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Opening Statement

Rep. Dennis J. Kucinich, Ranking Member

Subcommittee on Regulatory Affairs, Stimulus

Oversight and Government Spending

Hearing on: "Duplication, Overlap and Inefficiencies in Federal Welfare Programs"

June 1, 2011

Thank you, Mr. Chairman, and welcome to our witnesses. Today's hearing addresses a recently-issued Government Accountability Office (GAO) report. That report focused on duplicative federal programs, and highlighted opportunities to potentially enhance federal revenues by reducing inefficiencies and overlap. In its 339-page report, GAO devoted just 18 pages to addressing opportunities that may exist for reducing costs and improving the efficiency of certain federal welfare programs, most notably food assistance programs and job training programs. In both the Continuing Resolution votes as well as in other budget proposals, these programs in particular have been targeted for severe cuts.

GAO's findings are valuable – as long as they are not misunderstood. GAO recommended streamlining the administration of multiple programs delivering comparable benefits to similar or overlapping populations. Reducing administrative inefficiencies in federal welfare programs is an important goal that we should work together to address. But GAO did NOT find waste, fraud or abuse in the administration and delivery of these programs. And GAO does NOT recommend delivering fewer benefits to those in need, as the Majority's budget calls for.

In the aftermath of the most economically destructive recession since the Great Depression, poverty has been on the rise. According to the Food Research and Action Center, nearly one in five Americans struggled to afford enough food for themselves and their families in 2010. In Ohio, the homestate of both myself and the Chairman, there were 1.7 million people living in poverty in 2009, many remaining in poverty even though they worked full-time, year-round. As Lisa Hamler-Fugitt, Executive Director of the Ohio Association of Second Harvest Foodbanks, who is testifying before us today will confirm, in the State of Ohio the level of food insecurity is greater than 13%, the highest level in a generation. This statistic alone shows how dire the need is, and how critical federal food assistance programs are in Ohio, and nationwide. Our economy is showing positive signs of improvement, but with unemployment still at 9%, it's certainly no time to be pulling the plug on food assistance programs.

Similarly, the need for an adequately funded workforce development system has never been more urgent. At last count, thirteen and a half million Americans are unemployed. The labor force participation rate is still at a low not seen in over a generation. Yet job training program funding dropped by 30 percent from 2009 to 2010 due to the expiration of American Recovery and Reinvestment Act funds. Despite these cuts these programs are serving record numbers of U.S. workers. In Ohio, there are waitlists for employment and training services, and we are currently unable to meet the needs of the most vulnerable – those who are jobless and need our help to improve their lives.

I hope today's hearing will allow us to come together to make federal programs assisting those in need of food, housing, transportation, and job training more efficient, so that more federal dollars can be put toward putting food on families tables and providing people the skills they need to get back to work. The National Bureau of Economic Research finds that public programs keep one in six Americans out of poverty—primarily the elderly, disabled, and working poor—and that the poverty rate would double without these programs. The only way this country will maintain its competitiveness in the global economy is to ensure these services are maintained.