

CONGRESSWOMAN CAROLYN B. MALONEY

Congresswoman Carolyn B. Maloney (NY-12) Vice Chair of the Joint Economic Committee “Making it More Affordable to Raise a Family”

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Chairman Lee, thank you for shining a spotlight on the challenges facing American families.

We agree there is a problem.

Today, millions of American families are working longer and harder—not to get ahead—but just to stay in place.

Over the past four decades, wages have been stuck or have barely increased.

Meanwhile the costs of child care, education, housing and other necessities have grown.

Most families rely on two incomes just to make ends meet.

Nearly 40 percent of American adults report that they or their families have trouble paying for at least one basic need like food, health care, housing or utilities.

The picture is no brighter when you look at specific costs.

Take child care.

The average cost of center-based infant care is more than one quarter of median household income for single working parents. That means those who need child care the most can't afford it.

Or look at college education—which is almost a necessity in today's economy.

Since the 1980s, the average cost of a full-time undergraduate degree has more than tripled for public and private institutions.

Today's typical graduate leaves college with \$30,000 in debt.

Or look at housing.

Home prices are higher than ever and often out of reach. And over one third of renters spend more than 30 percent of their income on rent.

How are families responding to stagnant wages and growing costs?

By taking on debt.

Consumer debt, excluding mortgages, is now \$4 trillion—its highest level ever after adjusting for inflation.

Folks are also putting off home ownership, which can deprive them of a key source of wealth accumulation.

Everyone in this room agrees that it's more expensive than ever to raise a family.

But we may disagree about the causes. And we may disagree about the solutions.

I welcome the robust discussion that this committee provides.

The entrance of women in the workforce is not the problem. We may hear that Americans got married less frequently or later in life as women took on careers, and that this hurt fertility rates.

But women have become key drivers of our economic success.

Women's earnings boost the economy by trillions of dollars and are critical to American families.

Women's share of household earnings increased from 36 percent in 1993 to 45 percent in 2016.

Women could do even more if we made it easier for them to enter and stay in the workforce.

There are two key, overwhelmingly popular ways to do that: offer affordable child care and paid leave from work.

Let's take a lesson from other OECD countries that provide these services and have significantly higher female labor force participation.

And while we're at it, let's make sure that women are paid fairly so they have strong incentives to work.

On average, a woman working full time year-round earns just 82 percent of her male counterpart.

For Black and Hispanic women it's far worse.

For too many, the American Dream is slipping away or out of reach.

Some would say that the solution is for the federal government to do nothing.

I disagree. It has a key role to play in helping to restore that dream.

What can it do? What can Congress do?

Let's start by lifting the minimum wage.

The House has passed legislation to lift the minimum wage to \$15 by 2025 and give 33 million Americans a raise. It's time for the Senate to follow suit.

We should expand programs and initiatives that we know work—like the Earned Income Tax Credit and Child Tax Credit.

The EITC substantially increases employment among single mothers and reduces poverty levels for their families.

We should make the Child Tax Credit fully refundable to allow the poorest families to receive the full benefit.

The Working Families Tax Relief Act, which expands both the EITC and CTC, would benefit **49 million children**, including 2.7 million in New York State.

And we should strengthen the Supplemental Nutritional Assistance Program. SNAP not only provides a healthy foundation for America’s current and future workforce, it’s also an investment in our economy.

Every dollar of SNAP generates more than one and a half dollars in increased GDP.

And, finally, we should join the rest of the industrialized world and provide paid leave to workers.

My bill, which was included in the National Defense Authorization Act that passed the House this summer, is a good start.

It would provide 12 weeks of paid leave to federal employees after the birth or adoption of a child or to care for a family member who has a serious illness.

Raising a family is hard and rewarding work.

We need to do more to provide workers with tools to balance their work and family responsibilities.

Today’s hearing and our witnesses’ testimony will shed light on the actions we can take to make raising a family more affordable.

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