.

Mr. CONNOLLY. Thank you, Ms. Hutchison. My time is up.

The Chair recognizes—well, actually Mr. Massie I think is next, Mr. Grothman. Up to you, how you want to go.

The gentleman from Kentucky, Mr. Massie, is recognized for five minutes.

Mr. MASSIE. Thank you, Mr. Chairman. You and I have something in common. We worked in local government before. And when I was a county judge executive, which is kind of like the mayor of a county, one of the problems that was presented to me that we had to solve was we had a country store that wanted to be able to take WIC, but they did not have Internet access that would enable them to process that. So, there are some barriers that are still out there, and some of those are unique to rural areas.

I am from Kentucky myself. I asked the local grocer like what percent of your sales are SNAP, and I was actually shocked it was like 30 or 40 percent. So, with recognizing that this is an important issue and that a lot of people depend on the social safety net, I would like to remind folks that our goal is not to expand the social safety net so much as it is to try and help people get—use that net, but to get them back off of the net.

And, so, I wanted to talk about some of the things that the President highlighted in his State of the Union last night, and I would like to submit the State of the Union speech, the transcript of that, for the record, if I may.

Mr. CONNOLLY. Without objection. And the Chair will also add the Democratic responses to the speech last night for the record.

Mr. MASSIE. Without objection. So, the President highlighted—and I will draw this directly from his speech. One of the things he highlighted is that since his election, we have created seven million new jobs, five million more than experts projected during previous administration.

The unemployment rate is at the lowest in over half a century.

The average unemployment rate under this administration is lower than any administration in the history of our country.

The unemployment rates for African Americans, Hispanic-Americans, and Asian-Americans have reached the lowest levels in history.

African American youth unemployment has reached an all-time low.

African American poverty has declined to the lowest rate ever recorded.

The unemployment rate for women has reached the lowest level in almost 70 years. Last year, women filled 72 percent of all new jobs added.

Veterans' unemployment rate dropped to a record new low, and I think that is something we also really need to focus on: When people come back from serving our country, making sure that there is a path for them to become gainfully employed.

The unemployment rate for disabled Americans has reached an all-time low. I think that is another area where we need to focus.

Workers without a high school diploma—and I know people that had to quit high school because their family needed them to be employed. Workers without a high school diploma have achieved the lowest unemployment rate recorded in U.S. history. And getting that diploma also is something that we need to focus on, too, because that is a barrier to the job market.

A record number of young Americans are now employed.

And also, I wanted to say that under this administration—and I know that this is somewhat controversial, but I do not think it should be—7 million Americans have come off the food stamp rolls, and 10 million people have been lifted off of welfare.

I think that is an important thing to look at, at that metric, while still understanding that we need that social safety net for some of those people. But the goal ultimately is to help them so that they do not need it.

And in the last—in just three years of the current administration, 3.5 million working-age people have joined the work force.

So, these are all things that I think are worth highlighting that were in the State of the Union address because we are talking about poverty here today and how to deal with it. And ultimately, the best thing we can do is not expand the number of people who are in poverty, but to pull up as many people as we can out of poverty.

And with that, I yield back the balance of my time.

Mr. CONNOLLY. I thank the gentleman. The gentlelady from the U.S. Virgin Islands is recognized for five minutes. Ms. Plaskett.

Ms. PLASKETT. Thank you, Mr. Chair, for having this hearing and for the importance of the discussion of poverty in the United States.

You know, I am reflecting on the fact that I heard so much 'I' and 'me.' And I hear so much 'I' and 'me' and bootstrap stories, which really just go against the whole Christian notion of thinking outside of yourself. It disturbs me. But then when I also hear discussions of women and choices that they make, that also explains a lot of the 'I' and 'me.'

As someone who had my first child at 21, and three before I left law school, I do not see the issue with that. I have a journalist and an architect and an engineer out of those children. Discussions that we cannot take care of ourselves and that the community does not negate what makes this country so great.

And as for the speech last night, 14 million people—14 million jobs were added in the last administration, far more than this administration. The unemployment rate dropped from 10 to five percent in the last administration. Only two percentage points have changed in this administration.

And when we take 10 million people off of welfare, what is the cost to us actually? If you do not even want to talk about the social costs, if that does not move you, what is the financial cost in the long run of doing something like that?

Dr. Gupta, removing children from welfare, healthcare access, does that reduce—will removing that reduce the Federal deficit? And does it shrink the Federal budget?

Mr. GUPTA. Thank you, Congresswoman. Look, programs like Medicaid and CHIP, all the programs we're talking about, SNAP, WIC, they provide a fundamental, basic foundation for all families, for all kids who participate.

The research is overwhelming that these programs, when you look at the next generation, so the kids who participate, will do better in school. If we want more high school graduation, Medicaid and SNAP help with that. We know that. The kids will be healthier, fewer chronic health conditions. That will be less costly to our society.

And, by the way, when we hear a figure like one trillion dollars being spent a year, a lot of that is a wildly inefficient healthcare system. The money is not going to low-income families. It's going to the providers, the doctors, the nurses, and the people who run diagnostics and equipment. It's not going directly to the families, a lot of that money.

So, one of the worst things we could do is reduce access to programs like Medicaid and CHIP and SNAP. I have yet to see research that suggests any of these programs that we're talking about has nothing but positive effects for that second generation, probably by helping address the toxic stress that Ms. Hutchison talked about, by allowing parents to spend more time with their kids.

And the final thing I'd just note is—

Ms. PLASKETT. But, you know, those are very—those are arguments that do not necessarily sway people; [that] is the bottom line. I am talking about the financials because for many of us in this room, that is what is important.

Mr. GUPTA. They'll be—they'll earn more. Kids who are exposed to Medicaid and SNAP and other programs are likely to earn more as adults, to be employed more as adults, to pay more taxes.

There's increasing evidence that some of these programs may even pay for themselves. Like housing assistance programs, childcare programs we don't have, like paid family and medical leave. So, we should really think about what happens over the long term.

And I think you're exactly right that we're going to see greater tax receipts, we're going to see greater economic output, and our economy is going to prosper much more.

Ms. PLASKETT. So it is an investment we are making in Americans?

Mr. GUPTA. Absolutely.

Ms. PLASKETT. Sister Campbell, thank you so much for the work that you are doing in your community.

How are low-income families particularly vulnerable to increasing healthcare costs?

Sister CAMPBELL. Low-income families are stressed—stretched thin in attempting to respond to the healthcare needs. The holes in our system, if you do not qualify for Medicaid or you're in a state which has not expanded Medicaid, means that your kids are vulnerable.

In Mississippi at our rural roundtable, we heard the story about how kids sign up for sports in the high school because they can get a free healthcare screening in advance of playing the sports, which they cannot get on their own in their family. This is a level of desperation that needs to be addressed. Our kids are suffering.

Mr. CONNOLLY. I thank—

Ms. PLASKETT. Thank you so much. You know, I just think about—in this closing—in the Virgin Islands, the Federal Government has determined that we are not entirely American citizens, and so our Medicaid costs and the things that we receive are at a much lower level than other places. Therefore, our local government's economy is strained. When parents have to make the choice of not having health insurance, not having Medicare because we cannot afford to put them on there because the cost, the percentages, are too high for us. In the end, it costs us more because of the illnesses that those children have, because of the strain on local government to meet the needs of those who have to go to our local hospitals to do so.

Mr. CONNOLLY. I thank—

Ms. PLASKETT. So I want to thank my colleague, Ms. Ocasio-Cortez, for her bill and the work that this committee is doing to address these issues. Thank you.

Mr. CONNOLLY. I thank the gentlelady.

The gentleman from Wisconsin, Mr. Grothman, is recognized for five minutes.

Mr. GROTHMAN. Mr. Smith, thanks for being here. It takes kind of guts to show up in this sort of environment.

Karl Marx, you know, obviously one of his goals was the evolution of the family. And the programs that began in the 1960's under Lyndon Johnson—well, there are plus and minuses to all the programs, be it SNAP, housing, TANF, Pell grants, medical care. They all seem to share a discouragement of marriage, and you mentioned how, in your family, a lot of that was going on.

Could you comment on the effect on the eligibility of these programs and kind of the decline of the family structure in America since the programs began?

Mr. SMITH. Yes, I will do my best. First of all, I just wanted to say that, you know, there's definitely a lot of 'I' and 'me' in my story, but for me sitting here, the 'I' and the 'me' represents mil-

lions of Americans of all colors who have similar stories about how they were able to help themselves, about how they were able to lift themselves up out of poverty, about how they were able to believe in themselves enough to know that they could do better. And I just wanted to say that.

Now, when you talk about the family structure and you talk about how the welfare system has accelerated the decline of the family structure, you have to look at the rules that make it more beneficial for women not to have a man in the home, to not be married, right? And these things, when they go in generation and generation and in generation, and I've seen with my own two eyes this create generational dependency, generational dysfunction. And when you get that deep into it, it gets harder and harder for people to get out of it.

And the messages that say that it is the government's responsibility to take care of people, like I said—there was a part of my speech I didn't get to. But basically, I agree with the President when he said that we can't just leave people on the streets.

But the purpose of the safety net was never dependency; it was transition. So the arguments I constantly hear about these programs, that I constantly hear about the expansion of the safety net, is not about transitioning people off of it. It is always about keeping people on. And I do believe that it engenders a sort of mental idea with people.

Mr. GROTHMAN. Right. Can I cut you off?

Mr. SMITH. Yes.

Mr. GROTHMAN. I love talking to immigrants, and one of the things I get when I talk to immigrants, cab drivers or whatever in this town, is they are living the American Dream.

Mr. SMITH. Absolutely.

Mr. GROTHMAN. They came here with broken English, you know, very little education, but they are living the American Dream.

And I wondered if one of the reasons you feel that why immigrants who come here from Afghanistan, Guatemala, wherever, are living the American Dream, whereas Americans born here are not, is Americans born here, kind of from some of the other people in the room, get the message that ask the government, ask the government, ask the government. And people who come here from other countries who were not brought up in that culture are living the American Dream, have their own house, because they do not have that burden of being told you should look to the government.

Mr. SMITH. Well, Congressman, I don't believe that it's a difference between people that were native born in America and people that are immigrants. I believe that it's a difference in messaging that people get.

If you are a kid from a working class or poor background, or comes from poverty like I have, and if you get messages over and over and over again that you cannot exist in this society, that you cannot make it, that this society is racist and is sexist and is xenophobic and is homophobic and all of these different things, then you—if you take in those messages, you will not be motivated to succeed.

I truly believe that the messages that we give to some of our poor and working class kids in this society is that you don't need to in-



vent anything for yourself, you don't need to do anything for yourself, because the government will do it. And I fundamentally believe that these messages are very damaging for the youth of America.

Mr. GROTHMAN. I guess what I am saying is people born in this country get those messages. People who just show up from Afghanistan or Guatemala might not breathe in those messages.

Mr. SMITH. Yes.

Mr. GROTHMAN. So they form families and become part of the middle class.

Mr. SMITH. Yes. And I just wanted to say—I've got 15 seconds left—if we take completely 100 percent the element of personal responsibility and personal choices out of where people end up in life, I don't think that that's a good thing.

Mr. GROTHMAN. Oh, it is just a horrible thing to say. Just horrible to say that you are entirely a victim, yes.

Mr. CONNOLLY. I thank the gentleman.

The gentlelady from Michigan, Ms. Lawrence, is recognized for five minutes.

Mrs. LAWRENCE. Yes. Mr. Smith, you evoked a lot of 'me' and 'I' and 'bootstraps.' I have a question for you. You talked about the women in your family making bad choices. Obviously, you feel because you have a lot of 'I's' that you were not a bad choice to be born.

The women in your family, do you look at them as part of the problem? Did they make bad decisions? Because you said these women who had children, they made bad decisions.

So, are you saying that the culture that you were brought in, that those women in your family are bad people? They are lazy? They do not respect the sense of your accomplishments? So, when you come around, are you ostracized because you are not on welfare anymore?

You told your 'me' and 'I' and you are sending a strong message right now as a Black man that Black women are dysfunctional and they want to sit around and get welfare. So, can you clear that up for me?

Mr. SMITH. Congresswoman, I would love to. And I absolutely did not say that my—the women in my family were bad people.

Mrs. LAWRENCE. They made bad choices.

Mr. SMITH. They—and I didn't say that they made bad choices either. Congresswoman, what I was—okay. Alright.

Congresswoman—yes. If I could answer the question. Congresswoman, what I would like to say is that there is no way that I can separate the fact that some of the women in my family, who I love and deeply respect—and we have had this conversation amongst each other, and I've had this conversation with them. There is no way for me to separate the struggles that they have had in their lives with the fact that a lot of them did have children very early in life.

Mrs. LAWRENCE. OK. Mr. Smith, I want to ask this question.

Mr. SMITH. Yes.

Mrs. LAWRENCE. The fact that you were able to pull up yourself from bootstraps, you had no control over the decision that your parents or your mother made. But the fact that you received food

stamps so that you could eat, so that you could develop, so that you could have a brain, there is a contribution that happened in your life that we have to take beyond you. There are children in America who are hungry, and we as a country that sends billions of dollars to other countries to feed hungry children, how can we in this country, so that we can produce men like you, children who can grow up and for whatever reason that their mother made—I want you to know, any woman who raises her children and does the best she can, I am going to have her back. And I am not going to allow anyone—

[Applause.]

Mrs. LAWRENCE [continuing]. To sit here and say that. And, for the record, I have been married for 47 years, sir, and I raised my children with my husband. But that does not allow me to wear the ‘me’ hat and look down on any woman who, if she cannot feed her children—

And something I want to put on the record. Do you know, if you have children and you want to go to work and you try to pay for childcare, your whole check goes to childcare. And when you say we create a system that encourages women—

So, if I work—and usually she will have to work two jobs because the wages are so low, and then someone will charge them for childcare; or else she leaves them at home by themselves. Oh, that is illegal. So there are so many hurdles.

I want to ask Ms. Hutchison. I thank you for your work because being poor in America has been painted with this negative brush that you are lazy, you are not trying to get these jobs, there are a million jobs around you. Can you explain how in your community, West Virginia, relies on SNAP? And would you—what would it mean for families and neighbors if this resource was no longer there? So, paint a picture where we, as a government, say no more SNAP or assistance.

Ms. HUTCHISON. Yes. First of all, most of the people that I know are the working poor, and I think may be one of the reasons why our unemployment numbers have fallen, is because we are working two and three jobs.

And then as far as SNAP, I live in the city. I live in one of the better off counties in the state, the northern part, and I live downtown. The Title I—the elementary school down the street from my house is a Title I school. For years, the poverty numbers in that one school were so high that every child in that school received free breakfast and lunch before other schools in the county had ever reached that mark.

Now every single school in my county receives free and reduced lunch, and I think that speaks directly to your question. You know, we struggle enough right now. The food pantries, they’re under so much pressure. And we saw this during the Federal shutdown last year. Especially the food pantries were struggling. Most of our food pantries in my community are run out of small churches on private donations, and now they’re worried that the more that we gut the SNAP program that the heavier their burden is going to be to the point where they’re not going to be able to survive either.

Mr. CONNOLLY. Thank the—

Mrs. LAWRENCE. I want to close with a statistic, sir. In 36 months, before the 2016 election, the U.S. economy added more than eight million jobs. And the labor market has, since the current President has been in office, 6.7. Thirty-six months in the previous administration. Thank you.

Mr. CONNOLLY. I thank the gentlelady. The gentleman from North Carolina, Mr. Meadows, is recognized for five minutes.

Mr. MEADOWS. Thank you, Mr. Chairman. I want to come back and hopefully what we can do is have some action items.

So, Ms. Hutchison, I heard in your opening testimony where you were talking about how actually someone gets a job and they have reduced benefits and, you know, it is a disincentive, I guess, for keeping a job or actually having children keep a job. Is that correct? Because I heard that—actually, I guess it was their wages that get calculated in according to your testimony, and it would allow them to not qualify either for housing or for assistance?

Ms. HUTCHISON. Right, and so they would lose those benefits within days of reporting their income.

Mr. MEADOWS. So, if there was some way to actually protect that, where you say, okay, you get a job and actually where you have a ramp to actually work through that.

Because, listen, I grew up with very humble beginnings, and with a loving mother and loving father, and yet I understand what—well, I don't know that I understand, but I have empathy for the stories that you are sharing with me.

And what I also know is that in trying to get out of those humble beginnings, there were a lot of incentives. I mean, you know, I wanted, you know, something that maybe my neighbors had that we did not have.

And, so, what I would like from you, if you would get to this committee as part of a homework—not to give you homework, but if you can give me three things that families in West Virginia, if they had the ability to get a job, and whether it is \$10 an hour, you know, \$8 an hour, and how it affects those other subsidies or safety nets.

What would be your recommendation on how, as a Federal Government, we can look at that to allow them the opportunity to live that American Dream and hopefully end up like Mr. Smith where the support was a temporary thing and not something that is a life cycle of having to have on that. Could you do that for me?

Ms. HUTCHISON. I would be honored to do that for you.

Mr. MEADOWS. Alright. And Sister Campbell, here is the other area. This is not your first rodeo. You have been here before. You know how the testimony goes.

And here is what I would—in terms of children and those needs, as I said in my opening remarks, free and reduced lunch is a big thing in the western mountains of North Carolina. Sometimes it is the only decent meal that they get that day. And, so to the extent that we can look at those areas that allow for children to get the assistance, and knowing also how do we put a safety net around that assistance for children that do not get sidelined because of other choices in family situations. I mean, some of the most heart-breaking things that I saw was actually money that was going to feed kids that actually got sold to buy drugs.

And when you see that, we have got to figure out a way that we can actually meet the needs that we are all talking about here and yet—if you can come up with two ideas in your area to provide to the committee, would you be willing to do that?

Sister CAMPBELL. I would love to. It would be great because I think there's a lot of misunderstanding about the cycles of poverty and the fact that the majority of folks cycle off—

Mr. MEADOWS. Right.

Sister CAMPBELL.—Assistance just the way Mr. Smith's family did.

Mr. MEADOWS. Right.

Sister CAMPBELL. And, so, it is not this, what some folks—some folks like to call a hammock or mischaracterized that way. But I'd be happy to get you that data.

The other piece to know is that the—it's not just school lunch or breakfast. It's also weekend backpacks that—

Mr. MEADOWS. Right.

Sister CAMPBELL.—Many in the rural community—

Mr. MEADOWS. We have a backpack program that honestly has worked really well, and it is one—but, in that, we are working with food banks. We are working with a number of other businesses in the area. And sometimes, in fact oftentimes, it is those groups that come together with a small amount of Federal assistance and whole lot of private compassion and work that actually does a much better job.

Sadly, Ms. Hutchison, you talked about, you know, what we do here in Congress and the misplaced priorities of congressional budgets. You are preaching to the choir. I mean, every day I look at things and say why are we spending money for X, Y, and Z? And, so, to the extent that we can do that, it would be great.

Is it Mr. Dutta Gupta? OK. My apology. That North Carolina tongue has a harder time saying your last name.

But as we look at this, here is what I would ask of you. You mentioned earlier in your testimony about how actually—I guess you said that people on SNAP and others actually have a better achievement rate. And, so, I would be very interested in those because, listen, I have been around long enough to know that he who pays for the study wins the study. And, so, I guess what I would love to do is look at the cross tabs and look at that because, as a small modification, I think that that is important.

And I appreciate the Chairman's graciousness and I—all of you, if you will get that homework back to us, I think we will be in a good place. Thank you.

Mr. GUPTA. I look forward to it.

Mr. CONNOLLY. I thank the gentleman. The gentleman from California, Mr. Khanna, is recognized for five minutes.

Mr. KHANNA. Thank you, Mr. Chair.

Ms. Hutchison, thank you for your very moving testimony. You know, one thing you said really struck me, which is that you said you are not asking people up here to give up their privilege, but to look beyond their privilege. And I thought that was quite a remarkable observation. So, I wanted to give you the opportunity, I mean, if you were in Congress or if you were working for someone

in Congress, what would be the main things you would do to help people?

Ms. HUTCHISON. I don't know if I'd ever be able raise enough funds to run for Congress, but I'd look good sitting in one of those chairs one day.

I think one of the—I'd have to check my bias, to be honest with you, walking in here because I am so used to being told that this is my fault, that I am lazy. West Virginia has the more—most veterans per capita than any other state in the Nation. Poverty fuels the military machine. People join the military because they're so poor they can't make it any other way.

The other thing that I want to say is that sometimes when I walk into spaces like this, I struggle. I wanted to go buy new clothes for today because I felt like that's what was expected. Like I had to dress myself up to look like everybody else and to talk like everybody else.

One thing, thank you for noticing your own privilege because I think that's the—it's like that's the first step in the right direction.

The other thing is I am very honored to be here today. I don't know why God chose me to be the one person to speak on behalf of millions of poor people, but I hope I did well.

And the one thing is, if we start talking to poor folks and less about them, then that's how we're going to fix this problem. We're talking about budgets and you give me a roomful of single moms that are living on a food stamp budget—

[Applause.]

Ms. Hutchison—and we're going to know where every single penny goes. You know, we have so many skills because of—because of our poverty that we don't celebrate and we don't recognize.

West Virginians are the most resilient and hardest-working people I have ever met. We don't know how to give up. It's in our DNA.

And, so, we have actually worked on legislation on the state level of my organization to try to—the bill was called Stop Punishing Work and Marriage. Because what happens is when you get married or get a better-paying job, you lose your benefits immediately. And, so, there is no way. And so the system is a handout rather than a hand up.

And I think it's going to take people who are impacted by these issues sitting at a table and having real, honest conversations. You've explained to me what your side of it looks like as far as numbers and policies and concerns. And I can get you a roomful of impassioned women and men who would love to sit and tell you what the other side of that looks like, too.

Mr. KHANNA. Well, thank you.

Ms. HUTCHISON. Thank you for the space.

Mr. KHANNA. Thank you, Ms. Hutchison, and thank you for coming here. And you are making a big impact and you should be proud of what you are doing.

Ms. HUTCHISON. Thank you.

Mr. KHANNA. I wanted to recognize and thank Representative Ocasio-Cortez for her leadership and doing something that is long-overdue and actually helps my district. I mean, the cost of living in my district is enormous, and we have a problem where people

who are clearly under the poverty line are not getting Head Start, are not getting basic services. And, so, I think that the legislation that Representative Ocasio-Cortez has authored really can make a big difference.

And I wanted to ask you, Mr. Dutta Gupta, who—I know you have done a lot of work on this issue. Why was the poverty line defined the way it was? And what would you recommend that we do to capture really what the poverty rate is?

Mr. GUPTA. Thank you, Congressman Khanna. So, briefly, the poverty line was defined the way it was because of data limitations, because of this quest for some simplicity.

But remember, even Mollie Orshansky, who developed it, didn't expect it to be so durable. She thought that there would be improvements, that we would come—we would have a different poverty line by now.

And what we should do is very much the sort of approach you see in Representative Ocasio-Cortez' legislation. We should have researchers and other experts, specifically including people with recent lived experience with poverty, help inform a process where we develop a poverty line and measure that is connected with people's real lives, including acknowledging the fact that there are a lot of costs that have grown substantially, like childcare, health, higher education, since the 1950's.

Mr. KHANNA. Thank you. Thank you, Mr. Chairman.

Mr. CONNOLLY. I thank the gentleman. The gentlelady from the District of Columbia, Ms. Norton, is recognized for five minutes.

Ms. NORTON. Mr. Chairman, this matter of people having—women having children out of wedlock, single mothers, as it were, prompted me to go online. And I think these facts need to be in the record.

In the last Republican spending bill, you know when they were in the majority before we took over, they proposed to cut four million people from Title X access to birth control. In the repeal—that of course did not pass. We kept it from passing.

In the ACA, the Affordable Care Act, the so-called repeal and replace—you know, the replacement that never came—Senator Cruz would have permitted insurers to refuse to cover birth control. So, talk about blaming the victim. Blame the Congress. Because women who have access to birth control embrace it, but they need to be able to afford it and they should not, in a committee hearing like this, be made to take the blame when the blame is on the Congress.

I want to thank you, Mr. Chairman, for this series of hearings. This is not the only one you are having on children and poverty. At a time when, as we heard in the State of the Union last night, there are all these jobs, they are low-wage jobs. So I am interested in what happens. That is where the proliferation has come.

The Trump administration wants to put, after 10 years, 200,000 school-age children off of the lunch program. Either they would have to pay for it themselves—they would have to pay for it themselves. They could not get what we call free lunch now.

I would like to ask you, Ms. Hutchison. It occurs to me, wait a minute, they go to school five days a week. What do they do on the weekends? How are they fed since I understand that this may be

the only—this school lunch may be the only nutritious meal they receive?

Ms. HUTCHISON. A lot of times they rely on the backpack programs, that's very common throughout the state of West Virginia. Where a church or other social service organization will make sure they have enough at least to munch on throughout the weekends.

A lot of times they go to the soup kitchens and the missions. And a lot of times they just might not eat.

Ms. NORTON. These programs, Mr. Chairman, are vital for poor people to have lunch. We cannot do anything on the weekend, but at the very least, we should not be cutting them or reducing what they receive during those five days.

Mr. Dutta Gupta, do you have something to say on that?

Mr. GUPTA. Yes, Dutta Gupta. I just want to say something about the focus on basically single mothers and primarily women of color.

First, the evidence suggests that kids in single—who grew up in single-mother households actually do better than those where the parents' divorce. So, I think we need to keep that in mind. Single mothers are doing an amazing job raising kids who have more upward mobility in many cases.

Second, on reproductive health, the evidence suggests this is all about whether this is a choice or not. Actually, having a kid seems to have little to no effect on one's economic outcomes if you have a choice.

So, a lot of what's happening here is that women do not truly have the reproductive health choices that you've described and so are harmed by that. When they can control their reproductive health decisions, the outcomes for the kids and for the women are comparable to women who don't have kids.

Ms. NORTON. I remember the controversy over the Obama school lunch program when he was indeed more—what that administration did was to try to replace some of this junk food, pizzas and fries and the rest, and then there was some criticism. I wonder if any of you can tell us, was that program a failure? And was the administration's—what it now proposes to do is to put all that junk food back on. What should we be doing about that? Sister Campbell?

Sister CAMPBELL. It's a great question. And what our evidence indicates just in our anecdotal conversations around the country is that having nutritious food for young kids is critical, and that junk food precipitates—

Ms. NORTON. Weren't there some problems? Weren't there some criticisms that the children might not eat what the Obama Administration—the more nutritious—

Mr. CONNOLLY. Sister, you have 10 seconds in which to answer, and then I will turn to the author of the legislation at hand.

Sister CAMPBELL. That was a concern raised by the opposition. In fact, what it appears, based on teachers' reports to us, is it didn't materialize. The hungry kids eat.

Ms. NORTON. Thank you.

Mr. CONNOLLY. Wow, that was great.

[Laughter.]

Mr. CONNOLLY. I thought for sure you would fudge it. I was always influenced by nuns in my life, and I credit what I am doing now to my fifth grade nun, who was angry at me in school and was coming down the aisle, and I thought, oh, I am in deep trouble. And she caught herself. She pointed to me and she said, Connolly, all you need is a soap box and you could be a politician.

[Laughter.]

Mr. CONNOLLY. God bless the fifth grade nun. Now we turn, and thank you for your patience, to our colleague, Ocasio-Cortez. Five minutes.

Ms. OCASIO-CORTEZ. Thank you, Mr. Chairman, and I again would like to reiterate the gratitude that I have for this committee to be able to hold this space and actually have this hearing.

For so long in our country, poverty has been a taboo word. It is something that we are not allowed to talk about and it is something that we have difficulty acknowledging, and even in just the presence of this legislation.

This legislation that I am putting forward along with my colleagues is literally just to recognize poverty in America. That is it. Just directing someone, agencies, to just measure the level of poverty in this country. It does not even direct us to expand social programs. We are not even there yet. We are just talking about recognizing poverty, and there is resistance to doing that.

Why? Why? I believe that we do not want to recognize the level of poverty in the country because if we did, it would be a national scandal; and we will have to force ourselves to acknowledge that our systems have failed; and that we are not doing enough by our own people in a democracy that is supposed to be by the people and for the people, to serve the people of the United States of America, and we are not.

And, so, moving on, Ms. Hutchison, I just want to reiterate what everyone in this room knows. You said you do not know why God put you in this room. It is because you have been one of the most powerful witnesses to ever enter that I have seen in my short time here in Congress. And your testimony, I hope, will move and change the tide of how we treat poverty in this country.

You know, you brought up something so important, and I want to thank you for pointing out the hypocrisy of this system. My family was poor not too long ago. Many aspects of my family are still poor. My first three months here in Congress, I slept on an air mattress and walked to work and people made fun of me because I could not afford a second apartment. And that is with, you know, all of the privileges bestowed upon this office.

You brought up something so important, which is the mental cost and price of poverty. You were talking about how you felt self-conscious because you felt like you needed to buy a new outfit. And I understand because, like, no one takes the poor seriously, so we feel like we need to get all these degrees and show up dressed a certain way just so that someone can actually believe our story.

But I just wanted to let you know that your story has been—has filled up this entire room. Has absolutely filled it up.

And talk about some things that are crystal clear, 7 million people have not been lifted off of food stamps in this country. They were kicked off food stamps in this country. And people are going



hungry. They are going hungry because we like to use the word 'lift' instead of the truth, which was 'kicked' and we are booting millions of Americans into the streets because we want to believe and dupe ourselves into thinking that we are doing better. We are not. We are not.

Ms. HUTCHISON, I also want to thank you about bringing up the poverty draft and this idea of a bootstrap. You know, this idea and this metaphor of a bootstrap started off as a joke because it is a physical impossibility to lift yourself up by a bootstrap, by your shoelaces. It is physically impossible. The whole thing is a joke.

And when we talk about this poverty draft, about lifting ourselves up off the bootstraps, can you talk about that, Ms. Hutchison? Can you talk about the poverty draft in this country?

Ms. HUTCHISON. I would love to. I think, you know, the thing is, there's this assumption that if we do more—you know, I'm not doing enough to lift myself out of poverty and that's what we keep hearing all the time.

And what you said about kicking people off the rolls, I spent a whole summer organizing in rural food pantries across West Virginia. I know right now there's a 24-year old woman with autism who's too high-functioning for a disability check, but yet [because of] the mania associated with her autism, she has to have a very controlled environment in which to work in. Because of the waiver that West Virginia has, the work requirements, she's no longer getting SNAP benefits. You know, so those are the people that—

Ms. OCASIO-CORTEZ. She is going hungry.

Ms. HUTCHISON. Yes. And the foster kids who age out of the system, you know, who are expected to have a job. West Virginia right now—the Department of Justice just left our state. They did an investigation because we have 7,000 children in the foster care system because of the opioid crisis.

Because I had a junior in high school look at me, and I said, why is everybody drunk and high, because, you know, that's what she had just said about her school. And she said, because you can't be poor and happy at the same time. I said, you just described the opioid crisis to me in 10 words and you're a junior in high school.

You know, and so it's just if you do more, if you do more. OK, but \$10,000—I mean \$10 an hour is \$19,000 a year. You know, what else are you supposed to do? Because to me, more at home is \$10 an hour, \$10.50 an hour. We have 23 percent of West Virginia's childcare workers living in poverty.

Ms. OCASIO-CORTEZ. The people caring for our own children—

Ms. HUTCHISON. The people in charge of their brain development, their socioeconomic development. Yes, ma'am.

Ms. OCASIO-CORTEZ. I know I am out of time, so I will yield the rest of it to the Chair.

Mr. CONNOLLY. Again, I want to thank our colleague. Thanks for your patience and waiting.

Ms. OCASIO-CORTEZ. Of course.

Mr. CONNOLLY. We had a lot of interest obviously in this hearing. And I want to thank you for your leadership and your bill, and it is a privilege to co-sponsor.

[Applause.]

Mr. CONNOLLY. Let me just end by observing this. My roots, I'm the grandson of an immigrant, a woman who came from Ireland. She was a Catholic girl in Protestant Northern Ireland. She came over to the United States in 1920 at the age of 18. She had no skill, except she could sew. She had no education.

And when I came along, I decided to look up my Irish roots a little bit. You know what is eerie? If you read about the Irish famine, which was an early form of genocide, a third of the population of Ireland died. Another third emigrated, came here.

There were British laws at the time that forbade the Irish in their own country from fishing. There were British laws that forbade the Irish from owning their own land. There were British laws that forbade the Irish from speaking their own tongue or benefiting from their own farming, or to get an education.

But if you read the British official reactions to the famine, it is eerily similar to what we hear today. It is your own fault. You are lazy. You have too many children. You are illiterate. Somehow, intrinsically, there is something wrong with you. Even though to come to that conclusion back in the 1840's, you had to ignore all of the systemic, structural laws and impediments that made it impossible for the Irish to frankly survive when a famine hit their primary food source.

We have to get over this idea that there is something wrong with you. Are we a community, one Nation, indivisible under God, or not? Because if we are, then we help each other. We recognize that, through no fault, somebody is in a state we can do something about. And that is the ethos we ought to embrace. My Catholic social justice doctorate teaches me that, but so does my citizenship, proud citizenship, in this country because that is who we are as Americans.

[Applause.]

Mr. CONNOLLY. Thank you for being here today. Ms. Hutchison, you look great.

[Laughter.]

Mr. CONNOLLY. And thank you for your courage.

[Applause.]

Mr. CONNOLLY. Thank you for your courage. And I promise, this will be a dialog we will continue.

I have a whole bunch of things to enter into the record before I adjourn the hearing. And I ask unanimous consent that they be entered into the record, there is no objection.

[Laughter.]

Mr. CONNOLLY. It helps to be last, doesn't it? And all members will have five days, legislative days, within which to submit additional written question for the witnesses, which will be forwarded to the witnesses for their response.

And again, I thank everybody for being here today. This is the beginning of this discussion, not the end. God bless you all. Thank you. We are adjourned.

[Whereupon, at 12:13 p.m., the subcommittee was adjourned.]