

Statement of Carolyn Maloney
Joint Economic Committee Hearing
September 10, 2009
-As Prepared for Delivery-

I want to thank our witnesses for joining us today to discuss the 2008 official government statistics on income, poverty, and health insurance coverage that were released this morning by the Commerce Department's Census Bureau.

These are among the most important indicators of family well-being, and the picture from 2000 to 2008 is rather grim.

Between 2000 and 2008, median household income fell by nearly \$2,200, the number of Americans living in poverty grew by 8.2 million, and nearly 8 million people joined the ranks of the uninsured.

American families have lost a decade due the failed economic policies of the Bush administration.

Nearly one year ago, this committee held a hearing at the request of the late Sen. Edward Kennedy on poverty in America. Sen. Kennedy devoted his career to being a strong and vocal champion for the poor. Although we have lost the beloved liberal lion of Senate, his dream lives on in us and we will continue his work on behalf of the less fortunate.

The economic fortunes of most Americans tend to rise and fall with the strength of the economy. During the economic expansion of the Clinton era, when unemployment hovered at around 4 percent, poverty fell to 11.3 percent, its lowest level in decades.

However, the weak economic recovery of the 2000s under the previous Administration did not lead to a further reduction in poverty, which now stands almost two full percentage points above its 2000 level.

Today in the United States, one out of every 8 people – almost 40 million – lives in poverty. The majority of people living in poverty are among the working poor. Worse still, 19 percent of our children, or almost one in five, now lives in poverty.

Median household income fell to \$50,303, the lowest level since 1997, which means that the typical American family actually lost economic ground during the last recovery. Our economy

may have grown, but those gains did not trickle down to the vast majority of families and the chasm between the “haves” and the “have nots” grew larger.

Too many jobs do not pay enough or lack the benefits to ensure families can make ends meet.

Over one quarter of U.S. jobs pay low wages and do not provide health insurance or a retirement plan, according to the Center for Economic and Policy Research.

Today’s data on health insurance coverage are a sobering reminder of the impact of our broken system on American families. 46.3 million Americans are uninsured, a figure that rose 20.6 percent between 2000 and 2008. Nearly one in ten children are growing up without health insurance, and over 30 percent of Hispanics lack coverage.

The share of Americans with private health insurance eroded precipitously over the eight years of the Bush Administration, as the cost of providing employer-based coverage crept steadily upwards.

Insurance premiums charged to employers increased by more than 100 percent between 2000 and 2008. The 2008 data reflect the first year of the Bush recession, but the legacy of his Administration’s failed economic policies has continued to wreak havoc on families.

Recent estimates suggest that continued increases in the unemployment rate between January 2009 and August 2009 mean that over 2 million more Americans have joined the ranks of the uninsured so far this year.

The time for comprehensive health insurance reform is now. As the data show, our nation’s families simply cannot afford to wait any longer.

America’s Affordable Health Choices Act (H.R. 3200) includes provisions that will stop the rise in uninsured Americans by making affordable, comprehensive coverage available to all citizens.

The bill includes subsidies for low- and moderate-income families to purchase health insurance coverage, as well as a well-designed health insurance exchange.

Within that health insurance exchange, Americans will have the option of choosing between private insurers or choosing a public option.

The inclusion of a public option is key to promoting competition and bringing down costs – and competition and cost-control is key to reversing the distressing trends in un-insurance that we have seen year after year in the Census data.

I look forward to the testimony of our witnesses.

