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Senate

(Legislative day of Tuesday, September 5, 1995)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Let us pray:

Gracious God, the day stretches out before us filled with more to do than it seems possible to accomplish. The rigors of responsibilities and the pressures of people weigh heavily upon us. We are deeply concerned for our Nation and long to give inspired leadership.

We humbly confess that in the midst of all the needs around us, our greatest need is to renew our relationship with You with an unreserved commitment of our lives to You. You have made commitment the secret of spiritual power for successful leadership. Thank You for the confidence we have when we commit to You our worries and fears and receive Your amazing grace and abundant guidance.

So we renew our commitment to You as our Lord and Savior, our strength and courage, our guide and inspiration. We commit our relationship to You. Help us to communicate Your hope and encouragement to the people around us. Most of all, we commit to You the work of this Senate today. We are here by Your appointment to glorify You and not ourselves. We turn over to You the challenges and decisions before us today. God, bless America today throughout the work we do together. In our Lord's name. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. ASHCROFT. For the information of all Senators, the Senate will proceed to a period for routine morning business not to extend beyond 10:30 a.m., with Senators permitted to speak for up to 5 minutes, with the exception of Senator MCCAIN, who is to be recognized for up to 30 minutes. At 10:30 a.m., the Senate will resume consideration of the welfare bill, and the time between 10:30 a.m. and 3:30 p.m. is equally divided between the two managers.

At 3:30 p.m., Senator DASCHLE will be recognized for up to 15 minutes to be followed by 15 minutes under the control of Senator DOLE. At 4 p.m., a rollcall vote will occur on the Daschle amendment to the welfare bill.

Additional amendments are expected to be offered following the disposition of the Daschle amendment. Therefore, votes can be expected into the evening in order to make progress on the welfare bill.

I call this to the attention of the Senate for purposes of restating this agreed-upon procedure.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ASHCROFT). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, due to the fact that no other Senator desires to speak, I ask unanimous consent that I be allowed to proceed in morning business up to 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO SENATOR CLAIBORNE PELL

Mr. HEFLIN. Mr. President, when our colleague from Rhode Island announced his retirement, I could not help but think of what a gentleman he is and what an example he has set for this body over the course of his 35-year career in the Senate. He is the walking embodiment of civility, a reminder of the days when politics and public service were indeed kinder and gentler.

First elected in 1960, CLAIBORNE PELL is not only Rhode Island's senior public servant, but also one of the Nation's senior statesmen. Only Senators THURMOND and BYRD have served here longer. He is one of the best arguments around today against term limits on Members of Congress. Senator PELL's father, Herbert Claiborne Pell, Jr., served as a Congressman from New York from 1919 to 1921 and was a close friend of Franklin Roosevelt and minister to Portugal and Hungary. He had five other relatives who served in Congress as well.

The younger PELL himself served as a foreign service officer for several years, then settled in Newport, along with the Vanderbilts and Auchinclosses. Most of us know him as the quiet, deliberate, thoughtful chairman, and now ranking member, of the Senate Foreign Relations Committee. He was present at the birth of the United Nations in San

Francisco 50 years ago, and today carries a copy of the U.N. Charter in his coat pocket. This ''eccentricity,'' as one news account called it, is a testament to the importance Senator PELL has always placed on an international organization aimed at promoting world peace and cooperation.

Senator PELL's greatest legacy probably will lie in the field of education. He is the second-ranking Democrat on the Committee on Labor and Human Resources and for years chaired the Subcommittee on Education, the Arts, and Humanities. He made a particular mark in setting up a grant program for needy college and university students. These Pell grants, as they are officially called, have become familiar to a generation of students. He has also been a leader in promoting ocean research.

A statement Senator PELL made in his retirement announcement summarizes his philosophy and approach to public service. He said,

> I consider . . . the United States Senate a marvelous institution. . . . And I continue to believe that government, and the federal government in particular, can, should, and does make a positive impact on the lives of most Americans.

There is no doubt that CLAIBORNE PELL has contributed significantly and tangibly to that positive impact over the last 3½ decades.

In his announcement, Senator PELL also thanked the people of Rhode Island for having tolerated his eccentricities. If those eccentricities include a quiet, unassuming manner characterized by thoughtful reflection, meditation, honesty, and courtliness, then we should all aspire to be eccentric in the ways that our dear friend from Rhode Island is eccentric. He is eccentric in the best sense of the term. I congratulate Senator PELL, look forward to serving with him for the remainder of this Congress, and wish him all the best for the future.

TRIBUTE TO SENATOR BILL BRADLEY

Mr. HEFLIN. Mr. President, like each and every Member of this body, I was surprised—shocked is not too strong a word—when our colleague from New Jersey announced that he would not be running for a fourth term in the Senate. I could not help but feeling that with the loss of Senator BRADLEY, the Senate would be losing one of its most intellectual, thoughtful, and hard-working Members, perhaps one of its most unique ever.

BILL BRADLEY is indisputably capable, an outstanding student of and original thinker on major economic and foreign policy issues, as well as a reflection of mainstream public opinion in this country. He is careful and deliberate in his judgments, and often provides a fresh and enlightening perspective on the many complex issues that come before the Senate.

Our Nation's tax structure has been one of the focuses of Senator BRADLEY's distinguished career in public service. His 1982 fair tax proposal led directly to the landmark 1986 tax reform bill. The plan was to cut tax rates sharply and eliminate most preferences and tax shelters. He took a broad concept and, in characteristic fashion, filled in the details with exacting care.

This was a major piece of legislation whose passage was remarkable, especially since Senator BRADLEY had relatively little seniority and was, at the time, serving in the minority. But as President Reagan, the Treasury Department, the Ways and Means chairman in the House, the Finance chairman in the Senate, and other key leaders embraced comprehensive tax reform, Senator BRADLEY was there every step of the way. He quietly encouraged others, avoiding the spotlight while offering advice and lobbying Members. He even played basketball with some Members. In spite of his unobtrusive manner and behind-the-scenes style, he emerged as the indispensable man in getting the bill through Congress.

Senator BRADLEY's has been one our most eloquent voices on the issue of race relations in this country. He has long called for a national dialog on the issue, free of the ideological extremes that tend to make thoughtful and frank discussion of race relations rare, if not impossible. His well-thought-out and reasoned pronouncements have often had a cooling effect, and have raised the level of the arguments above the harsh rhetoric often associated with the issue. This is true on other issues as well, especially during foreign policy crises.

I look forward to working with Senator BRADLEY during the time we have left together in the Senate, and wish him all the best for whatever his future might hold after he leaves. I am confident that he will, for many years to come, continue to influence the direction of our country and will continue to provide valuable leadership on the important issues that confront us.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 30 minutes.

Mr. McCAIN. I thank the Chair.

(The remarks of Mr. MCCAIN and Mr. FEINGOLD pertaining to the introduction of legislation are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

CONGRATULATING CAL RIPKEN, JR., ON BREAKING THE MAJOR LEAGUE BASEBALL RECORD FOR MOST CONSECUTIVE GAMES PLAYED

The PRESIDING OFFICER. The Chair recognizes the Senator from Maryland.

Ms. MIKULSKI. I thank you, Mr. President.

Mr. President, I thank the Senator from Arizona for yielding. He knows why I rise on the Senate floor today. It is because, in behalf of myself and Senator SARBANES, as well as our colleagues from the other side of the Potomac, Senators WARNER and ROBB, I send to the desk a resolution congratulating Cal Ripken, Jr., on the occasion of breaking the Major League baseball record for consecutive games played, and I now ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> A resolution (S. Res. 167) congratulating Cal Ripken, Jr., on the occasion of his breaking the Major League baseball record for the highest total number of consecutive games played.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Ms. MIKULSKI. Mr. President, I would also further like to thank the Republican leader, Senator DOLE, for allowing the Senate to have no more votes after 5:30 last night so those Senators who were fortunate enough to have tickets to the game could get there to be there on time, to hear the national anthem sung, and Mr. Ripken's children throw out the ceremonial first ball and to see America as it really ought to be. So I would like to thank the majority leader for the courtesy that he extended to me and to the other Senators.

Mr. President, it is with pride and enthusiasm that I rise today to honor a baseball hero, a Maryland hero, and an American hero. Last night Cal Ripken, Jr., broke baseball's endurance record. Cal Ripken played in his 2,131 consecutive ballgame, and in doing so, he broke Lou Gehrig's record in consecutive games played. Yes, Cal surpassed the great Iron Horse, Lou Gehrig, by playing 2,131 straight games. Cal has started every game as a Baltimore Oriole player since May 30, 1982.

Now, Cal has achieved many honors already, in his career: Two league Most Valuable Player awards, 13 All-Star games, and two Golden Glove awards. These are just a few of his many accomplishments. His streak is astounding for the character and the commitment it represents. To the people from Maryland like me, the streak means so much more, though, than physical endurance and awards. For us, Cal's effort is a testimony to what someone can achieve when they put team interests ahead of self interests.

Cal has not done this just for the sake of breaking a record; he broke that record because that is how he lives. He gives 100 percent every day. Ask any of the hundreds of Baltimore Orioles, who played with him over the last 14 years. Ask Cal's coaches who have seen him rededicate himself every day. Ask any of the thousands and thousands and even millions of Orioles fans for whom he stayed at the ballpark late at night, willing to sign autographs, appear at charity events and be

there for Baltimore and be there for the Orioles. Ask any of the millions of baseball fans who have watched him handle himself with dignity, who have watched him handle himself with gallantry on the playing field and off the playing field. We have watched him also treat others with dignity throughout his career. And, you know, if you ask Cal why he did it, he will tell you he wants to give his team the best chance of winning each and every game, and give the game the good name that it deserves.

Mr. President, this celebration is not for Cal alone but also for the man who held that record for so many years. Lou Gehrig represented the same qualities that we look for in Cal Ripken. It is words like masculine virtue, honor, integrity, being with your team, standing up for what is right. The Lou Gehrig record had really helped create a Yankee dynasty, and Lou Gehrig was the major reason for that dynasty. Lou Gehrig was in a class all by himself. He will always be a champion and have a unique place in baseball.

It was thought during Gehrig's time that the record would never be broken. However, I believe that if Lou Gehrig were alive today he would admire Cal Ripken and see a man following in his footsteps, putting pain and self-interest aside, and see a man working harder than anyone else. He would see Cal Ripken trying to be the best player and the best person he could be, and I believe that the ''Pride of the Yankees'' would tip his hat in respect for the ''Pride of the Orioles.''

Mr. President, I believe that people in positions of public trust should serve as role models for young people. I believe this includes athletes and public officials. So, today, I am proud to say that some of Cal's greatest achievements have actually come off the field. He is a role model for kids. When so many are teaching the philosophy of ''me, only,'' he represents the philosophy of ''we, together.''

Also, he represents the philosophy of giving your time to your community. His efforts at raising financial resources to fight pediatric cancer at Johns Hopkins—on the night that he tied the Gehrig record, Baltimore raised over $1 million to give to Johns Hopkins for research on the Lou Gehrig disease. That is what Cal Ripken is. And, most important, Cal is a loving father, husband and son.

It is fair to say that the streak does not end when Cal steps off the field. The field is only where it begins.

So on behalf of all Marylanders and the Nation's baseball fans, I want to congratulate Cal Ripken for his achievement. Maryland and America are proud of him. Today is Cal's day. And in Baltimore and in his hometown of Aberdeen, it is ''Calleluia Day.'' So to commemorate his record, I am submitting this Senate resolution along with my colleagues to honor this remarkable achievement.

Mr. SARBANES. Mr. President, last night, September 6, 1995, at Oriole Park at Camden Yards, not far from my home in Baltimore, Cal Ripken broke baseball's most enduring record of consecutive games played. In surpassing Lou Gehrig's streak of 2,130 games, Cal Ripken has secured a place in sports history, and in the hearts and minds of all who love baseball.

This accomplishment is much more than an event to be chronicled in the record books; it is a tribute to Cal Ripken's dedication to excellence—excellence in athletics as well as excellence in sportsmanship. In a time bereft of heroes, we admire persons such as Cal Ripken who exemplify high standards. Cal plays for the love of the game. He does not play for the fame; he cares little about the glory. What he does care about is playing baseball to his fullest potential. His affection for the game shines like a beacon in the night. His love of the game and his dedication has led him to this record. Neither money nor fame could have guided him to such a pinnacle in his career.

We call baseball our national pastime. But for many of us it is much more than that. It brings us back to an era where the players were larger than life and inspired us to the same greatness. When players like Gehrig rambled out onto the field they were more than men: they were heroes. At a time when people are searching for heroes, Cal Ripken stands proudly and quietly at the forefront of those we have to offer our children. He is a man of dignity, quiet workmanship, and humility. It is in keeping with these qualities that his children, Rachel and Ryan, threw out the first pitches to the game that would assure that their father crossed the threshold from extraordinary player to a legend.

Mr. President, I ask unanimous consent that an editorial, lauding Cal Ripken's streak and his character, from the September 6, 1995, edition of the Baltimore Sun, as well as Cal Ripken's statement and excerpts from remarks presented by his teammate Brady Anderson, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Sept. 6, 1995]

OUR CAL

Somewhere in this favored city, we should like to think, today a male infant is being born, and named Cal.

Somewhere, as the possibilities grow, a court of law is approving a grown-up's change of name to become Mr., Mrs. or Ms. Calripken.

Fielding still another dream—from a window at 2131 East or West Baltimore Street, or 2131 Maryland Avenue, a banner flies: black background, large yellow numeral 8.

In the distance: north and east of Baltimore, traffic on U.S. 40 is backed up for miles, by the street dancing in Ripkentown, formerly Aberdeen.

Politics enters, the governor of California vowing that, once elected president, he will change the postal abbreviation out there from CA to CAL.

Hold on—back at that Baltimore maternity ward, it turns out instead to be twins; girls, yet. Okay, their names will be Callie and Vinnie.

To be a Baltimorean is to feel, right now, exalted. Some 1,525 daily newspapers are still published in this country and every last one, it may well be, will print a news story tomorrow that is datelined Baltimore—a great-news, feel-wonderful story.

The news is of a new endurance mark, one that won't be outdone until the 2000s, if then; a mark set by a Baltimore Oriole, by a man who as a major leaguer has played only for our Orioles. Season after season, starting in 1982, our tall shortstop has never missed a game. His bones refused to crack; his joints, on being wrenched, simply unwrenched; his sinews (no matter how hard he flung the ball over to first) never tore. People applaud Cal's upbringing; a further help from family is that while the Birds were on the road, no call came to be present instead for wedding or funeral. The nation that reads, or watches some announcer read, will long equate the name Ripken with stoic, determined toughness.

For there to be interest in continuity, a sport has to have gone on awhile; only in the current century did baseball's busy statisticians, checking for uninterrupted participation, proclaim their first durability champ—at 727 consecutive pennant-season games, Steve Brodie, centerfielder for the 1890s Baltimore Orioles. The original games-in-a-row search, however, had to do with base hits. There the original titleholder, at 44 games, proved to be Willie Keeler, rightfielder for the 1890s Orioles.

Is perseverance a municipal characteristic? Let others say—watching us struggle, even now, to get the world to spell Calvin Edwin Ripken Jr. correctly.

With Cal Ripken, just as much off the diamond as on, another quality shines. Put it this way, as the Camden Warehouse banner signals 2131: What a city this would be, what a state, were those of us watching and cheering to go forth, afterward, bent on creating some kind of excellence and decency streak of our own.

TEXT OF RIPKEN'S SPEECH

After last night's record-breaking game, Cal Ripken delivered the following speech:

When the game numbers on the warehouse changed during fifth innings over the past several weeks, the fans in this ballpark responded incredibly. I'm not sure that my reactions showed how I really felt. I just didn't know what to do.

Tonight, I want to make sure you know how I feel. As I grew up here, I not only had dreams of being a big-league ballplayer, but also of being a Baltimore Oriole. As a boy and a fan, I know how passionate we feel about baseball and the Orioles here. And as a player, I have benefited from this passion.

For all of your support over the years. I want to thank you, the fans of Baltimore, from the bottom of my heart. This is the greatest place to play.

This year has been unbelievable. I've been cheered in ballparks all over the country. People not only showed me their kindness, but more importantly, they demonstrated their love of the game of baseball. I give my thanks to baseball fans everywhere.

I also could express my gratitude to a number of individuals who have played a role in my life and my career, but if I try to mention them all, I might unintentionally miss someone and take more time than I should.

There are, however, four people I want to thank especially. Let me start by thanking

my dad. He inspired me with his commitment to the Oriole tradition and made me understand the importance of it. He not only taught me the fundamentals of baseball, he taught me to play it the right way, the Oriole way. From the very beginning, my dad let me know how important it was to be there for your team and to be counted on by your teammates.

My mom, what can I say about my mom? She is an unbelievable person. She let my dad lead the way on the field, but she was there in every other way—leading and shaping the lives of our family off the field. She's the glue who held our lives together while we grew up, and she's always been my inspiration.

Dad and Mom laid the foundation for my baseball career and my life, and when I got to the big leagues, there was a man—Eddie Murray—who showed me how to play this game, day in and day out. I thank him for his example and for his friendship. I was lucky to have him as my teammate for the years we were together, and I congratulate him on the great achievement of 3,000 hits this year.

As my major-league career moved along, the most important person came into my life—my wife, Kelly. She has enriched it with her friendship and with her love. I thank you, Kelly, for the advice, support, and joy you have brought to me, and for always being there. You, Rachel and Ryan are my life.

These people, and many others, have allowed me, day in and day out, to play the American game of baseball.

Tonight I stand here, overwhelmed, as my name is linked with the great and courageous Lou Gehrig. I'm truly humbled to have our names spoken in the same breath.

Some may think our strongest connection is because we both played many consecutive games. Yet I believe in my heart that our true link is a common motivation—a love of the game of baseball, a passion for our team, and a desire to compete on the very highest level.

I know that if Lou Gehrig is looking down on tonight's activities, he isn't concerned about someone playing one more consecutive game than he did. Instead, he's viewing tonight as just another example of what is good and right about the great American game. Whether your name is Gehrig or Ripken: Dimaggio or Robinson; or that of some youngster who picks up his bat or puts on his glove: You are challenged by the game of baseball to do your very best day and day out. And that's all I've ever tried to do.

Thank you.

ANDERSON'S TRIBUTE

Excerpts from the speech Brady Anderson delivered on behalf of Orioles players after last night's game:

For 14 years, Cal Ripken has played for the Orioles with skill, determination and dedication. His inspiration has always been a love for the game, his teammates and the devoted fans of Baltimore.

The record which has been broken today speaks volumes about a man who never unduly focused on this achievement, but accomplished it through years of energy, incredible inner resources and an unflagging passion for the sport.

But fame is a dual-edged sword, and his is no exception. Incredible pressure has been placed on Cal as it became increasingly apparent that this achievement could be realized. In breaking this record, he surpasses the playing streak of Lou Gehrig, an exceptional baseball player.

I know Cal is honored to be in the company of such a legend, just as we know that each man's accomplishments and contributions enhance, rather than diminish, the other's; for what finer tribute can one player give to another than his uncompromising excellence?

Cal, you have inspired many teammates; you have delighted million of fans; you have given the nation uncountable memories. Your pride in and love for the game are at a level few others will reach. Cal, thank you.

Mr. WARNER. Mr. President, the front page of today's Washington Post says it all: ''History Embraces Ripken.'' As an original cosponsor of the resolution just submitted by my friend and colleague from Maryland, Senator MIKULSKI, I applaud Cal Ripken, Jr.'s magnificent accomplishment.

Last night's recordbreaking achievement by Ripken restored America's love for and pride in our national pastime, but it was not just a victory for baseball. What we are celebrating is not just Ripken's 2,131st consecutive game, or the home run which punctuated it so perfectly.

Rather, Cal Ripken, Jr.'s achievement is about greatness, about the essence of being and being an American. Cal Ripken, Jr. is a modest hero, a humble role model, a decent citizen, a caring father, a loving husband. He is committed to his craft, his community, and his country.

Yes, history has embraced Cal Ripken, Jr. But, more importantly, he has reminded Americans to celebrate all that is good about themselves and their country.

Congratulations to Cal, to his family, and to a Nation of friends who share his ideals.

Mr. ROBB. Mr. President, I rise today to commend the extraordinary accomplishments of Cal Ripken, Jr. As we all know, last night at Oriole Park at Camden Yards, Cal Ripken broke a record that was once considered unbreakable.

From 1982 until today, the one constant in the ever-changing world of baseball has been the presence of No. 8 in the Baltimore Orioles line-up. In an era where job insecurities increasingly permeate our society, Cal Ripken's breaking of Lou Gehrig's long-standing record while playing for the same team during the entire streak, seems even more remarkable.

Without a doubt, this new record has reinvigorated American's interest in baseball. And the fact that the record-holder is such a solid, decent, and humble man adds extra luster to this unprecedented achievement.

While this record is an extraordinary testament to Cal Ripken's dedication to the game of baseball, his actions during the closing days of this streak are even more telling. In the early morning of September 6, 1995, as Cal stood poised on the edge of baseball immortality, he accompanied his daughter Rachel to her first day of school. And when asked which event held more significance—the breaking of Lou Gehrig's record or his daughter's first day of school—Cal responded that in his house, Rachel's first day of school was undoubtedly the most important occasion.

I congratulate Cal Ripken, his wife Kelly, daughter Rachel, and son Ryan. Cal Ripken has made Americans remember why baseball is our national pastime—and how much true heroes mean to us.

Ms. MIKULSKI. I urge all of my colleagues to join in the celebration by adopting this resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 167) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 167

Whereas on May 30, 1982, Cal Ripken, Jr. became the regular starting shortstop for the Baltimore Orioles baseball club;

Whereas Cal Ripken, Jr. has not missed a single day of work in the intervening 14 years;

Whereas on September 6, 1995, Cal Ripken, Jr. played in his 2,131st consecutive Major League Baseball game, breaking the long-standing record held by the great Lou Gehrig;

Whereas Cal Ripken, Jr. has been a first-rate role model for the young people of Baltimore, the State of Maryland, and the United States;

Whereas Cal Ripken, Jr. has been named by America's baseball fans to 13 American League All-Star teams;

Whereas Cal Ripken, Jr. was named the American League's Most Valuable Player for the 1983 and 1991 seasons;

Whereas Cal Ripken, Jr. was a member of the 1983 World Series Champion Baltimore Orioles baseball team;

Whereas Cal Ripken, Jr. was named the Most Valuable Player in the 1991 All-Star game;

Whereas Cal Ripken, Jr. has twice been awarded baseball's most prestigious award for excellence in fielding, the Gold Glove Award, for the 1991 and 1992 seasons;

Whereas in the distinguished career of Cal Ripken, Jr., he has demonstrated an extraordinary work ethic, and dedication to his profession, his family, and his fans; and

Whereas the humility, hard work, desire, and commitment of Cal Ripken, Jr. have made him one of the best-loved and the most enduring figures in the history of the game of baseball: Now, therefore, be it

Resolved, That the United States Senate congratulates Cal Ripken, Jr. for his outstanding achievement in becoming the first player in the history of Major League Baseball to compete in 2,131 consecutive games.

Ms. MIKULSKI. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Ms. MIKULSKI. Thank you, Mr. President.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

JAPAN-UNITED STATES SENATE YOUTH EXCHANGE PROGRAM

Mr. LUGAR. Mr. President, I would like to draw the attention of my Senate colleagues to a successful international exchange program involving the youth of America. This program, the Japan-United States Senate Youth Exchange Program has been sponsored over the years by the Government of Japan and the Center for Global Partnership and has been sending young students from the United States to Japan for the past 15 years.

The program, which was inaugurated by Prime Minister Zenko Suzuki in 1981, offers outstanding United States high school students the opportunity to spend a summer with a Japanese host family through Youth for Understanding [YFU] International Exchange. As these young people assume positions in business, government, education, and other endeavors, they play a significant role in strengthening the bonds between Japan and the United States.

In the past, 2 students from each of the 50 States of the United States were selected to participate in this exchange program. Because of funding reductions, only 1 student from each State now participates in the program. This is regrettable and represents a downward trend in international exchanges.

The imbalance of exchanges between the United States and Japan is worrisome: there are 20 Japanese exchangees in the United States for every 1 American exchange student in Japan. And funding from Japan for exchanges is much greater than funding from the United States. I hope this imbalance can be corrected.

Mr. President, the Japan-United States Senate Youth Exchange Program has been functioning in the best interests of the United States, Japan, and the individual student and family participants. I want to take this occasion to salute and encourage the efforts of both public and private contributors who have assisted and continue to assist this worthwhile program.

THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, before discussing today's bad news about the Federal debt, how about ''another go'', as the British put it, with our pop quiz. Remember? One question, one answer.

The question: How many millions of dollars does it take to add up to a trillion dollars? While you are thinking about it, bear in mind that it was the U.S. Congress that ran up the Federal debt that now exceeds $4.9 trillion.

To be exact, as of the close of business yesterday, September 6, the total Federal debt—down to the penny—stood at $4,969,749,463,346.30, of which, on a per capita basis, every man, woman, and child in America owes $18,865.25.

Mr. President, back to our pop quiz, how many million in a trillion: There are one million million in a trillion.

BIPARTISAN BUDGET SUMMIT NEEDED NOW

Mr. LEAHY. Mr. President, it is time for a bipartisan summit on the budget.

As I said back in June during the debate on the 1996 budget resolution, I fear that the Republican congressional leadership and the President are on a collision course over the budget.

An immediate bipartisan budget summit is needed to forge a solution to next year's appropriations bills, or we will have a disaster on our hands that will force the entire Government to an abrupt halt this fall.

The start of the 1996 fiscal year is less than a month away, yet we are far from completing the 13 annual appropriations bills needed to fund the Government. In fact, we are very close to a fiscal disaster.

The House, Senate, and the President are still miles apart on these bills without much effort being made to find common ground within the next 30 days. And the administration is now preparing contingency plans for agencies to continue essential operations in case we fail to agree before the first of October.

I see little hope for an agreement if we keep to our current course.

Of the 11 appropriations bills passed so far in the House, President Clinton has threatened to veto 6. The Senate has passed seven appropriations bills, with huge differences from their House counterparts. Indeed, the Senate and House have reached agreement on only one appropriations bill.

The political rhetoric is heating up as the fiscal disagreement continues.

Speaker of the House NEWT GINGRICH has declared that: ''The budget fight for me is the equivalent of Gettysburg in the Civil War.''

President Clinton has also refused to back down, saying: ''I will not be blackmailed into selling the American people's future down the drain to avoid a train wreck. Better a train wreck.''

This push for a train wreck is stupid on both sides. We don't need to shut down the Government to prove we are Democrats or Republicans. We all know that an all Republican budget will not become law or an all Democratic budget will not become law.

This political posturing is just what Vermonters tell me that they dislike about Washington.

Shutting down the Government in an attempt to score political points will only bring more scorn of our political system. It is time to put our political differences aside and come together in a bipartisan budget summit—before the crisis.

Our political system will not be the only loser if political gamesmanship causes a Government shutdown—a shutdown will also be a loser for U.S. taxpayers. Government shutdowns waste taxpayer money.

In 1981, for example, the Government spent $5.5 million to close offices and send workers home. In 1990, a President and Congress of different parties failed to reach a bipartisan agreement on the budget. And the General Accounting Office calculated that the resulting 3-day Government shutdown cost taxpayers between $244 and $607 million.

Government shutdowns also hurt the citizens in our society who depend on our Government the most. In 1979, an 11-day Government shutdown led to delays in Federal payments for housing subsidies, delays in GI bill education checks, and delays in aid to the disabled.

A longer shutdown could hurt senior citizens who rely on their Social Security income, students who rely on Federal loans, farmers who rely on Federal support programs, travelers who rely on our air traffic control system, and consumers who rely on meat inspections.

We need a bipartisan budget summit to avoid such a costly Government shutdown. For a summit to succeed, everything must be on the table: taxes, health care reform, entitlement reform, further spending reductions, and the time it will take to get to a balanced budget.

Such a summit will be a grueling, sometimes acrimonious, encounter. But anyone who has studied the various blueprints can see the outlines of an agreement.

Both Republicans and Democrats agree that we must consolidate unnecessary Government programs, reform welfare, and control Medicare and Medicaid spending. We may now disagree on some of the details for accomplishing these goals, but that is why we need a bipartisan summit—to hammer out the details of a compromise.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FAMILY SELF-SUFFICIENCY ACT

The PRESIDING OFFICER. Under the previous order, the hour of 10:30 a.m. having arrived, the Senate will now resume consideration of H.R. 4, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending, and reduce welfare dependence.

The Senate resumed consideration of the bill.

Pending:

Dole modified amendment No. 2280, of a perfecting nature.

Daschle modified amendment No. 2282 (to Amendment No. 2280), in the nature of a substitute.

The PRESIDING OFFICER. Under the previous order, the time until 3:30 p.m. shall be equally divided between the managers.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. MOYNIHAN. Mr. President, it has been understood with my friend,

the distinguished chairman of the Committee on Finance, that time is equally divided, and that should there be no speaker seeking recognition, we will suggest the absence of a quorum and the time will be charged equally to each side.

Mr. PACKWOOD. That has been agreed upon.

Mr. MOYNIHAN. I thank my friend.

Mr. President, in auspicious timing, the Washington Post has a splendid editorial this morning entitled ''Welfare: Two Kinds of Compromise.''

It speaks of the compromise that was notably on display when Congress, the Nation's Governors, and President Reagan worked out some of the better provisions of the Family Support Act in 1988, aimed at reforming welfare.

The parties all agreed on the sensible principles that the Federal Government should help the poor and that the existing welfare program was not doing enough to move people into jobs. The resulting bill was far from perfect and was not adequately financed—that's why welfare reform is still very much a live issue—but it did result in some successes that could be built upon with a new round of reform.

Mr. President, some time later in our debate, I will offer the Family Support Act of 1995, which builds on the 1988 legislation, which passed out of this Chamber 96 to 1. I recall that there was great bipartisan harmony in the Rose Garden when President Reagan signed it.

In the Committee on Finance, I offered the Family Support Act of 1995, and it failed to pass, by 12 votes to 8, which is scarcely an overwhelming rejection. It was a party-line vote, I am sorry to say. Seven years ago it was very different. But we will have an opportunity to discuss it.

I ask unanimous consent, as we begin this morning, to have this editorial printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 7, 1995]

WELFARE: TWO KINDS OF COMPROMISE

There are different kinds of political compromise. The best kind happens when the contending parties find that substantive agreement can be reached without a compromise of principles. This sort of accord was notably on display when Congress, the nation's governors and President Reagan worked out some of the better provisions of the Family Support Act in 1988, aimed at reforming welfare. The parties all agreed on the sensible principles that the federal government should help the poor and that the existing welfare program was not doing enough to move people into jobs. The resulting bill was far from perfect and was not adequately financed—that's why welfare reform is still very much a live issue—but it did result in some successes that could be built upon with a new round of reform.

But there is a less honorable tradition of compromise involving not a quest for consensus but the artful manipulation of labels and slogans. It is this kind of compromise that is most to be feared as Congress approaches the welfare issue. The debate now seems hopelessly entangled in the rivalry between Senate Majority Leader Bob Dole and Sen. Phil Gramm for the Republican presidential nomination. That was clear when Mr. Dole gave a speech the other day in Chicago promising to fight ''for revolutionary change vote by vote and bill by bill,'' and Mr. Gramm responded rapid-fire at a Washington news conference. ''I see Sen. Dole moving to the right in speeches every day,'' Mr. Gramm said. ''I don't see it reflected in what he's doing in the United States Senate.''

This is a bad context in which to legislate on a problem such as welfare, where the tough issues will not be solved by a resort to doctrine or slogans. Take a particularly hard question: If welfare is turned into a block grant, should states, in exchange for receiving something close to their current levels of federal aid, be required to maintain something like their current level of spending on the poor. Those spending levels, after all, got them their current allotments of aid in the first place. A small group of Senate Republicans who are trying to prevent Mr. Dole from reacting to Mr. Gramm by doing anything he wants, rightly see this as a central issue. But it's easy to include a provision in a bill labeled ''maintenance of effort,'' as Mr. Dole effectively has, and make it essentially meaningless, as Mr. Dole also effectively has, by allowing states to count all sorts of extraneous expenditures as meeting this ''maintenance of effort'' requirement and having the requirement expire in a couple of years. The provision would give Mr. Dole cover with his party's moderates without really giving them much of substance. It's fake compromise. Much more of that sort of thing could become the rule in the coming weeks.

Mr. Gramm can make welfare a centerpiece of his campaign against Mr. Dole if he wants to. But the rest of the Senate, not to mention President Clinton, does not need to be complicit in turning a momentous piece of legislation over to the politics of sound bites. Far better no welfare bill than the kind likely to be created in this atmosphere.

Mr. MOYNIHAN. I see my distinguished friend, the Senator from North Dakota, on the floor, and I am happy to yield him 20 minutes if that will be sufficient for his purposes.

The PRESIDING OFFICER. The Chair recognizes the Senator from North Dakota.

Mr. DORGAN. I thank the Senator from New York for yielding me the time to discuss the Daschle amendment on welfare reform.

A friend of mine the other day described a circumstance in his small rural hometown. There was a Lutheran minister who did not make very much money ministering to a very small congregation, being paid a very small salary. And because a minister in a small town is paid very little, his wife gave piano lessons in order to make a few dollars to try to make ends meet for him and his wife. These folks were the parents of the friend of mine who was referring them to me. He said they lived in a very meager house provided by the church and lived on a very meager income all of their lives. They contributed to their community by ministering at the church and by his wife giving piano lessons and teaching Sunday school.

At the other end of the block, there was a wonderful family, as well. This family started a business, worked very hard, made an enormous amount of money and were very successful. They were well liked and also contributed much to the community.

The two families had taken different routes. One chose ministering in a small rural church where they were never to earn any significant amount of money and always lived near subsistence. The other chose to pursue an occupation that would lead them to accumulate a substantial amount of assets. Both were good families and both contributed to their community.

My friend said, ''I wonder if my parents contributed less to their community than the folks down the block who made a substantial amount of money.'' I think not. I think they made at least as great a contribution. But they ended up with nothing.

I use that story to illustrate that, for some in this country these days, being poor is out of fashion. If you are poor, somehow you just did not make it in America and you chose not to spend all of your time trying to maximize your income. So you end up in circumstances, after age 70 and after having ministered for 40 years in a rural church, where you have nothing. And maybe you end up needing some help from someone. But that is not disgraceful. It was because you chose to contribute in other ways during your lifetime and chose not to spend 50 years trying to maximize your income.

The question is, did the minister and his family contribute less to our country? No, they did not. They found themselves in circumstances of some difficulty—without income, without resources, without assets. There are a lot of good people in our country just like them.

The people I just described are atypical. The more likely and typical person in need in this country, with respect to welfare, is a young woman in poverty—an increasingly feminine picture these days—who is raising children in a household without two parents present.

One morning at about 6 a.m., I went down to a homeless shelter here in Washington, DC, and sat there for a couple of hours talking to the people who were there. I have told my colleagues on one previous occasion about my visit at the shelter with a 23-year-old young woman, whom I believe, had three children, whose husband had left her, who had no skills, no high school education, no job, and no place to live.

She and her children, after having spent the night in a temporary shelter, as they did every night, were then put on buses in order to be at this feeding center at 6 a.m.

I sat and visited with this young woman, and I discovered with her, as with virtually everyone else on welfare with whom I have ever visited, that what she wanted most in life was a good job. She was not asking me, can you give me a bigger welfare check? Can you find a way to extend your hand with more money, more benefits, more help? That is not what she was asking.

I was asking her what would she really like if this morning she could wave a wand and change her life? Her response was that she desperately wanted to have a job that paid her a sufficient income so that she could save money for a first month's down payment to rent an apartment where she could live with her children. She said to me, I want a place to live. I know in order to get a place to live, I need to get a job. In order to get a job, I have to have some skills. I do look for work almost every day and I do get work. And the minute I get work—it is occasionally frying a hamburger at some franchise place and always at the minimum wage—I lose my health care benefits for my children. The moment I try to save $10 or $20 for the first month's rent on an apartment so I could get rid of this homeless condition for me and my children and find a place to live, the minute I save $10 or $20, I lose my AFDC payment or it is reduced by the same amount.

And as I drove back to the office here on Capitol Hill the morning after I visited with her, I thought to myself, I am pretty well educated. I have a couple of college degrees. I have done pretty well. And I wondered how could I think my way through this problem if I were in this young woman's situation? What kind of a solution allows her to get off this treadmill, the treadmill of poverty, helplessness, hopelessness?

I honestly, putting myself in her position, could not really think my way out of her problem. She cannot get a job because she does not have the skills. She cannot save money for a down payment on rent because she does not have a job. If she gets a job and starts saving money, she loses AFDC payments for her kids. It is an endless circle of trouble for someone who is literally trapped in a cycle of poverty from which they cannot recover.

Now, I mention that story because in order to talk about welfare reform, you have to talk about two truths. One is often used by those of us in public office, regrettably, to talk about welfare. That is, the stereotypical notion of who is a welfare recipient. It is some bloated, overweight, lazy, slovenly, indolent, good-for-nothing person laying in a Lazy Boy recliner with a quart of beer in one hand and a Jack Daniels in another hand, with his hand on the television changer watching a 27-inch color television set and unwilling to get up and get out and get a job and go to work, munching nachos all day long watching Oprah, Geraldo, and Montel. That is the notion of the stereotypical welfare recipient.

I suppose that happens. There is, I suppose, a small element among welfare recipients who are inherently lazy, unmotivated, unwilling to work, and have become institutionalized in the welfare system. This small element believes he or she can go on welfare and live on it forever, even if they are able bodied. That does happen. It should not happen. It is a minority of the people on welfare. We must eliminate those people for whom welfare has become an institutionalized way of life. We can and will stop these abusers of the system.

The welfare bill that we have offered—Senator DASCHLE, Senator MOYNIHAN, myself, and others—is a bill that says to those folks, if you believe that in this country you can live on welfare as a routine matter and you are able bodied, then you are wrong.

Welfare is temporary assistance. We are willing to give it, we believe we must give it. But welfare is temporary and it is conditional. Our bill says we will offer a temporary hand if you are down and out. But you have a responsibility to take hold of that hand and get out of poverty by getting training to help you get a job. Our plan is intended to move people off the welfare rolls and on to payrolls. That is what our bill says. That is what we say to those folks.

The abuser—the able bodied who are lazy, is a minority in the welfare system. The bulk of the welfare recipients are represented by the woman I discussed earlier—the young woman living in poverty, a 23-year-old unskilled woman with three children to raise, and not the means with which to do it. She represents the bulk of the welfare recipients.

The question is, What do we do about it?

Let me give a couple of other facts. It is also a stereotypical notion of welfare that we have a lot of people in this country who are simply producing large numbers of children in order to get more welfare benefits. It probably does happen, but it is not typical.

The average size of the welfare family in America is nearly identical to the average size of the American family. Let me say that again because it is important. In public debate we all too often use stereotypes, and the stereotype is the notion that there is someone out there having 16 babies because producing babies allows them to get a lot of welfare. The average size of the welfare family is nearly identical to the average size of the average family in our country.

We spend about 1 percent of the Federal budget on welfare. A substantial amount of money is spent in many ways in our country, but we spend only about 1 percent of the Federal budget.

My interest in this issue has to do with two things. First, I would like to engage with people from as far right on the political spectrum as Pat Buchanan and people all the way to the far left and say we all agree on one thing: welfare is temporary. Welfare should not become institutionalized for people who are able bodied and believe they ought to live off of the rest of the taxpayers for the rest of their lives. The temporary nature of welfare assistance is embodied in the Daschle bill.

Second, and more important to me, is an understanding of our obligation to America's children. Tens of millions of America's children are growing up in circumstances of poverty. They were born in circumstances of poverty not because they chose to, not because they decided that is what they wanted for their lives, but because of a circumstance of birth.

Two-thirds of the people on welfare in America are kids under 16 years of age. No one, no matter how thoughtless they may be in public debate, would say, I hope, to a 4-, 6-, or 8-year-old child we say: ''You do not matter. Your hunger does not count. Your clothing needs are irrelevant.''

I have spent a lot of time working on hunger issues as a Member of Congress and have told my colleagues before about a young man who made an indelible impression with me. I will never forget it. A man named David Bright from New York City, who also lived in a homeless shelter, described to us on the Hunger Committee when I served in the House, his life in the shelter with rats and with danger and so on. He said that no 10-year-old boy like me should have to put his head down on his desk at school in the afternoon because it hurts to be hungry. This from a 10-year-old boy telling us in Congress about stomachs that hurt because they did not have enough to eat.

This welfare bill care about our kids in this country. We must decide, whatever else we do about welfare, to take care of America's children in the right way—to give them hope, opportunity and, yes, nutrition, education, and shelter.

Now, when I talk about children, there is one inescapable fact that the Senator from New York has talked about at great length that has to be addressed in the context of welfare reform. And that is the epidemic of teenage pregnancies in this country.

There will be roughly 4 million babies born this year in America—roughly. Over 1 million of those babies will be born in circumstances where two parents will not be present at the birth. 900,000 of children born this year will never in their lifetime learn the identity of their father. Think of the circumstances of that, what it means to a society. Nearly 1 million babies born this year will never in their lifetime learn the identity of their father.

The Democratic alternative we are considering today addresses the issue of teenage pregnancy and the epidemic that is occurring in this country. We address the circumstances where children are growing up in homes where the parents are children themselves, and they have no information or experience to do adequate parenting.

What we do in the Daschle amendment is that we want a national crusade against teenage pregnancy; we say that teenage pregnancy is not something that is acceptable to this country. It is not something we should promote or encourage; it is something we should discourage. People should have

children only when they are able to care for them.

What this amendment says to a child who is going to have a child, a 16- or 17-year-old child who is going to have a baby—which is happening all too often in this country—is you are not going to be able to live in a separate residence if that happens. You are not going to be able to leave school and get public assistance. We say there are going to be conditions for receiving assistance. Every teenage mother who has a baby out of wedlock has to understand this. If you do not stay in school, you will lose all benefits—nothing. Benefits are terminated. And you are not going to be able to collect money to set up a separate living arrangement for yourself and your baby.

Our proposal establishes some adult-supervised living homes, where teenage mothers will have to live in supervised circumstances and stay in school as a condition for receiving benefits. We are saying this matters in our country. There is teenage pregnancy epidemic that this country must deal with. It is also an epidemic that eats up a substantial amount of our welfare benefits to respond to it. Our proposal says we can and should do something about it.

As I indicated, the Senator from New York has done an enormous amount of work on this issue. I commend him for it. He was the impetus in our Democratic caucus for saying: This is wrong. This is going to hurt our country. This is going to disintegrate our society unless we address it in the right way.

This amendment, the Daschle initiative, addresses teenage pregnancy, in my judgment, in a very significant way. I am very proud to say this is the right way to do it. It is the right way to go about it.

We also say something else. We say to a young woman who has a child out of wedlock, ''If you are going to get benefits, you have a responsibility to help us identify who the father is. You have that responsibility. If you do not do that, you do not get benefits.'' We are going to find out who the father is, and we are going to go after deadbeat dads.

Deadbeat dads have a responsibility to help provide for those children. Not just taxpayers, but the people who fathered those children have a responsibility to provide some resources to help those children. They each have a responsibility to be a parent. But in the event they will not do that, we are going to make sure that they own up to the responsibility of providing resources for those children.

Our bill is tough on absent parents who are delinquent in child support. Our bill is tough on this issue. When a child is born out of wedlock and when a mother says ''I now want benefits,'' we insist that mother help us identify the father, and that father help pay for and contribute to the well-being of that child.

I would like to mention two other points about this legislation. I have not done this in any necessary order. I guess I could have prioritized this welfare discussion a bit more, but I wanted to talk about a couple of component parts of it that are important to me.

First, there is an assumption that if we reform the welfare system, there will be enormous savings. Savings of $100 billion over 7 years, as I believe was estimated in the budget resolution, are not going to happen. The fact is, if we do what is necessary to reform the welfare system, to make it really work, we are not going to save money in the next 7 years. But we can build a better country and make people more responsible and give people opportunity and get people off the welfare rolls and onto payrolls.

The woman in the homeless shelter that I talked about earlier is the reason we are not going to save money. In order for her to work and get a job, she has two requirements. She has to get some training to get a good job. And then, in order to work at the job, she has to have some child care. If she does not get the training, she will not get the job. And if she does not have child care, she cannot work. Then, when those two requirements are met, one other element has to be present. If the job that person gets does not provide health care, then we have to have some Medicaid transition benefits as well.

If we do not do those three things, welfare reform will fail. All three things cost money in the short term. In the long term, they will save money. But there is no way on God's green Earth to believe someone who says, if we reform this welfare system—and we should and we will—and do it the right way, that we will save $100 billion in the next 7 years. We can put the country on the right track. We can do the right thing. We can end dependency on welfare by able-bodied people, but we will not save $100 billion and it is time for everyone in this Chamber to understand that.

The second point I would like to make about the financing of welfare is the notion embodied in the Republican proposal, that we can solve this problem quickly and easily if only we simply aggregate all of this money into a block grant and ship it off somewhere and thereby create some nirvana by which the welfare problem is solved.

By and large, block grants are blockheaded. They will, in my judgment, if used routinely and repeatedly, as some have suggested, on virtually every issue coming before the Congress, result in the most egregious abuse and waste of the taxpayers' money we will have ever seen.

Do you want to describe how to promote waste in Government? I will tell you how. You have one level of Government raise the money and then send it to somebody else and say, ''You spend it. No strings attached. We will not watch.'' If you want to promote irresponsible, reckless, wasteful, wild, abusive spending, I guarantee you this blockheaded approach to block grants is the quickest and most effective way to do it.

So, those who come to us with these simple little placebos, who say take this and you can believe it is medicine, whether it is block grants or $100 billion savings, it is pretty unimpressive to me.

What we Democrats have done is put together an alternative. It is an alternative that says welfare cannot be permanent. Welfare is going to be temporary. Welfare is not unconditional. Welfare is going to be conditional. You need help? We are going to give you some help. But you have a responsibility in accepting that help. It is your responsibility to step up and out and off of the welfare system and become a productive member of our society on a payroll somewhere.

The second element of our alternative piece of legislation that is critically important is that we say we are going to protect America's children. Yes, we are going to reform the welfare system, but we are going to do it the right way, with the right incentives that require responsibility for oneself. That is the foundation of our approach. But, at the same time, we are also going to protect America's children. Our plan leaves no questions unanswered about whether America's children will be protected.

That is why I am delighted to be here to support the Daschle initiative. I was part of a large group of people who helped construct it. I was not the major architect. I know the Senator from New York and others support it as well.

I have taken slightly more time than I intended, but I appreciate the generosity of the Senator from New York.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York.

Mr. MOYNIHAN. Mr. President, may I thank the Senator from North Dakota, Senator DORGAN, for beginning today's debate, today's critical debate, in an open, thoughtful, fair-minded manner.

Could I comment on just one particular point? The Senator raised the question of the children born out of wedlock, and he is quite right. In 1992, 1,224,876 children were born out of wedlock—in some census tracts, 80 percent of all children born. Happily, North Dakota has been spared—or spared itself. This is something altogether new to our experience.

And 30 years ago, you could not have discussed it on the Senate floor. There is a maturity coming to our debates. This was a subject—the ratio, in 1992, reached 30.1 percent. It is probably almost 33 now. It has gone up every year since 1970.

In 1970, it was 10.6 percent. So it has tripled, the ratio, and the number of children have tripled.

We could not talk about this. We were not sure it was happening. Was it

an aberration, just the weather, something like that? There used to be theories that when there would be blackouts there would be more children conceived. That turned out not to be so.

We have a social crisis of a new order—not a recession, not a drought, not a collapse of farm prices, nor an increase in mortgages, the things that have come with some periodicity and consequence to us, and which we have learned to understand pretty much and manage. We have never had this before, and we have never talked about it before; not in the calm, thoughtful way the Senator from North Dakota has done.

I want to thank him most sincerely for setting a tone which I think and I hope will continue throughout this debate.

Mr. President, I look to my friend on the Republican side. Does he wish to speak?

Mr. PACKWOOD. I do.

Mr. MOYNIHAN. If I may observe, the Senator from Florida is here.

Mr. PACKWOOD. I apologize. I can wait. I am going to be on the floor.

The Senator may go right ahead.

Mr. MOYNIHAN. I yield to the distinguished Senator from Florida 15 minutes.

The PRESIDING OFFICER (Mr. CAMPBELL). The Senator from Florida is recognized to speak for 15 minutes.

Mr. GRAHAM. Thank you very much, Mr. President and my distinguished colleagues. I appreciate the courtesy.

I want to talk some about the structure of the welfare reform proposal that is before us and some concerns I have as to whether we are building a foundation on reality with steel and concrete, or a foundation of sand based on theory, hope, and avoidance of responsibility.

I am going to be talking from basically two sources. First, I will talk from some statistics that are generic and analytical of the legislation before us. I will also be talking from some anecdotes which are personal and specific.

For the last 21 years, I have had a practice of taking an occasional job in a different area of interest within my State. In July, I took a job with one of the two welfare-to-work programs in Florida, this one in Pensacola. This is a program which is very similar to the objectives of both the underlying bill and the amendment that is before us. It is mandatory; that is, participation is required. It has the goal of placing a high percentage of those persons who are currently on welfare into employment. It is exploring what are the pragmatic requirements of accomplishing that objective, and it is doing so in the community of Pensacola, which is very representative of the kind of communities across America in which this type of program will be applied.

I am going to be using some of the information and observations from that experience also as the basis of my comments on the plan which is before us today.

Mr. President, I strongly support a serious effort to move people from the dependency of welfare to the independence of and self-sufficiency through employment. That is a fundamentally important objective.

As we start this, I want us to understand almost the moral dimension of what we are doing, and I will place that in the context of eight women with whom I spent a considerable amount of time in Pensacola who are part of this process of making the transition.

Just to describe these eight women, they were six white and two African American women. They were somewhat older than I had anticipated. The youngest was in the early twenties, up to the early forties. All of them had two or more children. Three of the eight women had a child with a serious medical disability. I was initially surprised that there would be that high an incidence of medical disability. But on reflection, given the fact that these women typically had no or very limited prenatal care with their children and had limited access to primary care since their children were born, it is not surprising that there would be that incidence of medical disability.

These are women who are very committed to a better life for their children through the achievement of independence for themselves. Many of these women have limited educational backgrounds and, therefore, the kind of job training in which they are now engaged in Pensacola, the Welfare to Work program, is difficult for them. But they are making a maximum effort to be successful.

In the course of attending one of the programs in which they are learning some of the basic skills that will be necessary, one of the women broke down and cried. She said: ''This is so difficult for me, but I understand the importance of this opportunity that I am being given and, if I do not succeed, not only will this likely be my last chance but it will fundamentally change the future for my children. I want to succeed.''

Our moral responsibility as a society, Mr. President, is we are telling these women that you have 2, maybe 3 years to be successful in preparing yourself and securing employment, and securing employment at a level that will allow you to support your children. We are making a commitment to them that not only are we going to provide them with what would be required to do so, but there will be a job there that they can secure upon the completion of their preparation. And the consequences of their failing to get that job is that they and their children will have the level of support that they are currently receiving terminated or substantially altered and reduced.

So there is a commitment on both sides. And it is from that point that I would like to draw some observations about the underlying bill which is before us today, because I believe it is based on some unrealistic assessments of the world in which this proposal will actually operate and creates the potential of some serious unfairness and a violation of that moral commitment that we are making to these Americans.

First, I believe that the goal of the welfare plan, which is to have 25 percent of the current welfare beneficiaries employed in year 1 of this plan and 50 percent employed in year 5, is unrealistic.

In year 1, the definition of reaching that 25 percent is a month-by-month evaluation of how many persons who were on welfare had been moved into a work position. And if at the end of the first 12 months of the fiscal year, you do not have an average of 25 percent, then your State is subject to sanctions. I believe it is going to be virtually if not absolutely impossible to reach that 25 percent goal. There is a necessary startup period in terms of developing the job placement programs, the job training programs, and the support services such as transportation, as well as securing child care for the young dependents of these women, which makes reaching the goal of a 25-percent objective in year 1 highly unlikely.

Equally as difficult will be to reach the 50-percent level in year 5. That is in large part because of whether the jobs are going to actually be available. Pensacola, FL, happens to be an area that has a relatively growing economy, an economy which is creating a substantial number of jobs. But even there the administrators of the program stated that it will be very difficult to reach a 50 percent placement level within a 5-year period. That would be true because of the competition for those jobs from all the other people in the community who will be seeking that employment—the issue of will there be jobs that will be not just at the barest minimum wage but at a level high enough or at least offering a sufficient potential to raise a sufficient amount of money to be able to support a family of a single mother and two children, which is the typical family in Pensacola.

There are 6,600 welfare families in Pensacola, so the goal is to place 3,300 of those in work by the year 2000. That will be a challenge for Pensacola. But, Mr. President, let us put that in the context of another American city, a substantially larger city, and that is Philadelphia. Philadelphia has not 6,600 people on welfare; it has 500,000 people who are receiving some form of public assistance.

In Philadelphia, using the statistics provided by DRI McGraw-Hill on U.S. Market Review, in 1994 there were 2,149,000 jobs in Philadelphia. In the last year of their survey, which is 1997, the projection is there will be 2,206,000 jobs in the Philadelphia area, or an increase of approximately 47,000 jobs over that period from 1994 to 1997. We do not have the statistics to the year 2000, but assuming that that rate of increase

continues, we could expect maybe another 20,000 or 30,000 jobs to the year 2000, so well under a 100,000-job growth and yet we are saying that by the year 2000, half of this population of 500,000 people is supposed to be placed in jobs in Philadelphia.

How is that going to happen? I think we have a level of unreality in terms of the scale of the population that we are saying has to be trained and placed and their children supported and the number of jobs which are going to be created, particularly in those areas of the country that are not experiencing the kind of robust economic growth that a community such as Pensacola, FL, has experienced.

My first point is that I think we have a statistical unreality in terms of what we are saying has to happen and what, in fact, is likely to occur. And for that reason, independent groups such as the Congressional Budget Office and the General Accounting Office that have looked at this plan, have stated that 44 out of the 50 States will not be able to meet the expectations of this legislation—that 44 out of the 50 States are going to fall into the category of those that are nonperformers and therefore subject to a 5-percent penalty.

I would suggest that these numbers are so unrealistic in terms of the kind of commitments that we are prepared to make that the 5 percent penalty will be accepted as a fact of life for many States and that any serious effort to meet these unrealistic goals is likely to be abandoned.

It is interesting to me the difference in which we are treating those programs that we are about to ship off to the States and say, ''You run them,'' such as welfare reform and Medicaid, where we are setting these theoretical goals, and then essentially abandoning any effort to do those things that will be necessary to make those goals attainable, and how we are treating the one big program we are responsible for running and that at least as of today no one has suggested be sent to the States to run, which is Medicare. There we are saying that Medicare has to be treated above politics; that we have to be very, very careful it is structured properly because we know we are going to be held responsible for how that one is administered.

With welfare and Medicaid, we essentially are saying we can abandon all responsibilities for the pragmatic implementation. That is going to be somebody else's responsibility.

A second level of unreality is in the funding levels and specifically in the area of unfunded mandates to the States. It is interesting, when we came here back in January with a very expansive and aggressive agenda of domestic issues, which issue received primacy, which received that special recognition of being Senate bill No. 1. Well, that honor was assigned to the legislation that dealt with reducing unfunded mandates, that as our No. 1 domestic objective we were going to cease the process of having the Federal Government meet its responsibilities by telling somebody else, generally a State or local government, what to do and requiring them to use their resources in order to achieve that national objective.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. MOYNIHAN. Can the Senator use another 5 minutes? We want to be fair to all Senators.

Mr. GRAHAM. If I could.

Mr. MOYNIHAN. I would be happy to do it. I am listening to what he has to say.

Mr. GRAHAM. The reality is that this bill which we are about to pass will be the grandfather of all unfunded mandates. We are going to be imposing significant new responsibilities on the States, without the resources to fund those responsibilities, and that as we impose that grandfather of all unfunded mandates, we are going to be creating a whole series of stepchildren as its consequence.

Let me just use the example of my State, a family of three typically, and in the case of all eight of the women I mentioned earlier, this is the case, a single mother with two children. The State of Florida provides $303 a month in economic support, cash assistance to that mother and two children. That $303 is roughly half Federal money and half State money. Under this proposal, it is going to take 75 percent of the Federal money that we have been providing for the support of that family of three in order to pay for the job training and related support activities and the child care of that mother and her family while she is preparing to work. There is no proposal to act to fund those additional activities.

In fact, the level of funding at the Federal level will be declining over the period of this program. So instead of that family having $303, it will see that reduced to approximately $185 a month which will be available for economic support because the remainder of the money, approximately $135, will be used to pay for these other mandated services. So we are saying that this family, which has been living on $303 a month, is now going to have to start living on $180 a month while the remainder of the money is used to prepare the mother for a future job and to provide child care for her dependent children.

Mr. President, I think that is an unrealistic economic scenario. And it becomes even more draconian since we are no longer going to be requiring States, at least after 2 years, and even in a very soft way during the first 2 years, to provide any continuing match. So potentially not $85. If the State of Florida were to decide to abandon its local match and not provide any State funds, we could have this family living on $35 a month, just that portion of the Federal money that is left over after you have met your mandates. I think that is highly unrealistic and would defeat not only the goal of moving people from welfare to work, but would also undermine our basic American humanitarian and compassionate sense of responsibility to all of our citizens.

And finally, the reality of this proposal is in the extreme disparities that will exist from State to State under this plan. I mention unfunded mandates. In the case of Florida, about 75 percent of our Federal funds would be required to meet the unfunded mandates. We are better off than Mississippi, where it will take 88 percent of Mississippi's Federal money to meet their unfunded mandates, which compares to the District of Columbia, that can meet their unfunded mandates with only 46 percent of the Federal money.

Why is there such a great disparity? Because we start off with a tremendous disparity in how much Federal money per child is available under the proposal that has been submitted by the majority leader. A stark difference is right within a mile of where we stand. A poor child in the District of Columbia will get three times as much money under this proposal of the majority leader as will a poor child across the Potomac River in Virginia.

I think that is not only indefensible and unfair, but undermines the basic credibility of this proposal as a means of moving people from welfare to work.

So, Mr. President, in those areas, I think we have a house that is being built on a foundation of sand.

Mr. President, we need to guard against passing legislation which has rhetorical mandates and aspirations, but without the practical understanding of what it would mean in the lives of people and, therefore, virtually assuring that we will have a failure of accomplishing our objectives and will have more decades of exactly the kind of welfare issue, exactly the kind of continuing dependence that we are trying to ameliorate through this effort.

Mr. President, I urge the adoption of the more pragmatic amendment which has been offered by Senator DASCHLE and his colleagues as the starting point for serious, meaningful welfare reform.

Thank you, Mr. President.

Mr. MOYNIHAN. Mr. President, I yield myself 5 minutes, if I need that much, to thank the Senator from Florida, the former Governor of Florida, who knows precisely of what he speaks when Federal formulas are involved.

You heard the striking differences between the jurisdictions of Florida, Mississippi, the District of Columbia, and Virginia. I hope you also heard the Senator's comment about the city of Philadelphia, the number of jobs in the city, the numbers created in recent years. I have been trying to make a point, as I said yesterday—I do not know that I can persuade anyone, but I can try to make it and I can argue—which is the point that 30 years ago, we might have considered turning this subject back to the States, giving them

block grants of some kind, saying, ''You handle it. Cities, you handle it. It makes some sense since local governments are closer to the problem. It is not that big a problem.''

It is today, in one after another jurisdiction, a problem that has overwhelmed the capacity of the city and the State.

The Senator mentioned Philadelphia. In 1993, 57 percent of the children living in the city of Philadelphia were on AFDC, welfare, at one point in the course of the year. At any given moment, 44 percent—these are numbers never contemplated. Nothing like that happened in the Great Depression. And these children are paupers. They are not from unemployed families, where there is a house, an automobile, some insurance.

One of the few regulations the Federal Government does have—the rest are all intended you have to waiver for—if you have less than $1,000 in assets, you are a pauper. The cities cannot handle it. And they will not.

Just as when we began the deinstitutionalization of our mental institutions in the early 1960's—at the last public bill-signing ceremony President Kennedy had, on October 31, 1963, he signed the Community Mental Health Construction Act of 1963. I was present. He gave me a pen. I had been involved with this in New York, where it began. Transfer license. We were going to build 2,000 community mental health centers by the year 1980, and one per 100,000 thereafter.

We built about 400. We kind of overlapped and folded the program in and forgot about the program. We emptied out the mental institutions. And we have been hearing about homeless shelters all day.

I said yesterday, and I will repeat again, in 10 years' time, with this legislation in place, with these time limits in place, children will be in the streets. Seventy-six percent of the children on welfare are on welfare for more than 5 years.

The Senator from Connecticut, I hope, will keep that in mind—76 percent. About 40 percent—the remainder come and go quickly and are never a problem.

But if we do this, we will have in my city of New York half a million people on the streets in New York. We wonder about homeless people. They used to be in mental institutions. Now these children are in houses. They are in households. We will wonder where they came from. We say, ''Why are these children sleeping on grates? Why are they being picked up in the morning frozen? Why are they horrible to each other, a menace to all, and more importantly to themselves? Whatever happened?''

When the homeless appeared in New York, we right away diagnosed it as a lack of affordable housing. That is not what it was. It was Federal policy in its most perverse mode. Make a great change and do not follow through. Make changes you do not fully understand. Those tranquilizers were not as good as we thought.

Here are some other cities. In Detroit, 67 percent of children were on welfare at one point or another in the year of 1993; in Baltimore, 56 percent.

My time has expired. But I will return to this subject.

Now I am going to suggest the absence of a quorum for 1 minute to see whether the Senator from Oregon wishes to speak—I do not see him on the floor—after which it is the turn of the Senator from Connecticut.

The PRESIDING OFFICER. The absence of a quorum has been suggested.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. I am happy to yield to my friend.

Is 15 minutes sufficient for his purposes?

Mr. DODD. Why do we not try 15. I may need 20.

Mr. MOYNIHAN. Twenty, it is.

Mr. DODD. I thank the Senator.

Mr. MOYNIHAN. May I record, Mr. President, the Senator from Oregon does not wish to speak at this moment. So if the speakers are all on our side, it is because we are talking, I suppose, about our bill.

The PRESIDING OFFICER. The Senator from Connecticut, Mr. DODD, is recognized for 20 minutes.

Mr. DODD. Mr. President, I thank my colleague from New York. Before beginning, our colleague from Florida asked me to yield to him for a minute to raise a question to the distinguished Senator from New York.

Mr. GRAHAM. Mr. President, I thank the Senator from Connecticut very much. I appreciate his courtesy.

I want to commend the Senator from New York for the excellent statement, and particularly that he brings us back to reality, just what are the circumstances of the people that are going to be affected by our actions.

I would like to inject, briefly, for the Senator's information and possibly further comment, some good news. I mentioned that in Pensacola, there were 6,600 welfare families. I am pleased to say that in the first 18 months of the transition program, which is a program based on the 1988 legislation that the Senator from New York sponsored, that almost 600 of those 6,600 have, in fact, been placed in employment, that having occurred because there was a willingness to put the resources required to provide the kind of training and support, including child care, to those families to allow it to happen.

It can happen. This is not just a doom-and-gloom scenario. We are not consigned to have to deal with this problem in its current form forever. But it is not going to be easy, it is not going to be quick, and it is not going to be inexpensive if we are going to achieve real results.

I appreciate the constant reminder of the Senator from New York of those realities.

Mr. MOYNIHAN. I thank my friend from Florida, and I do particularly appreciate his reference to the Family Support Act, which never promised a rose garden. We said if you try hard, you will have something to show for it. Pensacola does.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 20 minutes.

Mr. DODD. Mr. President, before my colleague from New York departs the floor and my colleague from Florida continues, I want to commend my colleague from Florida for an excellent statement.

And, let me just say, the distinguished Senator from New York has contributed more to the collective wisdom in this body on the subject of welfare reform than anyone. I say that with all due respect to the other 99 of us in this Chamber, but the Senator from New York has dedicated virtually a lifetime of service focused on this complex issue.

She is no longer with us, but Barbara Tuchman wrote a wonderful book called the ''March of Folly.'' It was related to foreign policy failures throughout history. What made her book unique is that she talked about failures where those responsible for conducting foreign policy—from the Trojan Wars to the Vietnam war—knew when they were about to do something that, in fact, it was wrong and that there were better alternatives. But, they refused to recognize them. She described several historical events beginning with Troy, including the American Revolution, and several others.

Were she alive today and were she to write a domestic version of the ''March of Folly,'' I suspect our current debate on welfare reform might be a chapter in that book. My fear is, and I heard my colleague from New York express this over and over again, we are missing each other in the night as we discuss this subject matter.

The Senator from New York has said repeatedly we are not engaged in reform here at all. What we are engaged in is a dismantling, total dismantling of a system with a faint hope that what we are about to put in place is somehow going to serve the public in a better way. What we are talking about here is reducing our Federal commitment to welfare by roughly $70 billion, passing the cost on to the States and localities of this country and asking them to assume the responsibility and burden of picking up this chore with little likelihood that we are going to achieve the desired goals expressed, with all due respect to the majority leader's bill.

I just want to take a moment, before getting into the substance of my remarks, and urge my colleagues to

please listen —listen—to our colleague from New York. There is a lot of wisdom in what he says. He knows this issue well. Historically, we have paid attention to our colleagues, regardless of party, regardless of ideology, who brought a special knowledge and experience to a subject matter. The Senator from New York is that individual in our midst. We ought to be listening to him on this subject.

So I hope in the coming days, we can get away from a bit of the politics of this issue and think about what we are doing and what a mess we are likely to create in this country, costing the middle-class taxpayers billions of dollars before we are through, all in the name of some political debate about who is going to deal with the welfare recipient more harshly than the next.

That ought not to be what this debate is about. It ought to be about how we reform our current system to make it work better in a realistic, thoughtful, prudent manner. Unfortunately, I do not think that this has been the case. I know my colleague from New York has other business to attend to, but I just felt very strongly when I came over here to address this matter. This is one of those rare occasions when the ''March of Folly'' seems to be upon us once again.

Mr. President, I hope we will pay some close attention to the proposals that are being offered by the distinguished Democratic leader and hope that somehow in the next few days we may come to our senses and find some common ground on this issue.

I read the other day that the distinguished majority leader announced in Chicago that there will be no compromises this fall. How does this institution function when the leader of our body says there will be no compromise on a subject matter that will have a profound effect on our country for years to come? We need to seek some common ground and thoughtful analysis to deal intelligently and effectively with the issue of welfare reform.

There is no debate about what we are trying to achieve: How do we move people from dependency to self-sufficiency? We are now looking at grandchildren and great-grandchildren of people who have been dependent on welfare without the ability or the fortune of work. How do we move people to work in an intelligent way? How do we make it possible for them to get there and stay there, so that they have at least the basic protection of health care and some safe place to put their children?

This is not a concept that is terribly difficult to grasp, I hope. Every single family in this country ought to be able to relate to this. They do. When you go to work, where is your child? Who is watching your child? Every single person, from the highest paid chief executive officer down to the lowest wage earner in this country, understands that critical issue: if you are going to go to work, you need to have access to safe, affordable, and quality child care. It ought not to be difficult for us to try and come up with some ways to do achieve this.

The benefit of all of this is not just fiscal, it also has to do with the fabric of our country. It has to do with helping to provide people opportunities to have a sense of self-worth as we build our neighborhoods and communities. It is a critical element. And trying to find the ways and the means to accomplish that goal ought to be the subject of our discussions. We should not, as I said earlier, outdo each other in our rhetoric to indict people, in most cases, who, through no fault of their own, are in this situation.

I left this chart here, Mr. President, because it ought to be in everyone's mind. As our colleague from New York has pointed out, two-thirds of the people we are talking about in this bill are children; they are not adults, they are kids. Two-thirds of the recipients are America's children. In Baltimore, Detroit, Los Angeles, Philadelphia, there are staggering numbers of children who are recipients or dependents of families where there is this dependency on public assistance of one kind or another.

I hope, again, we can have an honest and thoughtful debate about how we can improve this situation, rather than worsening it by creating a race to the bottom. The Washington Post the other day—I do not have it here with me today—had a lengthy article about what will happen as States race to cut benefits. As some States cut benefits, their actions will put great pressure on neighboring States to follow suit, or else risk becoming a magnet for families searching for ways to end their slide further down the economic ladder. As the race proceeds, it will cause great damage to our national commitment to address these problems.

Maybe I am wrong, but I honestly believe when there is a child in Pennsylvania, or a child in Colorado, or a child in New York that is in trouble, I have an obligation as a Senator to help them. I am a U.S. Senator from the State of Connecticut, but my interest and concern about children is not limited to the geography that I represent. It is the country that I represent. And so when there is a child who is hurting in a Western State, an Eastern State, or my own State, I believe that, through the constitutional process which creates this institution, I ought to bring a concern to this national body to grapple with these problems in a way that makes sense for all of us. I should not just assume that these problems are Colorado's problem, or New York's problem, or Pennsylvania's problem alone. That belief would run contrary to our sense of nationhood.

So the goals of work and independence and self-sufficiency and family unity are all things that we ought to be striving for.

We are going to miss that mark substantially if we do not try and find ways to achieve those goals in a realistic way, and make the kinds of investments that will need to be made if we are going to be successful.

The tendency to blame and punish is certainly tempting. I understand the politics of it. But in the long-term it is not going to help us resolve the kind of difficulties that I think we have been asked to assume by our election to this body as national representatives—not just our own States' representatives but national representatives.

There is strong evidence that the rise of poverty is, in large part, attributable to declining wages. There has been a tremendous amount of evidence that over the past 2½ decades wages have declined, and anxiety and fear has grown among our people as a result of that trend. I hope we will keep this evidence in mind as we consider this debate on welfare reform.

If we take the view that the only purpose of welfare reform is to punish people—as I said a moment ago, those who have been getting something for nothing—then we are going to ignore the fact that welfare is an unwelcome fate for most recipients.

More important, we will miss the opportunity, in my view, for any kind of real, meaningful reform, because we will ignore what we must do to move people from the dependency of welfare to work: First, to provide them with education and training. Again, we all know we are entering a sophisticated age. There are fewer and fewer jobs where little or no education or training is needed. As it is right now, less than 1 percent of the jobs in this country are going to be available to people with less than a high school diploma. In a few years, it will be a college diploma. You are going to have to have those skills if you are going to move people to work. The jobs will not exist for people in this category without the training.

Second, you have to ensure that States are partners with the Federal government, lest they engage in a race to the bottom that rewards States for spending less on moving their people from welfare rolls to payrolls. I do not think anyone believes that is a wise course to follow.

Third, and I think most important in this debate, and I have referenced it already—is to ensure that parents have the child care that they need in order to keep a job in the first place. Child care, I happen to believe, is the linchpin of welfare reform.

No matter what else we do, if a parent cannot find a safe and affordable place for their young children during the working day, that parent is not going to be able to hold down a job. I do not care how you look at that issue or analyze it. That is a fact.

In my view, the alternative proposal offered by the majority leader, Senator DOLE, fails to meet this three-part standard. It represents, I think, a retreat from the problem and not reform of it. It does not even, in my view, deserve to be called reform. All it would

do is package up Federal programs for poor families, cut the funding by $70 billion, and ship the whole problem to the 50 States. Is somebody going to tell me that is reform? That is just passing the buck and asking the middle-class taxpayer to have their property taxes and sales taxes skyrocket at the local level—as we wash our hands of it. We have reformed the problem. Mr. President, we will have done nothing of the kind.

The acid test of any welfare reform proposal is its impact on children, in my view, because they are the majority of the recipients. Is a reform proposal going to punish the children for the mistakes or bad luck of their parents? It bears repeating time and time again that two-thirds of the AFDC recipients are children. More than 9 million children received cash assistance in 1993.

The Republican welfare reform proposal, as it is called, would single these children out for extraordinarily harsh treatment. I do not care what your ideology or politics are, I do not know of anybody that wants to see that happen. Yet, Mr. President, as a matter of fact, that is just what happens under this proposal. In my view, the Republican plan packages up punitive policies that aim for the parent, but will hit the child instead.

Children should not be penalized because of the happenstance into which they have been born. I do not think we want to see that be the case.

We promise the elderly and veterans a minimum level of support in our society. Why can we not do the same for children? We need a national commitment to see that children are not abused, that they do not go hungry, and that their basic needs are being met.

The Republican proposal, however, fails to provide even the most basic minimum standards for our Nation's children. Mr. President, I want to stress that these children, I believe, are our Nation's responsibility. They are our Nation's responsibility. Whether a child lives in Mississippi, California, Connecticut, Colorado, or Pennsylvania, we as a nation must look out for the basic welfare of each and every one of these young citizens. The American people, I think, understand the concept of nationhood. They do not want us to pull the basic safety net out from under these children.

The Republican plan, however, threatens to do just that. If a parent is cut off of welfare after a 5-year time limit and is still not working, his or her children are the real losers. The Republican proposal makes no allowance for these children. If you are a kid in that family, you have had it. I do not believe that makes a lot of sense, Mr. President. I think you ought to be thoughtful about what is apt to happen down the pike here.

The proposal being offered by the Democratic leader includes a 5-year time limit, but it provides a voucher in the amount of the child's portion to a third party for families who hit the time limit. So the children's portion is held aside. If the family does not make it out of welfare in 5 years—you still have something for the kid. As it is right now in the Republican proposal, you have nothing for that child. Does anybody really believe that is what we should do? Are we going to look at the face of that child in 5 years and say, ''I am sorry, your parents did not get off of it, you are a loser and you get nothing.'' I do not know of a single person in this body that would sit and look that child in the face—not the number or the statistic, but that child—and say, ''you get nothing because your parents did not make it off welfare in 5 years.'' I do not believe that makes any sense. I honestly do not believe that is what we will do. Nor do I believe that is what the States will do. But, this bill calls for that.

Changing the welfare rules will not make these children disappear. They may very well end up out on the street—as the Senator from New York said—solely because of the mistakes or bad luck of their parents. We ought to be more creative and more responsible than that.

Under the Republican plan, 3.9 million children could lose assistance under the 5-year time limit. More than twice that number would be jeopardized if States move to the 2-year limit, as some have suggested.

I go back to the point of the Senator from Florida and the Senator from New York. In Detroit, 67 percent of the children are on welfare. In Philadelphia, it is 57 percent. There are some 500,000 families, or people, on welfare in that city alone. Is anybody going to honestly tell me that in 5 years, everybody is going to be off? If you are not, the kids in that city are going to be the ones to pay the price because their parents were not able to find the jobs. That does not make any sense, Mr. President. More thought needs to be given to all of this.

Despite its tough rhetoric, the Republican welfare reform bill is empty, in my view, when it comes to putting welfare recipients to work. The legislation requires States only to dramatically increase their participation rates. They impose this requirement, yet do not provide the resources to help States reach this goal.

Talk about an unfunded mandate. If you do not get it done, if you do not meet that requirement in Philadelphia—Philadelphia, with 500,000 people—in a couple of years, and do not raise your participation rates, we penalize Pennsylvania.

That is an unfunded mandate—no resources to do it. My Lord, that is an incredible burden to place on these States and localities as we wash our hands entirely of it.

The proposal being offered by the distinguished Democratic leader sends, I think, a different message—not perfect, but certainly one we ought to look at as a way to incorporate these ideas. It should not be mistaken for defense of the status quo. It is anything but. It ends unconditional receipt of assistance. It replaces the entitlement to benefits with entitlement to employment services. It would cut off benefits to anyone who refuses a job offer, and would require parents to sign a parent empowerment contract.

As the title suggests, the Work First plan makes work a reality for people on welfare, and not just simply a promise.

Our alternative is built on a basic principle that work must be at the center of real welfare reform. We would provide job training and child care assistance to help welfare recipients find and keep jobs. We would back it up with tough requirements and the resources, Mr. President, to make that a reality.

Under the work first bill, existing child care programs are consolidated and dedicated to child care. The bill guarantees child care for those required to work or prepared for work, ensuring that kids will not be left home alone.

The bill also provides 1 year of transitional assistance with options for an extension for an additional year on a sliding scale basis.

In contrast, the Dole-Packwood bill acts as if the 4.3 million kids on AFDC under the age of 6 and the 3.8 million on AFDC between ages 6 and 13 somehow do not exist.

Under the Republican proposal, we will have less money in child care than we do today, less money before we put all of the welfare mothers to work and send them out the door, less money for these kids that have to be placed in some sort of a situation where they are safe.

In the Dole bill, the three major child care programs that serve 640,000 children disappear. That is a fact, Mr. President. They disappear, undermining the Federal-State partnership.

There is absolutely no requirement under the welfare reform proposal being proposed by Senators DOLE and PACKWOOD that States continue to use the money that they previously dedicated to child care. You do not have to do that any longer. You are off the hook. So the States do not even have to put a nickel into child care. In the earlier bill, they did. They have now taken it out.

Existing State requirements are gone on child care. If States wanted to provide the same level of services as today, they could not, because the money supply is simply not there. The level of funding is frozen to 1994 levels, at the same time we expect many more mothers to go to work.

According to numbers from the Department of Health and Human services agencies, an additional $6 billion for child care is needed over 5 years, over the fiscal year 1994 levels included in the current Dole draft, to make the Dole welfare reform plan work.

The only money dedicated to this critical component of welfare reform is

the money authorized by the Labor and Human Resources Committee earlier this year for child care, for the child care and development block grant. Mr. President, that serves a very small number of families.

As the author of that legislation, with my colleague from Utah, Senator HATCH, 5 years ago, I strongly support the program, Mr. President. But it is no substitute, frankly, for dedicated funds protected from the budgetary whims of this and future Congresses.

Furthermore, the program was created, I point out, to help the working poor, and is a mere fraction of what is needed. It is clear under the Republican proposal the working poor are going to lose, and lose substantially, and middle-income taxpayers are going to watch their taxes go up at the local level.

The Dole bill even allows States to use the meager amounts that have been dedicated to child care for other welfare programs, so you can get rid of it altogether.

The majority leader modified his bill in August. He gave States the option to exclude parents with children under the age of 1 from the work requirements. There is no provision, however, for other preschool and elementary-age children.

The bill does not provide adequate funds for child care, and at the same time, it is going to penalize and sanction parents who cannot work because they do not have the child care or cannot afford it.

Mr. President, that is a no-win situation we are putting these parents in. It is just plain wrong. In my view, it will not work. As I read it, this welfare bill says it is OK to leave your children home alone. You will go to work, but you figure out how to deal with your children.

In case anyone thinks that there are enough Federal dollars in child care under the current system, just look at what has happened. Thirty-six States, Mr. President, and the District of Columbia have waiting lists for child care.

Listen to the numbers on waiting lists: In Texas, 35,000 children are on a waiting list for child care. That is today, now. I am not talking about after we pass this bill. Today, 35,000 are waiting. In Illinois, 20,000 children are on a waiting list. In Alabama, 20,000 children are waiting. In Florida, 20,000. In Georgia, 41,000.

Other States have chosen not to keep a list, but the problem is present there, too.

Now, we are going to require more people to go to work while providing less child care resources. With thousands of kids already on waiting lists for child care slots, how is that possible?

Child care is not only a tremendous concern to those struggling to get off welfare. Talk to any middle-income family about child care. Have a conversation with a family that weekly, if not monthly, goes through the anxiety. They are out there working, single mothers trying to raise kids, or two-income earners.

If you want to get an earful, talk to them about child care and the problems they have. I am not talking about welfare recipients or working poor, but the average family that struggles every week with where they are going to place their kids. Is it safe? Will they be OK? How much does it cost? Here we are, telling millions of people to go to work with no accommodation, no accommodation for child care.

Mr. President, it is lunacy to think this is reform. It is dangerous. As the Senator from New York has said, we will rue the day, we will rue the day if we adopt this legislation without accommodating the kinds of investments that have to occur if this proposal is truly to work in the coming years.

If we turn our back on this issue—and frankly, Mr. President, I say so with the highest degree of respect for the individuals who are the authors of the bill—if we do that, we will create significant damage in this country. The damage will be similar to those created, as the Senator from New York described, to the deinstitutionalization of the mentally ill.

Welfare reform requires far more thought, Mr. President, far more thought. No compromise is a great political speech. But, it is not the way to address serious, complex, and profound social policy issues.

Mr. President, I hope in the coming days that we will develop a willingness to sit down and work this out thoughtfully. I am hopeful that the Daschle alternative will be adopted because it is.

But, if that is not the case, I will offer amendments with specific offsets to improve the Dole/Packwood bill. I will say they will come from corporate welfare, I let my colleagues know.

So, Mr. President, I hope common sense will prevail in these coming days and that we will find, as we have historically on issues like this, some common ground. The President has urged it. Others have here including the senator from New York. I think this no-compromise approach is unfortunate. It is not a sound way to legislate, certainly not in an area that is as important as this one.

I yield the floor.

The PRESIDING OFFICER (Mr. KYL). The Senator from New York [Mr. MOYNIHAN] is recognized.

Mr. MOYNIHAN. Mr. President, I know the Senator from Pennsylvania would like to have a dialog with the Senator from Connecticut. But just before he does, may I say I brought to the floor a pen with which John F. Kennedy, on October 31, 1963, signed the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963.

The Senator from Connecticut recognizes those pens. This was the last public bill signing of the Kennedy administration, and we set about emptying out our mental institutions. We said we were going to provide for the children, the young people and the older persons who left. We were going to provide community care. But we did not provide the wherewithal. We almost, for a while, forgot we had ever done it. It now seems to be lost with us entirely. We deal with the problem of the homeless as if it had no antecedent in our decisions.

We are on the floor of the U.S. Senate making a vastly more important decision. There were a million, almost a million persons in mental institutions when this bill was signed. There are about 100,000 today. There are 14 million women and children on welfare—14 million. When they end up on the streets, I hope somebody will remember that it was foretold.

I wonder.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. SANTORUM] is recognized.

Mr. SANTORUM. Mr. President, I yield myself such time as I may consume.

I appreciate the comments of the Senator from Connecticut. In fact, with respect to the child care comments he made, I think there are some legitimate points he does make. I find myself wondering whether we do need to commit potentially more resources to provide for people who are going to be required to work so they can have the opportunity to have some child care available to them.

I am hesitant, in fact reluctant, to be for an entitlement for child care because I think that could be a slippery slope. I am not too sure we want to provide an entitlement to child care for people who are on welfare and have people who are working mothers, who need child care just as badly, have no entitlement. That, I think, creates a double standard that may in fact encourage more people to get on welfare to get the child care benefit. So I do have some concerns about that.

But I think it is a legitimate issue to bring to the floor, to talk about how we are going to have single mothers with children work and not have the resources available for child care. I think that is an issue. I think the leader came to the floor before the recess and admitted that that is an area we hope to do some work on.

We talk about bipartisanship. I think that may be an area where we could find some common ground. I think, again, on this side, we are going to be stopping short of an entitlement in nature, but certainly to provide more day care slots and to provide more funding for people to have choices as to where to take day care, that is not beyond the pale—at least from this Senator's perspective, that is not.

One of the things that concerned me, however, about his talk was at least the inference, if not the direct assault, that somehow or another Republicans are slashing welfare. I think we have to

make this very clear. What we are talking about here, on the Democratic bill and frankly on the Republican bill, is not slashing welfare.

I will give the numbers. Unfortunately, the numbers do not match, necessarily, because the Democrats' calculation of what welfare is and the Republicans' calculation is a little different. Welfare, from my perspective, is obviously not just AFDC, but it is AFDC and food stamps and child care and a whole lot of other programs. When you add all those programs up, we come up with spending this year of roughly $170 billion that we will spend on welfare programs.

On the Democratic side, they add in the earned-income tax credit and some other social service programs, and they come up with a figure closer to $190 billion. So we start at a different base. But let me give what, under the Republican bill, we will spend 7 years from now and what we would spend 7 years from now if we did nothing.

If we did nothing, we would go from spending $170 billion on welfare today to, in 7 years, spending $302 billion on welfare. That is if we did nothing. We would increase spending by $132 billion, a roughly 77 percent increase in spending on welfare in the next 7 years. That is if we did nothing.

Now, what does this dramatic slashing, punishing, cruel, blaming-the-poor, Republican proposal do to welfare expenditures over the next 7 years? We are not going to spend in the year 2002 $302 billion, that is correct. We will spend $289 billion. The increase will be, not 77 percent over the next 7 years, but 70 percent over the next 7 years.

I know you can say a lot of things about this program, but cruel slashing, cutting, when you are cutting 7 percent of the increase out of a program that is going to increase 77 percent over 7 years is hardly slashing. It is hardly leaving people out on the street.

Let us please stick to the facts. This is not a harsh bill. This is not a cruel bill. This is not a bill that blames anybody. This is an honest attempt to try to solve the problem. And, yes, at the same time try to accomplish some savings—hopefully efficiencies, doing things better, getting more people off the rolls and back into productive society, which will save money in the process.

Just so you understand what the other side is going to do, under their numbers welfare spending is $190 billion today and will increase to $333 billion by the year 2002, an increase of $153 billion, a 75-percent increase.

So, $189—$190 billion to $333 billion. Again, the Republicans start at $170 billion and we go to $302 billion. But they use different numbers. Under the Democratic proposal, their spending would increase from $190 billion today, not to $333 billion but to $330 billion. So, instead of a 75-percent increase, you get a 74-percent increase.

I would not even call that an adjustment. That is not even—that does not even touch the system. The Republican proposal was a modest reduction. This does not even meet the standard of reduction, hardly. And they are trying to put this up as changing welfare as we know it? Reforming the system? Giving not only the recipient a different program but the taxpayer a break in funding this system?

It does not stand up. Either way, their system does not stand up to reduce spending significantly and ours certainly cannot be accused of slashing and cutting. Ours is a responsible reduction from a very dramatic increase.

A couple of other points I wanted to make about the talk of the Senator from Connecticut. He said, as the Senator from Louisiana discussed yesterday and the Senator from New York discussed yesterday, ''How are you going to pay for these programs? You do not have the resources. We cannot do it. The Governors won't be able to put these work programs in place and there is no way for us to be able to fund this program with the number of children and single mothers on this program.''

I would remind the Senator from Connecticut that the Republican Governors Association strongly supports the Dole package, strongly supports the block grant approach, strongly supports the idea that if you give them just what they had this year in AFDC funding, and a little growth factor for the growth States which we have provided for in this bill, that they will be able to run this program, put people to work, get people and turn the system from a maintenance system, a dependency system to a dynamic system that moves people out of poverty and do it for less money. For less money.

I will remind you that these Governors, the Republican Governors who support the Dole package represent 80 percent of the welfare recipients in this country. Eighty percent of the welfare recipients in this country are represented by Republican Governors, and they believe they can do a better job with less money than what the Federal Government is doing today.

So ask the people who are going to implement the program how they will do it and they will tell you they can do it. In fact, they want to do it.

It is interesting that the Senator from Connecticut mentioned and focused a lot of his introductory remarks on how we have to change this dependency system, and used the word ''dependency'' as it should be, as a pejorative term. It is not a good thing. And then later in his talk he talked about how cruel and horrible it was to cut people off after 5 years with nothing. He said, ''We are going to cut them off and there will not be any benefits.''

First off, that is not true. Children, moms with children, will continue to receive food stamps, will continue to receive Medicaid, will continue to receive housing benefits that they do in any other social service. They will lose their cash assistance. Under the Democrat bill, they lose their cash assistance also. The only difference is they replace the cash assistance with a voucher in almost an equal amount—they have a slight reduction—a voucher for them to be able to go out and do basically what they did with the cash.

So in a sense it is not much of a penalty. But we say if you are going to end dependency, you cannot continue to keep people on the system and pay them virtually the same they are making now on the system. You have to end dependency by ending dependency. You cannot continue to provide for someone on the system and expect them to leave the system.

I do not say that without the understanding that a lot of people leave the system. But a lot of people are trapped in the system because of the nature of the dependency of it in which the benefits continue.

So you cannot stand on the floor and say, ''We have to end dependency'' and say, ''We cannot cut them off.'' You cannot be for any dependency and not be for some termination of benefits at some point in time when the social contract between the Government and the person the Government is attempting to help at some point ends, and the person has to do it on their own.

The other point that I cannot more strongly disagree with is the Senator from Connecticut repeatedly said, ''This is a national problem.'' It is a national problem. As a Senator from Connecticut, he cares about the children in Philadelphia and he cares about the children in Colorado. The Presiding Officer is from Colorado. I care about the children from Connecticut and the children from Arizona. I just do not believe that the Federal Government is the best person to help them.

Sure, it is a national problem. But I think what we have found in decades of looking at what helps the poor in this country is the National Government does not solve the problem. It is a national problem that calls for a local solution. Sure, the Federal Government has a role to play. We are going to continue. He says we are going to wash our hands of it. We are not going to wash our hands of this.

I will repeat the numbers to make sure the Senator from Connecticut understands. We are going to be spending $289 billion under the Republican proposal in the year 2002, a 70-percent increase. The commitment is there. But what we are suggesting in this bill, which is philosophically different and fundamentally different from what the Senator from Connecticut and many on the other side of the aisle believe, is that we solve problems best when it deals with the poor by making it more personal and individual and local in nature; that community organizations and individuals solve problems better in dealing with people who have troubles in their lives than a system that processes checks and papers and maintains people in poverty.

I think everyone here understands that this is a national problem, and that that is why we are having this debate. If this was not a national problem, we would not be here debating it. Of course, it is a national problem. But does that mean that the Federal Government has to solve the problem here, has to have instant solutions here for everybody to be treated the same in America? Of course not. National problems do not always require national solutions. They at many times require solutions to be done and ideas to be grown in the local communities or the individual who can help that person get out of poverty.

The Senator from Connecticut also talked about how two-thirds of the people on welfare are children. That is a fact. It is very disquieting. He talks about how cruel it is, that the Republican bill will in fact hurt children and target children for their harsh treatment. I will just remind the Senator that over the past 30 years we have tried a great experiment as a result of the Great Society programs of the 1960's. We tried this experiment blindly, with absolutely no idea of whether this program was going to work.

A lot of the criticism on the other side is we do not know whether turning this back to the States is going to work. We do not know it is going to work. Well, I would suggest to you back in 1965, 1966, or 1967, in the years in which these programs were enacted in the early 1970's, that a lot these programs were passed, and they had absolutely no idea whether they were going to work. But they thought that it was worth a try. In fact, I would say that a lot of the people who voted for these programs did so with the best of intentions and with the greatest of hopes that this in fact would work. But it has not. I think we did answer that question.

Two-thirds of the people on welfare are children. But more of those children are born out of wedlock today than they were in 1965. In fact, if you go back to 1960, the out-of-wedlock birth rate in this country, the illegitimacy rate in this country, was 5 percent. It is now 33 percent.

I think everyone will admit now, both sides of the aisle, both philosophical perspectives will tell you that it is a harmful thing for our country. More of them are born out of wedlock. More of them are born at low birth weights. More are born drug addicted, crack addicted. More of them live in unsafe neighborhoods and die violent deaths. More of them have less opportunity. More of them have less educational opportunities and a chance for success. That is the system we have today.

I sometimes just become amazed that someone could stand up on the floor and say that what we are doing is cruel when the system today is as cruel as we have ever seen in the history of this country. What we are suggesting is not cruel or harsh. What we are trying to do is change a system that is surrounded or built on the difficulty of maintaining people in poverty.

I cannot stress this point enough: No one who receives welfare benefits as their sole source of income gets rich. You do not get rich on welfare. You maintain people. That is what the system does. That is what it is built to do—to maintain people at a level of survival.

It is not a system that you go into with the expectation—people who have never been in the business when they think of welfare do not think there is a system that people go into and they are transformed into productive, working citizens. That is what welfare does in this country. Nobody believes that. Nobody thinks of welfare as the system that changes people's lives for the better. They think of welfare as the safety net where people get caught in it.

We have to change that. That is what this bill does. It fundamentally changes the whole perception of what welfare is all about. The whole expectation of someone who now gets onto welfare is not how many are going to be provided for whatever the length of time in poverty. But how will I be helped to get back on my feet to get out of poverty. That we will change the system from one of maintenance and dependency to dynamic renewal, that is the challenge. And what many of us believe is that that is the challenge best met by people who care most about the people involved in the system. And, yes, the Senator from Connecticut cares about the children in Philadelphia. He probably cares about my children. I will never forget the Senator from Texas, Senator GRAMM, who suggested that on a talk show a couple of years ago. Ira Magaziner was on talking about health care, and Magaziner was saying, ''I care about your children as much as you do, Senator.'' And Senator GRAMM shot back, ''Then tell me their names.''

Yes, I care about children in Philadelphia and Hartford and Bismarck and Fargo. I care about them. But that does not mean I am the best person to help them. The people in Fargo know better how to solve this problem and how to deal with this person, to sit across the table from them and say: What can I do to help you get back on your feet and going? Not with the eyeshade down, hand out the check and process the next number.

That is the fundamental difference we are debating here today. It is a difference between holding on to the past and moving to the future.

It is a great opportunity, it is a great opportunity we have before us to make this system something that we can be proud of, that we can look and see experimentation across the country.

In the Republican bill, we allow nonprofit organizations to get involved and be the welfare agency for that community. I know there are many communities—the Senator from Connecticut mentioned Philadelphia on many occasions. I have been to north Philadelphia and west Philadelphia, and the only thing left, the only thing left in these neighborhoods—there are no jobs left in these neighborhoods, nothing of an institutional setting except the church. Why not let the people who care most about these folks, why not let the churches get involved in providing welfare services.

Oh, I know we get real nervous about church and state, but, folks, I want to solve the problem. I want to help people. And I know many pastors—many pastors—who would absolutely be the best people to work in those communities. Sure, they would have oversight, there would be Federal oversight or State oversight, but the people working with the folks in the community would be people who know, people who care about them, people who the folks who end up on welfare trust, know that they care about themselves and their families.

This is different. We are not walking away. We are facilitating a different approach. It is one that I know will work, I know will work because it has worked in the past and I think it will work better because the Federal Government will provide a lot of the needed resources that in fact were not there in the past.

We stand at a very important moment, as we vote on this substitute later today, whether we are going to continue to try to micromanage and have solutions based out of Washington to run welfare or whether we are going to turn away from that approach that we know does not work and move to something different, exciting, dynamic, that is going to help millions of people leave welfare.

Mr. President, I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I have listened to my colleague from Pennsylvania and found that I agree with much of what he says in terms of where the decisions might be made, but I disagree with him in terms of his characterization of the divide that exists in this debate. I do not really think it is a question of where should the decision be made.

In my own welfare proposal that I made before the Senate Finance Committee, I left it entirely up to the States. Let the States decide what the makeup of the program should be. Let the States decide what the eligibility should be. Let the States decide what the time periods are. Let the States decide what the sanctions are.

That was not the divide in the debate. The fundamental difference in the debate was, should there be a continuation of an automatic stabilizer, a mechanism that allows the State to be assisted by the Federal Government if there is a circumstance in which State resources are overwhelmed.

Mr. President, if there is a flood in Mississippi, if there is a drought in

North Dakota, if there is an earthquake in California, if there is an economic collapse in Pennsylvania, some of us believe just as fervently as does the Senator from Pennsylvania that the Federal Government has an obligation to make certain the kids in that State do not wind up on the street.

I remember being in the State of California, going down the street in San Francisco, in one of the most affluent neighborhoods of that beautiful city, and encountering a young mother with two children sitting on the curb with a sign that said, ''I'm homeless. Please help me.'' I inquired of the woman, who was dressed as a middle-class person and her children were well groomed, ''How did you wind up on the streets of San Francisco?'' And she said to me, ''My husband left without notice, abandoned the family. I could not make the house payment. I was just evicted yesterday.'' And here sat this young woman, a lovely young woman, with two little kids on the street in San Francisco, CA, begging for money to feed her children.

If, God forbid, we are in a circumstance in which California suffers a whole other series of economic calamities or, closer to home, my home State suffers through another devastating drought as we did in 1988 and 1989, there comes a time when a flat level of funding from the Federal Government does not do the job, does not protect people who I think everyone in this Chamber would want to see protected.

The fundamental debate here is are we going to preserve an automatic stabilizer that says to individual States if they suffer an economic collapse or some other calamity, that it will not just be a flat funding from the Federal Government and strained State resources that are ready to meet the challenge but this country stands together united. That is why we are the United States of America. Over and over, we have seen this country respond to tragedy. Whether it was the bombing in Oklahoma, the earthquakes in California, or the drought in my State, we stood together as one nation under God, indivisible, and we came to help out, to make certain that a young mother with two little kids was not on the street because the husband deserted the family and the house payment was not made.

Mr. President, let me just say, if the American people agree on one thing, it is that the current welfare system is broken. Make no mistake about it. Both sides are offering dramatic changes with respect to how we deal with welfare in America.

The current system is one that nobody respects. The taxpayers do not respect it. Those who are caught in the welfare system do not respect it. The current system does not emphasize work. It contains perverse incentives that actually break up low-income families. It allows parents to abdicate responsibility for raising their children. It allows fathers to escape their child support obligations. And it subjects 9.5 million children and 4 million mothers to a future of hardship and failure. That is why on both sides of the aisle there is a fundamental commitment to reforming our welfare system and rebuilding it from the ground up.

Mr. President, in January I began to develop my own alternative welfare reform legislation. I called it the Work And Gainful Employment Act. I hoped it would foster a bipartisan dialog on welfare. The WAGE Act was the first Senate proposal to completely reform our welfare system while maintaining an economic safety net for States and children.

It represented a substantial departure from the past. And I am proud that many of the concepts included in the WAGE Act are now in the Work First proposal offered on our side. Under the WAGE Act States receive unprecedented flexibility to experiment. They can develop the methods for moving welfare recipients to work. They have complete flexibility to design employment programs, determine eligibility criteria, develop sanctions, and determine the support that individuals receive. States may establish time limits of any duration, but those limits only apply to participants who refuse to work.

The WAGE Act eliminates the unconditional entitlement of AFDC, but unlike the blank check block grant approach in the Republican bill, it does not abdicate Federal responsibility. Instead, my bill replaces AFDC with a new transitional aid program. Under that program, welfare recipients must work in order to receive benefits. The WAGE Act also creates a block grant to fund child care work activities and includes the resources to put people to work. The only part of the current system that is maintained by my plan is the safety net for States and children. That is where we have a fundamental difference and divide between the two sides. My plan assures that as poverty and population increase, as recessions occur, and as natural disasters confront our States, the Nation will not abandon Americans in need.

Mr. President, I am disappointed in the partisan nature of the welfare debate to this point. I very much hoped that we would approach welfare on a bipartisan basis. In fact, Senator CHAFEE and I authored one of the few bipartisan welfare-related proposals, the Children's SSI Eligibility Reform Act, which I incorporated into the WAGE Act that I offered earlier this year.

Mr. President, I listened to the majority leader on the floor in August when Senator KENNEDY questioned him about the lack of resources for child care in the Republican bill. The majority leader said he was aware of the problem. He said he was discussing possible solutions within his caucus. Mr. President, I would say to the majority leader, this problem should come as no surprise.

When the Finance Committee debated welfare, I asked the Congressional Budget Office whether the Republican proposal had sufficient resources to meet its work requirements. It was a very important point, Mr. President and my colleagues. The Congressional Budget Office looked at the Republican plan and told us in open hearing that 44 of the 50 States of these United States would have no work requirement under the Republican plan, a plan that puts itself forward as work oriented, tough on work. If the Congressional Budget Office said in testimony before the Senate Finance Committee that 44 of the 50 States under the Republican plan will have no work requirement, that is not tough on work. That is not insisting that people go to work. That is no work requirement at all in 44 of the 50 States, because the States would be better off taking the penalty than actually having the funds necessary to require people to go to work.

Mr. President, that is a fundamental difference between what the Republicans hold out as a work-oriented bill and the Work First proposal advanced by this side, a proposal that has sufficient funding to deliver on the promise of moving people from welfare to work. And that ought to be the first test of any bill. No serious effort to reform welfare can succeed without child care.

Shortly before I offered my WAGE Act, Governors Carper, Carnahan, and Caperton wrote me in support of my bill. In their letter the Governors describe the elements needed for serious welfare reform. The Governors said in part:

> The litmus test for any real reform is whether or not it adequately answers the following three questions:
>
> First, does it prepare welfare recipients for work?
>
> Second, does it help welfare recipients find a job?
>
> Third, does it enable welfare recipients to maintain a job?

The Governors went on to say, and I quote:

> Your bill meets this test because it provides assistance to prepare individuals for work, to help individuals find and keep jobs, and to ensure that work pays more than welfare.

They went on to say:

> Your bill appropriately recognizes the critical link of child care in enabling welfare recipients to work and emphasizes that both parents have a responsibility to their children with the inclusion of measures to increase paternity establishments, child support collections, and interstate cooperation of child support enforcement.

Mr. President, while the WAGE Act and Work First Act both recognize the critical child-care link, the Dole bill gets a failing grade. Not only does it fail to provide child care, but it kicks children off of welfare roles if their parents are unable to work because child care is unavailable. That makes no sense. It is unconscionable to subject children to a time limit regardless

of whether their parents receive the child care they need to become employed.

That is a catch-22 for the kids. But the Dole bill does precisely that. Mr. President, not only does the Dole bill include insufficient resources for child care and job training—and that is not my estimate, that is the bipartisan Congressional Budget Office telling us that that is a fact—it amounts to a $16.7 billion unfunded mandate to the States.

We have heard a lot of talk around here about how bad it is to have an unfunded mandate for the States. But that is exactly what the Dole bill represents, a huge unfunded mandate to the States. It calls for more welfare recipients to go to work, but it does not provide the money or the resources to make that happen. It calls for child care to be provided, but insufficient resources are made available.

Mr. President, the Republican plan is from the land of make believe. You say it and it is true. We are going to move people to work. But the resources are not provided to make that happen, so it is all a hoax. It is just words. And, again, that is not my analysis. That is the Congressional Budget Office telling us 44 of the 50 States will not have a work requirement under this proposal. There has been plenty of time since the Finance Committee met to get this bill right. But, frankly, no serious effort has been made.

Now, I want this debate to be bipartisan. The American people want it to be bipartisan. They do not care whether the solution has a Democratic or Republican label. They just want the problem fixed. But they want real reform, not false promises, not just words, not just rhetoric. They want the reality of changing this system.

Mr. President, when I set out to develop a welfare reform proposal, I started with four principles. One, emphasize work; two, protect children; three, provide flexibility to the States; and four, strengthen families.

Mr. President, a reformed welfare system should require people to work in order to receive assistance. This is where those of us on both sides of the aisle, I think, are in agreement. I believe there is a consensus that if people are going to get something, they ought to work. If a reformed welfare system does that and enables States to experiment, helps keep families together, then the American people will have a system worth respecting.

The proposal I developed meets those tests. The Work First proposal, that I am proud to cosponsor with the Democratic leader, does as well. But the Republican bill does not.

Mr. President, both my proposal and Senator DASCHLE's put work first. They take action where the Republican proposal makes promises. Unlike the Dole and Gramm proposals, they provide the resources necessary to make work a reality. And Work First protects children; the Republican plan does not.

Mr. President, while Work First provides States with unprecedented flexibility to develop welfare programs, it also requires States to match Federal contributions so they do not get a free ride. The Republican plan does not.

We all agree that State flexibility is important, but there is an enormous difference between a flexible program and a blank check. The Dole block grant program is a blank check. It divorces who spends the money from who raises the money, and that is a profoundly misguided principle. We ought not to separate the responsibility of raising money from the responsibility of spending that money.

There are some similarities between the Democratic and Republican proposals. Both are significant departures from the status quo. They are departures from a system that focuses too much on writing checks and too little on promoting work and self-sufficiency. Both junk overly prescriptive Federal regulations, and both provide significant flexibility for States. But the shortcomings of the Republican proposal are a lost opportunity. Without significant changes now, the Republican proposal will undoubtedly require substantial future revisions by the Congress, and those revisions will come after the Republican plan has irreversibly harmed millions of vulnerable children and wreaked havoc on State economies.

Let me highlight a few of the most significant shortcomings in the Republican proposal and how our approach differs.

First, the work requirements in the Dole proposal are hollow. The Republican plan provides essentially flat funding for States while calling for an increased effort at putting people to work. Work First, on the other hand, makes a serious effort to provide the necessary resources to put people to work. It uses savings from the welfare system to put welfare recipients to work and includes the resources necessary to fund work programs.

I do not disagree with the goal of the Republican proposal, but it simply does not add up. If we are going to make an honest effort to put people to work, we should remember the words of responsible commentators like the Republican Governor from Wisconsin, Tommy Thompson, when he testified before the Finance Committee. Governor Thompson reminded all of us that it takes an upfront investment to have a work requirement. Senator MOYNIHAN recalls that, no doubt. We need to provide resources for child care and job training if we are going to have a serious work requirement.

Second, the Republican plan eliminates the safety net for children and the automatic stabilization mechanism for States. Whatever the faults of the current welfare system, and they are many, it does automatically adjust for changing needs.

I am going to conclude soon, because I have colleagues waiting to speak. Under the Republican plan, States are left to face crises on their own. Whether faced with a drought in North Dakota, a flood in Mississippi, an earthquake in California, or an economic downturn in Pennsylvania, the Federal Government ought to help stabilize State economies. The Work First plan continues the Federal Government's responsibility; the Dole plan does not.

The Republican bill includes a so-called rainy day loan fund. But the funding is simply not sufficient to confront the magnitude of economic impacts that occur during State recessions or disasters. Even New Jersey's Republican Governor has said the rainy day fund in Senator DOLE's bill won't get the job done.

The genius of a national approach to automatically assisting individual States that experience recessions, large population increases, high unemployment, increases in poverty or natural disasters, is that we all support each other in times of need. Part of what binds us as a nation is our sense of mutual obligation and common purpose. Our entire Nation watched as California struggled to overcome the devastation from the L.A. earthquake. The same was true after Hurricane Andrew and the Oklahoma bombing. And whenever one State is in recession, we provide an influx of national resources through unemployment insurance and other Federal programs.

The current funding structure automatically adjusts to State need. It accomplishes automatically what any nation should guarantee to its citizens—they will not be abandoned in their time of greatest need. But under the Republican proposal, States would have to borrow the money and pay it back while they still may be in the midst of a recession or other economic emergency. The Dole bill's rainy day fund is clearly a second-best approach.

Third, Mr. President, the Republican bill makes a hollow commitment to ensure that teen mothers will receive the adult supervision they need to improve their lives and the futures of their children.

In the Finance Committee, I offered an amendment that would have required all teen mothers to live with their parents, some other responsible adult, or in an adult supervised setting like a second chance home. To my surprise, that amendment failed on a tie 10–10 vote. I would have expected overwhelming support for such a provision. But every Republican on the committee except for Senator NICKLES opposed the amendment.

Now the Republican bill includes the adult supervision requirement and another provision I have been advocating for some time—a requirement that minor parents stay in school. But again, the rhetoric and reality are two different things. First, the requirements are a facade because the bill provides no resources. Without sufficient resources, infants and their young mothers who have no place to go will

simply be denied needed assistance. Second, the Republican plan fails to guarantee that adult supervised living environments will be available to young mothers as an alternative to living in an abusive household. To be serious, any requirement that teenage parents live with a parent or other responsible adult must provide alternatives when no such adult is available. Therefore, I plan to offer an amendment that will provide Federal resources for second chance homes. Second chance homes are adult supervised living arrangements that provide the training, child care, counseling, and other resources that teenage parents need to learn how to care for their children. And they work.

When the Finance Committee held its hearings on welfare reform, Sister Mary Rose McGeady from Covenant House gave the most compelling testimony we heard. She told us that Covenant House works. Covenant House takes in teenage parents and helps them build a future for themselves and their children. She also told us that Covenant House has been extremely successful in preventing second pregnancies among the girls it serves.

We know that 42 percent of welfare recipients gave birth as teens. And we also know that the younger a girl is when she gives birth, the more likely she will become a long-term welfare recipient. But Covenant House and other second chance homes increase the chance that these mothers will break out of the welfare failure chain.

We should not penalize the children of teenage mothers simply because of the circumstances into which they were born. Nor should we allow their mothers the option of getting a benefit check that is a ticket to their own apartment. Rather, teenage mothers should have to finish school and learn how to take care of themselves and their children. They should learn the kind of responsibility that will not only improve their lives, but the future prospects of their children. That will only happen it States receive the resources necessary to make second chance homes a reality.

The U.S. Catholic Conference, the National Council of Churches, Catholic Charities U.S.A., and many others agree with me that second chance homes should be included in reform. We are all concerned about the need for strong welfare reform that discourages out-of-wedlock pregnancies. I hope my Republican colleagues will work with me to make second chance homes a reality.

But while I see enormous potential for Republicans and Democrats to work together on many aspects of welfare reform, there is one significant problem. The sponsors of welfare reform on the Republican side have shown complete unwillingness to move from their block grant approach. They argue that block grants are the only way to provide State flexibility. But, Mr. President, that's simply not true. Both the WAGE Act and Work First provide States with unprecedented flexibility without dumping welfare completely on the backs of State and local taxpayers.

The block grant in the Republican bill is the height of irresponsibility. History will prove that fact. We must all recognize that the need for a nationwide safety net has nothing to do with whether Governors or Members of Congress care more about children. Obviously, we all care deeply about our children.

But ending our Nation's safety net for children is extremely dangerous. Neither Governors nor Members of Congress can prevent the uncertainties that come from the business cycle, recessions, population shifts between States and natural disasters. If we abolish a safety net for children, the security of our Nation's children will be left to chance, depending solely on where a child lives. It is inconsistent at best for those who preach about morality and family values to support a plan that undermines those values.

The Work First plan strikes the right balance. It prohibits any unconditional entitlement to welfare benefits. Instead, it requires people to work in return for welfare. While it includes a few basic requirements for States, it also provides States with significant flexibility. It wipes out the 45 State plan requirements that are currently in AFDC. Work First replaces the old requirements with only a few categories. It provides States with the flexibility to design employment programs; provide incentives to case managers for successful job placements and retention among the welfare population; determine program eligibility; and establish a number of other policies under the State work program.

The last time the Senate acted on welfare reform, we passed a bipartisan bill with 96 votes. There are many aspects of welfare reform on which Republicans and Democrats can agree. But I am disappointed in the block-grants-or-bust approach being taken by the Republican majority. There are responsible and innovative ways to address this issue without the second-best pure block grant approach.

I developed the WAGE bill in order to demonstrate that there is, indeed, a better way to reform welfare. The Work First Act closely parallels my approach. I sincerely hope that my Republican and Democratic colleagues alike will support Work First. Work First scraps a system that is broken. It uses the best ideas to build an effective welfare system that will move people into work and keep families together. And it allows States the freedom to try new ideas. I strongly believe that Work First offers the best possibility for bipartisan welfare reform this year.

Mr. President, I want to conclude by thanking my colleague, Senator MOYNIHAN, who has been a visionary on this question for longer than most people have been aware that it was a critical problem facing this country. I can remember so well 30 years ago when my colleague from New York warned this Nation of what was to come, and he has been precisely correct in what he predicted.

There is no other Member of this Chamber, there is no other academic in American society, there is no other expert who predicted with such accuracy and such vision what would occur in this country. No one has matched the predictive power of the Senator from New York, and I think his views are owed special deference because he is the only one here who has a track record of accurately predicting what would happen in 30 years. It is truly remarkable the vision that he has had with respect to this issue, and I have listened to and learned from my colleague from New York. I hope other colleagues, before this debate is concluded, will listen and learn from this very wise man.

I thank the Chair and yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I thank my colleague on the Finance Committee and my friend from North Dakota for his very generous remarks. May I make the point that it was he who asked in the Finance Committee, how are you going to provide for the job training provisions in the majority measure, and the CBO simply said, ''You can't.''

It was a clear and concise statement of what we are up against and what we are going to do to ourselves if we do not come to our senses.

I thank the Senator from North Dakota.

I see my friend from Minnesota is here.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, every sports fan in America celebrated along with Baltimore's Cal Ripken last night; when he played in his 2,131 consecutive game and broke a baseball record most thought could never be toppled.

That is an impressive feat; even more impressive when you consider that ''The Streak'' represents more than 13 years of dedication, sacrifice, and plenty of hard work.

There is another consecutive streak you should know about, one that has not received nearly the attention that Cal Ripken's has, but one that affects a lot more people, and imposes an enormous cost on the American taxpayers. Worst of all, this streak has gone on unchecked for more than 30 years.

Since the Great Society programs of the 1960's—for three long decades—taxpayers have suffered through a consecutive Federal spending streak that has taken more than 5 trillion of their tax dollars and siphoned them off to fund a welfare system that, frankly, has done more harm than good.

Mr. President, I hope Cal Ripken's streak goes on forever, but the uncontrolled welfare spending streak must

come to an end, and it is up to us to stop it. I rise today to remind my colleagues of a simple truth, and that is, the people are demanding that this Congress take responsibility for our broken welfare system and fix it.

Last year, when I was running for the Senate, I listened to Minnesotans as we sat down together in their coffee shops and truck stops, in their businesses and in their homes.

They asked me over and over again: ''What are you going to do about welfare?''

I told them we were going to fix it, and many of my colleagues made the same promise.

As you know, we just returned from a 3-week recess, and like many others, I had the opportunity to spend that time traveling my State, meeting with people once again and again listening to their concerns.

But the question this time was not ''What are you going to do about welfare?'' The question now was ''What are you doing about it?''

The people are expecting solutions, not delays, not the attempts we are seeing to derail this critically important legislation.

For three decades, it has been the taxpayers who have paid the price for a welfare system that does little but encourage dependency and illegitimacy.

For three decades, the taxpayers have continually turned over their hard-earned dollars to individuals instead of bettering their own families and helping secure their own futures. The taxpayers have been subsidizing hopelessness and despair.

Congress has attempted to repair this mess before. The last major effort was in 1988, with the passage of the Family Support Act. On the day that conference report was passed in the House, my good friend, BILL ARCHER, now chairman of the Ways and Means Committee, went to the floor with a warning.

He said:

> My criteria for welfare reform are that after 5 years of implementation we should be able to say to the taxpayers of this country that we have been able to encourage and to remove welfare recipients from the rolls so that it results in a program which has fewer welfare recipients than would occur under the current law. We should be able to say to the working people of this country that the cost of this program will result, after 5 years, in reduced taxes necessary to pay for welfare. This bill fails on both accounts.

Mr. President, he could not have been more right, and we should have listened.

Today, 7 years later, we have 1.3 million more families on the AFDC rolls than we had back in 1988. Seven years later, the working people of America are paying more taxes than they have ever paid before—4.5 percent more than they paid in 1988. We cannot continue to think that we will solve the welfare problem by throwing more precious taxpayer dollars at it, hoping that they will do some good. And, at last, I think we have a Congress that understands.

Instead of encouraging the status quo, the Republican welfare reform legislation offers welfare families a future. It offers hope. Yes, it does ask something in return from those who benefit from it. But what it gives back is something infinitely more valuable: self-esteem, a sense of accomplishment, and a chance to create a better life for themselves and their children.

The first step in creating that better life does not require anything more than a commitment. In breaking that long-held baseball record last night, Cal Ripken reminded us all that a person does not necessarily need to be the strongest, or the fastest, or the biggest player on the team to make a lasting contribution. Sometimes those with the most to give are simply the folks who show up every day, ready to work, eager to make a contribution.

Taxpayers do that. They show up for work every day, put in 40-plus hours a week for their hard earned money. They make a contribution.

With our legislation, we are encouraging welfare recipients to step up to the plate and take their turn at bat, to start lifting themselves, with our help, toward something better. We are not expecting home runs, but we will expect them to show up at the ballpark, ready to contribute. If we can accomplish that, then we cannot help but succeed.

Mr. President, I urge my colleagues to get serious about moving this legislation forward. I have heard about the terms of bipartisan support and a bipartisan effort. I hope that is what we can come down to as we go on with this debate, that we do come to a consensus that this is a bipartisan effort. I heard my colleague from North Dakota say we are not going to get everything he wants or everything I want, but hopefully we can come together with a plan that does meet the needs, obligations, and the responsibilities to our taxpayers. And they expect nothing less. Thank you, Mr. President.

I yield the floor.

Mr. MOYNIHAN. Mr. President, may I congratulate the Senator from Minnesota not only for the substance of his remarks but for the elegant way in which last night's events in Baltimore were used as a metaphor for what it was about. Having in my youth watched Lou Gehrig at the Yankee Stadium, I had a certain ambivalence about it, but nothing like upward and onward.

I will just say that regarding the substance of what is hoped for in welfare, there is a consensus, surprisingly, and it commences with the 1988 legislation, which redefines a widow's pension as a reality of this time. There is no agreement on how you finance—pay for—what needs doing.

Yet, the Senator from Minnesota spoke very properly about the prospect of consensus and bipartisanship, and I hope we may yet find that. We have done it in the past; why not in the future?

None speaks more ably and with more of a record in this regard than the Senator from Illinois. I see that he has risen. I believe he would like to address the Senate in this matter. I ask him how long he would like?

Mr. SIMON. Five minutes.

Mr. MOYNIHAN. In 5 minutes, the Senator from Illinois can say more than most of us do in 50. I am happy to yield him the time.

Mr. SIMON. I thank the Senator from New York. I wish he were accurate in that.

We all want welfare reform. I heard the Presiding Officer at a committee meeting this morning talk about the need for that. I do regret that we do not have more of a bipartisan effort, not only on this but on a lot of things. This has happened gradually over a period of years on the Hill, and I think it has not been a healthy thing. So when the Senator from Minnesota makes his comments about the need for working together, I agree. I heard Senator TED STEVENS make similar comments yesterday morning, and Senator BYRD has made some comments along that line.

Real candidly, the principal bill that we have, without the amendment, does not deal with the problem of poverty, does not deal with the problem of jobs. Whether you have a Democratic Senate or a Republican Senate, whether you have a Democratic President or a Republican President, one thing is not going to change, one trend line: the demand for unskilled labor is going down. Most of those on welfare are people who do not have skills. And so to have real welfare reform, we really have to be talking about jobs, ultimately. But, in the meantime, we cannot let people fall through the cracks.

I heard what our colleague from North Dakota, Senator CONRAD, said about Senator MOYNIHAN. Senator MOYNIHAN knows more about welfare than all of the rest of this body put together—meaning no disrespect to my colleagues here from Arizona and Minnesota, and anywhere else. But the reality is that we have, as a Nation, said we are committed to having a safety net for people. This bill, unamended, takes out the safety net. That is the reality. The State maintenance effort that is now required will die. If Arizona wants to do nothing, Arizona can do nothing. And if Illinois wants to do nothing, Illinois can do nothing.

Let me add one other point. The Dole bill takes a bill that emerged from the Labor and Human Resources Committee, dealing with job training and a number of other things like that, and just drops it wholesale in here—a bill that I think most of us on the committee know needs to be refined. For example, the Job Corps is just decimated. Now, the Job Corps needs to be improved. But 79 percent of the people in the Job Corps are high school dropouts. This is not a Sunday school class we are picking up and saying we want to help you along; these are people who are on the fringes, and the Job Corps

has been a remarkably successful enterprise.

I will have an amendment, Mr. President, that is identical to a bill that Senator Boren and Senator REID and Senator Wofford and I introduced last year, which will call for an experiment—basically, a WPA type of program in four locations, to be picked by the Secretary of Labor, in which we will say that you can be on welfare 5 weeks—not 5 years, not 2 years, but 5 weeks—and you have to work 4 days a week at the minimum wage. The fifth day you have to be out trying to find a job in the private sector. We will give you $535 a month—not much money, but at least something. I do not recall the average in Arizona, but the average welfare payment per family in Illinois is $367. And then projects would be picked by local citizens, and these people will work on the projects, as we did in the old WPA.

Screen people as they come in. If they cannot read and write, get them into a program. If they have no marketable skill, then get them to a community college.

The PRESIDING OFFICER (Mr. COATS). The time of the Senator has expired.

Mr. SIMON. Could I have 1 minute?

Mr. MOYNIHAN. The Senator from Illinois can have as much time as he desires because he has so much to say and says it so well.

Mr. SIMON. I thank my colleague from New York. I intend now to speak for 2 or 3 hours, but I shall not.

One other great advantage of the WPA-type of program that I will offer in this amendment is we do not restrict it to one person in a household. One of the things that we have done through our welfare policies is discourage families from sticking together.

If you can have two people earning an income on a WPA-type of project, then, frankly, they would have a chance of not living in luxury, but there would be the economic incentive for families to stick together rather than families to separate.

I certainly am going to support the amendment offered by Senator DASCHLE and Senator MOYNIHAN. I hope we do not do real harm to this country in the name of welfare reform. Everything that is under a label ''welfare reform'' is not real good for this country. We have to recognize that.

I yield the floor.

Mr. MOYNIHAN. Mr. President, I see the able and learned Senator from California has risen. She has asked if she might have 12 minutes. She most certainly can, and I look forward to hearing from her.

Mrs. BOXER. Thank you very much, Mr. President. Thank you very much, Senator MOYNIHAN, not only for the time but for your extraordinary leadership, your vision.

I think it should send a chill through this body, whether we are Democrats or Republicans, men or women, moms, dads, single people, grandmothers, or grandfathers, when you discussed very clearly the results of the Republican plan: if it passes and is signed into law, it will undoubtedly mean children in deep despair, and in deep poverty. Your image of children sleeping on grates across this Nation is one which I take very seriously.

There are few in this Congress and few in this country and I could even say, in my opinion, there are none, who have been so correct in their analysis of what is happening to the poor in this Nation. We have made many mistakes, the Senator from Minnesota is correct, as we have tried to deal with this very intractable problem. I hope we would not replace some of those mistakes with even deeper mistakes. I, therefore, applaud the call for bipartisanship as we deal with this issue.

Mr. President, I think it is important to note that we are talking here about the Nation's children. If you look at my home State of California, approximately 70 percent of California AFDC recipients—that is, those who are on welfare—are children. Let me repeat: in my home State of California, 70 percent of those on welfare are children. Children who were born into a circumstance not of their own making at all—just their circumstance.

What we do here will impact them greatly. In many ways, we are their protectors, Mr. President. We are their protectors. I hope we will not abandon them.

As I listened to the Senator from New York, my leader on this issue, I say that he has issued a warning that if the Dole bill passes unamended, in fact we will be doing just that. We will be saying that regardless of our statements in all of our campaigns—that children are the most important thing, that children are our future—that without our children getting a break, the country will go backwards. In fact we will be walking away from the future. We would be walking away from our responsibility.

Many know I have had the great joy of becoming a grandmother for the first time. As I looked at that little child and saw all the love that he gets on a daily basis, I know how pleased he is. We can never guarantee anyone that they will have that much love in their life.

But, my goodness, we have to give the basic guarantee to these innocents, to these babies, that they will not be left out in the cold. At least that, Mr. President. At least that.

Now, it was President Clinton who brought this issue to our attention during his campaign. ''We must end welfare as we know it,'' he said. I think that President Clinton has a great deal of compassion in his heart for children.

I know that he agrees with us in the Senate when we say, ''Let us reform welfare to benefit the children, not reform it to hurt the children.'' We will be judged on how we handle this bill. We will be judged in the abstract at first, but we will be judged by the results eventually.

People will know if children are going hungrier, if more of the homeless are children. They will know where to point the finger, and it will be right here. If we take the Dole approach without amending it—and I hope in a bipartisan fashion we will amend it—we will be hurting our children and we will see the results of that and we will know when and where it came from.

I listened to my learned friend from New York talk about what happened to the homeless after we moved to close down mental institutions. For all the good reasons—we said, it is better to have our mentally ill in smaller institutions, smaller homes throughout the country. But something happened on the way to the Forum. We ran out of money and we never built those alternatives.

This situation is worse because right off the top we know in the Dole bill we are freezing spending. At least when my predecessors tried to reform the mental health system, they had a plan. But this Dole bill is no plan. It is an abdication, not a plan. This is very, very troubling.

Now, one of the things that upsets me perhaps more than any other, is that there is no clear way in the Dole bill that we are going to enable working moms and working dads to rely on child care.

Child care is really an incidental in the Dole bill. It is wrapped into a job assistance grant. The funds are frozen. In California, we have thousands of kids today waiting in line to get into child care. We do nothing.

I hearken this Senate back to the days of Franklin Delano Roosevelt, who is often praised by Republicans for his leadership. He knew we needed to get women into the workplace. We all know about ''Rosie the Riveter.'' Without women going to work and building the machinery of war that we had to build in this Nation—and we had to catch up because we were so behind in order to fight these battles—women were relied upon in the workplace. And Franklin Delano Roosevelt knew a woman was not going to abandon her child. She was going to need child care while the husband was off at war and she was off in the factory.

According to Doris Kearns Goodwin in the book ''No Ordinary Time,'' which I commend to everyone, nearly $50 million was spent on child care before the end of the war. And the women blossomed in the workplace because they knew that their kids were OK.

I like the Democratic alternative. I think it makes sense because what it says is: You must work, but we will make sure that you do not abandon your children. The Democratic plan is respectful of the family, is understanding of the family. The Democratic plan puts work first and children first. Work first and children first. The Republican plan takes us out of the game. It says to the States: Here it is. It is your problem.

The people in our States understand in the end it will be their problem, because what is going to happen when there are more helpless and more homeless and more desperate people, and people are tripping over them in the street and we are out of it?

We have to balance the budget, and we will. We will not have the money for welfare. And it will be the greatest unfunded mandate of all time, because people are not going to allow their communities to deteriorate.

So I am very proud to support the Democratic alternative. I think it is smart. I think it builds on what success we have had. In California we have had success. In Riverside County, for example, and in Los Angeles County, we have put a large percentage of welfare recipients onto the work rolls because we have really given them what they need. But the Republican plan, that is going to lead to nothing but trouble—trouble in the States, unfunded mandates laid on our State taxpayers, laid on our local taxpayers.

I come from the local end of things. I got elected to the Board of Supervisors of Marin County a long time ago. I got calls at home when anything was going on in the street. I can assure you, county supervisors and city council people and mayors and Governors are going to be very upset when these problems appear in their communities and the Federal Government says, ''It is your problem.''

Mr. President, an estimated 70 percent of welfare recipients are children and here we are walking away from those children. We do not have to do it. Let us be tough on work and kind to children. That is what the Democratic alternative does. I hope we will have bipartisan support for that. My cities in California are desperate about this. Billions of dollars will be lost to the big counties in California with the Republican plan—billions. Not millions but billions. And the problem will not go away.

So I stand with the former chairman, the Democratic ranking member of the Finance Committee. His vision should not be ignored. We should learn from him. We should listen to him. He is the leader in this Nation on this issue. He predicted what would happen in the communities, the out-of-wedlock births, and the problems that would follow in society. And when he says he knows we are going to see kids sleeping on grates, and misery, and children who are out of control—he knows what he is talking about.

So I stand with him proudly. I hope we will support the Democratic alternative and, if we lose that, that we will come together on amending the Dole bill. I yield the floor.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, may I express particular personal thanks to the Senator from California for her generosity in her remarks, and to make the case—just comment—that in the aftermath of the Family Support Act, we had considerable successes in places such as Riverside. And we also had a continued rise in the number of families headed by women.

The CBO has done the best analysis you can do with these things, a regression analysis. It states the caseload increase from late 1989 to 1992, increases in the number of families headed by women explain just over half in the rise of the AFDC basic caseload. A quarter was the recession.

I ask unanimous consent the analysis be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 6, 1993.

Subject: CBO Staff Memorandum on Rising Caseloads in the Aid to Families with Dependent Children (AFDC) Program.

We are enclosing a copy of ''Forecasting AFDC Caseloads, with an Emphasis on Economic Factors,'' which was prepared by Janice Peskin and John Tapogna in response to a request from the Subcommittee on Human Resources of the Committee on Ways and Means. To understand the upsurge in AFDC caseloads that began during late 1989, the memorandum develops regression models that estimate how various factors affect caseloads.

The CBO model for the AFDC-Basic caseload indicates that:

The effect on employment of the 1990–1991 recession—and the relatively weak economy before and after the recession—accounts for about a quarter of the recent growth in caseloads; and

Increases in the number of families headed by women explain just over half of the rise in the AFDC-Basic caseload.

Looking ahead to the 1993–1995 period, increases in the AFDC-Basic caseload are expected to be sizable. The main underlying causes are growth in the number of families headed by women—especially by never-married mothers—which is expected to continue at a rapid rate, and the relatively weak economic recovery that is forecast.

We hope you find this report useful.

Mr. MOYNIHAN. I do not want to go around looking like an Easter procession here or something, but to my friend from California, that is the pen with which John F. Kennedy, in his last public bill-signing ceremony, October 31, 1963, signed the Community Mental Health Construction Act of 1963.

We were going to build 2,000 community mental health centers by the year 1980 and 1 per 100,000 population afterwards. We built 400 and we forgot what we were doing. We emptied out the mental institutions. The next thing you know, the problem of the homeless appears. I was there. He gave me this pen. And we said, ''The homeless? Where did they come from? It was certainly nothing we did.''

It was exactly something we did. When you see those children sleeping on grates in 10 years time in your city, do not think it will not be recorded, thanks to the Senator from California, that you can see it coming. Somebody might keep the pen with which this bill is going to be signed, if in fact it is signed, for such an occasion.

Mr. President, I thank, again, the Senator from California. I see the Senator from Michigan is on the floor. Would he like to speak?

The Senator from Michigan asks 15 minutes. The Senator from Pennsylvania has nobody wishing to speak.

The PRESIDING OFFICER. The Chair will advise the Senator from New York that the time remaining under the time agreement for his side is 12 minutes and 45 seconds.

Mr. MOYNIHAN. The Senator from Michigan is accordingly granted 12 minutes. We will have 45 seconds to wrap up. Is that agreeable?

Mr. LEVIN. I will be happy to take 10.

Mr. MOYNIHAN. No, we understood this would happen and it has happened.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I thank my friend from New York. I also thank him, much more importantly, for the extraordinary wisdom, as well as passion, with which he addresses this subject. The experience that he has, the institutional and national memory which he carries around up there in his head, is unique. I just wish there were more of us like him in that capacity, to learn from experience not just what is achievable, but also to pass along the lessons of unintended consequences for so many things that we do.

Mr. President, the Nation's welfare system does not serve the Nation well. It is broken in a number of places. It has failed the children that it is intended to protect. It has failed the American taxpayer.

I am hopeful the debate in the Senate will result in a constructive effort which will finally end the current system and achieve meaningful reform. Meaningful reform will assure that children are protected, that able-bodied people work, and that child support enforcement laws are fully effective in getting fathers to support their children.

The history of this country's welfare reform is littered with the remains of programs that have begun with high expectations but fall short in reality. Welfare has too often been a cycle of dependence instead of independence. It makes no sense to continue a system which contains incentives for people to be on welfare. We have an obligation to break this cycle for all concerned.

The imperative of ending welfare dependency has led me to conclude that one component of welfare reform must be time limits on welfare benefits, in order to force able-bodied recipients to seek and secure employment.

The Daschle work first bill fundamentally changes the current welfare system by replacing a system of unconditional, unlimited aid with conditional benefits for a limited time. But it does so without abandoning the national goal of helping children. Under the work first bill, in order to

receive assistance, all recipients must sign an empowerment contract. This contract will contain an individual plan, designed to move the recipient promptly into the work force. Those who refuse to sign a contract will not get assistance, and tough sanctions will apply to those not complying with the contract that they sign. I have long believed that work requirements should be clear, strong, and should be applied promptly. I am pleased that Senator DASCHLE has accepted a modification at my request which adds a requirement that recipients be in job training or in school or working in a private sector job within 6 months of the receipt of benefits, or, if a private sector job cannot be found, in community service employment. The requirement would be phased in to allow the States the opportunity to adjust administratively.

The Dole legislation requires recipients to work within no more than 2 years of the receipt of benefits. But why wait that long? Why wait 2 years? Unless an able-bodied person is in school or job training, why wait longer than 6 months to require that a person either have a private job or be performing community service?

There is no doubt that there is a great need in local communities across the country for community service workers. Last year, the demand for community service workers from the President's AmeriCorps Program was far greater than the ability to fund them. According to AmeriCorps, of the 538 project applications requesting approximately 60,000 workers, applications for only about 20,000 workers, about a third, could be funded. Projects ranged from environmental cleanup, to assisting in day care centers, to home health care aides. So it is clear that there is no shortage of need for community service and for workers to perform community service.

Mr. President, I have long been concerned about the cycle of dependency and the need to return welfare recipients to work. As long as 14 years ago, in 1981, I was the author, along with Senator DOLE, of an amendment which was enacted into law to put some welfare recipients back to work as home health care aides, thereby decreasing the welfare rolls and increasing the local tax base.

This demonstration project called for the training and placement of AFDC recipients as home care aides to Medicaid recipients as a long-term care alternative to institutional care and was subject to rigorous evaluation of demonstration and the post-demonstration periods.

The independently conducted program evaluation found that in six of the seven demonstration projects, trainees' total monthly earnings increased by 56 percent to over 130 percent during the demonstration period. Evaluations of the post-demonstration years indicated similarly positive and significant income effects.

Consistent with the increase in employment, trainees also received reduced public benefits. All seven States moved a significant proportion of trainees off of AFDC. In four of the States, a significant proportion of the trainees also were moved off of the Food Stamp Program or received significantly reduced benefit amounts.

Additionally, the program evaluation indicated that it significantly increased the amount of formal in-home care received by Medicaid clients and had significant beneficial effects on client health and functioning. The evaluation also indicates that clients benefited from marginally reduced costs for the services that they received.

As the 1986 evaluation of our demonstration project showed, this type of demonstration had great potential in allowing local governments to respond to priority needs and assist members of their community in obtaining the training necessary to obtain practical, meaningful private-sector employment and become productive, self-sufficient members of their community.

So experience has shown that we must be much more aggressive in requiring recipients to work. But, as we require recipients to work, we must remember that another important part of the challenge facing us is that two-thirds of the welfare recipients nationwide are children. Almost 10 million American children—nearly 400,000 in my home State of Michigan alone—receive benefits. We must not punish the kids in our welfare reform.

I am hopeful that the 104th Congress will get people off welfare and into jobs, in the privilege sector, if possible, but in community service, if necessary.

I want to again commend and congratulate Senator MOYNIHAN for his decades of work on this issue. I want to congratulate Senators DASCHLE, MIKULSKI, BREAUX, and so many others of our colleagues who have worked on the Daschle work first bill, which I am proud to cosponsor.

The work first bill is tough on getting people into jobs. But it provides the necessary incentives and resources to the States not only to require people to work, but to help people find jobs and to keep them.

Mr. President, I have focused on making sure that able-bodied people on welfare work. That has been a focus of my efforts for over a decade now in this body, and I have described one of those efforts, with Senator DOLE, that we actually succeeded in putting into place over a decade ago that had some very positive effects. But there are other critically important elements of positive welfare reform. The number of children born to unwed teenaged mothers has continued to rise at totally unacceptable rates. We all recognize the need to do something about this and to remove any incentives created by the welfare system for teenagers to have children. I support teen pregnancy prevention programs with flexibility for the States in its implementation.

We also know that the problem of teen pregnancy and unwed teenaged parents is not going to be completely eliminated or easily eliminated. So I support provisions which require teen parents to continue their education and job training and to live either at home with an adult family member or in an adult-supervised group home in order to qualify for benefits.

We should not erode the Federal safety net for low-income working families and for families who have exhausted their unemployment benefits. We frequently forget those families. Working families who lose their jobs get unemployment and then exhaust their unemployment. These are working people.

Tens of thousands of people in my home State of Michigan, over 329,000 nationally, who are working people who have exhausted their unemployment benefits have had to move into welfare as a final resort. That was their final safety net. And responsible reform must assure that in times of economic crisis, funds are available for working families who have lost their jobs and exhausted their unemployment insurance. And the only way to do this is with a Federal safety net, that Federal safety net which the Senator from New York has spent so much time analyzing and discussing before this body.

Child care assistance is an important facet of realistic welfare reform as it is for low-income working families who are not on welfare. Child care assistance is essential to help recipients keep a job and stay off welfare. Assistance is particularly needed in transition periods moving from welfare to work. That is why child care assistance is such an important feature of the work first plan, not just for people on welfare but for low-income people, whether or not they are on welfare.

Another key element of any successful welfare program will be assuring that parents take responsibility for their children. So we must toughen and improve interstate enforcement of child support. I very much support provisions to require welfare recipients' cooperation in establishing the paternity of a child as a condition of eligibility for benefits, and a range of measures such as driver's license and passport restrictions, use of Federal income tax refunds, and an enhanced database capability for locating parents who do not meet their child support obligations.

The Daschle amendment which is before us addresses these and other problems. It ends the failed welfare system and replaces it with a program to move people into jobs, to provide child care, to assure that parents take responsibility for the children they bring into the world, and it does this without penalizing America's children.

So I intend to vote for Senator DASCHLE's work first welfare reform

program to finally end the current system and achieve meaningful but realistic welfare reform.

Again, I want to particularly single out our good friend from New York for the dedication which he has brought to this subject over so many decades, and for the wisdom which he imparts, and for the warnings which he really gives to all of us that we should do our best to reform the system but be aware of those unintended consequences. It is a lesson which each of us should heed.

I thank my friend for the time.

I yield the floor.

The PRESIDING OFFICER. The Chair would advise the Senator from New York that he has 25 seconds remaining.

Mr. MOYNIHAN. I will use each of those seconds to thank my incomparably learned and capable friend from Michigan who has so wonderfully guided us in legal matters through this Congress and who has spoken so wisely about welfare and who has spoken generously about the Senator from New York.

Mr. President, if I have 5 remaining seconds, I will retain them for some unspecified purpose.

The PRESIDING OFFICER. The time has expired.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOYNIHAN. Mr. President, the majority leader has very generously suggested we might have an additional 15 minutes for our side, and the Senator from Vermont is present and I give him as much of that time as he wishes.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I thank the distinguished Senator from New York and the distinguished Republican leader for the courtesy that in my years here I have grown accustomed to receiving from both of them.

Mr. President, I am concerned about the welfare bill before us, the Republican version. I know that a lot of very good Senators on both sides of the aisle have been wrestling with the problems we face, but I worry about just how that wrestling match may come out.

Mr. President, the Republican welfare bill is an all-out assault on low-income children and families. The bill is anti-child, anti-family and it does nothing to get people off welfare and into a job.

The rhetoric being used to sell this bill to the American people is full of false promises. The bill is not reform.

It boxes up welfare problems and ships them off to the States. On the outside of this box there ought to be, in big bold letters, a sign that says ''Local taxpayers beware.''

Sending severely underfunded block grants to the States with no real emphasis on work will cost all of us more in the end. The Senate Republican plan cuts spending on welfare now, but you can be sure that local taxpayers will be picking up the tab later.

According to the Congressional Budget Office, 44 of the 50 States will not meet work participation target rates in the Senate Republican bill because this plan fails to provide States with the money needed to achieve these rates.

Here is another unfunded mandate being passed on to the State and local taxpayers.

States must either swallow further cuts in Federal payments to the needy—or come up with more money from their own coffers.

This makes no sense—unless the true purpose of this bill is to turn our back on the unemployed and further burden the taxpayer. You have to be tax-happy or cold-hearted to like this bill.

In my home State of Vermont, the Republican bill would cut over $77 million in cash assistance, supplemental security income, child care, and food stamps over the next 5 years.

Under the Republican block grant proposal there will be no adjustments for high unemployment or recession. When the block grant money runs out, Vermonters will pick up the tab.

Helping low-income Americans find a way out of poverty is a responsibility of both States and the Federal Government. The Republican plan abandons any national involvement in providing for the welfare of the Nation.

States need more flexibility, but that does not mean shedding our national responsibility.

I cannot support the Republican plan, but I intend to vote for the alternative proposal offered by Senator DASCHLE. The Democratic leader's plan continues a national commitment to keep families together and work their way off welfare.

Families on welfare cannot get jobs if they do not have adequate child care support. They cannot keep their jobs unless there is a transition period for child care.

The Democratic bill not only emphasizes helping people find work—but backs it up with the child care necessary to go to work.

The Democratic alternative is a national commitment to help children and families work their way out of poverty. The Republican bill is a feel-good, do-nothing charade that takes a walk on the problem of poverty.

There is a welfare scandal in this country that most Republicans have been strangely silent about. It is the scandal of corporate welfare.

As we pause on the brink of slashing food assistance and child care to needy families, I wish we would think a little bit about the corporations that are receiving benefits from Uncle Sam.

According to the conservative Cato Institute, the American taxpayer spends $85 billion a year on corporate welfare—not including tax loopholes that cost many billions of dollars more.

The reason for this is simple. Low-income children cannot hire high-priced Washington law firms. Those who can hire expensive law firms are spared the reform axe this year.

The Senate Republican bill takes food, child care, housing assistance and assistance for disabled children away from families, but continues the practice of letting taxpayers foot part of the bill for wealthy corporations to lease limousines.

We must look at the entire welfare system—including corporate welfare.

Nobody on the Senate floor disagrees that we need to reform welfare aid for low-income families. We do. There are too many programs that do too little to help people get back to work.

We need to ask more of those who receive assistance, but we should not abandon those who play by the rules. We also need to continue programs that reward low-income working families.

This bill is just the latest attack by Republican leadership in Congress on low-income children and families. But families on welfare are not the only targets.

Earlier this year, the Republican leadership announced plans to cut back the earned income tax credit [EITC]. This is a tax credit that rewards low-income Americans who work. It makes a huge difference for families struggling to pay the rent and buy food for their kids.

Yes, you heard it right. The Republican leadership wants to raise taxes for low-income working families.

The Republican budget resolution also cuts Medicaid by $180 billion over the next 7 years. Medicaid provides long-term care for low-income seniors, the disabled and health care for low-income children and families.

Following through on the budget resolution, the House just cut billions out of next year's appropriations for education programs, Head Start and youth work programs.

At the same time, the House is gearing up to pay for 20 additional B–2 bombers at $1 billion a pop. A plane that the Pentagon has said it does not even want. We need to get our priorities straight.

The Republican assault on programs that benefit low-income Americans comes at a time when census data shows the gap between the rich and the poor is greater than at any time since the end of World War II.

If the present trends continue, the America that our children grow up in will look more like a Third World country, with deep gulfs between the rich and the poor.

Programs that keep poor families together, rather than tearing them apart and programs that feed children so they can learn, are investments in our future.

These investments will make America more productive.

Members of Congress have benefited from the opportunities which have made America the land of opportunity.

We have an obligation to make sure that those same opportunities are available for the next generation.

We must work together to make responsible bipartisan changes to Federal programs that provide assistance to low-income children and families. I fear, however, the public policy is right now being overshadowed by Presidential politics.

I hope that reason will prevail over hysteria as we all take a good hard look at how we can make welfare programs work better for all Americans.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I am pleased that the Senate has finally embarked on an earnest and vigorous debate on reforming welfare. Except for the balanced budget amendment, this is probably the most important legislation we will tackle in this Congress. There is no doubt that our current system is failing welfare recipients and taxpayers alike. I believe that all Senators recognize the shortcomings that exist in welfare and sincerely want to rectify them. Although there are some tough issues yet to be resolved, let us not shirk the responsibility we have to all citizens of this country to work together in passing meaningful welfare reform.

We have before us various proposals to revise the Federal programs that provide assistance to the poor in our Nation. After reviewing the different recommendations, I have concluded that the Work First legislation authored by Senators DASCHLE, BREAUX, and MIKULSKI contains the best alternatives to the current problems in our welfare system. First and foremost, the Work First plan mandates work for welfare recipients and an end to government dependency. The AFDC Program would be abolished and replaced by a time-limited benefit, conditional upon a recipient's signing and complying with a parent empowerment contract. Welfare offices would be transformed into employment offices and ensure that welfare parents become productive members of the work force as soon as possible. Persons receiving temporary employment assistance would be required to look for work from day one and would be penalized for turning down any legitimate job offer. States would confirm that an increasing percentage of their welfare populations are entering the work force. Unlike the Republican leadership bill, however, States would have access to the necessary resources to fulfill work participation rates. Child care assistance would be available to help welfare parents successfully make the transition to employment. The Congressional Budget Office has stated that the lack of child care would make it impossible for 44 States to comply with the majority leader's bill. I do not wish to place such an unfunded mandate on the States. The Work First plan recognizes that child care is a must for States to meet its tough work participation rates. Moreover, only with sufficient child care can single welfare parents retain jobs and avoid a return to welfare dependency.

The Work First bill provides greater incentives than welfare. It transforms the entire welfare bureaucracy, making it work-oriented. States are given the flexibility to administer the Work First employment block grant themselves or contract with private companies to move temporary employment assistance recipients into full-time, private-sector jobs. Senator DASCHLE's bill is cost-effective. It would achieve a savings of $21 billion over 7 years, all of which would go directly toward deficit reduction. And while the Work First proposal imposes tough time limits for welfare assistance, it contains important protections for children, the innocent victims of our current defective system.

There is an urgent need to improve the welfare system in the United States. I hope that the Senate will take advantage of this historic opportunity to enact legislation to overhaul our flawed programs and empower welfare recipients to break cycles of dependency and become successful and productive citizens.

I yield the floor.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. I think at this point we may have a few moments remaining, which I would like to reserve for some unanticipated purpose.

Seeing no Senators on this side, I see the Senator from Oklahoma.

Mr. NICKLES. I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, we have heard several of our colleagues, particularly on the other side of the aisle, talk about the need for welfare reform. And I would say that there is unanimous support in the Senate and in the country for welfare reform. But I also would say in my opinion the Democrat alternative leaves a lot to be desired.

Let me just make a couple of general comments about welfare before I talk about the specific amendment that we have before us today.

We have a lot of Federal programs, and we are spending a lot of money on welfare. It kind of shocks people. I told people in my State this past month that we have 336 Federal welfare programs; 336 different Federal welfare programs, and they have not been working. We are spending lots and lots of money, and it has not been working.

In 1994, we were spending about $241 billion for welfare programs—$241 billion—and that figure is increasing dramatically. Most of these programs are entitlements. Most of these programs grow. The Federal Government defines eligibility, and then we see how much they cost at the end of the year. We do not budget them. We do not say, ''Here is how much money we are going to spend on welfare.'' They are entitlements. People are entitled to these benefits. Whether it is food stamps, whether it is housing assistance, whether it is energy assistance, you name it, we have a lot of programs where people are entitled to the benefit, and we see how much it costs at the end of the year.

It is not too surprising, therefore, we find a lot of people who become addicted to these entitlements and then they demand their money; they are entitled, as by definition of the Federal Government. So they become addicted to Federal programs. They become dependent on the Federal Government. We have to break the welfare dependency cycle we have in this country.

One of President Clinton's best lines in his 1992 campaign said, ''We need to end welfare as we know it.'' Everyone was applauding. Democrats, Republicans, and Independents said, ''Yes, we need to, because we realize the system is not working and it has not worked very well.''

Mr. President, I ask unanimous consent that a study done by the Congressional Research Service that lists the 336 welfare programs and their costs be printed in the RECORD.

There being no obligation, the study was ordered to be printed in the RECORD, as follows:

OVERVIEW OF FEDERAL PROGRAMS AND SPENDING IN EIGHT WELFARE DOMAINS NOVEMBER 1994

Welfare domain	Number of programs	FY 1994 or 1995 appropriation (in millions)
Cash welfare	7	*$17,171
Child welfare and child abuse	38	4,306
Child care	45	11,771
Employment and training	154	24,838
Social services	33	6,589
Food and nutrition	10	37,967
Housing	27	17,516
Health	22	5,076
Total	336	125,234

*Figure for FY 1996.

Note. The figure of $125.2 billion does not include the $87 billion the Federal Government spent on Medicaid or the $28 billion spent on Supplemental Security Income in FY 1994.

Overview of selected Federal cash welfare programs for low-income people November 1994

[In millions]

Program	*FY 1996 spending*
AFDC Basic payments	$12,040
AFDC Unemployed Parent payments	1,124
AFDC Emergency Assistance	600
AFDC Administration	1,637
JOBS	900
At-Risk child care	300

Program	spending
AFDC Transitional child care	570
Total	17,171

Source. Congressional Budget Office.

Note. All programs are under jurisdiction of the Committee on Ways and Means. AFDC=Aid to Families with Dependent Children.

Overview of Federal child welfare and child abuse programs for low-income people, November 1994

[In millions]

Committee of Jurisdiction and Program	FY 1995 appropriations
Education and Labor Committee (15 programs):	
Abandoned infants assistance	$14.4
Child abuse State grant program	22.8
Children's Justice Grant program	
Child abuse demonstration and research grants	15.4
Demonstration grants for abuse of homeless children .	
Community based family resource program	31.4
Adoption opportunities program	13.0
Family violence State grant program	32.6
Family support centers	7.4
Missing and exploited children's program	6.7
Temporary Child Care for disabilities	5.9
Crisis Nurseries	5.9
Grants to improve the investigation and prosecution of child abuse cases	1.5
Children's Advocacy Centers .	3.0
Treatment for juvenile offenders who are victims of child abuse or neglect	
Ways and Means Committee (13 programs):	
Child welfare services	292.0
Child welfare training	4.4
Child welfare research and demonstration	6.4
Family Preservation and family support program	150.0
Independent living	70.0
Entitlement for Adoption (4 programs)	399.3
Entitlement for Foster Care (3 programs)	3,128.0
Judiciary Committee (6 programs):	
Criminal background checks for child care providers	
Court-appointed special advocates (CASA) program	6.0
Child abuse training program for judicial personnel and practitioners	0.8
Grants for televised testimony	
Victims of crime program	
Grants to Indian tribes for child abuse cases	
Natural Resources Committee (3 programs):	
Indian child and family programs	24.6
Indian child protection and family violence prevention programs	0.6
Indian child welfare assistance	
Banking Committee (1 program):	
Family unification program	76.0
Total (38 programs)	4,306.1

*Estimated amount of the total $2.8 billion appropriation spent on child care.

Source. Congressional Research Service.

Overview of Federal child care programs for low-income people, November 1994

[In millions]

Committee of Jurisdiction Program	FY 1994 appropriation
Committee on Agriculture (1 program):	
Food Stamp program	$180
Subtotal	180
Committee on Education and Labor (25 programs):	
Student financial aid	–
Early Intervention grants for infants and families	253
Title I (Education for the disadvantaged)	127
Even Start	91
Migrant Education	26
Native Hawaiian Family Education Centers	5
School-to-work opportunities	–
Special Child Care Services for Disadvantaged College Students	–
Special Education Preschool Grants	339
Vocational Education	–
Child and adult food program	1,500
Abandoned Infants Assistance Act[1]	15
Child Care and Development Block Grant	892
Child Development Associate Credential Scholarship	1
Comprehensive Child Development Centers	47
Head Start	3,300
State Dependent Care Planning and Development Grants	13
Temporary Child Care for Children with Disabilities and Crisis Nurseries	12
Adult Training Program	–
Economic Dislocation and Worker Adjustment Assist. Program	–
Job Corps	–
Migrant and Seasonal Farmworkers Programs	–
School-to-work Transition (overlapping with Education)	–
Summer Youth Employment and Training Program	–
Youth Training Program	–
Subtotal	6,621
Committee on Ways and Means (11 programs):	
At-Risk Child Care	361
Child Care for Recipients of AFDC	528
Child Care Licensing Improvement Grants	–
Child Welfare Services	–
Social Services Block Grant ..	560
Transitional Child Care	140
Child Care and Dependent Care Tax Credit	2,700
Child Care as a Business Expense	–
Employer Provided Child or Dependent Care Services	675
Tax Exemption for Nonprofit Organizations	–
National Service Trust Program	–
Subtotal	4,964
Committee on Energy and Commerce (2 programs):	
Residential Substance Abuse Treatment for Women	–
Substance Abuse Prevention and Treatment Block Grant	–
Committee on Banking, Finance and Urban Affairs (4 programs):	
Community Development Block Grant	–
Early Childhood Development Program	6
Family Self-Sufficiency Program	–
Homeless Supportive Housing Program	–
Subtotal	6
Committee on Public Works and Transportation (1 program):	
Appalachian Childhood Development	–
Committee on Small Business (1 program):	
Guaranteed Loans for Small Business	–
Committee on Natural Resources (1 program):	
Indian Child Welfare Act—Title II grants	–
Total (46 programs)	11,771

[1] Jurisdiction shared by Energy and Commerce.

Note. Dash indicates indiscernible amount.

Source. Congressional Research Service.

Overview of Federal employment and training programs for low-income people, November 1994

[In millions]

Program	FY 1995 appropriation
Guaranteed Student Loans	$5,889.0
Federal Pell Grant	2,846.9
Rehabilitation Services Basic Support	
Grants to States	1,933.4
JTPA IIB Training Services for the Disadvantaged Summer-Youth Employment and Training Program	1,688.8
JFPA Job Corps	1,153.7
All-Volunteer Force Educational Assistance	895.1
Job Opportunities and Basic Skills Program	825.0
State Legalization Impact Assistance Grants	809.9
JTPA IIA Training Services for the Disadvantaged-Adult	793.1
Employment Service-Wagner Peyser State Grants	734.8
Vocational Education-Basic State Programs	717.5
JTPA IIC Disadvantaged Youth ..	563.1
Senior Community Service Employment Program	421.1
Community Services Block Grant	352.7
Adult Education-State Administered Basic Grant Programs	261.5
Vocational Rehabilitation for Disabled Veterans	245.1
JTPA EDWAA-Dislocated Workers (Governor's Discretionary) .	229.5
JTPA EDWAA-Dislocated Workers (Substate Allotment)	229.5
Trade Adjustment Assistance-Workers	215.0
Supportive Housing Demonstration Program	164.0
Food Stamp Employment and Training	162.7
Upward Bound	160.5
One-Stop Career Centers	150.0
Economic Development-Grants for Public Works and Development	135.4
School-to-Work	135.0
Federal Supplemental Education Opportunity Grants	125.0

Program	appropriation
JTPA EDWAA-Dislocated Workers (Secretary's Discretionary)	114.7
Student Support Services	110.3
Survivors and Dependents Educational Assistance	109.1
Vocational Education-TechPrep Education	104.1
Miscellaneous*	2,562.0
Total	24,827.5

*A total of 93 programs with spending of less than $100 million; an additional 31 programs are authorized but had no appropriation for 1994.

Source: U.S. General Accounting Office. Multiple Employment and Training Programs: Overlapping Programs Can Add Unnecessary Administrative Costs. (GAO/HEHS–94–80). Washington, D.C. Clarence Crawford, 1994.

Overview of Federal social services programs for low-income people, November, 1994

[In millions] 55

Committee of Jurisdiction and Program	FY 1995 Appropriation
Education and Labor Committee (30 programs):	
Community Services Block Grant	$391.5
Community Economic Development	23.7
Rural Housing	2.9
Rural Community Facilities	3.3
Farm Worker Assistance	3.1
National Youth Sports	12.0
Community Food and Nutrition	8.7
VISTA	42.7
VISTA—Literary	5.0
Special Volunteers Programs	0
Retired Senior Volunteer Corps	35.7
Foster Grandparent Program	67.8
Senior Companion Program	31.2
Senior Demonstrations	1.0
Demonstration Partnership Agreements	8.0
Juvenile Justice Formula Grants (A+B	75.0
Juvenile Justice Discretionary Grants	25.0
Youth Gangs (Part D)	10.0
State Challenge Grants (Part E)	10.0
Juvenile Monitoring (Part G)	4.0
Prevention Grants—Title V	20.0
Americorps: National Service Trust	492.5
Service America	50.0
Civilian Community Corps	26.0
Youth Community Corps	?
Points of Light Foundation	6.5
Runaway and Homeless Youth	40.5
Transition Living for Homeless Youth	13.7
Drug Education for Runaways	14.5
Emergency Food & Shelter (McKinney)	130.0
Emergency Community Services Grants	19.8
Subtotal	1,574.1
Banking Committee (1 program): Community Development Grant	4,600.0
Judiciary Committee (1 program): Legal Services Corporation	415.0
Total (32 Programs)	$6,589.1

Source: Congressional Research Service.

Overview of Federal housing programs for low-income people, November 1994

[In millions]

Program	FY 1995 Appropriation
Section 8	$2,800
Public Housing	7,200
Section 236 Interest Deduction	0
Section 235 Homeownership Assistance	7
Section 101 Rent Supplements	0
Home Investment Partnership Program (HOME)	1,400
Homeownership and Opportunity for People Everywhere (HOPE)	50
Section 202 Elderly	1,280
Section 811 Disabled	387
Housing Opportunities for Persons with AFDC	186
Emergency Shelter Grants to Homeless	
Section 8 Moderate Rehabilitation for SROs	
Supportive Housing for Homeless	1,120
Shelter Plus Care	
Innovative Homeless Initiatives Demonstration	
Section 502 Rural Home Loans	2,200
Rural Housing Repair Loans	35
Rural Housing Repair Grants	25
Farm Labor Housing Loans	16
Rural Rental Housing Grants	220
Farm Labor Housing Grants	11
Section 521 Rural Rental Assistance	523
Rural Self-help Housing TA Grants	13
Section 523 Self-Help Housing Site Loans	1
Section 524 Rural Housing Site Loans	1
Section 533 Rural Housing Preservation Grants	22
Bureau of Indian Affairs Housing Grants	19
Total (27 Programs)	17,516

Note: All programs except the Indian Affairs program are under jurisdiction of the Banking Committee; the Indian Affairs program is under jurisdiction of the Natural Resources Committee.

Source. Congressional Budget Office.

Overview of Federal food and nutrition programs for low-income persons, November 1994

[In millions]

Program	FY 1995 Spending
Food Stamps	$24,750
Nutrition Assistance for Puerto Rico	1,143
Special Milk	15
Child Nutrition	7,271
Child Nutrition Commodities	400
Food Donations	266
Women, Infants and Children Program	3,297
CSFP	107
Emergency Food Assistance Program	123
HHS: Congregate Meals	386
HHS: Meals on Wheels	96
Food Program Administration	113
Total	37,967

Source: Congressional Budget Office.

Overview of Federal health programs for low-income people, November 1994

[In millions]

Program	FY 1995 Appropriations
Community Health Centers	$617
Migrant Health Centers	65
Health Care Services for Homeless	65
Health Services for Residents of Public Housing	10
National Health Service Corps Field Program	45
National Health Service Corps Recruitment Program	80
Rural Health Services Outreach Grants	27
Maternal & Child Health Block grant	572
Setaside for Special Projects of National Significance	101
Setaside for Community Integrated Services Systems	11
Healthy Start Initiative	110
Family Planning Program	193
Adolescent Family Life Demonstration Grants	7
Indian Health Services	1,963
Projects for Assistance in Transition and Homelessness	30
Immunization Program	466
Vaccines for Children	424
CARE Grant Program	198
Scholarships for Disadvantaged Student Faculty (3 Programs)	37
Centers of Excellence	24
Education Assistance Regarding Undergraduates	27
Nurse Education Opportunities	4
Total (22 Programs)	5,076

Source. Congressional Budget Office.

Mr. NICKLES. Mr. President, Franklin Roosevelt once said:

The lessons of history, confirmed by evidence immediately before me, show conclusively that continued dependence upon relief induces a spiritual and moral disintegration fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit.

Franklin Delano Roosevelt was exactly right. We have induced a spiritual and moral disintegration of fundamental destructive values, and it has been destructive to our national fiber; it has been destructive to the family. We have a welfare system that does not work.

Since President Lyndon Johnson launched the war on poverty in 1965, welfare spending has cost U.S. taxpayers about $5.4 trillion. Tragically, as Roosevelt predicted, this culturally destructive system has heightened the plight of the poor in this country, discouraging work and marriage. Today, one child in seven is raised on welfare through the Aid to Families with Dependent Children Program. Nearly a third of the children in the United States are now born to single mothers. The number of children on AFDC has tripled between 1965 and 1992, even though the total number of children in the United States declined by 5.5 percent.

To fix this system, we must drastically change it. Simply tinkering around the edges, as suggested by the White House and regrettably by the Democrats' substitute, is not an acceptable solution. Real welfare reform must be linked to personal responsibility. It must provide incentives for work instead of dependence, incentives for marriage instead of children born out of wedlock, and incentives to get a good education and save money to buy a home instead of dropping out of school and remaining in Government-owned housing.

The proposal before the Senate fulfills the commitment—and the proposal I am talking about is the Dole proposal—fulfills the commitment to overhaul the welfare system and is the result of important debate among the Senate Republicans in an effort to strengthen our proposal. I believe this

proposal should enjoy overwhelming support from both Republicans and Democrats, as well as the White House.

The Dole substitute has strong work requirements to ensure that able-bodied welfare recipients find a job. It recognizes illegitimacy as a serious national problem and stresses the responsibility of parenthood. It controls the unlimited spending of welfare programs by capping spending and consolidating many overlapping programs.

The Dole bill also consolidates 95 Federal programs in 3 block grants with the option for States to request a block grant for food stamps. We may have an amendment to include food stamps in the block-grant proposal, and certainly this Senator will support it.

The Congressional Budget Office scores the Dole proposal as saving approximately $70 billion over 7 years, while the Democratic package that we will vote on at 4 o'clock today saves only $21 billion. The bill also makes reforms in food stamps, housing programs, child support enforcement, and SSI.

The Dole bill has a real work requirement. Any able-bodied welfare recipient will be required to find a job, and work means work. Welfare recipients will no longer be able to avoid work by moving from one job training program to the next. States will also be able to require welfare applicants to look for a job before even receiving a welfare check.

I have heard my colleagues talk, and they have a great title for their bill. It is called the Work First Act of 1995, and that sounds great. But you need to look at the details.

We now have 155 Federal job training programs. They do not work. Why do we have 155? Because in almost every Congress, every time somebody is running for President they say, ''The best welfare program is a job,'' so we come up with a new jobs program.

We did not eliminate any of the old ones not working, and we stacked on new. We have 155 Federal job training programs. It is ridiculous. Under our proposal, we put those together. We basically have one. Let the States decide which ones work. Some undoubtedly do work. I hope so. We are spending a lot of money. It certainly does not make any sense to have 155. That makes no sense whatsoever.

In regard to the substitute before us, many people have said this is a great bill, this is going to help people move into work. I am afraid—I am going to call it the Daschle bill—the Democratic substitute tinkers with the welfare system instead of rebuilding it. It proposes to replace AFDC with a bigger, more expensive package of entitlements.

Again, I want to underline ''entitlements.'' The Republican package says we want to end welfare as an entitlement; people will not be entitled to receive welfare. We will have a block-grant approach. We will say, ''This is how much we will spend.'' It will not be an open-ended entitlement.

Not so under the Democratic package. They replace AFDC with a new entitlement package that actually increases spending. Spending will increase more than $16 billion than projected AFDC costs over the next 7 years, and that is according to the Congressional Budget Office, not just DON NICKLES or the Republican Policy Committee.

The Democratic bill does not impose real time limits on welfare benefits. I have heard everybody say, ''Well, we have to have some limits,'' and I am glad to see they approached time limits in the Democratic bill, but they have exceptions, several pages of exceptions.

As a matter of fact, they talk about a time limit and say, ''Oh, yes, we are going to put a limit of cash payments of 5 years under the Democrats' bill,'' but then if you look at page 3 of the bill, as modified, we have exceptions. We have a hardship exception. That goes for a page. We have exceptions for teen parents. We will not count the years they are teens. There are exceptions for child-only cases, and other exceptions. In other words, this time limit has loopholes that can just be expanded and expanded.

It exempts families that happen to reside in an area that has an unemployment rate exceeding 8 percent. Originally, it was 7.5 percent. That means you do not have a 5-year time limit if you happen to live in New York City, Washington, DC, Los Angeles, or Newark, NJ. A lot of cities, a lot of areas have unemployment rates exceeding 8 percent, so they are exempt from the 5-year limitation.

Does that fix welfare as we know it? Does that meet President Clinton's statement, ''We want to end welfare as we know it''? That does not end it. It means it will be a lifetime annuity if you live in a high unemployment area. That makes no sense.

We are going to exempt teenagers. If they are 16 years old and have a child born out of wedlock, we will not count the first 3 years and we will start counting after that. So they can be on for 7 or 8 years.

Wait a minute. That is not what President Clinton's rhetoric was. As a matter of fact, President Clinton said on August 11:

> What do we want out of welfare reform? We want work, we want time limits, we want responsible parenting.

There is no time limit, not if you live in an area that has high unemployment. If you are a teenage mother, that time limit is extended substantially.

So I just want to say I have heard many colleagues on the other side making very laudatory comments on the Daschle bill. But the more I look, the more exceptions I see. It does not look like a welfare reform bill. It is kind of tinkering on the edges.

Let us talk about the work requirement because, again, President Clinton said how important work requirements are. The Dole bill says 50 percent of the people have to be on work—50 percent of all people. Under the Daschle proposal, it requires 30 percent of the cash welfare recipients to engage in work-related activities by 1997, and 50 percent by the year 2000. It sounds like it is the same. But as with the time limits on welfare benefits, these work performance standards are undone by the fine print. A substantial number of recipients are excluded when calculating the work participation rates—mothers with young children, ill people, teen mothers, those caring for a family member who is ill or incapacitated. Together, these ''clients,'' as they are now called under the Democratic bill, make up 25 percent of the adult welfare population, and they are exempt from the accounting of the 50-percent requirement.

Think of that. We will have a welfare population where 25 percent is now exempt from the mandate that 50 percent have to be at work. Well, if you add that together, that means that when the work requirements are fully phased in, 62.5 percent of the adult recipients will not be required to work or even get job training under the Daschle approach. That means five-eighths of the people will not be required to get a job or go into work training because they are exempt. So the time limits have all kinds of exemptions—a big exemption if you live in a high-unemployment area, a big exemption if you are a teen mother. The work requirements have big exemptions because we excluded a lot of people—25 percent of the adult population—from that. That is why I look at President Clinton saying, ''What do we want out of welfare? We want work requirements and time limits.'' But the bill is riddled with exceptions in work requirements and certainly in time limits. It says we want responsible parenting. So do we. Maybe we can say we want responsible parenting and make that happen.

Both bills, I might say, have pretty stringent hits on deadbeat or delinquent dads or parents. So maybe there is some commonality in that area.

But, Mr. President, my comment is that we need to pass a welfare bill. I hope that we will pass a bipartisan bill. I hope our colleagues on the other side, after we dispose of this amendment, will look at the proposal Senator DOLE and myself and many other people have sponsored and be very serious. I know there are a lot of amendments. We need to dispose of them. Maybe we will pass some and reject some. I hope our colleagues that have amendments will bring them to the floor. I hope we will consider and dispose of them and, in the next few days, pass a significant welfare reform bill, one that eliminates the open-ended entitlement, one that has savings for taxpayers and encourages work and moves people away from Federal welfare dependency.

I think that is a big challenge. We have not done it in decades. It needs to

be done. The biggest beneficiary—some people think that Republicans are trying to do that so they can save some dollars. Some people think this is management, or we are just going to give the authority to the State. I think the biggest beneficiary of our changes will be welfare recipients, because we will be making some changes so they will get off the addiction of welfare and they will be able to break away from the dependency cycle that so many generations and individuals now are stuck on.

So, Mr. President, I think this is one of the most important pieces of legislation this Congress will consider, certainly this year. I am hopeful that in the next few days we will be successful in passing it.

Mr. President, I know that our side is planning on going into a conference. I see my friend from Arkansas on the floor.

Mr. DEWINE assumed the chair.

Mr. BUMPERS. Mr. President, if I may address a question. I understand that all the time remaining between now and 3:30 belongs to the opponents of the Daschle proposal; is that correct?

Mr. NICKLES. That is correct.

Mr. BUMPERS. I wonder if I can impose on the generosity of the Senator from Oklahoma to yield 5 or 10 minutes to me in opposition to his position.

Mr. NICKLES. I am happy to. I will inform my colleague that we were planning on actually—we have a caucus going on at this moment that I was hoping to join in. So it is my intention, as I told the Senator from New York, to have the Senate stand in recess for some period—say until 3 o'clock. I will be happy to give my colleague 5 minutes.

I yield the Senator from Arkansas 5 minutes.

Mr. KERREY. Mr. President, can I ask the Senator from Oklahoma, is he intending to do that and go into recess at that point?

Mr. NICKLES. That was my hope.

Mr. KERREY. I wonder if the Senator will entertain a unanimous-consent that I speak for 10 minutes after the Senator from Arkansas and at that point we go into recess?

Mr. NICKLES. Yes, but I will withhold putting the unanimous-consent request.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I want to make a couple of observations and take a slightly different tack on the issue of welfare than that which has been debated.

First of all, I am deeply troubled by the Dole proposal. I do not see how I can support it. One of the reasons I cannot support it is because there is no comprehensive plan on child care. Any welfare proposal that does not consider child care is doomed to failure. Women are not going to work unless they have someplace that will take care of their children during work hours. There is no added money in the Dole proposal for that purpose.

The Dole proposal also has a number of other shortcomings. For instance, the Dole proposal shortchanges States in the Sunbelt, such as Arkansas, where immigration is on the increase. The bill provides no additional funding to take care of a recession when the number of applicants for welfare grow. It seems to me that the proposal is fatally flawed in a number of ways. So I am going to strongly support the Daschle proposal, which attempts to address these issues. Every Member of the Senate wants to vote for welfare reform. If you sit around the coffee shops at home, that is about all they will talk about. However, we have to reform welfare in a commonsensical manner; not the willy-nilly approach taken by the Dole proposal.

It seems to me that we speak loudly, longingly and piously about the children of this country in this debate on welfare. We overtly or covertly attack them in this proposal—the most vulnerable among our population. Nobody knows for sure what the answer is. However, Mr. President, I assure you the answer is not to make children any worse off than they already are.

Let me just make a point about another kind of welfare. This morning's Washington Post had a story on the Federal Page indicating that the Secretary of the Interior yesterday signed a deed for 110 acres of land belonging to the American people to a Danish company called Faxe Kalk. What do you think the U.S. taxpayers got for that 110 acres of land yesterday? $275—$2.50 an acre. What do you think the corporation Faxe Kalk got? One billion dollars' worth of a mineral called travertine. It is an aggregate source used to whiten paper.

Due to the 1872 mining law, still firmly in place, the taxpayers of this country, who lament the taxes they pay, saw $1 billion worth of their assets go down the tube.

In 1990, Mr. President, I stood exactly where I am standing right now and pleaded with the people of the Senate to impose a moratorium on patenting under the 1872 mining law which requires the Secretary of Interior to deed away billions and billions and billions of dollars worth of gold, platinum, palladium, travertine, whatever, for $2.50 or $5 an acre. I lost that year by two votes.

Mr. President, I wonder if the Senator from Oklahoma will yield 2 additional minutes?

Mr. NICKLES. I yield the Senator from Arkansas an additional 4 minutes, and at the conclusion of his remarks I yield the Senator from Nebraska 10 minutes.

Mr. BUMPERS. I thank the Senator.

I stood here and pleaded with this body to put a moratorium to stop this practice, but lost 50–48.

Four days later, the Stillwater Mining Co. filed an application with the Secretary for patents on approximately 2,000 acres of public land in Montana for $5 an acre—roughly $10,000. If the Secretary winds up having to deed the land, and he certainly will under existing law, to the Stillwater Mining Co., the next story you read in the Washington Post will be that the Secretary of the Interior has deeded 2,000 acres of land belonging to the people of this country for $10,000 and underneath that 2,000 acres lies $38 billion worth of platinum and palladium.

Mr. President, are these my figures? No, they are the figures presented by the Stillwater Mining Co. Mr. President, 2½ years ago, Stillwater said they did not know whether they could make that pay off or not. They say there is $38 billion worth of minerals under it, but they did not know whether they could make it pay off.

Really? A year ago the Manville Corp., which had jointly formed the Stillwater Mining Co. with Chevron bought Chevron out and took Stillwater public at roughly $13 a share. Last week, Manville sold its remaining interest in Stillwater to a bunch of investors for $110 million plus a 5-percent royalty based on a net smelter return. Not bad for a company that 2½ years ago said they did not know whether they could make it profitable or not.

A year ago, when Stillwater went public, the stock sold for $13. 1 year later—how I wish I had invested in this one—the stock is worth $23 today. It had been up to $28. We cannot find the money for child care in the welfare reform bill, while, at the same time, we deeded away $1 billion yesterday, and are getting ready to deed away another $38 billion.

Just before the recess, I offered an amendment on the Interior appropriations bill to renew a moratorium on the issuance of patents pursuant to the 1872 mining law. However, the Senate defeated the amendment 51–46. Instead, my friend from Idaho offered an amendment that would require mining companies to pay fair market value for the surface of the land in the future, but that is just for the surface, not the minerals. So instead of paying $275 yesterday, the Faxe Kalk Corp. for $1 billion worth would have had to pay $20,000.

What a scam. Talk about welfare, welfare for some of our biggest corporations, while we beat up on the children of this country and say to the mothers, ''No, we cannot give you child care for your child so you can go to work.''

Mr. President, I yield the floor.

Mr. KERREY. Mr. President, this amendment unfortunately will probably be defeated along party lines.

I say unfortunately because there is a significant amount of enthusiasm in this body to respond to the people's concern about our welfare system and to try to change it.

The Democratic Party, as people have observed and understand, have very often had difficulty coming together around change. That is not the case with welfare reform.

We have spent a great deal of time on this side of the aisle—not defending the status quo—coming up with a proposal that radically alters the status quo with an attempt to pass legislation that will respond to taxpayers who say they do not like the current tax.

They think we are spending money with no results, and perhaps worse, spending money and making the problem more serious than it currently is to the recipients who do not like the system, since many do not go onto welfare by choice but are there as a consequence of divorce or separation and find it difficult to get off once they are on.

Mr. President, even providers today increasingly are saying they do not like the current system.

The Work First proposal is a serious attempt to respond to these concerns, an attempt not to reduce the budget deficit, but to reduce the rates of poverty and increase the self-sufficiency of Americans who are struggling to get out of the ranks of poverty. That is the effort that we have before us.

It changes our system so that we first will have an emphasis on finding and keeping a job; second, by providing the support necessary to find and keep that job; and third, by providing the States with more flexibility.

Mr. President, I urge citizens to understand that the Daschle amendment abolishes AFDC. It replaces it with an entitlement that is conditional upon an individual who is able bodied being willing to work. Those recipients must sign a parent empowerment contract that outlines their plan to move themselves into the work force, similar to what many States have already done, including my own, the State of Nebraska.

It provides a stimulus to develop the work ethic by moving from an income maintenance program to an employment assistance program.

Mr. President, beyond that, this bill recognizes that in order to keep that job, individuals, parents, need to have other things. In particular, it makes certain that every single person that is moving into the ranks of the employed has high-quality, affordable child care. Otherwise, they will not be able to get it done.

Now, there is a tremendous differential, Mr. President, between the relative cost of child care for somebody who is in the ranks of the poor and that of the people who are not poor. Above poverty, American families spend about 9 percent of their income for child care. Below poverty, it is almost 25 percent of their income.

This proposal, moreover, says that many Americans are still struggling to try to be able to afford the cost of health care. This extends the 1-year Medicaid to 2 years and provides a sliding scale. So again, there is a requirement of effort for health care.

Mr. President, this legislation responds to States saying that they want more flexibility. It allows States to design their own program and encourages States to redesign their infrastructure, to streamline the processes.

It provides incentive for States if the States exceed the required job participation rate. It does not freeze the funds in an inflexible block grant, but it does say the States are required to maintain some effort.

Mr. President, this legislation by itself will not solve all the problems. I still believe that we need to raise the minimum wage. I still believe that we need to hold on to the progress that was made with the expansion of the earned-income tax credit.

Perhaps one of the most damaging things that is done in the current budget resolution is to reduce the earned-income tax credit. This welfare reform proposal by itself will not solve all the problems.

Indeed, ideally for me, would be to pass the Daschle amendment and then include thereafter title 7 and title 8 of the Dole proposal, which is essentially the Kassebaum Work Force Development Act that consolidates and provides an awful lot more flexibility to States to make job training programs work. It is a very good piece of legislation. It could give the States the kind of flexibility and the power that they need to help people acquire the skills necessary to be self-sufficient.

I have no doubt that, if we were to pass this amendment—and I hope my own skepticism about this current division between Republicans and Democrats will not be warranted, I hope there will be Republicans who will vote for the Daschle proposal—if it is passed, taxpayers will like it because they will be getting their money's worth, for a program that provides incentives for people to work. The recipients will like it because it strengthens child support enforcement, it provides a contract that lets them know precisely what they are supposed to do, and it offers an alternative approach to the cycle of poverty and the cycle of welfare dependency that many are trying to break.

The people of the State of Nebraska, in my recent campaign, indicated strongly they want our welfare rules to be written so work is given greater priority than welfare, so it is more attractive than being on welfare. This legislation responds precisely to that concern. They want the opportunity at the State level and at the local level to be able to design their own programs, and this legislation responds to that concern.

It is not being driven solely by the need to reduce the deficit. There is not an ideological bent to it that says it has to be one way or the other. It is driven by a desire to be able to stand at the end of the day and say this thing is working better; that, from the taxpayers' standpoint, from the beneficiaries' standpoint, and from the providers' standpoint, we have made our welfare system operate in a more efficient, effective and, hopefully, humanitarian fashion as well.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Montana.

Mr. BAUCUS. Mr. President, on behalf of the majority leader, I yield myself such time as I may consume.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, this is a very important subject, welfare reform. I have approached the debate myself by trying to go back to the basics. I think all of us have attempted that. That is by asking why we have a welfare system at all, what should it do, and, just as important, what should it not do? The answers to those questions, I think, are simple.

We now do not have a welfare system just in order to give money to poor people. That is not the point of welfare. It is not the point of welfare simply to give money to poor people. Neither do we have a welfare system to punish and humiliate people, especially children, for being poor. The reason we have a welfare system is to help people in a tough spot get back on their feet and back to work; to promote with compassion the values of work, personal responsibility and self-sufficiency we all share as Americans.

The failure of our present system to meet these goals is a national tragedy. It is a top concern of Montanans and of all Americans, and rightly so. It seems to me very sad that Congress is approaching welfare reform in a polarized, partisan way. After spending several weeks at home listening, talking to people, I know the American people expect better. They expect a serious effort to solve a serious problem. And they are right. That is why I have reached out to work with Republicans on welfare reform, and it is why I am disappointed to see how little effort the majority has made to work with Democrats and how little cooperation there is between the administration and the Congress.

If we continue on this course, the country will not get welfare reform. It will get a partisan bill, maybe a veto, and ultimately an embarrassing failure. So, while we still have time, today I would like to urge us all to try a bit harder to work better together, to do what we know is right, listen to the people, and get the job done.

In the past month, I have listened to Montanans I meet along the highway. I am walking across my State. I talk to people on welfare and people who have fought their way off welfare and into jobs, to teachers from Head Start and professionals from State government, county human service officers, to advocates for poor people, and to middle-class taxpayers who pay for our system.

As heated as the welfare reform debate can be, I have learned that most of us have some basic principles in common. We agree that America needs

a welfare system, but one which encourages personal responsibility, encourages work and self-sufficiency, lets States like Montana create systems that make sense for our own unique problems, is fair to taxpayers, protects children, and helps keep families together.

We agree the present system does not achieve these goals. It is broken and it needs dramatic change.

The Federal Government has administered our major welfare program, Aid to Families With Dependent Children, or AFDC, since the 1930's. I think it is fair to say that AFDC has failed to live up to these principles, and there is no reason to reinforce failure. The best thing to do now is not to tinker with the AFDC, or come up with a substitute to it; it is to get the Federal Government out of AFDC, turn it into a block grant, let the States design different plans, come up with their own ideas and try to learn from one another.

Therefore, it is with some reluctance I will vote against the alternative proposal by the Democratic leader. It has some good points: a time limit, work requirements, a child care program, and protection for children. Those are very important. But the proposal has a fundamental flaw. Under the proposal, the Federal Government will continue to administer welfare reform. I believe that will continue to cause a problem. It will continue to write requirements for States, and I believe it will perpetuate a system that has failed. That is why, on balance, I prefer the welfare reform bill offered by Senator DOLE.

The Dole proposal makes a clean break with the past. It converts the welfare program into a block grant, eliminating red tape and giving States the flexibility they need to run their own program. And it does some other essential things. It is fair to taxpayers. It does not require States to adopt the more punitive approaches of the House bill, such as making States deny benefits to families when they have more children, or to unwed teenage mothers. And by placing a time limit on benefits and requiring work, it moves away from a program which is based on benefit checks toward one which is based on responsibility and self-help.

Thus, I hope I will ultimately be able to vote for Senator DOLE's proposal. But at this point I believe it has some very serious problems. They can be fixed, but we cannot evade them.

These problems fall into three main areas:

First, failure to provide for child care. First, women and children, the people who receive the big majority of AFDC benefits, can only go to work if they have a safe, dependable provider of child care, and child care is expensive. When a mother comes off AFDC, she is likely to start with a pretty low-paying job. So, if we expect welfare recipients to work, we must offer some help with child care. But, at present, the Dole bill offers no real help with child care. It merely gives States the option of exempting families with children before their first birthday from the work participation requirements. We have to do much better.

Second, the safety net for families with children. While we must tell people they have to go back to work in a reasonable time, we have also to protect them when times are really tough: when a father suddenly leaves a family, when a wage-earner is killed or disabled in an accident, when a business closes, and when a young, single mother suddenly loses her job. We cannot and we must not simply cut away the whole social safety net.

So, if the Federal Government is going to turn the welfare system over to the States, we need a guarantee that the States will continue to provide their part of that safety net.

We need a guarantee that, under budget pressures as most of them are, they will not simply take the money and eliminate most or all benefits for people who truly need help.

The Dole bill does not provide that guarantee. Instead, it merely says that for 2 years, States must reach 75 percent or more of their present level of spending. After that, all bets are off. That is not good enough.

Third, the Dole bill contains provisions which should not be in a welfare bill at all. All these should be removed.

For example, it turns the Food Stamp Program into an optional block grant that was not in the committee bill. It is in the Dole bill. This is unnecessary, because the Food Stamp Program on the whole works. No doubt it can be improved in some ways, but it provides our families and children with the food they need.

And turning food stamps into a block grant is also dangerous, because it threatens the nutrition of poor children. States could eliminate nutrition services completely, which would threaten kids' health. Or they could turn them into cash grants, which would encourage fraud and abuse by recipients.

In addition, the Dole bill contains a large and controversial job training program. This is a very important issue which should be considered on its own merits, not simply lumped into the welfare bill without debate.

AMERICA NEEDS A BIPARTISAN REFORM

Finally, and once again, my most important criticism applies to the whole approach Congress has taken to welfare reform. That is, I believe Congress is treating this as a political issue rather than a real issue.

That is wrong. The failure of the welfare system is a serious social problem. It is a top concern of the public, and rightly so. It deserves to be more than a political hockey puck.

But today, we have a Democratic bill and a Republican bill. Slogans and press releases. All the things that have made so many Americans fed up with politics.

If nothing changes, we will get a partisan bill pushed through with a very narrow margin of votes. We will get a veto. It will be sustained. And at the end of the year, we will have no welfare reform.

That does not have to happen. We still have time for serious work on a serious problem. We can improve this bill, and ultimately get a good, tough, fair reform. I hope my colleagues here will join me.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. I now ask unanimous consent that I be yielded 10 minutes to speak on the pending legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MOSELEY-BRAUN. Mr. President, today we begin in earnest to tackle the issue of welfare reform. In the next week we will decide if this Congress will pass welfare reform legislation that attacks poverty and aids recipients to become self-sufficient or if we give in to the rhetoric, the hot buttons, the slogans, the wedge issues, ignore past economic appearance, and pass shortsighted and, I daresay, counterproductive legislation.

To look first at some of the facts and to suggest a reality check about this debate: There are currently some 14 million people in the United States receiving aid to families with dependent children assistance, known as welfare. But, Mr. President, over 9 million of those people are children. The remaining 5 million of those people are adults. So let us be clear what we are talking about at the outset. When we talk about welfare reform, we are talking about primarily children. Nine million of the 14 million people receiving welfare are kids; only 5 million are adults.

Now, of those adults, of those 5 million adults, nearly 4 percent overall—these are national numbers—nearly 4 percent have been designated by the States—by the States—as incapacitated or physically unable to work. Other estimates, Mr. President, which include, among other conditions, mental illness, substance abuse and the like, put the number of those who are incapacitated and unable the work at about 18 percent. So 18 percent of the 5 million people are unable to work.

That means then that somewhere between 4.1 and 4.8 million AFDC recipients are able to work, and, Mr. President, I agree that they should work. I do not think there is anyone in this Chamber, indeed in this country, who would deny that those people who can work should work. On this point I think there can be absolute consensus.

The difference, Mr. President, however, between the Democratic alternative, the substitute amendment, and

the underlying bill, between the Democratic and the Republican approaches, is that the Democratic approach, I believe, asks two critical questions that apparently did not occur or at least are not represented in the leadership bill.

First question: What about the jobs and attendant training and education for those 4.1 to 4.8 able-bodied adults? And, second, what about the children? Again, 9 million children, what about them? To me, I believe that the bottom line of all of this is to ensure that children are protected. The question we should ask ourselves when evaluating any welfare reform proposal is, what about the children?

I introduced welfare reform legislation earlier in the year. Every provision in that bill, which was developed in conjunction and in conversation with the task force of Illinois residents, every provision of that bill sought to improve the condition of children through economic opportunities for their families and to maintain a safety net for them. The whole idea is to keep families and allow families to come together to provide a nurturing atmosphere for children and at the same time provide those families with an ability to support those children while providing a safety net for those children. I believe that the Democratic Work First bill, also known as the Daschle substitute, builds on those principles of support for families, support for children, and an emphasis on work.

The Daschle plan, the Democratic plan, includes all of the components necessary for successful welfare reform. It is tough on work, including a guarantee of necessary support services like child care and provides funding for job creation, and above all, it protects children. That is the reason that I have joined in cosponsoring the Democratic plan and support it wholeheartedly.

First, the Democratic bill provides that critical safety net for children. Our bill ensures that no child will go hungry or homeless due to the behavior of his or her parents. It affirms the Federal and State commitment to aiding poor children. And in that regard, Mr. President, I would point out that in this country right now some 24 percent, estimated 24 percent, of the children in America fall below the poverty level. The highest level of child poverty in the industrialized world is in America today. I, therefore, think that we cannot approach the issue of welfare reform without addressing the question of child poverty, and addressing the question of child poverty has to take place in a Federal, State, and local collaborative and cooperative arrangement.

Second, Mr. President, the Democratic alternative, the Work First bill, includes critical support services such as child care and health care. We know from past experience that the lack of child care and health care causes many poor people, many recipients, former recipients, to go back into transition and return back to the welfare rolls. An individual who is faced with the prospect of not being able to afford health care may then have to leave work and go back on welfare just to have their health needs attended to. Similarly, a mother, a single mother particularly, or single parent faced with the prospect of leaving their child alone, underaged child alone, in order to go to work will often be forced to leave the work force and go on welfare just to provide for child care.

So, the Work First bill, the Democratic alternative, includes those services as a necessary component of welfare reform. The Work First bill not only guarantees child care for those recipients required to work under it; it also expands and provides for the child care development block grant, the existing program that helps low-income working families to afford child care.

As you know, Mr. President, there are a number of people who work but who need the financial assistance so they can put their children into child care so that they will not be forced back onto welfare rolls. This legislation, the Democratic alternative, provides for those support services.

Mr. President, child care for the working poor is critical. It can often make the difference between a working parent and a parent receiving welfare. In Illinois alone, in my State, we currently have a waiting list—a waiting list, Mr. President—of some 30,000 children, 30,000 kids, children, who need to have slots in day care for which there are no slots available. The Democratic leadership recognizes that moving from welfare to work requires an upfront investment, and it has to be an investment that goes to the benefit of the children.

The Work First bill provides adequate funding so the recipients will have a real opportunity to move from welfare and into the private-sector work force. And that is why I would encourage all of my colleagues to take a good look at the leadership bill and encourage their support of it, because only by providing support for child care will we be able to accomplish real welfare reform.

The Democratic plan recognizes no matter how skilled a recipient, if there are no jobs or not enough jobs in the community, there still can be no work. Again, this job creation is another major element that has to be part of any real welfare reform. This bill, the Democratic bill, the Daschle bill, provides funding for community-based institutions that invest in business enterprises and therefore helps to create new private-sector jobs for low-income persons, which then will help us to revitalize poor, underserved communities and help us diminish the reliance on and the need for welfare.

Mr. President, the Republican leadership bill falls short in the areas that I have just mentioned: work, child care, job creation. And above all, it fails children. Two-thirds of those receiving assistance are children, and protecting their future should be the goal of reform.

One of the fundamental errors and problems with the plan before us right now—the Republican plan, the leadership plan—is that the plan ends the 60-year-old Federal commitment to provide assistance to needy children. States are given the option of leaving children to go homeless and hungry. It is unconscionable to me, Mr. President, the Senate would ignore the plight of children and allow that to happen.

During one of the hearings on welfare reform in the Finance Committee, I asked a sponsor, frankly, of the Republican bill, who supported the total dismantlement of the safety net, ''What about the children? What if this bill results in children being homeless and hungry?'' And the response that I got was, ''Well, if that happens, we will just have to come back in a couple years and fix this.''

Mr. President, I submit that we cannot be that generous with the suffering of children in this country and that we ought to start off fixing this problem now. And that is why I support the Daschle alternative.

CHILD CARE

Under the Dole bill, work requirements and participation rates are increased but funding for child care is not. Illinois alone will have to increase child care by 383 percent to meet the work requirements in the Dole bill. Funding for recipients required to work will siphon off dollars from low income families. In a State that already has a waiting list of 30,000, the impact of the Dole bill could be devastating.

This is a misguided approach if the aim of reform is long term self-sufficiency.

JOB CREATION

On the jobs issue the Dole bill is silent. There is no recognition that job creation and economic development are critical to communities that are plagued by both high unemployment and high poverty rates.

The bill assumes that recipients will be able to find jobs after the 5-year time limit, which could be less at a State's option, but does not provide funding for job creation or provide adequate funding for support services that will aid recipients to obtain and keep private sector jobs. In many poor communities jobs do not exist and those that are available are not easily accessible. This bill buys into the ''Field of Dreams'' theme of: If you kick them off they will work.

In many poor areas in Chicago, unemployment is between 20 and 40 percent. 80 percent of black youth between the ages of 16 and 19 are unemployed in Chicago and 55 percent of the 20 to 24 year-olds are out of work. It will be nearly impossible to move recipients into permanent private sector jobs if there is no effort to create jobs.

Under the Dole bill States will have to increase the number of persons participating in work-job preparation activities by over 161 percent by the year 2000. To use my State as an example: Illinois will receive $444 million less in AFDC funds, but will be required to increase by 122 percent the number of recipients participating in work-job preparation activities.

This will be a tremendous burden on Illinois. Our current caseload exceeds 700,000 people and 64 percent of the entire caseload resides in one county. In the year 2000, Illinois will be forced to use 73 percent of its block grant allocation to meet the Dole bill requirements. That leaves almost no funding for cash assistance or other programs supporting family stability. In addition, the State and the city of Chicago will have to create tens of thousands of jobs to absorb former welfare recipients who will have reached the 5-year time limit.

UNFUNDED MANDATE

What this means is States and localities will be forced to pick up the tab, which means the cost will be passed along to all of us through higher State and local taxes.

This leads me to my last point—the Dole will is an unfunded mandate.

Welfare reform is not easy and it is not cheap. What we have learned from successful State experiments like those in Michigan and Wisconsin—is that moving recipients into jobs can be done but it is expensive, labor intensive, and time consuming.

Even Tommy Thompson, Governor of Wisconsin, acknowledges the need for an initial investment. He has stated that ''every time you change a system you are going to have an up-front investment, more transportation, more job training, more day care. And those who think that you can just change the system from one based on dependency, where you receive a welfare check once a month, to one in which you require people to go to work, are going to be sadly mistaken when you first start the program. Because there is an up-front investment.''

In order to meet the work and child care costs associated with the Republican bill, States will have to spend an additional $16.7 billion. That is a very large unfunded mandate.

It is no wonder that the Congressional Budget Office has predicted States won't be able to meet the work and child care requirements in the Dole bill. It is easy to see why CBO assumes that 44 States will be unable to meet the bill's requirements, preferring to risk penalties instead.

CONCLUSION

We all want reform so that the welfare system works better. But we must keep in mind that the system serves real people—the majority of whom are children. Welfare should not be a wedge issue—it is a people issue.

The Work First plan provides a real solution to the problems of poverty; the Republican plan ignores poverty.

We live in one of the richest countries in the world, we have a $7 trillion economy and a $1.2 trillion Federal budget, and yet we lag behind every other industrial nation in child poverty. Yesterday, this body voted to give the Department of Defense $7 billion more than they asked for. Clearly, we have the wherewithal to do better by this Nation's children. What this next week will show is whether or not we have the will.

The PRESIDING OFFICER. The Senator's time has expired.

Ms. MOSELEY-BRAUN. I will continue to express myself on this subject in the coming hours of this debate. Thank you.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I yield 3 minutes to the Senator from Missouri.

The PRESIDING OFFICER (Mr. ABRAHAM). The Senator from Missouri.

Mr. BOND. Mr. President, I thank the distinguished Senator from Pennsylvania. I want to raise a question for my colleagues on the other side of the aisle as to whether the proposed Daschle amendment would deal with a very disturbing situation we found in the State of Missouri.

Under the current law, and this is one of the reasons people are going nuts with welfare today, we have had an innovative program in Sedalia, MO, where the president pro tempore of the Missouri State Senate worked with the Division of Family Services, which administers AFDC, to try to find employees for a major employer coming to the Sedalia area, bringing 1,500 to 1,600 jobs.

They had the very simple idea that if they would bring qualified AFDC recipients to the employer, then they might help solve the problems of the people who did not have jobs and meet the needs of the employer for workers. They sent over a number of workers. Some of the workers have accepted employment, and the system seems to be working very well for them. Some of them chose to find other jobs because they did not like this employer, and that is a good result. Those two classes of people found work.

A third class of people was turned down for jobs. They continued to receive AFDC. Another class of workers who refused to show up for jobs could be cut off, but they could only be cut off of the AFDC rolls for 2 months—jobs for which they were qualified, well above the minimum wage, and they were cut off, but they could only be cut off for 2 months.

No. 1, would that restriction continue under the proposed Daschle amendment?

No. 2, and this is probably the most troubling part, two of the AFDC recipients who went to the employer failed the mandatory drug test. Since they failed the mandatory drug test, they were not offered jobs. They went back to the Division of Family Services and continued their AFDC checks. They could not be cut off, as we understand in Missouri the requirements of AFDC, even though they failed drug tests.

As I see it, if this is the effect of existing law or the Daschle amendment, then there would be an incentive for people who wanted to stay on AFDC simply to take drugs to prevent them from passing a drug test.

I invite Members who are supporting the Daschle amendment to tell me if those two very important requirements would be changed under the Daschle amendment.

I thank the Chair, and I thank my colleague from Pennsylvania.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. I yield such time as he may consume to the Senator from Colorado.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. BROWN. Mr. President, I want to thank the Senator from Pennsylvania.

I rise in strong support of the welfare reform effort and to express several concerns about the effort to amend it, which is before the body now. First of all, a very distinguished Member has just noted her, I know, genuine concern that families could be cut off without assistance. Let me assure her and other Members who may be listening to this debate that this bill is not about cutting people off who are genuinely in need and genuinely in need of help. As a matter of fact, what this bill does is continue the program in a significant fashion. What it does do that is different, in its main point, is give States the discretion to run that program, and it has some big differences in this area.

The first and biggest difference is that we take money that is now sent to the Federal bureaucracy to administer this program and put that money into programs to help the needy and help the State level administer the program.

What we are doing with this effort is saying that it is no longer going to be a Federal bureaucracy that dictates to the States and the counties how to run their programs. We are going to give many of the decisions and administration of programs to people on the line, and the resources of the program will be diverted away from the bureaucracy toward those people in need and toward those people who actually run the program. It does make a difference. It puts more resources in the hands of the people who can make a difference and help those in need.

The second thing it does, I think, that is so important and why I think it would be a mistake to turn back to the past is this: In the past, we have precluded people from being able to develop effective, viable programs on the local level. I will simply give an example in Colorado. My own county, Weld County, had a program that had the impact of reducing welfare rolls by a substantial amount during the first month of operation. It was an experimental program.

It ended up with a substantial number of people having viable, substantive jobs that improved their lot in life and set them on the path toward getting out of poverty. It was one focused on job placement and opportunity, not subsistence and welfare.

Those who truly needed the assistance got it, but those who had the ability to work and the desire to work were delighted to have the opportunity to work, and that is what the program did.

What happened to that program? It was shut down, and it was shut down because it did not satisfy the demands of the Federal bureaucrats that ruled.

That is what this bill is all about. This is about giving your local counties and cities and States the ability to design programs that really work. If you believe Washington has all the answers, you will not want to do that. If you believe in centralized planning and decisionmaking in the few hands of people in Washington, DC, that they can make a better decision than the people on the line, why, you want to oppose the Dole amendment, you want to oppose the Republican proposal. What is at stake in this measure is the ability to give the States and the cities and the communities where these programs are run the ability to change welfare.

I do not think there is anyone in this Chamber who would come forward and say they are proud of the results of the war on poverty. Men and women, Democrats and Republicans, liberal and conservatives all look at the numbers and they know that the number of people in poverty has gone up under the war on poverty, not down. They know that in spite of spending hundreds of billions of dollars, literally trillions of dollars since the war on poverty started, that poverty is a bigger problem today than it was when it started. Part of it is because the kind of programs we designed have made people dependent on Government instead of being designed to help make them independent and give them opportunity. That is what this bill is all about.

To go back to central planning, I think, would be a mistake, and that is why this bill is a good one, because it gives broader decisionmaking to a greater number of people and gives flexibility to the States. It redirects the resources so that more of it goes to the recipients and the people who run the program and less to bureaucrats.

Third, Mr. President, I want to make a point I think is very important when people cast their vote on the amendment that is going to be before us. One of the things that sabotaged welfare reform in 1988 was some amendments that were added at the last minute. Those amendments involved an effort to outlaw referrals to work. I know most Members are going to say, ''What, making it illegal to refer people to work?'' But that is literally what the law did.

I think most Members of the House and the Senate would be surprised if they knew those measures were in it. I remember the battle very well, because I was in a position of the ranking Republican on the Ways and Means Committee that worked on that. There were three provisions added to the bill in the House that restricted referrals to work.

One, the most damaging, literally says that a State may not refer someone to a job in the municipal government or State government unless that job is an entirely new program. In other words, if they simply just have a vacancy in a program where they have a real job that performs real services for real pay and you have a welfare recipient who is able to fill that job, they are not allowed to put that welfare recipient to work in that job.

What it has done is sabotage much of the efforts to turn this program around. You can look in the Green Book that catalogs the welfare programs. If you will look at the rhetoric of the 1988 bill, the line was that we have required either work or education or training, the emphasis being on work. But when you look at the results, what we find is that only 4 percent of the people on welfare in the JOBS Program are in a job or work activity. What you literally have done is create a program that was sabotaged by that prohibition on work.

Now, Mr. President, the major focus of the Dole amendment and the Republican bill that has come out of committee, the No. 1 item that I think has value over and above everything else, is the repeal of the prohibition on work; the repeal of that statute that makes it illegal to refer welfare recipients to existing job openings. It is a tragic mistake that was incorporated into our laws in 1988. It is a tragic mistake that has sabotaged our efforts to help those who are poor among us turn their lives around. Tragically, the amendment before us does not fully correct that error. In other words, if you vote for the Daschle amendment, you will be voting to continue some of the prohibitions on work.

Right now, the Finance Committee bill, and the Dole amendment, repeal the prohibitions on work. If you wipe those out with this weaker amendment, you wipe out the major tool that I think can turn the welfare system around.

Mr. SANTORUM. Will the Senator yield for a question?

Mr. BROWN. Yes.

Mr. SANTORUM. I want to make sure I am clear on this. In current law, the Senator is suggesting that if there is a job opening which a welfare recipient could qualify to do, and someone wants to hire the welfare recipient in a work program for that position, they cannot refer that person for the job; is that correct?

Mr. BROWN. The statute is very clear. They cannot refer them to it unless it is an entirely new job, a new organization, a new department, or new bureaucracy.

Mr. SANTORUM. If I own a company, a small business, and I want to hire a welfare recipient, they cannot refer that person unless it is a newly created job?

Mr. BROWN. They can if it is a private company. But they cannot with regard to a city or State job.

Mr. SANTORUM. A city or State job. If you have a job available in the highway department holding a sign up—we have all seen that—and you want to refer a welfare recipient to that job, you cannot do that today; is that right?

Mr. BROWN. Under today's law, you could not.

Mr. SANTORUM. Under the Daschle proposal, could you refer that person?

Mr. BROWN. My understanding is—and perhaps Members will correct me if I am wrong—in that amendment, they do not fully change that prohibition. On its face the amendment appears to repeal the prohibition, but it in fact continues it in a more subtle form.

Mr. SANTORUM. ''Where are the jobs,'' I hear. We are not allowed to refer them to the jobs. Under our bill, we would create the opportunity for those referrals. Under their bill, they prohibit job placements.

Mr. BROWN. They keep in place a major impediment to placing men and women on those jobs.

Ms. MOSELEY-BRAUN. Would the Senator like a response?

Mr. BROWN. Yes.

Ms. MOSELEY-BRAUN. The Daschle Work First provision says that you cannot fire an individual who is working in order to replace that worker with someone currently receiving public assistance. That is correct. So your reference to a new job means the job is not currently held by a worker, a person already in the private work force.

Mr. BROWN. I appreciate that. Let me say I agree with the Senator that somebody should not be fired to be replaced by a welfare recipient. But the statute on the books now—and that is repealed by the committee proposal—is one that makes it illegal to refer someone to an existing opening. Now, the purpose of that might be to protect somebody from being fired—I have no problem with that—so that you could replace them with a welfare recipient. I assume the concern is it might cost less. I have no problem with that.

I have a problem with the tragedy that has occurred since 1988, and that is prohibiting people from being referred to those jobs which are normally open, saying the only ones you can refer them to are brand new agencies or bureaucracies. That is the basic concern I have about the amendment before us, which I believe is the No. 1 item that was a problem with the 1988 bill.

I will mention that I offered an amendment on the floor of the House to instruct the conferees to repeal from the bill those prohibitions on work.

That measure passed by a large majority in the House of Representatives at the time. It was a measure that, unfortunately, though, the conference committee in 1988 chose to retain in the bill, and it has had continuing devastating affects on the abilities of young men and women to turn their lives around from poverty.

It seems to me that what we ought to be doing with the welfare reform bill is looking for ways to help people get out of poverty, instead of having a program that keeps people in poverty. What we have done to people under the existing program is create a program that makes it very difficult to get out of poverty, to leave it, to turn their way of life around. What we have done in some States is create a level so people have to take a pay cut if they go to get a job. Tragically, sometimes the bureaucracy in these areas has chosen not to refer people to baseline jobs, beginning jobs.

The Denver welfare office, which I have visited several times, is a large office that employs over 1,000 people working on welfare-related programs at one location. Obviously, Denver is not as big as many of the cities represented here on this floor right now. But the attitude, tragically, in many of those areas is that you should not start at some of the basic jobs, that you should only refer people to jobs that start at $8 or $9 an hour, or $10 an hour.

Mr. President, let me mention that I think it is terribly important for people to understand that the way you do well in our economy is you start off on the ladder, and you climb it rung by rung by rung. You do not start off at the top. You do start off and work your way up by doing a good job in each responsibility that you have. One of the things I did while in high school was work 40 hours a week. I worked as a gardener, a busboy, and a janitor. Those jobs were jobs that helped me get better jobs. I think around this country, what men and women find is an opportunity—work means an opportunity for them to improve their way of life.

What we have had is a welfare program in the past that has sought to isolate people from an opportunity to get started. What we need more than anything else in the way of welfare reform is a program that understands its purpose and its function, and its focus ought to be to help people get out of poverty, not keep them in it. It ought to be one that has a different image of people. It ought to recognize that some people do need help, and we will provide that. But many people want, more than anything else, an opportunity. They want, more than anything else, a way to find a job, to prepare for the skills, and help to begin that process.

I am proud that in the welfare reform bill that came out of the Finance Committee, there are many ingredients that I think will help turn this around. The biggest one, other than repealing the prohibition on work, is allowing our communities to take a hand in running and designing these programs. Pueblo County in Colorado designed an outstanding program that showed superb results. Unfortunately, it was shut down by Federal regulators because it did not fit their idea of what would work and what would not work. I know San Diego County in California has done a number of experiments that were successful in helping people turn their lives around. Unfortunately, they could not be continued because they did not fit the Federal role model and guides.

We have seen Jefferson County in Colorado come forward with a very progressive program. I am proud to say that I think many of the bills talked about here will give them the flexibility to move ahead with that. But part of this is understanding that central planning, centralization of decisions, centralization and controlling all welfare programs, does not work. The package that has been put together since the war on poverty began has increased poverty, not reduced it. It has reduced opportunity for people. So we have an opportunity, in this next week, to pass what I think will be the single most important bill we will consider in this session of Congress, and that is one of changing welfare, changing it from a program that locks people into poverty to a program that is designed to help people out of poverty.

I yield the floor.

Mr. SANTORUM. Mr. President, I yield myself such time as I may use. I thank the Senator from Colorado for his excellent remarks. I thank him for the great work he has done on not only this legislation but really in getting us here. He mentioned that he has been the ranking member on the Subcommittee on Human Resources of the House Ways and Means Committee, which is a position I was fortunate enough to serve in for 2 years. I know on that committee he worked to set a lot of groundwork for us to work on welfare reform that we did in the House, which became H.R. 4, that passed, and added tremendously, even in last year's debate, by introducing his own bill last session to reform the welfare system and again move the ball forward on this subject.

I want to pick up on this issue of worker displacement because I do not think we got the full answer. I am reading from the bill, section 485 of the bill. Subsection (C) talks about nondisplacement.

''In general, no funds provided under this Act shall be used in a manner that would result in the displacement of any currently employed worker''—I accept that as meaning maybe someone who would be fired—''or the impairment of existing contracts for services or collective bargaining agreements.''

Well, what does that mean? It means that if you have any position that is a part of a collective bargaining agreement or contracted service, which just about every city and State position is part of a collective bargaining agreement, you cannot fill that. Any unionized employee whose position is vacant cannot be filled by a welfare recipient. This is a blatant bow to organized labor, saying we will not take that person who holds that sign on the construction project that says ''stop'' and ''slow,'' that is in most cases a contracted service, an existing contract for service; that is a position that is filled by the contractor for the State government and cannot be filled by a welfare recipient; someone who works in the State bureaucracy, who is a member of a union. I imagine you could do this if you became a union member and got off welfare, but if you are in a work program, you cannot fill that job. You cannot be referred for that job under the Daschle-Breaux position.

It is a fancier way of saying—I know they were very uncomfortable with coming out and saying we do not want to allow people to be referred, because I got a lot of heat on that, but this is a backdoor way of accomplishing the same thing.

So I think we should tell it like it is. It is very clear here that almost all city and State jobs, which are almost all unionized jobs with the exception of political appointments, what we are talking about here is not allowing to replace vacancies.

I think that is, as the Senator from Colorado very eloquently stated, one of the biggest impediments to moving people off welfare into jobs in which they can later become productive, is this prohibition. It remains in the Daschle bill. I think it is a serious flaw in the legislation.

Ms. MOSELEY-BRAUN. Will the Senator yield?

Mr. SANTORUM. I am happy to yield to the Senator.

Ms. MOSELEY-BRAUN. Section 486 of the bill does provide for the placement of people in employment. I wish to correct the statement. I hope the misimpression that was given that the Daschle substitute prohibits people from being placed in public-sector employment—it does not prohibit welfare recipients from being placed in public-sector employment. What it does provide, as the Senator correctly noted, is that it has to be done according to the rules, and the rules which are collective bargaining agreements and others. It does not prohibit the placement of welfare recipient in the public sector.

Mr. SANTORUM. Reclaiming my time, it did not, except there are no public-sector jobs other than the jobs we are talking about in which you could be placed. It sort of is giving with one and taking away with the other. The end result, there will not be public-sector jobs the welfare recipients will be referred to. That is a very serious flaw in this amendment that is being put forward by the Democratic leader.

I am happy to yield 10 minutes to the Senator from Virginia.

The PRESIDING OFFICER. There are 4 minutes remaining on the side of the Senator from Pennsylvania and 2 minutes remaining on the Daschle side.

Mr. ROBB. Mr. President, I ask unanimous-consent that I be recognized for 12 minutes to speak on the bill.

The PRESIDING OFFICER. According to the unanimous-consent agreement, at 3:30 there is to be 15 minutes available to the Democratic leader followed by 15 minutes available to the majority leader.

Mr. SANTORUM. I am happy to yield the remaining 4 minutes on the Republican side to the Senator from Virginia and he can use the remaining time.

Mr. ROBB. I ask that I be recognized until such time as the leaders come to reclaim the time under the unanimous-consent agreement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ROBB. Thank you, Mr. President.

Mr. President, I rise today in support of the Work First plan offered by our Democratic leader, Senator DASCHLE. I am pleased to be an original cosponsor of this important legislation because I believe it both establishes firm boundaries to combat welfare dependency and provides beneficiaries with genuine economic opportunity.

George Bernard Shaw once said, ''The greatest of our evils and the worst of our crimes is poverty.''

And it is unconscionable, Mr. President, that in America today we have nearly l6 million children living in poverty. In l993, almost 30 percent of all children under age 3 lived in poverty and almost 50 percent of all African-American children were poor.

Between l989 and l993, the number of children receiving food stamps increased more than 50 percent and in l994 25 percent of our Nation's homeless were children under 18.

For the world's greatest democracy (where the value and the freedoms inherent in each individual citizen are unparalleled anywhere on earth) these statistics portray both a moral dilemma and an economic burden of enormous consequence.

We have not only an obligation to improve the quality of life of generations of innocent children shadowed by poverty, but also a responsibility to our taxpayers to both improve our welfare system and to reduce the billions of dollars in lost productivity incurred each year as a result of current poverty levels.

Mr. President, there are infrequent moments in time where constructive and meaningful solutions can be found to otherwise intractable problems. I honestly believe we have before us such a moment, and I hope we do not let this opportunity slip from our grasp.

At a minimum, we do not want to let politics, or public opinion polls, or fears of 30-second sound bites on the evening news prevent us from doing what is right.

And to do what is right, Mr. President, we have to rethink our Nation's social policy. We have to restructure our welfare system to foster greater upward mobility, to reconnect the poor to the mainstream job market, to reward self-discipline and hard work, to encourage families to stay together, and to restore to the poor and the dispossessed both the benefits and the obligations of citizenship.

I believe the Work First plan meets those objectives.

With a 2-year time limit on benefits for adults—and a 5-year lifetime limit—this bill transforms welfare into the short-term safety net it was meant to be. It contains the funding necessary to allow an individual to both sustain a family in the short-term and secure and keep a job in the longer term. That is the definition of real welfare reform, Mr. President.

In reality, single mothers need child care to work, and the Work First plan guarantees that child care. In reality, families need extended Medicaid coverage to bridge the gap created by entry-level jobs with little or no benefits—and the Work First plan makes Medicaid available for an additional 12 months.

By addressing the practical obstacles to independence which so many poor families encounter today, the Work First plan provides incentives to shatter current barriers and allow individuals to move up the economic ladder.

And very importantly, Mr. President, those who cannot find a private sector job under the Work First plan are put to work as well, either through workfare or community service. In fact, within 7 years of enactment, nonexempt individuals are required to participate in community service jobs just 6 months after joining the welfare rolls.

Two years ago, Mr. President, I joined our former colleague from Oklahoma, Senator BOREN, in supporting legislation similar to the old Works Progress Act, which placed into public service jobs AFDC recipients who had completed the JOBS Program and still remained unemployed. Requiring that those individuals work for their benefits appeals to my sense of what the shared contract between a society and its people should encompass.

Only by providing useful work—and the values and discipline associated with work—can we offer the poor and the disadvantaged a permanent way out of poverty. I believe everyone benefits from the sense of self-worth that earning wages and contributing to his or her community engenders.

When we require beneficiaries to work we give them job experience—job experience that can open doors and bridge the gap between dependency and genuine economic opportunity.

The Work First plan is tough medicine, Mr. President, but I believe it establishes a pragmatic, compassionate process to lift many of our poor citizens out of poverty and into the economic mainstream.

And while I believe the Work First plan moves us firmly in the right direction, I have some serious concerns about the alternative plan offered by the Majority Leader.

First, it guarantees neither adequate child care nor extended health benefits. How can we require poor women to go to work without ensuring that their young children are watched over and protected?

Second, CBO estimates that States will need to collectively spend an additional $5 billion by the year 2000—$5 billion above what they are paying now—to meet the work requirements in the alternative bill. Where will States get that $5 billion, Mr. President, if federal block grants are frozen for 5 years at current levels? And what is more vitally important to successfully improving our welfare system than effectively moving people into jobs?

Finally, Mr. President, I am concerned that the alternative bill fails to require States to continue to contribute their historic share.

As a former Governor, I know that reduced State support could mean financial disaster for many cities and counties. On June l5, the U.S. Conference of Mayors unanimously adopted a resolution opposing the Senate Finance Committee bill and endorsing the Work First plan, stating that it would ''provide significantly greater assistance—to facilitate the transition from welfare to work.''

The transition from welfare to work—that is our goal. That is the purpose, the spirit, the driving force behind the Work First plan.

Mr. President, every time a welfare recipient earns a living wage, at least one more child in America moves out of poverty.

Every time a welfare recipient earns a living wage, at least one more child in America sees their role model go to work in the morning, earn a salary, pay their bills, believe a little more in their own ability and their self-worth, and live in a world that is infinitely stronger because they contribute to it.

And every time a welfare recipient earns a living wage, at least one more child in America escapes from what could become a cycle of dependency and hopelessness that is inherently unAmerican—and for which we have an obligation today to begin to break.

The moment, Mr. President, is before us. We have an opportunity—indeed, a responsibility—to help many of our most vulnerable people better attain the priceless gift of economic freedom. And we will make our country stronger in the future.

This does not have to be a partisan battle, Mr. President. Rather, it should be a bipartisan effort to identify tough, effective solutions.

As Franklin Roosevelt said during his second inaugural address, ''In every land there are always at work forces that drive men apart and forces that draw men together. In our personal ambitions we are individuals. But in our seeking for economic and political

progress as a Nation, we all go up, or else we all go down, as one people * * *.''

I urge my colleagues on both sides of the aisle to join together in support of the Work First amendment.

Mr. BRYAN. Mr. President, as an original cosponsor of the Democrats' Work First welfare reform plan, I urge my colleagues to join us in supporting this proposal. Welfare reform needs to be done now.

Work First does what all of us want to do—it requires people receiving welfare to get to work as quickly as possible. It does this while also protecting those children at risk and dependent upon the welfare assistance system through no action on their part.

This spring, I came to the Senate floor to discuss the need to reform our welfare system. I related what I had learned after spending an entire morning at one of the busiest welfare offices in Las Vegas, the West Owens District Welfare Office, observing an eligibility determination interview, and meeting with welfare eligibility workers. I later also visited a welfare office in Reno. The need for extensive and immediate reform of the current welfare system was brought home to me most vividly during these visits. I believe Work First gets us to that needed reform.

The Work First alternative is self-explanatory. It puts the focus of the welfare assistance program where it must be—on getting people to work as quickly as possible. All able-bodied recipients go to work immediately. Those who work receive the help they need to get on their feet—they get an additional year of Medicaid health care coverage, and they get child care assistance. And for the working poor, those trying to go it on their own, they get a 5-year child care phase-in to help ensure they can permanently join the work force.

Work First does this, while at the same time showing compassion for those in dire straits, and for those children who are at risk. It is too easy to forget in the heat of debate on this very important issue that there are people, and particularly children throughout this Nation who desperately, and very legitimately need welfare assistance. We want a welfare assistance system that will be there for those truly in need, yet ensures that they get on their own two feet as quickly as possible.

My State of Nevada is the fastest growing State in the Nation. Rapid growth States like Nevada benefit tremendously from the current entitlement status of the Federal welfare assistance system. Today, if a person meets the eligibility criteria, he or she is entitled to assistance. The entitlement protects States like Nevada which are experiencing incredible population increases. As needy people move into these rapid growth States, the Federal funding follows the population shift.

Work First limits the entitlement to welfare assistance. People who need assistance only get it if they are eligible, and only if they meet their responsibilities. It is a time limited and conditional eligibility. For the needy, assistance is there, but only if they do what is necessary to get to work. No longer can welfare assistance become a lifestyle.

Work First provides States with the incentive to create welfare systems that will put people to work as soon as possible. If a State does not meet its target for putting welfare recipients to work, it is penalized. If a State exceeds the target, it is rewarded through a funding bonus.

Work First, unlike the Republican proposal, does not use the block grant approach. As a former Governor, I very much understand the attraction of block grants for Governors and their States. Quite often it can be a better approach.

But the notion that somehow block grants are, in and of themselves, the answer to every problem we have with the current welfare program is disingenuous. Particularly when the Republican block grant proposal asks States to do more with less.

If States are deprived of the funding necessary to do the job the Federal Government is sending to them through a block grant, all of the flexibility in the world will not enable the States to do the job—let alone do it better.

Under the Republican proposal, all States are held to their fiscal year 1994 cash assistance level of Federal funding for the next 5 years. How can rapidly growing States like Nevada possibly provide for their increasing number of people in need based on yesterday's funding levels? And into the next 5 years?

And how does the block grant proposal help States face economic recessions? Economic slowdowns impact welfare assistance programs immediately. Working families lose their jobs through no fault of their own, and it can be a long time before a job is available again. These people need help. And yet Nevada and the other States are expected to provide for these people on an already inadequate level of Federal funding.

Work First also recognizes that the inability to pay for child care is a major hurdle for the many single mothers with children who want to work. It is also a problem for low-income working couples who are at risk of losing their jobs because they cannot afford to pay child care on the wages they receive.

Earlier this year, I observed a welfare eligibility determination interview which involved a young woman, who was working, and married with two young children. Both she and her husband had jobs paying above the minimum wage, yet they could not provide a living wage for their family of four.

Her employer kept her work hours to no more than 20 hours per week, so she was ineligible for job provided health care benefits. One of her children had a preexisting medical condition, so medical care was a necessity. The cost of child care for the two children was making it impossible for both her and her husband to continue to work, and still have enough earned income left to live on. Here is a couple trying to make it on their own, and they cannot.

Work First recognizes the vital importance of child care assistance to help welfare recipients get off welfare and get to work. It also recognizes that the many working poor, like the family I just described, also need child care help—for awhile—to enable them to stay in the workforce.

The Republican welfare reform proposal, however, deals with this issue by repealing child care assistance programs which today serve approximately 640,000 children. There is no guarantee that any State will provide funds to implement a child care assistance program.

If it is truly our goal to get people into the workforce permanently, then we must give these people the help—for a limited time—that will enable them to get there. Repealing the very programs that provide this assistance is not the answer.

This June, I introduced my Child Support Enforcement Act legislation modified from my bill last Congress to help further strengthen our ability to get dead beat parents to responsibly provide for their children. I am pleased Work First includes many of the same provisions.

No one who shares the responsibility for bringing children into this world should be allowed to shirk that responsibility later by refusing to admit paternity or by failing to pay child support.

We all lament the increasing number of unwed teenage girls who have children. This situation is particularly disheartening when these young mothers are themselves mere children. But too often in the past, our public policies to try to stem this increase have focused solely on the mother and ignored the responsibility of the father. Those fathers, who many times have already walked away before their children are even born, must face the reality of their parental and financial responsibilities.

Although Nevada is the fastest growing State in the Nation, its population is comparatively small with about 1.6 million people. Yet its State Child Support Enforcement Program had 66,385 cases in fiscal year 1994, and collected $62.7 million of child support. Unfortunately, the total owed was almost $352 million, leaving an uncollected balance of almost $290 million. Already by April this year, Nevada's caseload had grown to over 69,000 cases.

These cases represent only those children whose families are receiving Aid to Families with Dependent Children, or who are using the services of the county district attorney offices to enforce child support. The many Nevadans using private attorneys are not

included. This scenario is repeated in every State across the country.

The facts are simple. Nationally, one in four children live in a single-parent household. But one of the most startling statistics is that only half of these single parents have sought and obtained child support orders.

This means 50 percent of these single mothers either have been unable to track down the father, have not pursued support, or are unaware of their legal child support enforcement rights.

Of the parents who have sought out and obtained child support, only half receive the full amount to which they are entitled. This means 25 percent of the single parents who have child support orders actually receive nothing at all.

These facts should concern us. It is all too true that many single parents must seek public welfare assistance in order to be able to support their children. When we taxpayers are asked to lend a helping hand to these children, we should be assured every effort is being made to require absent deadbeat parents meet their financial responsibilities to those same children. Public assistance should not be the escape valve relied upon by those parents who want to walk away from their children.

My child support enforcement legislation and Work First provide the means to help shut that escape valve. Both provide States the authority to withhold or suspend occupational and professional licenses; Work First also includes drivers' licenses. Both allow the denial of passports to noncustodial parents for nonpayment of child support. Both provide for the reporting of child support arrearages to credit bureaus. Both require custodial parents cooperate with paternity establishment and enforcement of child support as a condition of receiving cash assistance. The authority to collect child support from Federal employees and members of the Armed Services is enhanced by both measures. Full faith and credit of child support orders is improved, and States are required to adopt laws to void fraudulent transfers by a person owing child support.

Work First also allows States to prohibit noncustodial parents—the parents who owe the child support—from receiving food stamp assistance. So much of our efforts to establish and collect child support fall on the custodial parent—the parent who cares for the children and tries to make ends meet. This provision provides another way to find noncustodial parents and ensure they meet their child support obligations.

We must give our courts and law enforcement agencies the tools they need to crack down on delinquent parents. The goal is not to drive those who want to meet their obligations to their children away, but rather to make sure those ignoring their children understand that society will not tolerate their irresponsible behavior.

We must assure taxpayers who lend the helping hand to impoverished single mothers and their children that every effort is being made to get deadbeat parents to pay up. We must ensure the children receive adequate and consistent child support, so they are able to have the opportunity to become successful, productive, and healthy adults. For many single parent families, if they could receive the child support payments they are entitled to, it would make the difference between being able to maintain their financial independence, and having to seek welfare assistance.

I do support the Republican welfare reform requirement that all food stamp recipients, both the custodial and the noncustodial parent, participate in child support enforcement efforts as a condition of food stamp eligibility. This requirement to participate in child support enforcement efforts needs to be extended to all welfare and public assistance programs.

During my visits with Nevada eligibility workers, over and over again I heard about problems with the Food Stamp Program eligibility criteria. Work First deals with those problems. People eligible for food stamps, without children, are required to work or get training to work as a condition of receiving benefits.

Although the Food Stamp Program is criticized, it has provided the most basic safety net—food—for those in need, particularly in times of recession. The Republican proposal, however, would give States the irrevocable option to put their food stamp funds into a block grant. This option requires States spend 80 percent of these funds on food assistance. The other 20 percent is left to the States to use as they wish. Again States are held to the higher of either their fiscal year 1994, or the average of their fiscal year 1992–94 expenditures as their funding level under the block grant approach. How can this option possibly provide a dependable minimal safety net for those who are most vulnerable to economic downturns? food stamp funds should go for food; that is too basic a human need to play with.

Good as Work First is, there are some problem areas of the current welfare system that it does not address. I will be proposing a welfare fraud amendment to prohibit welfare recipients who commit welfare fraud from being unjustly enriched because of that fraud. There are times when an individual, whose benefits are reduced because of an act of fraud, games the system by using his reduced monthly income to generate additional benefits from other assistance programs. When welfare recipients are overpaid benefits, we need to allow the welfare system to intercept Federal income tax refunds to recover such benefit amounts.

We need a welfare system that does not allow people to think that receiving welfare assistance is an option they can choose to take when it is convenient. We all read in the Washington Post of the young, unmarried, working woman who made a conscious decision to have a child, voluntarily left her job, and then applied for and received welfare assistance. Her rationale was that she had worked, and now the system owed her support while she stayed home to care for the child for its first 3 years.

Millions of single mothers get up every morning, get their children ready for school or child care, and go off to work, and we should expect no less from those receiving welfare assistance. No one should ever think welfare assistance is going to be there for them because they voluntarily leave their jobs, or decide to have a child and want to stay home to care for it.

Americans are a compassionate people. They are always there to help people who are genuinely in need. They care deeply about our country's children. The outpouring from the hearts of Americans across this country in response to the Oklahoma Federal building bombing verified that compassionate nature a thousand fold.

But most Americans are a hard-working lot, too. The vast majority of Americans are out there every day going to work—doing their best to provide for their families on their own. And many of these hard-working Americans are single mothers who are the sole breadwinner for their children, who pay for their own child care, and who struggle to make it by themselves. It should come as no surprise when these hard-working people feel a bit taken advantage of when they see able-bodied people relying on the welfare assistance program.

The welfare system must be substantially changed. On that we all agree. We all agree too that there will always be people who will need the safety net welfare assistance provides at some time in their lives. But the net should be there only for a limited time, so people get back on their feet and permanently into the workforce.

Work First will change the welfare system. It lets hard-working Americans know that we recognize their frustration with those who abuse the welfare system. It lets Americans in need know that conditional, time-limited assistance is there to help them if they meet their responsibilities to get to work as soon as possible. And it does this compassionately by protecting our most vulnerable citizens. Work First may not have all the answers, but it will get us well down the road to a more fair welfare assistance system.

Mr. BIDEN. Mr. President, I am pleased that the Senate is finally debating welfare reform. And, I want to take a few minutes to discuss my views on the matter.

It is obvious to almost everyone—including those on welfare—that the current welfare system is broken.

Too many welfare recipients spend far too long on welfare and do far too little in exchange for their benefits. Many of those who manage to get off the welfare rolls only end up back on

them after a short period of time. And, for some, generations have made welfare their way of life.

This is unacceptable. And, I believe that trying to fix the problem through patchwork solutions is no longer an option—it will only fall short of what needs to be done. Instead, we need to end the current welfare system—scrap it and start over. And, the new program must have as its fundamental premise one basic thing: work.

Back in 1987, I proposed a work requirement for all welfare recipients. And, many of those ideas were embodied in the Family Support Act of 1988—the bipartisan legislation crafted by Senator MOYNIHAN. It was a good first step. But, it is evident today that the 1988 law did not go far enough.

It is time—it is long past time, really—for us to require welfare recipients to work for their benefits.

We must make it unmistakably clear that welfare recipients have an obligation to make every effort to end their dependency. Citizenship is more than just a bundle of benefits. It is also a set of responsibilities. And, the primary responsibility is to provide for yourself and your family by working.

Now, when I say ''work,'' let me be clear about what I mean. I mean work. I do not mean participation in bureaucratic programs. I do not mean participation in ''work activities.'' I mean real work. I mean a job.

And, if a private sector job cannot be found, welfare recipients should still be required to work, giving back to the communities where they live by doing community service work.

In short, the new rule of the game must be this: In exchange for a welfare check, you do something for your benefits. You work. The government will help with child care and some job training, if needed. But, all adults on welfare should be working. The culture of welfare must be replaced with the culture of work.

Let me be specific.

First, we should require all welfare recipients to sign a contract in which they agree to work in exchange for their benefits. Those who refuse to sign should not get benefits.

Then, welfare recipients should have to look for a job immediately. They should have up to 6 months to find a job in the private sector. Six months, period.

Those who refuse to look for work should not get benefits. And, those welfare recipients who are not working at the end of 6 months should work in a public sector job or do community service work—or give up their welfare benefits.

No more free lunches. No more free rides.

And, Mr. President, there should be no more permanent claim on public aid. Working for a welfare check—and everyone should work for their check—must be temporary. Welfare recipients must eventually work for a paycheck.

Do not get me wrong. Temporary assistance is the right and humane thing to do. We should not abandon welfare entirely. All Americans must be secure in the knowledge that if something unexpected happens to them—the death of a spouse, the loss of a job, the burning down of their house—that help will be there.

But, welfare must no longer be a way of life. We do no favors—including for the welfare recipients themselves—by keeping people on welfare indefinitely. We must get people off of welfare—and keep them off. Welfare dependency must be replaced with self-sufficiency and personal responsibility.

So, we should limit adults to 5 years of welfare, returning the welfare system to its original intent—a system of temporary assistance.

Mr. President, a mandatory work requirement and a 5-year time limit sound tough. And, they are. It is time for some tough measures.

But, in the process we must be realistic. If welfare is truly to become a two-way street—if our goal is to move welfare recipients into work and not just out onto the streets—then we cannot ignore the issue of child care.

For a family living in poverty, the costs of child care can eat up almost 25 percent of their income. Expecting welfare recipients to work—demanding that they work—will not work without child care. The work simply will not pay. Welfare recipients will either go to work and leave their children alone—or not go to work at all. No one—no matter how poor—should be asked to choose between their job and their children. Not only is child care the right thing to do—but, without it, welfare reform will fail.

In creating a new welfare system, we must recognize this reality by making sure that child care is available for the children on welfare when their mothers are working. In addition, we must recognize that many of those who leave welfare only to return later do so because they cannot afford child care. We should allow States to provide 2 years of child care assistance for those who have left welfare. And, we should make all low income working families eligible for child care assistance—regardless of whether they had ever been on welfare.

Mr. President, let there be no doubt. We must be strict with the adult recipients of welfare. But, at the same time, we must be compassionate toward the children.

Two-thirds of those on welfare are children—and we should not blame them or punish them for being born into poverty. More than one in every five children in America today is born poor. That's one poor child born every 40 seconds. And they were given no choice in the matter. Abandoning these children—and they are all of our children—is tantamount to abandoning our future.

That is why I believe we must guarantee child care. And, that is why we should, while limiting adults to 5 years of welfare, keep the safety net for children.

If a parent is kicked off of welfare, the children—the innocent children—should continue to receive assistance for food, housing, and clothing. But, that assistance should be provided for the children through a voucher to a third party—not cash to the parents. In other words, adults should not be able to live off of their children's benefits.

The point here is that we should provide nothing for adults who do not work, but we should protect the children who are not to blame.

Finally, in all of this talk and debate about welfare mothers, let us not forget that there are two adults involved in creating a child. Those who bring children into the world should support their children—and that includes the deadbeat parents, who are mostly dads.

They should be forced to pay child support, and tough child support enforcement must be a part of any welfare reform effort. Getting tough on the deadbeat dads must be as high a priority as getting tough on the welfare mothers. Remember, every dollar not paid in child support is another dollar the Government may have to pay in welfare benefits.

Since 1992, when I was appointed to a Senate Democratic task force on child support enforcement, I have argued that fathers who do not work and do not pay child support should be required to take a job—just as welfare mothers should be required to work. Absent parents who have failed to pay child support should be given a simple choice. They could start paying what they owe their children. Or, they could take a community service job in order to earn the money they owe their children. Or, they could go to jail. But, what they should no longer be able to do is to abandon their children.

Mr. President, I am absolutely committed to passing a tough welfare reform measure that emphasizes work and personal responsibility—but protects children in the process and maintains a safety net for all Americans who need temporary help.

In evaluating the options, I believe that Senator DASCHLE's proposal—the Work First Act—comes closest to meeting my goals. The Work First plan strikes an appropriate balance. It requires work and imposes a 5-year time limit. It guarantees child care and a temporary safety net for all Americans. It is tough on both welfare mothers and deadbeat dads.

I believe that the Daschle proposal is real welfare reform. And, I urge my colleagues to join me in voting for this important, significant, and long overdue overhaul of our welfare system.

Mr. HARKIN. Mr. President, as we continue the debate on welfare reform I would like to begin by restating some things that I talked about before we recessed in August.

I believe it is important for people to understand that there is agreement on one issue here—the need to reform the welfare system. We may have differences of opinion about the best way

to accomplish it, but on the central issue, there is agreement.

There is not a single member in this Chamber who believes that welfare system is a success. It is failing the taxpayers and it is failing the people who rely on it.

I had great hopes that we would be debating welfare reform legislation that enjoyed broad bipartisan support. In fact, I had written to the two leaders asking that a bipartisan task force be appointed to find our common ground.

Mr. President, neither party has cornered the market on good ideas and sound solutions. Only by having voices from all segments of the political spectrum, can we arrive at sound legislation developed by using common sense.

Unfortunately, the Dole amendment was negotiated behind closed doors within the Republican caucus. The result is legislation that is strong on ideology, and short on true reform. Without changes, I fear the Dole-Packwood proposal may well replace one failed, dependency inducing welfare system with many varieties of the same.

Unfortunately, I vividly recall the last prolonged economic downturn that gripped Iowa during the farm depression and accompanying deep recession in agricultural States and communities. The economy began to sour in 1981 and did not truly begin to turn about for the State until about 1987. That experience has forever changed the economic landscape of Iowa. Good jobs are gone and will never return.

Those were very difficult years, but contributions provided by a partnership with the Federal Government allowed my State and others in the Midwest to recover. One of the most serious shortcomings of the Dole amendment is that it severs this important partnership.

Mr. President, today, we are debating an alternative that has been proposed by the Democratic leadership. Unlike the pending Dole amendment, the Daschle Work First Act will, in fact, truly reform the welfare system. And in the process, will reduce the deficit by $20 billion.

The Work First Act abolishes the current giveaway welfare system and replaces it with a conditional, transitional benefit. Let me repeat this since many seem to misunderstand—a conditional, transitional benefit.

This proposal is not tinkering as some suggest. It is true, comprehensive, real reform of an obsolete, failed system.

Welfare as a way of life will no longer exist. There will be no more unconditional handouts. Parents will be required to responsibility from day one and must do something in return for the welfare check. Failure to do so, will have consequences.

The Democratic leadership proposal starts with the following goal—to get welfare recipients employed and off of welfare. And then develops a comprehensive plan to make it happen.

You can't accomplish the goal unless you do certain things. That's just common sense. First, you have to take care of the kids. Second, you have to make sure that people have the skills and education necessary to get and keep jobs. Finally, there is no free ride, no more government hand outs.

We will provide a hand-up. But individuals on welfare must accept responsibility from day one and grab on to that helping hand. If not, then there will be no check.

A central element of the Daschle bill is the requirement that all families on welfare must negotiate and sign a contract that spells out what they will do to get off of welfare. Failure to meet the terms of the contract will result in the termination of the cash grant.

A binding contract, like that included in the Daschle bill, is currently in place in Iowa. And it works.

Over the past 22 months I have met with a number of individuals about the Iowa Family Investment Program. Time after time I hear welfare recipients say that no one ever asked them about their goals. No one sat down and talked with them about what it takes to get off of welfare.

Welfare recipients rightfully assumed that no one cared if they stayed on welfare indefinitely. That was the message of this obsolete system which kept welfare moms at home, while most other moms were employed outside the home.

There is a new message being delivered in Iowa now. Welfare is a transitional program and people must be working to get off the system.

And the welfare picture is changing in Iowa. More families are working and earning income. There are fewer families on welfare. And the State is spending less for cash grants.

But we can't get from here to there without recognizing the magnitude of the problems facing most of the families on welfare. No skills. No education. No one to take care of the kids.

At a hearing on the Iowa welfare reform program, Governor Terry Brandstad said, ''There has been much recognition that welfare reform requires up-front investments with long-term results. * * *''

Iowa has begun to make those investments, in partnership with the Federal Government. And those investments are beginning to yield fruit in the form of reduced expenditures for AFDC grants.

The Work First bill also recognizes that child care is the linchpin to successful welfare reform. We cannot require welfare recipients to work, if there is no place to put the kids. Placing children in harm's way in order to make the parents work in unacceptable. The Daschle bill recognizes this reality.

Instead of simply slashing welfare and dumping all of the responsibility and all of the bills on to States and local taxpayers, the Daschle plan represents real reform and real change.

Like the Iowa plan, Work First demands responsibility from day one. And it ends the something-for-nothing system of today with one that truly turns welfare into work.

It is built on the concepts of accountability, responsibility, opportunity, and common sense. It will liberate families from the welfare trap.

And it will strengthen families and help today's welfare recipients finally walk off the dead end of dependence and on the road to self-sufficiency.

The Daschle Work First bill is a pragmatic, common welfare reform proposal and should be adopted. I urge my colleagues to vote for the amendment.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, first let me commend the distinguished Senator from Virginia for his excellent statement and the support he has provided this legislation. His input and his participation has been invaluable on this issue, as it has been on so many others. I am very grateful for that.

Let me reiterate my gratitude as well for the assistance and leadership provided by the distinguished senior Senator from New York, and the Senators from Maryland, Louisiana, and so many other Senators who have had a vital role to play in bringing us to this point. As we have said now for the last couple of days, our intent in offering this amendment is to hold out the hand of partnership to Republicans in bringing forth a proposal that Democrats as well as Republicans could support to bring about meaningful welfare reform. That is our goal.

There are four fundamental aspects of that goal that we view to be very important. First and foremost, we expect, we want, we propose real reform.

Second, we recognize that real reform is not possible without an appreciation of the need to provide more opportunities for work than are provided today.

Third, we must protect children. We understand that we cannot provide opportunities for work, we cannot truly engage in any kind of effort to encourage people to leave their homes, we cannot ask a mother to be separated from her children, without also ensuring that her children are going to be cared for.

Finally, all of us must recognize that South Dakota is different from New York, is different from Michigan. There ought to be, first, flexibility, and, second, the realization that the last thing we want—given that this Senate has put itself on record in opposition to additional unfunded mandates—is to ask States to do things without adequately ensuring that the funding is there to get them done right.

Those are the four goals: Real reform, work, children, and flexibility through an opportunity to sensitize people to the needs and the resources necessary in the States themselves.

We have had a good debate in the last couple of days about many of these goals and how they relate to each other. The reality is different than the rhetoric we have heard on many occasions during this debate.

First, there is a fundamental difference between our approach and the Republican approach with regard to work. The Work First plan fundamentally redefines welfare as we know it by putting a great deal of emphasis on ensuring that the skills can be provided, but ensuring as well that we have the resources to do the job.

The Republican plan, on the other hand, simply boxes up the problem and ships the current system to the States. It tells the States, ''You do it. You find a way to ensure that we can come up with some magical solution to all these goals, but we are not going to allow you the resources adequate to get the job done.'' Boxing up the plan and sending it out is no solution. Providing the necessary infrastructure, providing the resources, and ensuring a partnership between the Federal Government and the States truly is.

Second, we recognize, as I said in articulating the goals of our amendment, that we need to ensure that mothers have the capacity to work, that young mothers in particular have the resources—and from that the confidence—that they will need to go out and seek jobs, to go out and obtain the skills, to go out and get the counseling, to go out and get the education to ensure that at some point in their lives they can be productive citizens with the full expectation that they are doing this in concert with those of us who want to work with them to see that the job gets done right.

We recognize that if we are going to reach this goal of putting people to work, if we are going to ask a mother to leave the home, if we are going to ask a young mother in particular to leave her children, then, my heavens, how long does it take for every Member of this Chamber to realize as well that child care is the linchpin to making that happen? Protecting children is what this is all about; if we do not protect children, if we do not ensure that the children are cared for, there is no way they are going to leave home.

So it seems to me this is exactly what we have to produce in this Chamber prior to the time we finish our work on welfare reform: A realization that protecting children, caring for those kids as mothers leave for work, is an essential element of whatever welfare reform we pass.

The Republican plan ignores 9 million children. It has been aptly described as the ''Home Alone'' bill, because there simply are not the resources, the infrastructure, the mechanism, the will on the part of many on the Republican side of the aisle to address this issue in a meaningful way.

We simply cannot be willing to leave child care as the only aspect of our need to address the cares of children. We must also recognize, as the distinguished ranking member of the Finance Committee has said on so many occasions, that we must address the problem of teenage pregnancy. While we do not have all the answers to teenage pregnancy, we must recognize that there is a need there. We must try to address the problem in a meaningful way. There is a responsibility for us to care in whatever way we can, ensuring that teen parents get some guidance, ensuring that teen mothers are given an opportunity to work through the challenges they face as young mothers. We do that in the Work First proposal.

We do not claim to have all the answers to teen pregnancy. No one does. No one can possibly tell you, unequivocally, here is how we are going to stop teenage pregnancies. But we can say that teen mothers have to begin taking responsibility. We can say that we have some initial steps in providing them with an infrastructure and with a mechanism by which they can be productive mothers first, workers second, or students third. This amendment does that. This amendment addresses the realization that unless we begin to put the pieces together in working with teenage pregnancy, recognizing we do not have the answers, we are never going to solve the problem at all.

The Republicans have used quite a bit of their time to say that, somehow, this is a plan run out of Washington. Nothing could be further from the truth. The truth is that the Work First plan is specifically designed to give States the flexibility that they need to do whatever it takes in their States, to recognize that in South Dakota we have a different set of circumstances than we might have in Florida or California.

You heard the charge that somehow our plan is weaker on work than the one proposed on the other side, but the truth is the Work First plan is stronger than the current Dole bill as it has been proposed. Our amendment requires community service after 6 months. The Republican plan calls for no work until after 2 years. Our amendment provides for resources to help mothers go to work. The Republican plan is $16.5 underfunded. They say our plan may have too many exemptions from the time limit. The truth is that both plans have exemptions. The Republican plan has a 15-percent exemption, arbitrarily set.

As I said last night, if we use every one of the criteria specified in our amendment, including mothers who have young children, disabled, those people who work in high-unemployment areas, if we have in some way used up all of that 15 percent and still find young mothers who have children, are we then to say to them, ''I'm sorry, we have arbitrarily set the line at 15 percent. You happen to be in the 16th percentile. You have to go to work?'' I do not think anyone wants to say that. That is why we believe using selective criteria makes a lot more sense, why giving States the flexibility makes a lot more sense. So, indeed, that is what we have attempted to do, to recognize that States need flexibility, but to recognize, too, that there are certain categories of people who simply may not be required, because of the extreme circumstances in which they find themselves, to fit the neat, defined descriptions that we have laid out in this amendment concerning the time limit.

So, Mr. President, the Work First proposal is real reform. The Work First amendment goes beyond rhetoric and meets the reality of reform. The Work First amendment does what we say is important if indeed we are going to redefine welfare. It provides the opportunity for work. The Work First amendment provides for child care and child protection in ways that are essential to the well-being of the future of this country.

Mr. President, the Work First amendment recognizes that we are not going to do a thing unless States have the resources, and unless we share those resources in a meaningful way, giving maximum flexibility to the States to decide how to use them.

Maybe that is why the U.S. Conference of Mayors has endorsed one welfare reform proposal. They have endorsed Work First because they are the ones who are going to be charged with the responsibility of carrying out what we do here. So the mayors understand all of this. They have said, on a bipartisan basis: We want the Work First plan. Local officials have also endorsed one plan. Local officials have indicated they, too, understand the consequences of no funding, understand the importance of child care, understand the importance of providing maximum flexibility, understand the importance of funding and real work. And they, too, support the Work First proposal.

Organizations of all kinds have come forward to say this is the kind of legislation they want us to pass. The Democratic Governors have said again, as late as this morning: This is what we want; this is what we need. This will do the job.

Mr. President, it has been a good debate. I am hopeful that, as so many have expressed on the Senate floor in the last couple of days, we truly can find bipartisan solutions to the challenges we face in passing meaningful welfare reform. This is our best good-faith effort to accomplish meaningful reform, to reach out to our Republican colleagues and say join us, to reach out across the board to Democratic and Republican Governors alike and say join us, to reach out to all of those people currently on AFDC who want to find ways out of the boxes they are in and say join us. We are providing new opportunities, new solutions, and even new hope for people who need it badly.

Let us hope as a result of the passage of this amendment this afternoon that we can begin our work in earnest to ensure that the reality of welfare reform

can be realized at some point in the not too distant future.

I yield the floor.

Mr. LOTT. Mr. President, may I inquire about how the time is divided at this point?

The PRESIDING OFFICER. At this point, all time has expired. But 15 minutes of time has been set aside at 3:45 for the majority leader under a previous unanimous-consent agreement.

Mr. LOTT. Mr. President, while the distinguished majority leader is on his way, I understand I can take a couple of minutes of his time to make a brief statement.

I ask unanimous consent that I be allowed to do that.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, our time for debate on this amendment is running out. So I will keep these remarks brief and to the point.

I urge my colleagues to vote against the Daschle-Breaux substitute. I do not question the good motives behind it. I consider it a thoughtful attempt to break out of the welfare status quo—something which all of us want to accomplish.

But I do not believe it does the job, at least not the way the American people want it done.

For starters, it retains authority and decisionmaking about welfare right here in Washington. And it does so at a time when the States are seizing the initiative with far-reaching experiments and demonstration projects. Instead of fostering that process, by returning both authority and resources to State and local taxpayers, the Daschle-Breaux amendment would retain the whole mechanism of Federal micromanagement.

The substitute amendment talks a good fight on two fronts: with regard to work requirements and a time limit for receipt of welfare. But in both cases, there are so many provisos and loopholes and conditions and exceptions that we couldn't expect significant progress over the status quo.

We have had work requirements on paper before, with impressive participation rates mandated by various times certain. What we need now is sufficient flexibility for the States to reach those goals in their own ways. The substitute amendment does not give it to them.

Nor does it offer hope of turning the tide against illegitimacy. That may be its most important shortcoming. There is already a national consensus that illegitimacy is the key factor that drives the growth of welfare. It is the single most powerful force pushing women and children into poverty.

A welfare bill that does not frontally address that issue—that does not make reducing illegitimacy rates a central goal—is simply not credible as welfare reform.

Another touchstone of true welfare reform is whether a bill removes or retains the entitlement status of welfare. It seems to me that the Daschle-Breaux substitute merely replaces the current AFDC entitlement with a new, or newly designated, entitlement, supposedly time limited.

That is not even incremental change, and it cannot get us where the Nation needs to go in modernizing, streamlining, and reforming our programs of public assistance.

I hope that our colleagues who, for one reason or another, plan to vote for the substitute amendment will, thereafter, keep an open mind and open options about the Republican welfare bill this amendment seeks to replace.

It is a large package of very comprehensive welfare reform. But I think it can significantly improve our present system and move us toward genuine welfare reform. It points the way toward the radical change that is needed.

I urge my colleagues to vote against Daschle-Breaux and let us move toward the adoption of the Dole welfare reform package.

I yield the floor.

Mr. PRESSLER. Mr. President, I ask unanimous consent to proceed for 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PRESSLER. Mr. President, I rise in support of the Dole approach on the welfare bill. We must restore workfare to our welfare program. The system of welfare that we have in this country was set up in the early 1960's. I remember well the war on poverty, and the intentions were good. But the result has been our inner cities have had generational welfare. The same thing has happened on our Indian reservations. We all want to help people who need help. But we must restore the principle of workfare. That is what the Dole bill does.

Also, we must turn over to our States more of this responsibility, because the States can judge who deserves welfare better. We now have all these Washington bureaucrats with the entitlement programs, situated in Washington, DC, making judgments on who should be on welfare in South Dakota or California. Under this new legislation, under this reform, there will be workfare and the States will decide who gets welfare. That will save the taxpayers money. But more importantly, it will reform our welfare program so we will have a real welfare program that helps the people who need it and requires people to work who are able to work. It is time for reform in welfare.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The majority leader is recognized under the previous unanimous consent agreement.

Mr. DOLE. Mr. President, I want to thank all my colleagues for their work, and my friend from New York, Senator MOYNIHAN, chairman of our committee, Senator PACKWOOD, the Senator from Pennsylvania, Senator SANTORUM, who spent a lot of work on the floor just in the past few days and who has done a great job helping us a lot in the conferences that we have had in an effort to resolve some of the differences on our side.

I am prepared to say I think most of the differences have been resolved on our side because we have tried to base our bill on three principles: Creating a real work requirement, returning authority to the States, and restraining welfare spending. These principles are key to reaching our goal of dramatic reform that provides work, hope, and opportunity to Americans in need.

The amendment before us proposed by the Democratic leader fails to meet these principles. The Democrats call it Work First, but in fact, it is ''weak first''—weak on work, weak on limiting welfare dependency, weak on State innovation, weak on savings, weak on real reform.

REAL WORK REQUIREMENT

Let me just say, any bill that comes before us that is going to pass the Congress and, hopefully, any bill signed by the President is going to have a real work requirement in it which requires able-bodied welfare recipients to find a job, not stay at home and not stay in a training program forever, because when it comes to escaping poverty we know the old American work ethic is true. Work works. And States, not the Federal Government, must provide the work requirements. However, we must hold them accountable.

Our bill requires—and even there are some on our side who think our bill does not go far enough, but our bill requires 50 percent of all welfare recipients to engage in work in fiscal year 2000. And that is a fairly high barrier to cross when you consider the young people and elderly and disabled unable to work.

Our colleagues on the other side put a number of loopholes ahead of real work. The Federal Government would exempt 25 percent of all welfare participants and only 50 percent of the remaining 75 percent of the welfare caseload would be expected to work by fiscal year 2000. The bottom line is the Democrats' plan requires only 37 percent of able-bodied recipients to work in fiscal year 2000.

By comparison, the Republican plan requires 50 percent of all welfare recipients to work in fiscal year 2000. We leave the business of exemptions to the people who know best, the closest to the problem. That is the States, the Governors, the State legislators.

We believe States should design and run their own work program. And one thing is certain about welfare reform. No Federal bureaucrat will ever come up with a blanket program which works equally well in all 50 States. Through block grants to States and not waivers, the Federal Government can provide resources to fight poverty without imposing the rules and regulations that ban innovation.

I am reminded of a statement by the distinguished Governor of Wisconsin, Governor Thompson, when he was speaking with seven or eight of our colleagues in my office here, oh, maybe 4 or 5 weeks ago, and some were insisting that we continue to add strings. Whether they are conservative strings, they are strings. And the Governor said, I think maybe in a little bit of frustration, that he was also an elected official; he was elected by the same kind of people we are, and that nobody in the State of Wisconsin was going to go without food or medical care.

We have to give the Governors credit for some integrity and ability and a willingness to do the right thing when it comes to welfare. And I think that is generally the case, whether it is a Democrat or Republican Governor, a Democrat or Republican State legislature; they are closer to the people.

We have not tried this. There probably will be some horror stories. There always are going to be a few cases where maybe a few things will go awry, but they go awry now.

We give the States broad latitude to adopt the programs to meet the varied needs of their low-income citizens. The other bill does not allow States to take over welfare programs. It replaces one set of Federal rules and regulations with new ones, and States that want to innovate must continue to come to Washington, ask for a waiver, wait, wait, wait, and finally get a waiver. We do not think that should be necessary. We believe States ought to be able to innovate; there ought to be a lot of flexibility. And I tell you that we have confidence in the Governors, again, in both parties.

Local welfare administrators and caseworkers must get recipients off welfare and into the workplace. To encourage results, the Republican bill imposes a State penalty for failure to meet participation rates. There would be a 5-percent reduction in the State's annual grant. Under the Democrats' bill, a first-time State failure to meet the participation rate would simply require the HHS Secretary to make recommendations to the States for improving them.

The local welfare administrators and caseworkers need to focus on getting welfare recipients into the mainstream and not focus on unnecessary Federal bureaucracy and regulations. Therefore, the Republican bill delivers welfare dollars to the States directly from the Treasury and reduces the Federal welfare bureaucracy.

Able-bodied recipients must work to support themselves and their families. To accomplish this, we require recipients to work as soon as the State determines that they are work ready or within 2 years, whichever is earlier. Moreover, our bill imposes a real 5-year lifetime limit on receiving welfare benefits.

Our colleagues on the other side have a work ready provision with many exemptions. Moreover, their bill fails to impose real lifetime limits on welfare benefits by offering even more loopholes. For example, a welfare recipient who has three children while on welfare can get up to 7 years of benefits before reaching the 5-year limit. Even then, that recipient would still remain on the welfare rolls entitled to certain benefits and receiving vouchers, without a time limit, in place of cash benefits.

The Democrat bill even provides exceptions to these weak time limits, turning major cities into welfare magnets. If a welfare recipient lives in an area with an unemployment rate exceeding 8 percent, none of the time spent on welfare counts toward the so-called 5-year limit. That would turn cities that have relatively high unemployment rates like New York, Los Angeles, Washington, Philadelphia, Detroit, and many others into time-limit-free zones.

But I think the most important thing is that we want to return authority to the States. And we believe there is an opportunity to do that. We want to give the States the flexibility. The Governors want that. Republican Governors want that, and I think many Democratic Governors want that. And that is why the majority of the Nation's Governors on the Republican side want that.

I noticed Governor Wilson yesterday disagreed with our bill. He was not at the Governors' meeting. Had he been there, I think he might have endorsed it. I have written him a letter to explain the bill so he will better understand it because he has it all confused with some of the others. But I think 28 or 30 of the Governors, with the exception of Governor Wilson, support our bill, and we believe it is a step in the right direction.

I hope that after the bill of the distinguished leader on the other side, Senator DASCHLE, is disposed of, we can then start debate and finish action on this bill no later than 5 o'clock Wednesday. We believe there will be amendments on each side. We have some amendments we cannot work out. The ones we cannot work out we will bring up and have a vote and determine what happens. So it seems to me that we are on the right track.

The Republican leadership plan eliminates the individual entitlement and replaces it with a capped block grant of $16.8 billion a year.

I would say, finally, the Democrat plan proposes to replace AFDC with a bigger, more expensive package of entitlements costing the taxpayers over $14 billion more than AFDC over the next 7 years, including subsidies to families with incomes as high as $45,000 per year.

The Republican bill no longer will continue the burdensome rules and requirements that accompany the old jobs program. The Work Opportunity Act repeals the jobs program and lets the States design real work programs.

The Democrat plan keeps many provisions of AFDC and the jobs program as a Federal entitlement and renames it the ''Work First Employment Block Grant.''

RESTRAIN WELFARE SPENDING

No program with an unlimited budget will ever be made to work effectively and efficiently. Therefore we must put a cap on welfare spending.

The Republican bill saves $70 billion over 7 years. The Democrat bill saves only $21.6 billion over the same period of time.

Mr. President, because it is weak on work, weak on limiting welfare dependency, weak on State innovation, weak on savings, weak on real reform, the Democrat bill fails the test to real reform. I urge my colleagues to vote against it.

So I think overall, although I know there is a desire of everybody in this body to do something about welfare, we know it has failed. Notwithstanding the best efforts of many to make it work, it has not worked, and it is time that we take a hard look at dramatic reform. That is precisely what we intend to do. The Work Opportunity Act of 1995, in my view, is a step in that direction.

I will indicate to my colleagues that following the vote on the Democratic substitute, we will ask consent at that time that all amendments that people might offer, they notify the managers today and then, if we can get the consent, those amendments would have to be offered by 2 o'clock tomorrow.

I have had a discussion about this with the Democratic leader, Senator DASCHLE. I have not made the request yet, but I do not believe he disagrees with our intent. Our intent is to move as quickly as we can to complete action, giving everybody all the time they want for debate, offer the amendments they wish to offer, but, hopefully, conclude action on next Wednesday afternoon.

I would say that initially we had about 70 amendments on this side of the aisle. In my view, that would have probably boiled down to about 10 or 12 amendments that may require rollcall votes. I am not certain the number of amendments on the other side. But it is my hope that we can reach some agreement so it would not be necessary to file cloture, that we go ahead and debate the bill, then finish the bill at the earliest possible time and go on to something else.

I yield back the remainder of my time.

Mr. DASCHLE. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. FAIRCLOTH). Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

VOTE ON AMENDMENT NO. 2282, AS MODIFIED

The PRESIDING OFFICER. The question is on agreeing to the Daschle amendment No. 2282, as modified.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. I announce that the Senator From Alaska [Mr. MURKOWSKI] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—45 yeas, 54 nays, as follows:

[Rollcall Vote No. 400 Leg.]

YEAS—45

Akaka	Feinstein	Levin
Biden	Ford	Lieberman
Bingaman	Glenn	Mikulski
Boxer	Graham	Moseley-Braun
Bradley	Harkin	Moynihan
Breaux	Heflin	Murray
Bryan	Hollings	Nunn
Bumpers	Inouye	Pell
Byrd	Johnston	Pryor
Conrad	Kennedy	Reid
Daschle	Kerrey	Robb
Dodd	Kerry	Rockefeller
Dorgan	Kohl	Sarbanes
Exon	Lautenberg	Simon
Feingold	Leahy	Wellstone

NAYS—54

Abraham	Faircloth	Mack
Ashcroft	Frist	McCain
Baucus	Gorton	McConnell
Bennett	Gramm	Nickles
Bond	Grams	Packwood
Brown	Grassley	Pressler
Burns	Gregg	Roth
Campbell	Hatch	Santorum
Chafee	Hatfield	Shelby
Coats	Helms	Simpson
Cochran	Hutchison	Smith
Cohen	Inhofe	Snowe
Coverdell	Jeffords	Specter
Craig	Kassebaum	Stevens
D'Amato	Kempthorne	Thomas
DeWine	Kyl	Thompson
Dole	Lott	Thurmond
Domenici	Lugar	Warner

NOT VOTING—1

Murkowski

So, the amendment (No. 2282), as modified, was rejected.

Mr. SANTORUM. Mr. President, I move to reconsider the vote.

Mr. MOYNIHAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MOYNIHAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the Dole amendment No. 2280, as modified.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senator from Oregon, Senator PACKWOOD, be recognized for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNOUNCEMENT OF INTENT TO RESIGN FROM THE SENATE

Mr. PACKWOOD. I thank the Chair and the majority leader.

I think many of you are aware of why I am here today. I am aware of the dishonor that has befallen me in the last 3 years, and I do not want to visit further that dishonor on the Senate. I respect this institution and my colleagues too much for that.

For 27 years, I have worked alongside BOB DOLE, TED STEVENS, and a few others from that era, and most of all with MARK HATFIELD, who is not just a colleague but a friend of almost 50 years and who I met when I was a teenage Young Republican. He was a bright, young, yet unelected legislator, who turned out to be my teacher, mentor, and friend.

There have been many successes in these 27 years, some failures, some frustrations. Let me remember a few, if I could have your indulgence. Hell's Canyon, that great gash in the Earth that is the boundary between Idaho and Oregon with the Snake River running through it, the deepest gorge in the United States. In the late 1960's, early 1970's, for about 6 years, we had a battle on trying to stop a dam from being built in the gorge and at the same time to create a national recreation area. There is humor I see in this, and I smile at some of the newspaper stories I have seen recently about business lobbyists writing legislation.

I want you to picture this trip. We are on a raft trip in the river. I had been invited by environmentalists, most of whom I did not know. I had not seen the gorge before. They wanted me to see it and become involved in the saving of it. One night around the campfire, I believe it was Brock Evans who, I think, is now with the Audubon Society, then with the Sierra Club—we had a highway map of Oregon and Washington, and he takes out a marking pen, and he says, ''I think this is where the boundary is.'' He draws it. Somebody said, ''What about those minerals in Idaho.'' So he crosses it out and draws that up here. That became the boundaries.

The humor was—realizing this is drawn with a marking pen—that when you take it to the legislative counsel's office, if he says here—do you know how many miles that is? If he would say, ''Where are these boundaries?'' I would have to smile and say, ''You will have to call Brock.''

There was truck deregulation, an arcane subject that is probably saving consumers more money than anything in deregulation that we have done. Abortion, early on, was a lonely fight. I remember in 1970, 1971, when I introduced the first national abortion legislation, I could get no cosponsor in the Senate. There was only one nibble in the House from Pete McCloskey, who did not quite come on as a sponsor. There was a nibble 2 years before Roe versus Wade. Those were lonely days. That is not a fight that is even yet secure.

Israel, and my trips there, the golden domes, the fight that so many of us had made year after year to keep that bastion of our heritage safe and free, and to this date not guaranteed.

Tax reform in 1986. We were up against the verge of failure. The House had passed a middling bill. I was chairman of the Finance Committee. Every day we were voting away $15 or $20 billion in more loopholes.

I finally just adjourned the committee and said, ''We are done.'' I remember Bill Armstrong saying, ''We are done for the day?'' And I said, ''No, we are done for the session, we will have no more sessions.''

Bill Diefenderfer, my counsel, and I went to the Irish Times for our two famous pitchers of beer. Those were the days I drank. I quit drinking years ago. I know why they call it courage—by the time we finished a second pitcher we drafted out on the napkin an outline and really said, OK, they want tax reform, we will give them tax reform.

Here is an example where this body can move when it wants to move. From the time that committee first saw the bill until they passed it in 12 days, PAT MOYNIHAN was a critical player. The six of us met every morning at 8:30 before the meeting. It passed the Senate within a month. So when people say this body cannot move, this body can move.

Maybe some of the best advice I had came from BILL ROTH, successor to John Williams, years ago, when he used the expression—we were having a debate in those days about the filibuster and cloture and how many votes. In those days I was in favor of lowering the number. I am not sure, even though we are in the majority I would favor that now, from two-thirds to 60 votes. John Williams said we make more mistakes in haste than we lose opportunities in delay.

If something should pass, it will pass. It may take 4 or 5 years. That is not a long time in the history of the Republic. Too often in haste we pass things and have to repent.

So for whatever advice I have I hope we would not make things too easy in this body and slip through—I say that as a member of the majority.

Tuition tax credits, a failure. PAT MOYNIHAN and I introduced the first bill in 1977, and have been introducing it ever since. Its day may come. It may be here.

One of the great moments of humor—you have to picture this situation—was in the Carter administration. They were terribly opposed to this tuition tax credit bill. Secretary Califano testified against it twice in the Ways and Means Committee. Came to a Finance Committee hearing and Assistant Secretary for Legislative Affairs Dick Warden came to testify. He had previously been with the United Auto Workers and was hired on as a lobbyist, basically for Health and Human Services—HEW as it was called then.

Thirty seconds into his testimony, Senator MOYNIHAN leans forward and said, ''Mr. Warden, why are you here? Why are you here?''

Mr. Warden goes, ''Why, I am the Assistant Secretary for Legislative Affairs for the Department of Health, Education and Welfare, and I am here representing the Secretary, the administration.

PAT goes, ''No, no, Mr. Warden, I did not do the emphasis right. Why are 'you' here? Secretary Califano testified twice in opposition to this bill in the House. In this committee, where there is a more favorable climate, where is the Secretary today?''

Mr. Warden goes, ''Why, I think he is in Cleveland speaking.''

PAT goes, ''Well, where is the Under Secretary? Why is he not here today representing the administration? Mr. Warden, why?''

''I am not sure.''

And PAT's voice rising, saying, ''Where is the Assistant Secretary for Education? Mr. Warden, I was in the Kennedy administration when that position was created and I can say that man has utterly nothing to do at all. He could be here testifying today. Mr. Warden, I will tell you where they are. They are up on the eighth floor of their building, cowering under their desks, afraid to come and testify on the most important piece of education legislation introduced in this century, and Mr. Warden that is why you are here. Now, please go on.''

Poor old Mr. Warden barely went on.

I had more humor in education from PAT than probably anybody here.

Friendships beyond count. The camaraderie is unbelievable. I look at JOHN CHAFEE sitting back here, my squash partner. His secretary, about every 3 months, kicks out our squash matches. Over 15 years, 202 to 199. His secretary not only kicks out the matches, but the games and the scores within the match. JOHN every now and then presents it to me, back we go, back and forth, back and forth, and evenly matched as you can be.

Some here—Senator BYRD would, Senator EXON would—some in my age group will remember General MacArthur's final speech at West Point: Duty, honor, country.

It is my duty to resign. It is the honorable thing to do for this country, for this Senate.

So I now announce that I will resign from the Senate, and I leave this institution not with malice but with love, good luck, Godspeed.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon.

Mr. HATFIELD. Mr. President, the political nightmare that has faced my colleague now for almost 3 years is coming to an end.

I think in an ordeal of this type we tend to focus on the negative or the causes for leading to resignation. As he has briefly reflected on the many accomplishments that he made during his service not only here in the Senate but services he rendered to the State of Oregon as a political leader, as a legislator, I like to accentuate the positive.

I must say in my many years of teaching political science I never had a more brilliant student than Senator PACKWOOD. Came to the university as a freshman and he immediately established himself as one who is knowledgeable about politics and is willing to engage in politics and to invite other people to be involved in politics.

I had been in the State legislature for about 6 years and had known his father who was one of the chief lobbyists in the legislature representing the utilities industry. If Fred Packwood told you something, you knew it was true and you knew it was prudent. He established himself as one of the outstanding lobbyists in that legislature. I knew his mother.

Therefore, I speak even though there may be only but 10 years separating our ages, as sort of a long friend, perhaps partially a mentor, and most of all, someone whose friendship I cherish.

Mr. President, when young BOB PACKWOOD became engaged in political action leading to his political career as an elective officer, he launched a whole new style of campaigning in my State, best described as a slogan ''People for Packwood.'' And he did not have to pay a high price to some kind of a public relations firm to come up with that kind of a focus that epitomized his whole style of campaigning. He thought it out. He demonstrated, again, a brilliant mind in his political activities.

We were going through one of those wrestling matches in the Republican Party that we are still going through and perhaps we will always go through, and that is the wrestling between the so-called liberal wing and the conservative wing. At that particular time the so-called party machinery was pretty much in the hands of conservatives in our State, and the moderates felt that they were not being well represented within the party structure. So Senator PACKWOOD, at that time, organized what was called the Dorchester Conference. And in the Dorchester Conference he invited many Republicans who represented the middle, the center, and said we have to epitomize the pluralism of our party, both in our heritage and in our practice in current time. And he launched that forum which is still going on in my State after all these years, almost 30 years.

So I say to my colleague that you have your footprints, you have your imprint of legislation in the political life of our State, and your record can never be changed on that basis of your contribution.

I would like to come, then, to that very dramatic moment when Senator PACKWOOD decided that he would venture forth as a Republican candidate against the impregnable, the undefeated Senator Wayne Morse, for the U.S. Senate. He was a sacrificial lamb. He was one who was going to fill out the ballot because we wanted to have a Republican candidate in every position on that ballot.

I remember that campaign very well because I had known Senator Morse as a Republican. I had campaigned for Senator Morse as a Republican. I knew Senator Morse's great abilities, and I still respect the contribution that former Senator Morse made to this country, particularly in areas of peace and war.

But I remember, too, that when Senator PACKWOOD suggested a debate with Senator Morse—and we all know, for those of us who remember him, he could make you believe black was white and white was black. In terms of his eloquence and his tenacity as a debater, he was without peer in the U.S. Senate, from those comments made not just by Republican Members, but by Democratic Members alike. And so Senator PACKWOOD not only suggested but challenged him to a debate.

That is not terribly dramatic, in a sense. But Senator PACKWOOD said, ''And we will only have 2 minutes to answer a question.'' Any of us who were friends and knew Senator Morse, he could not tell you what the weather was outside in 2 minutes, because he would attack the subject from its historic context, he would attack the subject from its social context, from its political, from its economic—he would give you the whole ball of wax, so to speak, and an hour and a half later you got the answer.

And that was a very dramatic debate because it was televised. But the television people did not just put the television camera on the face. They realized that what was happening here was a defeat in the making, because on the sides of the podium, Senator Morse's hands began to shake with uncertainty, realizing he was being cut off before he ever got to the second sentence of an answer. And it was probably one of the most historic if not the most historic political debate in my State's history.

At that point the pundits were all saying: Aha, this young man coming along challenging this veteran and sage of Oregon politics, having been both a Republican and a Democrat and being elected to the U.S. Senate as a Republican and as a Democrat both. And that launched Senator PACKWOOD's career here in the Senate.

He has many credits in his record. It does not mean that Senator PACKWOOD and I have agreed on every issue. He is pro-choice. I am pro-life. That has divided us in terms of an issue, but not in terms of a friendship. He has respected my position. I have respected his position. And that was, again, one of the characteristics of Senator PACKWOOD throughout his political life in my State and in the U.S. Senate. He was not a prisoner to dogma. He looked at the issue, he would make his assessment, and he would take his position.

I want to say with all due respect to all of my colleagues that I serve with today and those I have served with

over almost the 30 years that I have been here, I have known no colleague that is his peer in taking a complex issue such as a tax package, dissecting it, analyzing it, and explaining it so that the average citizen out there watching the proceedings could understand. He has demonstrated that time and time again. I not only give him that accolade; he has certainly been a role model for me to be more brief than I have a tendency to be, having grown up in a profession that had a 50-minute lecture.

So I just want to say to my dear colleague, I wanted to take just a few moments to focus on a record that cannot be expunged, and that in the total man, and the total person, and the total picture I hope we will be not only considerate of that record and recognize that record, but also recognize that he is a fellow human being. Even though the media and the public often treats us as objects, we are human beings with emotions and with feelings. And I want to say, as a fellow human being, I rise to give these few remarks with a sad heart, for I hurt with Senator PACKWOOD in this particular moment. I count it a privilege to not only have him as a friend for this length of time, but I look forward to many more years of friendship.

In closing, I want to say this lady sitting next to Senator PACKWOOD, Elaine Franklin, has been his right arm through battles and victories and disappointments. And when I was looking at a rather dismal situation in my last election, she took her leave time and her accumulated vacation and came out to the State of Oregon and engaged full time in my campaign for reelection. Even though that was a close election, I have to pay tribute to Elaine Franklin for her role in helping to make it a victory. I think that is part, again, of the person picking key people, able people, as the Senator did in Elaine Franklin.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

Mr. DOLE. Mr. President, I will just take a minute or two. I think Senator MCCAIN wanted to say a word.

I think the BOB PACKWOOD we heard today is the BOB PACKWOOD that many of us have known over the years. I remember in 1968, BOB PACKWOOD calling me. We were both running for the Senate for the first time. He called me, I think, late at night or early in the morning. We talked about each winning, about coming to the U.S. Senate. I came from the House. He came from State political office. We ended up on the same committee, the Finance Committee—a very important committee. It had a number of outstanding chairmen—Senator Long was there for a long time, and I was there for a short time; then Senator Bentsen, Senator MOYNIHAN, and Senator PACKWOOD.

I want to underscore what the senior Senator from Oregon just stated. I do not know of anybody who is a quicker study and can explain in detail so that I can understand it, and others can understand it—whether it is Medicare, Medicaid, welfare, capital gains, whatever it is—anything in the jurisdiction of the Finance Committee. I believe my colleagues on either side of the aisle will acknowledge that BOB PACKWOOD has no peer.

I can think of many, many times when he was able to bring us together. I am not talking about bringing together Republicans, but Democrats and Republicans, because of his explanations and illustration of forceful arguments. And he knew the issue. We have served together, not always agreeing on every issue, but serving together over the years and have been good friends over the years.

I know some may be pleased today, and some may not be pleased. But I believe that Senator PACKWOOD when he said duty, honor, and country means precisely that. He has great respect for the Senate and has always had great respect for the Senate.

As soon as there was this report from the Ethics Committee yesterday there were all kinds of questions and speculation about what will happen now?

I believe Senator PACKWOOD has made the right decision. I believe that a protracted debate in the Senate may not have changed anything. I must say I think it is very severe punishment. I remember one case here where a Senator, charged with certain things, came to the Senate floor 6 months after it was reported by the Ethics Committee, but not after a trial and not after conviction on three counts.

Having said that, I think Senator PACKWOOD has made the correct decision. It is not easy. It has not been easy. It is always easy when you are criticizing, but it is not as easy when you are taking it. We all know that. We have been on both sides.

But I must say that I have watched Senator PACKWOOD the last 24 hours and wondered myself how he was able to carry on. But then, again, I know BOB PACKWOOD. This is not the end of BOB PACKWOOD's career. He will continue to make a difference in the lives of many, many Americans. He only cited a few things. We can cite pages and pages of legislation that bears his name or bears his name along with colleagues on the other side, bipartisan, nonpartisan, in some cases partisan. He is a hard worker—nobody ever suggested otherwise—loyal to his party, loyal to his constituents, and loyal to his leaders.

So I would just say that obviously he deserves some time to get everything in order. It takes a little while around here to do things. I am not certain. He did not state an effective date. But I guess my colleagues would say some reasonable time would be allowed—even by the sharpest critics.

I look at the legislative record of Senator PACKWOOD and add it all up. And I think about the many times he stood on this floor in this place, right here, offering amendments or debating amendments that affected somebody somewhere, some child or children or homeless, or whatever it might be, whatever the issue might be.

I would just say he has been an outstanding legislator, an outstanding U.S. Senator, and someone whose legacy will be around for a long, long time, and a friend of mine.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I want to speak briefly about our colleague, and my friend, BOB PACKWOOD. I will not comment about the circumstances that have compelled Senator PACKWOOD to resign his office. I will not speak about the merits of the case against Senator PACKWOOD. I can neither reproach the Ethics Committee nor endorse their decision. I was spared the burden of adjudicating this matter and it would not be fair for me to criticize the result of their 3-year investigation. I know the members of the committee, and I know them to be decent and principled Senators who would not take their responsibilities in this matter lightly.

But BOB PACKWOOD is my friend. I am proud to call him my friend. And I cannot bring myself to say that his departure from the Senate is welcome. I surely know less about the case against the Senator than do the members of the Ethics Committee, and I know that they would not reach their decision absent their confidence that the decision was just. But I cannot accept it with anything other than profound regret.

Nor can I comfort myself with an appreciation that the Senate has in this moment comprehended something about relationships between men and women that, heretofore, male Senators are supposed to have failed to comprehend. I did not feel that was the case prior to the Ethics Committee's ruling, and I do not think we deserve to be congratulated for suddenly evolving into more sensitive beings.

I cannot claim that I have treated every human being I have encountered in my life fairly or generously. But I am confident that whether I have treated a person well or ill it had nothing to do with their gender, and I resent assumptions that all men in this institution require an object lesson made of BOB PACKWOOD so that we might learn to treat one half of humanity with dignity.

Thus, I cannot quietly or publicly, genuinely or falsely say that BOB PACKWOOD's departure was the necessary price for us to become better people. We could all become better people, but I seriously doubt the Senate's loss of BOB PACKWOOD will advance us toward that goal.

Mr. President, let me also ask my colleagues to spare a little consideration for the whole of BOB PACKWOOD's life and career in this institution before we lapse into self-congratulation.

And let us also recall Biblical injunctions concerning forgiveness and understanding. No matter what our views of this matter are, we can all recognize that this is a sad—a profoundly sad moment—for BOB PACKWOOD and for the Senate. Let us not congratulate nor celebrate a thing today. This a moment for grieving.

BOB PACKWOOD is a man of great industry, intellect, and what used to be called civic-mindedness. He is a patriot, a devoted servant of his country. The Almanac of American Politics accurately described him as one of the most ''legislatively accomplished of senators with a distinctive and consistent set of principles he has backed for a quarter century.''

Every Member of this body knows the extent of his accomplishments. They are vast even when compared to the records of other senior Members of the Senate. On so many of the issues before the Finance Committee which he so ably chaired, BOB PACKWOOD was considered the committee's leading expert. He has been for many years one of the Senate's most effective advocates for less regulation, freer trade, a simpler and less burdensome tax code.

I know that it pains him greatly to leave the Senate now that we are seriously addressing two problems to which he has devoted his considerable energy and ability for years—welfare reform and saving Medicare. Both of these urgent and complex tasks will be far more difficult to resolve absent BOB PACKWOOD'S leadership.

But his broad intellect and keen sense of service would not allow BOB PACKWOOD to limit his work to only those issues before the Finance Committee. They led him to participate centrally in the debates over all the major issues of our time. From the environment to foreign policy, BOB PACKWOOD was a statesman—a distinguished statesman.

BOB is right. There is life after the Senate. And as he builds a satisfying, challenging, and interesting new life—which I am confident he will do—Bob can look back at his 27 years of Senate service with enormous pride and satisfaction. He has contributed more than most to the welfare of his countrymen. He will have his regrets, as will we all. But he cannot but feel that his country is a better place for his service to it.

I commend him greatly for that service; I grieve for him today; I regret this moment's arrival; I wish him good fortune, and say again, without reservation: I am proud to call BOB PACKWOOD my friend.

Mr. SIMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. SIMPSON. Mr. President, BOB PACKWOOD will soon be absent from us. He is also my friend. He will always be my friend. He was chairman of the Republican Senatorial Campaign Committee and helped to recruit me for this Senate post early in the year 1978. He has been loyal, steadfast, and true. And I trust that I was able to return that to him in earnest friendship.

I have prepared some notes. Many of you know me well, and when I really have something to say, I write it down in my own way, no staff, no winging it, which has sometimes put me in a lot of trouble. But I just want to share a few things that come from down deep inside, and they are brief. They may match some of the things said by my dear friend MARK HATFIELD and dear friend JOHN MCCAIN.

This remarkable career of BOB PACKWOOD's public service will now end. The political story of his life will close on its final chapter. But other aspects of his life will go on. And we must not, we cannot, and we should not forget the extraordinary accomplishments and successes of this superior legislator simply because of the maelstrom of negatives that have poured forth from some who have chosen to act as judge, jury, and executioner, at so many levels of our society.

He was the man who always fought so hard for women and their rights. No one can challenge that statement. He was the man who worked doggedly for civil rights and fairness and empowerment for the lesser people of society. He was the man, often the only man, who carried the banner for women's reproductive rights when others were unwilling to unfurl it. He was the man who fought for job equity and the crashing in of the glass ceiling for women in this country. Every single thoughtful, activist women's group was once on his side ''through thick or thin,'' at least until recent times. Then many of them consciously and callously abandoned him, not willing to consider even a shred of evidence portraying ''his side'' of the story.

Now, please make no mistake here. I am not defending what BOB PACKWOOD did or did not do. I do not know the circumstances of all of that, only what I have read and heard. And having practiced law in real life for 18 years, it is my experience to pay guarded attention to what I read or hear. Justice, freedom, and due process depend on various rules of procedure and process. There are few of such rules in the Senate or in the court of public opinion.

The Ethics Committee of the Senate was established partly to avoid the travesty of a trial by the media. That mission has now been seriously thwarted and twisted.

None of this recent crisis needed to have come to pass. I was serving as assistant leader of our party during a late night session in the month of November 1993. In the Chamber, we were debating and having a great public discussion of the issue of exercising the Senate's power of subpoena of one's most intimate, personal recollections, one's own diary.

Late that night BOB PACKWOOD appeared before Senator BOB DOLE and myself in BOB's office with his written resignation in his hand, signed by him and to be effective at 2 a.m. the following early morning, just hours away, 3 hours away. That apparently was not enough, for that very next morning the Ethics Committee delivered certain files, records, and pleadings to the Justice Department for ''further proceedings'' as to possible criminal matters, while the committee had made no previous public reference as to any such criminal conduct.

BOB PACKWOOD at that moment of time said that he then had no choice but to remain in the Senate in order to fight the charges from the firmest of battlegrounds.

I remain terribly disturbed about the entire process. These are not personal reflections upon members or any particular member of the Ethics Committee, I assure you. Oh, yes, yes, I know, we should brush all this past brooding aside because the feeding frenzy is now on and the waters are now blood flecked and teeming with scissor-teethed piranha.

Where I personally get in a lot of trouble in life is because of a simple philosophy ingrained in me by a tough grandfather who practiced law and a dear and marvelous father who practiced law, who taught me the power and worth of that craft, and two stalwart sons who come now after me and are practicing the very special profession of law. The best original advice was, ''If anyone goes to jail, be sure it's your client.''

I liked that advice. I cherished that advice. But I learned a more important thing then, and it will always be so, that there are always two sides, always, always. We have only heard one. There is such a thing as due process and fairness. That has not yet been completed.

There are some stirring words in our Nation's founding documents and in all laws that take their breath of life from those documents and what comes from them requires—no, certainly, it demands—that we must be able to confront our accusers; that we be able to review and examine all papers and documents and witnesses that the ''prosecution'' may deem relevant in the case. We know that the process of selecting evidence that is ''relevant'' or ''not relevant'' does not rest with the parties but with an unbiased finder of fact. We cherish the law that any accuser must at some point, in some proceedings somewhere within the system of justice within this country, be required to raise their right hand and swear to God or make other affirmation that what they are telling is the truth, the whole truth and nothing but the truth, and that person then, after affirming such an oath, is to be subjected to cross-examination based upon the rules of evidence and due process.

It is my understanding that 6 of the 19 accusers of Senator PACKWOOD have not yet been identified in the media and do not wish even at this time to be publicly identified. Apparently, they are to remain ''unidentified'' even to the extent of retaining that status as

the committee releases the record of the proceedings to date.

Senator PACKWOOD indicates that a number of witnesses have come forward on his behalf because they have read about it or suddenly learned of the complaints against him on television or in the press. Additional witnesses are not going to be able to come forth as long as complainants remain unidentified. Perhaps there is yet some forum for Senator BOB PACKWOOD to state ''his side.'' That will be his choice, not mine.

So BOB PACKWOOD is leaving our midst. We know not what the future will hold for him, but he is a fighter. He has fought for women and their rights. He has fought for the lesser in our society and for their rights. He is a true civil libertarian and his public life should not be judged in parts but in sum total. He has conquered an affliction that surely contributed to his downfall, alcoholism. These last recent years have obviously been nightmarish for him and obviously also for his accusers.

That is so true. But the Good Book speaks of judgment and justice and truth and forbearance and tolerance and forgiveness, and we might draw on some of those timeless strengths and attributes in judging this man.

Very few of us in public service have had a life unexamined, but now that will be so to ever more degree. But how far back in life do we then go? As I have said several times before, the AL SIMPSON who was on Federal probation at the age of 18 is not the same AL SIMPSON standing here. The AL SIMPSON who was thrown in the clink at age 20 for clubbing a guy around on the streets of Laramie is not the same AL SIMPSON standing here, although sometimes the feelings are still burning down there.

[Laughter.]

How far back do we go? Anyone here want to go back in their life to 1969 to see what you were up to? Check with me. Come in. Let us have a visit about that.

So if we in the Senate really are to receive the same treatment, for this is what the public is always demanding of us, that we should expect the same treatment—no more and no less—than our fellow men and women, then, pray tell me why the statute of limitations in any jurisdiction in America is no longer than 6 years for offenses far more serious in nature than the ones charged against our brother from Oregon.

That may be very difficult for some to understand, but it is the truth. The statute of limitations is limited to 6 years in the most lenient of jurisdictions and is an average of 3 years in most other jurisdictions, and yet they have plumbed the scraps of life of BOB PACKWOOD back to the year 1969. Where does it all end?

That would be a good question to ask ourselves, and many surely will not do it in any public forum. But when we return to the comfort and solace of our own homes this night, visiting with loved ones and friends and reflect upon the sadness and tragedy of Senator BOB PACKWOOD and of the victims—and I mean that—remember what can be asked and inquired of the accusers can also be the nature of an inquiry to the accused, which is this: How would you feel if this were happening to you?

That is not a diversion. That is not a clever phrase. That is not corny. It is not naive. It is not uncaring. It is not unresponsive. It is not the mumbling of a bald, emaciated 64-year-old Senator from Wyoming who ''just does not get it.'' I have heard all of that guff before. It is just something we should not forget in life as we are pushed forward in the undertow of the immeasurable tide of the information age of a free society. The print and electronic media is now playing all of the varied roles heretofore to be performed only by administrative and court tribunals.

There was a reason for the Ethics Committee. It was to avoid a ''public hanging.'' It was to avoid ''frontier justice.'' It was to avoid ''vigilante justice,'' if you will. That is one of the reasons why it was created. Something has surely gone awry. It will be up to those of us remaining in the Senate to set the course anew.

And to my friend BOB PACKWOOD, God bless you, Godspeed. You are loved by many. Thank you.

[Applause in the galleries.]

The PRESIDING OFFICER. The gallery will suspend. The Sergeant at Arms is noted to restore order if there are outbreaks in the galleries.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am not going to review the bidding of why we are here this afternoon, but I do want to express my sentiments toward BOB PACKWOOD, for whom I have the greatest respect and affection.

As Senator PACKWOOD mentioned, we have played 400 squash matches over the past 12 years. Four hundred times we met at the squash club to play, and in the game of squash—many may not know how it works, but you are very dependent upon your opponent for calling whether a shot was fair or not. In those 400 matches, never once—never once—did I have the slightest inclination or reason to say that what the call that BOB PACKWOOD made was other than perfect.

Never once did I have any sense of questioning it, because I had total reliance on him, and I still have that total reliance and affection and respect for him.

BOB PACKWOOD has one of the finest minds that I have seen since I have been in the Senate. We have served together in the Finance Committee for 18 years, and it is BOB PACKWOOD who is responsible for the Republican Party having as many Senators as we do here.

When I first came to the Senate, there were 37 Republicans, and BOB PACKWOOD was in the leadership at that time and conceived the idea of having retreats on the Eastern Shore where Republicans would get together and come up with plans for the future. It is BOB PACKWOOD who came up with the idea of what is now the Republican Senatorial Campaign Committee, with the Republican Senatorial Trust that he formed. When I ran for office, I received a small amount of money from the Republicans in the Senate, a very modest amount. But BOB PACKWOOD really conceived the machinery that we have now, and the result of the tremendous funding that Republican candidates at present are receiving.

Many have talked about his legislative achievements, but to my mind, the greatest single achievement in BOB PACKWOOD in legislative affairs was the 1986 tax bill. That bill was absolutely stalled, was going nowhere. It had come from the House, not much of a bill. It came over here. We argued with it. Everybody came up with suggestions on how to reduce expenditures or how to have greater tax breaks. We all competed with each other, took care of everybody in sight as the deficit rose and rose in our calculations.

Then BOB PACKWOOD said, ''That's it.'' It was he who came up with the final program that we had. It was the 1986 tax bill. It was a Packwood tax bill that I and many others unanimously voted in the committee. I will never forget that evening. PAT MOYNIHAN was there. Senator DOLE was there. When we finished that vote, a unanimous vote, everybody stood and applauded the chairman of the committee for the tremendous feat that he had accomplished.

So we will miss him. We will miss a fine brain in this Senate. We will miss him pacing across down in the well as matters were debated and coming up and getting at his desk. Back and forth. I will miss that distinctive walk he had, bent forward slightly as he charges over here. I will miss that so much because we were very close friends and will remain close friends, and I will greatly miss him, as we all will.

Thank you, Mr. President.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I have not prepared any remarks for this occasion, and I would be the first to assert that I am not especially prepared.

Accordingly, to be brief, perhaps the more intense for that reason, to say that in 18 years that we have shared this committee, as the Senator from Rhode Island just said, they have been years of perfect trust between us and, on my part, profound admiration.

And just a moment's good cheer. The Senator from Rhode Island will remember in those intense days leading up to the 1986 legislation, we would meet each morning in Senator PACKWOOD's office about 7:30 for coffee and plan the day's strategy. If you would like to

know something about the Tax Code as it then was, it fell to me each morning to read the service, as it were. I would find the previous day an advertisement in the Wall Street Journal that said: ''Buy oxen, antelope''—I do not know—''cattle, llamas * * * guaranteed losses.''

And they would guarantee you losses and you could not but make money on the Tax Code. It was a scandal and the country knew it. It is all gone now—thanks to you, and thanks for so much else. There is just one line, perhaps of help in the years ahead, of Dr. Johnson, who said, ''How small, of all the ills that human hearts endure, that part which laws or kings can cause or cure.''

This last spring Liz and I—your dear Liz—went to Ephesus, where John took Mary after the crucifixion. We saw Mary's house and the site where John is buried in a basilica. We saw where the Apostle Paul preached, and I can think of only his lines from I Corinthians: 13. ''Now abideth faith, hope, and charity, these three; but the greatest of these is charity.''

The Greek—he was writing in Greek—was ''agape,'' and in English we translate it ''love.''

Mr. President, I yield the floor.

Mrs. FEINSTEIN. Mr. President, I did not know Senator PACKWOOD well, but I have watched him. I heard him on CNN last evening. I have heard him on other shows. I have listened to him, as the leader and the Senator from Wyoming have pointed out, explain complicated issues in a vital and easily understood way. I have listened as the heads of various women's organizations have indicated their respect for him and for his long record of help.

I recognize that service in this institution is not easy, that people are held to a standard, and after all, we are just mere reflections of everyone around us. We are complete with moles and warts and our own problems. So this is not a happy day for me. I do not believe it is a happy day for the U.S. Senate.

I do believe it is a day of some courage and bravery on the part of Senator PACKWOOD, because even those of us who did not know him well know of his love for this body—you could see it, it is palpable, it is there—and his respect for this body as an institution. I really think that kind of performance goes beyond any party label, and it goes beyond any trial and tribulation.

My father used to always say to me, ''Dianne, do not let a man be known for the last thing he does. Let him be known for the best thing he does.''

I think that is a legacy that hopefully is being written here this afternoon. This is a sad day in a chapter of history of the U.S. Senate, but it says one thing: We do have our failings, and we do make our mistakes. But it is a sign of a wise man, and even a giant man, who stands and does what has to be done and goes on to fight another day.

I thank you, Senator PACKWOOD, for a long and distinguished service to the U.S. Senate.

Mr. SPECTER. Mr. President, this is a very sad day for many reasons. I think we are losing an outstanding Senator at a time when the Senate and the country needs his expertise very badly. I join my many colleagues and express my sentiment about the friendship which I have enjoyed with Senator PACKWOOD. I think that the Senate, the country, Senator PACKWOOD, and the people who have registered complaints about him would have been better served had there been public hearings. This is a view that I have always held and expressed with my vote in favor of those public hearings.

I understand the business of the Senate. But I believe that we could have found the time here with many of the quorum calls, or perhaps on weekends, or perhaps evenings, to have heard this matter. I believe that America was entitled to full disclosure. I believe the people who came forward with complaints were entitled to be heard, and I think Senator PACKWOOD was entitled to have a defense.

I think that I, as a ''juror,'' a Senator, who had to pass on the issues, would have been prepared and better off had that been done. I have always been opposed to plea bargains of any sort. I understand the kind of pain that would have been involved had we gone through those hearings. But I think it would have served the institution well and all of the parties well. I have had one other very painful experience with Senator PACKWOOD when I got six stitches under my left eye a decade ago. But I consider this day much more painful.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Mr. President, because of other matters, I have not been able to be on the floor during the statements that have been made. I want to comment about my friend from Oregon and his decision. I think it takes courage to face the facts, and Senator PACKWOOD has. But like Senator DOLE, as I have walked through the building and through the Hall, I have been thinking of the good times we have had together. When we came here, particularly to the Senate, we had already met each other. As a matter of fact, I met BOB PACKWOOD at a picnic President Eisenhower had at his farm at Gettysburg, and one of the photographs that I cherish is a photograph of Senator PACKWOOD, John Tower, and myself standing there outside of the Eisenhower home.

We have had a long history of our friendship and acquaintance. I am saddened that this day has come. But I want to really reflect on the good days, as I said, the days of sharing with each other our family lifestyle when we first came to Washington. Neither of us had a great deal of money. We did a lot of entertaining in our homes with one another.

It is a time of change now, of great change. But change does not erase the memories of good friendships, and it is not a time to abandon those memories, as far as I am concerned.

I also remember the time when Senator PACKWOOD flew up to Alaska in a Lear jet with me back in the days when Lear jets were not that safe, as I later found out in 1978. It was a long, hard trip to fly to Alaska in a chartered plane, because we had stayed here on the floor of the Senate too long and had an obligation to make a speech in Alaska and we did go up in a chartered plane.

These memories come back in flashes, I think, to those of us as we sit and listen to developments that are hard to understand, hard to comprehend, and difficult to deal with.

But, Bob, I want you to know that I do cherish those memories. You have been a good Senator. I will not repeat the words that have been said on the floor about the things we have worked on here together.

I know there is a group of Alaska Native people in my office waiting for me now that, had it not been for the help of Senator PACKWOOD, Senator MOYNIHAN and others, they would have suffered severe losses that would not have been recognized under the tax laws, where other people had recognition of their net operating losses. Native people, because of the strange hiatus in the Federal law, had not received the recognition they should have had about the ability to recover those losses through the sale of them to other people.

It was the work of Senator PACKWOOD, Senator MOYNIHAN, and I remember Congressman Rostenkowski and others that recognized that inequity. It did lead to a tax loss. We admit that. But that loss would have been there in any event but for the Federal law that they helped us change.

So times pass, and I find my heart heavy with the decision made by Senator PACKWOOD, but again in the position I hold now as chairman of the Rules Committee, I say that I spent the day trying to figure out what we would do to handle a case of this magnitude and of this complexity had he not made the decision.

So I think in the final analysis, the record should show that Senator PACKWOOD has saved the taxpayers of this country a great deal of money and saved the Senate a great deal of delay in a period of great change, where we need to spend our time and devote our efforts to trying to find solutions for the problems that really confront this country, very deep problems, problems, I think, that the leadership Senator PACKWOOD has given in the field of welfare, Medicare, and tax reform will

continue. The dynamics of his suggestions will be carried out. The inertia of the Packwood move through the Finance Committee will continue, and strangely enough it will continue for years to come without his being there. Thank you.

Mr. DOLE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 6 P.M.

Mr. DOLE. Mr. President, I move the Senate stand in recess until 6 p.m.

The motion was agreed to, and at 5:36 p.m. the Senate recessed until 6 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. BENNETT).

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. BROWN addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

AMENDMENT NO. 2465 TO AMENDMENT NO. 2280

(Purpose: To provide that funds are expended in accordance with State laws and procedures relating to the expenditure of State revenues)

Mr. BROWN. Mr. President, I rise to offer an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. BROWN], for himself, Mr. MOYNIHAN, Mr. SIMPSON, Mr. MURKOWSKI, Mr. KOHL, Mr. CAMPBELL, and Mr. FEINGOLD, proposes an amendment numbered 2465.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . EXPENDITURE OF FEDERAL FUNDS IN ACCORDANCE WITH LAWS AND PROCEDURES APPLICABLE TO EXPENDITURE OF STATE FUNDS.

(a) IN GENERAL.—Notwithstanding any other provision of law, any funds received by a State under the provisions of law specified in subsection (b) shall be expended only in accordance with the laws and procedures applicable to expenditures of the State's own revenues, including appropriation by the State legislature, consistent with the terms and conditions required under such provisions of law.

(b) PROVISIONS OF LAW.—The provisions of law specified in this subsection are the following:

(1) Part A of title IV of the Social Security Act (relating to block grants for temporary assistance to needy families).

(2) Section 25 of the Food Stamp Act of 1977 (relating to the optional State food assistance block grant).

(3) Subtitles B and C of title VII of this Act (relating to workforce development).

(4) The Child Care and Development Block Grant Act of 1990 (relating to block grants for child care).

Mr. BROWN. Mr. President, I asked the bulk of the amendment be read, as it just was, for a very simple purpose. It is a straightforward amendment. It is very basic. It simply calls for the amount that is block granted under this bill to be spent in a manner in accordance with the laws and procedures for expenditures of the States' own revenues. That may not sound like a revolutionary or even controversial suggestion, but it is terribly important.

The core and essence of this welfare reform is centered around the suggestion that States and communities can do a better job in deciding how their funds are expended on welfare programs assisting the poor than can a centrally planned government, than can a government thousands of miles away from the action. It is the heart, at least in part, of what this welfare reform is all about—the suggestion that money can be spent better by local levels than it can be by the Federal level.

Why would I raise this issue? The facts are that in six of our States it makes a difference. In 44 of our States the money is expended, as is provided under the State's own laws, generally in the same manner that the State's own expenditures are allocated. But in six of our States a practice has been followed where the Governor alone decides where block grant money is spent.

If we believe that the States are better able to decide how that money is spent, then I think we have to be concerned about the situation in the absence of this amendment. Literally, unless this amendment is adopted, we will see six of our States where the Governor is allowed to both appropriate the money, in effect decide where it is to be spent, and administer that money; that is, distribute the money and, as we will explore later on, even have a strong voice in conducting the audit of how that money is spent.

Literally, what we are doing, then, in those six States is giving into the hands of one person the ability to appropriate, the ability to administer, and some significant control over the audit of what they have appropriated and administered. This is contrary to the very foundation of this country. It is contrary to the very theme of our Constitution. It is contrary to those philosophers who thought of our system and brought it to fruition.

Mr. President, any in this Chamber who have read the very significant book of Senator BYRD, the distinguished Senator from West Virginia, cannot help but note not only his musings about the history of our system, but the intricacies of the Roman system. One of the lessons is the understanding that there needs to be a division of power.

I want to quote from some of our historical documents because I think Members will find it interesting. In our own Federalist Papers, Madison said it best. It is in No. 47, where he says clearly:

> There can be no liberty where the legislative and executive powers are united in the same person or body or magistrates.

Unless we adopt this amendment, you are going to have that power, both legislative and executive powers, combined in one person in six of our States.

In No. 47 of the Federalist Papers, Madison says this:

> The accumulation of all powers, legislative, executive and judiciary, in the same hands, whether of one, a few, or many, and whether hereditary, self-appointed, or elective, may justly be pronounced the very definition of tyranny.

That tyranny he talked about he goes on to talk about in further depth when he says:

> From these facts by which Montesquieu was guided, it may clearly be inferred that in saying, ''There can be no liberty where the legislative and executive powers are united in the same person, or body of magistrates.''

Mr. President, that is the core of the concern of this amendment. This amendment will simply provide, in those six States where they do not now have it, that they will follow the normal legislative process. If we do not adopt this, what we will in effect be doing is saying that the elected representatives of the people and the legislative branch will be ignored and their priorities bypassed when it comes to welfare reform under these block grants. We in this body have long recognized the difference between block grants and others where we have allocated the money ourselves. In categorical programs it has been normal to send the money back to the States, but it has been sent back to the States with guidelines from the Federal Government, including elected legislators, making the decisions on its allocation.

The prime difference between block grants and the categorical grants is the level of government which designs the program. Under our block grants, the States design the programs. For categorical grants, most of the programs are designed and established at the Federal level. The State is to administer the grant in accordance with Federal directives.

Mr. President, it makes sense that when we move to block grants, that we allow the State legislative process to be part of this.

This amendment is offered, not only by myself but by Senator MOYNIHAN, Senator SIMPSON, Senator MURKOWSKI, Senator KOHL, Senator CAMPBELL, and Senator FEINGOLD.

I believe the provisions of this measure are broad and they are bipartisan. I think they unite the interests of this Congress, an interest that we ought to have special recognition of. Would Senators literally want to abdicate the legislative responsibility to a chief executive? Chief executives are responsible, are important members of our governmental functions, but they should not have combined with them the legislative powers.

In addition to this, I want to draw the Members' special attention to another factor in this bill. Under section

408 of the Dole amendment, it requires States to conduct an annual audit of expenditures under the Federal temporary assistance—AFDC, that is—block grant. The auditor is required to be independent of the administering State agency and approved by the U.S. Treasury Secretary and the chief executive officer of the State.

Literally, what we are doing, then, is we are allocating money to the States which, in some cases in effect, will be legislated or appropriated by a chief executive, administered by that chief executive, and audited by someone that chief executive approves of. Or, put a different way, no one of which the chief executive does not approve can audit those funds.

This is untenable. I understand why some Governors may like this power, but I suspect, on reflection, many Governors will not like that power because what it gives them a special burden. Some may say this is in line with what we have done in the past. But let me assure this body that it is not fully in line. Under the General Revenue Sharing Act of 1972, Public Law 92–512, section 123(a) addressed this. In subsection 4 it said this:

> It will provide for the expenditure of amounts received under subtitle A only in accordance with the laws and procedures applicable to the expenditures of its own revenues.

In other words, the State government would have the ability to appropriate those moneys under the same procedures that they follow now for their own revenues. That is what we are asking in this amendment. It is consistent with the provision that Congress enacted in 1972 for general revenue sharing.

In 1977 the Advisory Committee on Intergovernmental Relations reported:

> The commission recommends that the State legislatures take a much more active role in State decisionmaking relating to the receipt and expenditures of Federal grants to the States.

Specifically, the Commission recommends that the legislatures take action to provide for: inclusion of anticipated in Federal grants in appropriation or authorization bills; prohibition of receipt of expenditures of Federal grants above the amount appropriated without the approval of the legislature. The recommendation goes on.

But whether it is in the 1972 General Revenue Sharing Act or the 1977 report of the Advisory Commission, or the 1980 report of the U.S. Comptroller General that dealt with the same subject, the theme is consistent. It was also a theme of provisions in the 1981 Omnibus Reconciliation Act, in the 1982 Job Training Act, and in the 1984 U.S. Comptroller General's report to Congress. There the subject was addressed, with this specific language—the public's opportunity to influence State decisions for programs supported with block grant funds has been enhanced through the combined effects of multiple public participation opportunities offered by the States, the increased activity of State elected officials, and the increased activity of interest groups at the State level. This increase is related to the expanded public input opportunities established both in response to the Federal requirements as well as to the greater discretion available to the States.

Mr. President, it is clear from following the background that this Congress and independent advisory groups have recognized the value over and over again of having elected State officials set the priorities.

Mr. President, this amendment is straightforward. And it is basic. What it suggests is that we as a Congress ought to make sure that the appropriating function is performed by the State legislatures or at least with regard to the general standard of appropriation that is followed by the States themselves.

It is endorsed by the National Conference of State Legislators. It is endorsed by the National Speakers Conference. It is endorsed by the American Legislative Exchange Council.

Mr. President, I ask unanimous consent to have printed in the RECORD the letters from and resolutions of these three bodies.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL CONFERENCE OF STATE LEGISLATURES,
Washington, DC, August 4, 1995.

Hon. HANK BROWN,
U.S. Senate, Washington, DC.

DEAR SENATOR BROWN: The National Conference of State Legislatures is greatly appreciative of the leadership you have provided on a variety of federalism and intergovernmental relations issues. Most recently, you were able to include language in H.R. 4 that reaffirmed the state legislature's role in expending federal block grant funds. With the Senate about to undertake debate on the Republican leadership's welfare reform package, S. 1120, we wish to call upon you again to ensure that state legislative policymaking and fiscal authority is in no way compromised regarding any and all block grants included in S. 1120.

As reported from the Senate Finance Committee, H.R. 4 specifically stated that family assistance block grant funds received by the state would be expended in accordance with the laws and procedures applicable to expenditure of the state's own revenues. NCSL strongly encourages you to pursue insertion of similar language in S. 1120, making it applicable to all of the various block grants and consolidations being considered, and stands ready to assist you. Your language clearly reaffirms the roles that state lawmakers play in appropriating funds. We are concerned that giving governors direct control over funds, even if it is optional with food stamps, could well violate state laws and practices. Your H.R. 4 language guarantees that there will be an open, deliberative process in expending any block grant monies. It does not change the governor's role regarding the state's policymaking process and it certainly ensures that the state legislature will be involved.

Thank you again for the leadership on and commitment you bring to these issues. NCSL is prepared to work closely with you as floor deliberations on S. 1120 proceed. Please have your staff contact Sheri Steisel (624–8693) or Michael Bird (624–8686) for further assistance.

Sincerely,

JAMES J. LACK,
State Senator, New York
and President, NCSL.

RESOLUTION SUPPORTING STATE AUTHORITY IN WELFARE REFORM

Whereas, the 10th Amendment to the Constitution of the United States reserves all powers not prohibited to the states nor delegated to the United States to the states or to the people respectively, and;

Whereas, the Constitution of the United States neither prohibits power over welfare to the states, nor delegates power over welfare to the United States, and;

Whereas, through the years the United States has assumed powers over welfare that are inconsistent with the distribution of powers between the United States, the states, or the people respectively under the United States Constitution, and;

Whereas, restoration of the Constitutional distribution of powers between the United States, the states or the people respectively should proceed at an expeditious pace to restore the consistency of governing relationships with the nation's fundamental law, and;

Whereas, the welfare programs of the United States have been largely unsuccessful, enormously expensive and even counter-productive to the welfare of recipients, and;

Whereas, the states are laboratories of democracy in which different policy approaches are tried, and the most successful policies are copied by states whose policy approaches are less successful, and;

Whereas, restoration of state authority with respect to welfare is consistent with the fundamental democratic principle that government should be as close as possible to the people, and;

Whereas, the United States Senate Finance Committee has reported H.R. 4 which contains language that would allow states to expend federal welfare funds ''in any manner that is reasonably calculated to accomplish the purpose'' of the bill, and;

Whereas, as reported by the United States Senate Finance Committee, H.R. 4 contains language requiring that federal funding for welfare be ''expended only in accordance with the laws and procedures applicable to expenditures of the State's own revenues, including appropriation by the State legislature,'' and;

Whereas, the above reference clauses in H.R. 4 represent an important step toward restoration of state authority with respect to welfare;

Now therefore be it *resolved,* That the Board of Directors of the American Legislative Exchange Council urges the United States Senate to include the above reference clauses in any welfare reform bill which it adopts.

RESOLVING TO PRESERVE STATE LEGISLATIVE AUTHORITY AND OVERSIGHT OF FEDERAL BLOCK GRANT FUNDS

Whereas, the National Speakers Conference represents the bipartisan and collective sentiment of the nation's Speakers of the House; and

Whereas, the National Speakers Conference seeks to strengthen and preserve state legislatures' traditional appropriations authority and oversight of all state expenditures; and

Whereas, the National Speakers Conference recognizes that this authority is enshrined in our national and state constitutions and is fundamental to the system of checks and balances that defines the separation of power among the three branches of our government; and

Whereas, the National Speakers Conference believes that the appropriation and administration of block grants require the full participation of both the legislative and executive branches to develop and implement effective policy; and

Whereas, the National Speakers Conference believes the most effective means of ensuring the full participation of the legislative and executive branches of government is through the budget appropriation and approval process;

Now, therefore be it resolved by the National Speakers Conference, that the various Speakers of the House attending the National Speakers Conference in a bipartisan vote urge the United States Congress to support the premise that all federal block grants received by the various states be expended only in accordance with the laws and procedures applicable to expenditures of the state's own revenues, including appropriation by the state legislatures; and

Be it further resolved, that the Conference endorses the bipartisan amendment proposed by Senators Hank Brown of Colorado, Daniel Patrick Moynihan of New York, Herb Kohl of Wisconsin, Frank Murkowski of Alaska and Alan Simpson of Wyoming to the welfare reform bill; and

Be it further resolved, that the National Speakers Conference request the United States and the United States House of Representatives in any block grant legislation that is enacted to ensure that the legislative appropriating authority is protected; and

Be it further resolved, that copies of this resolution be transmitted to the Congressional delegations of the various states by the Speakers of the House of those respective states.

Approved this first day of September Nineteen Hundred and Ninety-Five in Santa Fe, New Mexico.

Mr. BROWN. Mr. President, I will reserve the remainder of my time.

Let me simply close with this thought. As we give to the States an enormous grant of new authority and new responsibility, an ability literally to appropriate the funds and allocate the funds that have been taken by the Federal Government, I think it is incumbent upon us to make sure that is done wisely, and it is done well. To suggest that we are going to concentrate in the hands of one person, the Governor, the ability to both appropriate and administer and have a control over the audit is unacceptable.

This amendment gives the States the ability to preside over this money just as they do with their own money that they raise.

I urge the adoption of the amendment.

Mr. MOYNIHAN. Mr. President, may I thank the Senator from Colorado for offering this amendment which appears to this Senator, and I believe to most Senators on either side of the aisle, as appropriate, and necessary because there are principles involved.

I am sure the Senator from Colorado agrees that constitutional government is a division of powers, and always contemplates that resources will be revenues. These are revenues to State governments that will be allocated in accordance with agreements in the legislative branch and the executive branch.

That is the intent of the Senator's amendment.

Mr. BROWN. It is precisely that intent and more consistently constitutional, I believe.

Mr. MOYNIHAN. It seems to me, precisely that. By constitutional proviso the Congress guarantees to the States a republican form of government. I am not sure whether this would fall under that admonition or injunction.

Mr. BROWN. Many of us were hopeful that admonition for a republican form of government meant just that. But unfortunately, apparently it was not.

Mr. MOYNIHAN. I insist that republican be with a small ''r,'' and at the time when Thomas Jefferson assumed to run the democratic Republican Party. But we will not get into that detail.

I would simply indicate that it would be my disposition, absent any contrary information, to accept the amendment. If the Senator wishes a vote, of course that is his right. But I will defer to the Senator from Colorado in this regard.

Mr. BROWN. Mr. President, I would be happy to have it accepted. I am advised there are Members who have concerns about this.

Mr. MOYNIHAN. So they would wish to speak and perhaps to be heard. Very well. I do believe we are at a point where we may be reaching an agreement on tomorrow's schedule, Mr. President.

Mr. President, I see the distinguished Senator from Nevada is on the floor.

I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, will the Chair inform the Senator from Nevada what the parliamentary status now is on the Senate floor?

The PRESIDING OFFICER. The Senator from Colorado is on a second-degree amendment.

Mr. REID. There is no time agreement?

The PRESIDING OFFICER. There is no time agreement.

Mr. REID. Mr. President, I ask unanimous consent that the remarks I make appear elsewhere in the RECORD so as not to interfere with the debate on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. DOLE. Mr. President, I wonder if we might be able to get the yeas and nays on the Brown amendment. We will set that vote for tomorrow morning.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

Mr. DOLE. Mr. President, if we could ask for the yeas and nays on the Brown amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. DOLE. We will have an agreement to have that vote tomorrow morning at 9:30 unless it can be accepted. I understand there is no objection on the Democratic side.

Mr. MOYNIHAN. Not to my knowledge.

Mr. DOLE. There may be an objection.

We are still looking for additional amendments to be taken up this evening. We have agreed to amendments on either side. I know the distinguished manager on the other side does not wish to offer his amendment this evening. We can lay it down. I think that would take an hour, or 45 minutes, tomorrow.

Mr. MOYNIHAN. If it is agreeable, an hour and 30 minutes equally divided.

Mr. DOLE. I have no objection to that.

Mr. MOYNIHAN. Will the Senator from Nevada be generous enough to let us proceed with these technical matters for just a moment?

The PRESIDING OFFICER. Does the Senator from Nevada yield for that purpose?

Mr. REID. I do.

AMENDMENT NO. 2466 TO AMENDMENT NO. 2280

(Purpose: To provide a substitute amendment)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk in the second degree and I ask for its consideration.

The PRESIDING OFFICER. Without objection, the pending amendment of the Senator from Colorado is temporarily set aside, and the clerk will report.

The legislative clerk read as follows:

The Senator from New York (Mr. MOYNIHAN) proposes an amendment numbered 2466 to amendment No. 2280.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment appears in today's RECORD under ''Amendments Submitted.'')

Mr. MOYNIHAN. Mr. President, in accordance with the agreement, such as it will be reached between leaders, I yield the floor with the understanding that we will take this matter up tomorrow.

Mr. DASCHLE. Will the Senator from Nevada yield?

Mr. REID. I am happy to yield.

Mr. DASCHLE. Just for clarification of the schedule this evening, it is the leader's intention to take up the Moynihan amendment tomorrow and have other amendments offered if we can have them laid down tonight but no additional amendments would be voted upon tonight?

Mr. DOLE. That is correct. I know Members are going to want to be leaving fairly early tomorrow afternoon. It is not going to be possible unless they are willing to come to the floor tonight and debate the amendments and have the votes tomorrow morning. We are searching on our side if we can ask the leader to search on his side.

Mr. DASCHLE. If the Senator from Nevada will yield, let me urge my colleagues. We have been polling our Members and have been told that we have about 130 amendments. If we have that many amendments, there is no reason why tonight we cannot have a good debate on some of these amendments. I would like to see a couple of them offered and debated tonight. The ranking member is here and prepared to work with any of our Members on this side. So I hope we can do that. If we have that many amendments, there is no reason why at 6 o'clock tonight we do not have more of an opportunity to discuss some of these important matters.

So I really urge all of our Democratic colleagues to cooperate in good faith and to come to the floor. This is a good time to be offering the amendments, and we will accommodate Senators as they come to the floor.

Mr. DOLE. If the Senator from Nevada will yield further, I make the same request. This is normally the late evening, Thursday evening, and we have not announced any votes this evening but we are prepared to do that if we can have the cooperation of Members, if they just come to the floor, debate the amendment, with the exception of the amendment of the Senator from New York, and then we can agree to vote on those tomorrow morning.

Following the votes, we would take up the amendment of the Senator from New York [Mr. MOYNIHAN], with 1½ hours equally divided for debate. So we will put out a hotline on this side, and this is the time to offer amendments. We had 70-some on our list. You have, say, 150. If there are 200 amendments out there, there ought to be somebody willing to come to the floor at 6:20 on a Thursday evening—it is not even dark outside—and offer some amendments. We are prepared to do business. I know the Presiding Officer is very pleased to be here, and we will do our best. I thank my colleague.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

SENATOR BRYAN'S WORK ON THE ETHICS COMMITTEE

Mr. REID. The first criminal jury trial that I had involved a burglary case. As I recall, the jury trial took about 3 or 4 days. The reason I remember the case so clearly is that I was the attorney representing the defendant, the person charged with the crime. The prosecutor of that case was RICHARD BRYAN, then a young deputy district attorney in Clark County, NV. It was a good case. We had two young lawyers who had a real good battle in the courtroom.

Senator RICHARD BRYAN was an outstanding lawyer. He was the first public defender in the history of the State of Nevada. He and I took the Nevada bar together in 1963. We were the only two freshmen elected to the Nevada State Legislature in 1969.

Not only did he have a successful and distinguished career as a private attorney, but he also served in the Nevada State Legislature as an assemblyman and as a Nevada State senator. He served as attorney general of the State of Nevada. He was elected twice to be Governor of the State of Nevada and has been elected twice to be a U.S. Senator from the State of Nevada.

The reason I mention this is I think, in the events that have taken place today, those six members of the Ethics Committee who have toiled months and months have been kind of forgotten about. This was a job not sought by Senator RICHARD BRYAN, who was chairman of the Ethics Committee. In fact, he took the job at his peril. He was running for reelection when then majority leader George Mitchell asked him to do his duty as a U.S. Senator and accept this task, this ordeal, to be chairman of the Senate Ethics Committee.

I have never talked to Senator BRYAN about the facts of the case that has been before this body today. But I know RICHARD BRYAN. I know him well. He and I have been friends for 30-odd years or more. And I know how this case has weighed on him. I see it in his face. I see it in his demeanor. As I have indicated, I have never discussed the case with him. But I know Senator BRYAN well, I repeat. I know that his obligation was to be fair to the victims, to be fair to the accused and to this institution and, of course, the oath that he took as a Senator.

The time that he spent on this case could have been spent working on other issues, could have been spent with his family and his friends, but he spent not minutes, not hours, not days, not weeks but months on this case.

When the elections took place last fall, Senator BRYAN became the ranking member of the Ethics Committee, and Senator MITCH MCCONNELL became chairman of the Ethics Committee.

Mr. President, I think that we, as Members of the Senate, should all acknowledge the work done by the Ethics Committee. I am speaking of my friend, Senator BRYAN. I am doing that because I know him so well. I know the time that he spent. I know his background. I know what a good person he is and how fair he tries to be with everybody in everything that he does.

Now, I can speak with more authority and certainty about Senator BRYAN than I can the other five members of the Ethics Committee, but these other five individuals coming from their varied backgrounds and experiences led to this Ethics Committee that had a sense of duty. It was bipartisan in nature, and being bipartisan in nature reached a conclusion in this most difficult case. Senators MIKULSKI and DORGAN on the Democratic side and Chairman MCCONNELL, Senators CRAIG and SMITH are also to be given appreciation by this Senator and I hope the rest of this body for the time that they spent on this very thankless job.

Mr. President, I, of course, have talked in detail about Senator BRYAN and the person that he is. If I knew the other five members as well as I knew Senator BRYAN, I am sure that I could say the same things about them and the difficulty they had in arriving at the decision they did. I am sure that if I had spent the time with them as I have with Senator BRYAN, I could tell by their demeanor, I could tell by the looks on their faces the consternation and the difficulty they had in doing the work that they did on this case.

Mr. President, there is no way to compliment and applaud these gentlemen and the lady who serve on this committee in an adequate fashion, but I, I hope on behalf of the entire Senate and the people of this country, express to them my appreciation and our appreciation for doing what they did in this case, that is, working the long, hard, tireless hours they did and arriving at a decision that only they could arrive at.

Mr. President, in 1882, a member of the very small Nevada Supreme Court—there were three members of the supreme court in 1882—in a case cited at 106 U.S. 154, Justice Bradley said in that case these words that I think apply to what has taken place here today: ''The event is always a great teacher.''

Mr. President, the event that has taken place today has been a great teacher for us all and will be in the future.

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. DEWINE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DEWINE. Mr. President, I rise today to discuss three amendments that I intend to propose later in regard to this bill we are engaged today, this week, and probably into the next week with one of the most fundamental reforms of the welfare system in over a generation. It really is a debate of great historic importance to not only the people who are on welfare, but to all Americans.

The millions of Americans who are trapped in the cycle of welfare dependency need a way out. As we work on this bill, I believe that we have to make absolutely sure that as we do this, we do, in fact, give them a way out and not just put them into another revolving door.

The purpose of the first amendment that I will offer will be to make sure

that the States tackle the underlying problem of the welfare system. Quite frankly, Mr. President, too often welfare ends up being quicksand for people instead of a ladder of real opportunity.

The underlying bill that we are working on will certainly help change that and helps change it by creating a work requirement that will help boost welfare clients into the economic mainstream of work and opportunity.

We need to help people get off welfare. One very important way we can do this is by helping them avoid getting on welfare in the first place, and that is one thing that sometimes we miss in this whole debate about welfare. We do need to worry about how to get people off welfare. But if we can take action as a society that keeps them from ever going on welfare, that is a great accomplishment as well. It will not only do society a lot of good, but it will be very important to the individual who we are talking about.

So this brings me to the specific proposal contained in my first amendment.

This amendment would give States credit for making real reductions in their welfare caseload, not illusory reductions based on just ordinary turnover.

What am I talking about? Since 1988, 14 million Americans have gone off welfare—14 million. Yet, during that same period, there has been a 30 percent net increase in the welfare caseload. What this tells us is there are a lot of people going on, a lot of people going off, but we are getting more people coming on than are going off.

So we have to make absolutely sure that we keep our eye on the ball and, really, the ball that we are trying to keep our eye on is the objective of keeping people out of the culture of welfare dependency.

Under the bill, States will have to meet a work requirement, and that is good. But I think this policy will have an unintended side effect, a side effect that I believe my amendment will help cure.

If there is a work requirement, States certainly will have an incentive to try to meet that requirement. If States face the threat of losing Federal funding for failing to meet the work requirement, I am afraid that they could easily fall into the trap of judging their welfare policies solely—solely, Mr. President—by the criterion of whether or not they help meet just that work requirement.

I believe that what we have to remember is that the work requirement is not an end in and of itself. Our goal must be to break the cycle of welfare dependency, and we have found that helping people stay off AFDC, never going on, through tools used by the Government—job training, job search assistance, rent subsidies, transportation assistance, and other similar measures—is a cheaper way of doing this than simply waiting for the person to fall off the economic cliff and become a full-fledged welfare client. It just makes common sense. If we as a society can intervene early, it is going to be cost-effective and it is going to work and it is going to make the difference in people's lives.

Under the bill as written, States are really given no incentive to make these efforts to help people. If anything under the bill, there really is a disincentive to do this. If a State takes an active, aggressive, successful effort to help people stay off welfare, then the really tough welfare cases will make up an increasingly larger proportion of the remaining welfare caseload, and that will make the work requirement much tougher for a State to meet.

Under this bill as written, there is incentive really to wait to help people, to wait, to wait until they are actually on welfare. Then the States can get credit for getting people off welfare. That really does not seem to me to be the right way to do it or the right incentive.

If States divert people from the welfare system by helping them stay off welfare in the first place, then the people who stay on welfare will tend to be more hardcore, more hard-to-reach welfare clients, and that will make it more difficult for States to meet the work requirement.

That, Mr. President, really is exactly the opposite of what we should be trying to do. My amendment would eliminate this truly perverse incentive. My amendment would lower the work requirement that States have to reach by the very same amount that the States have reduced their welfare caseload.

Helping citizens stay off welfare is just as important as making welfare clients work, just as important as moving people off welfare. Indeed, the reason we want to make welfare clients work in the first place is, of course, to help them get off welfare. But—and this is a very important provision in my amendment—we cannot allow this new incentive that I propose for caseload reduction to become an incentive for the States to ignore poverty.

Under my amendment, States will be given no credit for caseload reductions achieved by the changing of eligibility standards. Ignoring the problem of poverty, Mr. President, will certainly not make it go away. Arbitrarily kicking people off of relief is not a solution to welfare dependency, and States should not—I repeat, not—get credit for changing their eligibility to meet this objective.

Welfare reform block grants are designed to give States the flexibility they need to meet their responsibilities. They have to have more flexibility. But they must not become an opportunity for the States to ignore their responsibilities. States do need to be rewarded for solving the problem. Giving States credit for real reductions in caseload will provide this reward.

I believe this amendment will, in fact, yield another benefit. It will enable States to target their resources on the more difficult welfare cases: the at-risk people who need very intensive training and counseling if they are ever going to get off welfare.

It will not do us any good as a society to pat ourselves on the back because people are leaving AFDC, if at the very same time an even greater number of people are getting on the welfare rolls, and if the ones getting on are an even tougher group than the ones who got off.

The American people demand a much more fundamental and far-reaching solution. They demand real reductions in the number of people who need welfare.

Reducing the number of people on welfare is certainly going to be a very tall order. Since 1988, only half a dozen States or so have really managed to reduce their caseload. One of them, Wisconsin, has managed a very significant reduction. It is going to be tough, but it is absolutely necessary.

This issue simply must be faced, and it will be faced with all the creativity at the disposal of the 50 States, 50 laboratories of democracy.

How are States going to do it? There are probably as many ways of doing it as there are States. I think that is one of the positive things about the underlying bill.

There is no single best answer. That is the key reason why we need to give the States the flexibility to experiment. In Wisconsin, for example, the Work First Program, with its tough work requirement, has reduced applications to the welfare system. That is a promising approach. We have to do other things, such as reduce the number of out-of-wedlock births and get rid of the disincentives to marriage.

The bottom line is this, Mr. President: We have to solve the problem and not ignore it. States should be encouraged to take action. But they should be encouraged to take action early to keep people off of welfare, to help them before they drop into the welfare pit. I believe this is the compassionate thing to do. I believe it is the cost-effective thing to do.

My staff and I, Mr. President, have spent a considerable amount of time talking to the people who run Ohio's welfare operation, both at the county levels and at the State level. One of the problems that they have continued to talk to me about is just what I have talked about, and that is, that what we really need to do is keep people off of welfare. We do not want to be in the situation that I used to find years and years ago when I was practicing law and when I was county prosecuting attorney, where we would have situations where people were having problems, where people needed help—either job training, or education, or just a little help to tide them over—and they could not get that help. What the welfare department would have to tell them is, wait until you get the eviction notice, wait until they start putting your clothes and everything else out on the street, then we can help you, then you

can get on welfare. And once you get on welfare, all these things will happen and you will get all these benefits. Our director, in the State of Ohio, of welfare, Arnold Tompkins, makes an analogy to a light. He says you go up with the switch or down, and you are either on welfare or you are not. If you are on it, you get all these benefits. If you are not, you do not get the benefits. We have a difficult time giving people some help to stay off of welfare.

I think what we must make sure we are doing when we pass this bill—which is a very, very good bill, and one of the reasons it is a good bill, it has a realistic work requirement in it. One of the things we have to make sure we are doing is allowing the States the flexibility and giving them some incentive to try to take the actions early on which will prevent someone actually from ever going on welfare. We must make sure that we, as we write this bill, give the States credit for having done that.

Let me turn to the second amendment that I intend to propose. It has to do with a rainy day fund. This amendment is a very simple one. It is a recognition of economic realities. When a State faces a recession, a number of things happen. One of them is that the welfare caseload goes up. The other thing that always happens is the revenues going into the State go down.

It is as simple as that. When States are in the middle of a serious recession, they are reluctant to borrow from a loan fund because they are, frankly, afraid they will be unable to pay the money back. I do not blame them. I believe that we need an unemployment contingency grant fund to make sure that when a recession hits, the Federal Government will remain a partner in the process of taking care of the welfare population. You will notice I say ''partner.''

It should be just as clear, Mr. President, that this rainy day fund must not become a back door to the re-Federalization of welfare. The threshold for disbursements from this fund, I believe, has to be tough. And the threshold in my amendment is, in fact, tough. It has been described as follows: A State, under my amendment, will not qualify if it has a ''cold.'' It will only qualify if it has ''pneumonia.''

It is my hope that this amendment will not be controversial. I believe it is a necessary precaution for the inevitable downturns in the economic cycle. Under this amendment, the State has to meet two conditions to qualify for aid from this fund. First, it has to maintain its welfare effort at the fiscal year 1994 level. And unemployment has to be two percentage points higher than in the previous year. States will then have to match these Federal funds at the same rate as the matching formula for Medicaid. And they will have to maintain their own effort. This is a tough requirement, but I believe it is fair, and I believe that it will be of immense help to the States.

Mr. President, we need this rainy day fund, and we need to make sure that it is not abused.

Let me turn to the third amendment I intend to offer. It has to do with a subject that has troubled me in this country for many, many years, and that is the issue of child support and child support enforcement. When I discuss this issue, I again have to go back, in my own mind, at least, to my experience as a county prosecuting attorney. One of my jobs, of course, was to try to enforce the child support enforcement laws. Mr. President, the third amendment really is an attempt to make it easier for States to crack down on deadbeat parents. We are all aware that one of the key cost causes of our social breakdown is the failure for parents to be responsible for their own children. The family ought to be the school for citizenship—preparing the children for responsible and productive lives. When the parents do not do that, it is very difficult for society to step in and fill the gap.

We need to reconnect parenthood and responsibility. We need to help States locate these deadbeats, establish support orders for the children, and enforce the orders.

My amendment attempts to address this problem in two ways. First, it provides for a more timely sharing of information with the States. Today, the Federal Parent Locator Service, in the U.S. Department of Health and Human Services, gives the States banking and asset information about potential deadbeats on an annual basis, only once a year.

Mr. President, talk to the people who have to track down these deadbeats, and they will tell you and other Members of the Senate how difficult that process is. As I mentioned, I used to do this when I was a county prosecutor. If you have to wait a whole year to get information about a deadbeat, there is a pretty good chance that that deadbeat is going to flee your jurisdiction. The information that you get may be up to a year old—or even more—and will simply not be information that will do any good.

My amendment is simple. It would change that reporting requirement from an annual basis to a quarterly basis.

Mr. President, these child support enforcers are involved in a very difficult but a very important job. I believe that we should cut—by 75 percent—the amount of time they have to wait for this very important information.

Mr. President, I look forward to the debate on these and the other amendments offered by my colleagues. I believe that we have a great opportunity in this year's welfare reform bill—an opportunity to change the direction of welfare and to really change the direction of this country.

Mr. President, I yield the floor.

Mr. NICKLES. Mr. President, first, I would like to compliment my friend and colleague from Ohio, Senator DEWINE, for an excellent statement. His experience as a Congressman, his experience as Lieutenant Governor of the State of Ohio, as well as a Senator, gives him a perspective that may be better than most because he has been involved in administering these programs. I think he has had some very constructive, positive ideas that are really invaluable. I hope our colleagues will pay attention. I compliment my friend for his remarks.

I would also like to say at this time that we requested a list of amendments, and the numbers were floating around, whether there was 50 amendments, 60 amendments, or 70 amendments.

We are very willing to take up those amendments, see if we can incorporate those amendments into the substitute bill that will be offered tomorrow, or have people offer their amendments. They can debate them. We will set aside the amendment and vote on the amendment tomorrow.

If colleagues have amendments that they would like to be considered and disposed of, and frankly I think we are going to be more favorably disposed tonight than we will be later on Friday and certainly on Monday and Tuesday. I encourage colleagues if they have amendments to please bring those to the floor and we will try to assist in any way we can as far as disposing of them.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I understand there is a pending amendment. I ask unanimous consent that the amendment be set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2469 TO AMENDMENT NO. 2280

(Purpose: To provide additional funding to States to accommodate any growth in the number of people in poverty)

Mrs. FEINSTEIN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN] proposes an amendment numbered 2469 to amendment No. 2280.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Beginning on page 17, line 16, strike all through page 21, line 3, and insert the following:

''(3) SUPPLEMENTAL GRANT AMOUNT FOR POVERTY POPULATION INCREASES IN CERTAIN STATES.—

''(A) IN GENERAL.—The amount of the grant payable under paragraph (1) to a qualifying State for each of fiscal years 1997, 1998, 1999, and 2000 shall be increased by the supplemental grant amount for such State.

''(B) QUALIFYING STATE.—For purposes of this paragraph, the term 'qualifying State', with respect to any fiscal year, means a State that had an increase in the number of poor people as determined by the Secretary under subparagraph (D) for the most recent fiscal year for which information is available.

''(C) SUPPLEMENTAL GRANT AMOUNT.—For purposes of this paragraph, the supplemental grant amount for a State, with respect to any fiscal year, is an amount which bears the same ratio to the total amount appropriated under paragraph (4)(B) for such fiscal year as the increase in the number of poor people as so determined for such State bears to the total increase of poor people as so determined for all States.

''(D) REQUIREMENT THAT DATA RELATING TO THE INCIDENCE OF POVERTY IN THE UNITED STATES BE PUBLISHED.—

''(i) IN GENERAL.—The Secretary shall, to the extent feasible, produce and publish for each State, county, and local unit of general purpose government for which data have been compiled in the then most recent census of population under section 141(a) of title 13, United States Code, and for each school district, data relating to the incidence of poverty. Such data may be produced by means of sampling, estimation, or any other method that the Secretary determines will produce current, comprehensive, and reliable data.

''(ii) CONTENT; FREQUENCY.—Data under this subparagraph—

''(I) shall include—

''(aa) for each school district, the number of children age 5 to 17, inclusive, in families below the poverty level; and

''(bb) for each State and county referred to in clause (i), the number of individuals age 65 or older below the poverty level; and

''(II) shall be published—

''(aa) for each State, annually beginning in 1996;

''(bb) for each county and local unit of general purpose government referred to in clause (i), in 1996 and at least every second year thereafter; and

''(ccb) for each school district, in 1998 and at least every second year thereafter.

''(iii) AUTHORITY TO AGGREGATE.—

''(I) IN GENERAL.—If reliable data could not otherwise be produced, the Secretary may, for purposes of clause (ii)(I)(aa), aggregate school districts, but only to the extent necessary to achieve reliability.

''(II) INFORMATION RELATING TO USE OF AUTHORITY.—Any data produced under this clause shall be appropriately identified and shall be accompanied by a detailed explanation as to how and why aggregation was used (including the measures taken to minimize any such aggregation).

''(iv) REPORT TO BE SUBMITTED WHENEVER DATA IS NOT TIMELY PUBLISHED.—If the Secretary is unable to produce and publish the data required under this subparagraph for any county, local unit of general purpose government, or school district in any year specified in clause (ii)(II), a report shall be submitted by the Secretary to the President of the Senate and the Speaker of the House of Representatives, not later than 90 days before the start of the following year, enumerating each government or school district excluded and giving the reasons for the exclusion.

''(v) CRITERIA RELATING TO POVERTY.—In carrying out this subparagraph, the Secretary shall use the same criteria relating to poverty as were used in the then most recent census of population under section 141(a) of title 13, United States Code (subject to such periodic adjustments as may be necessary to compensate for inflation and other similar factors).

''(vi) CONSULTATION.—The Secretary shall consult with the Secretary of Education in carrying out the requirements of this subparagraph relating to school districts.

''(vii) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subparagraph $1,500,000 for each of fiscal years 1996 through 2000.

Mrs. FEINSTEIN. Mr. President, I rise today to offer an amendment that would provide additional funding to States to accommodate growth which may occur in their welfare caseloads.

Legislation which provides the basis for this amendment is included in the welfare reform bill already passed by the House of Representatives entitled H.R. 4, the Personal Responsibility Act.

Title 1 of that bill includes a supplemental grant to adjust for population increases. In the House version, the grant is $100 million annually for each of fiscal years 1997, 1998, 1999, and the year 2000.

In the Dole bill, the supplemental grant is $877 million over 5 years. The House supplemental grant is distributed to States based on each State's proportion of the total growth. However, the Dole bill handles this formula in a very complicated manner which only benefits 19 out of the 50 States.

Frankly, by providing zero funding for growth, it does in the State of California. I have got to make that very clear.

The amendment I am proposing today takes the same approach, as the legislation that passed the House of Representatives, with respect to growth, and would apply it to the Dole bill. California, which is projected to experience a significant growth in its poor population over the next 5 years, under the present draft of the Dole bill, would receive zero—zero.

There is no additional cost associated with this amendment. In fact, there is some reason to believe that this method of accommodating growth equitably and objectively among all States might result in some cost savings when compared to the underlying bill. In any event, the authorization of appropriations, for the supplemental grant for each of the fiscal years, remains the same as in the Dole bill, and distribution of the additional funds is capped by those amounts which total $877 million over 5 years.

I would add another point. All States will be held harmless under this legislation. That is to say, no State's grant will be reduced if the State experiences a decline in its poor population. But each and every State which experiences an increase in its poor population will receive a corresponding increase in its Federal grant to help them carry out the mandates of this legislation.

Let me briefly contrast this with the approach in the underlying bill. As I said, only 19 States, meet the definition for use of this money under the language of the Dole bill, and that is irrespective of their actual growth of in poor youngsters. And, it excludes many States that will experience growth in their caseloads.

Under the Dole bill, 19 States receive automatic additional funding, 2.5 percent of the fiscal year 1996 grant in each of the years 1997 to the year 2000 if, first, their State's welfare spending is less than the national average level of State spending and, second, population growth is greater than the average national population growth.

In addition, for reasons which are unclear, certain States are deemed as qualifying if their level of State welfare spending is less than 35 percent of the national average level of State welfare spending per poor person in fiscal year 1996. As I understand it, only two States qualify. Mississippi and Arkansas are the only two States that would qualify under that portion of the drafting.

This formula penalizes States which have traditionally had higher levels of State welfare spending. So, in other words, if you have been a high benefit State, you are actually penalized by the bill. And, it rewards States, irrespective of their projected, or actual, population growth or decline.

I must say I am astonished that many States which are projected to have significant increases in their poor populations do not meet the definition required by the Dole bill. It leads me to conclude that this supplemental grant is not necessarily to accommodate growth at all.

Federal taxpayers are being asked to spend almost $1 billion over 5 years in the name of growth. But, in fact, the result is that States which, until now, have spent less than the average in assisting the poor will now be subsidized. So, until now, they have not spent much, and, now, they are going to be subsidized by the taxpayers of all 50 States. What kind of a bill is that?

Let me take a moment to review for you what some of the benefit levels have been from some of the States who will be beneficiaries of this so-called growth fund. In Mississippi the maximum monthly AFDC benefit for one-parent families with two children has been $120. That is $120 in combined Federal-State AFDC grants. In Alabama, the combined maximum has been $164. In Texas, the maximum benefit has been $188. In Tennessee, $185. Louisiana, $190. Arkansas, $204. Kentucky, $228.

Let us look at one or two States with similar benefit levels. In Indiana, the monthly benefit is $288. In Missouri, it is $292. But even though these levels are similar to other States, they will receive nothing, zero, zip—nothing—to accommodate any increase in their poor populations. Why? Who would draw this kind of growth formula?

Let us look now at some high growth States. Let us see what they get—Washington, for example. While the

Bureau of the Census projects a general population growth of almost 10 percent, the Dole bill provides zero funding for growth. Idaho is projected to experience a general increase in its population of almost 11 percent, Mr. President. Is it a growth State under the Dole bill? The answer is no. Finally, let us take a look at California, the most populous State in the Nation and one which is projected to grow by 6.25 percent over the next 5 years. It, too, receives no additional funds to meet the anticipated growth in caseload.

Clearly, the growth fund in the underlying bill is, as I have said, not a true growth fund. It is a fund for some other reason, but I do not think anyone in this body should call it a growth fund. I believe this is a fundamental flaw in the Dole bill, as compared to the House version of the welfare reform bill.

None of us in this body knows what the future holds for our States—whether it is economic recession in a rust belt State, regional downturn in a sunbelt State, natural disaster in any part of our country, or even Federal base closures. What we do know is there will be unanticipated regional economic conditions and corresponding fluctuations in the incidence of poverty. Any State is susceptible to these circumstances. This amendment, the amendment I am proposing, simply uses the same approach as in the House bill, applies it to the $877 million, and says that you receive additional funding for growth proportionate to your numbers published by the Bureau of the Census. If your poor population goes up, you will get the corresponding proportional share of that fund.

This, to me, is the fair way of doing it. No gimmicks, you use the census figures. If you are a growth State, you get extra funding to carry out the mandate. Frankly, most of the States, the overwhelming number of States, are projected to benefit, and also States with no growth, or actual declines in population, are held harmless. And, finally again, it costs no more money.

You will have proposals before you that use a little sleight of hand. Some will reduce the base funding level currently in the Dole bill and then add to it. This amendment does not alter the initial grant in the Dole bill. This takes the initial grant level, applies the poverty data supplied by the Bureau of the Census, and simply says, as the House in its wisdom did, that that data is used objectively to determine any additional funds which are provided to each and every State. So, Mr. President, your State would benefit from that. My State would benefit from that for sure. That is what this amendment does.

Let me conclude on this amendment by saying that this is not a matter of ''winners'' and ''losers.'' It is a matter of accuracy and fairness involving the distribution of Federal funds. I think it is very difficult for anyone to argue against that.

I ask unanimous consent that the amendment be temporarily set aside.

Mr. NICKLES. If the Senator from California will yield, I appreciate her amendment, and I want to thank her for coming to the floor and offering her amendment. I see other colleagues, as well as the Senator from Illinois. I again urge other Senators, if they have amendments, I think we will be lot more receptive and also it will expedite the consideration of those amendments for tomorrow or on Monday.

I do not know that this—as a matter of fact, I doubt that allocation amendments are the ones that will be readily agreed upon because some States win and some States lose. Allocation formulas are always contested in almost any type of bill like this, whether it is a highway bill or a welfare bill or other allocations. The allocation formula the Senator is proposing under her amendment would be identical to the one now currently in the House bill.

Mrs. FEINSTEIN. It is the same basis. That is correct.

Mr. NICKLES. The amendment is directed toward States that have increases in welfare population.

Mrs. FEINSTEIN. That is correct any and all States.

Mr. NICKLES. Welfare population being defined as welfare children, or just total welfare population of the States.

Mrs. FEINSTEIN. It is defined as increase in poor populations measured by current census data.

Mr. NICKLES. The information that the Senator handed out, the distribution formula that she is recommending and the impact on the States is on actually the second page of the handout but recorded as page 4.

Is that correct?

Mrs. FEINSTEIN. I did not bring those with me because we are making charts, and we were called, and we came down before the charts were ready, I am afraid.

Mr. NICKLES. I have a couple of charts. I want to make sure. I will confer with my colleague and friend.

Mrs. FEINSTEIN. There are four charts. If I can take a look at them when we finish, I would be happy to.

The Senator is absolutely correct. I know the formula is going to be difficult to change. If it looks like a growth formula, if it is named like a growth formula, it ought to talk and walk like a growth formula. That is all I am saying.

More States are benefited by this. I think 27 States fare better than in the underlying bill are clearly benefited by this, and States which do not experience an increase are held harmless.

Mr. NICKLES. If my colleague will yield further, she has 27 States that would presumably do better under the great portion of the bill, not the entire bill.

Mrs. FEINSTEIN. That is correct.

Mr. NICKLES. The Senator's amendment is allocating the money set aside for growth States, and under her proposed distribution it would increase benefits under that portion of the fund to 27 States as compared to 10 States. In other words, under the Dole proposal.

Mrs. FEINSTEIN. As compared to 19 States. The Dole proposal, as we understand it, benefits only 19 States. My amendment benefits all States. I would be happy to debate it. If I am wrong, I would be happy to admit it. This is our belief. Our formula would benefit 27 States, beyond those in the Dole bill, and would hold everybody else harmless. So nobody would go below what their 1996 level is.

Mr. NICKLES. Let me further try to clarify so I will know and maybe just help us tomorrow when we are considering these amendments.

Under the proposal of the Senator from California, it benefits 27 States. You do not change the amount of money. So you spread it out over a few more States. Senator DOLE's proposal would have additional for the growth States that have large increases in poverty. It would benefit 19 States. So presumably they would do a little bit better. So you are dividing up the same amount of money as compared to your growth proposal. We will have charts to make an analysis or comparison under both proposals.

Mrs. FEINSTEIN. They are not necessarily all of the growth States that are benefited.

Mr. NICKLES. Mr. President, I thank my colleague. Senator DOLE's proposal, I believe, is directed toward States that have significant increases in growth in poverty. And my guess is—I have not studied these charts—but he talks about the growth funds for States that have significant increases in poverty. Yours maybe is a little broader distribution.

I will tell my colleagues that there is a dispute on both sides of the aisle. This is probably not a partisan amendment as such because people wrestle with distribution formulas, and trying to come up with most equitable formula is not always the easiest thing to do, particularly if they have a lot of inequities in past distribution formulas which we have had with different programs.

But I, again, want to thank the Senator from California for offering her amendment and sending it to the desk.

Does the Senator also have another amendment?

Mrs. FEINSTEIN. That is correct, for tonight.

Let me just say what I understand the Dole does in this area. Then if I am wrong, I would be happy to know that.

These funds apply, if two things are met: one, the State's welfare spending is less than the national average of State spending; and, second, population growth is greater than the national population growth. That does not necessarily relate to welfare population growth. That is one problem that I have with it.

AMENDMENT NO. 2470 TO AMENDMENT NO. 2280

(Purpose: To impose a child support obligation on paternal grandparents in cases in which both parents are minors)

Mrs. FEINSTEIN. If I may, I now send the second amendment to the desk and I ask for its consideration

The PRESIDING OFFICER. Without objection, the pending amendment is temporarily set aside, and the clerk will report.

The bill clerk read as follows:

The Senator from California (Mrs. FEINSTEIN) proposes an amendment numbered 2470 to amendment No. 2280.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 654, between lines 15 and 16, insert the following:

SEC. . ENFORCEMENT OF ORDERS AGAINST PATERNAL GRANDPARENTS IN CASES OF MINOR PARENTS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 915, 917(a), 923, 965, and 976, is amended by adding at the end the following new paragraph:

''(17) Procedures under which any child support order enforced under this part with respect to a child of minor parents, if the mother of such child is receiving assistance under the State grant under part A, shall be enforceable, jointly and severally, against the paternal grandparents of such child.''.

Mrs. FEINSTEIN. Mr. President, as I have listened to the debate, there has been a lot of talk about teenage pregnancy, youngsters impregnating youngsters, walking away from their responsibility, and really young children becoming pregnant, becoming teen mothers often by teen fathers. I have heard many Senators say we must stop this. I believe we have a way to send a major message to a constituency, and it is contained in this amendment.

What this amendment would do is say that every State must have in effect laws and procedures under which a child support order can be enforced, where both parents are minors, and, the mother is a minor receiving Federal assistance for the child, against the paternal grandparents of the child.

So if you are the mother and father of a boy child, and your boy child goes out and impregnates a minor girl who ends up on welfare as a result, you will be liable for a child support order against you as the parents of that young boy.

What I find increasingly is that child support is a growing crisis. This has also been debated—and, frankly, the lack of child support is one of the major causes of children living in poverty in my State; that is, the absence of child support—a parent, usually the father, not always, but usually it is the father that just walks off and does not support his child.

Well, if this is going to be a tough welfare bill, let us address it. Let us say, ''Parents, you are responsible for the behavior of your adolescent son. If your adolescent son is going to go out and get a young girl pregnant, you are going to have to pay for the uprearing and the child support of that offspring.''

I think the time has come for this kind of amendment. It is strong. It is an amendment that attributes family responsibility. It is an amendment that says parents of minors have responsibilities and one of those responsibilities is to see to it that their sons do not enter into this kind of conduct and then walk away from their responsibility.

So, I would now ask that that amendment be set aside.

I yield the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be set aside.

Mr. NICKLES. Mr. President, while my colleague from California is here, I have not had a chance to totally review her second amendment. I am very interested in this amendment. It is a tough amendment. If I understand it correctly, if my colleague from California will correct me if I misunderstood her statement, but the Senator's amendment would basically, if you have a minor with a child, a single parent—the paternal grandparents would be liable for what expense?

Mrs. FEINSTEIN. For the child support. A court order would be obtained and the parents of the male child would be responsible for the child support of that offspring.

Mr. NICKLES. Let me talk out loud or think out loud. So if you have a teenage mother, if you have in this case an unmarried single mother, and if there is a court order placed against the father for child support, if that is not collectible from the father, then the parents of the father in this case would be liable for the child support?

Mrs. FEINSTEIN. That is correct where the father is also a minor.

Mr. NICKLES. The primary responsibility would still be the father.

Mrs. FEINSTEIN. That is correct.

Mr. NICKLES. But if the father is delinquent, if the father is not available or unable to pay, for whatever reason, unemployed, you name it, then the parents of the absentee father in this case would be liable?

Mrs. FEINSTEIN. That is correct for minor fathers. And I would certainly welcome the Senator from Oklahoma looking at this. If there is any way he thinks it could be made better, I would be delighted.

Mr. NICKLES. I compliment my colleague from California for offering the amendment tonight. I appreciate that. I am interested in the amendment. It looks good from what I have seen. I will study it further and see if we can support it.

Mrs. FEINSTEIN. I thank the Senator.

Mr. SANTORUM. Mr. President, I join with the Senator from Oklahoma. Senator FEINSTEIN's second amendment, I think, is a positive amendment and one that maybe we can work on and get it accepted on both sides. I think it is a good amendment.

I am not as enthusiastic about the first amendment. In defense of Senator HUTCHISON, who really did an outstanding job on this side of the aisle in working on the issue of formulas and trying to bring some compromise into a very difficult issue, nobody is happy with allocations of formulas, as the Senator from Oklahoma said. There are States that win; there are States that lose. What we tried to do is hold at least everybody harmless. We did under the formula that is in the Dole bill and then provided some reasonable amount of money for growth. I guess what is really the bugaboo here is how we determine what growth is and what is fair.

I suggest to you that if the Senator from Texas [Mrs. HUTCHISON], were here, what she would say is what is fair should not be based on what is—a system that you receive money from the State based on how much money you put up, not on how many poor people you have but how much money you are willing to give to the poor people in your State. So if you are a State like California, which is a high-benefit State and puts up a lot of money, you get more Federal dollars. It is a match. The more you put up, the more money you get. And so as a result, States like California and, I would say, Pennsylvania where I am from, which is above average—not as high as California but above-average State as far as welfare dollars—get more money from the Federal Government because we are willing to put up more State dollars to match the Federal funds.

Now, that is an equitable system the way it exists today, but we are changing the system. Effective as a result of this bill's passage there is no more Federal match. There is no more every dollar we put up or every—I think it is roughly 50–50—every dollar we put up, you put up a dollar and we go on together.

What we do now is send a block grant to the States. Every State gets a block grant. What is that? It is an amount of money irrespective of anything else. Irrespective of how much you are contributing, we are going to give you an amount of money that you will be able to spend on AFDC to help mothers with children. It is not dependent anymore on how much money you put up. It is just a block grant.

Now, if we were going to design a block grant program from the start, if we did not have the existing AFDC program in place, how would we distribute that money? Well, let me tell you how it is distributed under the bill. It is distributed based on how much money you got last year.

Think about this. Now we are giving a block grant to take care of a population of children and in most cases mothers and we are basing it on last year's amount of money that the State got, which, of course, from last year,

was based on how much the State was willing to pony up to get Federal dollars and match it. It has no relation again to how many more persons but to how much the State was willing to spend.

So what happens, there are many States that are high-benefit States that are getting a lot more money per child than low-benefit States are getting per child. If we were going to design a program today from start—let us say we did not have an AFDC program, we had no poverty assistance program at the Federal level; we were going to start a program today—how would we design a model for helping children?

I suggest that what we would do is exactly what the Senator from California suggested. We should figure out how many poor people there are in the State, people eligible for welfare, for AFDC, and allocate so many dollars per person on welfare. We would take the number of people on welfare in the country, we would say here is how many dollars per person each State will get for that person on welfare and divide it up among the States. That would be a fair allocation formula. No child in California is worth more than a child in Mississippi or Vermont or Oklahoma.

But that is not what we did. We did not start out and say everybody is going to get the same irrespective. What we did was say children in California actually get more money because the State in the prior legislation, the current AFDC law contributed more so children in California get $200 per month per child and a person in Mississippi may get $50.

Now, what the Senator from California says is that, well, we are subsidizing these bad States like Mississippi that did not contribute a lot of money to help the people in their State.

I hear a lot from the other side of the aisle about we should not be punishing children—except, of course, if they happen to live in a State that is not a high-benefit State in this example because that is exactly what we do with the Feinstein amendment. We punish children who live in low-benefit States that continue to get low benefits under the current program.

What Senator HUTCHISON did was say, look, let us look at, since we now no longer require in this bill any kind of matching State funds—there is no maintenance-of-effort provision in this bill. California can completely pull the plug on every dollar of welfare spending that they are now required to spend to get the Federal match. They do not have to contribute a cent anymore and they get all the money. And they get two or three times as much per child as Mississippi. But now, again, California does not have to spend the money to get that money.

Now, how is it fair to say that California should get, because they are increasing in population, even more money per child than Mississippi which maybe is not growing as fast? If you look at it from the perspective of not what has been but what a fair allocation formula should be now based on a completely new model, you would suggest that States having low-benefit levels that are growing should be the recipients of the increasing growth funds to have their children come up to parity with States like California and Pennsylvania and New York and others.

That is what the Senator from Texas is suggesting. I would also suggest the Senator from California is doing her duty. She represents a mega-State, a State that has been very generous with welfare dollars, and under her allocation formula of the pot, I think California—I think it is about $1.5 billion, money that would be allocated over the next 7 years for these programs. They get roughly half the money in California under this program. It is a big chunk. California is a big State. It has one-eighth of the population of the country but they get about half the increase under this formula allocation.

If I was from California, I would design a program that got me half the money, too. I understand that. But it is not fair when you consider the new rules that we have put in place. No longer do we require match. That is the key here. California does not have to put up a penny to get this money anymore.

What we are saying is because we do not make them put up a penny anymore and because they are getting much more per child than I think any other State, with the possible exception of New York, we are not going to give them even more money because they happen to be growing. We are going to take care of the States that do not get a lot of money and that are growing also.

So that is the basis for this discussion. And so while it may, to the virgin ear on this subject, be a very appealing argument from the Senator from California that this is only fair, I mean we are growing and therefore we deserve more money, I would suggest that if we are looking at it for the sake of the child and not looking at where that child lives but looking at what the Federal Government's obligation is to a child under a new system where State matching dollars are irrelevant, then I would suggest that growth fund should be targeted to those States where the Federal contribution per child is the lowest. And that is what this amendment does.

I speak against my own interest in this case because Pennsylvania is not as high a benefit State as California but it is an above-average benefit State that is not going to receive any growth dollars according to the estimates. We are not going to receive a penny, and we would receive a small amount of increase under the Feinstein bill.

So it would be in my interest for Pennsylvania to vote for, I think it is $6 million. It is not a whole lot of money for Pennsylvania, but it is a little bit of money under the Feinstein amendment. That might be my benefit, but I do not think it is fair under the new allocation. I think it is fair to focus on the child, not where that child lives, in what State.

As the Senator from Connecticut said earlier in the day, this is a Federal problem and we should have a Federal solution. I did not agree with the second part. It is a Federal problem. We do not need Federal solutions, we need local solutions. But the dollars that come from Washington should be equitable across the country. That is what this growth formula attempts to do, to bring other States with lower benefits up to meet the average.

I know it is going to be a difficult vote. I happen to be from one of those States that does not benefit under the current growth funds but would under the Feinstein growth fund. You would be very tempted, and I know many Members will be, to jump on for your parochial interests.

No. 1, I think it would be very damaging for the long-term interests of this bill. I think it is absolutely unfair when you look at the child, not where the child lives and how much the Federal Government is paying per child. I think that should be the fundamental test of whether this formula is fair.

I know this is going to be a very heated issue. It is one that is going to be talked about tomorrow, and I know the Senator from Texas will be far more eloquent than I have been in defending her formula. I just want to commend the Senator from Texas, Senator HUTCHISON, one more time, for the tremendous work she did in putting together an allocation formula which no one thought could be done. We did not think we would be able to work this one out. This was the issue that was bogging us down.

When it comes to money, everybody gets real tightfisted around here. We were able to work out something which I think is defensible, not only from a political standpoint of folks being able to explain back home, but I think it is very defensible from a fairness perspective of what this bill actually accomplishes.

Mr. President, I yield the floor.

Ms. MOSELEY-BRAUN addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

AMENDMENT NO. 2471 TO AMENDMENT NO. 2280

(Purpose: To require States to establish a voucher program for providing assistance to minor children in families that are eligible for but do not receive assistance)

Ms. MOSELEY-BRAUN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Ms. MOSELEY-BRAUN] proposes an amendment numbered 2471 to amendment No. 2280.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent that the

reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 12, between lines 22 and 23, insert the following:

''(G) Assess and provide for the needs of a minor child who is eligible for the child voucher program established under subsection (c).

On page 15, between lines 19 and 20, insert the following:

''(d) CHILD VOUCHER PROGRAM.—

''(1) ELIGIBILITY.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall establish and operate a voucher program to provide assistance to each minor child who resides with a family that is eligible for but not receiving assistance under the State program as a result of any reason identified by the State, including—

''(i) the time limit imposed under section 405(b);

''(ii) a penalty imposed under section 404(d); or

''(iii) placement on a waiting list established by the State for recipients of assistance under the State program.

''(B) PERIODIC ASSESSMENTS.—The State shall conduct periodic assessments to determine the continued eligibility of a minor child for a voucher under this subsection.

''(2) AMOUNT OF VOUCHER.—

''(A) IN GENERAL.—The amount of a voucher provided under the program established under paragraph (1) shall be equal to—

''(i) the number of minor children in the family multiplied by

''(ii) the per capita assistance amount determined under subparagraph (B).

''(B) PER CAPITA ASSISTANCE AMOUNT.—For purposes of subparagraph (A), the per capita assistance amount is an amount equal to—

''(i) the amount of assistance that would have been provided to a family described in paragraph (1) under the State program; divided by

''(ii) the number of family members in such family.

''(3) USE OF VOUCHER.—A voucher provided under this subsection may be used to obtain—

''(A) housing;

''(B) food;

''(C) transportation;

''(D) child care; and

''(E) any other item or service that the State deems appropriate.

''(4) DELIVERY OF ITEMS OR SERVICES.—A State shall arrange for the delivery of or directly provide the items and services for which a voucher issued under this subsection may be used.

On page 15, line 20, strike ''(d)'' and insert ''(e)''.

On page 24, line 24, insert ''(including the operation of a child voucher program described in section 402(c))'' after ''part''.

Ms. MOSELEY-BRAUN. Mr. President, I attempted earlier today to speak to this issue in general, and now, I would like to speak to the issue of welfare reform and the legislation before us generally as well as file several amendments.

At the outset, I would like to say that, quite frankly, I am very pleased with the way this process is working. In spite of all the slogans and the political speeches and the hot buttons and the wedge issues, the fact is that because of this debate, we are undertaking a conversation among ourselves as legislators and, again, indeed with the country around the issue of welfare generally, welfare reform and the appropriate response to the challenge our current system poses to this nation.

Mr. President, I submit to you that this is an issue that, as the French would say—there is an old expression—''plus ca change, plus c'est la meme chose,'' the more things change, the more they remain the same.

Quite frankly, I brought to the attention of the Finance Committee, on which I serve as a member, an article that had appeared in the Chicago History magazine in their spring issue. The article was entitled ''Friendless Foundlings and Homeless Half-Orphans.'' The caption of the article said:

In 19th century Chicago, the debate over the care of needy children raised issues of Government versus private control and institutional versus family care.

The article goes on at great length and, indeed, I have some pictures here from the article that showed the condition of poor children in turn of the century Chicago sleeping in the gutters and the, turned over by their parents to orphanages, unable to be cared for because of the poverty of their parents. The homeless half-orphans title refers to women who during the turn of the century struggled to raise children alone and because of their economic circumstances could not afford to do so and were often called upon, compelled even, to turn their children over to halfway houses and orphanages and others in order to provide just for the basic sustenance of those children.

I raise this not to inflame this debate because I, again, very much appreciate the way and the tenor this debate has taken, certainly this evening, but really to begin talking about my amendment which calls on the States to establish a safety net for children, and to put that amendment in context.

Essentially, the amendment itself says that when all is said and done, if you will, at the end of the day, after the States, under the primary legislation, have made all their rules, that in the final analysis, no child—no child—in America will be left to fend for themselves, will be left without subsistence, will be left homeless, will be left hungry.

Bottom line, this amendment calls on us to make an affirmation of our commitment to provide for the children and to make certain that welfare reform does not become a subterfuge or outlet for punishing kids for the sins of their parents or the misfortune, indeed, of their parents to be born into poverty.

I think it is important for us to talk a little bit about welfare in the context of poverty as an issue, because really that is what it is. Welfare is not a stand-alone problem, it is not something you just say exists over here in a vacuum by itself. Welfare is not, and never has been, anything other than a response to poverty. It is a system, a set of rules that calls on a Federal-State relationship and cooperation, and we can debate, as no doubt we will and will continue to, what that relationship must be. But it, essentially, is a relationship between Government that calls on our national community to care for the welfare of poor children so that we do not have to go back to the friendless foundlings and the homeless half-orphans that plagued so many of our communities at the turn of the century in America.

So welfare reform then should, at a minimum—at a minimum—ask the question, and answer in the affirmative the question: What about the children? We must always have an answer that says that no State, no locality, no community, no part of our national community will allow for children to go homeless and to go hungry.

So this amendment requires the States to establish a child voucher program to provide services to minor children who reside in families that meet the State's income and resource criteria for the temporary assistance to needy family block grant, which is the name of the block grant in the underlying bill, but who are not receiving assistance. The amount of the voucher will be based on a pretime limit, per capita rate, and would be a total amount for each child.

The State would be called on, therefore, even if the parent did not qualify for failure to live up to the rules or for cutbacks or whatever reason, to assure that the children would be entitled to essential services through a voucher system.

The voucher would be paid to a third party that would provide the service. So a child living in a family which no longer qualified for assistance would still be assured of essential services. This amendment would assure that children, are not punished for their parents' behavior.

Let us talk a little bit about welfare for a moment. I think it is important to go back to the big picture issue—welfare as a response to poverty.

Right now, in this country, Mr. President, 22 percent of the children live in poverty. This is higher than in any other industrialized nation. One in every 5 children in America lives in poverty. That means that 15 million children live in poverty—40 million Americans total overall, but 15 million children live in poverty. That, Mr. President, is greater—frankly, it is 40 percent more than it was even in 1970.

To talk about what we mean in terms of poverty, for families of three, the poverty rate is $12,320 a year. A family of four is considered to be poor if they have an income of $14,800 a year. Mr. President, 53 percent of female-headed households in this Nation are poor, and 23 percent of American families overall are headed by women. So this becomes a problem of particular urgency for poor children, and particularly for poor women.

Our child poverty rate here in the United States is two times that of Australia and Canada. Our child poverty

rate is four times that of France, Sweden, Germany, and the Netherlands. And so we can see that child poverty is a particular problem here in the United States. It is a problem that has been addressed somewhat by the existence of what is known as welfare, the AFDC program. Again, AFDC is simply a response to poverty.

I have a chart, Mr. President, of child poverty rates among the industrialized countries. This is the most recent data available. As you can see, here is Finland, Sweden, Denmark, Switzerland. It goes from 2.5 percent up to the United States, which is 21.5 percent. We have a higher rate than Australia, Israel, the United Kingdom, Italy, Germany, France, The Netherlands, Austria, Norway, Belgium, Switzerland, Denmark, Sweden, and Finland.

Child poverty is a particular problem here in the United States. The gap between rich and poor children is greater in our country than in any other industrialized country. Affluent households with children in the United States—the top 10 percent in terms of wealth—are amongst the wealthiest children in the 18 industrialized countries that have been surveyed. Of the poorest, the bottom 10 percent of children in the United States in terms of wealth, we are the third poorest among the 18 industrialized countries surveyed.

So the disparity in the children of the wealthiest in the world and the children among the poorest is greater in this country than in any other industrialized nation.

I have another chart here. This depicts poor households with children. Here is the United States with $10,923. Affluent households average almost $65,536 annually. The length of the bars represent the gap between rich and poor children. As we can see, here in the United States, this gap is greater than anywhere else in the industrialized world.

So, as we approach the issue of welfare reform, we are approaching an issue of dealing with our response to a problem that is unique in the industrialized world and a problem that has been getting worse, not better.

The issue of welfare inflames passions in the United States. Without getting into the passions, I want to talk a little bit about the facts in terms of the AFDC program or what is known as the welfare program. As the Chair is no doubt aware, AFDC has been a response to poverty that has been with us for a while. The system has come under great challenge, and that is really why we are here right now, to debate the direction that we are going to take in terms of reforming this program. What we generally refer to as welfare is Aid to Families with Dependent Children, which was established under the Social Security Act of 1935. States obviously play a major role in operating this program. States define eligibility, the benefit levels, and actually administer the program. So, again, while we will talk further and in greater detail about the level of State involvement, the fact is that the States already make a huge determination about who will participate in the AFDC program.

Mr. President, presently there are some 14 million people receiving AFDC in the country. That is a lot of people. The fact of the matter is that that is about 5.3 percent of our total population. But I think a more stunning and compelling fact is not just that 14 million Americans receive some sort of assistance under the Aid to Families with Dependent Children, but that 9 million of those 14 million people are children; 9 million of those people are children. So we hear the discussion about folks not pulling the wagon and in the wagon having to be pulled and about whose fault all of these problems are and the like. I think it is important that we remain mindful of the fact that fully two-thirds—9 million out of 14 million—who will be the subject of what we do here, are children. Only 5 million of those people receiving AFDC are adults.

Of those 5 million adults, Mr. President, states reported that some 3.6 percent of their caseloads were disabled or incapacitated. That encompasses the people who are not able to work. So, really, of the folks we are talking about in terms of welfare reform, some 4.1 million out of the 14 million are able bodied and able to work. Certainly, we start this debate with the notion that anybody who can work should work, and anybody who can take care of themselves should be able to do so. The question becomes, however, what about the children? What do we do about the children?

I daresay, Mr. President, that right now the way this legislation before us is constructed, the children will lose out. There is no guarantee or commitment by our national community that the children will be protected by the decisions that get made at the State level. On the one hand, I think we can all agree that State flexibility is something that is a positive change, and States ought to be able to make decisions about how they handle their local population.

At the same time, legislation that does not provide a safety net for the children essentially penalizes those children and makes any child living here in the United States really at the mercy of their location or geography. So a child who lives in New York may well find himself in the presence of a benevolent State legislature and Governor and find himself cared for and not having to sleep in the streets, as in the original picture I showed you. A child in New York may benefit, and in another State a child may not. So the children, once again, become victims to fortune and victims to the accident of geography and the accident of their birth and of their address. It seems to me, Mr. President, that that is not a result that we as a national community should allow to happen.

By the way, Mr. President, I ask unanimous consent that a copy of the article ''Friendless Foundlings and Homeless Orphans'' be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Chicago History magazine, Spring, 1995]

FRIENDLESS FOUNDLINGS AND HOMELESS HALF-ORPHANS

(By Joan Gittens)

Editor's note: The debate over the care of dependent children is not new. In the following excerpt, Joan Gittens explores nineteenth-century attitudes towards child care in Illinois and Chicago.

There is perhaps no greater catastrophe for children than when their families, for whatever reason, no longer functions for them. Not only must they contend with emotional upheaval; they are left without caretakers and must look to the broader society for sustenance and protection. If they are fortunate, relatives or friends will step in and fill the gap—if not emotionally, at least on a practical level. The children unlucky enough to have no surrogate parents must look to the society at large to take an interest in their well-being. That this is at best a tenuous situation for a child is demonstrated by the prevalence of the pathetic and mistreated orphan in folk and popular culture.

Yet folklore could scarcely exaggerate life's hazards for children dependent on public bounty in Illinois. Despite the citizenry's occasional intense regard—usually when a particularly brutal story hit the newspapers—dependent children have been generally isolated, remote from public consciousness, and without natural allies. ''Their very innocence and inoffensiveness leads to their disregard,'' wrote one observer bitterly. ''They make no loud outcry and menace no one. Since there are so few voices raised in their behalf, it is not surprising that the persons charged with their care should be ignorant of any problems they present, and blind to their real interests.''

Besides being easy to ignore, dependent children have historically been costly to the state, requiring years of expense before they could become self-sufficient. How much the issue of their poverty has shaped their prospects the State Board of Charities noted late in the nineteenth century, citing the telling fact that as early as 1795 the territory of Illinois had created an orphans' court to deal with the estates of children who had lost their parents. The children most desperately in need, children without means or property, had no court to watch over their interests. They had instead the overseer of the poor, who could apprentice children from destitute families even over their parents' objections.

Another territorial law underscored the inferior protection accorded to dependent children. The law provided that apprentices and masters could take grievances to a justice of the peace to rule on, thus enforcing on the one hand the master's right to obedience and hard work and on the other the apprentice's right to decent treatment and competent education. The law specifically excluded from protection children apprenticed by the local poor law officials.

The conscious separation of ''the state's children'' from those with parents continued in the Poor Law of 1819, the social welfare law passed the year after Illinois attained statehood. But revisions of apprenticeship and poor laws in the next fifteen years reflected a growing sense that the state owed a more even-handed treatment to the vulnerable children who looked to them for support. The Apprenticeship Law of 1926 and the

Poor Law of 1833 made it the concern of the state that dependent children's apprenticeships be monitored to some extent by the probate judge, who was charged to keep the bonds of indenture in his office and to investigate indentured children's situations from time to time. The laws also articulated some of the expectations that the children might have: the right to decent treatment, adequate education, a new Bible, and two suits of clothes (suitable to their station in life) at the end of the apprenticeship. Masters still had great discretion to decide what was fit and proper treatment, but there was at least some sense that children dependent on the state had a right to proper care.

The Apprenticeship Law of 1826, in addition to voicing some concerns about the protection of dependent children, gave a further indication of an increasing sense of state responsibility by expanding the definition of children requiring state attention. This law gave wide latitude to the overseer of the poor in indenturing children whom he deemed to be inadequately cared for, like the children of beggars, habitual drunkards, and widows of ''bad character.'' This was the first recognition that the state might need to intercede even in families who had not turned to the overseers of the poor for help. And it was the first articulation that the state had an interest in doing more than warding off imminent starvation, that it also had an interest in the proper rearing of children and an obligation on some level to step in if such proper rearing was not going forward.

This concern about proper child rearing was a nineteenth-century phenomenon all across Western culture, but in the United States it was especially tied to the republican experiment that must have been very much on citizens' minds in 1826, that fiftieth-anniversary year of the Declaration of Independence. The adequate raising of children was a humanitarian concern, but it was also a practical matter for the survival of the noble but risky political enterprise that was the focus of so much anxiety and so much international attention. In the 1840s, the Illinois Supreme Court gave this rationale for the state's presumption to interfere in family life:

The power of chancery to interfere with and control, not only the estates but the persons and custody of all minors within the limits of its jurisdiction, is of very ancient origin, and can not now be questioned. This is a power which must necessarily exist somewhere in every well regulated society, and more especially in a republican government, where each man should be reared and educated under such influences that he may be qualified to exercise the rights of a freeman and take part in the government of the country. It is a duty, then, which the country owes as well to itself, as to the infant, to see that he is not abused, defrauded or neglected, and the infant has a right to this protection.

To some extent the laws dealing with the adult poor reflected increased humanitarian concern as well—Illinois outlawed the practice of auctioning off the destitute to the lowest bidder in 1827, for example—but it is striking that in its increased concern about neglected children, the state paid little or no heed to the rights of poor parents. Earlier poor laws had given the overseer of the poor the right to indenture children without parental consent if the family had become a charge upon the state, even if their poverty was only a temporary catastrophe. The 1826 law expanded the overseer's discretionary powers to decide on the fitness of parents, and while on the one hand that showed an increased concern for the well-being of children, it also reflected a callousness toward the civil rights of poor parents that had always pervaded American poor laws.

This cavalier approach toward destitute families remained characteristic of those engaged in child welfare right through the nineteenth century, a striking anomaly in a society where the sanctity of family ties was a paramount value. It was not until the end of the nineteenth century that some child welfare theorists would begin to argue for the rights of poor parents and to insist that the best care society could offer for children was to support them in their homes rather than removing them.

URBANIZATION AND THE GROWTH OF THE CHILD WELFARE PROBLEM

The growing awareness of children in need was a key characteristic of nineteenth-century social welfare endeavors. In Illinois, as in other areas of the country, this concern had its roots in a mix of philosophical, social, and practical considerations. The years before the Civil War saw an outpouring of reform efforts on all levels, and because of their vulnerability and dependence on adults, children were prime subjects of this heightened humanitarian sense. They appealed further because during the course of the nineteenth century the concept of childhood as a special stage of development grew apace, drawing the attention of everyone from popular novelists to learned theologians.

Nineteenth-century culture celebrated childhood's intuitive goodness and innocence, in contrast to the gloomy assessment of earlier centuries, which had seen children at best as profoundly ignorant and at worst as little bundles of depravity. Another reason for the attention to children's needs was the abiding concern that they be trained to be independent, responsible citizens, not merely for their own sake but for the health of the republic. Finally, attention turned to dependent children because their numbers swelled so markedly with the rapid growth of urban centers during the nineteenth century.

Chicago, a frontier outpost at its incorporation in 1833, grew in the next sixty-seven years to be the second largest city in the United States, an industrial center that attracted immigrants from all over the world. According to the national census, the population of Chicago was 4,470 people in 1840; 298,977 in 1870; and 1,698,575 in 1900. The rapid growth of the city brought great wealth to some, but it brought in its wake much suffering as well. Immigrants who came to the city seeking a better life sometimes found Chicago to be a place of opportunity, but many found themselves enmeshed in a web of poverty, depression, and squalor, and the devastating effects of urban life were particularly visible in children. In 1851 the city charter noted a group that greatly concerned officials: ''children who are destitute of proper parental care, wandering about the streets, committing mischief, and growing up in mendicancy, ignorance, idleness, and vice.'' These children, popularly called ''street arabs,'' were viewed as potential trouble makers and therefore received official attention early.

In addition to these children there were others affected by the disruption of city life. The legislature had made minimal legal provisions for illegitimate children, for example, in the early years of statehood; the presumption was that the mother would keep her baby and the town would support her and her child at subsistence level (and with the most grudging of attitudes) if the father could not be held to account and she could not manage for herself. But in the vast, anonymous city, a desperate mother could simply abandon her baby on the streets without busy neighbors discovering the desertion, as they would inevitably have done in a small town or rural setting. The increase of this phenomenon of deserted children, little ''foundlings'' as they were called, was a gruesome measure of the hazards that the city could hold in store for young women and their unwanted children.

Orphans as a group grew in number as well. All the dangers of disease were compounded by crowded city life, by filthy tenements and equally filthy and dangerous work places. Children could lose one or both parents to a host of diseases such as cholera, small pox, and tuberculosis. The United States suffered through three cholera epidemics, in 1832 and again in the 1840s and 1850s, and the fact that the disease was waterborne insured that the poor, crowded into tenements and using the foulest of water, were among the hardest hit by the recurring plagues.

''Half-orphans'' (the standard term for children who had lost one parent) also claimed the reluctant attention of the state. If the mother died, the children might come to the attention of the larger society because they stood in need of care and nurturing. It was possible that they would turn into some of the little ''street arabs'' about whom Chicago city officials expressed such concern. But a father's death, on a practical level, was even more catastrophic. Most poor families patched together their meager income from money brought in by fathers, mothers, and children; working men, although they were paid very little, were routinely paid more than women and children, and they made the largest contribution to the family income. Widowed mothers, ill-equipped to provide for their families, might find themselves turning to the city or county for help to support their children. Children were also left ''half-orphaned'' in fact, although not in law, by their father's desertion of the family. Sometimes this desertion was absolute; but Hull-House resident Julia Lathrop wryly noted ''the masculine expedient of temporary disappearance in the face of nonemployment or domestic complexity, or both,'' contending that ''the intermittent husband is a constant factor in the economic problem of many a household.''

Natural catastrophes like the Great Fire of 1871 were another cause of dependency in children, and family problems and the stresses of urban life were compounded as well by the labor unrest that characterized the last twenty-five years of the century. In addition, the country experienced a financial panic approximately every twenty years: in 1819, 1837, 1857, 1873 and 1893. In Chicago, the Panic of 1893 was delayed for a time by the Columbian Exposition, but with the close of the exhibition, jobs disappeared and all the severity of that worst of nineteenth-century depressions was visited on the city. The year 1894 was in many ways a terrible time for the poor of Chicago. Compounding the depression was the violence and bitterness of the Pullman Strike, and the ultimate defeat of organized labor in the prolonged struggle. A small-pox epidemic struck the city; and the winter was one of the worst on record. The dependency rate soared. Families who had never been able to save enough to have a cushion against disaster were utterly destroyed by such compounded misfortune and had to turn to the city and country for help.

THE STATE RESPONSE TO DEPENDENT CHILDREN

Although the vicissitudes of urban life and economic instability throughout the century greatly expanded both the number and types of children in need of help, public officials resisted innovation in dealing with the needs of dependent children, lumping them with the rest of the dependent population rather than addressing their particular needs as did the private organizations that began to

flourish in Chicago in the 1850s. In downstate Illinois, dependent children were still primarily indentured through the middle years of the century. An 1854 revision of the apprenticeship law manifested some special attention to children's needs, strengthening their right to basic education and protection by Poor Law officials who were to monitor their treatment and to ''defend them from all cruelty, neglect, and breach of contract on the part of their master.'' An 1874 law further defined the child's rights to proper care, specifically forbidding ''underserved or immoderate correction, unwholesome food, insufficient allowance of food, raiment or lodging, want of sufficient care or physic in sickness, want of instruction in their trade.'' Such bad behavior on the part of the master gave the state sufficient cause to end indentures. These revisions of the original apprenticeship law reflected the state's ambivalence about parental rights. The 1854 revision deleted the clause authorizing the removal of children from parents whom the overseer of the poor deemed unfit. But the 1874 law restored intervention to some degree, allowing the overseers of the poor to apprentice without parental consent any child ''who habitually begs for alms.''

Although the basic concept of apprenticeship for dependent children was shortly to reappear in social welfare parlance as the innovative notion of ''free foster homes,'' the whole system of formal, legal apprenticeship as a means of caring for dependent children was beginning to die out in nineteenth-century America. In northern Illinois counties, particularly Cook County, poor law officials instead placed children in the poorhouse, and this trend became state-wide by the end of the century. Most often children were in the poorhouse with their mothers, but a few orphans and illegitimate children ended up there as well.

The presence of children in the almshouse was an enduring affront to reformers. In 1853 a Cook County grand jury found the almshouse to be grossly inadequate, noting with disapproval that ''the section devoted to women and children is so crowded as to be very offensive.'' The physical conditions of this particular poorhouse did improve somewhat over time, but those who concerned themselves with child welfare universally accepted the maxim that the poorhouse was no fit place for children. Forty years and much reform agitation later, the situation was not significantly better. Julia Lathrop, who toured the Cook County poorhouse many times as a member of the State Board of Charities, wrote this description of the children there in 1894:

There are usually from fifty to seventy-five children, of whom a large proportion are young children with their mothers, a very few of whom are for adoption. The remainder, perhaps a third, are the residuum of all the orphan asylums and hospitals, children whom no one cares to adopt because they are unattractive or scarred or sickly. These children are sent to the public schools across the street from the poor-farm. Of course they wear hideous clothes, and of course the outside children sometimes jeer at them.

These children, as part of the poorhouse population, were among the most stigmatized and outcast members of nineteenth-century society. Nobody went to the poorhouse if they could help it. These institutions were deliberately set up to be as unattractive as possible, a meager social mechanism intended merely to sustain life in the dependent population. The poor, who could pay with no other currency, were expected to pay with their dignity for their board and room. Lathrop spoke of ''the absolute lack of privacy, the monotony and dul[l]ness, the discipline, the enforced cleanliness.'' Nor was enforced cleanliness always the problem. The poorhouse superintendent in Coles County reported in 1880, apparently without embarrassment, that he could not remember one bath having been taken in his sixteen years in charge. The institution's surroundings reflected his laissez faire approach to hygiene.

It was still possible for poor families to receive some measure of ''outdoor relief'' in most counties of the state in the mid to late nineteenth century, but such support was very limited. Nineteenth-century economic theory, reinforcing the already parsimonious attitude of Americans, posited that handouts merely increased dependency and led to the ''pauperizing'' of families, destroying their initiative and drive to do better. Poorhouses were set up to replace most outdoor relief, created with the notion that they must not be too attractive or they would be crowded with shiftless types simply trying to live on the bounty of the town. In reality, authorities need not have feared such a thing. Anyone who could possibly manage it stayed out of the poorhouse. Those who entered were the unfortunate souls who had no one to protect them or find them a tolerable situation in the outside world. Children shared the poorhouse with the chronically sick, the elderly poor, the insane, and the mentally and physically disabled, as well as the ''paupers'' who simply could not make an economic go of it on the outside. In Cook County, and elsewhere on a less grand scale, the essential misery of the poorhouse was compounded by corruption. The staff jobs were filled by patronage, and those in charge of the various wards were thus unlikely to be much exercised about the humane care of inmates.

One of the most critical voices raised against the abuses of the poorhouse and the presence of children there was that of the Board of State Commissioners of Public Charities, established by the legislature in 1869 to monitor and coordinate the various social welfare efforts throughout the state. The board's power was originally very restricted. ''The duties required of the commission are quite onerous,'' the First Biennial Report stated ruefully. ''The powers granted are very limited. The board has unlimited power of inspection, suggestion and recommendation, but no administrative power whatsoever.'' Still, the State Board could and did register vigorous disapproval, and it made enough impact so that a bill to dissolve the new monitoring agency was introduced into the legislature almost immediately. The bill failed, but hostile legislators were able to limit inspection dramatically at one point by cutting off all travel funds for the commissioners.

Despite such constraints, the State Board fulfilled an important function as the first official agency in the state to collect and tabulate information about the actual living conditions of dependent members of society, including children. For example, the board reported that in 1880 Illinois almshouses housed 386 children; forty were assessed as feebleminded, twenty-four diseased, fourteen defective, and eighty-three had been born in the almshouse. Of that eighty-three, seventy-nine were illegitimate, a fact pointed to by almshouse critics to illustrate their concern about the inadequate separation of the sexes in the institutions. Some poorhouses had schools or arranged that children should attend the public schools in the vicinity; but in many county almshouses, the children did not go to school at all. Still, there was no doubt in anyone's mind that these children were getting an education, a thorough grounding in the seamier side of life.

In 1879 there was a movement in Cook County to get children out of the almshouse and into private child care institutions. This effort revealed the prevailing attitudes of reformers toward the parents of children who were dependent because of poverty. Much negotiation was necessary to settle which orphanages were to take the children, since religious groups insisted that the children's religious affiliations be respected. Yet in all the negotiations, no one considered that the poorhouse mothers might have an opinion about the removal of their children. The private institutions involved required the termination of parental rights before they would take the children. When the mothers in the Cook County poorhouse learned that their children's well-being was to be bought at the expense of their parenthood, they protested vigorously but without success. Some reformers, in fact, expressed the view that the mothers' unwillingness to give up their children demonstrated their lack of affection for their families. But in the end, the mothers succeeded in making an eloquent statement about these high-handed methods. When the officials from the child care institutions arrived to pick up the children, they found that most of them were gone. To prevent their removal to the orphanages, the mothers had managed to find places outside the poorhouse for all but seventeen out of seventy-five children. The Cook County poorhouse had a rule that no parents who refused to give consent to the adoption of their children could enter the poorhouse, but in 1880, the county agent objected to the rule as inhumane and cruel. He refused to enforce the policy, and his stance meant that children began to enter the Cook County poorhouse again, with and without parents, less than a year after the ''rescue operation'' of 1879.

The concern that children were growing up in such a wretched setting did not disappear, despite the limited success of the Cook County effort, but it took another forty years for the Illinois legislature to close almshouses to children. In 1895 a law provided that orphan children could be removed from the poorhouse and placed in private homes, but only when a private charity or individual would assume the expenses connected with such placement. By 1900 a dozen states, beginning with Michigan in 1869, had ended the practice of putting children in the poorhouse, but Illinois proved more resistant to thoroughgoing reform. Finally, in 1919 the legislature passed a law limiting the time in the poorhouse to thirty days for girls under eighteen and boys under seventeen, after which other arrangements would have to be made for them. This effectively ended the use of the poorhouse as a child welfare institution. By that time the number of children in Illinois poorhouses had shrunk considerably: to 171 children in 1918 compared to 470 at the peak, 1886.

CHILD CARE INSTITUTIONS UNDER PUBLIC AUSPICES

Although the county poorhouses provided most of the public care of destitute children in nineteenth-century Illinois, no one made much of an argument to counter the accusations leveled against them of pinch-penny meanness and spiritual demoralization. In reality, they existed as the most frankly minimal of offerings for children in need, with a policy set far more by a consciousness of county expenditures than of children's welfare. Noted social welfare thinker Homer Folks remarked in 1900 that ''the states of Illinois and Missouri, notwithstanding their large cities have been singularly backward in making public provisions for destitute and neglected children.'' In fact, Illinois had only two child welfare institutions under public auspices during the nineteenth century, both far more specialized than the catch-all poorhouses provided by most counties. These

institutions were the Soldiers' Orphans' Home and, until 1870, the Chicago Reform School.

The Illinois Soldiers' Orphans' Home founded in 1865 in Normal, Illinois, was a state-funded institution for the care of children whose fathers had been killed or disabled in the Civil War. An institution with a limited purpose, the Soldiers' Orphans' Home was meant to close once its original population had been cared for. But in the 1870s the eligibility for care was broadened to include children of all Civil War veterans, an act that established the institution on a more permanent basis. Frequently the children were half-orphans whose mothers simply could not feed them any more. In 1872, for example, 532 out of 642 children had living mothers. In 1879, the superintendent gave this description of the newly arrived children for that year: ''The class now entering are, for the most part, young and in particularly destitute circumstances—those whom their mothers have struggled long and hard to keep, but who now find themselves, at the commencement of winter, without the means for support, and know they must either send them away to be cared for elsewhere, or permit them to remain at home to suffer. The state must now take these burdens of care and responsibility where the weary mothers lay them down.''

The separation of children from mothers unable to provide for them financially was a tragic constant in nineteenth-century children's institutions. At least at the Soldier's Orphans' Home there was some connection maintained between children and their families; mothers were not required to terminate their parental rights when they placed their children there, and it was not uncommon for the children in the institution to spend time, sometimes whole summers, with their mothers. The population of the home fluctuated with the season and with the economic climate of the times.

This enlightened aspect of the place, however, was not typical of the administration. The Soldier's Orphans' Home was often plagued by scandals and investigations, and the treatment of the children was very harsh. The fact that it was a publicly funded institution meant that it was scrutinized fairly intensively by the State Board of Charities, and the board found little to praise in the orphanage. The quality of administrators varied widely, since they were appointed by the governor. The first superintendent, Mrs. Ohr, was a Civil War colonel's widow with small children but no business capacity and a rapacious appetite for elegance, furnished at the expense of the state. In 1869, early in her tenure, both the Springfield Register and the Chicago Times voiced accusations about serious mistreatment of the children. Although Mrs. Ohr and her staff were exonerated, one steward was dismissed on the grounds that he had made sexual advances to a number of little girls in the institution. Mrs. Ohr weathered this upset, kept on because she was ''a mother to these orphans,'' in the words of the investigating committee. But eventually she went too far; a combination of totally ignoring the trustees' instructions, keeping the children from school in order to perform chores around the institutions, and thoroughly profligate spending finally ended her career at the Soldiers' Ophans' Home some twenty years after she had launched it.

The two superintendents who followed Mrs. Ohr were more business-like in their approach, but they had no training in the care of children, orphans or not; they were strictly political appointments. The most difficult regime for the children up to the turn of the century was that of a Republican politician named J. L. Magner, who was nicknamed ''the cattle driver'' by some of the Bloomington/Normal locals because of his harsh treatment of the children. There was consistent criticism that the children were made to work too hard, at tasks that were sometimes beyond them, and they were often kept home from school to work. One particularly distressing instance of work beyond the children's capacity was the scalding death of a three-year-old child, burned while being bathed by some of the older children of the institution.

Nor were the superintendents and their policies the only difficulty. The building, planned by a board of trustees with a poetical turn, was gracefully adorned with turrets and ''crowned with a tasteful observatory.'' But Frederick Wines secretary of the State Board of Charities, assessed the building as a thoroughgoing failure on a practical level. There were no closets, no playgrounds, only two bathrooms for over three hundred children, no infirmary, and no private quarters for the superintendent's family. Perhaps worst of all, there was no deep wellspring to supply water. The well went dry after the first year, and water had to be brought in by railroad. The Soldiers' Orphans' Home, beset by scandals and mismanagement, conjured up the worst fears of Illinois citizens about public institutions run badly because of patronage appointments.

The Chicago Reform School, also a public institution, won approval from most critics for efficient management and humane treatment of its inmates. But the school's involvement with pre-delinquent boys ended with the noted O'Connell decision of 1870, and the institution closed shortly after this. With the exception of the inadequate provision of the poorhouse, the responsibility for dependent children in Chicago, from 1871 to the end of the century, was under private auspices.

THE GROWTH OF PRIVATE INSTITUTIONS IN THE 19TH CENTURY

The state's minimal response to dependent children was an obdurate problem in the nineteenth century. An equally disorganizing feature of child welfare in Illinois resulting from state reluctance was the proliferation of private agencies to care for children. These institutions mushroomed in the state (particularly in Chicago) in the last half of the nineteenth century, offering a wide variety of services to children, based in part on their religious and cultural identification and in part on the variety of needs that the complex crises of urban life created. These agencies, originally meant to fill the gap left by the inadequacy of state responses quickly because entrenched in the public life of the city. Their presence contributed to the fragmentation that would plague child welfare efforts in Illinois through the twentieth century, resulting in a lack of coordination that left many dependent children unserved. By the end of the nineteenth century, critics in Illinois and around the country began to see the dominance of private agencies as a negative and talk in terms of a stronger state organization; but in the mid-nineteenth century, the private child welfare institutions were autonomous, both organizationally and financially, not always by their own choosing.

The Chicago Orphan Asylum, founded in 1848 to respond to the crisis of the cholera epidemic of that year, was the first orphanage in Cook County. It was followed in 1849 by the Roman Catholic Orphan Asylum, which aimed to serve Catholic children and keep them out of the Protestant Chicago Orphan Asylum. This carving out of religious turf, begun so early in the history of child care institutions was to be a major factor in the development of orphanages in Chicago. In addition to a competition among religions for the care of children, a strong sense of ethnicity motivated founders of these institutions. Chicago had institutions representing all nationalities; there were German orphanages, Irish orphanages, Swedish, Polish, Lithuanian, and Jewish orphanages, as well as institutions founded by ''native Americans'' of English stock.

Besides motives of religion and ethnicity, institutions developed to respond to a variety of needs among children. Many of them took in the children of the poor but insisted that parents relinquish their rights to the children before they were accepted. A few, like the Chicago Nursery and Half-Orphan Asylum, were founded to offer support to working mothers who could not keep their children at home, yet wanted to preserve their families. The children lived at the institution, but mothers were expected to visit them regularly and contribute something toward their children's support. The Chicago Home for the Friendless originally took in homeless and battered women as well as children but soon revised its mission to focus on only on children. The Chicago Foundling Hospital specialized in caring for the abandoned infants found with such appalling regularity on the streets and brought by the police to the institution for what care and comfort it could offer. The mortality rate in foundling hospitals was always shockingly high; the babies had frequently suffered from exposure, and feeding them adequately and safely, in the days before infant formula and pasteurized milk, posed a major problem. The desertion of infants was a disturbing and highly visible form of child mistreatment, provoking an 1887 law that made such abandonment a crime resulting in automatically terminated parental rights. But not all children left at the foundling hospital were abandoned on the streets. Dr. William Shipman, founder of the hospital, witnessed a poignant scene in which a mother and her little boy said a heartbroken farewell to their baby before placing it in the champagne basket used as a receptacle outside the foundling hospital. In typical nineteenth century fashion. Shipman sympathized with a mother pushed to such lengths, yet his assistance took the form of only taking the baby, not of investigating ways that the family might stay together.

One development among private institutions that especially reflected the growing awareness of children and their needs was the Illinois Humane Society, which began its child saving work in 1877. By the time the population of Cook County had begun its phenomenal growth, going from 43,383 people in 1850 to 607,524 in 1880. Both the stresses of city life and its anonymity provoked child abuse, according to Oscar Dudley, director of the Illinois Humane Society, who observed that ''what is everybody's business is nobody's business''; and thus children could be terribly treated by parents and guardians even though there were laws in effect to protect them. The Humane Society originally began as the Society for the Prevention of Cruelty to Animals, but in 1877, Director Dudley transferred the society's attention to cruelty against children by arresting an abusive guardian. There was, he wrote, ''no reason that a child should not be entitled to as much protection under the law as a dumb animal.'' The Illinois Society for the Prevention of Cruelty to Animals changed its name to the Illinois Humane Society in 1881, recognizing that over two-thirds of its investigations involved cruelty against children rather than animals. Dudley asserted that from 1881, when the Humane Society began to keep records, until the time that he was writing (1893), over ten thousand children had been rescued.

The rescue operations were broadened from cases of abuse to the protection of children exploited by their employers, particularly when children were forced to beg or were entertainers or victims of the infamous padrone system. Dudley reported great success in finding asylums and homes for these children, a situation receiving tacit approval from the state, which did not at this point assume responsibility for neglected or abused children or supervise private child placement activities.

STATE INVOLVEMENT IN THE LATE 19TH CENTURY

The only real state or city involvement with private institutions originally was that the mayor, acting as guardian for dependent children, had the power to place them in child care institutions. The city of Chicago (where most of the children's institutions flourished), the surrounding countries, and the state of Illinois all proved very reluctant to contribute financially to private institutions. The city did give very occasional assistance, in times of real crisis like the cholera epidemics or the Great Fire of 1871, but it was limited in quantity and very episodic. The most the city would do for the Chicago Nursery and Half-Orphan Asylum, for example, was to provide that the city could buy or lease the land upon which the asylum would be built. For the Englewood Infant Nursery, the assistance was even more meager: in 1893 the city provided ten tons of hard coal and burial space for dead babies. For the children who managed to survive, the funding had to come from other sources.

The state did make one major concession in funding when it agreed to provide subsidies for the industrial schools that developed in the last years of the century. The schools were modeled after English institutions made famous by the renowned English reformer Mary Carpenter, who in the 1870s and 1880s enjoyed considerable influence in the United States. The primary point of the schools, reflecting the use of the word ''industrial,'' was to train children to earn their own living in later life, although in fact the training tended to be geared much more toward a traditional agricultural economy than toward anything having to do with industry. Boys learned farming, some shoe and broommaking, woodcarving and academic subjects. Girls were primarily given a common school education and taught domestic skills.

The willingness to fund the industrial schools was traceable to their mission: they were founded to deal with older, predelinquent street children who threatened the public order by begging, consorting with objectional characters, or living in houses of ill-fame. The law establishing industrial schools added that children in the poorhouse were proper subjects for the schools, which meant that in practice there was a mix of younger veterans of the street. The State Board of Charities, which inspected the schools, objected to this mix, but the industrial schools survived this criticism, as well as a series of court challenges ranging from civil liberties concerns to objections that the schools were sectarian institutions and therefore not appropriate recipients of state funds.

The development of the subsidy system, the state funding of private institutions on an amount-per-child basis, was a phenomenon noted by Homer Folks in The Care of the Destitute, Neglected and Dependent Children, his end-of-the-century assessment of child care trends in the United States. Neither Folks nor other observers of current philanthropic trends, groups like the national Conference of Charities and the Illinois State Board of Charities, really approved of such an arrangement. They urged Illinois to move in the direction of states like Kansas and Iowa, which had converted veterans' orphans' homes similar to the Illinois Soldiers' Orphans' Home to state institutions that served all dependent children, regardless of religion, ethnicity, or parental status. These states and others around the country were moving toward a point where the state assumed primary responsibility for dependent children, not by warehousing them in local poorhouses but by placing them in state-run, central institutions from which they were placed out into foster and adoptive homes. This system of central state control was known as the ''Michigan Plan,'' after the first state to enact the policy. Illinois's neighbors Wisconsin and Minnesota, as well as Michigan, had state institutions for dependent children, winning the approval of child welfare theorists who applauded such centralization. It was, they argued, more efficient and economical, providing children with far better, more consistent care than Illinois's system, where a child might be placed with a superb private agency but might also be made to endure the grim inadequacies of the poorhouse.

''The real contest, if such it may be called,'' wrote Folks in 1900, ''will be between the state and the contract or subsidy systems. To put it plainly, the question now being decided is this—is our public administration sufficiently honest and efficient to be entrusted with the management of a system for the care of destitute children, or must we turn that branch of public service over to private charitable corporations, leaving to public officials the functions of paying the bills; and of exercising such supervision over the workings of the plan as may be possible? ''Illinois was seen as nonprogressive in its increasing use of the subsidy system, allowing private agencies to dominate the field while the state remained relatively uninvolved in the care and protection of dependent children.

This minimal level of state involvement offended against another philanthropic tenet, the idea that the state should have a monitoring function over all agencies, public and private, as well as keeping in touch with children who had been placed in families. The State Board of Charities did visit the industrial schools, which got public funds, but it was not until the Juvenile Court Act was passed in 1899 that the State Board was given responsibility for inspection of private as well as public agencies for children.

Another significant change from an earlier view, at least among the more ''advanced'' thinkers, was a rejection of institutions as the best substitute for a child's family. In the nineteenth century, institutions and asylums of all kinds had sprung up, not only in Illinois but all across the United States. Asylums were not intended to be a dumping ground for society's unfortunates, as the county poorhouses were, but were rather supposed to be a specialized environment in which the needs of a particular dependent population could be met most effectively. But it was not long before a set of critics arose who stressed the negative effects of institutions and urged that institutional life should be resorted to only under special circumstances or on a very temporary basis. For special cases, like the handicapped, perhaps institutions could provide resources and training that they would not receive elsewhere, these critics agreed; but for children whose greatest problem was that for one reason or another their families were not functioning, the negative effects of institutions far outweighed the positive aspects.

According to the anti-institutional analysis, the regimentation in institutions was destructive of initiative and individuality. The qualities that brought rewards in an institutional setting—mindless obedience, dependence, obsequiousness—were the very traits that all agreed were destructive to the forming of a healthy, independence adult citizen. Furthermore, institutions by their nature seemed to foster abuse and bad treatment. Exposes and investigations of various institutions featured accusations of physical cruelty and psychological debasement.

Institutions were expensive, physically and psychologically barren, and downright unnatural for children, according to Charles Loring Brace, a minister who worked for the Children's Aid Society of New York. Brace began a program that took the street children of New York City and sought to improve their lives not by placing them in the highly controlled environment of an institution but by resettling them in homes in midwestern and western states such as Illinois. He was convinced that the best solution for children in need of placement was to provide homes in the simplest and most direct way, relying as much as possible on the basic goodness that he believed informed the souls of most Americans, especially those who still lived away from the corrupting city in the virtue-producing agricultural heartland of the nation. The methods of the Children's Aid Society reflected the simplicity of Brace's moral equation. Brace and his associates would arrive in a western town with a trainload of children, and using the medium of the local churches, would call upon citizens to give these needy young people a home. The entire plan of ''free foster homes'' was really only an updated version of apprenticeship, in which the child agreed to work in exchange for care and training, except that this child-placing organization, aided by such technological developments as the railroads, reached much farther afield than the overseers of the poor had done in earlier times. Free foster homes differed further in that they were no legal bonds struck at all between the child and his foster family. Brace firmly believed that a child who brought a willing pair of hands to a family would be valued accordingly and could safely count on good treatment in his new home.

This notion proved, not surprisingly, to be overly sanguine, as the Children's Aid Society came to discover when the accusations began to grow in the later years of the century that New York was not really solving children's problems by the use of its ''Children West'' program but was merely dumping one of its troublesome populations onto other states. At various times the Children's Aid Society conducted surveys and studies of its ''alumni,'' claiming a very high success rate for the program, but critics questioned the quality of these studies, and oppositions to Brace's program continued. The 1899 Illinois Juvenile Court Act forbade any agencies to bring children unaccompanied by their parents or guardians, without the approval of the State Board of Charities. This was partly a protection against the importing of child labor in Illinois, but it was a response as well to organizations like the Children's Aid Society. The law included the provision that any child who became a public charge within five years of arrival in Illinois should be removed to his or her home state.

The notion of placing children in families and the belief that normal family life was a far healthier situation than institutions was firmly entrenched in child welfare thinking by the end of the century. But the earlier, more naive, notion that foster families could be trusted to care for dependent children without supervision had been replaced in philanthropic thinking by a belief that it was important for an outside agency regularly to check on the child and act in his behalf. Coupled with this was the beginning of

a move away from ''free'' foster homes to the belief that boarding homes, foster homes in which a family got payment for keeping the foster child, were most productive of humane treatment. Child welfare theorists and practitioners worried that if a family's greatest inducement to take a foster child was the child's potential economic contribution, there might be a strong incentive for them to over-burden him with work, at the expense of his academic education, which reformers were coming more and more to see as the true and proper occupation of childhood.

One final change in philanthropic theory that saw little reflection in practice but was to bring about a revolution in twentieth-century social welfare was the growing conviction that the best thing that could be done for children was to keep them with their families whenever possible. Students of society came increasingly to regard poverty as a result of faulty economic and social structure rather than of personal failings of feckless or lazy individuals, and they disapproved of the kind of casual invasion of poor families' lives that could demand the sacrifice of parental rights in return for assistance. This belief in the preservation of the family became a basic underpinning of the social welfare faith as it was articulated in the next fifty years, and the state of Illinois, with its experiment in mothers' pension programs, was to be in the forefront of progressive practice in this area.

In the last decade of the nineteenth century, through, the innovations that would make Illinois notable a few years later were nowhere in sight. Surrounded by vigorous neighbors, Illinois was considered conservative in its reluctance to deal with its child welfare functions and in its willingness to relinquish the charge to private agencies. In fact, the state's attitude toward dependent children had changed very little in the course of the nineteenth century. The first laws and provisions for dependent children had reflected a lack of ardor bordering on indifference, and at the end of the century, the state's engagement in child welfare, despite the crisis engendered by rapid growth and economic stress, was tepid at best. The combination of fiscal conservatism and ethnic and religious tensions meant that state action was regarded with suspicion in many quarters and kept efforts fragmented and inadequate to the need. There was also a fear that the patronage and corruption for which Illinois was already famous might make state administration of programs for dependent children less effective than privately run efforts. Ironically, it was in part this very disorganization and inaction that would lead to the founding of the Juvenile Court and bring Illinois, however briefly, within the pale of reformers' approval.

FOR FURTHER READING

The Historical Society Library has numerous pamphlets, annual reports, and other materials from institutions such as the Chicago Nursery and Half-Orphan Asylum, the Chicago Home for the Friendless, and the Chicago Foundlings' Hospital. For a broad historical perspective on the United States's care for needy children, see Joseph Hawes's The Children's Rights Movement: A History of Advocacy and Protection (Boston: Twayne Publishers, 1991) and James Leiby's A History of Social Welfare and Social Welfare and Social Work in the United States (New York: Columbia University Press, 1978). To learn more about child welfare reform between the Progressive era and the New Deal, see Mina Carson's Settlement Folk: Social Thought and the American Settlement Movement, 1885–1930 (Chicago: The University of Chicago Press, 1990) and Robyn Muncy's Creating a Female Dominion in American Reform, 1890–1935 (New York: Oxford University Press, 1991). Marilyn Irvin Holt's The Orphan Trains: Placing Out in America (Lincoln: The University of Nebraska Press, 1992) discusses one nineteenth-century solution to the plight of urban orphans.

Ms. MOSELEY-BRAUN. So, Mr. President, in order to make certain that we do not have this accident of geography become the difference between children sleeping in the streets or children provided for and given sustenance—food and shelter—I have proposed this amendment, which says that the safety net will, in any event, be there for the children. And that child poverty, which is a national issue for us as Americans, will not then become balkanized in terms of the response that is given by the Government, that our national community recognizes that child poverty is a national issue, and child welfare, in the final analysis, has to have at least a national safety net. And that is what this first amendment provides.

Mr. President, with regard to this amendment I understand that these amendments will be taken up tomorrow. Let me say also that there are tables that I ask unanimous consent to have printed in the RECORD showing the number of children who will be denied or who are in jeopardy of being denied assistance by virtue of the operation of the underlying legislation.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

PRELIMINARY ESTIMATE OF THE NUMBER OF CHILDREN DENIED AFDC DUE TO THE 60 MONTH TIME LIMIT IN THE SENATE REPUBLICAN LEADERSHIP PLAN

State	Projected number of children on AFDC in 2005 under current law	Number of children denied AFDC because the family received AFDC for more than 60 months	Percentage of children denied AFDC because the family received AFDC for more than 60 months
Alabama	122,000	37,000	30
Alaska	30,000	8,000	27
Arizona	170,000	46,000	27
Arkansas	63,000	20,000	32
California	2,241,000	807,000	36
Colorado	101,000	28,000	28
Connecticut	136,000	41,000	30
Delaware	28,000	8,000	29
District of Columbia	56,000	21,000	38
Florida	605,000	156,000	26
Georgia	348,000	116,000	33
Hawaii	48,000	15,000	31
Idaho	17,000	4,000	24
Illinois	598,000	203,000	34
Indiana	177,000	56,000	32
Iowa	82,000	25,000	30
Kansas	73,000	22,000	30
Kentucky	187,000	59,000	32
Louisiana	235,000	81,000	34
Maine	55,000	19,000	35
Maryland	185,000	59,000	32
Massachusetts	256,000	82,000	32
Michigan	553,000	217,000	39
Minnesota	155,000	50,000	32
Mississippi	153,000	53,000	35
Missouri	218,000	73,000	33
Montana	28,000	7,000	25
Nebraska	39,000	12,000	31
Nevada	30,000	9,000	30
New Hampshire	24,000	7,000	29
New Jersey	302,000	100,000	33
New Mexico	72,000	19,000	26
New York	917,000	303,000	33
North Carolina	281,000	88,000	31
North Dakota	15,000	5,000	33
Ohio	597,000	171,000	29
Oklahoma	111,000	37,000	33
Oregon	97,000	30,000	31
Pennsylvania	517,000	194,000	38
Rhode Island	52,000	16,000	31
South Carolina	135,000	37,000	27
South Dakota	18,000	6,000	33
Tennessee	246,000	75,000	30
Texas	670,000	185,000	28
Utah	45,000	12,000	27
Vermont	22,000	7,000	32
Virginia	166,000	50,000	30
Washington	237,000	75,000	32
West Virginia	93,000	33,000	35
Wisconsin	205,000	61,000	30
Wyoming	14,000	4,000	29
Territories	173,000	47,000	27
Total	12,000,000	3,900,000	33

HHS/ASPE analysis. States may not sum to total due to rounding.
The analysis shows the impact at full implementation.
It assumes States utilize a 15 percent hardship exemption from the time limit as permitted under the bill.

Child poverty rates among industrialized countries

	Percent
Finland	2.5
Sweden	2.7
Denmark	3.3
Switzerland	3.3
Belgium	3.8
Luxembourg	4.1
Norway	4.6
Austria	4.8
Netherlands	6.2
France	6.5
Germany (West)	6.8
Italy	9.6
United Kingdom	9.9
Israel	11.1
Ireland	12.0
Canada	13.5
Australia	14.0
United States	21.5

Ms. MOSELEY-BRAUN. Mr. President, in my State of Illinois, quite frankly, it suggests some 34 percent of the children may be denied AFDC or may be denied subsistence if the family violates the time limitation rule, which would translate, Mr. President, in some 203,000 children being at risk of homelessness, being at risk of hunger.

I do not believe, Mr. President, that we can take the kind of chances to allow our children to once again end up as homeless half-orphans and friendless foundlings. We have to assure our national commitment is to child welfare, and that the safety of our children is a paramount concern and one that will not be abrogated without regard to what we do with regard to this legislation overall. It is for that purpose that I file and submit this first amendment.

UNANIMOUS-CONSENT AGREEMENT

Mr. NICKLES. Mr. President, I make a unanimous consent agreement request. I ask unanimous consent that all amendments to H.R. 4 must be offered by 5 p.m. tomorrow; that if cloture is filed in relation to H.R. 4 or an amendment thereto that the vote not

occur on that cloture motion prior to 6 p.m. on Wednesday, September 13; that no amendment be given more than 4 hours equally divided; and the two leaders have up to 10 relevant amendments that would not have to be offered by 5 p.m. tomorrow.

The PRESIDING OFFICER (Mr. BURNS). Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I thank my friend and my colleagues on both sides of the aisle.

I announce that there will be no further rollcall votes until morning. There will be votes tomorrow morning, votes starting at 9:30. We may have as many as three or four amendments we will be voting on, for Senators' information, so we ask them to be prompt. Again, no more votes tonight.

We will stay here for some additional time if Senators have additional amendments they wish to have considered. We will be happy to consider those. We have taken up a lot and we are setting those aside and so I think we are making some good progress on the bill.

Again, no further rollcall votes tonight, and we will have rollcall votes stacked tomorrow morning beginning at 9:30. I thank my friend and colleague from Illinois for allowing me to interrupt.

Ms. MOSELEY-BRAUN. Mr. President, I want to submit all of my amendments at this time. I want to make certain that I have enough time to discuss and file my amendment this evening.

AMENDMENT NO. 2472 TO AMENDMENT NO. 2280

(Purpose: To prohibit a State from imposing a time limit for assistance if the State has failed to provide work activity-related services to an adult individual in a family receiving assistance under the State program)

Ms. MOSELEY-BRAUN. Mr. President, my second amendment speaks to the issue of State responsibility. I call it a State responsibility amendment. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Ms. MOSELEY-BRAUN] proposes an amendment numbered 2472 to amendment No. 2280.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 40, between lines 16 and 17, insert the following:

''(4) FAILURE OF STATE TO PROVIDE WORK-ACTIVITY RELATED SERVICES.—The limitation described in paragraph (1) shall not apply to a family receiving assistance under this part if the State fails to provide the work experience, assistance in finding employment, and other work preparation activities and support services described in section 402(a)(1)(A)(ii) to the adult individual described in paragraph (1).

Ms. MOSELEY-BRAUN. The second amendment I call the State Responsibility Act. Essentially it says that States shall not just knock somebody, a family, off for failing to meet the work requirement unless they have helped them to try and find a job.

It is kind of basic. I will read it:

The limitation described . . . shall not apply to a family receiving assistance under this part if the State fails to provide the work experience, assistance in finding employment, and other work preparation activities.

Mr. President, the underlying legislation, has a cutoff for assistance and rules regarding work. For individuals who do not go to work, they will not receive any support.

That is fine, Mr. President. I think we can all agree again, anybody who can work should work and anybody who has children ought to be responsible in the first instance to take care of them.

However, Mr. President, it is also a reality that there are parts of this country in which frankly there are not the employment opportunities available that people can even take jobs.

The absence of jobs in some areas I think is a major problem and frankly defies some of the suggestions made here that the problem with people receiving public assistance is that they just do not want to work. The fact of the matter is that the problem in very many instances is that there are no jobs for people to work at. Even if they wanted to work there are no jobs.

In fact, in my own State, we have areas of my State in which unemployment ranges from 20 to 40 percent. The statistics indicate that 80 percent, frankly, of African-American males between the ages of 16- and 19-years-old in the city of Chicago are currently unemployed.

Mr. President, 55 percent of the 20- to 24-year-olds are out of work. It is not possible to move recipients into permanent private-sector jobs if there is no effort to provide or create those jobs and if the jobs are not there and if individuals have not been given some assistance in terms of transitioning.

Under the bill that we have before the Senate, the number of people participating in the work/job preparation activities is estimated to increase by over 161 percent by the year 2000. Again, that means that States like Illinois will receive some $444 million less in AFDC funds, but on the other hand be required to increase by 122 percent the number of people participating in work and job preparation activity.

Those numbers just do not fit. Eight into three will not go. The numbers do not add up therefore, I think it really is a real concern that States not be allowed to just kick people off without having done what the bill says they should do in providing people with transition to work.

The text of the legislation says that the State has to outline how they intend to ''provide a parent or caretaker in such families with work experience, assistance in finding employment and other work preparation activities and support services that the State find appropriate.''

Now, that is fine language. I have no problem with that. But the question becomes what if the State does not do this? What then happens to the families? What then happens to the children?

Again, this amendment simply, I think, seeks to clarify that in the event the State has not done that, has not provided work experience assistance in finding employment or the work for the work preparation activities, that the individual then will not be penalized for circumstances frankly that then are legitimately and, in a way that can be documented, beyond their control.

So that is the second amendment that I submit for consideration of my colleagues.

Mr. NICKLES. I appreciate the Senator offering her amendments tonight. Would the Senator please give us a copy of the amendments? I have a copy of your first amendment and comments or questions I might ask. If the Senator would like to go ahead, if we could have copies of both the second and third amendments, that would help.

Ms. MOSELEY-BRAUN. Absolutely. I thought I had provided the Senator with a copy, but I will give it to him right now.

This is the third amendment and this is the second.

AMENDMENT NO. 2473 TO AMENDMENT NO. 2280

(Purpose: To modify the job opportunities to certain low-income individuals program)

The PRESIDING OFFICER. If there is no objection, the previous amendment will be laid aside.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Ms. MOSELEY-BRAUN] proposes an amendment numbered 2473 to amendment No. 2280.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 122, between lines 11 and 12, insert the following:

SEC. 111. MODIFICATIONS TO THE JOB OPPORTUNITIES FOR CERTAIN LOW-INCOME INDIVIDUALS PROGRAM.

Section 505 of the Family Support Act of 1988 (42 U.S.C. 1315 note) is amended—

(1) in the heading, by striking **"DEMONSTRATION";**

(2) by striking ''demonstration'' each place it appears;

(3) in subsection (a), by striking ''in each of fiscal years'' and all that follows through ''10'' and inserting ''shall enter into agreements with'';

(4) in subsection (b)(3), by striking ''aid to families with dependent children under part A of title IV of the Social Security Act'' and inserting ''assistance under the State program funded part A of title IV of the Social Security Act in the State in which the individual resides'';

(5) in subsection (c)—

(A) in paragraph (1)(C), by striking ''aid to families with dependent children under part A of title IV of the Social Security Act'' and inserting ''assistance under the State program funded part A of title IV of the Social Security Act''; and

(B) in paragraph (2), by striking ''aid to families with dependent children under title IV of such Act'' and inserting ''assistance under the State program funded part A of title IV of the Social Security Act'';

(6) in subsection (d), by striking ''job opportunities and basic skills training program (as provided for under title IV of the Social Security Act'' and inserting ''the State program funded under part A of title IV of the Social Security Act''; and

(7) by striking subsections (e) through (g) and inserting the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of conducting projects under this section, there is authorized to be appropriated an amount not to exceed $25,000,000 for any fiscal year.''.

Redesignate the succeeding sections accordingly.

Ms. MOSELEY-BRAUN. Mr. President, I am actually delighted that the Senator from New York is on the floor at this moment, because this next amendment essentially makes permanent a part of the Family Support Act that establishes what is called the Job Opportunities for Low-income Individuals Program.

The JOLI Program—that is what it is called, JOLI, Job Opportunities for Low-income Individuals—is to create job opportunities for AFDC recipients and other low-income individuals. Grants can be made to private, nonprofit corporations to make investments in local business enterprises that will result in the creation of new jobs. This amendment authorizes appropriations for a program that is already in place as a demonstration program. This would make it permanent.

The rationale for the amendment is that the underlying bill does not provide any support at all for job creation. Even though S. 1120 requires some kind of work activity within 24 months, and eligibility for assistance ends after some 60 months, whether the individual has found a job or not. So, there is no question but that we will need to see a great creation of thousands of private-sector jobs in order to absorb the influx of new workers.

So the JOLI Program actually helps. It is working. It helps individuals to become self-sufficient through the development of microenterprises for economic development and other kinds of job training. The really good news about JOLI is that this is not reinventing the wheel. It is already in place. It was authorized under section 505 of the Family Support Act of 1988.

Under a recent evaluation of JOLI, the first 20 JOLI intermediaries—that is, community-based organizations that are the grantees—have assisted some 334 individuals to start or stabilize their own businesses, and it has assisted an additional 535 people to secure employment in jobs paying an average wage of about $8 an hour, which is really quite remarkable. Of the 869 low-income individuals benefiting from the demonstration program, most of them had become economically self-sufficient within a year of their involvement or interaction with the program.

So the JOLI Program addresses the scarcity of jobs in many urban as well as rural communities and recognizes the need to ensure that welfare recipients and other low-income people have access to employment opportunities in the private sector. It utilizes the capacity of community-based organizations and the private sector to develop jobs so individuals who right now are mired in poverty will have some options and have some hope, and will have the ability to take care of themselves and their families.

Again, we are talking about the 5 million people who are adults who are presently receiving public assistance and who will, therefore, hopefully, be given a hand up as opposed to a handout—will be given the ability to work, will be given the ability to care for themselves and their children. I think job creation is an integral part of any honest welfare reform that we undertake to have in this session of the Senate.

AMENDMENT NO. 2474 TO AMENDMENT NO. 2280

(Purpose: To prohibit a State from reserving grant funds for use in subsequent fiscal years if the State has reduced the amount of assistance provided to families under the State program in the preceding fiscal year)

Ms. MOSELEY-BRAUN. Mr. President, I have a last amendment I send to the desk.

The PRESIDING OFFICER. If there is no objection, the pending amendment will be set aside.

The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Illinois [Ms. MOSELEY-BRAUN] proposes an amendment numbered 2474 to amendment No. 2280.

Ms. MOSELEY-BRAUN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 25, strike lines 13 through 18, and insert the following:

''(3) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR ASSISTANCE.—

''(A) IN GENERAL.—A State may reserve amounts paid to the State under this part for any fiscal year for the purpose of providing, without fiscal year limitation, assistance under the State program operated under this part.

''(B) EXCEPTION.—In any fiscal year, a State may not exercise the authority described in subparagraph (A) if the State has reduced the amount of cash assistance provided per family member to families under the State program during the preceding fiscal year.

Ms. MOSELEY-BRAUN. Mr. President, this last amendment—again, this is one of these efforts to keep the worst from happening. Again, we all hope it does not happen, that the States are not less than responsible in their execution of the underlying bill. This amendment is designed to serve as a buttress against what has been characterized as the race to the bottom.

Essentially, if a State decides to cut its cash assistance benefits, to cut the amount that it spends to address the issue of poverty within that State, then that State will be prohibited from carrying forward unused block grant funds.

This is called—I call this the race-to-the-bottom amendment. The notion is, if we send the States this money in a block grant, there is nothing to prohibit that State from saying we do not want to have assistance for poor children. We are not going to address the issue of job creation. We are not going to train people to go back to work. We are not going to provide the children with any assistance. We are just going to further squeeze the amount of resources devoted to the whole issue of poverty in our State and we are going to take the money we get from the Federal Government and use that to go from year to year to year to year and not maintain our own effort.

If one State does it, then the next State would be incentivized, if you will, to do as much, which will then start—hopefully not, but might well start, if you will—a race to the bottom and a cycle of the States trying to underbid one another in terms of the amount of assistance that they provide for poor people who live in that State.

I think that would be a real tragedy. As a result, this amendment simply says that a State may not carry over funds from one year to the next if they have reduced the amount of benefits that are available for poor children and for poor families in that State.

Again, this stops the States from penalizing poor people in ways that would be inconsistent with the legislation. So it is, in that regard, simply a preventive, protective, prophylactic amendment, if you will.

The other reason for this legislation, just to be real candid in terms of the dollars, frankly, is that this legislation—because of the level of appropriations, it has been estimated that the States will, overall, have to cut. They will not have enough money, frankly, to do what is required of them in the legislation. CBO has already advised that most States will not have the money to provide for the kind of job training, the kinds of transition services—or certainly child care in this legislation. So, that being the case, there should not be any money left over. But in the event there is, I think we should put a buttress and a stop that says we are not going to allow States to engage in this race to the bottom, engage in this effort to see who can be the most punitive with regard to poor people in that State.

So that is the last amendment.

Mr. President, I want, in closing—and I have wanted to give my colleague a chance, so I kind of rushed through a little bit to try to speed up so he would

have the opportunity to present his amendment—to talk about this issue in another context.

I had occasion, back in my State, to meet with and work with a task force members came from all sectors—from the business sector, from the community activist sector, people who were advocates, actual welfare mothers served on the panel—to talk about the issues having to do with our response to poverty. I started my conversation this evening saying welfare is not and has never been anything other than a response to poverty; a response that engenders strong feelings, certainly, but that is what it is. We must not lose sight of the underlying issue as we approach the question of how well the response works.

The point is that I believe we have, when all is said and done—we can talk about differences in philosophy about block grants and whether or not there is too much Federal bureaucracy. Although, frankly, the numbers, by the way, do not support the notion that a whole lot of money that is presently dedicated to the AFDC Program goes into administration on the Federal level.

In fact, most of the administrative expenses take place at the State level. I think it is important that we make that point.

I think it is also important—and I am digressing here—to point out that because most of the administration takes place at the State and local level, it is likely that by operation of this new law, should it pass, the States will in fact be stuck with what has been called a huge unfunded mandate in that they will be called on to administer and to do things that they do not presently have the resources to do. And they are going to have to find the resources to do that from places other than the Federal Government. We will not be there to help out with State efforts to create jobs. We will not be there to help out with child care. We will not be there to help out with the administration of whatever the State response is. That is a fundamental problem I think with the underlying bill.

But the point that I really want to make is one that the Senator from New York I think has eloquently spoken to, and it does go to the fundamental issue of debate in all of this. That is the question of common ground. That is the issue of whether or not we have a commitment as a national community to address the issue of poverty, to address the issue of child welfare, or whether or not we are prepared to balkanize as a country into 50 different welfare systems, into 50 different responses to poverty, into 50 different approaches to child welfare, and whether or not the welfare and the well-being, the possibility of potential for hunger, the possibility of the potential for homelessness of a child in this country will depend on an accident of geography. It is bad enough that a child who is born into poverty suffers the accident of having been born poor. As a friend of mine once said, ''It is your own fault for being born to poor parents.'' I could not disagree with that point.

But the fact of matter is, we have to make sure that the accident of being born to poor parents is not exacerbated by where that took place.

The question is whether or not, as Americans, we will have the foresight to recognize that through this as the very central issue of the nature of our Federal Government, the nature of Federalism and the nature of our Nation and the kind of country that we will have. Will we have a country in which everyone recognizes that the welfare of a child in Oklahoma, in Nevada, or Iowa is as important to the Senator from California and the Senator from Illinois and the Senator from New York as the welfare of a child in his or her own State, or will we have a situation in which by virtue of the balkanization provided by this underlying bill, the only children about whose welfare you or I can have a say about are the children in the State from which we are elected?

I do not think, Mr. President, that is a direction that the American people want to see us fall off to.

As we talk about the devolution in Government, the devolution that we ought to consider to welfare work better, making it work efficiently, giving people opportunity, giving people an opportunity to go to work, giving children the kind of care and the kind of safety net that they need to have so that they will have opportunities, so they possibly will not have to be born to poor children, and their children, whether or not they will have to be born to poor parents, that their children will have a chance to do better.

That is, it seems to me, consistent with the American dream and is consistent with the whole concept of what this Nation is about.

I therefore hope that a direction that this bill takes in the final analysis, when all is said and done, and the amendments are put on it, that we reaffirm and not reject and walk away from our national commitment to address the issue of poverty and to provide for the welfare of all of our children.

Thank you.

Mr. NICKLES. Mr. President, will the Senator yield for a question?

I compliment my colleague, one, for her interest in her State, her constituents, and also for the fact that she has I think four or five amendments, and she was waiting to offer those tonight and discuss those. I have not had a chance to review all of them. I have looked at a couple of them.

I know my colleague from Pennsylvania has an amendment he wishes to offer. We may have other amendments. So I will be very brief. I will review these amendments a little more in detail over the night and talk about them possibly tomorrow.

But the first amendment that the Senator has is a big one. It is an important one. Our colleague should be able to understand it. So I ask this question: I am reading under ''eligibility.'' This is talking about the underlying bill. But also I might mention under the Daschle bill, there was a time limit for welfare payments from the Federal Government, 5 years. Under the amendment of the Senator from Illinois, it says after the 5 years should expire and a welfare recipient still has a dependent child, the State would be mandated to provide a voucher program to provide assistance to the minor child.

Is that correct?

Ms. MOSELEY-BRAUN. That is correct.

Mr. NICKLES. The Senator also mentions that she did not want to have unfunded mandates in one of the other amendments but this would be—correct me, if I am wrong, you do not fund this program. You just mandate that the States after 5 years would have to provide a voucher program to provide assistance even though we do not give them any money?

Ms. MOSELEY-BRAUN. We will not give them the money. In fact, if anything, the welfare of those children in those families, if anything, should have first dibs on the block grants that we at the Federal Government level are providing the money that goes to the States that is calculated to, and the whole idea is to provide for the welfare of minor dependent children.

So if that minor dependent child has a parent who does not comply with the work requirement or misses some other test that is set up, that child will still be provided for first.

So, if anything, I call this the child voucher, but really, if anything, it should be called the Child First amendment.

Mr. NICKLES. I wanted to make sure, though, that we understood. Because this has a benefit, it would not have been provided under the Daschle substitute.

Ms. MOSELEY-BRAUN. Yes, it would have. This particular safety net for children was provided for in the Daschle substitute.

Mr. NICKLES. I will be happy to review it. I appreciate my colleague.

I just looked at the other amendment. She has one amendment that says you want to have a pilot program and you wanted to authorize $25 million for the job opportunities for certain low-income individuals. Is that correct?

Ms. MOSELEY-BRAUN. That is correct.

Mr. NICKLES. That is a program we have ongoing now.

Ms. MOSELEY-BRAUN. That is correct.

Mr. NICKLES. How much are we appropriating for that program at this point?

Ms. MOSELEY-BRAUN. We are right now at about 5.6. So $5.6 million.

Mr. NICKLES. Just for my colleagues' information, according to

CRS, we have 154—I have heard now 155—various employment and training programs. This is one program that you would like to maybe take out of the block grants and increase its funding by fivefold. Is that correct?

Ms. MOSELEY-BRAUN. This is a demonstration. This is not just about training. There is a demonstration program that is already in existence for micro-enterprises development, for a variety of approaches to economic development and job creation for low-income individuals. This already exists. Yet the increase is $5.4 million in fiscal year 1995.

Yes, there is a fivefold increase in the funding for this job training and job creation program for low-income individuals. It is that increase.

But I would point out to my colleague that there is no question—again, in the eyes of what we are with doing here—that there is a suggestion that you cannot do welfare reform and put people to work on the cheap. You are going to have to make investment in those counties, in those States such as Wisconsin where there is a successful welfare reform experiment under way. There is no question that to transition people from welfare to work requires that we give them something to work at, give them skills, training, and micro-enterprise loans to start businesses or whatever. But there is some assistance required to leverage human capability to provide that they get back into the private sector and to get back to work.

There are two counties in Wisconsin in which there have been work to welfare, a work transition pilot program. There is no question but that the investment is made on the front end to give individuals the ability to transfer off of welfare and to transfer from dependency to independency.

The JOLI Program has done that. It has done it successfully. It was initiated as a part of the Family Support Act. It works. It is not like trying something brand new. It has worked.

It seems to me that in light of the fact that job creation is not addressed at all in the underlying legislation—and it is not. There is no ability for creating jobs in the bill without this amendment.

Mr. NICKLES. Will the Senator yield on that?

Ms. MOSELEY-BRAUN. Let me finish my point. In light of that fact that there is no effort to leverage private activities to create jobs, this amendment says let us take something that works and let us expand it so that since the States have to have, since individuals who live in these various States will have to comport and comply with work requirements, let us give the States some assistance in providing job creation and private sector entrepreneurial activity.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I will just make a brief statement, not necessarily continue the colloquy.

I appreciate the commitment of my friend and colleague from Illinois. Just a couple of comments pertaining to this amendment.

This second amendment we have been discussing is rather small. It says we would have a $25 million pilot program to continue a program we already have and quadruple its costs or multiply it by five.

That is directly contrary to what we are trying to do in this bill. As I mentioned before, according to CRS we have 154—I put this in the RECORD earlier today—Federal job training programs, some of which—and I know my colleague from New York is the author and sponsor of some—some of which have probably done some good. A whole lot of them probably have not. And so to think that we have 155 and my colleague from Illinois has picked out one——

Ms. MOSELEY-BRAUN. Will the Senator yield for just a comment?

This is not a job training program. This has nothing to do with job training. The JOLI Program is job creation. It gives poor people the opportunity to access money, equity capital in order to start their own businesses and start their own jobs. It is not job training.

That is why it was distinct from the job training debate. That is a whole other debate. If you take a look at what the Family Support Act language that created the JOLI program you will see that it is not a job training program. This amendment says let us give poor people the opportunity to create their own jobs.

Mr. NICKLES addressed the Chair.

Ms. MOSELEY-BRAUN. If I may just respond to my colleague, since we are in a colloquy, some of the initiatives under JOLI have come from other parts of the world. There has been a famous experiment that started actually in India, I say to the Senator from New York, in which poor people were given tiny loans called microloans to start their own businesses.

So it is not job training, and it is to be distinguished from the job training debate.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma has the floor.

Mr. NICKLES. Mr. President, I again appreciate my colleague's initiative, her commitment to her cause. I will just state that this Senator is going to vote against it, and this will probably be one we will have a rollcall vote on tomorrow. It does increase the authorization of this program by fivefold. One may not call it a jobs program. I would have to look and see if it was included on the list according to CRS as a Federal employment and/or job training program. Maybe it is a lending program. I am not sure it belongs—if it is a lending program and financing program, maybe it should or should not be in this bill. I do not know that I want to multiply programs by that kind of multiplier at this point.

The overall scope of this bill says we are going to be saving—if we pass this bill, we are going to be saving $70 billion. Now, we are talking about big money. I will go back to the amendment that our colleague from Illinois raised before, but I wish to be really brief because I know our colleague from Pennsylvania has an amendment.

But the initial amendment is a very big amendment. And I will have to compare it—and I appreciate her statement that it was in the Daschle substitute, but as I understand it, it is a bill that would basically waive the 5-year requirement or time limit.

President Clinton said that he wanted to have a time limit, and we are talking about Federal payments—have a time limit on how long an individual or family can receive money from the Federal Government. If we are to end welfare as we know it, we are going to have to have some limitations. As I read the first amendment, as long as there is a dependent minor child, you would continue to have assistance.

Now, the assistance from the Federal Government would be terminated after 5 years, cash assistance. Under the Senator's amendment, the State would provide vouchers for supplemental assistance. That is an unfunded mandate. Maybe the States could take it from other savings in the program. I will try to study that a little more. But the essence of it is the family can be on welfare forever if they continue to have children. And that is not the thrust of what we are trying to do in the bill which is to have real incentive to get off welfare, to break the welfare dependency cycle and to make some improvements.

I do appreciate my colleague's introduction of the amendments and her statements and also her dedication to some of the things she is trying to do. But at least as far as this Senator is concerned, I do not think we will be, at least I will not be able to accept the first amendment as well. I will look at the other couple of amendments that our colleague introduced and will consider those. So again I would like to inform my colleagues tomorrow morning at 9:30 my guess is we will have several rollcall votes. And again I thank my colleague from Illinois for introducing her amendments.

Ms. MOSELEY-BRAUN. I wish to thank my colleague from Oklahoma, except I would just say one thing. I do not mind the Senator taking issue with the amendment one way or another, but I think it is real important not to misrepresent what the amendment is about. It is not about keeping families on welfare forever. It is a child-first amendment. It has to do with children. If the State decides to have a shorter time limit than the bill or the family is cut off because the parent will not go to work, then we have to I think maintain some kind of a safety net for that child.

I do not believe the President of the United States or any other Member of this body wants to set up a set of rules that would leave us with 6-year-old children sleeping in streets homeless and hungry. I do not believe anybody wants to do that. But we do not have any guarantee in the underlying legislation, and that is what this amendment seeks to fix.

I yield the floor.

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. I thank the Chair. I rise to offer an amendment. Before I do that, I just want to make a couple of comments about what the Senator from Illinois stated and characterized the Republican leadership bill, which I am very hopeful will be adopted by the Senate. She says that the bill balkanizes welfare reform into 50 separate programs and that this is bad, that everyone should be treated the same.

I happen to believe that that is the problem with this system, that everybody is treated the same and not particularly well, and the balkanization into 50 separate programs is a bad idea. But balkanization into a million individual efforts to help poor people in our society is a good idea. And that is what this bill does.

Sure, it gives a lot of flexibility to the States, but there are many provisions in this bill which tell the States and direct the States and encourage the States to go farther; to go down to the local level and to the community level and make this a program that is a program that talks about communities and neighborhoods helping neighborhoods and friends helping friends. And that is the dynamism that is in this bill that has never been tried from a Federal perspective before.

So, yes, it is balkanization but not to 50 but to 50 times 50 times 50 and more. And that is the excitement about this bill. That is why we are so committed to seeing this happen.

The Senator from Illinois also said that there is nothing in this bill about job creation, and I have heard this over and over and over again. And I feel like a broken record getting up and responding to it. But I will say several things.

The Senator from Illinois said there is nothing about job creation. What she is referring to, I assume the Senator is referring to is that there is no Federal dollars to place people in employment. There is no specific pot of Federal dollars to say we will pay for employment slots and for supervision and for paying their stipend while they are working.

What I would say is that the Governors of the States, the Republican Governors of the States, I believe 29 out of 30 of the Governors have said that this bill is an acceptable bill to them; that they do not need a big pot of money if they can run their own program; that they can do it cheaper and better, put more people to work, get more people off the rolls if they have the flexibility to run their own program without all the tripwires and redtape that is involved in the Federal system.

That is Governors, as I said before, Republican Governors, who represent 80 percent of the welfare recipients in this country. Republican Governors are from States that represent 80 percent of welfare recipients and they say this is a good deal; they can live with this; they want this. And they can create the jobs to put the people to work as required by this legislation.

I would also say that we eliminate, in the Dole bill we eliminate the provision in current law, which was maintained in the Daschle bill, we eliminate the provision that says if you are a city or State or any other kind of municipality, you can no longer fill a vacancy with a welfare recipient. That is current law. You cannot fill a vacancy with a welfare recipient in a courthouse or school or any other municipality or government entity.

What we say is, if there is a vacancy there and you want to give someone on welfare a chance, you can fill that vacancy with someone. I used the example earlier today, when we talked about this, of folks on a road crew standing there with that sign: ''Slow,'' ''Stop.'' You cannot fill that vacancy, if it occurs, with a welfare recipient.

You can today under the Dole provision. That is creating jobs. You want to talk about creating job slots, that creates a lot of job slots in communities across this country that are illegal today. So we do expand the opportunities for people on welfare to get jobs under this piece of legislation.

Mr. President, one other comment. The Senator from Illinois said that children should not suffer because of being born accidentally into poverty. Unfortunately, in this country and every other country in the world, poverty exists. The difference between other countries and this country is that when you are born into poverty, you are not frozen into poverty by the Government which does not allow you to rise in society.

There are many cultures and civilizations in this world that doom you to the life in which you were born, but we do not have a caste system in this country. We do not have levels of classes in this country. The greatness of this country is that the grandson of a coal miner who lived in a company town outside of Johnstown, PA, can be a U.S. Senator, as I am.

That is the greatness of this country, that we still offer opportunity, and that is what is lacking in the current system. We disincentivize people from getting off the welfare roll by providing, as Franklin Roosevelt said, the subtle narcotic to the masses of welfare. We are going to get rid of the subtle narcotic and turn that into Powerade, into a system to give them the energy and the opportunity to move forward and rise.

AMENDMENT NO. 2477 TO AMENDMENT NO. 2280

(Purpose: To eliminate certain welfare benefits with respect to fugitive felons and probation and parole violators, and to facilitate sharing of information with law enforcement officers, and for other purposes)

Mr. SANTORUM. Mr. President, I ask unanimous consent that the pending amendment be set aside, and I send an amendment to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered. The pending amendment will be set aside. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Pennsylvania [Mr. SANTORUM], for himself and Mr. NICKLES, proposes an amendment numbered 2477 to amendment No. 2280.

Mr. SANTORUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 42, line 2, insert '', Social Security number, and photograph (if applicable)'' before ''of any recipient''.

On page 42, between lines 21 and 22, insert the following new subsection:

''(e) DENIAL OF ASSISTANCE FOR ABSENT CHILD.—Each State to which a grant is made under section 403—

''(1) may not use any part of the grant to provide assistance to a family with respect to any minor child who has been, or is expected by the caretaker relative in the family to be, absent from the home for a period of 45 consecutive days or, at the option of the State, such period of not less than 30 and not more than 90 consecutive days as the State may provide for in the State plan;

''(2) at the option of the State, may establish such good cause exceptions to paragraph (1) as the State considers appropriate if such exceptions are provided for in the State plan; and

''(3) shall provide that a caretaker relative shall not be considered an eligible individual for purposes of this part if the caretaker relative fails to notify the State agency of an absence of a minor child from the home for the period specified in or provided for under paragraph (1), by the end of the 5-day period that begins on the date that it becomes clear to the caretaker relative that the minor child will be absent for the period so specified or provided for in paragraph (1).

On page 130, line 8, insert '', Social Security number, and photograph (if applicable)'' before ''of any recipient''.

On page 198, between lines 14 and 15, insert the following new section:

SEC. ___. DISQUALIFICATION OF FLEEING FELONS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 319(a), is further amended by adding at the end the following new subsection:

''(o) No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household during any period during which the individual is—

''(1) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(2) violating a condition of probation or parole imposed under Federal or State law.''.

On page 302 after line 5, add the following new section:

SEC. 504. INFORMATION REPORTING.

(a) TITLE IV OF THE SOCIAL SECURITY ACT.—Section 405 of the Social Security Act, as added by section 101(b), is amended by adding at the end the following new subsection:

''(f) STATE REQUIRED TO PROVIDE CERTAIN INFORMATION.—Each State to which a grant is made under section 403 shall, at least 4 times annually and upon request of the Immigration and Naturalization Service, furnish the Immigration and Naturalization Service with the name and address of, and other identifying information on, any individual who the State knows is unlawfully in the United States.''.

(b) SSI.—Section 1631(e) of such Act (42 U.S.C. 1383(e)) is amended—

(1) by redesignating the paragraphs (6) and (7) inserted by sections 206(d)(2) and 206(f)(1) of the Social Security Independence and Programs Improvement Act of 1994 (Public Law 103–296; 108 Stat. 1514, 1515) as paragraphs (7) and (8), respectively; and

(2) by adding at the end the following new paragraph:

''(9) Notwithstanding any other provision of law, the Commissioner shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this paragraph referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Commissioner knows is unlawfully in the United States, and shall ensure that each agreement entered into under section 1616(a) with a State provides that the State shall furnish such information at such times with respect to any individual who the State knows is unlawfully in the United States.''.

(c) HOUSING PROGRAMS.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), as amended by section 1004, is further amended by adding at the end the following new section:

''SEC. 28. PROVISION OF INFORMATION TO LAW ENFORCEMENT AND OTHER AGENCIES.

''(a) NOTICE TO IMMIGRATION AND NATURALIZATION SERVICE OF ILLEGAL ALIENS.—Notwithstanding any other provision of law, the Secretary shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this subsection referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Secretary knows is unlawfully in the United States, and shall ensure that each contract for assistance entered into under section 6 or 8 of this Act with a public housing agency provides that the public housing agency shall furnish such information at such times with respect to any individual who the public housing agency knows is unlawfully in the United States.''.

At the appropriate place, insert the following new section:

SEC. ___. ELIMINATION OF HOUSING ASSISTANCE WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) ELIGIBILITY FOR ASSISTANCE.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 6(l)—

(A) in paragraph (5), by striking ''and'' at the end;

(B) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(C) by inserting immediately after paragraph (6) the following new paragraph:

''(7) provide that it shall be cause for immediate termination of the tenancy of a public housing tenant if such tenant—

''(A) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(2) is violating a condition of probation or parole imposed under Federal or State law.''; and

(2) in section 8(d)(1)(B)—

(A) in clause (iii), by striking ''and'' at the end;

(B) in clause (iv), by striking the period at the end and inserting ''; and''; and

(C) by adding after clause (iv) the following new clause:

''(v) it shall be cause for termination of the tenancy of a tenant if such tenant—

''(I) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(II) is violating a condition of probation or parole imposed under Federal or State law;''.

(b) PROVISION OF INFORMATION TO LAW ENFORCEMENT AGENCIES.—Section 28 of the United States Housing Act of 1937, as added by section 504(c) of this Act, is amended by adding at the end the following new subsection:

''(b) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Notwithstanding any other provision of law, each public housing agency that enters into a contract for assistance under section 6 or 8 of this Act with the Secretary shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of assistance under this Act, if the officer—

''(1) furnishes the public housing agency with the name of the recipient; and

''(2) notifies the agency that—

''(A) such recipient—

''(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(ii) is violating a condition of probation or parole imposed under Federal or State law; or

''(iii) has information that is necessary for the officer to conduct the officer's official duties;

''(B) the location or apprehension of the recipient is within such officer's official duties; and

''(C) the request is made in the proper exercise of the officer's official duties.''.

Mr. SANTORUM. Mr. President, the amendment that I sent to the desk I hope is going to be a noncontroversial amendment. I believe it is one that should get broad support, hopefully unanimous support, of this body. It is an amendment that is very similar in nature to one that was adopted in the House of Representatives on their bill offered by Representative BLUTE of Massachusetts having to do with fugitive felons who receive welfare.

Yes, that is right. There are people who are fleeing the law, felons in which warrants are out for their arrest, who are hiding from the law on the welfare rolls. You say, ''How does that happen?'' Someone has been convicted of a felony and has escaped or violated parole or has been issued a warrant for their arrest on a felony charge and is eluding the law. While eluding the law, they sign up for welfare to support their eluding the law.

You say, ''Well, how can this happen?'' It is very easy to happen, because in most States in this country, if you are on the welfare rolls and the police department wants to find out if you are on the welfare rolls and they have a felony warrant for your arrest, the welfare department cannot tell the police department that you are receiving benefits. Why? Because your rights to privacy are protected. If you are on the welfare rolls, you have a right of privacy.

You may be a murderer. In fact, one of the reasons I offered this amendment is just last year in Pittsburgh—I have a July 29, 1994, article about a man who was on the welfare rolls. When they found this guy in Philadelphia, they found him and searched him, obviously, and they found a welfare card with his photo on it, his correct name. He did not even bother to lie about what his name was. He was protected by privacy. You say this must be an odd occurrence. This was a murderer, fleeing the law for years and collecting Government benefits.

In Cleveland, they did a sting operation, and they rounded up a lot of felons at this sting operation and searched them, and they found out that a third of the people they caught in the sting operation that had existing warrants were on welfare.

I visited the police department in Philadelphia and talked to their fugitive task force. They have a fugitive task force in the police department in Philadelphia. They have some 50,000 outstanding fugitive warrants in the city of Philadelphia. Historically, what the police officers have said is anywhere from 65 to 75 percent of the felons they catch are on welfare of some sort, whether it is food stamps or AFDC, SSI, you name it, they are collecting money while eluding the law. Not having to sign up for legitimate work where they might be caught, they can stay home and run around with their buddies at night and collect welfare. So you support them while the Federal Government and the State and local counties try to track them down. This is absurd.

So what we are suggesting is that the welfare offices, when contacted by the police department, must give the police department, if they have a warrant—I am not talking about people just wanting to search who is on the welfare rolls, but if you have a warrant

for someone's arrest, a felony warrant, that you can contact the welfare office and say, ''Has such and such signed up for welfare?'' You can give the name and address. And you will find, at least the police told me, when it comes to receiving welfare benefits, they give the correct address to receive those benefits. They do not lie about what address those benefits go to. So you get the name, the address—we have the name—the address, the Social Security number and a photo because a lot of these folks just have police sketches. You might have what their name is, but you may not have a good photo or it may not be a recent photo.

So what we do is give police a tremendous advantage, at least according to the police departments I have talked to and the research I have done, in tracking down fugitive felons.

As I said before, I do not think this is a controversial measure. I think this is something that can and should be supported by everyone.

There is an additional provision in the bill that deals with another problem on AFDC, and that is the term ''when a child is temporarily absent from the home.'' What happens there? This is a separate issue than the fugitive issue, but it is included in the amendment.

We have situations where you have a mother and children or a child who, unfortunately, may be sent to prison or sent to detention, or whatever the case may be, but be out of the home for a period of years. Under the laws in most States, because the Federal law does not define ''temporarily absent,'' what happens is that mom continues to receive welfare benefits for that child, even though the child has not lived in the home for years or months because they are in jail.

We think that is sort of a silly idea. If the child is being otherwise detained because of incarceration as a runaway, whatever the case may be, we should not continue to pay the mother the benefits for the child who is no longer living there. That, you would think, is pretty much common sense, but under the Federal law today, that is not common sense. So we define what ''temporarily absent'' is.

Again, I am hopeful this amendment will be agreed to and adopted, but I am going to ask at this point for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. NICKLES. Mr. President, I wish to compliment my colleague from Pennsylvania. I think this is an excellent amendment. It is kind of bothersome to think that there might be thousands of fleeing felons receiving welfare, and maybe because there is a lack of coordination between law enforcement and welfare agencies and offices, they are able to get away with it. I do not doubt my colleague's homework. It is probably quite accurate. To think that that is happening, it needs to be stopped. His amendment would go a long way toward stopping it.

I ask unanimous consent to be added as a cosponsor, and I hope my colleagues support it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the pending amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2469, AS MODIFIED

Mrs. FEINSTEIN. I want to modify a prior amendment and also introduce two additional amendments. I will try to be brief. I call up amendment No. 2469 and send a modification to the desk. Once the amendment has been modified, I ask unanimous consent that it be laid aside in the previous order of consideration.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 2469), as modified, is as follows:

Beginning on page 18, line 22, strike all through page 22, line 8, and insert the following:

''(3) SUPPLEMENTAL GRANT AMOUNT FOR POVERTY POPULATION INCREASES IN CERTAIN STATES.—

''(A) IN GENERAL.—The amount of the grant payable under paragraph (1) to a qualifying State for each of fiscal years 1997, 1998, 1999, and 2000 shall be increased by the supplemental grant amount for such State.

''(B) QUALIFYING STATE.—For purposes of this paragraph, the term 'qualifying State', with respect to any fiscal year, means a State that had an increase in the number of poor people as determined by the Secretary under subparagraph (D) for the most recent fiscal year for which information is available.

''(C) SUPPLEMENTAL GRANT AMOUNT.—For purposes of this paragraph, the supplemental grant amount for a State, with respect to any fiscal year, is an amount which bears the same ratio to the total amount appropriated under paragraph (4)(B) for such fiscal year as the increase in the number of poor people as so determined for such State bears to the total increase of poor people as so determined for all States.

''(D) REQUIREMENT THAT DATA RELATING TO THE INCIDENCE OF POVERTY IN THE UNITED STATES BE PUBLISHED.—

''(i) IN GENERAL.—The Secretary shall, to the extent feasible, produce and publish for each State, county, and local unit of general purpose government for which data have been compiled in the then most recent census of population under section 141(a) of title 13, United States Code, and for each school district, data relating to the incidence of poverty. Such data may be produced by means of sampling, estimation, or any other method that the Secretary determines will produce current, comprehensive, and reliable data.

''(ii) CONTENT; FREQUENCY.—Data under this subparagraph—

''(I) shall include—

''(aa) for each school district, the number of children age 5 to 17, inclusive, in families below the poverty level; and

''(bb) for each State and county referred to in clause (i), the number of individuals age 65 or older below the poverty level; and

''(II) shall be published—

''(aa) for each State, annually beginning in 1996;

''(bb) for each county and local unit of general purpose government referred to in clause (i), in 1996 and at least every second year thereafter; and

''(cc) for each school district, in 1998 and at least every second year thereafter.

''(iii) AUTHORITY TO AGGREGATE.—

''(I) IN GENERAL.—If reliable data could not otherwise be produced, the Secretary may, for purposes of clause (ii)(I)(aa), aggregate school districts, but only to the extent necessary to achieve reliability.

''(II) INFORMATION RELATING TO USE OF AUTHORITY.—Any data produced under this clause shall be appropriately identified and shall be accompanied by a detailed explanation as to how and why aggregation was used (including the measures taken to minimize any such aggregation).

''(iv) REPORT TO BE SUBMITTED WHENEVER DATA IS NOT TIMELY PUBLISHED.—If the Secretary is unable to produce and publish the data required under this subparagraph for any county, local unit of general purpose government, or school district in any year specified in clause (ii)(II), a report shall be submitted by the Secretary to the President of the Senate and the Speaker of the House of Representatives, not later than 90 days before the start of the following year, enumerating each government or school district excluded and giving the reasons for the exclusion.

''(v) CRITERIA RELATING TO POVERTY.—In carrying out this subparagraph, the Secretary shall use the same criteria relating to poverty as were used in the then most recent census of population under section 141(a) of title 13, United States Code (subject to such periodic adjustments as may be necessary to compensate for inflation and other similar factors).

''(vi) CONSULTATION.—The Secretary shall consult with the Secretary of Education in carrying out the requirements of this subparagraph relating to school districts.

''(vii) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subparagraph $1,500,000 for each of fiscal years 1996 through 2000.''

AMENDMENT NO. 2478

(Purpose: To provide equal treatment for naturalized and native-born citizens)

Mrs. FEINSTEIN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN] proposes an amendment numbered 2478.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 274, lines 23 and 24, strike ''individual (whether a citizen or national of the United States or an alien)'' and insert ''alien''.

On page 275, line 5, strike ''individual'' and insert ''alien''.

On page 275, line 10, strike ''individual's'' and insert ''alien's''.

On page 275, line 11, strike ''individual'' and insert ''alien''.

On page 275, line 14, strike ''individual'' and insert ''alien''.

On page 275, line 20, strike ''individual'' and insert ''alien''.

On page 275, line 21, strike ''individual'' and insert ''alien''.

On page 276, lines 2 and 3, strike ''individual (whether a citizen or national of the United States or an alien)'' and insert ''alien''.

On page 276, line 14, strike ''individual'' and insert ''alien''.

On page 278, line 1, strike ''**NONCITIZENS**'' and insert ''**ALIENS**''.

On page 278, line 8, strike ''a noncitizen'' and insert ''an alien''.

On page 278, line 13, strike ''a noncitizen'' and insert ''an alien''.

On page 278, line 16, strike ''a noncitizen'' and insert ''an alien''.

On page 278, line 22, strike ''a noncitizen'' and insert ''an alien''.

On page 279, line 4, strike ''a noncitizen'' and insert ''an alien''.

On page 279, line 6, strike ''A noncitizen'' and insert ''An alien''.

On page 279, line 8, strike ''noncitizen'' and insert ''alien''.

Mrs. FEINSTEIN. Mr. President, the Dole bill requires that income and resources of an immigrant sponsor be deemed as available to the immigrant when determining eligibility for all federally funded, means-tested programs. This is the case, whether or not the immigrant is a United States citizen. In other words, it creates two classes of citizens. A naturalized citizen, under the Dole bill, could not be eligible for any form of assistance. I believe this is unprecedented and, as I said, creates two classes of American citizens, which will surely be challenged in the courts on constitutional grounds.

So I rise today to offer an amendment to this bill to provide equal treatment for naturalized and native-born U.S. citizens. This amendment is cosponsored by Senators KOHL and SIMON. It is supported by the National Governors Association, the National Conference of State Legislatures, the National Association of Counties, the National League of Cities, the United States Catholic Conference, and the Leadership Conference on Civil Rights, as well as several other organizations.

The amendment simply removes any reference to citizens in all places in the underlying bill that require deeming, and leaves in place the deeming requirements for benefits to legal aliens.

I think the question before the Senate is this: Does the Constitution of the United States of America provide for two distinct classes of United States citizens—those who are naturalized and those who are native-born? I know of only one benefit which is denied by the Constitution to citizens of our country who were not born in this country, and that one thing is the Presidency of the United States. Article II, section 1 of the Constitution expressly states that ''no person, except a natural born citizen, or a citizen of the United States at the time of the adoption of the Constitution, shall be eligible to the office of President.'' That is where the line is drawn for me.

I do not believe that, absent a constitutional amendment, the Constitution gives this body the authority to deny outright any benefits, save that one, to naturalized citizens. Article I of the Constitution does contain one other distinction with regard to naturalized citizens and their qualifications to be Members of Congress. It says, ''No person shall be a representative who shall not have attained the age of 25 years and been 7 years a citizen of the United States.'' That is whether they are native-born or naturalized. It also says, ''No person shall be a Senator who shall not have attained the age of 30 years, and been 9 years a citizen of the United States.''

I do not believe our forefathers necessarily foresaw the specifics of the debate which is before us today. But I do believe they considered what distinctions should be made between naturalized and native-born citizens. And the result of that consideration is reflected in the Constitution.

The Department of Justice has expressed serious concerns about the constitutionality on the proscription of benefits as applied to naturalized citizens in this bill. In a letter to Senator KENNEDY, dated July 18, a copy of which was also provided to me, Assistant Attorney General, Andrew Fois states:

> The deeming provision, as applied to citizens, would contravene the basic equal protection tenet that ''the rights of citizenship of the native born and of the naturalized person are of the same dignity and are coextensive.''

The letter goes on to say:

> To the same effect, the provision might be viewed as a classification based on national origin; among citizens otherwise eligible for government assistance, the class excluded by operation of the deeming provision is limited to those born outside the United States. A classification based on national origin, of course, is subject to strict scrutiny under equal protection review, and it is unlikely that the deeming provision could be justified under this standard.

At this time, Mr. President, I ask unanimous consent that the full text of the letter from the Justice Department be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, July 18, 1995.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: This letter follows your question to Attorney General Janet Reno regarding the constitutionality of the deeming provisions in pending immigration legislation at the Senate Judiciary Committee's oversight hearing on June 27.

You have asked for our views regarding the ''deeming'' provisions of section 204 of S. 269, Senator Simpson's proposed immigration legislation. Our comment here is limited to the question raised by application of section 204 to naturalized citizens.

We have serious concerns about section 204's constitutionality as applied to naturalized citizens. So applied, the deeming provision would operate to deny, or reduce eligibility for, a variety of benefits including student financial assistance and welfare benefits to certain United States citizens because they were born outside the country. This appears to be an unprecedented result. Current federal deeming provisions under various benefits programs operate only as against aliens (see, e.g., 42 U.S.C. §615 (AFDC); 7 U.S.C. 2014(i) (Food Stamps)) and we are not aware of any comparable restrictions on citizen eligibility for federal assistance. As a matter of policy, we think it would be a mistake to begin now to relegate naturalized citizens—who have demonstrated their commitment to our country by undergoing the naturalization process—to a kind of second-class status.

The provision might be defended legally on the grounds that it is an exercise of Congress' plenary authority to regulate immigration and naturalization, or, more specifically, to set the terms under which persons may enter the United States and become citizens. See *Mathews* v. *Diaz,* 426 U.S. 67 (1976); *Toll* v. *Moreno,* 458 U.S. 1, 10–11 (1982). We are not convinced that this defense would prove persuasive. Though Congress undoubtedly has power to impose conditions precedent on entry and naturalization, the provision at issue here would function as a condition subsequent, applying to entrants even after they become citizens. It is not at all clear that Congress' immigration and naturalization power extends this far.

While the rights of citizenship of the native born derive from §1 of the Fourteenth Amendment and the rights of the naturalized citizen derive from satisfying, free of fraud, the requirements set by Congress, the latter, apart from the exception noted [constitutional eligibility for President], becomes a member of the society, possessing all the rights of a native citizen, and standing, in the view of the constitution, on the footing of a native. The constitution does not authorize Congress to enlarge or abridge those rights. The simple power of the national Legislature, is to prescribe a uniform rule of naturalization, and the exercise of this power exhausts it, so far as respects the individual.

Schneider v. *Rusk,* 377 U.S. 163, 166 (1964) (internal quotations omitted) (statutory restriction on length foreign residence applied to naturalized but not native born citizens violates Fifth Amendment equal protection component).

Alternatively, it might be argued in defense of the provision that it classifies not by reference to citizenship at all, but rather on the basis of sponsorship; only those naturalized citizens with sponsors will be affected. Again, we have doubts about whether this characterization of the provision would be accepted. State courts have rejected an analogous position with respect to state deeming provisions, finding that the provisions constitute impermissible discrimination based on alienage despite the fact that they reach only sponsored aliens. See *Barannikov* v. *Town of Greenwich,* 643 A.2d 251, 263–64 (Conn. 1994); *El Souri* v. *Dep't of Social Services,* 414 N.W.2d 679, 682–83 (Mich. 1987). Because the deeming provision in question here, as applied to citizens, is directed at and reaches only naturalized citizens, the same reasoning would compel the conclusion that it constitutes discrimination against naturalized citizens. *Cf. Nyquist* v. *Mauclet,* 432 U.S. 1, 9 (1977) (''The important points are that [the law] is directed at aliens and that only aliens are harmed by it. The fact that the statute is not an absolute bar does not mean that it does not discriminate against the class.'') (invalidating state law denying some, but not all, resident aliens financial assistance for higher education).

So understood, the deeming provision, as applied to citizens, would contravene the basic equal protection tenet that ''the rights of citizenship of the native born and of the naturalized person are of the same dignity and are coextensive.'' *Schneider,* 377 U.S. at

165. To the same effect, the provisions might be viewed as a classification based on national origin; among citizens otherwise eligible for government assistance, the class excluded by operation of the deeming provision is limited to those born outside the United States. A classification based on national origin, of course, is subject to strict scrutiny under equal protection review, see *Korematsu* v. *United States*, 323 U.S. 214 (1944), and it is unlikely that the deeming provision could be justified under this standard. See *Barannikova*, 643 A.2d at 265 (invalidating state deeming provision under strict scrutiny); *El Souri*, 414 N.W.2d at 683 (same).

The Office of Management and Budget has advised that there is no objection to the submission of this letter from the standpoint of the Administration's program.

Sincerely,

ANDREW FOIS,
Assistant Attorney General.

Mrs. FEINSTEIN. Mr. President, to a great extent, we are a Nation of immigrants. There are very few of us in this body who could claim not to have been a product, in some way, of immigrants.

My mother was born in St. Petersburg, Russia. She left that country hiding in a hay cart during the revolution. They crossed Siberia on their long journey to California. My grandmother was widowed shortly after arriving in this country, left with four small children. My uncle was a carpenter. My mother did not enjoy good health as a child and was hospitalized for many years. There was no widow's pension then, no AFDC. And I am not one that believes that immigrants should come to the United States to get on the dole. But we do have a naturalization process which, after the designated waiting period, and after meeting certain requirements, immigrants take an oath, they become citizens of the United States, with all of the privileges and benefits accorded to native-born citizens, save the one spelled out in the Constitution that I have read today.

This bill essentially says that even if naturalized—even if a naturalized citizen for 20 years, your sponsor's income will be deemed as yours, and you will not be eligible for Federal benefits.

Even if that sponsor is dying from cancer, and no matter what happens to the naturalized citizen, that naturalized citizen is exempted from coverage under this bill.

I believe that violates the equal protection clause of our Constitution and jeopardizes the fairness of the legislation. So the amendment that I am submitting is essentially equal treatment for naturalized and native-born citizens.

Mr. NICKLES. Will the Senator yield for a question?

Mrs. FEINSTEIN. Yes.

Mr. NICKLES. I will be brief. I think I understand the amendment. The Senator is saying that immigrants to the country should be able to receive welfare benefits just as any other citizen can, is that correct?

Mrs. FEINSTEIN. Only if they have become United States citizens. In other words, the deeming provision does not apply if you are naturalized.

In this bill, the deeming provision extends even to naturalized citizens. Therefore, they would not be eligible.

Mr. NICKLES. If an immigrant comes into the country and goes through the processes to be a naturalized U.S. citizen, they are required now to have a sponsor, a sponsor that states that they will make sure that they will not be a ward of the Government for some period of time.

Does the Senator know what that period would be?

Mrs. FEINSTEIN. I did know and I cannot remember what it was.

Mr. NICKLES. I will review that.

Mrs. FEINSTEIN. This is not just a legal immigrant, but a naturalized citizen too.

We are not talking here about removing that requirement for legal immigrants in this amendment. This is just for naturalized citizens.

Mr. NICKLES. I am happy to have the Senator's amendment. I have not seen it before. I will be happy to review it and we will take it up tomorrow morning.

Mrs. FEINSTEIN. I thank the Senator from Oklahoma very much.

AMENDMENT NO. 2479 TO AMENDMENT NO. 2280

(Purpose: To provide for State and county demonstration programs)

Mrs. FEINSTEIN. I send another amendment to the desk.

The PRESIDING OFFICER. The previous amendment shall be laid aside. The clerk will report.

The bill clerk read as follows:

The Senator from California, [Mrs. FEINSTEIN], proposes an amendment numbered 2479 to amendment No. 2280.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 69, strike lines 18 through 22, and insert the following:

"SEC. 418. STATE AND COUNTY DEMONSTRATION PROGRAMS.

"(a) NO LIMITATION OF STATE DEMONSTRATION PROJECTS.—Nothing in this part shall be construed as limiting a State's ability to conduct demonstration projects for the purpose of identifying innovative or effective program designs in 1 or more political subdivisions of the State.

"(b) COUNTY WELFARE DEMONSTRATION PROJECT.—

"(1) IN GENERAL.—The Secretary of Health and Human Services and the Secretary of Agriculture shall jointly enter into negotiations with all counties or a group of counties having a population greater than 500,000 desiring to conduct a demonstration project described in paragraph (2) for the purpose of establishing appropriate rules to govern establishment and operation of such project.

"(2) DEMONSTRATION PROJECT DESCRIBED.—The demonstration project described in this paragraph shall provide that—

"(A) a county participating in the demonstration project shall have the authority and duty to administer the operation of the program described under this part as if the county were considered a State for the purpose of this part;

"(B) the State in which the county participating in the demonstration project is located shall pass through directly to the county the portion of the grant received by the State under section 403 which the State determines is attributable to the residents of such county; and

"(C) the duration of the project shall be for 5 years.

"(3) COMMENCEMENT OF PROJECT.—After the conclusion of the negotiations described in paragraph (2), the Secretary of Health and Human Services and the Secretary of Agriculture may authorize a county to conduct the demonstration project described in paragraph (2) in accordance with the rules established during the negotiations.

"(4) REPORT.—Not later than 6 months after the termination of a demonstration project operated under this subsection, the Secretary of Health and Human Services and the Secretary of Agriculture shall submit to the Congress a report that includes—

"(A) a description of the demonstration project;

"(B) the rules negotiated with respect to the project; and

"(C) the innovations (if any) that the county was able to initiate under the project.

Mrs. FEINSTEIN. Mr. President, throughout the welfare debate it has often been stated that people closest to the problem know how to best deal with it.

In fact, many States assign administration of Federal welfare programs to counties. As a former mayor, and a former county supervisor, that certainly is the case in California.

Many of the innovations and successes currently under discussion have been initiated at the local level. In my earlier remarks on welfare reform, I mentioned several of them—initiatives made by counties to put people to work, to devise programs to really run their programs with efficiency, and appropriate for their local communities.

This amendment affirms that there will be no limitation on the ability of a State to conduct innovative and effective demonstration projects in one or more of its political subdivisions.

It empowers the Secretary of Health and Human Services to jointly negotiate with any county or group of counties having a population greater than 500,000 to conduct a demonstration project where the county would have the authority and duty to administer the operation of the welfare program covered by this bill.

In essence, what it is saying, for large counties, or a group of small counties, like in Wisconsin for example, the Secretary would have the authority to be able to negotiate so that the grant would go directly from Washington to the counties.

What does this mean? It means you take the State out of it. Why do I want to take the State out of it? Because I know what States do. They charge a cost, they set up a bureaucracy, and therefore a portion of the money will end up in the State. The State can often not send that money to the counties, or find a reason not to send it, and even use it for other purposes.

So in this amendment, the State in which the demonstration county is located would pass directly to the county the portion of the grant determined by

the State as attributable to the residents of that county.

The duration of the demonstration project is 5 years, after which time the Secretary is directed to report to the Congress on the description, rules, and innovations initiated under the project. Essentially, the block grants of the large counties could go directly to the counties, thereby I believe, based on my experience, it would save money and be more efficiently used.

This was in the bill, my understanding is, as it was originally drafted, and it was removed. We would by this amendment place it back. It is similar to an amendment which was in the prior Daschle bill.

I thank the Chair. I yield the floor.

Mr. FEINGOLD. Mr. President, I ask that the pending amendment temporarily be set aside so I can offer two amendments which I expect will be ultimately accepted.

The PRESIDING OFFICER. Without objection, the amendment will be set aside.

Mr. FEINGOLD. The first relates to a study of the impact of changes on the child care food program on program participation and family day care providers.

I have worked with the majority and minority on the Agriculture Committee on the language of the amendment, and I expect it will be accepted by the floor managers.

Mr. President, This amendment is very simple and it addresses an issue of great concern raised by my constituents in Wisconsin.

A few months ago, the House of Representatives repealed the entitlement status for the Child and Adult Care Food Program and placed its funding in a block grant of other child nutrition programs. The 10,000 family day care home sponsors in the United States worried the program would be swallowed up by the larger, more well-known programs such as the Special Supplemental Food Program for Women, Infants and Children.

The Family Day Home sponsors, who administer aspects of the CACFP knew the House proposal effectively meant the end of this very important program. Mr. President, the CACFP is a relatively small program that affects a very large number of children in this country. In addition to providing reimbursements to providers for meals served to low-income children in child care centers, it provides a blended reimbursement for meals served in all participating family day care homes—those with six children or fewer. Most children in the United States that currently receive day care are cared for in small family day care homes. Even more significantly, according to Congress's Select Panel for the Promotion of Child Health, pre-school age children receive about three-quarters of their nutritional intake from their day care providers. Those two facts emphasize the importance of ensuring children receive nutritious meals while they under the supervision of a family day care home provider.

Early this year, the operator of Wisconsin's smallest non-profit sponsor in my State, Linda Leindecker of Horizon's Unlimited in Green Bay, met with me to discuss her specific concerns about the proposals to modify the program she helps deliver. The CACFP, she pointed out, has greater benefits than might meet the eye. While the clear goal of the program is to enhance the nutritional status of children receiving care by family day care homes, it has many less obvious benefits. Linda pointed out that the program provides a strong incentive for small family day care homes to become licensed by the State. A recent survey of over 1,200 day care homes in Wisconsin found that over 70 percent of those surveyed became licensed because of CACFP benefits. That means children are more likely to be in day care homes that provide a safe and more healthy environment with more nutritious meals than unregulated day care homes. These so-called ''underground'' homes are not only operating without health or safety standards, but they are also better able to evade compliance with income tax laws as well.

Not only must family day care homes participating in the CACFP comply with State regulations, they are also subject to random inspections of all their homes by the CACFP sponsors. CACFP care providers must also undergo extensive nutrition education and training programs conducted by sponsors to ensure that the children in participating homes are eating nutritious meals as required by the program. In total, Wisconsin family day care providers are serving nearly 12.5 million healthy breakfasts, lunches, suppers and snacks annually.

Mr. President, the message I have heard loud and clear from Linda and other Family Day Care Home sponsors in Wisconsin is that while the primary benefit of the family day care home portion of the CACFP is the enhanced nutritional status of children in small day care homes, the second most important benefit is the role of this program in creating more licensed and regulated family day care homes. That benefits parents, taxpayers, and children alike.

Mr. President, I am pleased that the Senate Agriculture Committee did not take the drastic approach endorsed by the House. In particular, I am pleased that the Senator from Indiana [Mr. LUGAR] and the Senator from Vermont [Mr. LEAHY] recognized how important CACFP is to this Nation's children by maintaining the identity and entitlement status of the program in S. 904 as approved by the Agriculture Committee

However, the legislation before us, which incorporates the Agriculture Committee's bill S. 904, does make some fundamental changes to the reimbursement structure for family day care homes. The bill establishes an area-wide means test for full reimbursement, tier I, of meals served in family day care and provides a much smaller reimbursement for meals served in homes that do not fall within a qualifying geographic area, tier II. The Democratic alternative to the majority leader's bill also provides for geographic based means testing for CACFP but provides a slightly higher second tier reimbursement.

Wisconsin's day care home sponsors are alarmed by the small tier II home reimbursement and worry that this lower level of reimbursement will eliminate the incentive for family day care homes to become licensed and approved by the State. As some homes drop out of the program and operate underground, even fewer will enter the program at all, making regulated day care less accessible and less affordable to parents of young children. Sponsors are also worried that the nutritional quality of meals served in tier II homes will decline as well. Fifteen cents, they point out, doesn't buy much of a healthy mid-day snack.

I share those concerns, Mr. President. I am concerned that the marginal benefit of day care home participation may no longer justify the cost of being regulated or licensed by the State. If that is the case, I am concerned that not only the quality of day care will decline, but that the quantity of affordable day care will fall as well. While we are debating a bill that proposes to send more low-income parents to work, it is important that there be an adequate supply of safe and affordable day care for their children.

Mr. President, my amendment tries to address those concerns by requiring USDA to study the impact of the changes to CACFP made in this bill on program participation, family day care home licensing and the nutritional quality of meals served in family day care homes. Since the impact of these changes will likely be felt within the first year or two following enactment, my amendment calls for a one-time study of this matter, rather than an annual review.

I think it is critical that Congress have access to the information they need to conduct proper oversight of Federal programs. While the changes made to the CACFP in S. 1120 are intended to maintain program integrity while achieving fiscal responsibility, it is important that Congress find out whether the legislation actually achieves those goals.

That is the intent of my amendment. It is simple and straightforward but it is important.

The second amendment, Mr. President, relates to authority to allow a housing project in Madison, Wisconsin to conduct a demonstration project that waives the current take-one, take-all section 8 requirement that requires a project which accepts a single section 8 resident to take any other section 8 applicant.

The unfortunate result of this policy, Mr. President, is that sometimes it is meant that a project will not accept any section 8 residents at all. This demonstration program would not entail any Federal cost.

I understand that neither the administration nor the authorizing committee has any objection to this amendment and that they support moving in this direction in order to provide greater flexibility for these types of housing programs.

I offer this amendment along with my senior colleague from Wisconsin, Senator KOHL. The amendment would provide an opportunity for Madison, WI, to demonstrate an innovative and emerging strategy in the operation of the Department of Housing and Urban Development assisted housing program by eliminating the take-one, take-all requirement.

That provision requires the manager or owner of multifamily rental housing to make all units available to residents who qualify for section 8 certificates or vouchers under the National Housing Act as long as at least one unit is made available to those residents under the terms of the long-term, 20-year section 8 renter contracts.

The availability of low-income housing is being seriously threatened across this Nation. This is especially true when private property owners are considered who are increasingly choosing to opt out of the HUD section 8 program for a variety of reasons, as their long-term contracts expire.

The situation in this case in Madison is typical of these problems that are being experienced nationwide. HUD itself recognizes this and has actually proposed, Mr. President, that we eliminate the take-one, take-all language.

They project an elimination of the requirement will provide an incentive to attract new multifamily low-income housing developer owners and also retain existing ones.

Local government officials, private institutions, residents and apartment owners in Madison in this case, Mr. President, have agreed to a plan for the Summer Society Circle Apartments that will reduce the concentration of low-income families and densely populated in circumscribed areas.

They believe it will reduce crime and drug and gang activity and stabilize development in neighborhoods by encouraging a mix of low- and moderate-income families. We believe the amendment provides an opportunity to demonstrate that public-private collaborative planning can result in increased, Mr. President, increased availability of quality housing for low- and moderate-income families.

Accordingly, we urge the support of the body. There is no additional cost associated with this demonstration project, which simply allows this community to have greater flexibility in operating in housing projects which meet the needs of the communities.

As I understand the parliamentary situation, it is the desire of the managers to have as many of these amendments offered tonight as possible, and they will be disposed of in due course.

AMENDMENT NO. 2480

(Purpose: To study the impact of amendments to the child and adult care food program on program participation and family day care licensing)

Mr. FEINGOLD. As I said, I expect both of these ultimately to be accepted, and to expedite consideration I now send the first amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD] proposes an amendment numbered 2480 to amendment No. 2280.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 283, after line 23, insert the following:

(f) STUDY OF IMPACT OF AMENDMENTS ON PROGRAM PARTICIPATION AND FAMILY DAY CARE LICENSING.—

(1) IN GENERAL.—The Secretary of Agriculture, in conjunction with the Secretary of Health and Human Services, shall study the impact of the amendments made by this section on—

(A) the number of family day care homes participating in the child and adult care food program established under section 17 of the National School Lunch Act (42 U.S.C. 1766);

(B) the number of day care home sponsoring organizations participating in the program;

(C) the number of day care homes that are licensed, certified, registered, or approved by each State in accordance with regulations issued by the Secretary;

(D) the rate of growth of the numbers referred to in subparagraphs (A) through (C);

(E) the nutritional adequacy and quality of meals served in family day care homes that—

(i) received reimbursement under the program prior to the amendments made by this section but do not receive reimbursement after the amendments made by this section; or

(ii) received full reimbursement under the program prior to the amendments made by this section but do not receive full reimbursement after the amendments made by this section; and

(F) the proportion of low-income children participating in the program prior to the amendments made by this section and the proportion of low-income children participating in the program after the amendments made by this section.

(2) REQUIRED DATA.—Each State agency participating in the child and adult care food program under section 17 of the National School Lunch Act (42 U.S.C. 1766) shall submit to the Secretary data on—

(A) the number of family day care homes participating in the program on July 31, 1996, and July 31, 1997;

(B) the number of family day care homes licensed, certified, registered, or approved for service on July 31, 1996, and July 31, 1997; and

(C) such other data as the Secretary may require to carry out this subsection.

(3) SUBMISSION OF REPORT.—Not later than 2 years after the effective date of Sec. 423 of this Act, the Secretary shall submit the study required under this subsection to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Mr. FEINGOLD. Mr. President, I ask the pending amendment be set aside so I may offer my second amendment.

The PRESIDING OFFICER. The pending amendment is set aside.

AMENDMENT NO. 2481

(Purpose: To make an amendment relating to public housing)

Mr. FEINGOLD. I send my second amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. FEINGOLD], for himself and Mr. KOHL, proposes an amendment numbered 2481 to amendment No. 2280.

Mr. FEINGOLD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title X, add the following:

SEC. 10 . DEMONSTRATION PROJECT FOR ELIMINATION OF TAKE-ONE-ONE-TAKE-ALL REQUIREMENT.

In order to demonstrate the effects of eliminating the requirement under section 8(t) of the United States Housing Act of 1937, notwithstanding any other provision of law, beginning on the date of enactment of this Act, section 8(t) of such the United States Housing Act of 1937 shall not apply with respect to the multifamily housing project (as such term is defined in section 8(t)(2) of the United States Housing Act of 1937) consisting of the dwelling units located at 2401–2479 Sommerset Circle, in Madison, Wisconsin.

Amend the table of contents accordingly.

Mr. FEINGOLD. Mr. President, I yield the floor.

Mr. MOYNIHAN. Mr. President, I believe the Senator from California wished to speak.

I was mistaken. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. BOXER. Mr. President, I ask the pending amendment be laid aside.

The PRESIDING OFFICER. The pending amendment will be set aside.

AMENDMENT NO. 2482 TO AMENDMENT NO. 2280

(Purpose: To provide that noncustodial parents who are delinquent in paying child support are ineligible for means-tested Federal benefits)

Mrs. BOXER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from California [Mrs. BOXER] proposes an amendment numbered 2482 to amendment No. 2280.

Mrs. BOXER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 712, between lines 9 and 10, insert the following:

SEC. 972. DENIAL OF MEANS-TESTED FEDERAL BENEFITS TO NONCUSTODIAL PARENTS WHO ARE DELINQUENT IN PAYING CHILD SUPPORT.

(A) IN GENERAL.—Notwithstanding any other provision of law, a non-custodial parent who is more than 2 months delinquent in paying child support shall not be eligible to receive any means-tested Federal benefits.

(b) EXCEPTION.—(1) IN GENERAL.—Subsection (a) shall not apply to an unemployed non-custodial parent who is more then 2 months delinquent in paying child support if such parent—

(A) enters into a schedule of repayment for past due child support with the entity that issued the underlying child support order; and

(B) meets all of the terms of repayment specified in the schedule of repayment as enforced by the appropriate disbursing entity.

(2) 2-YEAR EXCLUSION.—(A) A non-custodial parent who becomes delinquent in child support a second time or any subsequent time shall not be eligible to receive any means-tested Federal benefits for a 2-year period beginning on the date that such parent failed to meet such terms.

(B) At the end of that two-year period, paragraph (A) shall once again apply to that individual.

(c) MEANS-TESTED FEDERAL BENEFITS.—For purposes of this section, the term ''means-tested Federal benefits'' means benefits under any program of assistance, funded in whole or in part, by the Federal Government, for which eligibility for benefits is based on need.

Mrs. BOXER. Mr. President, I believe this amendment is quite straightforward. It basically says that, if a noncustodial parent is delinquent on child support payments and gets into arrears extending beyond 2 months, that individual, that deadbeat dad or deadbeat mom, as the case may be, will not be entitled to means-tested Federal benefits.

I think it is very important that we do this. I do not think we should be in the business of giving benefits to people who are neglecting their children. Many families go on welfare because noncustodial parents are not paying their child support.

What we do in this amendment is we give people a second chance. We say if they agree to sign a schedule and commit themselves to the repayment of the arrears and continue the payments on time, then they can get these benefits. But if they fail again, they will have to wait 2 years before they get a chance at those benefits again.

I hope we will have broad support for this amendment.

Only about 18 percent of all cases result in child support collections across this Nation.

And we have to remember we have 9.5 million children counting on AFDC for support. We could really take people out of poverty quickly if the deadbeat parent, be it a mom or a dad—usually it is a dad but sometimes it is a mom—came through with their child support payments.

This amendment is just another way for us to stand up and be counted and say: Look, you are not going to be entitled to get job training, vocational training, food stamps, SSI, housing assistance, and the other means-tested Federal benefits if you are behind on those child support payments. But we are ready to help you. If you will sign a schedule of payments and you live up to that schedule, we will make an exception.

It is interesting to note that America's children are owed more than $34 billion in unpaid child support. Talk about lowering the cost of welfare, collecting unpaid support would be one of the quickest ways to do it. Welfare caseloads could be reduced by one-third if families could rely on even $300 a month, or less, of child support. Mr. President, $300 a month would add up to more than $3,000 a year.

So my amendment would crack down on the deadbeat dads or the deadbeat moms, and basically say you have to pay support or you are not going to get the Federal assistance you would otherwise be entitled to.

So, Mr. President, I do not think I need to continue this dialog with my colleagues. I think at this point I can rest on what I have said. I think the Boxer amendment sends a tough message that we will have little tolerance for people who fail to meet their child support commitments. And we should be tough on these people because they jeopardize the health and well-being of their children by failing to pay support, and they are making the taxpayers pay money that they, in fact, owe to these children. So I rest my case on this amendment. I look forward to its being voted upon.

I ask my friend from Oklahoma and my friend from New York, is it necessary to ask for the yeas and nays at this time, because I certainly would like to have a vote on the amendment?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I will be happy to respond to my colleague from California. Certainly she has a right to request the yeas and nays. I will support that effort.

I have a couple of comments. I had not seen the amendment. I may well support the thrust of it. Others may as well. We are going to have a couple of rollcall votes in the morning and then have some debate over Senator MOYNIHAN's proposal, have the rollcall vote on his, and we may have several other rollcall votes. It will certainly be the Senator's opportunity, if she wishes to ask for the yeas and nays tomorrow. And that will also give her the opportunity to modify the amendment if it would make it more agreeable and more acceptable. That would be my recommendation. But, certainly, if she wishes to ask for the yeas and nays tonight she has that opportunity.

Mrs. BOXER. I thank my friend for his honest answer. I appreciate it. I will withhold because I do believe this is an excellent amendment and if there are small technical problems I will be happy to work with my friends to straighten them out.

So I will withhold, but I look forward to voting on this as soon as I can and I will be back in the morning to debate that, discuss it, at what time my colleague thinks is appropriate.

Mr. NICKLES. I appreciate my colleague from California doing that.

Mr. President, I know of no other Senators having amendments, and my colleague from New York as well. I suggest the absence of a quorum. It will be my intention that the Senate stand in recess until tomorrow morning shortly. But I will withhold for that for the moment. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

(During today's session of the Senate, the following morning business was transacted.)

HONORING LOWELL C. KRUSE AS RECIPIENT OF THE HOPE AWARD

Mr. ASHCROFT. Mr. President, today I would like to congratulate a Missourian who has dedicated his life to helping others. He has spent his entire career in the medical field, not as a doctor, but as someone just as dedicated and just as committed to service. Mr. Kruse is soon to accept the Hope Award, the highest honor bestowed by the Multiple Sclerosis Society. He has served as a hospital administrator, vice president, and president; but throughout, Mr. Kruse has never forgotten those who are less fortunate.

Mr. Kruse was born on February 9, 1944, in the small midwestern town of Lake City, IA. He earned a bachelor's degree in business administration and psychology from Augustana College in Sioux City, SD, and went on to earn his master's degree in hospital administration from the University of Minnesota. Mr. Kruse started his career first as an assistant administrator at the St. Barnabas Hospital in Minneapolis, MN, then became an associate administrator at the Metropolitan Medical Center in Minneapolis where he remained for 7 years serving as the vice president of community operations.

In 1977, Mr. Kruse assumed the responsibilities as president and CEO of the Park Ridge Hospital and Nursing Home in Rochester, NY, and later president and CEO of Upstate Health System, Inc. in Rochester. In 1984, Mr. Kruse returned to his roots in the Midwest, serving as the president and CEO

of Heartland Health System in St. Joseph, MO, for the past 10 years.

While Mr. Kruse has continued to strive for success, he has never turned his back on others in his community. In New York, he was a member of the Greater Rochester Area Citizens League Board, the United Way, and the board of directors of the Rochester Area Career Educational Council. In Missouri, he has served as chairman of the St. Joseph Development Corp., as well as chairman of the St. Joseph Chamber of Commerce, and is currently a fellow at the American College of Health Care Executives. These are just a few of the many contributions Mr. Kruse has made to fulfill his commitment and dedication to the communities in which he has lived.

Mr. Kruse has been the recipient of numerous awards for his devotion to community service. In 1970, he was listed as one the outstanding young men in America. In 1976, Mr. Kruse was awarded a Distinguished Service Award and honored as one of 10 outstanding young Minnesotans. In 1992, Mr. Kruse received the Midland Empire Arthritis Center's William E. Hillyard Jr. Humanitarian Award.

Throughout his career, Mr. Kruse has dedicated his life to helping and inspiring those around him. It is clear from his achievements that he is truly committed to making a difference in the lives of many. Mr. Kruse is a great humanitarian who has given his time graciously, caring for those who have been stricken by life threatening diseases. I am grateful for his service and commend him for his dedication to helping others, not just in Missouri, but across America.

MESSAGES FROM THE HOUSE

At 1:02 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1854) making appropriations for the legislative branch for the fiscal year ending September 30, 1996, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MCCAIN (for himself, Mr. FEINGOLD, Mr. THOMPSON, Mr. PELL, and Mr. WELLSTONE):

S. 1219. A bill to reform the financing of Federal elections, and for other purposes; to the Committee on Rules and Administration.

By Mrs. BOXER:

S. 1220. A bill to provide that Members of Congress shall not be paid during Federal Government shutdowns; to the Committee on Governmental Affairs.

By Mrs. KASSEBAUM (for herself and Mr. JEFFORDS):

S. 1221. A bill to authorize appropriations for the Legal Services Corporation Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. FAIRCLOTH:

S. 1222. A bill to prevent the creation of an international bailout fund within the International Monetary Fund, and for other purposes; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Ms. MIKULSKI (for herself, Mr. SARBANES, Mr. WARNER, and Mr. ROBB):

S. Res. 167. A resolution congratulating Cal Ripken, Jr. on the occasion of his breaking the Major League Baseball record for the highest total number of consecutive games played; considered and agreed to.

By Mr. LOTT:

S. Con. Res. 26. A concurrent resolution to authorize the Newington-Cropsey Foundation to erect on the Capitol Grounds and present to Congress and the people of the United States a monument dedicated to the Bill of Rights; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCAIN (for himself, Mr. FEINGOLD, Mr. THOMPSON, Mr. PELL, and Mr. WELLSTONE):

S. 1219. A bill to reform the refinancing of Federal elections, and for other purposes; to the Committee on Rules and Administration.

THE CAMPAIGN FINANCE REFORM ACT OF 1995

Mr. MCCAIN. Mr. President, I am pleased to join with my colleagues, Senator FEINGOLD and Senator THOMPSON, to introduce the Senate Campaign Finance Reform Act of 1995. This bill, if enacted, would dramatically change American political campaigns.

This legislation is intended to help restore the public's faith in the Congress and the electoral system; to reaffirm that elections are won and lost in a competition of ideas and character, not fundraising. Toward that end, we hope to level the playing field between challengers and incumbents.

Again, I want to note, this bill is about placing ideas over dollars. While my Democrat cosponsors may disagree, I believe that Republicans won majorities in Congress last year because the American people understood and supported our ideas for changing the American Government, not because we excelled at the money chase. We want to make sure that decisions about who governs America—decisions that are so profound in their consequences for current and future generations of Americans—will be made by voters who have a fair understanding of those consequences.

Campaigns, of course, cost money. This bill recognizes that fact. It does not end campaign spending, but limits it in a manner that forces candidates to rely more on their message than their money.

Mr. President, poll after poll reveals the public's loss of faith in the Congress. One of the reasons this has occurred is that the public believes—rightly or wrongly—that special interests control the political and electoral system. In order to limit the ability of special interests to control the process, and to change the perception that money controls politics, we must enact campaign finance reform.

A recent USA Today-CNN Gallup poll revealed that 83 percent of Americans want campaign finance reform enacted. According to the same poll, the only two issues that the public feels are more important than campaign finance reform are balancing the Federal budget and reforming welfare. To the surprise of many, the poll showed that changing Medicare and cutting taxes has less support than did campaign finance reform.

Mr. President, I would like to outline what the bill does:

Spending Limits and Benefits: Senate campaign spending limits would be based on each State's voting-age population, ranging from a high of over $8 million in a large State like California to a low of $1.5 million in a smaller State like Wyoming. Candidates that voluntarily comply with spending limits would receive:

Free Broadcast Time—Candidates would be entitled to 30 minutes of free broadcast time.

Broadcast Discounts—Broadcasters would be required to sell advertising to a complying candidate at 50 percent of the lowest unit rate.

Reduced Postage Rates—Candidates would be able to send up to two pieces of mail to each voting-age resident at the lowest 3d-class nonprofit bulk rate.

New Variable Contribution Limit—If a candidate's opponent does not agree to the spending limits or exceeds the limits, the complying candidate's individual contribution limit is raised from $1,000 to $2,000 and the complying candidate's spending ceiling is raised by 20 percent.

On the issue of Personal Funds: Complying candidates cannot spend more than $250,000 from their personal funds. Candidates who spend more than that amount are considered in violation of this act and therefore qualify for none of this Act's benefits.

Also candidates are required to raise 60 percent of campaign funds from individuals residing in the candidate's home State.

There is a ban on political action committee contributions. In case a PAC ban is ruled unconstitutional by the Supreme Court, backup limits on PAC contributions are also included. In such an instance, PAC contribution limits would be lowered from $5,000 to the individual contribution limit. Additionally, candidates could receive no more than 20 percent of their contributions from PAC's.

All franked mass mailings banned in year of campaign.

There is a requirement increased disclosure and accountability for those who engage in political advertising.

Bundling is limited.

It requires Full Disclosure of all Soft Money contributions.

There is a ban on personal use of campaign funds, which codifies a recent FEC ruling that prohibits candidates from using campaign funds for personal purposes such as mortgage payments or vacation trips

This bill will affect both parties equally. It does what other bills in the past did not, not benefit just one party. And that is also why it has bipartisan support.

Mr. President, is this a perfect bill? No, it is not. I do not know if it is even possible to write a perfect campaign reform bill. But it is a good bill, that addresses the partisan and nonpartisan concerns that have undermined previous reform attempts. As the Washington Post said, ''it would represent a large step forward.'' Also, as many have noted, we cannot let the perfect be the enemy of the good.

We must take this step. The American people expect us to do at least that much.

Mr. President, I want to make a few additional comments. I note the presence of my friend and colleague from Wisconsin, who is my partner in this effort, Senator FEINGOLD.

Sometimes, residing here in the Nation's capital, as we have to do a great percentage of our time, we have a tendency to not be aware of the hopes and aspirations and frustrations of the American people. Last week there was a CNN poll that showed what the American people want Congress to do and what they expect Congress to do. Mr. President, 88 percent of the American people want Congress to balance the budget; 31 percent believe that they will do it. The next highest on that list is 88 percent want Congress to reform welfare; 47 percent expect them to do it. Next in line is 83 percent of the American people want Congress to reform campaign financing, while only 30 percent of the American people believe that Congress will do it.

The article goes on to say Congress meanwhile has fallen to a 30-percent approval, its lowest level since Republicans won control in January. Analysts say it is largely due to the slowdown in legislation as items have moved to the Senate coupled with an increase in partisan bickering over Medicare and GOP squabbles over welfare reform.

Mr. President, I do not think we should rest easy when the approval of the American people of Congress is as low as 30 percent.

Recently there was a poll done by respected pollsters in this city. I would like to quote three very important items from that poll.

When asked: We need campaign finance reform to make politicians accountable to average voters rather than special interests, voters stated this was very convincing, 59 percent; somewhat convincing 31 percent; not very convincing, 5 percent; not at all convincing, 4 percent; and do not know, 2 percent.

Mr. President, let me repeat that. When asked: We need campaign finance reform to make politicians accountable to average voters rather than special interests, a total of 59 percent found that argument very convincing, and 31 percent; somewhat convincing, a total of 90 percent of those interviewed.

When asked: We do not need campaign finance reform, the election in November helped clean up a lot of problems in Washington, respondents said their argument was very convincing, 13 percent; somewhat convincing, 19 percent; not very convincing, 22 percent; and not at all convincing, 39 percent.

Reducing the amount special interest groups can contribute to a candidate would be very effective, 54 percent; somewhat effective, 34 percent.

Mr. President, when the respondents were asked: Those who make large campaign contributions get special favors from politicians, respondents said this is one of the things that worries you most, 34 percent; worries you a great deal, 34 percent. Sixty-eight percent of the American people believe that those who make large contributions get special favors from politicians bothers them most or bothers them a great deal.

What I am saying is that we need to reform this business. We must understand that money will always play a role in political campaigns. In an ideal world that would not be the case. We do not live in an ideal world. But there should be accountability.

I am pleased that Senator FEINGOLD and Senator THOMPSON and others are joining in this effort, the first bipartisan effort in over 10 years. This is not a popular issue, Mr. President. It is not one that the Congress would like to address. There are those who are cynical about the real prospects of fundamental campaign finance reform since it has been a high item on the agenda for a long time.

Frankly, I do not know if we will reform campaign financing. But I do know this: If we do not do something in this area, the very high disapproval that the American people have for our activities here in Congress will be reflected at the polls in November of 1996 since the American people have no other recourse. It is not clear to me what that reaction will be, whether it is a search for an independent party or candidate.

About 2 weeks ago was there was a poll taken by the Wall Street Journal and NBC that showed that 6 out of 10 Americans now would support an independent party for a candidate, or whether they would go back to the Democratic Party or they would believe that those on this side of the aisle are making a good effort. But I do know this: If we continue to experience such high disapproval ratings, the American people lose confidence in our ability to carry out their mandates and the repercussions cannot be good for our system of government.

So, Mr. President, I hope we will look at this issue carefully. I hope we will continue to try to work on a bipartisan basis. And I hope that all of those who are interested in this issue will understand that the Senator from Wisconsin and I do not believe that we have come up with a perfect document, there are parts of this bill that I have reservations about, parts of this bill that the Senator from Wisconsin has reservations about. We cannot let perfect be the enemy of the good. And always, if there is one lesson here, it is that this issue must be addressed on a bipartisan basis and from a bipartisan standpoint.

I reserve the remainder of my time and yield such time as he may use to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. FEINGOLD. Mr. President, I thank the Chair.

Mr. President, I especially want to thank the Senator from Arizona. I am pleased to be a part of this effort, to be one of two authors in the McCain-Feingold bill, and am pleased to hear that Senator THOMPSON has joined us.

I have worked with the Senator from Arizona already this year on a number of issues and on a bipartisan basis about our concern about the revolving door. Members of Congress and staff sometimes move rather quickly over to lobbying ventures. We are trying to do something about that.

We worked hard together to try to do something about the great public frustration about pork items being placed on appropriations bills, and are trying to respond in another piece of legislation that is attached to the line-item veto, a bill that could do something about putting extraneous material on emergency spending bills.

I, of course, feel particular good about our recent effort and success on the gift ban which this body enacted just prior to the recess that we just had.

I have to tell you, back home the response to the gift ban was a lot more intense than I expected. People are looking for any sign of hope that things can change here in Washington. Even though the gift ban itself is not something that changes the world or solves all of our problems by any means, there was a feeling I got that people took some heart from that.

Our effort today in introducing this campaign finance reform bill is all about building on that initial success and doing it in an area that is even far more important; as the Senator from Arizona has said, the changing of the way we finance our campaigns. I am very optimistic that a number of Members from both sides of the aisle will join us in this effort soon. That is the indication I am getting from our conversations.

The Senator from Arizona said this is, will be, and will continue to be a bipartisan effort. Senator MCCAIN is speaking to Democrats and I am speaking to Republicans about this. We are not dividing up the Senate because this has to be a product of the Senate.

What we are really asking here is for both political parties to, in effect, sort of mutually disarm this money race in politics and to have a consensus that the Senate and the Congress in this country will all be better off if we stop this horrible trend for outrageous spending in campaigns.

I agree with the Senator from Arizona that this is not the perfect bill or the ideal bill, if there is one. I believe in complete public financing of campaigns. I think it would be better if we did not have any campaign contributions, if it was illegal to ask for campaign contributions. I think everybody would be better off. I suppose that is my ideal world. But I know that cannot pass here.

I introduced my own bill earlier this year, S. 46. I thought it was a good bill but it involved public financing. There are difficulties in getting a majority on that issue. But because campaign finance reform is such an overwhelming priority, I was not only pleased to see some of the ideas of the Senator from Arizona, but I was very surprised to see how far he would come to try to reach a consensus, to try to have a bipartisan bill to solve this problem. I believe it is one of the biggest problems we have in this country. I say the biggest problem we have in terms of our day-to-day operations in trying to solve a particular problem is balancing the Federal budget. That is No. 1.

But if we want to talk about the procedure, if we want to talk about the way this Government is run and why people feel it does not run right, I think the most important issue is changing the way campaigns are financed.

I say this from the point of view of maybe three different groups. The first group, the most important group, is the public at large. The Senator from Arizona says one of the reasons he thinks the Republicans won on November 8 is this issue. I think he is right. I think it is one of the reasons Bill Clinton and some of us won in 1992. It does not mean we earned that support if we do not do campaign finance reform. But I think it is one of the reasons. I think it has been a little bit surprising to people that in a reform Congress that this issue of campaign finance reform has not really come to the fore.

So from the point of view of the public, when they see the hundreds of thousands of dollars poured into the telecommunications bill or the regulatory reform bill, you name it, this is all happening in this Congress, the money race, the big contributions continue, and it makes people feel that they are disconnected from their elected representatives, that something is going on here, that after the election somebody comes here and they are distracted or disconnected from them, and that the big money in campaigns has a lot to do with it.

So from the point of view of the public, we need this legislation. We also need this legislation from the point of view of people who are challengers. We were all new candidates once for the Senate. We all had to face the reality that people would come to us and say, ''Well, you may be qualified, but where are you going to get the money?'' That ended up being the first question I was asked any time I went anywhere in Wisconsin or other places trying to figure out if I could run a credible race. How are you going to get the money?

Well, that has to change. Some of us were fortunate enough to win, maybe even without a great deal of money. But I cannot even imagine the thousands and thousands of Americans, good Americans, people who would have been wonderful Senators who did not even consider running because they believe this has become a game for either the wealthy or the well connected.

Finally, there is a third group that this should have great appeal for, and that is the 100 Members of this body. Ask any Senator what they do not like about their job. Most are so delighted to be here and consider it a great honor. The one thing that is the bane of any Senator's existence, if there is one, is this necessity of raising money. For many it is a demeaning process, to be told that if you do not raise $10,000 a week, you are not going to have a chance and you are going to have more opponents. It takes away from time with your family; it takes away from time with your constituents; it takes away from time to actually do the job here in Washington, to understand the issues, to talk to other Senators and to work out solutions. So from the point of view of the Senate and those who seek the Senate and those who elect us, it is time to come together, compromise if necessary, and have a real campaign finance reform bill.

The Senator from Arizona has outlined already the major provisions. Let me just highlight what I consider to be the three core provisions that I think make this bill very unique and not only strong but balanced from a partisan point of view. And these are the three provisions that all have to do with what happens if somebody complies with the incentives and with the limits in the bill in order to get various incentives.

First of all, there is a provision that might be called the more Democrat-supported provision. It was the one in S. 3 last year, the one that passed the Democratic Senate, and that is the voluntary limit. We would place a voluntary limit based on the size of the population in a State of how much can be spent in total in a U.S. Senate election from about $1.5 million in the smaller States to a maximum of about $7 million to $8 million in California. And we know even though that sounds like a lot of money, it does not even compare to the $50 million that was spent in a Senate race in California this past year.

So we provide a voluntary limit, and if you abide by the limit, you get benefits such as reduced television time and an opportunity to mail on a reduced basis to the constituents in your State.

The second idea is what I would call a more Republican idea, an idea that I have always liked, one idea I campaigned on and I believe in it, and that is that you should have to get a majority of your campaign contributions from individuals from your own home State—not from PAC's, not from out-of-State interests, but a majority of the money has to come from the folks for whom you work, the boss—in my case, the 5 million people who live in Wisconsin. I think that is a very important provision to return us to the grassroots politics it has been.

The third major provision has to do with a rising trend that we have all noticed and are all concerned about which makes the public terribly cynical, and that is the proliferation of big money being spent by very wealthy individuals to finance their own campaigns. This bill produces a voluntary limit of approximately $250,000, depending on the size of your State, saying that if you spend over that of your own money, your opponent gets some advantages in terms of raising funds to make it more competitive.

So this combination, doing something about the overall amount that is spent, doing something about obtaining funds from outside of your own home State, and doing something about the unfairness of the system that allows only the very wealthy to be able to just get right in the middle of an election, buy recognition and win an election, these three things I think make for the core of a very effective bill. There are other provisions that are important, but I think these three are the ones that will make this bill work and make the bill pass.

In addition, if a complying candidate is faced by an opponent that is pouring millions of dollars of their own money into their campaign, the complying candidate is granted the ability to raise additional campaign funds beyond the limits under current law.

I support that principle—that is, the idea that we should provide incentives for candidates to limit their personal funding, and the idea that if one candidate is facing someone with such vast resources, the candidate without personal wealth should have access to resources of equal value.

I do have concerns about this particular provision that raises the individual contribution limits and allows the complying candidate to raise hundreds of thousands of extra dollars. I am not sure that furthers the goal of bringing down the overall costs of Senate campaigns—in fact, it may only

add fuel to the fire. Providing the complying candidate with greater benefits may be a better alternative to raising the contribution limits. But again I support the principle of finding a way to encourage candidates to voluntarily limit their personal spending.

There are other important provisions in this legislation as well. We eliminate a traditional incumbent advantage—franked mass mailings, in the calendar year of an election. The bill contains another provision I have concerns about, a ban on political action committee contributions including the so-called leadership PAC's.

If such a ban is ruled unlawful, PAC contributions will be limited to no more than 20 percent of a candidate's campaign funds collected and the contribution levels for PAC's will be lowered from 5,000 dollars to whatever the applicable individual contribution limits are.

Some view a PAC ban as a cure-all to our campaign finance problems. I am not so sure of this. First, according to figures released by the Federal Election Commission, PAC contributions have remained at fairly equal levels over the past few election cycles. Aggregate PAC contributions totaled $149 million in 1990, rose to $178 million in 1992 and remained at $178 million in 1994.

During the same period, overall campaign spending has risen from $446 million in 1990 to $724 million in 1994—a 62-percent increase. So even though overall campaign costs have skyrocketed in recent years, the level of PAC contributions has remained relatively constant.

That is why I have very serious doubts that banning political action committees will be very helpful in getting a grip on the rapidly rising levels of overall campaign spending. The Senator from Arizona does however make a compelling point that incumbents by and large are most likely to benefit from PAC's as illustrated by the shift in PAC contributions from the Democratic Party to the Republican Party following the 1994 elections.

Though I question the legality and rationale in banning PAC contributions, I think it is entirely appropriate to limit the amount of PAC contributions a candidate may accept as a percentage of overall fundraising. The backup provision in this bill—the 20 percent aggregate limit on PAC contributions, as well as lowering PAC contribution limits so they are equal to individual contribution limits—is a good idea, and I would actually support lowering that aggregate threshold, perhaps 10 percent.

The bill also places new disclosure requirements and limits on the tremendous amounts of soft money, that is, the unregulated campaign funds that are poured into Federal campaigns including Presidential elections.

Soft money represents a real problem in our political system and this is clearly one obstacle that Republicans and Democrats should be working together to eliminate. The amount of soft money raised just this year—numbering in the tens of millions of dollars—stands to undermine the reforms of the Presidential Election System that have worked so well for over 20 years now.

Let me say that I was disappointed in the Democratic National Committee's recent fundraising effort that literally sought to sell access to the President in exchange for campaign contributions. I am very pleased that President Clinton, a longtime supporter of campaign finance reform, denounced this effort and distanced himself from it.

This sort of fundraising has occurred while the White House was in control of Democrats and Republicans alike—and let me be clear here—both parties are guilty of this kind of fundraising tactic that only underscores the need for comprehensive reform that includes soft money limits and disclosure.

Finally, the bill will codify a recent ruling by the Federal Election Commission that bars candidates from using campaign funds for personal purposes, such as mortgage payments, country club memberships and vacations.

Most of these provisions were included in S. 46, the campaign finance reform legislation I introduced on the first day of the 104th Congress, and I am delighted that Senator MCCAIN and I were able to come together, roll up our sleeves and produce a comprehensive reform bill that is fair to Democrats and Republicans alike.

The fact is, I do not support everything in this bill. There are provisions I would like to see modified. The legislation I introduced in January called for full public financing for candidates that agree to limit there overall campaign spending. I continue to believe that public financing is the best way to reform a system that has created dramatically unfair elections and caused Members of Congress to spend increasingly more time hosting fundraisers and less time fulfilling their legislative responsibilities.

However, if campaign finance reform is to pass with bipartisan support, a vehicle for such reform must be found that can be supported by Members from both parties and from across political ideologies. I believe that this bill provides that vehicle.

Having a fair and competitive election system is not a Democratic or Republican issue. How we elect our Representatives is a cornerstone of our Democratic political system. As a Nation, we have always put a tremendous value on participation in our Democratic process. We have repeatedly passed laws, even constitutional amendments, to expand the rights of our citizens to vote and express political viewpoints.

Yet here we are with a campaign system in which the average cost of running for a seat in the U.S. Senate is estimated at $4 million. Four million dollars. That is just the average. In 1994, nearly $35 million was spent between the two general election candidates in California alone. Nearly $27 million was spent by the candidates in the Virginia Senate race.

So unless you win the Powerball drawing, or strike oil in your backyard or are an incumbent Member of Congress, you are an automatic longshot to be even considered a credible candidate for the United States Senate.

That is not expanding participation. That is not encouraging democracy. That is sending out a clear message that unless you are well-financed or well-connected, you should not be running for the United States Senate.

Finally, the time consumed raising contributions for reelection efforts is time taken away from legislative responsibilities of incumbents. Members of Congress should not have to chose between those responsibilities or making phone calls to potential contributors.

What we need to do is to return to a simple proposition: That is, money should not determine the outcome of elections. Elections should be decided by issues and ideas, not checkbooks and campaign coffers. That does not mean that campaign contributions have no place in our election system. It simply means that all candidates should have a legitimate and reasonable opportunity to get their message out to the electorate in their States.

I have reached that conclusion, the Senator from Arizona has reached that conclusion and the majority of this body has reached that conclusion.

Mr. President, we all know that Congress is not held in very high regard by the American people. They are angry, they are cynical and to a large extent they have lost faith in their Government. All of these feelings have sprung from a common belief that is shared by so many of our constituents—a belief that I find deeply troubling—that the Congress simply does not represent them anymore.

They see the television news accounts of Members of Congress relaxing on a beach vacation paid for by lobbyists. They find out that their Representatives are receiving tens of thousands of dollars from this interest group or that interest group, and they have begun to wonder if the average American really has any sort of voice in Washington DC. They feel alienated, they feel disconnected and soon they become distrustful.

A few weeks ago, thousands of Americans who have been frustrated by both parties' inability to produce meaningful political reform met at the United We Stand America Convention in Dallas.

Politician after politician, from both parties, ranging from the distinguished Senate majority leader to the general chairman of the Democratic National Committee, stood at the lectern in Dallas and railed for campaign finance reform. Why? As one attendee at this convention framed it:

When I look at a politician, I wonder who really owns him. I do not see them as people with their own ideas. I think the people who are financing them tell them what to think.

That viewpoint, Mr. President—one that I believe is shared by millions and millions of other Americans—is precisely why we are in such need of immediate and meaningful campaign finance reform.

Whether it is showering Members of Congress with free gifts, meals or vacation trips, or funneling huge campaign contributions to incumbent Members, it has become clear in the minds of the American people—and justifiably so—that the key to gaining access and influence on Capitol Hill is money.

And that is what our election system has become all about—money. Candidates are judged first and foremost not on their positions on the issues, not by their experience or capabilities but by their ability to raise the millions of dollars that are needed in today's climate to run an effective congressional campaign.

The bill we are introducing today will return our campaign system to the people we represent. If an individual wants to run for the United States Senate and can prove that their ideas and viewpoints represent a broad base of support, they will have the opportunity to do so.

I have said many times that we should not have a campaign finance system that favors challengers or incumbents, or candidates from either party. The bill we are introducing today represents the comprehensive, bipartisan reform that the American people have been demanding for years.

This bill represents a compromise that can be supported by Senators from across the ideological spectrum. It is not perfect and it includes provisions which I and others might not support standing alone. Each of us has swallowed hard in some areas to put together a responsible, bipartisan proposal. Taken as a whole and on balance, it is a vast improvement over our current system which can be described as unfair at best and chaotic at worst.

Finally and very briefly, the question I am getting is: Why do you think this is going to succeed? This has been tried time and again.

Well, I can understand that sentiment. Campaign finance reform is not even mentioned in the Republican Contract With America. It is not even there. But there is still a strong feeling that this should be done. Even though there is a disconnect between what the Senator from Arizona has said when he points out people believe this should be done but they do not think it can be done, it will not happen, I think there are signs it will happen.

First, this is the first bipartisan effort of its kind for 10 years. That is very important.

Second, I think the gift ban effort showed that there is a willingness on reform issues to cross party lines, to sometimes not agree with the leadership, and to move on a bipartisan basis to change the system.

Third, you cannot help but notice that at the conference in Dallas run by Mr. Perot, even though it may not have been expected, one of the leading topics was the need for campaign finance reform. And in the first speech given at that conference by our former colleague, Senator Boren said that the conference should go on record in favor of the McCain-Feingold bill.

I also noticed that even before we introduced the bill today, we have already had editorial endorsements across the country. It is rare to receive editorial endorsements on a piece of legislation before you even introduce it, but this bill has already merited it. We also understand that at least a notice will go out today that a couple of our colleagues in the House on a bipartisan basis will introduce this same bill in the House. So there is reason to believe that it will not just be an effort in the Senate.

Let me finally say I think the most telling proof that this thing can work is the vote we took in July. I came to the floor of the Senate and simply brought up a sense-of-the-Senate resolution along with Senator MCCAIN that said we ought to consider campaign finance reform during the 104th Congress. I expected that this would just be accepted, that people would say, ''Fine. Let's deal with that later.'' But the majority leader, a person who has enormous respect in this body from every Member, came down to the floor and indicated that he was not sure there could be a bipartisan effort, and he moved to table my amendment to not have campaign finance reform put on the agenda.

Mr. President, he lost that vote. He almost never loses a vote out here. He has a tremendously high success record. But 13 Republicans joined with various Democrats to say on a 57–41 vote that, yes, during the 104th Congress we have to clean up this money mess that is in Washington. We have to stop this race to raise all this money out here that takes us away from our constituents.

I think that is a good sign. It is a sign that both parties want to work together. And all I can say in conclusion is the thing I especially like about working with the Senator from Arizona is he does not just like introducing bills; he likes to win. This is an effort to pass a bill—not talk about it, pass a bill—send it to the President, and to have by January 1, 1997, a whole different way of electing Senators.

So I thank the Senator from Arizona very much, and I look forward to this effort.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair recognizes the Senator from Arizona.

Mr. McCAIN. Mr. President, I send this legislation to the desk.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

Mr. McCAIN. Thank you, Mr. President. I just want to congratulate the Senator from Wisconsin for a very fine statement. I hope this is the beginning of a process that can be completed. I believe we have clearly stated that we are interested in a bipartisan effort in this area. We are not interested in seeking political advantage or campaign advantage for either party. We are interested in leveling the playing field for incumbents and challengers, which is clearly not the case today. I appreciate the effort of the Senator from Wisconsin and I have grown to appreciate not only his dedication but his tenacity.

Mr. President, I note the presence of the Senator from Maryland in the Chamber, so I will yield back the remainder of my time.

Mr. THOMPSON. Mr. President, I appreciate the opportunity to join my colleagues, Senators MCCAIN and FEINGOLD, in the introduction of the Senate Campaign Finance Reform Act of 1995.

It is well known that the American people have very little faith in their elected representatives. It is a travesty that the commonly held presumption is that Members of Congress are bought and controlled by special interests.

Another problem that affects the reputation and quality of our representative government is that once someone gets elected, they have a significant advantage in subsequent elections.

Congress needs to move away from professionalism and more toward a citizen legislature. It should be more open, instead of more closed. And that's because of the role that money plays. Unless a candidate has access to large sums of money he or she is pretty much cut out of the process. This leaves the field to the professional politicians.

This legislation will do several things. First, it will help level the playing field and help reduce the advantage that incumbents have. And it will bring down the built-in advantage of individual wealth. Second, it will reduce the reliance on private donations.

The new provisions which is the largest step in a new direction is the one that requires that most of a candidate's money must be raised in his or her own State. For myself, I'd probably be in favor of even higher requirements on this.

The most important element in all this is what passage of this legislation would do to improve public confidence. The public is extremely cynical and skeptical of the process of our Congress and our Government. We need to do everything we can to turn that around. Much of the public's concern has to do with the role of money in our process. This would be a step in a downplaying the importance of money in electing our officials and in what is perceived to be its effect on the decisions officials make after their election.

Much of the public perception of the process is justified. We have got to

start doing everything we can to enhance the stature and the confidence that people have in the Congress. Otherwise, we are not going to be able to exert the leadership we need to in other legislative areas. Right now we've got feet of clay, and it makes the rest of the body politic weak. Until we do something about these fundamental parts of the political process, Congress is not going to have the strength to sustain itself when we make the tough decisions on fiscal matters, and other important areas such as welfare, tax reform, health care, and crime.

This proposal will help level the playing field, open up the process, and do away with some of the advantages of incumbency. It will reduce the amount of time a candidate and office holder will have to spend on fundraising. It will reduce the role of money and reduce the reliance on private political contributions. And most importantly, it will help renew public confidence.

Mr. WELLSTONE. Mr. President, I am delighted to be an original cosponsor of the bipartisan legislation introduced today by Senators FEINGOLD and MCCAIN, to provide for broad, sweeping reform of the way we conduct and finance congressional elections.

I have been proud to work with my colleagues from Arizona and Wisconsin on a number of political reform issues, and was very pleased to celebrate a major victory with them as allies on the gift ban, passed just before the recess. After several years of struggle and controversy in the face of strong and persistent resistance by certain of my colleagues, including last year's filibuster by our Republican colleagues, it was a major victory for reformers. And in my conversations with people back in my State, they recognized its importance and said that it gave them renewed hope that we in Congress might respond to growing demands for political reform at the grassroots.

But the gift ban, and the passage of lobbying reform, are only two key elements of the political reform agenda. The more significant reform, in my mind, and the one that will have even more far-reaching consequences for stemming the tide of special interest influence in the political process, is the effort to profoundly reshape the way we finance and conduct political campaigns in this country.

For many years, I and others have pushed forward here in the Senate a number of campaign finance reform bills, only to see them die in the face of near-unanimous Republican opposition, including a sustained filibuster against last year's bill. I hope that as this bill evolves, it will serve as the basis for the grand bipartisan compromise on this issue that has so far eluded us. For that to happen, each side will have to consider giving up certain advantages that many believe the current system now offers. Americans are looking for that kind of cooperation and compromise on political reform. They believe it's long overdue.

On the first day of this Congress, I reintroduced S. 116, my comprehensive campaign reform legislation, which I believe should serve as a model for real, thoroughgoing reform of our campaign finance system. I said at the time that I hoped we would move forward quickly on real reform, despite the persistent opposition of most of my colleagues on the other side of the aisle. That bill has been bottled up by the Governmental Affairs Committee, which has thus far refused to even hold hearings on campaign reform.

There have been a number of other campaign reform bills introduced this year, including the version of last year's comprehensive bill introduced by Minority Leader DASCHLE. None of them have received serious consideration by the committees on jurisdiction either. I hope that additional elements of my bill will be incorporated into the final version of this bill if it moves forward.

This bill is not perfect. Some of its provisions I don't support. But even with its warts, I have decided to be an original cosponsor in the hope that it might provide a vehicle for real, bipartisan reform efforts this year. It does provide many of the central elements of any significant reform plan. Its enactment would go a long way toward restoring integrity to our political process.

Perhaps most important, it would impose strict limits on the amounts that candidates could spend in their campaigns. That is critical if we are to address the huge amount of big money that pours into campaigns, often from well-heeled special interests. As with my bill, and others, the formula would be based on the voting age population in each State. Candidates who agree to abide by the limit would receive free broadcast time, reduced postage rates, and broadcast discounts as incentives for them to participate.

It also contains tough new provisions to ban special interests from bundling contributions, bans contributions from political action committees—with backup limits should the ban be found unconstitutional by the courts—bans incumbent use of taxpayer-paid mass mailings in an election year, imposes tough new limits on so-called soft money contributions that can be used to circumvent Federal financing rules, and prohibits the personal use of campaign funds.

Finally, it places a premium on contributions from a Member's own home State, in an effort to ensure that Senators are more accountable to those who elected them than to big-money special interests. It requires that a substantial majority of funds come from one's State, and that would be another big step toward reform. While it is true that this specific provision has often been seen historically as being harder on Democrats than Republicans, I believe this is an important principle that should be preserved in some form as this bill moves forward.

As I have said, there are some real problems with this bill, and both of its primary sponsors have acknowledged that. I will only identify a few. For example, if a noncomplying candidate refuses to abide by spending limits, the bill allows an increase in contribution limits for the complying candidate, as a deterrent to nonparticipation. I am very troubled by this provision, because I think it could, in some circumstances, increase individual contribution limits, rather than decrease them, as I would prefer. Last year I offered several amendments to reduce substantially individual contribution limits. I continue to believe that this is the way to go, coupled with other incentives. I hope that we will ultimately provide for another way to offer carrots, and wield sticks, to encourage candidates to comply with spending limits.

In addition, the bill provides for a limit on personal funds spent in a campaign to $250,000. I believe this is much too high, which is why I offered an amendment last Congress, approved overwhelmingly by the Senate, to cut this limit down to $25,000. I believe that is where the limit should be set, and I intend to work with my colleagues to reduce that limit.

In short, while this measure is not as comprehensive as earlier versions of campaign legislation which I have authored or supported in the past, it would go a very long way toward real reform. I think that as the bill moves forward, it can be improved upon, and I intend to work to do that. But I commend Senators FEINGOLD and MCCAIN for their effort, and I hope the introduction of this bill will help to move us as soon as possible toward a major overhaul of the campaign finance system, which has eluded us for so many years.

By Mrs. BOXER:

S. 1220. A bill to provide that Members of Congress shall not be paid during Federal Government shutdowns; to the Committee on Governmental Affairs.

FEDERAL GOVERNMENT SHUTDOWN LEGISLATION

● Mrs. BOXER. Mr. President, today I am introducing legislation that I believe is fair and necessary.

This bill says that if the Congress fails to do its work and cannot reach agreement on the Federal budget—and the Federal Government cannot pay its bills—Members of Congress will not receive pay.

Americans are being told every day that we may come to a train wreck over the budget. Certainly, we have major differences among Members of Congress and the President over what our national priorities should be. Some in Congress favor a huge tax cut for the rich paid for by crippling the Medicare system. I think that is cruel and unfair, and I am going to fight it. But even if we cannot agree on priorities,

all Members of Congress should agree that we must pass the budget on time and enable the Government to continue operating.

I believe this legislation is important for two key reasons:

First, it will help avert the predicted Government shutdown because—with their personal paychecks on the line—Members will understand the fear and uncertainty now being felt by the millions of Americans who rely on Government services—from small businesses with Federal contracts to farmers to veterans to senior citizens to those who hold U.S. Government bonds.

Second, it codifies a principle that all other workers in America live by: If you don't do your job, you shouldn't get paid. One of Congress' most important functions is to pass the Nation's budget. If we fail in that critically important task, it simply makes sense that our pay should be docked.

This legislation would require that pay for Members of Congress be docked if either there is a lapse in appropriations for any Federal department or agency or the Federal debt ceiling is reached.

I am very pleased that a companion measure is being introduced in the House of Representatives today by Congressman DICK DURBIN.

I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1220

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PAY OF MEMBERS OF CONGRESS DURING GOVERNMENT SHUTDOWNS.

No Member of Congress may receive basic pay for any period in which—

(1) there is a lapse in appropriations for any Federal agency or department as a result of a failure to enact a regular appropriations bill or continuing resolution; or

(2) the Federal Government is unable to make payments or meet obligations because the public debt limit under section 3101 of title 31, United States Code has been reached.

SEC. 2. RETROACTIVE PAY PROHIBITED.

No pay forfeited in accordance with section 1 may be paid retroactively.●

By Mrs. KASSEBAUM (for herself and Mr. JEFFORDS):

S. 1221. A bill to authorize appropriations for the Legal Services Corporation Act, and for other purposes; to the Committee on Labor and Human Resources.

LEGAL SERVICES REAUTHORIZATION LEGISLATION

● Mrs. KASSEBAUM. Mr. President, I introduce legislation along with Senator JEFFORDS to reauthorize the Legal Services Corporation [LSC] Act.

Through this federally established corporation, thousands of low income Americans have access to our legal system. Clients seek assistance with landlord-tenant disputes, domestic violence cases, writing of wills, and other civil matters. Sometimes the cases need to be litigated, but frequently, the clients simply need legal counseling.

Regrettably, Legal Services has been plagued with controversy over the last decade. Critics have charged, with some validity, that Legal Services attorneys have acted as advocates for political causes, such as welfare reform and state redistricting cases. As a result, LSC has not been reauthorized since 1977.

Today, I am introducing a Senate companion bill to H.R. 1806, legislation introduced by Representatives MCCOLLUM and STENHOLM in the House of Representatives. I want to give Representatives MCCOLLUM and STENHOLM credit for their hard work in putting this bill together, and for their dedication to assuring that low income Americans retain access to our legal system.

The legislation being introduced today addresses the concerns that have been expressed over the past several years by limiting the types of activities that Legal Services attorneys can handle. For instance, under the bill, Legal Services attorneys cannot represent tenants being evicted from public housing projects for drug dealing. In addition, attorneys will not be representing incarcerated individuals on prisoner rights cases.

The legislation also has new accountability provisions. Lawyers will be required to keep time sheets so federal auditors can monitor the types of cases being handled. New litigation safeguards will be implemented to protect against the filing of frivolous class action law suits. And we will require LSC grantees to bid competitively for their LSC contracts.

Mr. President, Legal Services is an important program. I urge my colleagues to support the legislation being introduced today, and ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1221

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS; REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the ''Legal Services Reform Act of 1995''.

(b) TABLE OF CONTENTS.—The table of contents is as follows:

(c) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to section or other provision of the Legal Services Corporation Act (42 U.S.C. 2996 and following).

SEC. 2. FINDINGS.

Section 1001 (42 U.S.C. 2996) is amended to read as follows:

''FINDINGS

''SEC. 1001. The Congress finds the following:

''(1) There is a need to encourage equal access to the system of justice in the United States for individuals seeking redress of grievances.

''(2) There is a need to encourage the provision of high quality legal assistance for those who would otherwise be unable to afford legal counsel.

''(3) Encouraging the provision of legal assistance to those who face an economic barrier to legal counsel will serve the ends of justice consistent with the purposes of the Legal Services Corporation Act.

''(4) It is not the purpose of the Legal Services Corporation Act to meet all the legal needs of all potentially eligible clients, but instead to be a catalyst to encourage the legal profession and others to meet their responsibilities to the poor and to maximize access of the poor to justice.

''(5) For many citizens the availability of legal services has reaffirmed faith in our government of laws.

''(6) To preserve its strength, the legal services program must be made completely free from the influence of political pressures and completely free of lobbying and political activity.

''(7) There are over 2,000 non-profit organizations advocating on behalf of the poor throughout the United States and it is not appropriate for funds regulated under the Legal Services Corporation Act to be expended lobbying for or against positions taken by those groups.

''(8) Attorneys providing legal assistance must protect the best interests of their clients in keeping with the Code of Professional Responsibility, the Canon of Ethics, and the high standards of the legal profession.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Subsection (a) of section 1010 (42 U.S.C. 2996i) is amended to read as follows:

''(a) There are authorized to be appropriated for the purposes of carrying out the activities of the Corporation—

''(1) $278,000,000 for fiscal year 1996,

''(2) $278,000,000 for fiscal year 1997

''(3) $278,000,000 for fiscal year 1998,

''(4) $278,000,000 for fiscal year 1999, and

''(5) $278,000,000 for fiscal year 2000.''.

SEC. 4. PROHIBITION ON REDISTRICTING ACTIVITY.

Section 1007(b) (42 U.S.C. 2996f(b)) is amended—

(1) in paragraph (9), by striking ''or'' after the semicolon;

(2) in paragraph (10), by striking the period and inserting ''; or''; and

(3) by adding at the end the following:

''(11) to—

''(A) advocate or oppose, or contribute or make available any funds, personnel, or equipment for use in advocating or opposing, any plan or proposal, or

''(B) represent any party or participate in any other way in litigation,

that is intended to or has the effect of altering, revising, or reapportioning a legislative, judicial, or elective district at any level of government, including influencing the timing or manner of the taking of a census.''.

SEC. 5. PROTECTION AGAINST THEFT AND FRAUD.

Section 1005 (42 U.S.C. 2996d) is amended by adding at the end the following:

''(h) For purposes of sections 286, 287, 641, 1001, and 1002 of title 18, United States Code, the Corporation shall be considered to be a department or agency of the United States Government.

''(i) For purposes of sections 3729 through 3733 of title 31, United States Code, the term ''United States Government'' shall include the Corporation, except that actions that are authorized by section 3730(b) of such title to be brought by persons may not be brought against the Corporation, any recipient, subrecipient, grantee, or contractor of the Corporation, or any employee thereof.

''(j) For purposes of section 1516 of title 18, United States Code—

''(1) the term 'Federal auditor' shall include any auditor employed or retained on a contractual basis by the Corporation,

''(2) the term 'contract' shall include any grant or contract made by the Corporation, and

''(3) the term 'person', as used in subsection (a) of such section, shall include any grantee or contractor receiving financial assistance under section 1006(a)(1).

''(k) Funds provided by the Corporation under section 1006 shall be deemed to be Federal appropriations when used by a contractor, grantee, subcontractor, or subgrantee of the Corporation.

''(1) For purposes of section 666 of title 18, United States Code, funds provided by the Corporation shall be deemed to be benefits under a Federal program involving a grant or contract.''.

SEC. 6. SOLICITATION.

Section 1007 (42 U.S.C. 2996f) is amended by adding at the end the following:

''(i) Any recipient, and any employee of a recipient, who has given in-person unsolicited advice to a nonattorney that such nonattorney should obtain counsel or take legal action shall not accept employment resulting from that advice, or refer that nonattorney to another recipient or employee of a recipient, except that—

''(1) an attorney may accept employment by a close friend, relative, former client (if the advice given is germane to the previous employment by the client), or person whom the attorney reasonably believes to be a client because the attorney is currently handling an active legal matter or case for that specific person;

''(2) an attorney may accept employment that results from the attorney's participation in activities designed to educate nonattorneys to recognize legal problems, to make intelligent selection of counsel, or to utilize available legal services if such activities are conducted or sponsored by a qualified legal assistance organization;

''(3) without affecting that attorney's right to accept employment, an attorney may speak publicly or write for publication on legal topics so long as such attorney does not emphasize the attorney's own professional experience or reputation and does not undertake to give individual advice in such speech or publication; and

''(4) if success in asserting rights or defenses of a client in litigation in the nature of class action is dependent upon the joinder of others, an attorney may accept, but shall not seek, employment from those contacted for the purpose of obtaining that joinder.''.

SEC. 7. PROCEDURAL SAFEGUARDS FOR LITIGATION.

Section 1007 (42 U.S.C. 2996f), as amended by section 6 of this Act, is further amended by adding at the end the following:

''(j)(1) No recipient or employee of a recipient may file a complaint or otherwise pursue litigation against a defendant unless—

''(A) all plaintiffs have been specifically identified, by name, in any complaint filed for purposes of litigation, except to the extent that a court of competent jurisdiction has granted leave to protect the identity of any plaintiff; and

''(B) a statement or statements of facts written in English and, if necessary, in a language which the plaintiffs understand, which enumerate the particular facts known to the plaintiffs on which the complaint is based, have been signed by the plaintiffs (including named plaintiffs in a class action), are kept on file by the recipient, and are made available to any Federal department or agency that is auditing the activities of the Corporation or any recipient, and to any auditor receiving Federal funds to conduct such auditing, including any auditor or monitor of the Corporation.

Other parties shall have access to the statement of facts referred to in subparagraph (B) only through the discovery process after litigation has begun.

''(2) No recipient or employee of a recipient may engage in precomplaint settlement negotiations with a prospective defendant unless—

''(A) all plaintiffs have been specifically identified, except to the extent that a court of competent jurisdiction has granted leave to protect the identity of any plaintiff; and

''(B) a statement or statements of facts written in English and, if necessary, in a language which the plaintiffs understand, which enumerate the particular facts known to the plaintiffs on which the complaint will be based if such negotiations fail, have been signed by all plaintiffs (including named plaintiffs in a class action), are kept on file by the recipient, and are made available to all prospective defendants or such defendants' counsel, to any Federal department or agency that is auditing the activities of the Corporation or any such recipient, and to any auditor receiving Federal funds to conduct such auditing, including any auditor or monitor of the Corporation.

''(3)(A) Subject to subparagraph (B), any Federal district court of competent jurisdiction, after notice to potential parties to litigation referred to in paragraph (1) or to negotiations described in paragraph (2) and after an opportunity for a hearing, may enjoin the disclosure of the identity of any potential plaintiff pending the outcome of such litigation or negotiations, upon the establishment of reasonable cause to believe that such an injunction is necessary to prevent probable, serious harm to such potential plaintiff.

''(B) Notwithstanding subparagraph (A), the court shall, in a case in which subparagraph (A) applies, order the disclosure of the identity of any potential plaintiff to counsel for potential defendants upon the condition that counsel for potential defendants not disclose the identity of such potential plaintiff (other than to investigators or paralegals hired by such counsel), unless authorized in writing by such potential plaintiff's counsel or the court.

''(C) In a case in which paragraph (1) applies, counsel for potential defendants and the recipient or employee counsel of the recipient may execute an agreement, in lieu of seeking a court order under subparagraph (A), government disclosure of the identity of any potential plaintiff.

''(D) The court may punish as a contempt of court any violation of an order of the court under subparagraph (A) or (B)—or of an agreement under subparagraph (C).

''(4) Any funds received from a defendant by a recipient on behalf of a class of eligible clients shall be placed in an escrow account until the funds may be paid to such clients. Any such funds which are not disbursed to clients within one year of the date on which such funds were received shall be returned to the defendant.''.

SEC. 8. LOBBYING.

Section 1007(a)(5) (42 U.S.C. 2996f(a)(5)) is amended to read as follows:

''(5) ensure that no funds made available to recipients are used at any time, directly or indirectly—

''(A) to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative body, or State proposals made by initiative petition or referendum, except to the extent that a governmental agency, a legislative body, a committee, or a member thereof is considering a measure directly affecting the recipient or the Corporation;

''(B) to pay for any publicity or propaganda intended or designed to support or defeat legislation pending before the Congress or State or local legislative bodies or intended or designed to influence any decision by a Federal, State, or local agency;

''(C) to pay for any personal service, advertisement, telegram, telephone communications, letter, printed or written matter, or other device, intended or designed to influence any decision by a Federal, State, or local agency, except when legal assistance is provided by an employee of a recipient to an eligible client on a particular application, claim, or case, which directly involves the client's legal rights or responsibilities and which does not involve the issuance, amendment, or revocation of any agency promulgation described in subparagraph (A);

''(D) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence any Member of Congress or any other Federal, State, or local elected official—

''(i) to favor or oppose any referendum, initiative, constitutional amendment, or any similar procedures of the Congress, any State legislature, any local council, or any similar governing body acting in a legislative capacity,

''(ii) to favor or oppose an authorization or appropriation directly affecting the authority, function, or funding of the recipient or the Corporation, or

''(iii) to influence the conduct of oversight proceedings of a recipient or the Corporation; or

''(E) to pay for any personal service, advertisement, telegram, telephone communication, letter, printed or written matter, or any other device intended or designed to influence any Member of Congress or any other Federal, State, or local elected official to favor or oppose any Act, bill, resolution, or similar legislation;

and ensure that no funds made available to recipients are used to pay for any administrative or related costs associated with an activity prohibited in subparagraph (A), (B), (C), (D), or (E);''.

SEC. 9. TIMEKEEPING.

Section 1008(b) (42 U.S.C. 2996g(b)) is amended—

(1) by inserting ''(1)'' after ''(b)''; and

(2) by adding at the end the following:

''(2) The Corporation shall require each recipient to maintain records of time spent on the cases or matters with respect to which that recipient is engaged in activities. Pursuant to such requirements, each employee of such recipient who is an attorney or paralegal shall record, by the name of the case or matter, at the time such employee engages in an activity regarding such case or matter, the type (as defined by the Corporation) of case or matter, the time spent on the activity, and the source of funds to be charged for the activity.''.

SEC. 10. AUTHORITY OF LOCAL GOVERNING BOARDS.

Section 1007(c) (42 U.S.C. 2996f(c)) is amended—

(1) by striking ''(1)'' and ''(2)'' and inserting ''(A)'' and ''(B)'', respectively;

(2) by inserting ''(1)'' after ''(c)''; and

(3) by adding at the end the following:

''(2) The board of directors of any nonprofit organization that is—

''(A) chartered under the laws of one of the States, a purpose of which is furnishing legal assistance to eligible clients, and

''(B) receiving funds made available by or through the Corporation,

shall set specific priorities pursuant to section 1007(a)(2)(C) for the types of matters and cases to which the staff of the nonprofit organization shall devote its time and resources. The staff of such organization shall not undertake cases or matters other than in accordance with the specific priorities set by its board of directors, except in emergency situations defined by such board. The staff of such organization shall report, to the board of directors of the organization on a quarterly basis and to the Corporation on an annual basis, all cases undertaken other than in accordance with such priorities. The Corporation shall promulgate a suggested list of priorities which boards of directors may use in setting priorities under this paragraph.''.

SEC. 11. REGULATION OF NONPUBLIC RESOURCES.

Section 1010(c) (42 U.S.C. 2996i(c)) is amended to read as follows:

''(c)(1) Any non-Federal funds received by the Corporation, and any funds received by any recipient from any source other than the Corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Corporation funds. Any funds so received, including funds derived from Interest on Lawyers Trust Accounts, may not be expended by recipients for any purpose prohibited by this title or the Legal Services Reform Act of 1995. The Corporation shall not accept any non-Federal funds, and any recipient shall not accept funds from any source other than the Corporation, unless the Corporation or the recipient, as the case may be, notifies in writing the source of such funds that the funds may not be expended for any purpose prohibited by this title or the Legal Services Reform Act of 1995.

''(2) Paragraph (1) shall not prevent recipients from—

''(A) receiving Indian tribal funds (including funds from private nonprofit organizations for the benefit of Indians or Indian tribes) and expending them in accordance with the specific purposes for which they are provided; or

''(B) using funds received from a source other than the Corporation to provide legal assistance to a client who is not an eligible client if such funds are used for the specific purposes for which such funds were received, except that such funds may not be expended by recipients for any purpose prohibited by this title or the Legal Services Reform Act of 1995 (other than any requirement regarding the eligibility of clients).''.

SEC. 12. CERTAIN EVICTION PROCEEDINGS.

Section 1007 (42. U.S.C. 2996f), as amended by sections 6 and 7 of this Act, is further amended by adding at the end the following:

''(k)(1) No funds made available by or through the Corporation may be used for defending a person in a proceeding to evict that person from a public housing project if the person has been charged with the illegal sale or distribution of a controlled substance and if the eviction proceeding is brought by a public housing agency because the illegal drug activity of that person threatens the health or safety of other tenants residing in the public housing project or employees of the public housing agency.

''(2) As used in this subsection—

''(A) the term 'controlled substance' has the meaning given that term in section 102 of the Controlled Substances Act (21 U.S.C. 802); and

''(B) the terms 'public housing project' and 'public housing agency' have the meanings given those terms in section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a).''.

SEC. 13. IMPLEMENTATION OF COMPETITION.

(a) IN GENERAL.—Section 1007 (42 U.S.C. 2996f), as amended by sections 6, 7, and 12 of this Act, is further amended by adding at the end the following:

''(l)(1) All grants and contracts awarded by the Corporation for the provision or support of legal assistance to eligible clients under this title shall be awarded under a competitive bidding system.

''(2) Rights under sections 1007(a)(9) and 1011 shall not apply to the termination or denial of financial assistance under this title as a result of the competitive award of any grant or contract under paragraph (1), and the expiration of any grant or contract under this title as a result of such competitive award shall not be treated as a termination or denial of refunding under section 1007(a)(9) or 1011.

''(3) For purposes of this subsection, the term 'competitive bidding' means a system established by regulations issued by the Corporation which provide for the award of grants and contracts on the basis of merit to persons, organizations, and entities described in section 1006(a) who apply for such awards in competition with others under promulgated criteria. The Corporation shall ensure that the system incorporates the following:

''(A) The competitive bidding system shall commence no later than one year after the date of enactment of this provision and all previously awarded grants and contracts shall be set aside and subjected to this system within one year thereafter.

''(B) All awards of grants and contracts made under this system shall be subject to periodic review and renewed with the opportunity for others to compete for the award, and in no event shall any award be granted for a period longer than 5 years.

''(C) Timely notice for the submission of applications for awards shall be published in periodicals of local and State bar associations and in at least one daily newspaper of general circulation in the area to be served by the award recipient.

''(D) The selection criteria shall include but not be limited to the demonstration of a full understanding of the basic legal needs of the eligible clients to be served and a demonstration of the capability of serving those needs; the reputations of the principals of the applicant; the quality, feasibility, and cost effectiveness of plans submitted by the applicant for the delivery of legal assistance to the eligible clients to be served; a demonstration of willingness to abide by the restrictions placed on those awarded grants and contracts by the Corporation; and, if an applicant has previously received an award from the Corporation, the experiences of the Corporation with the applicant.

''(E) No previous recipient of an award of a grant or contract may be given any preference.

''(m)(1) The Corporation shall define service areas and funds available for each service area shall be on a per capita basis pursuant to the number of poor people determined by the Bureau of the Census to be within that area. Funds for a service area may be distributed by the Corporation to one or more recipients as defined in section 1006(a).

''(2) The amount of the grants from the Corporation and of the contracts entered into by the Corporation under section 1006(a)(1) shall be an equal figure per poor person for all geographic areas, based on the most recent decennial census of population conducted pursuant to section 141 of title 13, United States Code, regardless of the level of funding for any such geographic area before the enactment of the Legal Services Reform Act of 1995.

''(3) Beginning with the fiscal year beginning after the results of the most recent decennial census have been reported to the President under section 141(b) of title 13, United States Code, funding of geographic areas served by recipients shall be redetermined, in accordance with paragraph (2), based on the per capita poverty population in each such geographic area under that decennial census.''.

(b) REQUIREMENTS OF RECIPIENTS.—Section 1007(c) (42 U.S.C. 2996f(c)), as amended by section 10 of this Act, is further amended by adding at the end the following:

''(3) Funds appropriated for the Corporation may not be used by the Corporation in making grants or entering into contracts for legal assistance unless the Corporation ensures that the recipient is either—

''(A) a private attorney or attorneys,

''(B) State and local governments or substate regional planning and coordination agencies which are composed of substate areas whose governing board is controlled by locally elected officials, or

''(C) a qualified nonprofit organization chartered under the laws of one of the States—

''(i) a purpose of which is furnishing legal assistance to eligible clients, and

''(ii) the majority of the board of directors or other governing body of which is comprised of attorneys who are admitted to practice in one of the States and are approved to serve on such board or body by the governing bodies of State, county, or municipal bar associations the membership of which represents a majority of the attorneys practicing law in the locality in which the organization is to provide legal assistance.

The approval described in subparagraph (B)(ii) may be given to more than one group of directors.''.

SEC. 14. POWERS, RESEARCH, AND ATTORNEYS' FEES.

(a) POWERS.—Section 1006(a)(1)(A)(ii) is amended to read as follows:

''(ii) State and local governments or substate regional planning and coordination agencies which are composed of substate areas whose governing board is controlled by locally elected officials,''.

(b) RESEARCH.—Section 1006(a) (42 U.S.C. 2996e(a)) is amended by inserting ''and'' at the end of paragraph (1), by striking ''; and'' at the end of paragraph (2) and inserting a period, and by striking paragraph (3).

(c) ATTORNEYS' FEES.—Section 1006 (42 U.S.C. 2996e(f)) is amended by striking subsection (f) and inserting the following:

''(f)(1) A recipient, or any client of such recipient, may not claim or collect attorneys' fees from nongovernmental parties to litigation initiated by such client with the assistance of such recipient.

''(2) The Corporation shall create a fund to pay defendants or clients under paragraphs (3). In addition to any other amounts appropriated to the Corporation, there is authorized to be appropriated to such fund for each fiscal year such sums as may be necessary.

''(3) If a Federal court has found an action commenced by a plaintiff with the assistance of a recipient involves a violation of Rule 11 of the Federal Rules of Civil Procedure, or if the president of the Corporation finds that an action commenced by a plaintiff with the assistance of a recipient in any court involves a violation of the standards of Rule 11, or was commenced for the purpose of retaliation or harassment, the president of the Corporation shall, upon application by the defendant, award from the Fund all reasonable costs and attorneys' fees incurred by the defendant in defending the action.

''(g)(1) The Board, within 90 days after the date of the enactment of the Legal Services Reform Act of 1995, shall issue regulations to provide for the distribution of attorneys' fees received by a recipient, in accordance with paragraph (2).

''(2) Such fees shall be transferred to the Corporation and the Corporation shall distribute such fees among its grantees for the direct delivery of legal assistance, except that, subject to approval by the Corporation—

''(A) a recipient shall not be required to transfer fees or other compensation received as a result of a mandated court appointment;

''(B) a recipient may retain reasonable costs customarily allowed in litigation against an unsuccessful party; and

''(C) a recipient may retain the actual cost of bringing the action, including the proportion of the compensation of each attorney involved in the action which is attributable to that action.''.

SEC. 15. ABORTION.

(a) PROHIBITION.—Section 1007 (42 U.S.C. 2996f), as amended by sections 6, 7, 12, and 13 of this Act, is further amended by adding at the end the following:

''(n) No funds made available to any recipient from any source may be used to participate in any litigation with respect to abortion.''.

(b) CONFORMING AMENDMENT.—Section 1007(b) (42 U.S.C. 2996f(b)), as amended by section 4, is amended by striking paragraph (8) and redesignating paragraphs (9), (10), and (11) as paragraphs (8), (9), and (10), respectively.

SEC. 16. CLASS ACTIONS.

Section 1006(d)(5) (42 U.S.C. 2996e(d)(5)) is amended—

(1) by striking ''No'' and inserting ''(A) Subject to subparagraph (B), no''; and

(2) by adding at the end the following:

''(B) No recipient or employee of a recipient may bring a class action suit against the Federal Government or any State or local government unless—

''(i) the governing body of the recipient has expressly approved the filing of such an action;

''(ii) the class relief which is the subject of such an action is sought for the primary benefit of individuals who are eligible for legal assistance under this title; and

''(iii) before filing such an action, the project director of the recipient determines that the government entity is not likely to change the policy or practice in question, that the policy or practice will continue to adversely affect eligible clients, that the recipient has given notice of its intention to seek class relief, and that responsible efforts to resolve without litigation the adverse effects of the policy or practice have not been successful or would be adverse to the interest of the clients.''.

SEC. 17. RESTRICTIONS ON USE OF FUNDS FOR LEGAL ASSISTANCE TO ALIENS.

Section 1007 (42 U.S.C. 2996f), as amended by sections 6, 7, 12, 13, and 15 of this Act, is further amended by adding at the end the following:

''(o) No funds made available to any recipient from any source may be expended to provide legal assistance for or on behalf of any alien unless the alien is present in the United States and is—

''(1) an alien lawfully admitted for permanent residence as defined in section 101(a)(2) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20));

''(2) an alien who is either married to a United States citizen or is a parent or an unmarried child under the age of 21 years of such a citizen and who has filed an application for adjustment of status to permanent resident under the Immigration and Nationality Act, and such application has not been rejected;

''(3) an alien who is lawfully present in the United States pursuant to an admission under section 207 of the Immigration and Nationality Act (8 U.S.C. 1157, relating to refugee admissions) or who has been granted asylum by the Attorney General under such Act;

''(4) an alien who is lawfully present in the United States as a result of the Attorney General's withholding of deportation pursuant to section 243(h) of the Immigration and Nationality Act (8 U.S.C. 1253(h)); or

''(5) an alien to whom section 305 of the Immigration Reform and Control Act of 1986 applies, but only to the extent that the legal assistance provided is that described in that section.

An alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act (8 U.S.C. 11553(a)(7)) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity shall be deemed to be an alien described in paragraph (3).''.

SEC. 18. TRAINING.

Section 1007(b)(6) (42 U.S.C. 2996f(b)(6)) is amended to read as follows:

''(6) to support or conduct training programs for the purpose of advocating particular public policies or encouraging political activities, labor or antilabor activities, boycotts, picketing, strikes, or demonstrations, including the dissemination of information about such policies or activities, except that this paragraph shall not be construed to prohibit the training of attorneys or paralegal personnel necessary to prepare them to provide adequate legal assistance to eligible clients, to advise any eligible client as to the nature of the legislative process, or to inform any eligible client of the client's rights under any statute, order, or regulation;''.

SEC. 19. COPAYMENTS.

Section 1007 (42 U.S.C. 2996f), as amended by sections 6, 7, 12, 13, 15, and 17 of this Act, is further amended by adding at the end the following:

''(p) The Corporation shall undertake one or more demonstration projects in order to study the feasibility of using client copayments to assist in setting the service priorities of its programs. Based on these projects and such other information as it considers appropriate, the Corporation may adopt a permanent system of client copayments for some or all of its programs of legal assistance.''.

SEC. 20. FEE-GENERATING CASES.

(a) REPRESENTATION IN FEE-GENERATING CASE.—Paragraph (1) of section 1007(b) (42 U.S.C. 2996f(b)) is amended to read as follows:

''(1) to provide legal assistance with respect to any fee-generating case, except that this paragraph does not preclude representation of otherwise eligible clients in cases in which the client seeks benefits under titles II or XVI of the Social Security Act;''.

(b) DEFINITION.—Section 1007(b) is amended by adding at the end the following:

''For purposes of paragraph (1), the term 'fee-generating case' means any case which if undertaken on behalf of an eligible client by an attorney in private practice may reasonably be expected to result in a fee for legal services from an award to a client from public funds, from the opposing party, or from any other source.''.

SEC. 21. WELFARE REFORM.

Section 1007(b) (42 U.S.C. 2996f(b)), as amended by section 15(b), is amended—

(1) by striking ''or'' at the end of paragraph (9),

(2) by striking the period at the end of paragraph (10) and inserting a semicolon, and

(3) by adding after paragraph (10) the following:

''(11) to provide legal representation for any person or participate in any other way in litigation, lobbying, or rulemaking involving efforts to reform a State or Federal welfare system, except that this paragraph does not preclude a recipient from representing an individual client who seeking specific relief from a welfare agency where such relief does not involve an effort to amend or otherwise challenge existing law; or''.

SEC. 22. PRISONER LITIGATION.

Section 1007(b) (42 U.S.C. 2996f(b)), as amended by section 21, is amended by adding after paragraph (11) the following:

''(12) to provide legal representation in litigation on behalf of a local, State, or Federal prisoner.''.

SEC. 23. APPOINTMENT OR CORPORATION PRESIDENT.

Section 1005 (42 U.S.C. 2996d) is amended in subsection (a)—

(1) by striking ''The Board shall'' and inserting ''The President, by and with the advice and consent of the Senate, shall'';

(2) by adding ''who shall serve at the pleasure of the President'' after ''the president of the Corporation,'';

(3) by striking ''as the Board'' and inserting ''as the President''; and

(4) by striking ''by the Board'' and inserting ''by the President''.

SEC. 24. EVASION.

The Legal Services Corporation Act is amended—

(1) by redesignating sections 1013 and 1014 as sections 1014 and 1015, respectively; and

(2) by inserting after section 1012 the following new section:

''EVASION

''SEC. 1013. Any attempt, such as the creation or use of 'alternative corporations', to avoid or otherwise evade the provisions of this title or the Legal Services Reform Act of 1995 is prohibited.''.

SEC. 25. PAY FOR OFFICERS AND EMPLOYEES OF THE CORPORATION.

Section 1005(d) (42 U.S.C. 2996d(d)) is amended—

(1) by striking ''V'' and inserting ''III''; and

(2) by striking ''5316'' and inserting ''3514''.

SEC. 26. LOCATION OF PRINCIPAL OFFICE.

Section 1003(b) (42 U.S.C. 2996b(b)) is amended by striking ''District of Columbia''

and inserting ''Washington D.C. metropolitan area''.

SEC. 27. DEFINITION.

As used in section 1009(d) of Legal Services Corporation Act, the term ''attorney client privilege'' protects only a communication made in confidence to an attorney by a client for the purpose of seeking legal advice. Claims of such privilege and claims of confidentiality do not, except to the extent provided by court order, protect from disclosure to any Federal department or agency that is auditing the activities of the Legal Services Corporation or any recipient (as defined in section 1002 of the Legal Services Corporation Act), or to any auditor receiving Federal funds to conduct such auditing, including any auditor or monitor of the Corporation, the names of plaintiffs that are a matter of public record or documents which have been seen by third parties, including all financial books and records. The Corporation shall not disclose any such information, except to the Inspector General of the Corporation, to Federal or State law enforcement, judicial, or other officials, or to officials of appropriate bar associations for the purpose of conducting investigations of violations of rules of professional conduct.●

By Mr. FAIRCLOTH:

S. 1222. A bill to prevent the creation of an international bailout fund within the International Monetary Fund, and for other purposes; to the Committee on Foreign Relations.

INTERNATIONAL MONETARY FUND LEGISLATION

● Mr. FAIRCLOTH. Mr. President, I have spoken on a number of occasions in opposition to the United States bailout of Mexico. To date, the United States has provided $12.5 billion for Mexico to prop up the Mexican peso. I remain skeptical that the United States will ever have this money repaid.

The Banking Committee held hearings approximately 2 months ago in which a number of Mexican citizens, some of them prominent political opposition leaders, said that we would never be repaid.

What is particularly bothersome about the Mexico debacle is that the United States taxpayer is guaranteeing repayment to investors in Mexican bonds who at the time were earning extraordinary returns, some 30 percent to 40 percent on Mexico bonds. These investors were aware of the risks.

As a reponse to this crisis, the administration, along with the International Monetary Fund [IMF], is now considering the establishment of an international fund to bail out other countries that find themselves in the same position as Mexico. The administration calls this an Emergency Financing Mechanism—but the truth is that it's another bailout on an international scale.

The most troubling aspect of this is that the new fund will create a moral hazard for other countries. What will stop a country from pursuing reckless economic policies, from going deeper into debt—knowing that if they fail, the newly created fund stands ready for a bailout. What will prevent investors from investing in the most risky Government bonds—with full knowledge that the IMF stands ready for an emergency bailout.

I think this is a bad idea, and I think the United States and the International Monetary Fund [IMF] should abandon further discussions about its creation.

Unfortunately, I am not sure this administration will back away from this proposal. For this reason, I am introducing legislation today that will stop the creation of any new international bailout fund.

The bill will prevent any funds from being used, directly or indirectly, for the creation of this new international fund.

Mr. President, our own country is going into debt approximately $800 million a day. We simply cannot afford to be bailing out foreign countries that have pursued poor economic policies. It is bad enough that we have spent $12.5 billion on Mexico. After this, we should say no more to Mexico, and no more to any other country.

If the United States keeps up this spending pattern, who is going to bail out this country? We sent a troubling signal to the world that we were not going to get our economic house in order when the Senate refused to pass a balanced budget amendment, and the dollar declined as a result. I know for certain that we will never balance the budget if we continue policies like bailing out Mexico.

Mr. President, in conclusion, if the United States is serious about balancing our budget—and about avoiding other debacles like Mexico, we will move quickly to stop the creation of this new fund. I would urge the Senate to move forward on this legislation.●

ADDITIONAL COSPONSORS

S. 356

At the request of Mr. SHELBY, the name of the Senator from West Virginia [Mr. BYRD] was added as a cosponsor of S. 356, a bill to amend title 4, United States Code, to declare English as the official language of the Government of the United States.

S. 434

At the request of Mr. KOHL, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 434, a bill to amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals who are subject to Federal limitations on hours of service.

S. 490

At the request of Mr. GRASSLEY, the name of the Senator from Oklahoma [Mr. INHOFE] was added as a cosponsor of S. 490, a bill to amend the Clean Air Act to exempt agriculture-related facilities from certain permitting requirements, and for other purposes.

S. 772

At the request of Mrs. HUTCHISON, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 772, a bill to provide for an assessment of the violence broadcast on television, and for other purposes.

S. 955

At the request of Mr. HATCH, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 955, a bill to clarify the scope of coverage and amount of payment under the medicare program of items and services associated with the use in the furnishing of inpatient hospital services of certain medical devices approved for investigational use.

S. 1000

At the request of Mr. BURNS, the names of the Senator from Texas [Mrs. HUTCHISON], the Senator from Colorado [Mr. BROWN], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 1000, a bill to amend the Internal Revenue Code of 1986 to provide that the depreciation rules which apply for regular tax purposes shall also apply for alternative minimum tax purposes, to allow a portion of the tentative minimum tax to be offset by the minimum tax credit, and for other purposes.

S. 1009

At the request of Mr. D'AMATO, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1009, a bill to prohibit the fraudulent production, sale, transportation, or possession of fictitious items purporting to be valid financial instruments of the United States, foreign governments, States, political subdivisions, or private organizations, to increase the penalties for counterfeiting violations, and for other purposes.

S. 1025

At the request of Mr. INHOFE, his name was withdrawn as a cosponsor of S. 1025, a bill to provide for the exchange of certain federally owned lands and mineral interests therein, and for other purposes.

S. 1028

At the request of Mrs. KASSEBAUM, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 1028, a bill to provide increased access to health care benefits, to provide increased portability of health care benefits, to provide increased security of health care benefits, to increase the purchasing power of individuals and small employers, and for other purposes.

SENATE RESOLUTION 133

At the request of Mr. HELMS, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Resolution 133, a resolution expressing the sense of the Senate that the primary safeguard for the well-being and protection of children is the family, and that, because the United Nations Convention on the Rights of the Child could undermine the rights of the family, the President should not sign and transmit it to the Senate.

SENATE RESOLUTION 149

At the request of Mr. AKAKA, the name of the Senator from Utah [Mr.

HATCH] was added as a cosponsor of Senate Resolution 149, a resolution expressing the sense of the Senate regarding the recent announcement by the Republic of France that it intends to conduct a series of underground nuclear test explosions despite the current international moratorium on nuclear testing.

SENATE CONCURRENT RESOLUTION 26—RELATIVE TO A MONUMENT DEDICATED TO THE BILL OF RIGHTS

Mr. LOTT submitted the following concurrent resolution; which was referred to the Committee on Rules and Administration:

S. CON. RES. 26

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. AUTHORIZATION.

The Newington-Cropsey Foundation is authorized to erect on the Capitol Grounds and present to Congress and the people of the United States a monument dedicated to the Bill of Rights (referred to as the ''monument''). The monument shall be erected without expense to the United States.

SEC. 2. DESIGN AND REVIEW.

The design and plans for the monument shall be subject to review and approval by the Architect of the Capitol. The monument shall be erected on a site to be determined by the Architect of the Capitol, subject to the approval of the Committee on Rules and Administration of the Senate and the Committee on House Oversight of the House of Representatives and in consultation with the Newington-Cropsey Foundation.

SEC. 3. ACCEPTANCE OF MONUMENT.

After the completion of the monument according to the approved plans and specifications, the monument shall be accepted by the Congress on behalf of the people of the United States for permanent placement on the Capitol Grounds.

Mr. LOTT. Mr. President, I rise today to recognize the work of Greg Wyatt, the sculptor-in-residence at the Cathedral of St. John the Divine.

Mr. Wyatt is exhibiting his sculpture, the bill of rights ''Eagle'', in the Russell Senate Office Building September 5–9, 1995.

By this exhibition of his craft, Mr. Wyatt expresses the freedoms we are guaranteed by the Bill of Rights through a work of art for all Americans.

As president of the Cathedral of St. John's fantasy fountain fund, Mr. Wyatt also contributes by instructing talented apprentices in appreciation for the renaissance tradition. Studio apprenticeship leads to the development and promotion of the arts, which benefits every American citizen.

Our Bill of Rights is an historic living document that should be the focus of our continuous study and appreciation, for it outlines the most fundamental freedoms and protections we enjoy as Americans.

The ''Eagle'' that Mr. Wyatt is presenting is a tribute to those freedoms and to the strength of a nation built on individual rights. As we return in September to begin the remainder of the year's work, I urge my colleagues to take time to view this work of art and reflect upon all that it represents.

The exhibit is made possible by the Newington-Cropsey Foundation, an organization which works for the preservation of 19th century art and culture of New York's Hudson River Valley.

Organized to preserve the paintings and historic studio of Jasper Francis Cropsey, the foundation has donated numerous works to significant institutions including the White House, the U.S. Department of State, the Metropolitan Museum of Art, Yale University, Princeton University, and other domestic and international fixtures.

Following the ''Eagle'' exhibit, the Newington-Cropsey Foundation has offered the sculpture for permanent placement on the Capitol Grounds.

At this time I would like to submit a resolution that will accept this gift from the Newington-Cropsey Foundation and urge that the Senate pass it expeditiously.

SENATE RESOLUTION 167—CONGRATULATING CAL RIPKEN, JR.

Ms. MIKULSKI (for herself, Mr. SARBANES, Mr. WARNER, and Mr. ROBB) submitted the following resolution; which was considered and agreed to:

S. RES. 167

Whereas on May 30, 1982, Cal Ripken, Jr. became the regular starting shortstop for the Baltimore Orioles baseball club;

Whereas Cal Ripken, Jr. has not missed a single day of work in the intervening 14 years;

Whereas on September 6, 1995, Cal Ripken, Jr. played in his 2,131st consecutive Major League Baseball game, breaking the longstanding record held by the great Lou Gehrig;

Whereas Cal Ripken, Jr. has been a first-rate role model for the young people of Baltimore, the State of Maryland, and the United States;

Whereas Cal Ripken, Jr. has been named by America's baseball fans to 13 American League All-Star teams;

Whereas Cal Ripken, Jr. was named the American League's Most Valuable Player for the 1983 and 1991 seasons;

Whereas Cal Ripken, Jr. was a member of the 1983 World Series Champion Baltimore Orioles baseball team;

Whereas Cal Ripken, Jr. was named the Most Valuable Player in the 1991 All-Star game;

Whereas Cal Ripken, Jr. has twice been awarded baseball's most prestigious award for excellence in fielding, the Gold Glove Award, for the 1991 and 1992 seasons;

Whereas in the distinguished career of Cal Ripken, Jr., he has demonstrated an extraordinary work ethic, and dedication to his profession, his family, and his fans; and

Whereas the humility, hard work, desire, and commitment of Cal Ripken, Jr. have made him one of the best-loved and the most enduring figures in the history of the game of baseball: Now, therefore, be it

Resolved, That the United States Senate congratulates Cal Ripken, Jr. for his outstanding achievement in becoming the first player in the history of Major League Baseball to compete in 2,131 consecutive games.

AMENDMENTS SUBMITTED

THE FAMILY SELF-SUFFICIENCY ACT OF 1995

BROWN (AND OTHERS) AMENDMENT NO. 2465

Mr. BROWN (for himself, Mr. MOYNIHAN, Mr. SIMPSON, Mr. MURKOWSKI, Mr. KOHL, Mr. CAMPBELL, Mr. FEINGOLD, Mr. BYRD, and Mr. HELMS) proposed an amendment to amendment No. 2280 proposed by Mr. DOLE to the bill (H.R. 4) to restore the American family, reduce illegitimacy, control welfare spending and reduce welfare dependence; as follows:

At the appropriate place, insert the following:

SEC. . EXPENDITURE OF FEDERAL FUNDS IN ACCORDANCE WITH LAWS AND PROCEDURES APPLICABLE TO EXPENDITURE OF STATE FUNDS.

(a) IN GENERAL.—Notwithstanding any other provision of law, any funds received by a State under the provisions of law specified in subsection (b) shall be expended only in accordance with the laws and procedures applicable to expenditures of the State's own revenues, including appropriation by the State legislature, consistent with the terms and conditions required under such provisions of law.

(b) PROVISIONS OF LAW.—The provisions of law specified in this subsection are the following:

(1) Part A of title IV of the Social Security Act (relating to block grants for temporary assistance to needy families).

(2) Section 25 of the Food Stamp Act of 1977 (relating to the optional State food assistance block grant).

(3) Subtitles B and C of title VII of this Act (relating to workforce development).

(4) The Child Care and Development Block Grant Act of 1990 (relating to block grants for child care).

MOYNIHAN AMENDMENT NO. 2466

Mr. MOYNIHAN proposed an amendment to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Family Support Act of 1995''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

SEC. 2. REFERENCES TO SOCIAL SECURITY ACT.

Except as otherwise specifically provided, whenever in this Act an amendment is expressed in terms of an amendment to or repeal of a section or other provision, the reference shall be considered to be made to that section or other provision of the Social Security Act (42 U.S.C. 301 et seq.).

TITLE I—STRENGTHENING THE JOBS PROGRAM

SEC. 101. INCREASE IN REQUIRED JOBS PARTICIPATION RATES.

(a) IN GENERAL.—Section 403(*l*)(3) (42 U.S.C. 603(*l*)(3)) is amended—

(1) in subparagraph (A)—

(A) in clause (v), by striking ''and'';

(B) in clause (vi), by striking the period and inserting ''or 1996;''; and

(C) by adding at the end the following new clauses:

''(vii) 30 percent if such year is 1997;

''(viii) 35 percent if such year is 1998;

''(ix) 40 percent if such year is 1999;

''(x) 45 percent if such year is 2000; and

''(xi) 50 percent if such year is 2001 or any year thereafter.''; and

(2) in subparagraph (B)—

(A) in clause (ii)(IV), by striking ''fiscal years 1994 and 1995'' and inserting ''any fiscal year beginning after fiscal year 1993''; and

(B) in clause (iii), by striking subclauses (I) and (II) and inserting the following:

''(I) the average monthly number of individuals required or allowed by the State to participate in the program under part F who have participated in such program in months in the computation period (including individuals who combine employment and participation in such program for an average of 20 hours a week in that month in such period), plus the number of individuals who are employed for an average of 20 hours a week in that month in such period, divided by

''(II) the average monthly number of individuals required to participate under the program under part F in such period (other than individuals described in subparagraph (C)(iii)(I) or (D) of section 402(a)(19) with respect to whom the State has exercised its option to require their participation), minus the average monthly number of individuals who are being sanctioned in such period pursuant to section 402(a)(19)(G).''.

(b) CONFORMING AMENDMENTS.—The Family Support Act of 1988 (42 U.S.C. 1305 note) is amended by striking section 204(b)(2).

SEC. 102. PROMOTING WORK.

(a) INCREASED EMPLOYMENT AND JOB RETENTION.—Section 481(a) (42 U.S.C. 681(a)) is amended to read as follows:

''SEC. 481. (a) PURPOSE.—It is the purpose of this part to assist each State in providing such services as the State determines to be necessary to—

''(1) enable individuals receiving assistance under part A to enter employment as quickly as possible;

''(2) increase job retention; and

''(3) ensure that needy families with children obtain the education, training, and employment that will help them avoid long-term welfare dependence.''.

(b) STATE AGENCY RESPONSIBILITIES.—Section 482(a)(2) (42 U.S.C. 682(a)(2)) is amended—

(1) by striking ''(2) The'' and inserting ''(2)(A) The''; and

(2) by adding at the end the following new subparagraphs:

''(B) The State agency shall establish procedures to—

''(i) encourage the placement of participants in jobs as quickly as possible, including using performance measures that reward staff performance, or such other management practice as the State may choose; and

''(ii) assist participants in retaining employment after they are hired.

''(C) The Secretary shall provide technical assistance and training to States to assist the States in implementing effective management practices and strategies in order to achieve the purpose of this part.''.

(c) SERVICES AND ACTIVITIES UNDER THE JOBS PROGRAM.—Section 482(d)(1)(A)(i) (42 U.S.C. 682(d)(1)(A)(i)) is amended—

(1) in the matter preceding subclause (I), by striking ''shall'' and inserting ''may''; and

(2) in subclause (I), by striking ''(as appropriate)'' and all that follows through the semicolon and inserting a semicolon.

(d) JOB PLACEMENT VOUCHER PROGRAM.—

(1) ADDITION OF PROGRAM.—Section 482 (42 U.S.C. 682) is amended—

(A) in subsection (d)(1)(A)(ii)—

(i) in subclause (III), by striking ''and'' at the end;

(ii) in subclause (IV), by striking the period and inserting ''; and''; and

(iii) by adding at the end the following new subclause:

''(V) a job placement voucher program as described in subsection (h).'';

(B) by redesignating subsections (h) and (i) as subsections (i) and (j), respectively; and

(C) by inserting after subsection (g), the following subsection:

''(h) JOB PLACEMENT VOUCHER PROGRAM.—(1) The State agency may establish and operate a job placement voucher program for individuals participating in the program under this part.

''(2) A State that elects to operate a job placement voucher program under this subsection—

''(i) shall establish eligibility requirements for participation in the job placement voucher program; and

''(ii) may establish other requirements for such voucher program as the State deems appropriate.

''(3) A job placement voucher program operated by a State under this subsection shall include the following requirements:

''(A) The State shall identify, maintain, and make available to an individual applying for or receiving assistance under part A a list of State-approved job placement organizations that offer services in the area where the individual resides and a description of the job placement and support services each such organization provides. Such organizations may be publicly or privately owned and operated.

''(B)(i) An individual determined to be eligible for assistance under part A shall, at the time the individual becomes eligible for such assistance—

''(I) receive the list and description described in subparagraph (A);

''(II) agree, in exchange for job placement and support services, to—

''(aa) execute, within a period of time permitted by the State, a contract with a State-approved job placement organization which provides that the organization shall attempt to find employment for the individual; and

''(bb) comply with the terms of the contract; and

''(III) receive a job placement voucher (in an amount to be determined by the State) for payment to a State-approved job placement organization.

''(ii) The State shall impose the sanctions provided for in section 402(a)(19)(G) on any individual who does not fulfill the terms of a contract executed with a State-approved job placement organization.

''(C) At the time an individual executes a contract with a State-approved job placement organization, the individual shall provide the organization with the job placement voucher that the individual received pursuant to subparagraph (B).

''(D)(i) A State-approved job placement organization may redeem for payment from the State not more than 25 percent of the value of a job placement voucher upon the initial receipt of the voucher for payment of costs incurred in finding and placing an individual in an employment position. The remaining value of such voucher shall not be redeemed for payment from the State until the State-approved job placement organization—

''(I) finds an employment position (as determined by the State) for the individual who provided the voucher; and

''(II) certifies to the State that the individual remains employed with the employer that the organization originally placed the individual with for the greater of—

''(aa) 6 continuous months; or

''(bb) a period determined by the State.

''(ii) A State may modify, on a case-by-case basis, the requirement of clause (i)(II) under such terms and conditions as the State deems appropriate.

''(E)(i) The State shall establish performance-based standards to evaluate the success of the State job placement voucher program operated under this subsection in achieving employment for individuals participating in such voucher program. Such standards shall take into account the economic conditions of the State in determining the rate of success.

''(ii) The State shall, not less than once a fiscal year, evaluate the job placement voucher program operated under this subsection in accordance with the performance-based standards established under clause (i).

''(iii) The State shall submit a report containing the results of an evaluation conducted under clause (ii) to the Secretary and a description of the performance-based standards used to conduct the evaluation in such form and under such conditions as the Secretary shall require. The Secretary shall review each report submitted under this clause and may require the State to revise the performance-based standards if the Secretary determines that the State is not achieving an adequate rate of success for such State.''.

(2) CONFORMING AMENDMENTS.—Title IV (42 U.S.C. 681 et seq.) is amended—

(A) in section 403(*l*) (42 U.S.C. 603(*l*))—

(i) in paragraph (1)(A), by striking ''482(i)(2)'' and inserting ''482(j)(2)''; and

(ii) in paragraph (4)(A)(i), by inserting ''a job placement voucher program,'' after ''on-the-job training,''; and

(B) in section 431(a)(6) (42 U.S.C. 629a(a)(6))—

(i) by striking ''482(i)(5)'' and inserting ''482(j)(5)''; and

(ii) by striking ''482(i)(7)(A)'' and inserting ''482(j)(7)(A)''.

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) shall be effective with respect to calendar quarters beginning with the second calendar quarter beginning after the date of the enactment of this Act.

(e) ELIMINATION OF REQUIREMENT TO PROVIDE EDUCATIONAL ACTIVITIES TO INDIVIDUALS AGE 20 OR OLDER; PERMITTING STATES TO PROVIDE EMPLOYMENT SERVICES FOR NON-CUSTODIAL PARENTS.—Section 482(d) (42 U.S.C. 682(d)) is amended—

(1) by striking paragraph (2);

(2) by redesignating paragraph (3) as paragraph (2); and

(3) in paragraph (2), as so redesignated—

(A) by striking ''up to 5''; and

(B) by striking the second sentence.

(f) INCREASE IN PERIOD IN WHICH EARNED INCOME DISREGARD MAY APPLY UNDER WORK SUPPLEMENTATION PROGRAM.—Section 482(e) (42 U.S.C. 682(e)) is amended in paragraphs (2)(G) and (4), by striking ''9 months'' and inserting ''12 months''.

(g) STATE FLEXIBILITY FOR THE JOB SEARCH PROGRAM.—Section 482(g) (42 U.S.C. 682(g)) is amended—

(1) in paragraph (2)—

(A) by inserting '', and subject to paragraph (3),'' after ''section 402(a)(19)(B)(i)''; and

(B) by striking ''applies)—'' and all that follows through the period at the end and inserting ''applies) at such time or times as the State agency may determine.''; and

(2) in paragraph (3), by inserting '', not including any period of job search that occurred at the same time that the individual was participating in another activity under this part'' after ''12 months''.

SEC. 103. FUNDING FOR THE JOBS PROGRAM AND CHILD CARE.

(a) FUNDING FOR THE JOBS PROGRAM.—

(1) INCREASE IN FUNDING.—Section 403(k)(3) (42 U.S.C. 603(k)(3)) is amended—

(A) in subparagraph (E), by striking ''and''; and

(B) by striking subparagraph (F) and inserting the following:

''(F) $1,200,000,000 in the case of the fiscal year 1996,

''(G) $1,300,000,000 in the case of the fiscal year 1997,

''(H) $1,600,000,000 in the case of the fiscal year 1998,

''(I) $1,900,000,000 in the case of the fiscal year 1999,

''(J) $2,200,000,000 in the case of the fiscal year 2000, and

''(K) $2,500,000,000 in the case of the fiscal year 2001, and each succeeding fiscal year,''.

(2) APPLICABLE PERCENTAGES.—

(A) IN GENERAL.—Section 403(*l*)(1) (42 U.S.C. 603(*l*)(1)) is amended—

(i) by striking ''(l)(1)(A) In lieu'' and inserting ''(l)(1) In lieu''; and

(ii) by striking ''(including expenditures'' and all that follows through subparagraph (B), and inserting ''an amount equal to the greater of—

''(A) 70 percent; or

''(B) the Federal medical assistance percentage (as defined in section 1118 in the case of any State to which section 1108 applies, or as defined in section 1905(b) in the case of any other State) plus ten percentage points, in the case of expenditures made by a State in operating such a program for in a fiscal year.''.

(B) CONFORMING AMENDMENTS.—Section 403(*l*) (42 U.S.C. 603(*l*)) is amended—

(i) in paragraph (2)(A), by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)''; and

(ii) in paragraph (3)(C), by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)''.

(b) FUNDING FOR CHILD CARE.—

(1) FUNDING FOR JOBS AND TRANSITIONAL CHILD CARE.—

(A) IN GENERAL.—Section 402(g)(3)(A) (42 U.S.C. 602(g)(3)(A)) is amended to read as follows:

''(3)(A) In the case of amounts expended for child care pursuant to clause (i) or (ii) of paragraph (1)(A), the applicable rate for purposes of section 403(a) shall be the greater of—

''(i) 70 percent; or

''(ii) the Federal medical assistance percentage (as defined in section 1118 in the case of any State to which section 1108 applies, or as defined in section 1905(b) in the case of any other State) plus ten percentage points.''.

(B) EXTENSION OF THE TRANSITIONAL CHILD CARE PROGRAM.—Section 304(b) of the Family Support Act of 1988 (42 U.S.C. 602 note) is amended—

(i) by striking ''(1)''; and

(ii) by striking paragraph (2).

(2) FUNDING FOR AT-RISK CHILD CARE.—Section 403(n)(1)(A) (42 U.S.C. 603(n)(1)(A)) is amended to read as follows:

''(A) 70 percent, or, if higher, the Federal medical assistance percentage (as defined in section 1118 in the case of any State to which section 1108 applies, or as defined in section 1905(b) in the case of any other State) plus ten percentage points, of the expenditures by the State in providing child care services pursuant to section 402(i), and in administering the provision of such child care services, for any fiscal year; and''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall take effect on the date of the enactment of this Act.

(2) APPLICABLE PERCENTAGES.—The amendments made by subsections (a)(2) and (b) shall take effect on October 1, 1996.

SEC. 104. EVALUATION OF THE JOBS PROGRAM.

(a) EVALUATION OBJECTIVES AND DEVELOPMENT.—

(1) OBJECTIVES.—The Secretary shall develop and implement a plan for evaluating

the programs operated by the States under part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.). Such plan shall be designed to develop information to—

(A) assess the impacts of such programs with respect to—

(i) cost effectiveness;

(ii) the level of earnings achieved;

(iii) welfare receipt;

(iv) job retention;

(v) the effects on children; and

(vi) such other factors as the Secretary may determine;

(B) provide guidance to the Secretary in making any necessary changes and improvements in the performance standards required by section 487 of such Act (42 U.S.C. 687); and

(C) enable the Secretary to provide technical assistance to the States to assist them in improving such programs and in meeting such standards.

(2) DEVELOPMENT OF PLAN.—The plan described in paragraph (1) shall be developed by the Secretary in consultation with representatives of the States.

(b) DEFINITIONS.—For purposes of this section:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(2) STATE.—The term ''State'' means any of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for fiscal years 1996 through 2000 for the purpose of carrying out the provisions of this section. Any sums so appropriated shall remain available until expended.

TITLE II—AID TO FAMILIES WITH DEPENDENT CHILDREN

Subtitle A—Requirements for Teenage Parents

SEC. 201. CASE MANAGEMENT FOR PARENTS UNDER AGE 20.

(a) IN GENERAL.—Section 482(b) (42 U.S.C. 682(b)) is amended by adding at the end the following new paragraph:

''(4) CASE MANAGER.—The State agency shall—

''(A) assign a case manager to each custodial parent receiving aid under part A who is under age 20;

''(B) provide that case managers will have the training necessary (taking into consideration the recommendations of appropriate professional organizations) to enable them to carry out their responsibilities and will be assigned a caseload the size of which permits effective case management; and

''(C) provide that the case manager will be responsible for—

''(i) assisting such parent in obtaining appropriate services, including at a minimum, parenting education, family planning services, education and vocational training, and child care and transportation services,

''(ii) making the determinations required to implement the provision of section 402(a)(43),

''(iii) monitoring such parent's compliance with all program requirements, and, where appropriate, providing incentives and applying sanctions, and

''(iv) providing general guidance, encouragement, and support to assist such parent in his or her role as a parent and in achieving self-sufficiency.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall be effective with respect to calendar quarters beginning on or after October 1, 1996.

SEC. 202. PARTICIPATION IN EDUCATIONAL ACTIVITY.

(a) IN GENERAL.—Section 402(a)(19)(E) (42 U.S.C. 602(a)(19)(E)) is amended to read as follows:

''(E) that the State agency shall—

''(i) in the case of a custodial parent who has not attained 20 years of age, has not successfully completed a high school education (or its equivalent), and is required to participate in the program (including an individual who would otherwise be exempt from participation in the program solely by reason of subparagraph (C)(iii)), require such parent to—

''(I) attend school,

''(II) participate in a program that combines classroom and job training, or

''(III) work toward attainment of a high school education (or its equivalent);

''(ii) in the case of custodial parent who has not attained 20 years of age, but has successfully completed a high school education (or its equivalent), and is required to participate in the program (including an individual who would otherwise be exempt from participation in the program solely by reason of subparagraph (C)(iii)), require such parent to participate in a JOBS activity (including a work activity) approved by the State;

''(iii) establish criteria in accordance with regulations of the Secretary under which a custodial parent described in clauses (i) and (ii) who has not attained 20 years of age may be exempted from the requirements under such clause but the number of such parents exempted from such requirements shall not exceed 50 percent in fiscal year 2000 or any fiscal year thereafter; and

''(iv) at the option of the State, some or all custodial parents who are under age 20 (and pregnant women under age 20) who are receiving aid under this part will be required to participate in a program of monetary incentives and penalties, consistent with subsection (j);''.

(b) STATE OPTION TO PROVIDE ADDITIONAL INCENTIVES AND PENALTIES TO ENCOURAGE TEENAGE PARENTS TO COMPLETE HIGH SCHOOL—Section 402 (42 U.S.C. 602) is amended by adding at the end the following new subsection:

''(j)(1) If a State chooses to conduct a program of monetary incentives and penalties to encourage custodial parents (and pregnant women) who are under age 20 to complete their high school (or equivalent) education, and participate in parenting activities, the State shall amend its State plan—

''(A) to specify the one or more political subdivisions in which the State will conduct the program (or other clearly defined geographic area or areas), and

''(B) to describe its program in detail.

''(2) A program under this subsection—

''(A) may, at the option of the State, include all such parents who are under age 21;

''(B) may, at the option of the State, require full-time participation in secondary school or equivalent educational activities, or participation in a course or program leading to a skills certificate found appropriate by the State agency or parenting education activities (or any combination of such activities and secondary education);

''(C) shall require that the case manager assigned to the custodial parent pursuant to paragraph (3) or (4) of section 482(b) will review the needs of such parent and will assure that, either in the initial development or revision of the parent's employability plan, there will be included a description of the services that will be provided to the parent and the way in which the case manager and service providers will coordinate with the educational or skills training activities in which the custodial parent is participating;

''(D) shall provide monetary incentives for more than minimally acceptable performance of required educational activities; and

''(E) shall provide penalties which may be those required by subsection (a)(19)(G) or, with the approval of the Secretary, other monetary penalties that the State finds will better achieve the objectives of the program.

''(3) When a monetary incentive is payable because of the more than minimally acceptable performance of required educational activities by a custodial parent, the incentive shall be paid directly to such parent, regardless of whether the State agency makes payment of aid under the State plan directly to such parent.

''(4)(A) For purposes of this part, monetary incentives paid under this subsection shall be considered aid to families with dependent children.

''(B) For purposes of any other Federal or federally assisted program based on need, no monetary incentive paid under this subsection shall be considered income in determining a family's eligibility for or amount of benefits under such program, and if aid is reduced by reason of a penalty under this subsection, such other program shall treat the family involved as if no such penalty has been applied.

''(5) The State agency shall from time to time provide such information as the Secretary may request, and otherwise cooperate with the Secretary, in order to permit evaluation of the effectiveness on a broad basis of the State's program conducted under this subsection.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning on or after October 1, 1996.

SEC. 203. LIVING ARRANGEMENT REQUIREMENTS.

(a) IN GENERAL.—Section 402(a)(43) (42 U.S.C. 602(a)(43)) is amended—

(1) in the matter preceding subparagraph (A), by striking ''at the option of the State,'',

(2) in subparagraph (A), by redesignating clauses (i) and (ii) as subclauses (I) and (II), respectively,

(3) by striking ''(A) subject to subparagraph (B),'' and inserting ''(A)(i) subject to clause (ii),'',

(4) in subclause (II) of subparagraph (A)(i), as redesignated—

(A) by striking ''(where possible)'', and

(B) by striking ''or other adult relative'' and inserting ''other adult relative, or other adult supervising the living arrangement'', and

(5) by striking subparagraph (B) and inserting the following:

''(ii) clause (i) does not apply in any case in which the State agency—

''(I) determines that the physical or emotional health or safety of such individual or such dependent child would be jeopardized if such individual and such dependent child lived in the same residence with such individual's own parent or legal guardian; or

''(II) otherwise determines in accordance with regulations issued by the Secretary that there is good cause for waiving such clause; and

''(B) if an individual is not residing in an alternative adult-supervised living arrangement that is approved by the State agency, the State agency (in consultation with the child welfare agency) is required to assist the individual in locating an appropriate living arrangement;''.

(b) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning on or after October 1, 1997.

Subtitle B—State Flexibility

PART I—ESTABLISHMENT OF INTERAGENCY WELFARE REVIEW BOARD

SEC. 211. INTERAGENCY WELFARE REVIEW BOARD.

(a) ESTABLISHMENT AND PURPOSE.—In order to facilitate the consideration of welfare program requirement waiver requests that involve more than 1 Federal department or agency, there is established an Interagency Welfare Review Board (hereafter in this part referred to as the ''Board'').

(b) MEMBERSHIP.—The Board shall consist of the following members:

(1) The Secretary of Agriculture (or the designee of the Secretary).

(2) The Secretary of Health and Human Services (or the designee of the Secretary).

(3) The Secretary of Housing and Urban Development (or the designee of the Secretary).

(4) The Secretary of Labor (or the designee of the Secretary).

(5) The Secretary of Education (or the designee of the Secretary).

(6) Such other individuals as the President determines appropriate.

(c) CHAIRPERSON.—The President shall appoint 1 member of the Board to serve as Chairperson of the Board.

(d) VACANCIES.—A vacancy in the position of Chairperson shall be filled in the manner in which the original appointment was made.

(e) NO ADDITIONAL COMPENSATION.—The members of the Board may not be provided additional pay, allowances, or benefits by reason of their service on the Board.

(f) POWERS.—

(1) ASSISTANCE OF OTHER FEDERAL ENTITIES.—A member of the Board shall detail to the Chairperson, on a nonreimbursable basis, such officers and employees of the department or agency headed by the member, and shall make available to the Chairperson such assistance as the Chairperson may require to carry out the activities of the Board.

(2) USE OF UNITED STATES MAILS.—The Chairperson may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(g) DUTIES.—

(1) IN GENERAL.—The Board shall act as the central organization for coordinating the review of applications submitted under section 212 by States for waivers from the requirements of eligible Federal low-income assistance programs that involve more than 1 department or agency of the Federal Government.

(2) DUTY TO PROVIDE TECHNICAL ASSISTANCE.—The Board shall provide assistance and technical advice to entities submitting applications under section 212 and implementing an assistance plan under an application approved under section 213.

SEC. 212. WAIVER APPLICATION.

Any State that is receiving or is eligible to receive funds or other assistance under eligible Federal low-income assistance programs involving more than 1 Federal department or agency and desires a waiver authorized by law from the Federal requirements with respect to such programs may submit to the Board an application for such waiver. The application shall be submitted in the form and manner prescribed by the Board.

SEC. 213. REVIEW AND APPROVAL OF APPLICATIONS.

(a) REVIEW OF APPLICATIONS.—The Board shall review a waiver application submitted under section 212 and issue an advisory opinion with respect to such waiver application. Final decisions with respect to the waiver application shall be made by the Secretaries of the departments or agencies that have responsibility for administering the programs with respect to which the waiver is sought.

(b) ACTION ON APPLICATION.—The Board shall establish a schedule for the consideration of a waiver application submitted under section 212, to assure that the State will receive a final decision from the Secretaries described in subsection (a) on the waiver application not later than 90 days after the date the completed application is received by the Board.

SEC. 214. DEFINITION OF STATE.

(a) IN GENERAL.—For purposes of this part, the term ''State'' means any of the 50 States, the District of Columbia, Puerto Rico, American Samoa, Guam, and the Virgin Islands.

(b) INDIAN TRIBES.—In the case of an eligible Federal low-income assistance program under which aid or assistance is provided with respect to an Indian tribe, the Indian tribal organization is deemed to be a State for purposes of this part.

PART II—ADDITIONAL PROVISIONS CONCERNING WAIVERS

SEC. 221. SCHEDULE FOR CONSIDERATION OF WAIVER APPLICATIONS.

Section 1115 (42 U.S.C. 1315) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking ''(a) In'' and inserting ''(a)(1) In''; and

(3) by adding at the end the following new paragraph:

''(2) Not later than 90 days after the date a completed application from a State for a waiver under paragraph (1) is received by the Secretary, the Secretary shall approve or disapprove such application. In considering an application for a waiver, there shall be a presumption for approval in the case of a request for a waiver that is similar in substance and scale to one that the Secretary has previously approved.''.

SEC. 222. STATE AUTHORITY TO ESTABLISH CERTAIN AFDC RULES.

(a) IN GENERAL.—Section 1115 (42 U.S.C. 1315) is amended by adding at the end the following new subsection:

''(e)(1) Any State having an approved plan under part A of title IV may, without receiving a waiver from the Secretary pursuant to this section or otherwise, establish any of the program changes described in paragraph (2) for purposes of providing aid or assistance under part A of such title.

''(2) The program changes described in this paragraph are the following:

''(A) Income and resource requirements other than those specified in section 402(a)(7) in order to test the effect of such requirements on an individual's effort to obtain employment.

''(B) Requirements relating to the disregard of income other than those specified in section 402(a)(8).

''(C) Standards for defining unemployment other than those prescribed by the Secretary pursuant to section 407(a).

''(D) Rules for the eligibility for aid or assistance under part A of title IV of an unemployed parent without regard to section 407(b)(1)(A)(iii).

''(3)(A) The Secretary shall evaluate a sufficient number of the program changes described in paragraph (2) which are established by a State in order to determine the impact of such changes on the receipt of aid to families with dependent children program under part A of title IV in such State, earnings achieved, costs to the Federal and State governments, and such other factors as the Secretary may determine.

''(B) Any State chosen by the Secretary for an evaluation under subparagraph (A) shall cooperate with such evaluation.

''(C) There are authorized to be appropriated such sums as may be necessary for the purpose of conducting evaluations under this paragraph.

''(4) The authority provided by paragraphs (1) and (2) of this subsection shall expire 5 years after the date on which this subsection takes effect.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on October 1, 1996.

SEC. 223. WAIVER AUTHORITY FOR THE JOBS PROGRAM.

Section 1115(a) (42 U.S.C. 1315(a)) is amended—

(1) in the matter preceding paragraph (1), by striking ''part A or D of title IV'' and inserting ''part A, D, or F of title IV'';

(2) in paragraph (1), by inserting ''482,'' after ''454,''; and

(3) in paragraph (2), by inserting ''402(g),'' after ''section 3,''.

TITLE III—CHILD SUPPORT ENFORCEMENT

SEC. 300. SHORT TITLE.

This title may be cited as the ''Interstate Child Support Responsibility Act of 1995''.

Subtitle A—Improvements to the Child Support Collection System

PART I—ELIGIBILITY AND OTHER MATTERS CONCERNING TITLE IV–D PROGRAM CLIENTS

SEC. 301. COOPERATION REQUIREMENT AND GOOD CAUSE EXCEPTION.

(a) CHILD SUPPORT ENFORCEMENT REQUIREMENTS.—Section 454 is amended—

(1) by striking ''and'' at the end of paragraph (23);

(2) by striking the period at the end of paragraph (24) and inserting ''; and''; and

(3) by adding after paragraph (24) the following new paragraph:

''(25) provide that the State agency administering the plan under this part—

''(A) will make the determination specified under paragraph (4), as to whether an individual is cooperating with efforts to establish paternity and secure support (or has good cause not to cooperate with such efforts) for purposes of the requirements of sections 402(a)(26) and 1912;

''(B) will advise individuals, both orally and in writing, of the grounds for good cause exceptions to the requirement to cooperate with such efforts;

''(C) will take the best interests of the child into consideration in making the determination whether such individual has good cause not to cooperate with such efforts;

''(D)(i) will make the initial determination as to whether an individual is cooperating (or has good cause not to cooperate) with efforts to establish paternity within 10 days after such individual is referred to such State agency by the State agency administering the program under part A of title XIX;

''(ii) will make redeterminations as to cooperation or good cause at appropriate intervals; and

''(iii) will promptly notify the individual, and the State agencies administering such programs, of each such determination and redetermination;

''(E) with respect to any child born on or after the date 10 months after the date of the enactment of this provision—

''(i) will not determine (or redetermine) the mother of such child to be cooperating with efforts to establish paternity unless the mother furnishes—

''(I) the name of the putative father (or fathers); and

''(II) sufficient additional information to enable the State agency, if reasonable efforts were made, to verify the identity of the person named as the putative father (including such information as the putative father's present address, telephone number, date of birth, past or present place of employment,

school previously or currently attended, and names and addresses of parents, friends, or relatives able to provide location information, or other information that could enable service of process on such person); and

''(ii) in the case of a caretaker who is not the mother and who is receiving payments for the child under part A, will determine (or redetermine) such caretaker to be reasonably cooperating with efforts to establish paternity under regulations prescribed by the Secretary; and

''(F)(i) (where a custodial parent who was initially determined not to be cooperating (or to have good cause not to cooperate) is later determined to be cooperating or to have good cause not to cooperate) will immediately notify the State agencies administering the programs under part A of title XIX that this eligibility condition has been met; and

''(ii) (where a custodial parent was initially determined to be cooperating (or to have good cause not to cooperate)) will not later determine such individual not to be cooperating (or not to have good cause not to cooperate) until such individual has been afforded an opportunity for a hearing.''.

(b) AFDC AMENDMENTS.—

(1) Section 402(a)(11) is amended by striking ''furnishing of'' and inserting ''application for''.

(2) Section 402(a)(26) is amended—

(A) in each of subparagraphs (A) and (B), by redesignating clauses (i) and (ii) as subclauses (I) and (II);

(B) by indenting and redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iv), respectively;

(C) in clause (ii), as redesignated—

(i) by striking ''is claimed, or in obtaining any other payments or property due such applicant or such child,'' and inserting ''is claimed;''; and

(ii) by striking ''unless'' and all that follows through ''aid is claimed; and'';

(D) by adding after clause (ii) the following new clause:

''(iii) to cooperate with the State in obtaining any other payments or property due such applicant or such child; and'';

(E) in the matter preceding clause (i), as redesignated, to read as follows:

''(26) provide—

''(A) that, as a condition of eligibility for aid, each applicant or recipient will be required (subject to subparagraph (C))—'';

(F) in subparagraph (A)(iv), as redesignated, by striking '', unless such individual'' and all that follows through ''individuals involved'';

(G) by adding at the end the following new subparagraphs:

''(B) that the State agency will immediately refer each applicant requiring paternity establishment services to the State agency administering the program under part D;

''(C) that an individual will not be required to cooperate with the State, as provided under subparagraph (A), if the individual is found to have good cause for refusing to cooperate, as determined in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the child on whose behalf aid is claimed—

''(i) to the satisfaction of the State agency administering the program under part D, as determined in accordance with section 454(25), with respect to the requirements under clauses (i) and (ii) of subparagraph (A); and

''(ii) to the satisfaction of the State agency administering the program under this part, with respect to the requirements under clauses (iii) and (iv) of subparagraph (A);

''(D) that (except as provided in subparagraph (E)) an applicant requiring paternity establishment services (other than an individual eligible for emergency assistance as defined in section 406(e)) shall not be eligible for any aid under this part until such applicant—

''(i) has furnished to the agency administering the State plan under part D the information specified in section 454(25)(E); or

''(ii) has been determined by such agency to have good cause not to cooperate;

''(E) that the provisions of subparagraph (D) shall not apply—

''(i) if the State agency specified in such subparagraph has not, within 10 days after such individual was referred to such agency, provided the notification required by section 454(25)(D)(iii), until such notification is received; and

''(ii) if such individual appeals a determination that the individual lacks good cause for noncooperation, until after such determination is affirmed after notice and opportunity for a hearing; and''; and

(H)(i) by relocating and redesignating as subparagraph (F) the text at the end of subparagraph (A)(ii) beginning with ''that, if the relative'' and all that follows through the semicolon;

(ii) in subparagraph (F), as so redesignated and relocated, by striking ''subparagraphs (A) and (B) of this paragraph'' and inserting ''subparagraph (A)''; and

(iii) by striking ''and'' at the end of subparagraph (a)(ii).

(c) MEDICAID AMENDMENTS.—Section 1912(a) is amended—

(1) in paragraph (1)(B), by inserting ''(except as provided in paragraph (2))'' after ''to cooperate with the State'';

(2) in subparagraphs (B) and (C) of paragraph (1) by striking '', unless'' and all that follows and inserting a semicolon; and

(3) by redesignating paragraph (2) as paragraph (5), and inserting after paragraph (1) the following new paragraphs:

''(2) provide that the State agency will immediately refer each applicant or recipient requiring paternity establishment services to the State agency administering the program under part D of title IV;

''(3) provide that an individual will not be required to cooperate with the State, as provided under paragraph (1), if the individual is found to have good cause for refusing to cooperate, as determined in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the individuals involved—

''(A) to the satisfaction of the State agency administering the program under part D, as determined in accordance with section 454(25), with respect to the requirements to cooperate with efforts to establish paternity and to obtain support (including medical support) from a parent; and

''(B) to the satisfaction of the State agency administering the program under this title, with respect to other requirements to cooperate under paragraph (1);

''(4) provide that (except as provided in paragraph (5)) an applicant requiring paternity establishment services (other than an individual eligible for emergency assistance as defined in section 406(e), or presumptively eligible pursuant to section 1920) shall not be eligible for medical assistance under this title until such applicant—

''(i) has furnished to the agency administering the State plan under part D of title IV the information specified in section 454(25)(E); or

''(ii) has been determined by such agency to have good cause not to cooperate; and

''(5) provide that the provisions of paragraph (4) shall not apply with respect to an applicant—

''(i) if such agency has not, within 10 days after such individual was referred to such agency, provided the notification required by section 454(25)(D)(iii), until such notification is received); and

''(ii) if such individual appeals a determination that the individual lacks good cause for noncooperation, until after such determination is affirmed after notice and opportunity for a hearing.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to applications filed in or after the first calendar quarter beginning 10 months or more after the date of the enactment of this Act (or such earlier quarter as the State may select) for aid under part A of title IV of the Social Security Act or for medical assistance under title XIX of such Act.

SEC. 302. STATE OBLIGATION TO PROVIDE PATERNITY ESTABLISHMENT AND CHILD SUPPORT ENFORCEMENT SERVICES.

(a) STATE LAW REQUIREMENTS.—Section 466(a) (42 U.S.C. 666(a)) is amended by adding at the end the following new paragraph:

''(12) Procedures under which—

''(A) every child support order established or modified in the State on or after October 1, 1998, is recorded in the central case registry established in accordance with section 454A(e); and

''(B) child support payments are collected through the centralized collections unit established in accordance with section 454B—

''(i) on and after October 1, 1998, under each order subject to wage withholding under section 466(b); and

''(ii) on and after October 1, 1999, under each other order required to be recorded in such central case registry under this paragraph or section 454A(e)—

''(I) if requested by either party subject to such order, or

''(II) at the option of the State, regardless of whether application is made for services under this part.''.

(b) STATE PLAN REQUIREMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) by striking paragraph (4) and inserting the following new paragraph:

''(4) provide that such State will undertake to provide appropriate services under this part to—

''(A) each child with respect to whom an assignment is effective under section 402(a)(26), 471(a)(17), or 1912 (except in cases in which the State agency determines, in accordance with paragraph (25), that it is against the best interests of the child to do so); and

''(B) each child not described in subparagraph (A)—

''(i) with respect to whom an individual applies for such services; or

''(ii) on and after October 1, 1998, with respect to whom a support order is recorded in the central State case registry established under section 454A, if application is made for services under this part;''; and

(2) in paragraph (6)—

(A) by striking ''(6) provide that'' and all that follows through subparagraph (A) and inserting the following:

''(6) provide that—

''(A) services under the State plan shall be made available to nonresidents on the same terms as to residents;'';

(B) in subparagraph (B)—

(i) by inserting ''on individuals not receiving assistance under part A'' after ''such services shall be imposed''; and

(ii) by inserting ''but no fees or costs shall be imposed on any absent or custodial parent or other individual for inclusion in the central State registry maintained pursuant to section 454A(e)''; and

(C) in each of subparagraphs (B), (C), (D), and (E), by indenting such subparagraph and aligning its left margin with the left margin of subparagraph (A); and

(D) in each of subparagraphs (B), (C), and (D), by striking the final comma and inserting a semicolon.

(c) CONFORMING AMENDMENTS.—

(1) PATERNITY ESTABLISHMENT PERCENTAGE.—Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended by striking ''454(6)'' each place it appears and inserting ''454(4)(A)(ii)''.

(2) STATE PLAN.—Section 454(23) (42 U.S.C. 654(23)) is amended, effective October 1, 1998, by striking ''information as to any application fees for such services and''.

(3) PROCEDURES TO IMPROVE ENFORCEMENT.—Section 466(a)(3)(B) (42 U.S.C. 666(a)(3)(B)) is amended by striking ''in the case of overdue support which a State has agreed to collect under section 454(6)'' and inserting ''in any other case''.

(4) DEFINITION OF OVERDUE SUPPORT.—Section 466(e) (42 U.S.C. 666(e)) is amended by striking ''or (6)''.

SEC. 303. DISTRIBUTION OF PAYMENTS.

(a) DISTRIBUTIONS THROUGH STATE CHILD SUPPORT ENFORCEMENT AGENCY TO FORMER ASSISTANCE RECIPIENTS.—Section 454(5) (42 U.S.C. 654(5)) is amended—

(1) in subparagraph (A)—

(A) by inserting ''except as otherwise specifically provided in section 464 or 466(a)(3),'' after ''is effective,''; and

(B) by striking ''except that'' and all that follows through the semicolon; and

(2) in subparagraph (B), by striking '', except'' and all that follows through ''medical assistance''.

(b) DISTRIBUTION TO A FAMILY CURRENTLY RECEIVING AFDC.—Section 457 (42 U.S.C. 657) is amended—

(1) by striking subsection (a) and redesignating subsection (b) as subsection (a);

(2) in subsection (a), as redesignated—

(A) in the matter preceding paragraph (2), to read as follows:

''(a) IN THE CASE OF A FAMILY RECEIVING AFDC.—Amounts collected under this part during any month as support of a child who is receiving assistance under part A (or a parent or caretaker relative of such a child) shall (except in the case of a State exercising the option under subsection (b)) be distributed as follows:

''(1) an amount equal to the amount that will be disregarded pursuant to section 402(a)(8)(A)(vi) shall be taken from each of—

''(A) the amounts received in a month which represent payments for that month; and

''(B) the amounts received in a month which represent payments for a prior month which were made by the absent parent in that prior month;

and shall be paid to the family without affecting its eligibility for assistance or decreasing any amount otherwise payable as assistance to such family during such month;'';

(B) in paragraph (4), by striking ''or (B)'' and all that follows through the period and inserting ''; then (B) from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to any other State or States shall be paid to such other State or States and used to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and then (C) any remainder shall be paid to the family.''; and

(3) by inserting after subsection (a), as redesignated, the following new subsection:

''(b) ALTERNATIVE DISTRIBUTION IN CASE OF FAMILY RECEIVING AFDC.—In the case of a State electing the option under this subsection, amounts collected as described in subsection (a) shall be distributed as follows:

''(1) an amount equal to the amount that will be disregarded pursuant to section 402(a)(8)(A)(vi) shall be taken from each of—

''(A) the amounts received in a month which represent payments for that month; and

''(B) the amounts received in a month which represent payments for a prior month which were made by the absent parent in that prior month;

and shall be paid to the family without affecting its eligibility for assistance or decreasing any amount otherwise payable as assistance to such family during such month;

''(2) second, from any remainder, amounts equal to the balance of support owed for the current month shall be paid to the family;

''(3) third, from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to the State making the collection shall be retained and used by such State to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing);

''(4) fourth, from any remainder, amounts equal to arrearages of such support obligations assigned, pursuant to part A, to any other State or States shall be paid to such other State or States and used to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and

''(5) fifth, any remainder shall be paid to the family.''.

(c) DISTRIBUTION TO A FAMILY NOT RECEIVING AFDC.—

(1) IN GENERAL.—Section 457(c) (42 U.S.C. 657(c)) is amended to read as follows:

''(c) DISTRIBUTIONS IN CASE OF FAMILY NOT RECEIVING AFDC.—Amounts collected by a State agency under this part during any month as support of a child who is not receiving assistance under part A (or of a parent or caretaker relative of such a child) shall (subject to the remaining provisions of this section) be distributed as follows:

''(1) first, amounts equal to the total of such support owed for such month shall be paid to the family;

''(2) second, from any remainder, amounts equal to arrearages of such support obligations for months during which such child did not receive assistance under part A shall be paid to the family;

''(3) third, from any remainder, amounts equal to arrearages of such support obligations assigned to the State making the collection pursuant to part A shall be retained and used by such State to pay any such arrearages (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing); and

''(4) fourth, from any remainder, amounts equal to arrearages of such support obligations assigned to any other State pursuant to part A shall be paid to such other State or States, and used to pay such arrearages, in the order in which such arrearages accrued (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing).''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall become effective on October 1, 1999.

(d) DISTRIBUTION TO A CHILD RECEIVING ASSISTANCE UNDER TITLE IV–E.—Section 457(d) (42 U.S.C. 657(d)) is amended, in the matter preceding paragraph (1), by striking ''Notwithstanding the preceding provisions of this section, amounts'' and inserting the following:

''(d) DISTRIBUTIONS IN CASE OF A CHILD RECEIVING ASSISTANCE UNDER TITLE IV–E.—Amounts''.

(e) REGULATIONS.—The Secretary of Health and Human Services shall promulgate regulations—

(1) under part D of title IV of the Social Security Act, establishing a uniform nationwide standard for allocation of child support collections from an obligor owing support to more than 1 family; and

(2) under part A of such title, establishing standards applicable to States electing the alternative formula under section 457(b) of such Act for distribution of collections on behalf of families receiving Aid to Families with Dependent Children, designed to minimize irregular monthly payments to such families.

(f) CLERICAL AMENDMENTS.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (11)—

(A) by striking ''(11)'' and inserting ''(11)(A)''; and

(B) by inserting after the semicolon ''and''; and

(2) by redesignating paragraph (12) as subparagraph (B) of paragraph (11).

SEC. 304. RIGHTS TO NOTIFICATION AND HEARINGS.

(a) IN GENERAL.—Section 454 (42 U.S.C. 654), as amended by section 302(f), is amended by inserting after paragraph (11) the following new paragraph:

''(12) establish procedures to provide that—

''(A) individuals who are applying for or receiving services under this part—

''(i) receive notice of all proceedings in which support obligations might be established or modified; and

''(ii) receive a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;

''(B) individuals applying for or receiving services under this part have access to a fair hearing or other formal complaint procedure that meets standards established by the Secretary and ensures prompt consideration and resolution of complaints (but the resort to such procedure shall not stay the enforcement of any support order); and

''(C) the State may not provide to any noncustodial parent of a child representation relating to the establishment or modification of an order for the payment of child support with respect to that child, unless the State makes provision for such representation outside the State agency;''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

SEC. 305. PRIVACY SAFEGUARDS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 454), as amended by section 301(a), is amended—

(1) by striking ''and'' at the end of paragraph (24);

(2) by striking the period at the end of paragraph (25) and inserting ''; and''; and

(3) by adding after paragraph (25) the following:

''(26) provide that the State will have in effect safeguards applicable to all sensitive and confidential information handled by the State agency designed to protect the privacy rights of the parties, including—

''(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish or enforce support;

''(B) prohibitions on the release of information on the whereabouts of 1 party to another party against whom a protective order

with respect to the former party has been entered; and

''(C) prohibitions on the release of information on the whereabouts of 1 party to another party if the State has reason to believe that the release of the information may result in physical or emotional harm to the former party.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on October 1, 1997.

PART II—PROGRAM ADMINISTRATION AND FUNDING

SEC. 311. FEDERAL MATCHING PAYMENTS.

(a) INCREASED BASE MATCHING RATE.—Section 455(a)(2) (42 U.S.C. 655(a)(2)) is amended to read as follows:

''(2) The applicable percent for a quarter for purposes of paragraph (1)(A) is—

''(A) for fiscal years 1997 and 1998, 66 percent, and

''(B) for fiscal year 1999 and succeeding fiscal years, 75 percent.''.

(b) MAINTENANCE OF EFFORT.—Section 455 (42 U.S.C. 655) is amended—

(1) in subsection (a)(1), in the matter preceding subparagraph (A), by striking ''From'' and inserting ''Subject to subsection (c), from''; and

(2) by inserting after subsection (b) the following new subsection:

''(c) Notwithstanding the provisions of subsection (a), total expenditures for the State program under this part for fiscal year 1997 and each succeeding fiscal year (excluding 1-time capital expenditures for automation), reduced by the percentage specified for such fiscal year under subsection (a)(2) shall not be less than such total expenditures for fiscal year 1996, reduced by 66 percent.''.

SEC. 312. PERFORMANCE-BASED INCENTIVES AND PENALTIES.

(a) INCENTIVE ADJUSTMENTS TO FEDERAL MATCHING RATE.—Section 458 (42 U.S.C. 658) is amended to read as follows:

''INCENTIVE ADJUSTMENTS TO MATCHING RATE

''SEC. 458. (a) INCENTIVE ADJUSTMENT.—

''(1) IN GENERAL.—In order to encourage and reward State child support enforcement programs which perform in an effective manner, the Federal matching rate for payments to a State under section 455(a)(1)(A), for each fiscal year beginning on or after October 1, 1998, shall be increased by a factor reflecting the sum of the applicable incentive adjustments (if any) determined in accordance with regulations under this section with respect to Statewide paternity establishment and to overall performance in child support enforcement.

''(2) STANDARDS.—

''(A) IN GENERAL.—The Secretary shall specify in regulations—

''(i) the levels of accomplishment, and rates of improvement as alternatives to such levels, which States must attain to qualify for incentive adjustments under this section; and

''(ii) the amounts of incentive adjustment that shall be awarded to States achieving specified accomplishment or improvement levels, which amounts shall be graduated, ranging up to—

''(I) 5 percentage points, in connection with Statewide paternity establishment; and

''(II) 10 percentage points, in connection with overall performance in child support enforcement.

''(B) LIMITATION.—In setting performance standards pursuant to subparagraph (A)(i) and adjustment amounts pursuant to subparagraph (A)(ii), the Secretary shall ensure that the aggregate number of percentage point increases as incentive adjustments to all States do not exceed such aggregate increases as assumed by the Secretary in estimates of the cost of this section as of June 1995, unless the aggregate performance of all States exceeds the projected aggregate performance of all States in such cost estimates.

''(3) DETERMINATION OF INCENTIVE ADJUSTMENT.—The Secretary shall determine the amount (if any) of incentive adjustment due each State on the basis of the data submitted by the State pursuant to section 454(15)(B) concerning the levels of accomplishment (and rates of improvement) with respect to performance indicators specified by the Secretary pursuant to this section.

''(4) FISCAL YEAR SUBJECT TO INCENTIVE ADJUSTMENT.—The total percentage point increase determined pursuant to this section with respect to a State program in a fiscal year shall apply as an adjustment to the applicable percent under section 455(a)(2) for payments to such State for the succeeding fiscal year.

''(5) RECYCLING OF INCENTIVE ADJUSTMENT.—A State shall expend in the State program under this part all funds paid to the State by the Federal Government as a result of an incentive adjustment under this section.

''(b) MEANING OF TERMS.—

''(1) STATEWIDE PATERNITY ESTABLISHMENT PERCENTAGE.—

''(A) IN GENERAL.—For purposes of this section, the term 'Statewide paternity establishment percentage' means, with respect to a fiscal year, the ratio (expressed as a percentage) of—

''(i) the total number of out-of-wedlock children in the State under 1 year of age for whom paternity is established or acknowledged during the fiscal year, to

''(ii) the total number of children requiring paternity establishment born in the State during such fiscal year.

''(B) ALTERNATIVE MEASUREMENT.—The Secretary shall develop an alternate method of measurement for the Statewide paternity establishment percentage for any State that does not record the out-of-wedlock status of children on birth certificates.

''(2) OVERALL PERFORMANCE IN CHILD SUPPORT ENFORCEMENT.—The term 'overall performance in child support enforcement' means a measure or measures of the effectiveness of the State agency in a fiscal year which takes into account factors including—

''(A) the percentage of cases requiring a child support order in which such an order was established;

''(B) the percentage of cases in which child support is being paid;

''(C) the ratio of child support collected to child support due; and

''(D) the cost-effectiveness of the State program, as determined in accordance with standards established by the Secretary in regulations.''.

(b) ADJUSTMENT OF PAYMENTS UNDER PART D OF TITLE IV.—Section 455(a)(2) (42 U.S.C. 655(a)(2)), as amended by section 311(a), is amended—

(1) by striking the period at the end of subparagraph (C) and inserting a comma; and

(2) by adding after and below subparagraph (C), flush with the left margin of the paragraph, the following:

''increased by the incentive adjustment factor (if any) determined by the Secretary pursuant to section 458.''.

(c) CONFORMING AMENDMENTS.—Section 454(22) (42 U.S.C. 654(22)) is amended—

(1) by striking ''incentive payments'' the first place it appears and inserting ''incentive adjustments''; and

(2) by striking ''any such incentive payments made to the State for such period'' and inserting ''any increases in Federal payments to the State resulting from such incentive adjustments''.

(d) CALCULATION OF IV–D PATERNITY ESTABLISHMENT PERCENTAGE.—

(1) OVERALL PERFORMANCE.—Section 452(g)(1) (42 U.S.C. 652(g)(1)) is amended in the matter preceding subparagraph (A) by inserting ''its overall performance in child support enforcement is satisfactory (as defined in section 458(b) and regulations of the Secretary), and'' after ''1994,''.

(2) DEFINITION.—Section 452(g)(2)(A) (42 U.S.C. 652(g)(2)(A)) is amended, in the matter preceding clause (i)—

(A) by striking ''paternity establishment percentage'' and inserting ''IV–D paternity establishment percentage''; and

(B) by striking ''(or all States, as the case may be)''.

(3) MODIFICATION OF REQUIREMENTS.—Section 452(g)(3) (42 U.S.C. 652(g)(3)) is amended—

(A) by striking subparagraph (A) and redesignating subparagraphs (B) and (C) as subparagraphs (A) and (B), respectively;

(B) in subparagraph (A), as redesignated, by striking ''the percentage of children born out-of-wedlock in the State'' and inserting ''the percentage of children in the State who are born out of wedlock or for whom support has not been established''; and

(C) in subparagraph (B), as redesignated—

(i) by inserting ''and overall performance in child support enforcement'' after ''paternity establishment percentages''; and

(ii) by inserting ''and securing support'' before the period.

(e) REDUCTION OF PAYMENTS UNDER PART D OF TITLE IV.—

(1) NEW REQUIREMENTS.—Section 455 (42 U.S.C. 655) is amended—

(A) by redesignating subsection (e) as subsection (f); and

(B) by inserting after subsection (d) the following new subsection:

''(e)(1) Notwithstanding any other provision of law, if the Secretary finds, with respect to a State program under this part in a fiscal year beginning on or after October 1, 1997—

''(A)(i) on the basis of data submitted by a State pursuant to section 454(15)(B), that the State program in such fiscal year failed to achieve the IV–D paternity establishment percentage (as defined in section 452(g)(2)(A)) or the appropriate level of overall performance in child support enforcement (as defined in section 458(b)(2)), or to meet other performance measures that may be established by the Secretary, or

''(ii) on the basis of an audit or audits of such State data conducted pursuant to section 452(a)(4)(C), that the State data submitted pursuant to section 454(15)(B) is incomplete or unreliable; and

''(B) that, with respect to the succeeding fiscal year—

''(i) the State failed to take sufficient corrective action to achieve the appropriate performance levels as described in subparagraph (A)(i) of this paragraph, or

''(ii) the data submitted by the State pursuant to section 454(15)(B) is incomplete or unreliable,

the amounts otherwise payable to the State under this part for quarters following the end of such succeeding fiscal year, prior to quarters following the end of the first quarter throughout which the State program is in compliance with such performance requirement, shall be reduced by the percentage specified in paragraph (2).

''(2) The reductions required under paragraph (1) shall be—

''(A) not less than 3 nor more than 5 percent, or

''(B) not less than 5 nor more than 7 percent, if the finding is the second consecutive finding made pursuant to paragraph (1), or

''(C) not less than 7 nor more than 10 percent, if the finding is the third or a subsequent consecutive such finding.

''(3) For purposes of this subsection, section 402(a)(27), and section 452(a)(4), a State which is determined as a result of an audit to have submitted incomplete or unreliable data pursuant to section 454(15)(B), shall be determined to have submitted adequate data if the Secretary determines that the extent of the incompleteness or unreliability of the data is of a technical nature which does not adversely affect the determination of the level of the State's performance.''.

(2) CONFORMING AMENDMENTS.—

(A) PAYMENTS TO STATES.—Section 403 (42 U.S.C. 603) is amended by striking subsection (h).

(B) DUTIES OF SECRETARY.—Subsections (d)(3)(A), (g)(1), and (g)(3)(A) of section 452 (42 U.S.C. 652) are each amended by striking ''403(h)'' and inserting ''455(e)''.

(f) EFFECTIVE DATES.—

(1) INCENTIVE ADJUSTMENTS.—

(A) IN GENERAL.—The amendments made by subsections (a), (b), and (c) shall become effective on October 1, 1997, except to the extent provided in subparagraph (B).

(B) EXCEPTION.—Section 458 of the Social Security Act, as in effect prior to the enactment of this section, shall be effective for purposes of incentive payments to States for fiscal years prior to fiscal year 1999.

(2) PENALTY REDUCTIONS.—

(A) IN GENERAL.—The amendments made by subsection (d) shall become effective with respect to calendar quarters beginning on and after the date of the enactment of this Act.

(B) REDUCTIONS.—The amendments made by subsection (e) shall become effective with respect to calendar quarters beginning on and after the date which is 1 year after the date of the enactment of this Act.

SEC. 313. FEDERAL AND STATE REVIEWS AND AUDITS.

(a) STATE AGENCY ACTIVITIES.—Section 454 (42 U.S.C. 654) is amended—

(1) in paragraph (14)—

(A) by striking ''(14)'' and inserting ''(14)(A)''; and

(B) by inserting after the semicolon ''and'';

(2) by redesignating paragraph (15) as subparagraph (B) of paragraph (14); and

(3) by inserting after paragraph (14) the following new paragraph:

''(15) provide for—

''(A) a process for annual reviews of and reports to the Secretary on the State program under this part—

''(i) which shall include such information as may be necessary to measure State compliance with Federal requirements for expedited procedures and timely case processing, using such standards and procedures as are required by the Secretary; and

''(ii) under which the State agency will determine the extent to which such program is in conformity with applicable requirements with respect to the operation of State programs under this part (including the status of complaints filed under the procedure required under paragraph (12)(B)); and

''(B) a process of extracting from the State automated data processing system and transmitting to the Secretary data and calculations concerning the levels of accomplishment (and rates of improvement) with respect to applicable performance indicators (including IV–D paternity establishment percentages and overall performance in child support enforcement) to the extent necessary for purposes of sections 452(g) and 458.''.

(b) FEDERAL ACTIVITIES.—Section 452(a)(4) (42 U.S.C. 652(a)(4)) is amended to read as follows:

''(4)(A) review data and calculations transmitted by State agencies pursuant to section 454(15)(B) on State program accomplishments with respect to performance indicators for purposes of section 452(g) and 458, and determine the amount (if any) of penalty reductions pursuant to section 455(e) to be applied to the State;

''(B) review annual reports by State agencies pursuant to section 454(15)(A) on State program conformity with Federal requirements; evaluate any elements of a State program in which significant deficiencies are indicated by such report on the status of complaints under the State procedure under section 454(12)(B); and, as appropriate, provide to the State agency comments, recommendations for additional or alternative corrective actions, and technical assistance; and

''(C) conduct audits, in accordance with the government auditing standards of the United States Comptroller General—

''(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet requirements of this part, or of regulations implementing such requirements, concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data, and the accuracy of the reporting systems, used for the calculations of performance indicators specified in subsection (g) and section 458;

''(ii) of the adequacy of financial management of the State program, including assessments of—

''(I) whether Federal and other funds made available to carry out the State program under this part are being appropriately expended, and are properly and fully accounted for; and

''(II) whether collections and disbursements of support payments and program income are carried out correctly and are properly and fully accounted for; and

''(iii) for such other purposes as the Secretary may find necessary;''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to calendar quarters beginning on or after the date which is 1 year after the enactment of this section.

SEC. 314. REQUIRED REPORTING PROCEDURES.

(a) ESTABLISHMENT.—Section 452(a)(5) (42 U.S.C. 652(a)(5)) is amended by inserting '', and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes and timely case processing) to be applied in following such procedures'' before the semicolon.

(b) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(a) and 305(a), is amended—

(1) by striking ''and'' at the end of paragraph (25);

(2) by striking the period at the end of paragraph (26) and inserting ''; and''; and

(3) by adding after paragraph (26) the following:

''(27) provide that the State shall use the definitions established under section 452(a)(5) in collecting and reporting information as required under this part.''.

SEC. 315. AUTOMATED DATA PROCESSING REQUIREMENTS.

(a) REVISED REQUIREMENTS.—

(1) STATE PLAN.—Section 454(16) (42 U.S.C. 654(16)) is amended—

(A) by striking '', at the option of the State,'';

(B) by inserting ''and operation by the State agency'' after ''for the establishment'';

(C) by inserting ''meeting the requirements of section 454A'' after ''information retrieval system'';

(D) by striking ''in the State and localities thereof, so as (A)'' and inserting ''so as'';

(E) by striking ''(i)''; and

(F) by striking ''(including, but not limited to,'' and all that follows and to the semicolon.

(2) AUTOMATED DATA PROCESSING.—Part D of title IV (42 U.S.C. 651–669) is amended by inserting after section 454 the following new section:

''AUTOMATED DATA PROCESSING

''SEC. 454A. (a) IN GENERAL.—In order to meet the requirements of this section, for purposes of the requirement of section 454(16), a State agency shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section, and performs such tasks with the frequency and in the manner specified in this part or in regulations or guidelines of the Secretary.

''(b) PROGRAM MANAGEMENT.—The automated system required under this section shall perform such functions as the Secretary may specify relating to management of the program under this part, including—

''(1) controlling and accounting for use of Federal, State, and local funds to carry out such program; and

''(2) maintaining the data necessary to meet Federal reporting requirements on a timely basis.

''(c) CALCULATION OF PERFORMANCE INDICATORS.—In order to enable the Secretary to determine the incentive and penalty adjustments required by sections 452(g) and 458, the State agency shall—

''(1) use the automated system—

''(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

''(B) to calculate the IV–D paternity establishment percentage and overall performance in child support enforcement for the State for each fiscal year; and

''(2) have in place systems controls to ensure the completeness, and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

''(d) INFORMATION INTEGRITY AND SECURITY.—The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required under this section, which shall include the following (in addition to such other safeguards as the Secretary specifies in regulations):

''(1) POLICIES RESTRICTING ACCESS.—Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

''(A) permit access to and use of data only to the extent necessary to carry out program responsibilities;

''(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data; and

''(C) ensure that data obtained or disclosed for a limited program purpose is not used or redisclosed for another, impermissible purpose.

''(2) SYSTEMS CONTROLS.—Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies specified under paragraph (1).

''(3) MONITORING OF ACCESS.—Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

''(4) TRAINING AND INFORMATION.—The State agency shall have in effect procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use sensitive or confidential program data are fully informed of applicable requirements and penalties, and are adequately trained in security procedures.

''(5) PENALTIES.—The State agency shall have in effect administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.''.

(3) REGULATIONS.—Section 452 (42 U.S.C. 652) is amended by adding at the end the following new subsection:

''(j) The Secretary shall prescribe final regulations for implementation of the requirements of section 454A not later than 2 years after the date of the enactment of this subsection.''.

(4) IMPLEMENTATION TIMETABLE.—Section 454(24) (42 U.S.C. 654(24)), as amended by sections 301(a), 305(a)(2) and 314(b)(1), is amended to read as follows:

''(24) provide that the State will have in effect an automated data processing and information retrieval system—

''(A) by October 1, 1996, meeting all requirements of this part which were enacted on or before the date of the enactment of the Family Support Act of 1988; and

''(B) by October 1, 1999, meeting all requirements of this part enacted on or before the date of the enactment of the Interstate Child Support Responsibility Act of 1995 (but this provision shall not be construed to alter earlier deadlines specified for elements of such system), except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet the deadline imposed by section 452(j);''.

(b) SPECIAL FEDERAL MATCHING RATE FOR DEVELOPMENT COSTS OF AUTOMATED SYSTEMS.—Section 455(a) (42 U.S.C. 655(a)) is amended—

(1) in paragraph (1)(B)—

(A) by striking ''90 percent'' and inserting ''the percent specified in paragraph (3)'';

(B) by striking ''so much of''; and

(C) by striking ''which the Secretary'' and all that follows through ''thereof''; and

(2) by adding at the end the following new paragraph:

''(3)(A) The Secretary shall pay to each State, for each quarter in fiscal years 1996 through 2001, the percentage specified in subparagraph (B) of so much of State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 454(16) and 454A, subject to subparagraph (C).

''(B) The percentage specified in this subparagraph, for purposes of subparagraph (A), is the higher of—

''(i) 80 percent, or

''(ii) the percentage otherwise applicable to Federal payments to the State under paragraph (1)(A) (as adjusted pursuant to section 458).

''(C)(i) The Secretary may not pay more than $260,000,000 in the aggregate under this paragraph for fiscal years 1996, 1997, 1998, 1999, 2000, and 2001.

''(ii) The total amount payable to a State under this paragraph for fiscal years 1996, 1997, 1998, 1999, 2000, and 2001 shall not exceed the limitation determined for the State by the Secretary in regulations.

''(iii) The regulations referred to in clause (ii) shall prescribe a formula for allocating the amount specified in clause (iii) among States with plans approved under this part, which shall take into account—

''(I) the relative size of State caseloads under this part; and

''(II) the level of automation needed to meet the automated data processing requirements of this part.''.

(c) CONFORMING AMENDMENT.—Section 123(c) of the Family Support Act of 1988 (102 Stat. 2352; Public Law 100–485) is repealed.

SEC. 316. DIRECTOR OF CSE PROGRAM; STAFFING STUDY.

(a) REPORTING TO SECRETARY.—Section 452(a) (42 U.S.C. 652(a)) is amended in the matter preceding paragraph (1) by striking ''directly''.

(b) STAFFING STUDIES.—

(1) SCOPE.—The Secretary of Health and Human Services (in this subsection referred to as the ''Secretary'') shall, directly or by contract, conduct studies of the staffing of each State child support enforcement program under part D of title IV of the Social Security Act. Such studies shall—

(A) include a review of the staffing needs created by requirements for automated data processing, maintenance of a central case registry and centralized collections of child support, and of changes in these needs resulting from changes in such requirements; and

(B) examine and report on effective staffing practices used by the States and on recommended staffing procedures.

(2) FREQUENCY OF STUDIES.—The Secretary shall complete the first staffing study required under paragraph (1) not later than October 1, 1997, and may conduct additional studies subsequently at appropriate intervals.

(3) REPORT TO THE CONGRESS.—The Secretary shall submit a report to the Congress stating the findings and conclusions of each study conducted under this subsection.

SEC. 317. FUNDING FOR SECRETARIAL ASSISTANCE TO STATE PROGRAMS.

Section 452 (42 U.S.C. 652), as amended by section 315(a)(3), is amended by adding at the end the following new subsection:

''(k)(1) There shall be available to the Secretary, from amounts appropriated for fiscal year 1996 and each succeeding fiscal year for payments to States under this part, the amount specified in paragraph (2) for the costs to the Secretary for—

''(A) information dissemination and technical assistance to States, training of State and Federal staff, staffing studies, and related activities needed to improve programs (including technical assistance concerning State automated systems);

''(B) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part; and

''(C) operation of the Federal Parent Locator Service under section 453, to the extent such costs are not recovered through user fees.

''(2) The amount specified in this paragraph for a fiscal year is the amount equal to a percentage of the reduction in Federal payments to States under part A on account of child support (including arrearages) collected in the preceding fiscal year on behalf of children receiving aid under such part A in such preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the third calendar quarter following the end of such preceding fiscal year), equal to—

''(A) 1 percent, for the activities specified in subparagraphs (A) and (B) of paragraph (1); and

''(B) 2 percent, for the activities specified in subparagraph (C) of paragraph (1).''.

SEC. 318. DATA COLLECTION AND REPORTS BY THE SECRETARY.

(a) ANNUAL REPORT TO CONGRESS.—

(1) IN GENERAL.—Section 452(a)(10)(A) (42 U.S.C. 652(a)(10)(A)) is amended—

(A) by striking ''this part;'' and inserting ''this part, including—''; and

(B) by adding at the end the following indented clauses:

''(i) the total amount of child support payments collected as a result of services furnished during such fiscal year to individuals receiving services under this part;

''(ii) the cost to the States and to the Federal Government of furnishing such services to those individuals; and

''(iii) the number of cases involving families—

''(I) who became ineligible for aid under part A during a month in such fiscal year; and

''(II) with respect to whom a child support payment was received in the same month;''.

(2) CERTAIN DATA.—Section 452(a)(10)(C) (42 U.S.C. 652(a)(10)(C)) is amended—

(A) in the matter preceding clause (i), by striking ''with the data required under each clause being separately stated for cases'' and all that follows through ''part:'' and inserting ''separately stated for cases where the child is receiving aid to families with dependent children (or foster care maintenance payments under part E), or formerly received such aid or payments and the State is continuing to collect support assigned to it under section 402(a)(26), 471(a)(17), or 1912, and all other cases under this part—'';

(B) in each of clauses (i) and (ii), by striking '', and the total amount of such obligations'';

(C) in clause (iii), by striking ''described in'' and all that follows through the semicolon and inserting ''in which support was collected during the fiscal year;'';

(D) by striking clause (iv); and

(E) by redesignating clause (v) as clause (vii), and inserting after clause (iii) the following new clauses:

''(iv) the total amount of support collected during such fiscal year and distributed as current support;

''(v) the total amount of support collected during such fiscal year and distributed as arrearages;

''(vi) the total amount of support due and unpaid for all fiscal years; and''.

(3) USE OF FEDERAL COURTS.—Section 452(a)(10)(G) (42 U.S.C. 652(a)(10)(G)) is amended by striking ''on the use of Federal courts and''.

(4) ADDITIONAL INFORMATION NOT NECESSARY.—Section 452(a)(10) (42 U.S.C. 652(a)(10)) is amended by striking all that follows subparagraph (I).

(b) DATA COLLECTION AND REPORTING.—Section 469 (42 U.S.C. 669) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

''(a) The Secretary shall collect and maintain, on a fiscal year basis, up-to-date statistics, by State, with respect to services to establish paternity and services to establish child support obligations, the data specified in subsection (b), separately stated, in the case of each such service, with respect to—

''(1) families (or dependent children) receiving aid under plans approved under part A (or E); and

''(2) families not receiving such aid.

''(b) The data referred to in subsection (a) are—

''(1) the number of cases in the caseload of the State agency administering the plan under this part in which such service is needed; and

''(2) the number of such cases in which the service has been provided.''; and

(2) in subsection (c), by striking ''(a)(2)'' and inserting ''(b)(2)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to fiscal year 1996 and succeeding fiscal years.

PART III—LOCATE AND CASE TRACKING

SEC. 321. CENTRAL STATE AND CASE REGISTRY.

Section 454A, as added by section 315(a)(2), is amended by adding at the end the following new subsections:

''(e) CENTRAL CASE REGISTRY.—

''(1) IN GENERAL.—The automated system required under this section shall perform the functions, in accordance with the provisions of this subsection, of a single central registry containing records with respect to each case in which services are being provided by the State agency (including, on and after October 1, 1998, each order specified in section 466(a)(12)), using such standardized data elements (such as names, social security numbers or other uniform identification numbers, dates of birth, and case identification numbers), and containing such other information (such as information on case status) as the Secretary may require.

''(2) PAYMENT RECORDS.—Each case record in the central registry shall include a record of—

''(A) the amount of monthly (or other periodic) support owed under the support order, and other amounts due or overdue (including arrearages, interest or late payment penalties, and fees);

''(B) all child support and related amounts collected (including such amounts as fees, late payment penalties, and interest on arrearages);

''(C) the distribution of such amounts collected; and

''(D) the birth date of the child for whom the child support order is entered.

''(3) UPDATING AND MONITORING.—The State agency shall promptly establish and maintain, and regularly monitor, case records in the registry required by this subsection, on the basis of—

''(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

''(B) information obtained from matches with Federal, State, or local data sources;

''(C) information on support collections and distributions; and

''(D) any other relevant information.

''(f) DATA MATCHES AND OTHER DISCLOSURES OF INFORMATION.—The automated system required under this section shall have the capacity, and be used by the State agency, to extract data at such times, and in such standardized format or formats, as may be required by the Secretary, and to share and match data with, and receive data from, other data bases and data matching services, in order to obtain (or provide) information necessary to enable the State agency (or Secretary or other State or Federal agencies) to carry out responsibilities under this part. Data matching activities of the State agency shall include at least the following:

''(1) DATA BANK OF CHILD SUPPORT ORDERS.—Furnishing to the Data Bank of Child Support Orders established under section 453(h) (and updating as necessary, with information, including notice of expiration of orders) minimal information specified by the Secretary on each child support case in the central case registry.

''(2) FEDERAL PARENT LOCATOR SERVICE.—Exchanging data with the Federal Parent Locator Service for the purposes specified in section 453.

''(3) AFDC AND MEDICAID AGENCIES.—Exchanging data with State agencies (of the State and of other States) administering the programs under part A and title XIX, as necessary for the performance of State agency responsibilities under this part and under such programs.

''(4) INTRA- AND INTERSTATE DATA MATCHES.—Exchanging data with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.''.

SEC. 322. CENTRALIZED COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS.

(a) STATE PLAN REQUIREMENT.—Section 454 (42 U.S.C. 654), as amended by sections 301(a), 305(a) and 314(b), is amended—

(1) by striking ''and'' at the end of paragraph (26);

(2) by striking the period at the end of paragraph (27) and inserting ''; and''; and

(3) by adding after paragraph (27) the following new paragraph:

''(28) provide that the State agency, on and after October 1, 1998—

''(A) will operate a centralized, automated unit for the collection and disbursement of child support under orders being enforced under this part, in accordance with section 454B; and

''(B) will have sufficient State staff (consisting of State employees), and, at State option, contractors reporting directly to the State agency to monitor and enforce support collections through such centralized unit, including carrying out the automated data processing responsibilities specified in section 454A(g) and to impose, as appropriate in particular cases, the administrative enforcement remedies specified in section 466(c)(1).''.

(b) ESTABLISHMENT OF CENTRALIZED COLLECTION UNIT.—Part D of title IV (42 U.S.C. 651–669) is amended by adding after section 454A the following new section:

''CENTRALIZED COLLECTION AND DISBURSEMENT OF SUPPORT PAYMENTS

''SEC. 454B. (a) IN GENERAL.—In order to meet the requirement of section 454(28), the State agency must operate a single, centralized, automated unit for the collection and disbursement of support payments, coordinated with the automated data system required under section 454A, in accordance with the provisions of this section, which shall be—

''(1) operated directly by the State agency (or by 2 or more State agencies under a regional cooperative agreement), or by a single contractor responsible directly to the State agency; and

''(2) used for the collection and disbursement (including interstate collection and disbursement) of payments under support orders in all cases being enforced by the State pursuant to section 454(4).

''(b) REQUIRED PROCEDURES.—The centralized collections unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

''(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the State agencies of other States;

''(2) for accurate identification of payments;

''(3) to ensure prompt disbursement of the custodial parent's share of any payment; and

''(4) to furnish to either parent, upon request, timely information on the current status of support payments.''.

(c) USE OF AUTOMATED SYSTEM.—Section 454A, as added by section 315(a)(2) and as amended by section 321, is amended by adding at the end the following new subsection:

''(g) CENTRALIZED COLLECTION AND DISTRIBUTION OF SUPPORT PAYMENTS.—The automated system required under this section shall be used, to the maximum extent feasible, to assist and facilitate collections and disbursement of support payments through the centralized collections unit operated pursuant to section 454B, through the performance of functions including at a minimum—

''(1) generation of orders and notices to employers (and other debtors) for the withholding of wages (and other income)—

''(A) within 2 working days after receipt (from the directory of New Hires established under section 453(i) or any other source) of notice of and the income source subject to such withholding; and

''(B) using uniform formats directed by the Secretary;

''(2) ongoing monitoring to promptly identify failures to make timely payment; and

''(3) automatic use of enforcement mechanisms (including mechanisms authorized pursuant to section 466(c)) where payments are not timely made.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1998.

SEC. 323. AMENDMENTS CONCERNING INCOME WITHHOLDING.

(a) MANDATORY INCOME WITHHOLDING.—

(1) FROM WAGES.—Section 466(a)(1) (42 U.S.C. 666(a)(1)) is amended to read as follows:

''(1)(A) Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

''(B) Procedures under which all child support orders issued (or modified) before October 1, 1996, and which are not otherwise subject to withholding under subsection (b), shall become subject to withholding from wages as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.''.

(2) REPEAL OF CERTAIN PROVISIONS CONCERNING ARREARAGES.—Section 466(a)(8) (42 U.S.C. 666(a)(8)) is repealed.

(3) PROCEDURES DESCRIBED.—Section 466(b) (42 U.S.C. 666(b)) is amended—

(A) in the matter preceding paragraph (1), by striking ''subsection (a)(1)'' and inserting ''subsection (a)(1)(A)'';

(B) in paragraph (5), by striking ''a public agency'' and all that follows through the period and inserting ''the State through the centralized collections unit established pursuant to section 454B, in accordance with the requirements of such section 454B.'';

(C) in paragraph (6)(A)(i)—

(i) by inserting '', in accordance with timetables established by the Secretary,'' after ''must be required''; and

(ii) by striking ''to the appropriate agency'' and all that follows through the period and inserting ''to the State centralized collections unit within 5 working days after the date such amount would (but for this subsection) have been paid or credited to the employee, for distribution in accordance with this part.'';

(D) in paragraph (6)(A)(ii), by inserting ''be in a standard format prescribed by the Secretary, and'' after ''shall''; and

(E) in paragraph (6)(D) to read as follows:

''(D) Provision must be made for the imposition of a fine against any employer who—

''(i) discharges from employment, refuses to employ, or takes disciplinary action against any absent parent subject to wage withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer; or

''(ii) fails to withhold support from wages, or to pay such amounts to the State centralized collections unit in accordance with this subsection.''.

(b) CONFORMING AMENDMENT.—Section 466(c) (42 U.S.C. 666(c)) is repealed.

(c) DEFINITION OF TERMS.—The Secretary of Health and Human Services shall promulgate regulations providing definitions, for purposes of part D of title IV of the Social Security Act, for the term ''income'' and for such other terms relating to income withholding under section 466(b) of such Act as the Secretary may find it necessary or advisable to define.

SEC. 324. LOCATOR INFORMATION FROM INTERSTATE NETWORKS.

Section 466(a) (42 U.S.C. 666(a)), as amended by section 323(a)(2), is amended by inserting after paragraph (7) the following new paragraph:

''(8) Procedures ensuring that the State will neither provide funding for, nor use for any purpose (including any purpose unrelated to the purposes of this part), any automated interstate network or system used to locate individuals—

''(A) for purposes relating to the use of motor vehicles; or

''(B) providing information for law enforcement purposes (where child support enforcement agencies are otherwise allowed access by State and Federal law),

unless all Federal and State agencies administering programs under this part (including the entities established under section 453) have access to information in such system or network to the same extent as any other user of such system or network.''.

SEC. 325. EXPANDED FEDERAL PARENT LOCATOR SERVICE.

(a) EXPANDED AUTHORITY TO LOCATE INDIVIDUALS AND ASSETS.—Section 453 (42 U.S.C. 653) is amended—

(1) in subsection (a), by striking ''information as to the whereabouts'' and all that follows through the period and inserting '', for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations—

''(1) information on, or facilitating the discovery of, the location of any individual—

''(A) who is under an obligation to pay child support;

''(B) against whom such an obligation is sought; or

''(C) to whom such an obligation is owed,

including such individual's social security number (or numbers), most recent residential address, and the name, address, and employer identification number of such individual's employer; and

''(2) information on the individual's wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

''(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual.'';

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking ''social security'' and all that follows through ''absent parent'' and inserting ''information specified in subsection (a)''; and

(B) in paragraph (2), by inserting before the period '', or from any consumer reporting agency (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f))''; and

(3) in subsection (e)(1), by inserting before the period '', or by consumer reporting agencies''.

(b) REIMBURSEMENT FOR DATA FROM FEDERAL AGENCIES.—Section 453(e)(2) (42 U.S.C. 653(e)(2)) is amended in the fourth sentence by inserting before the period ''in an amount which the Secretary determines to be reasonable payment for the data exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the data)''.

(c) ACCESS TO CONSUMER REPORTS UNDER FAIR CREDIT REPORTING ACT.—

(1) IN GENERAL.—Section 608 of the Fair Credit Reporting Act (15 U.S.C. 1681f) is amended—

(A) by striking '', limited to'' and inserting ''to a governmental agency (including the entire consumer report, in the case of a Federal, State, or local agency administering a program under part D of title IV of the Social Security Act, and limited to''; and

(B) by striking ''employment, to a governmental agency'' and inserting ''employment, in the case of any other governmental agency)''.

(2) REIMBURSEMENT FOR REPORTS BY STATE AGENCIES AND CREDIT BUREAUS.—Section 453 (42 U.S.C. 653) is amended by adding at the end the following new subsection:

''(g) The Secretary is authorized to reimburse to State agencies and consumer credit reporting agencies the costs incurred by such entities in furnishing information requested by the Secretary pursuant to this section in an amount which the Secretary determines to be reasonable payment for the data exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the data).''.

(d) TECHNICAL AMENDMENTS.—

(1) Sections 452(a)(9), 453(a), 453(b), 463(a), and 463(e) (42 U.S.C. 652(a)(9), 653(a), 653(b), 663(a), and 663(e)) are each amended by inserting ''Federal'' before ''Parent'' each place it appears.

(2) Section 453 (42 U.S.C. 653) is amended in the heading by inserting ''FEDERAL'' before ''PARENT''.

(e) NEW COMPONENTS.—Section 453 (42 U.S.C. 653), as amended by subsection (c)(2), is amended by adding at the end the following new subsections:

''(h) DATA BANK OF CHILD SUPPORT ORDERS.—

''(1) IN GENERAL.—Not later than October 1, 1998, in order to assist States in administering their State plans under this part and parts A, F, and G, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry to be known as the Data Bank of Child Support Orders, which shall contain abstracts of child support orders and other information described in paragraph (2) on each case in each State central case registry maintained pursuant to section 454A(e), as furnished (and regularly updated), pursuant to section 454A(f), by State agencies administering programs under this part.

''(2) CASE INFORMATION.—The information referred to in paragraph (1), as specified by the Secretary, shall include sufficient information (including names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have established or modified, or are enforcing or seeking to establish, such an order.

''(i) DIRECTORY OF NEW HIRES.—

''(1) IN GENERAL.—Not later than October 1, 1998, in order to assist States in administering their State plans under this part and parts A, F, and G, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated directory to be known as the directory of New Hires, containing—

''(A) information supplied by employers on each newly hired individual, in accordance with paragraph (2); and

''(B) information supplied by State agencies administering State unemployment compensation laws, in accordance with paragraph (3).

''(2) EMPLOYER INFORMATION.—

''(A) INFORMATION REQUIRED.—Subject to subparagraph (D), each employer shall furnish to the Secretary, for inclusion in the directory under this subsection, not later than 10 days after the date (on or after October 1, 1998) on which the employer hires a new employee (as defined in subparagraph (C)), a report containing the name, date of birth, and social security number of such employee, and the employer identification number of the employer.

''(B) REPORTING METHOD AND FORMAT.—The Secretary shall provide for transmission of the reports required under subparagraph (A) using formats and methods which minimize the burden on employers, which shall include—

''(i) automated or electronic transmission of such reports;

''(ii) transmission by regular mail; and

''(iii) transmission of a copy of the form required for purposes of compliance with section 3402 of the Internal Revenue Code of 1986.

''(C) EMPLOYEE DEFINED.—For purposes of this paragraph, the term 'employee' means any individual subject to the requirement of section 3402(f)(2) of the Internal Revenue Code of 1986.

''(D) PAPERWORK REDUCTION REQUIREMENT.—As required by the information resources management policies published by the Director of the Office of Management and Budget pursuant to section 3504(b)(1) of title 44, United States Code, the Secretary, in order to minimize the cost and reporting burden on employers, shall not require reporting pursuant to this paragraph if an alternative reporting mechanism can be developed that either relies on existing Federal or State reporting or enables the Secretary to collect the needed information in a more cost-effective and equally expeditious manner, taking into account the reporting costs on employers.

''(E) CIVIL MONEY PENALTY ON NONCOMPLYING EMPLOYERS.—

''(i) IN GENERAL.—Any employer that fails to make a timely report in accordance with this paragraph with respect to an individual shall be subject to a civil money penalty, for each calendar year in which the failure occurs, of the lesser of $500 or 1 percent of the wages or other compensation paid by such employer to such individual during such calendar year.

''(ii) APPLICATION OF SECTION 1128A.—Subject to clause (iii), the provisions of section 1128A (other than subsections (a) and (b) thereof) shall apply to a civil money penalty under clause (i) in the same manner as they apply to a civil money penalty or proceeding under section 1128A(a).

''(iii) COSTS TO SECRETARY.—Any employer with respect to whom a penalty under this subparagraph is upheld after an administrative hearing shall be liable to pay all costs of the Secretary with respect to such hearing.

''(3) EMPLOYMENT SECURITY INFORMATION.—

''(A) REPORTING REQUIREMENT.—Each State agency administering a State unemployment compensation law approved by the Secretary of Labor under the Federal Unemployment Tax Act shall furnish to the Secretary extracts of the reports to the Secretary of Labor concerning the wages and unemployment compensation paid to individuals required under section 303(a)(6), in accordance with subparagraph (B).

''(B) MANNER OF COMPLIANCE.—The extracts required under subparagraph (A) shall be furnished to the Secretary on a quarterly basis, with respect to calendar quarters beginning on and after October 1, 1996, by such dates, in such format, and containing such information as required by that Secretary in regulations.

''(j) DATA MATCHES AND OTHER DISCLOSURES.—

''(1) VERIFICATION BY SOCIAL SECURITY ADMINISTRATION.—

''(A) TRANSMISSION OF DATA.—The Secretary shall transmit data on individuals and employers in the registries maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

''(B) VERIFICATION.—The Commissioner of Social Security shall verify the accuracy of, correct or supply to the extent necessary and feasible, and report to the Secretary, the following information in data supplied by the Secretary pursuant to subparagraph (A):

''(i) the name, social security number, and birth date of each individual; and

''(ii) the employer identification number of each employer.

''(2) CHILD SUPPORT LOCATOR MATCHES.—For the purpose of locating individuals for purposes of paternity establishment and establishment and enforcement of child support, the Secretary shall—

''(A) match data in the directory of New Hires against the child support order abstracts in the Data Bank of Child Support Orders not less than every 2 working days; and

''(B) report information obtained from a match established under subparagraph (A) to concerned State agencies operating programs under this part not later than 2 working days after such match.

''(3) DATA MATCHES AND DISCLOSURES OF DATA IN ALL REGISTRIES FOR TITLE IV PROGRAM PURPOSES.—The Secretary shall—

''(A) perform matches of data in each component of the Federal Parent Locator Service maintained under this section against data in each other such component (other than the matches required pursuant to paragraph (1)), and report information resulting from such matches to State agencies operating programs under this part and parts A, F, and G; and

''(B) disclose data in such registries to such State agencies,

to the extent, and with the frequency, that the Secretary determines to be effective in assisting such States to carry out their responsibilities under such programs.

''(k) FEES.—

''(1) FOR SSA VERIFICATION.—The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, the costs incurred by the Commissioner in performing the verification services specified in subsection (j).

''(2) FOR INFORMATION FROM SESAS.—The Secretary shall reimburse costs incurred by State employment security agencies in furnishing data as required by subsection (i)(3), at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such data).

''(3) FOR INFORMATION FURNISHED TO STATE AND FEDERAL AGENCIES.—State and Federal agencies receiving data or information from the Secretary pursuant to this section shall reimburse the costs incurred by the Secretary in furnishing such data or information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and matching such data or information).

''(l) RESTRICTION ON DISCLOSURE AND USE.—Data in the Federal Parent Locator Service, and information resulting from matches using such data, shall not be used or disclosed except as specifically provided in this section.

''(m) RETENTION OF DATA.—Data in the Federal Parent Locator Service, and data resulting from matches performed pursuant to this section, shall be retained for such period (determined by the Secretary) as appropriate for the data uses specified in this section.

''(n) INFORMATION INTEGRITY AND SECURITY.—The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

''(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

''(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.

''(o) LIMIT ON LIABILITY.—The Secretary shall not be liable to either a State or an individual for inaccurate information provided to a component of the Federal Parent Locator Service and disclosed by the Secretary in accordance with this section.''.

(f) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV OF THE SOCIAL SECURITY ACT.—Section 454(8)(B) (42 U.S.C. 654(8)(B)) is amended to read as follows:

''(B) the Federal Parent Locator Service established under section 453;''.

(2) TO FEDERAL UNEMPLOYMENT TAX ACT.—Section 3304(16) of the Internal Revenue Code of 1986 (relating to approval of State laws) is amended—

(A) by striking ''Secretary of Health, Education, and Welfare'' each place it appears and inserting ''Secretary of Health and Human Services'';

(B) in subparagraph (B), by striking ''such information'' and all that follows through the semicolon and inserting ''information furnished under subparagraph (A) or (B) is used only for the purposes authorized under such subparagraph;'';

(C) by striking ''and'' at the end of subparagraph (A);

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

''(B) wage and unemployment compensation information contained in the records of such agency shall be furnished to the Secretary of Health and Human Services (in accordance with regulations promulgated by such Secretary) as necessary for the purposes of the directory of New Hires established under section 453(i) of the Social Security Act, and''.

(3) TO STATE GRANT PROGRAM UNDER TITLE III OF THE SOCIAL SECURITY ACT.—Section 303(a) (42 U.S.C. 503(a)) is amended—

(A) by striking ''and'' at the end of paragraph (8);

(B) by striking the period at the end of paragraph (9) and inserting ''; and''; and

(C) by adding after paragraph (9) the following new paragraph:

''(10) The making of quarterly electronic reports, at such dates, in such format, and containing such information, as required by the Secretary under section 453(i)(3), and compliance with such provisions as such Secretary may find necessary to ensure the correctness and verification of such reports.''.

SEC. 326. USE OF SOCIAL SECURITY NUMBERS.

(a) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by section 302(a), is amended by adding at the end the following new paragraph:

''(13) Procedures requiring the recording of social security numbers—

''(A) of both parties on marriage licenses and divorce decrees;

''(B) of both parents, on birth records and child support and paternity orders; and

''(C) on all applications for motor vehicle licenses and professional licenses.''.

(b) CLARIFICATION OF FEDERAL POLICY.—Section 205(c)(2)(C)(ii) (42 U.S.C. 405(c)(2)(C)(ii)) is amended by striking the third sentence and inserting ''This clause shall not be considered to authorize disclosure of such numbers except as provided in the preceding sentence.''.

PART IV—STREAMLINING AND UNIFORMITY OF PROCEDURES

SEC. 331. ADOPTION OF UNIFORM STATE LAWS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 302(a) and 326(a), is amended by adding at the end the following new paragraph:

''(14)(A) Procedures under which the State adopts in its entirety (with the modifications and additions specified in this paragraph) not later than January 1, 1997, and uses on and after such date, the Uniform Interstate Family Support Act, as approved by the National Conference of Commissioners on Uniform State Laws in August 1992.

''(B) The State law adopted pursuant to subparagraph (A) shall be applied to any case—

''(i) involving an order established or modified in one State and for which a subsequent modification is sought in another State; or

''(ii) in which interstate activity is required to enforce an order.

''(C) The State law adopted pursuant to subparagraph (A) of this paragraph shall contain the following provision in lieu of section 611(a)(1) of the Uniform Interstate Family Support Act described in such subparagraph (A):

'' ''(1) the following requirements are met:

'' ''(i) the child, the individual obligee, and the obligor—

'' ''(I) do not reside in the issuing State; and

'' ''(II) either reside in this State or are subject to the jurisdiction of this State pursuant to section 201; and

'' ''(ii) in any case where another State is exercising or seeks to exercise jurisdiction to modify the order, the conditions of section 204 are met to the same extent as required for proceedings to establish orders; or'.

''(D) The State law adopted pursuant to subparagraph (A) shall recognize as valid, for purposes of any proceeding subject to such State law, service of process upon persons in the State (and proof of such service) by any means acceptable in another State which is the initiating or responding State in such proceeding.''.

SEC. 332. IMPROVEMENTS TO FULL FAITH AND CREDIT FOR CHILD SUPPORT ORDERS.

Section 1738B of title 28, United States Code, is amended—

(1) in subsection (a)(2), by striking ''subsection (e)'' and inserting ''subsections (e), (f), and (i)'';

(2) in subsection (b), by inserting after the first undesignated paragraph the following:

'' 'child's home State' means the State in which a child lived with a parent or a person acting as parent for at least 6 consecutive months immediately preceding the time of filing of a petition or comparable pleading for support and, if a child is less than 6 months old, the State in which the child lived from birth with any of them. A period of temporary absence of any of them is counted as part of the 6-month period.'';

(3) in subsection (c), by inserting ''by a court of a State'' before ''is made'';

(4) in subsection (c)(1), by inserting ''and subsections (e), (f), and (g)'' after ''located'';

(5) in subsection (d)—

(A) by inserting ''individual'' before ''contestant''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(6) in subsection (e), by striking ''make a modification of a child support order with respect to a child that is made'' and inserting ''modify a child support order issued'';

(7) in subsection (e)(1), by inserting ''pursuant to subsection (i)'' before the semicolon;

(8) in subsection (e)(2)—

(A) by inserting ''individual'' before ''contestant'' each place such term appears; and

(B) by striking ''to that court's making the modification and assuming'' and inserting ''with the State of continuing, exclusive jurisdiction for a court of another State to modify the order and assume'';

(9) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(10) by inserting after subsection (e) the following new subsection:

''(f) RECOGNITION OF CHILD SUPPORT ORDERS.—If 1 or more child support orders have been issued in this or another State with regard to an obligor and a child, a court shall apply the following rules in determining which order to recognize for purposes of continuing, exclusive jurisdiction and enforcement:

''(1) If only 1 court has issued a child support order, the order of that court must be recognized.

''(2) If 2 or more courts have issued child support orders for the same obligor and child, and only 1 of the courts would have continuing, exclusive jurisdiction under this section, the order of that court must be recognized.

''(3) If 2 or more courts have issued child support orders for the same obligor and child, and only 1 of the courts would have continuing, exclusive jurisdiction under this section, an order issued by a court in the current home State of the child must be recognized, but if an order has not been issued in the current home State of the child, the order most recently issued must be recognized.

''(4) If 2 or more courts have issued child support orders for the same obligor and child, and none of the courts would have continuing, exclusive jurisdiction under this section, a court may issue a child support order, which must be recognized.

''(5) The court that has issued an order recognized under this subsection is the court having continuing, exclusive jurisdiction.'';

(11) in subsection (g) (as so redesignated)—

(A) by striking ''PRIOR'' and inserting ''MODIFIED''; and

(B) by striking ''subsection (e)'' and inserting ''subsections (e) and (f)'';

(12) in subsection (h) (as so redesignated)—

(A) in paragraph (2), by inserting ''including the duration of current payments and other obligations of support'' before the comma; and

(B) in paragraph (3), by inserting ''arrears under'' after ''enforce''; and

(13) by adding at the end the following new subsection:

''(i) REGISTRATION FOR MODIFICATION.—If there is no individual contestant or child residing in the issuing State, the party or support enforcement agency seeking to modify, or to modify and enforce, a child support order issued in another State shall register that order in a State with jurisdiction over the nonmovant for the purpose of modification.''.

SEC. 333. STATE LAWS PROVIDING EXPEDITED PROCEDURES.

(a) STATE LAW REQUIREMENTS.—Section 466 (42 U.S.C. 666), as amended by section 323(b), is amended—

(1) in subsection (a)(2), in the first sentence, to read as follows: ''Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations.''; and

(2) by adding after subsection (b) the following new subsection:

''(c) The procedures specified in this subsection are the following:

''(1) Procedures which give the State agency the authority (and recognize and enforce the authority of State agencies of other States), without the necessity of obtaining an order from any other judicial or administrative tribunal (but subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal), to take the following actions relating to establishment or enforcement of orders:

''(A) To order genetic testing for the purpose of paternity establishment as provided in section 466(a)(5).

''(B) To enter a default order, upon a showing of service of process and any additional showing required by State law—

''(i) establishing paternity, in the case of any putative father who refuses to submit to genetic testing; and

''(ii) establishing or modifying a support obligation, in the case of a parent (or other obligor or obligee) who fails to respond to notice to appear at a proceeding for such purpose.

''(C) To subpoena any financial or other information needed to establish, modify, or enforce an order, and to sanction failure to respond to any such subpoena.

''(D) To require all entities in the State (including for-profit, nonprofit, and governmental employers) to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor, and to sanction failure to respond to any such request.

''(E) To obtain access, subject to safeguards on privacy and information security, to the following records (including automated access, in the case of records maintained in automated data bases):

''(i) Records of other State and local government agencies, including—

''(I) vital statistics (including records of marriage, birth, and divorce);

''(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

''(III) records concerning real and titled personal property;

''(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

''(V) employment security records;

''(VI) records of agencies administering public assistance programs;

''(VII) records of the motor vehicle department; and

''(VIII) corrections records.

''(ii) Certain records held by private entities, including—

''(I) customer records of public utilities and cable television companies; and

''(II) information (including information on assets and liabilities) on individuals who owe or are owed support (or against or with respect to whom a support obligation is sought) held by financial institutions (subject to limitations on liability of such entities arising from affording such access).

''(F) To order income withholding in accordance with subsection (a)(1) and (b) of section 466.

''(G) In cases where support is subject to an assignment under section 402(a)(26), 471(a)(17), or 1912, or to a requirement to pay through the centralized collections unit under section 454B) upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

''(H) For the purpose of securing overdue support—

''(i) to intercept and seize any periodic or lump-sum payment to the obligor by or through a State or local government agency, including—

''(I) unemployment compensation, workers' compensation, and other benefits;

''(II) judgments and settlements in cases under the jurisdiction of the State or local government; and

''(III) lottery winnings;

''(ii) to attach and seize assets of the obligor held by financial institutions;

''(iii) to attach public and private retirement funds in appropriate cases, as determined by the Secretary; and

''(iv) to impose liens in accordance with paragraph (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

''(I) For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages (subject to such conditions or restrictions as the State may provide).

''(J) To suspend drivers' licenses of individuals owing past-due support, in accordance with subsection (a)(16).

''(2) The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

''(A) Procedures under which—

''(i) the parties to any paternity or child support proceedings are required (subject to privacy safeguards) to file with the tribunal before entry of an order, and to update as appropriate, information on location and identity (including social security number, residential and mailing addresses, telephone number, driver's license number, and name, address, and telephone number of employer); and

''(ii) in any subsequent child support enforcement action between the same parties, the tribunal shall be authorized, upon sufficient showing that diligent effort has been made to ascertain such party's current location, to deem due process requirements for notice and service of process to be met, with respect to such party, by delivery to the most recent residential or employer address so filed pursuant to clause (i).

''(B) Procedures under which—

''(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exerts statewide jurisdiction over the parties, and orders issued in such cases have statewide effect; and

''(ii) in the case of a State in which orders in such cases are issued by local jurisdictions, a case may be transferred between jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.''.

(b) EXCEPTIONS FROM STATE LAW REQUIREMENTS.—Section 466(d) (42 U.S.C. 666(d)) is amended—

(1) by striking ''(d) If'' and inserting ''(d)(1) Subject to paragraph (2), if''; and

(2) by adding at the end the following new paragraph:

''(2) The Secretary shall not grant an exemption from the requirements of—

''(A) subsection (a)(5) (concerning procedures for paternity establishment);

''(B) subsection (a)(10) (concerning modification of orders);

''(C) subsection (a)(12) (concerning recording of orders in the central State case registry);

''(D) subsection (a)(13) (concerning recording of social security numbers);

''(E) subsection (a)(14) (concerning interstate enforcement); or

''(F) subsection (c) (concerning expedited procedures), other than paragraph (1)(A) thereof (concerning establishment or modification of support amount).''.

(c) AUTOMATION OF STATE AGENCY FUNCTIONS.—Section 454A, as added by section 315(a)(2) and as amended by sections 321 and 322(c), is amended by adding at the end the following new subsection:

''(h) EXPEDITED ADMINISTRATIVE PROCEDURES.—The automated system required under this section shall be used, to the maximum extent feasible, to implement any expedited administrative procedures required under section 466(c).''.

PART V—PATERNITY ESTABLISHMENT

SEC. 341. STATE LAWS CONCERNING PATERNITY ESTABLISHMENT.

(a) STATE LAWS REQUIRED.—Section 466(a)(5) (42 U.S.C. 666(a)(5)) is amended—

(1) in subparagraph (B)—

(A) by striking ''(B)'' and inserting ''(B)(i)'';

(B) in clause (i), as redesignated, by inserting before the period '', where such request is supported by a sworn statement—

''(I) by such party alleging paternity setting forth facts establishing a reasonable possibility of the requisite sexual contact of the parties; or

''(II) by such party denying paternity setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact of the parties;''; and

(C) by inserting after clause (i) (as redesignated) the following new clause:

''(ii) Procedures which require the State agency, in any case in which such agency orders genetic testing—

''(I) to pay the costs of such tests, subject to recoupment (where the State so elects) from the putative father if paternity is established; and

''(II) to obtain additional testing in any case where an original test result is disputed, upon request and advance payment by the disputing party.'';

(2) by striking subparagraphs (C), (D), (E), and (F) and inserting the following:

''(C)(i) Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the putative father and the mother must be given notice, orally, in writing, and in a language that each can understand, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

''(ii) Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

''(iii) Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

''(iv) The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies. The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as, voluntary paternity establishment programs of hospitals and birth record agencies.

''(D)(i) Procedures under which a signed acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within 60 days.

''(ii)(I) Procedures under which, after the 60-day period referred to in clause (i), a signed acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

''(II) Procedures under which, after the 60-day period referred to in clause (i), a minor who signs an acknowledgment of paternity other than in the presence of a parent or court-appointed guardian ad litem may rescind the acknowledgment in a judicial or administrative proceeding, until the earlier of—

''(aa) attaining the age of majority; or

''(bb) the date of the first judicial or administrative proceeding brought (after the signing) to establish a child support obligation, visitation rights, or custody rights with respect to the child whose paternity is the subject of the acknowledgment, and at which the minor is represented by a parent, guardian ad litem, or attorney.

''(E) Procedures under which no judicial or administrative proceedings are required or permitted to ratify an unchallenged acknowledgment of paternity.

''(F) Procedures requiring—

''(i) that the State admit into evidence, for purposes of establishing paternity, results of any genetic test that is—

''(I) of a type generally acknowledged, by accreditation bodies designated by the Secretary, as reliable evidence of paternity; and

''(II) performed by a laboratory approved by such an accreditation body;

''(ii) that any objection to genetic testing results must be made in writing not later than a specified number of days before any hearing at which such results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of such results); and

''(iii) that, if no objection is made, the test results are admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy.''; and

(3) by adding after subparagraph (H) the following new subparagraphs:

''(I) Procedures providing that the parties to an action to establish paternity are not entitled to a jury trial.

''(J) Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, where there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

''(K) Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services and testing on behalf of the child.

''(L) At the option of the State, procedures under which the tribunal establishing paternity and support has discretion to waive rights to all or part of amounts owed to the State (but not to the mother) for costs related to pregnancy, childbirth, and genetic testing and for public assistance paid to the family where the father cooperates or acknowledges paternity before or after genetic testing.

''(M) Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.''.

(b) TECHNICAL AMENDMENT.—Section 468 (42 U.S.C. 668) is amended by striking ''a simple civil process for voluntarily acknowledging paternity and''.

SEC. 342. OUTREACH FOR VOLUNTARY PATERNITY ESTABLISHMENT.

(a) STATE PLAN REQUIREMENT.—Section 454(23) (42 U.S.C. 654(23)) is amended—

(1) by striking ''(23)'' and inserting ''(23)(A)'';

(2) by inserting ''and'' after the semicolon; and

(3) by adding at the end the following new subparagraph:

''(B) publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support through a variety of means, which—

''(i) include distribution of written materials at health care facilities (including hospitals and clinics), and other locations such as schools;

''(ii) may include pre-natal programs to educate expectant couples on individual and joint rights and responsibilities with respect to paternity (and may require all expectant recipients of assistance under part A to participate in such pre-natal programs, as an element of cooperation with efforts to establish paternity and child support);

''(iii) include, with respect to each child discharged from a hospital after birth for whom paternity or child support has not been established, reasonable follow-up efforts, providing—

''(I) in the case of a child for whom paternity has not been established, information on the benefits of and procedures for establishing paternity; and

''(II) in the case of a child for whom paternity has been established but child support has not been established, information on the benefits of and procedures for establishing a child support order, and an application for child support services;''.

(b) ENHANCED FEDERAL MATCHING.—Section 455(a)(1)(C) (42 U.S.C. 655(a)(1)(C)) is amended—

(1) by inserting ''(i)'' before ''laboratory costs'', and

(2) by inserting before the semicolon '', and (ii) costs of outreach programs designed to encourage voluntary acknowledgment of paternity''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by subsection (a) shall become effective October 1, 1997.

(2) EXCEPTION.—The amendments made by subsection (b) shall be effective with respect to calendar quarters beginning on and after October 1, 1996.

PART VI—ESTABLISHMENT AND MODIFICATION OF SUPPORT ORDERS

SEC. 351. NATIONAL CHILD SUPPORT GUIDELINES COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the ''National Child Support Guidelines Commission'' (in this section referred to as the ''Commission'').

(b) GENERAL DUTIES.—

(1) IN GENERAL.—The Commission shall determine—

(A) whether it is appropriate to develop a national child support guideline for consideration by the Congress or for adoption by individual States; or

(B) based on a study of various guideline models, the benefits and deficiencies of such models, and any needed improvements.

(2) DEVELOPMENT OF MODELS.—If the Commission determines under paragraph (1)(A) that a national child support guideline is needed or under paragraph (1)(B) that improvements to guideline models are needed, the Commission shall develop such national guideline or improvements.

(c) MATTERS FOR CONSIDERATION BY THE COMMISSION.—In making the recommendations concerning guidelines required under subsection (b), the Commission shall consider—

(1) the adequacy of State child support guidelines established pursuant to section 467 of the Social Security Act;

(2) matters generally applicable to all support orders, including—

(A) the feasibility of adopting uniform terms in all child support orders;

(B) how to define income and under what circumstances income should be imputed; and

(C) tax treatment of child support payments;

(3) the appropriate treatment of cases in which either or both parents have financial obligations to more than 1 family, including the effect (if any) to be given to—

(A) the income of either parent's spouse; and

(B) the financial responsibilities of either parent for other children or stepchildren;

(4) the appropriate treatment of expenses for child care (including care of the children of either parent, and work-related or job-training-related child care);

(5) the appropriate treatment of expenses for health care (including uninsured health care) and other extraordinary expenses for children with special needs;

(6) the appropriate duration of support by 1 or both parents, including

(A) support (including shared support) for post-secondary or vocational education; and

(B) support for disabled adult children;

(7) procedures to automatically adjust child support orders periodically to address changed economic circumstances, including changes in the consumer price index or either parent's income and expenses in particular cases;

(8) procedures to help non-custodial parents address grievances regarding visitation and custody orders to prevent such parents from withholding child support payments until such grievances are resolved; and

(9) whether, or to what extent, support levels should be adjusted in cases in which custody is shared or in which the noncustodial parent has extended visitation rights.

(d) MEMBERSHIP.—

(1) NUMBER; APPOINTMENT.—

(A) IN GENERAL.—The Commission shall be composed of 12 individuals appointed jointly by the Secretary of Health and Human Services and the Congress, not later than January 15, 1997, of which—

(i) 2 shall be appointed by the Chairman of the Committee on Finance of the Senate, and 1 shall be appointed by the ranking minority member of the Committee;

(ii) 2 shall be appointed by the Chairman of the Committee on Ways and Means of the House of Representatives, and 1 shall be appointed by the ranking minority member of the Committee; and

(iii) 6 shall be appointed by the Secretary of Health and Human Services.

(B) QUALIFICATIONS OF MEMBERS.—Members of the Commission shall have expertise and experience in the evaluation and development of child support guidelines. At least 1 member shall represent advocacy groups for custodial parents, at least 1 member shall represent advocacy groups for noncustodial parents, and at least 1 member shall be the director of a State program under part D of title IV of the Social Security Act.

(2) TERMS OF OFFICE.—Each member shall be appointed for a term of 2 years. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(e) COMMISSION POWERS, COMPENSATION, ACCESS TO INFORMATION, AND SUPERVISION.—The first sentence of subparagraph (C), the first and third sentences of subparagraph (D), subparagraph (F) (except with respect to the conduct of medical studies), clauses (ii) and (iii) of subparagraph (G), and subparagraph (H) of section 1886(e)(6) of the Social Security Act shall apply to the Commission in the same manner in which such provisions apply to the Prospective Payment Assessment Commission.

(f) REPORT.—Not later than 2 years after the appointment of members, the Commission shall submit to the President, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, a recommended national child support guideline and a final assessment of issues relating to such a proposed national child support guideline.

(g) TERMINATION.—The Commission shall terminate 6 months after the submission of the report described in subsection (e).

SEC. 352. SIMPLIFIED PROCESS FOR REVIEW AND ADJUSTMENT OF CHILD SUPPORT ORDERS.

Section 466(a)(10) (42 U.S.C. 666(a)(10)) is amended to read as follows:

''(10)(A)(i) Procedures under which—

''(I) every 3 years, at the request of either parent subject to a child support order, the State shall review and, as appropriate, adjust the order in accordance with the guidelines established under section 467(a) if the amount of the child support award under the order differs from the amount that would be awarded in accordance with such guidelines, without a requirement for any other change in circumstances; and

''(II) upon request at any time of either parent subject to a child support order, the State shall review and, as appropriate, adjust the order in accordance with the guidelines established under section 467(a) based on a substantial change in the circumstances of either such parent.

''(ii) Such procedures shall require both parents subject to a child support order to be notified of their rights and responsibilities provided for under clause (i) at the time the order is issued and in the annual information exchange form provided under subparagraph (B).

''(B) Procedures under which each child support order issued or modified in the State after the effective date of this subparagraph shall require the parents subject to the order to provide each other with a complete statement of their respective financial condition annually on a form which shall be provided by the State. The Secretary shall establish regulations for the enforcement of such exchange of information.''.

PART VII—ENFORCEMENT OF SUPPORT ORDERS

SEC. 361. FEDERAL INCOME TAX REFUND OFFSET.

(a) CHANGED ORDER OF REFUND DISTRIBUTION UNDER INTERNAL REVENUE CODE.—Section 6402(c) of the Internal Revenue Code of 1986 (relating to offset of past-due support against overpayments) is amended—

(1) by striking ''The amount'' and inserting ''(1) IN GENERAL.—The amount'';

(2) by striking ''paid to the State. A reduction'' and inserting ''paid to the State''.

''(2) PRIORITIES FOR OFFSET.—A reduction'';

(3) by striking ''has been assigned'' and inserting ''has not been assigned''; and

(4) by striking ''and shall be applied'' and all that follows and inserting ''and shall thereafter be applied to satisfy any past-due support that has been so assigned.''.

(b) ELIMINATION OF DISPARITIES IN TREATMENT OF ASSIGNED AND NON-ASSIGNED ARREARAGES.—

(1) IN GENERAL.—Section 464(a) (42 U.S.C. 664(a)) is amended—

(A) in paragraph (1)—

(i) in the first sentence, by striking ''which has been assigned to such State pursuant to section 402(a)(26) or section 471(a)(17)''; and

(ii) in the second sentence, by striking ''in accordance with section 457 (b)(4) or (d)(3)'' and inserting ''as provided in paragraph (2)'';

(B) in paragraph (2), to read as follows:

''(2) The State agency shall distribute amounts paid by the Secretary of the Treasury pursuant to paragraph (1)—

''(A) in accordance with subsection (a)(4) or (d)(3) of section 457, in the case of past-due support assigned to a State pursuant to section 402(a)(26) or section 471(a)(17); and

''(B) to or on behalf of the child to whom the support was owed, in the case of past-due support not so assigned.'';

(C) in paragraph (3)—

(i) by striking ''or (2)'' each place it appears; and

(ii) in subparagraph (B), by striking ''under paragraph (2)'' and inserting ''on account of past-due support described in paragraph (2)(B)''.

(2) NOTICES OF PAST-DUE SUPPORT.—Section 464(b) (42 U.S.C. 664(b)) is amended—

(A) by striking ''(b)(1)'' and inserting ''(b)''; and

(B) by striking paragraph (2).

(3) DEFINITION OF PAST-DUE SUPPORT.—Section 464(c) (42 U.S.C. 664(c)) is amended—

(A) by striking ''(c)(1) Except as provided in paragraph (2), as'' and inserting ''(c) As''; and

(B) by striking paragraphs (2) and (3).

(c) TREATMENT OF LUMP-SUM TAX REFUND UNDER AFDC.—

(1) EXEMPTION FROM LUMP-SUM RULE.—Section 402(a)(17) (42 U.S.C. 602(a)(17)) is amended by inserting before the semicolon at the end the following: '', but this paragraph shall not apply to income received by a family that is attributable to a child support obligation owed with respect to a member of the family and that is paid to the family from amounts withheld from a Federal income tax refund otherwise payable to the person owing such obligation, to the extent that such income is placed in a qualified asset account (as defined in section 406(i)) the total amounts in which, after such placement, does not exceed $10,000''.

(2) QUALIFIED ASSET ACCOUNT DEFINED.—Section 406 (42 U.S.C. 606) is amended by adding at the end the following new subsection:

''(i)(1) The term 'qualified asset account' means a mechanism approved by the State (such as individual retirement accounts, escrow accounts, or savings bonds) that allows savings of a family receiving aid to families with dependent children to be used for qualified distributions.

''(2) The term 'qualified distribution' means a distribution from a qualified asset account for expenses directly related to 1 or more of the following purposes:

''(A) The attendance of a member of the family at any education or training program.

''(B) The improvement of the employability (including self-employment) of a member of the family (such as through the purchase of an automobile).

''(C) The purchase of a home for the family.

''(D) A change of the family residence.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1999.

SEC. 362. INTERNAL REVENUE SERVICE COLLECTION OF ARREARAGES.

(a) AMENDMENT TO INTERNAL REVENUE CODE.—Section 6305(a) of the Internal Revenue Code of 1986 (relating to collection of certain liability) is amended—

(1) in paragraph (1), by inserting ''except as provided in paragraph (5)'' after ''collected'';

(2) by striking ''and'' at the end of paragraph (3);

(3) by striking the period at the end of paragraph (4) and inserting '', and'';

(4) by adding at the end the following new paragraph:

''(5) no additional fee may be assessed for adjustments to an amount previously certified pursuant to such section 452(b) with respect to the same obligor.''; and

(5) by striking ''Secretary of Health, Education, and Welfare'' each place it appears and inserting ''Secretary of Health and Human Services''.

(b) EFFECTIVE DATE.—The amendments made by this section shall become effective October 1, 1997.

SEC. 363. AUTHORITY TO COLLECT SUPPORT FROM FEDERAL EMPLOYEES.

(a) CONSOLIDATION AND STREAMLINING OF AUTHORITIES.—Section 459 (42 U.S.C. 659) is amended—

(1) in the heading, by inserting ''INCOME WITHHOLDING,'' before ''GARNISHMENT'';

(2) in subsection (a)—

(A) by striking ''section 207'' and inserting ''section 207 and section 5301 of title 38, United States Code''; and

(B) by striking ''to legal process'' and all that follows through the period and inserting ''to withholding in accordance with State law pursuant to subsections (a)(1) and (b) of section 466 and regulations of the Secretary thereunder, and to any other legal process brought, by a State agency administering a program under this part or by an individual obligee, to enforce the legal obligation of such individual to provide child support or alimony.'';

(3) by striking subsection (b) and inserting the following new subsection:

''(b) Except as otherwise provided herein, each entity specified in subsection (a) shall be subject, with respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 466, or to any other order or process to enforce support obligations against an individual (if such order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), to the same requirements as would apply if such entity were a private person.'';

(4) by striking subsections (c) and (d) and inserting the following new subsections:

''(c)(1) The head of each agency subject to the requirements of this section shall—

''(A) designate an agent or agents to receive orders and accept service of process; and

''(B) publish—

''(i) in the appendix of such regulations;

''(ii) in each subsequent republication of such regulations; and

''(iii) annually in the Federal Register,

the designation of such agent or agents, identified by title of position, mailing address, and telephone number.

''(2) Whenever an agent designated pursuant to paragraph (1) receives notice pursuant to subsection (a)(1) or (b) of section 466, or is effectively served with any order, process, or interrogatories, with respect to an individual's child support or alimony payment obligations, such agent shall—

''(A) as soon as possible (but not later than 15 days) thereafter, send written notice of such notice or service (together with a copy thereof) to such individual at his duty station or last-known home address;

''(B) not later than 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to subsection (a)(1) or (b) of section 466, comply with all applicable provisions of such section 466; and

''(C) not later than 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatories, respond thereto.

''(d) In the event that a governmental entity receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

''(1) support collection under section 466(b) must be given priority over any other process, as provided in section 466(b)(7);

''(2) allocation of moneys due or payable to an individual among claimants under section 466(b) shall be governed by the provisions of such section 466(b) and regulations thereunder; and

''(3) such moneys as remain after compliance with subparagraphs (A) and (B) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.'';

(5) in subsection (f)—

(A) by striking ''(f)'' and inserting ''(f)(1)''; and

(B) by adding at the end the following new paragraph:

''(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by him in connection with the carrying out of such duties.''; and

(6) by adding at the end the following new subsections:

''(g) Authority to promulgate regulations for the implementation of the provisions of this section shall, insofar as the provisions of this section are applicable to moneys due from (or payable by)—

''(1) the executive branch of the Federal Government (including in such branch, for the purposes of this subsection, the territories and possessions of the United States, the United States Postal Service, the Postal Rate Commission, any wholly owned Federal corporation created by an Act of Congress, and the government of the District of Columbia), be vested in the President (or the President's designee);

''(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees); and

''(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the Chief Justice's designee).

''(h) Subject to subsection (i), moneys paid or payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

''(1) consist of—

''(A) compensation paid or payable for personal services of such individual, whether such compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

''(B) periodic benefits (including a periodic benefit as defined in section 228(h)(3)) or other payments—

''(i) under the insurance system established by title II;

''(ii) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents' or survivors' benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

''(iii) as compensation for death under any Federal program;

''(iv) under any Federal program established to provide 'black lung' benefits; or

''(v) by the Secretary of Veterans Affairs as pension, or as compensation for a service-connected disability or death (except any compensation paid by such Secretary to a former member of the Armed Forces who is in receipt of retired or retainer pay if such former member has waived a portion of his retired pay in order to receive such compensation); and

''(C) worker's compensation benefits paid under Federal or State law; but

''(2) do not include any payment—

''(A) by way of reimbursement or otherwise, to defray expenses incurred by such individual in carrying out duties associated with his employment; or

''(B) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, United States Code, as prescribed by the Secretaries concerned (defined by section 101(5) of such title) as necessary for the efficient performance of duty.

''(i) In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—

''(1) are owed by such individual to the United States;

''(2) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;

''(3) are properly withheld for Federal, State, or local income tax purposes, if the withholding of such amounts is authorized or required by law and if amounts withheld are not greater than would be the case if such individual claimed all the dependents that the individual was entitled to (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when such individual presents evidence of a tax obligation which supports the additional withholding);

''(4) are deducted as health insurance premiums;

''(5) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or

''(6) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).

''(j) For purposes of this section—''.

(b) TRANSFER OF SUBSECTIONS.—Subsections (a) through (d) of section 462 (42 U.S.C. 662), are transferred and redesignated as paragraphs (1) through (4), respectively, of section 459(j) (as added by subsection (a)(6)), and the left margin of each of such paragraphs (1) through (4) is indented 2 ems to the right of the left margin of subsection (j) (as added by subsection (a)(6)).

(c) CONFORMING AMENDMENTS.—

(1) TO PART D OF TITLE IV.—Sections 461 and 462 (42 U.S.C. 661) are repealed.

(2) TO TITLE 5, UNITED STATES CODE.—Section 5520a of title 5, United States Code, is amended, in subsections (h)(2) and (i), by

striking ''sections 459, 461, and 462 of the Social Security Act (42 U.S.C. 659, 661, and 662)'' each place it appears and inserting ''section 459 of the Social Security Act (42 U.S.C. 659)''.

(d) MILITARY RETIRED AND RETAINER PAY.—Section 1408 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking ''and'';

(ii) in subparagraph (C), by striking the period and inserting ''; and''; and

(iii) by adding at the end the following new subparagraph:

''(D) any administrative or judicial tribunal of a State competent to enter orders for support or maintenance (including a State agency administering a State program under part D of title IV of the Social Security Act).'';

(B) in paragraph (2), by inserting ''or a court order for the payment of child support not included in or accompanied by such a decree or settlement,'' before ''which—'';

(2) in subsection (d)—

(A) in the heading, by inserting ''(OR FOR BENEFIT OF)'' after ''CONCERNED''; and

(B) in paragraph (1), in the first sentence, by inserting ''(or for the benefit of such spouse or former spouse to a State central collections unit or other public payee designated by a State, in accordance with part D of title IV of the Social Security Act, as directed by court order, or as otherwise directed in accordance with such part D)'' before ''in an amount sufficient''; and

(3) by adding at the end the following new subsection:

''(j) RELATIONSHIP TO OTHER LAWS.—In any case involving a child support order against a member who has never been married to the other parent of the child, the provisions of this section shall not apply, and the case shall be subject to the provisions of section 459 of the Social Security Act.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall become effective 6 months after the date of the enactment of this Act.

SEC. 364. ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS OF MEMBERS OF THE ARMED FORCES.

(a) AVAILABILITY OF LOCATOR INFORMATION.—

(1) MAINTENANCE OF ADDRESS INFORMATION.—The Secretary of Defense shall establish a centralized personnel locator service that includes the address of each member of the Armed Forces under the jurisdiction of the Secretary. Upon request of the Secretary of Transportation, addresses for members of the Coast Guard shall be included in the centralized personnel locator service.

(2) TYPE OF ADDRESS.—

(A) RESIDENTIAL ADDRESS.—Except as provided in subparagraph (B), the address for a member of the Armed Forces shown in the locator service shall be the residential address of that member.

(B) DUTY ADDRESS.—The address for a member of the Armed Forces shown in the locator service shall be the duty address of that member in the case of a member—

(i) who is permanently assigned overseas, to a vessel, or to a routinely deployable unit; or

(ii) with respect to whom the Secretary concerned makes a determination that the member's residential address should not be disclosed due to national security or safety concerns.

(3) UPDATING OF LOCATOR INFORMATION.—Not later than 30 days after a member listed in the locator service establishes a new residential address (or a new duty address, in the case of a member covered by paragraph (2)(B)), the Secretary concerned shall update the locator service to indicate the new address of the member.

(4) AVAILABILITY OF INFORMATION.—The Secretary of Defense shall make information regarding the address of a member of the Armed Forces listed in the locator service available, on request, to the Federal Parent Locator Service.

(b) FACILITATING GRANTING OF LEAVE FOR ATTENDANCE AT HEARINGS.—

(1) REGULATIONS.—The Secretary of each military department, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to facilitate the granting of leave to a member of the Armed Forces under the jurisdiction of that Secretary in a case in which—

(A) the leave is needed for the member to attend a hearing described in paragraph (2);

(B) the member is not serving in or with a unit deployed in a contingency operation (as defined in section 101 of title 10, United States Code); and

(C) the exigencies of military service (as determined by the Secretary concerned) do not otherwise require that such leave not be granted.

(2) COVERED HEARINGS.—Paragraph (1) applies to a hearing that is conducted by a court or pursuant to an administrative process established under State law, in connection with a civil action—

(A) to determine whether a member of the Armed Forces is a natural parent of a child; or

(B) to determine an obligation of a member of the Armed Forces to provide child support.

(3) DEFINITIONS.—For purposes of this subsection:

(A) The term ''court'' has the meaning given that term in section 1408(a) of title 10, United States Code.

(B) The term ''child support'' has the meaning given such term in section 462 of the Social Security Act (42 U.S.C. 662).

(c) PAYMENT OF MILITARY RETIRED PAY IN COMPLIANCE WITH CHILD SUPPORT ORDERS.—Section 1408 of title 10, United States Code, as amended by section 363(d)(3), is amended—

(1) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively;

(2) by inserting after subsection (h) the following new subsection:

''(i) CERTIFICATION DATE.—It is not necessary that the date of a certification of the authenticity or completeness of a copy of a court order or an order of an administrative process established under State law for child support received by the Secretary concerned for the purposes of this section be recent in relation to the date of receipt by the Secretary.''; and

(3) in subsection (d)—

(A) in paragraph (1), by inserting after the first sentence the following: ''In the case of a spouse or former spouse who, pursuant to section 402(a)(26) of the Social Security Act (42 U.S.C. 602(26)), assigns to a State the rights of the spouse or former spouse to receive support, the Secretary concerned may make the child support payments referred to in the preceding sentence to that State in amounts consistent with that assignment of rights.''; and

(B) by adding at the end the following new paragraph:

''(6) In the case of a court order or an order of an administrative process established under State law for which effective service is made on the Secretary concerned on or after the date of the enactment of this paragraph and which provides for payments from the disposable retired pay of a member to satisfy the amount of child support set forth in the order, the authority provided in paragraph (1) to make payments from the disposable retired pay of a member to satisfy the amount of child support set forth in a court order or an order of an administrative process established under State law shall apply to payment of any amount of child support arrearages set forth in that order as well as to amounts of child support that currently become due.''.

SEC. 365. VOIDING OF FRAUDULENT TRANSFERS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 302(a), 326(a), and 331, is amended by adding at the end the following new paragraph:

''(15) Procedures under which—

''(A) the State has in effect—

''(i) the Uniform Fraudulent Conveyance Act of 1981,

''(ii) the Uniform Fraudulent Transfer Act of 1984, or

''(iii) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

''(B) in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

''(i) seek to void such transfer; or

''(ii) obtain a settlement in the best interests of the child support creditor.''.

SEC. 366. STATE LAW AUTHORIZING SUSPENSION OF LICENSES.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 302(a), 326(a), 331, and 365, is amended by adding at the end the following new paragraph:

''(16) Procedures under which the State has (and uses in appropriate cases) authority (subject to appropriate due process safeguards) to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational licenses of individuals owing overdue child support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.''.

SEC. 367. REPORTING ARREARAGES TO CREDIT BUREAUS.

Section 466(a)(7) (42 U.S.C. 666(a)(7)) is amended to read as follows:

''(7)(A) Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 603(f) of the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) the name of any absent parent who is delinquent in the payment of support, and the amount of overdue support owed by such parent.

''(B) Procedures ensuring that, in carrying out subparagraph (A), information with respect to an absent parent is reported—

''(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

''(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency.''.

SEC. 368. EXTENDED STATUTE OF LIMITATION FOR COLLECTION OF ARREARAGES.

(a) IN GENERAL.—Section 466(a)(9) (42 U.S.C. 666(a)(9)) is amended—

(1) by redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(2) by striking ''(9)'' and inserting ''(9)(A)''; and

(3) by adding at the end the following new subparagraph:

''(B) Procedures under which the statute of limitations on any arrearages of child support extends at least until the child owed such support is 30 years of age.''.

(b) APPLICATION OF REQUIREMENT.—The amendment made by this section shall not be interpreted to require any State law to revive any payment obligation which had lapsed prior to the effective date of such State law.

SEC. 369. CHARGES FOR ARREARAGES.

(a) STATE LAW REQUIREMENT.—Section 466(a) (42 U.S.C. 666(a)), as amended by sections 302(a), 326(a), 331, 365, and 367, is amended by adding at the end the following new paragraph:

''(17) Procedures providing for the calculation and collection of interest or penalties for arrearages of child support, and for distribution of such interest or penalties collected for the benefit of the child (except where the right to support has been assigned to the State).''.

(b) REGULATIONS.—The Secretary of Health and Human Services shall establish by regulation a rule to resolve choice of law conflicts arising in the implementation of the amendment made by subsection (a).

(c) CONFORMING AMENDMENT.—Section 454(21) (42 U.S.C. 654(21)) is repealed.

(d) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to arrearages accruing on or after October 1, 1998.

SEC. 370. DENIAL OF PASSPORTS FOR NONPAYMENT OF CHILD SUPPORT.

(a) HHS CERTIFICATION PROCEDURE.—

(1) SECRETARIAL RESPONSIBILITY.—Section 452 (42 U.S.C. 652), as amended by sections 315(a)(3) and 317, is amended by adding at the end the following new subsection:

''(l)(1) If the Secretary receives a certification by a State agency in accordance with the requirements of section 454(29) that an individual owes arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24 months' worth of child support, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to section 370(b) of the Interstate Child Support Responsibility Act of 1995.

''(2) The Secretary shall not be liable to an individual for any action with respect to a certification by a State agency under this section.''.

(2) STATE CSE AGENCY RESPONSIBILITY.—Section 454 (42 U.S.C. 654), as amended by sections 301(a), 305(a), 314(b), and 322(a), is amended—

(A) by striking ''and'' at the end of paragraph (27);

(B) by striking the period at the end of paragraph (28) and inserting ''; and''; and

(C) by adding after paragraph (28) the following new paragraph:

''(29) provide that the State agency will have in effect a procedure (which may be combined with the procedure for tax refund offset under section 464) for certifying to the Secretary, for purposes of the procedure under section 452(l) (concerning denial of passports) determinations that individuals owe arrearages of child support in an amount exceeding $5,000 or in an amount exceeding 24 months' worth of child support, under which procedure—

''(A) each individual concerned is afforded notice of such determination and the consequences thereof, and an opportunity to contest the determination; and

''(B) the certification by the State agency is furnished to the Secretary in such format, and accompanied by such supporting documentation, as the Secretary may require.''.

(b) STATE DEPARTMENT PROCEDURE FOR DENIAL OF PASSPORTS.—

(1) IN GENERAL.—The Secretary of State, upon certification by the Secretary of Health and Human Services, in accordance with section 452(l) of the Social Security Act, that an individual owes arrearages of child support in excess of $5,000 or in an amount exceeding 24 months' worth of child support, shall refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

(2) LIMIT ON LIABILITY.—The Secretary of State shall not be liable to an individual for any action with respect to a certification by a State agency under this section.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall become effective October 1, 1996.

PART VIII—MEDICAL SUPPORT

SEC. 381. TECHNICAL CORRECTION TO ERISA DEFINITION OF MEDICAL CHILD SUPPORT ORDER.

(a) IN GENERAL.—Section 609(a)(2)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1169(a)(2)(B)) is amended—

(1) by striking ''issued by a court of competent jurisdiction'';

(2) in clause (ii) by striking the period and inserting a comma; and

(3) by adding after clause (ii), the following flush left language:

''if such judgment, decree, or order (I) is issued by a court of competent jurisdiction or (II) is issued by an administrative adjudicator and has the force and effect of law under applicable State law.''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall become effective on the date of the enactment of this Act.

(2) PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1996.—

(A) IN GENERAL.—Any amendment to a plan required to be made by an amendment made by this section shall not be required to be made before the first plan year beginning on or after January 1, 1996, if—

(i) during the period after the date before the date of the enactment of this Act and before such first plan year, the plan is operated in accordance with the requirements of the amendments made by this section; and

(ii) such plan amendment applies retroactively to the period after the date before the date of the enactment of this Act and before such first plan year.

(B) NO FAILURE FOR COMPLIANCE WITH THIS PARAGRAPH.—A plan shall not be treated as failing to be operated in accordance with the provisions of the plan merely because it operates in accordance with this paragraph.

PART IX—ACCESS AND VISITATION PROGRAMS

SEC. 391. GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS.

Part D of title IV is amended by adding at the end the following new section:

''GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS

''SEC. 469A. (a) PURPOSES; AUTHORIZATION OF APPROPRIATIONS.—For purposes of enabling States to establish and administer programs to support and facilitate absent parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision, and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements, there are authorized to be appropriated $5,000,000 for each of fiscal years 1996 and 1997, and $10,000,000 for each succeeding fiscal year.

''(b) PAYMENTS TO STATES.—

''(1) IN GENERAL.—Each State shall be entitled to payment under this section for each fiscal year in an amount equal to its allotment under subsection (c) for such fiscal year, to be used for payment of 90 percent of State expenditures for the purposes specified in subsection (a).

''(2) SUPPLEMENTARY USE.—Payments under this section shall be used by a State to supplement (and not to substitute for) expenditures by the State, for activities specified in subsection (a), at a level at least equal to the level of such expenditures for fiscal year 1994.

''(c) ALLOTMENTS TO STATES.—

''(1) IN GENERAL.—For purposes of subsection (b), each State shall be entitled (subject to paragraph (2)) to an amount for each fiscal year bearing the same ratio to the amount authorized to be appropriated pursuant to subsection (a) for such fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

''(2) MINIMUM ALLOTMENT.—Allotments to States under paragraph (1) shall be adjusted as necessary to ensure that no State is allotted less than $50,000 for fiscal year 1996 or 1997, or $100,000 for any succeeding fiscal year.

''(d) FEDERAL ADMINISTRATION.—The program under this section shall be administered by the Administration for Children and Families.

''(e) STATE PROGRAM ADMINISTRATION.—

''(1) IN GENERAL.—Each State may administer the program under this section directly or through grants to or contracts with courts, local public agencies, or nonprofit private entities.

''(2) STATEWIDE PLAN PERMISSIBLE.—State programs under this section may, but need not, be statewide.

''(3) EVALUATION.—States administering programs under this section shall monitor, evaluate, and report on such programs in accordance with requirements established by the Secretary.''.

Subtitle B—Effect of Enactment

SEC. 395. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise specifically provided (but subject to subsections (b) and (c))—

(1) provisions of subtitle A requiring enactment or amendment of State laws under section 466 of the Social Security Act, or revision of State plans under section 454 of such Act, shall be effective with respect to periods beginning on and after October 1, 1996; and

(2) all other provisions of subtitle A shall become effective upon the date of the enactment of this Act.

(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of subtitle A shall become effective with respect to a State on the later of—

(1) the date specified in subtitle A, or

(2) the effective date of laws enacted by the legislature of such State implementing such provisions,

but in no event later than the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(c) GRACE PERIOD FOR STATE CONSTITUTIONAL AMENDMENT.—A State shall not be found out of compliance with any requirement enacted by subtitle A if it is unable to comply without amending the State constitution until the earlier of—

(1) the date which is 1 year after the effective date of the necessary State constitutional amendment, or

(2) the date which is 5 years after the date of the enactment of this Act.

SEC. 396. SEVERABILITY.

If any provision of subtitle A or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of subtitle A which can be given effect without regard to the invalid provision or application, and to this end the provisions of subtitle A shall be severable.

TITLE IV—SUPPLEMENTAL SECURITY INCOME

SEC. 401. REVISED REGULATIONS APPLICABLE TO THE DETERMINATION OF DISABILITY IN INDIVIDUALS UNDER THE AGE OF 18.

(a) REGULATIONS APPLICABLE TO THE DETERMINATION OF DISABILITY IN INDIVIDUALS UNDER THE AGE OF 18.—

(1) IN GENERAL.—The Commissioner of Social Security (hereafter in this section referred to as the ''Commissioner'') is directed to issue revised regulations applicable to the determination of disability in individuals under the age of 18 for purposes of establishing eligibility for supplemental security income benefits under title XVI of the Social Security Act that ensure that such eligibility is limited to those individuals whose impairments are sufficiently severe as to meet the statutory definition of disability contained in section 1614(a)(3)(A) of such Act (42 U.S.C. 1382c(a)(3)(A)).

(2) SPECIFIC REQUIREMENTS.—

(A) IN GENERAL.—The regulations described in paragraph (1) shall provide that an individual under the age of 18 may be determined to be under a disability only if the individual's impairment or combination of impairments is so severe as to cause, at minimum—

(i) a marked limitation in at least 2 domains of functioning or development; or

(ii) an extreme limitation in at least 1 such domain.

(B) DOMAIN DEFINED.—As used in subparagraph (A), the term ''domain'' refers to a broad but, to the maximum extent practicable, discrete area of function or development that can be identified in infancy and traced through an individual's maturation. Subject to subparagraph (C), the Commissioner shall specify domains and describe the age-appropriate activities and behaviors that characterize each domain. Under no circumstance may the Commissioner specify a domain of maladaptive behavior or consider the limitations caused by such behavior in more than 1 domain.

(C) LIMITATION ON NUMBER OF DOMAINS.—For the purpose of making individualized functional assessments in individuals under the age of 18, the Commissioner shall specify a set of domains consisting of fewer domains than the number in use for such purpose on the date of the enactment of this Act.

(3) DEADLINE.—The Commissioner shall issue the regulations required by this subsection not later than the last day of the ninth month that begins after the date of the enactment of this Act.

(b) DISABILITY REVIEW REQUIRED FOR CERTAIN RECIPIENTS.—

(1) IN GENERAL.—During the period that begins on the effective date of the regulations required by subsection (a) and that ends 2 years after such date, the Commissioner shall redetermine the eligibility for supplemental security income benefits under title XVI of the Social Security Act by reason of disability of each individual receiving such benefits on the basis of a finding of disability made before the effective date of such regulations. The provisions of section 1614(a)(4) of such Act (42 U.S.C. 1382c(a)(4)) shall not apply to redeterminations conducted pursuant to this paragraph. The Commissioner shall except from the requirement of this paragraph any individual whose impairment or combination of impairments was determined to be disabling in accordance with regulations that were not subject to revision pursuant to subsection (a).

(2) NOTICE.—In any case in which the Commissioner initiates a review under this subsection, the Commissioner shall notify the individual whose case is to be reviewed in the same manner as required under section 221(i)(4) of the Social Security Act (42 U.S.C. 421(i)(4)).

SEC. 402. DIRECTORY OF SERVICES.

Section 1631 (42 U.S.C. 1383) is amended by redesignating the second subsection (n) (relating to notice requirements) as subsection (o) and by adding at the end the following new subsection:

''Directory of Services

''(p) For the purpose of expanding the information base available to members of the public who contact the Social Security Administration, the Commissioner of Social Security shall establish a directory of services for disabled children that are available within the area served by each Social Security Administration office. Each such directory shall include the names of service providers, along with each provider's address and telephone number, and shall be accessible electronically by all agency personnel who provide direct service to the public.''.

SEC. 403. USE OF STANDARDIZED TESTS AND THEIR EQUIVALENT.

Section 1614(a)(3)(H) (42 U.S.C. 1382c(a)(3)(H)) is amended—

(1) by inserting ''(i)'' after ''(H)''; and

(2) by adding after and below the end the following:

''(ii) In making any determination under this title with respect to the disability of an individual who is under the age of 18, the Commissioner shall use—

''(I) standardized tests that provide measures of childhood development or functioning, or

''(II) criteria of childhood development or function that are equivalent to the findings of a standardized test,

whenever such tests or criteria are available and the Commissioner determines their use to be appropriate.''.

SEC. 404. GRADUATED BENEFITS FOR ADDITIONAL CHILDREN.

(a) IN GENERAL.—Section 1611(b) of the Social Security Act (42 U.S.C. 1382(b)) is amended by adding at the end the following new paragraph:

''(3)(A) The benefit under this title for each eligible blind or disabled individual as determined pursuant to section 1611(a)(1) who—

''(i) is a child under the age of 18,

''(ii) lives in the same household as 1 or more persons who are also eligible blind or disabled children under the age of 18, and

''(iii) does not live in a group or foster home,

shall be equal to the applicable percentage of the amount in section 1611(b)(1), reduced by the amount of any income of such child, including income deemed to such child under section 1614(f)(2).

''(B) For purposes of this paragraph, the applicable percentage shall be determined under the following table:

''If the household has:	The applicable percentage for each eligible child is:
2 eligible children	90 percent
3 eligible children	80 percent
4 eligible children	70 percent
5 eligible children	65 percent
6 eligible children	60 percent
7 eligible children	55 percent
8 eligible children	50 percent
9 eligible children or more	45 percent

''(C) For purposes of this paragraph, the applicable household size shall be determined by the number of eligible blind and disabled children under the age of 18 in such household whose countable income and resources do not exceed the limits specified in section 1611(a)(1).''.

(b) PRESERVATION OF MEDICAID ELIGIBILITY.—Section 1634 (42 U.S.C. 1383c) is amended by adding at the end the following new subsection:

''(f) Any child under the age of 18 who would be eligible for a payment under this title but for the limitation on payment amount imposed by section 1611(b)(3) shall be deemed receiving such benefit for purposes of establishing such child's eligibility for medical assistance under a State plan approved under title XIX of this Act.''.

(c) CONFORMING AMENDMENT.—Section 1618(e) (42 U.S.C. 1382g(e)) is amended by adding at the end the following new paragraph:

''(3) In determining whether the requirements of paragraph (1) of this subsection are met, the difference between the benefit amounts authorized by section 1611(b)(1) and the benefits authorized after the application of section 1611(b)(3) shall be disregarded.

''(4) For purposes of determining compliance with section 1618(b), decreases or increases in a State's expenditures in a 12-month period due solely to reductions in amounts of benefits paid pursuant to section 1611(b)(3) shall be disregarded.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect—

(1) on the date of the enactment of this Act, with respect to payments made on the basis of determinations of eligibility made on or after such date, and

(2) 180 days after the date of the enactment of this Act, with respect to payments made for months beginning after such date on the basis of determinations of eligibility made before the date of the enactment of this Act.

SEC. 405. TREATMENT REQUIREMENTS FOR DISABLED INDIVIDUALS UNDER THE AGE OF 18.

(a) IN GENERAL.—Section 1631(a)(2) (42 U.S.C. 1383(a)(2)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively; and

(2) by inserting after subparagraph (D) the following new subparagraph:

''(E)(i) Not later than 3 months after the Commissioner determines that an individual under the age of 18 is eligible for benefits under this title by reason of disability (and periodically thereafter, as the Commissioner may require), the representative payee of such individual shall file with the State agency that makes disability determinations on behalf of the Commissioner of Social Security in the State in which such individual resides, a copy of the treatment plan required by clause (ii).

''(ii) The treatment plan required by this clause shall be developed by the individual's treating physician or other medical provider, or if approved by the Commissioner, other service provider, and shall describe the services that such physician or provider determines is appropriate for the treatment of such individual's impairment or combination of impairments. Such plan shall be in such form and contain such information as the Commissioner may prescribe.

''(iii) The representative payee of any individual described in clause (i) shall provide evidence of adherence to the treatment plan described in clause (ii) at the time of any redetermination of eligibility conducted pursuant to section 1614(a)(3)(G)(ii), and at such other time as the Commissioner may prescribe.

''(iv) The failure of a representative payee to comply without good cause with the requirements of clause (i) or (iii) shall constitute misuse of benefits to which subparagraph (A)(iii) (but not subparagraph (F)) shall apply. In providing for an alternative representative payee as required by subparagraph (A)(iii), the Commissioner shall give preference to the State agency that administers the State plan approved under title XIX for the State in which the individual described in clause (i) resides or any other State agency designated by the State for such responsibility, unless the Commissioner determines that selection of another organization or person would be appropriate. Any such State agency that serves as a representative payee shall be a 'qualified organization' for purposes of subparagraph (D) of this paragraph.

''(v) This subparagraph shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determinations, the Commissioner shall take into consideration the nature of the individual's impairment (or combination of impairments) and the availability of treatment for such impairment (or impairments). Section 1631(c) shall not apply to a finding by the Commissioner that the requirements of this subparagraph should not apply to an individual's representative payee.''.

(b) ACCESS TO MEDICAID RECORDS.—

(1) REQUIREMENT TO FURNISH INFORMATION.—Section 1902(a) (42 U.S.C. 1396a(a)) is amended—

(A) by striking ''and'' at the end of paragraph (61);

(B) by striking the period at the end of paragraph (62) and inserting ''; and''; and

(C) by adding after paragraph (62) the following new paragraph:

''(63) provide that the State agency that administers the plan described in this section shall make available to the Commissioner of Social Security such information as the Commissioner may request in connection with the verification of information furnished to the Commissioner by a representative payee pursuant to section 1631(a)(2)(E)(iii).''.

(2) REIMBURSEMENT OF STATE COSTS.—Section 1633 (42 U.S.C. 1383b) is amended by adding at the end the following new subsection:

''(d) The Commissioner of Social Security shall reimburse a State for the costs of providing information pursuant to section 1902(a)(63) from funds available for carrying out this title.''.

(c) REPORT TO THE CONGRESS.—Not later than the last day of the thirty-sixth month beginning after the date of the enactment of this Act, the Inspector General of the Social Security Administration shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the implementation of this section.

(d) EFFECTIVE DATE.—This section shall take effect on the first day of the twelfth month that begins after the date of the enactment of this Act.

SEC. 406. SPECIAL ACCOUNTS FOR INDIVIDUALS UNDER THE AGE OF 18.

(a) REQUIREMENT TO ESTABLISH ACCOUNT.—Section 1631(a)(2) (42 U.S.C. 1383(a)(2)), as amended by section 405(a), is amended—

(1) by redesignating subparagraphs (F) and (G) as subparagraphs (G) and (H), respectively; and

(2) by inserting after subparagraph (E) the following new subparagraph:

''(F)(i)(I) Each representative payee of an eligible individual under the age of 18 who is eligible for the payment of benefits described in subclause (II) shall establish on behalf of such individual an account in a financial institution into which such benefits shall be paid, and shall thereafter maintain such account for use in accordance with clause (ii).

''(II) Benefits described in this subclause are past-due monthly benefits under this title (which, for purposes of this subclause, include State supplementary payments made by the Commissioner pursuant to an agreement under section 1616 or section 212(b) of Public Law 93–66) in an amount (after any withholding by the Commissioner for reimbursement to a State for interim assistance under subsection (g)) that exceeds the product of—

''(aa) 6, and

''(bb) the maximum monthly benefit payable under this title to an eligible individual.

''(ii)(I) A representative payee may use funds in the account established under clause (i) to pay for allowable expenses described in subclause (II).

''(II) An allowable expense described in this subclause is an expense for—

''(aa) education or job skills training;

''(bb) personal needs assistance;

''(cc) special equipment;

''(dd) housing modification;

''(ee) medical treatment;

''(ff) therapy or rehabilitation; or

''(gg) any other item or service that the Commissioner determines to be appropriate; provided that such expense benefits such individual and, in the case of an expense described in division (cc), (dd), (ff), or (gg), is related to the impairment (or combination of impairments) of such individual.

''(III) The use of funds from an account established under clause (i) in any manner not authorized by this clause—

''(aa) by a representative payee shall constitute misuse of benefits for all purposes of this paragraph, and any representative payee who knowingly misuses benefits from such an account shall be liable to the Commissioner in an amount equal to the total amount of such misused benefits; and

''(bb) by an eligible individual who is his or her own representative payee shall be considered an overpayment subject to recovery under subsection (b).

''(IV) This clause shall continue to apply to funds in the account after the child has reached age 18, regardless of whether benefits are paid directly to the beneficiary or through a representative payee.

''(iii) The representative payee may deposit into the account established pursuant to clause (i)—

''(I) past-due benefits payable to the eligible individual in an amount less than that specified in clause (i)(II), and

''(II) any other funds representing an underpayment under this title to such individual, provided that the amount of such underpayment is equal to or exceeds the maximum monthly benefit payable under this title to an eligible individual.

''(iv) The Commissioner of Social Security shall establish a system for accountability monitoring whereby such representative payee shall report, at such time and in such manner as the Commissioner shall require, on activity respecting funds in the account established pursuant to clause (i).''.

(b) EXCLUSION FROM RESOURCES.—Section 1613(a) (42 U.S.C. 1382b(a)) is amended—

(1) in paragraph (9), by striking ''; and'' and inserting a semicolon;

(2) in the first paragraph (10), by striking the period and inserting a semicolon;

(3) by redesignating the second paragraph (10) as paragraph (11), and by striking the period and inserting ''; and''; and

(4) by adding at the end the following:

''(12) the assets and accrued interest or other earnings of any account established and maintained in accordance with section 1631(a)(2)(F).''.

(c) EXCLUSION FROM INCOME.—Section 1612(b) (42 U.S.C. 1382a(b)) is amended—

(1) by striking ''and'' at the end of paragraph (19);

(2) by striking the period at the end of paragraph (20) and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(21) the interest or other earnings on any account established and maintained in accordance with section 1631(a)(2)(F).''.

(d) CONFORMING AMENDMENT.—Section 1631(a)(2)(E)(iv) of the Act (as added by section 405(a)) is amended by striking ''subparagraph (F)'' and inserting ''subparagraph (G)''.

(e) EFFECTIVE DATE.—This section shall take effect on the date which is 180 days after the date of the enactment of this Act.

SEC. 407. CONTINUING DISABILITY REVIEWS FOR INDIVIDUALS UNDER THE AGE OF 18.

(a) IN GENERAL.—Section 1614(a)(3) (42 U.S.C. 1382c(a)(3)) is amended by redesignating subparagraph (H) as subparagraph (I) and by inserting after subparagraph (G) the following new subparagraph—

''(H)(i)(I) Except as provided in subclauses (II), (III), and (IV), the Commissioner of Social Security shall redetermine the eligibility for benefits under this title by reason of disability of each individual under the age of 18 at least once every 3 years.

''(II) In any case in which the Commissioner does not expect improvement in the condition of such an individual, the redetermination of eligibility for such benefits shall be made at such times as the Commissioner determines to be appropriate.

''(III) In any case in which the Commissioner determines that the condition of such an individual may be expected to improve within 3 years, such redetermination shall be made at more frequent intervals.

''(IV) The Commissioner shall redetermine the eligibility for benefits under this title by reason of disability of each individual whose low birth weight is a contributing factor material to the Commissioner's determination that the individual is disabled. Such redetermination shall be made not later than 18 months after such individual was initially determined to be eligible for such benefits on the basis, in whole or in part, of low birth weight.

''(ii) The Commissioner shall determine the most cost-effective means for complying with the requirements of this subparagraph.

''(iii) The provisions of paragraph (4) shall apply to all redeterminations required by this subparagraph.''.

(b) CONFORMING AMENDMENT.—Section 208(a) of the Social Security Independence and Program Improvements Act of 1994 is amended by striking ''100,000'' and inserting ''80,000 adult''.

SEC. 408. COORDINATION OF SERVICES FOR SSI CHILDREN.

(a) IN GENERAL.—Section 505(a) (42 U.S.C. 705(a)) is amended—

(1) in paragraph 5—

(A) by striking ''and'' at the end of subparagraph (E);

(B) by striking the period at the end of subparagraph (F) and inserting ''; and''; and

(C) by inserting after subparagraph (F) the following new subparagraph:

''(G) the agency administering the State's program under this title shall be responsible for developing a care coordination plan for each child receiving benefits under title XVI on the basis of disability to assure that such child has access to available medical and other support services, that services are provided in an efficient and effective manner, and that gaps in the provision of services are identified.''; and

(2) by adding at the end the following new subsection:

''(c) For purposes of subsection (a)(5)(G), the Secretary, the Secretary of Education, and the Commissioner of Social Security shall take such steps as may be necessary, through issuance of regulations, guidelines, or such other means as they may determine, to assure that, where appropriate, the State agency administering title XIX, the State Department of Mental Health, the State Disability Determination Service that makes determinations under title II, the State Vocational Rehabilitation agency, the State Developmental Disabilities Council, and the State Department of Education—

''(1) assist the agency administering the State's program under this title in the development of the child's care coordination plan;

''(2) participate in the planning and delivery of the services specified in the care coordination plan; and

''(3) assist such agency in providing to the Secretary for each fiscal year information on—

''(A) the number of children receiving benefits under title XVI who were referred to such agency for services,

''(B) the number of such children who were referred who were served,

''(C) the services provided (including intensity of services, duration of services, types of providers, and costs of services),

''(D) the number of children referred to other agencies or departments for services, and

''(E) the number of care coordination plans developed during such fiscal year.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to fiscal years beginning after September 30, 1995.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. UNIFORM ALIEN ELIGIBILITY CRITERIA FOR PUBLIC ASSISTANCE PROGRAMS.

(a) FEDERAL AND FEDERALLY-ASSISTED PROGRAMS.—

(1) PROGRAM ELIGIBILITY CRITERIA.—

(A) AID TO FAMILIES WITH DEPENDENT CHILDREN.—Section 402(a)(33) (42 U.S.C. 602(a)(33)) is amended by striking ''(A) a citizen'' and all that follows through ''of such Act);'' and inserting the following:

''(A) a citizen or national of the United States, or

''(B) a qualified alien, as defined in section 1101(a)(10), provided that such alien is not disqualified from receiving aid under a State plan approved under this part pursuant to section 210(f) or 245A(h) of the Immigration and Nationality Act or any other provision of law;''.

(B) SUPPLEMENTAL SECURITY INCOME.—Section 1614(a)(1)(B)(i) (42 U.S.C. 1382c(a)(1)(B)(i) is amended to read as follows:

''(B)(i) is a resident of the United States, and is either—

''(I) a citizen or national of the United States, or

''(II) a qualified alien, as defined in section 1101(a)(10), or''.

(C) MEDICAID.—

(i) IN GENERAL.—Section 1903(v) (42 U.S.C. 1396b(v)) is amended—

(I) in paragraph (1), to read as follows:

''(v)(1) Notwithstanding the preceding provisions of this section—

''(A) no payment may be made to a State under this section for medical assistance furnished to an individual who is disqualified from receiving such assistance pursuant to section 210(f) or 245A(h) of the Immigration and Nationality Act (8 U.S.C. 1160(f), 1255a(h)) or any other provision of law; and

''(B) except as provided in paragraph (2), no such payment may be made for medical assistance furnished to an individual who is not—

''(i) a citizen or national of the United States; or

''(ii) a qualified alien, as defined in section 1101(a)(10).''; and

(II) in paragraph (2)—

(aa) by striking ''paragraph (1)'' and inserting ''paragraph (1)(B)''; and

(bb) by striking ''alien'' each place it appears and inserting ''individual''.

(ii) CONFORMING AMENDMENTS.—Section 1902 (42 U.S.C. 1396a) is amended—

(I) in subsection (a), in the last sentence by striking ''alien'' and all that follows through ''1903(v).'' and inserting ''individual who is not (A) a citizen or national of the United States, or (B) a qualified alien, as defined in section 1101(a)(10), only in accordance with section 1903(v).''; and

(II) in subsection (b)(33), by inserting ''or national'' after ''citizen''.

(2) DEFINITION OF QUALIFIED ALIEN.—Section 1101(a) (42 U.S.C. 1301(a)) is amended by adding at the end the following new paragraph:

''(10) The term 'qualified alien' means an alien—

''(A) who is lawfully admitted for permanent residence within the meaning of section 101(a)(20) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(20));

''(B) who is admitted as a refugee pursuant to section 207 of such Act (8 U.S.C. 1157);

''(C) who is granted asylum pursuant to section 208 of such Act (8 U.S.C. 1158);

''(D) whose deportation is withheld pursuant to section 243(h) of such Act (8 U.S.C. 1253(h));

''(E) whose deportation is suspended pursuant to section 244 of such Act (8 U.S.C. 1254);

''(F) who was granted conditional entry pursuant to section 203(a)(7) of such Act (8 U.S.C. 1153(a)(7)), as in effect prior to April 1, 1980;

''(G) who is lawfully admitted for temporary residence pursuant to section 210 or 245A of such Act (8 U.S.C. 1160, 1255a);

''(H) who is within a class of aliens lawfully present within the United States pursuant to any other provision of such Act, provided that—

''(i) the Attorney General determines that the continued presence of such class of aliens serves a humanitarian or other compelling public interest; and

''(ii) the Secretary of Health and Human Services determines that such interest would be further served by treating each alien within such class as a 'qualified alien' for purposes of this Act; or

''(I) who is the spouse or unmarried child under 21 years of age of a citizen of the United States, or the parent of such a citizen if the citizen is 21 years of age or older, and with respect to whom an application for adjustment to lawful permanent residence is pending.''.

(3) CONFORMING AMENDMENT.—Section 244A(f)(1) of the Immigration and Nationality Act (8 U.S.C. 1254a(f)(1)) is amended by inserting ''and shall not be considered to be a 'qualified alien' within the meaning of section 1101(a)(10) of the Social Security Act'' after ''color or law''.

(4) EFFECTIVE DATE.—The amendments made by this subsection are effective with respect to benefits payable on the basis of any application filed after the date of the enactment of this Act.

(b) STATE AND LOCAL PROGRAMS.—A State or political subdivision therein may provide that an alien is not eligible for any program of assistance based on need that is furnished by such State or political subdivision unless such alien is a ''qualified alien'' within the meaning of section 1101(a)(10) of the Social Security Act (as added by subsection (a)(2) of this section).

SEC. 502. DEEMING OF SPONSOR'S INCOME AND RESOURCES TO AN ALIEN UNDER THE SUPPLEMENTAL SECURITY INCOME, AID TO FAMILIES WITH DEPENDENT CHILDREN, AND FOOD STAMP PROGRAMS.

(a) LENGTH OF DEEMING PERIOD.—

(1) MAKING THE SSI 5-YEAR PERIOD PERMANENT.—Subsection (b) of section 7 of the Unemployment Compensation Amendments of 1993 (Public Law 103–152) is repealed.

(2) INCREASING THE AFDC PERIOD FROM 3 TO 5 YEARS.—Section 415 (42 U.S.C. 615) is amended in subsections (a), (c)(1), and (d) by striking ''three years'' each place it appears and inserting ''5 years''.

(3) INCREASING THE FOOD STAMP PERIOD FROM 3 TO 5 YEARS.—Section 5(i) of the Food Stamp Act of 1977 (7 U.S.C. 2014(i)) is amended by striking ''three years'' each place it appears and inserting ''5 years''.

(b) INAPPLICABILITY IN THE CASE OF ANY ALIEN WHOSE SPONSOR RECEIVES SSI OR AFDC BENEFITS.—

(1) SSI.—Section 1621(f) (42 U.S.C. 1382j(f)) is amended by adding at the end the following new paragraph:

''(3) The provisions of this section shall not apply to any alien for any month for which such alien's sponsor receives a benefit under this title (which includes, for purposes of this paragraph, the program of federally administered State supplementary payments made pursuant to section 1616(a) or section 212(b) of Public Law 93–66 (42 U.S.C. 1382 note)) or under the program of aid to families with dependent children under part A of title IV.''.

(2) AFDC.—Section 415(f) (42 U.S.C. 615(f)) is amended—

(A) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively;

(B) by striking ''(f)'' and inserting ''(f)(1)''; and

(C) by adding at the end the following new paragraph:

''(2) The provisions of this section shall not apply to any alien for any month for which such alien's sponsor receives a benefit under the program authorized under this part, or the program of supplemental security income authorized under title XVI (which includes, for purposes of this paragraph, the program of federally administered State supplementary payments made pursuant to section 1616(a) or section 212(b) of Public Law 93–66 (42 U.S.C. 1382 note)).''.

(3) FOOD STAMPS.—Section 5(i)(2)(E) of the Food Stamp Act of 1977 (7 U.S.C. 2014(i)(2)(E)) is amended—

(A) by striking ''(E)'' and inserting ''(E)(i)''; and

(B) by adding at the end the following new clause:

''(ii) The provisions of this subsection shall not apply to any alien for any month for which such alien's sponsor receives a benefit under the program of aid to families with dependent children under part A of title IV of the Social Security Act or the program of supplemental security income under title XVI of such Act (which includes, for purposes of this paragraph, the program of federally administered State supplementary payments made pursuant to section 1616(a) of such Act or section 212(b) of Public Law 93–66 (42 U.S.C. 1382 note)).''.

(c) INEQUITABLE CIRCUMSTANCES.—

(1) SSI.—Section 1621 (42 U.S.C. 1382j) is amended by adding at the end the following new subsection:

''(g) The Commissioner may, pursuant to regulations promulgated after consultation with the Secretary of Agriculture, alter or suspend the application of this section in any case in which the Secretary determines that such application would be inequitable under the circumstances.''

(2) AFDC.—Section 415 (42 U.S.C. 615) is amended by adding at the end the following new subsection:

''(g) The Secretary may, pursuant to regulations promulgated after consultation with the Secretary of Agriculture, alter or suspend the application of this section in any case in which the Secretary determines that such application would be inequitable under the circumstances.''

(3) FOOD STAMPS.—Section 5(i)(2) of the Food Stamp Act of 1977 (7 U.S.C. 2014(i)(2)) is amended by adding at the end the following new subparagraph:

''(F) The Secretary may, pursuant to regulations promulgated after consultation with the Secretary of Health and Human Services, alter or suspend the application of this section in any case in which the Secretary determines that such application would be inequitable under the circumstances.''.

(d) FOOD STAMPS EXEMPTION FOR BLIND OR DISABLED ALIENS.—Section 5(i)(2)(E) of the Food Stamp Act of 1977 (7 U.S.C. 2014(i)(2)(E)), as amended by subsection (a)(2)(C), is amended by adding at the end the following new clause:

''(iii) The provisions of this subsection shall not apply with respect to any individual for any month for which such individual receives a benefit under the program of supplemental security income authorized by title XVI of the Social Security Act by reason of blindness, as determined under section 1614(a)(2) of such Act, or disability, as determined under section 1614(a)(3) of such Act, provided that such blindness or disability commenced after the date of such individual's admission into the United States for permanent residence.''.

(e) STATE AND LOCAL PROGRAMS.—A State or political subdivision therein may provide that an alien is not eligible for any program of assistance based on need that is furnished by such State or political subdivision for any month if such alien has been determined to be ineligible for such month for benefits under—

(A) the program of aid to families with dependent children authorized by part A of title IV of the Social Security Act, as a result of the application of section 415 of such Act;

(B) the program of supplemental security income authorized by title XVI of the Social Security Act, as a result of the application of section 1621 of such Act; or

(C) the Food Stamp Act of 1977, as a result of the application of section 5(i) of such Act.

(f) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsections (a) through (d) shall be effective with respect to benefits under the program of aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the program of supplemental security income under title XVI of such Act (42 U.S.C. 1381 et seq.), and the program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), payable for months beginning after September 30, 1995, on the basis of—

(A) an application filed after such date, or

(B) an application filed on or before such date by or on behalf of an individual subject to the provisions of section 1621(a) or 415(a) of the Social Security Act (42 U.S.C. 1382j(a), 615(a)) or section 5(i)(1) of the Food Stamp Act of 1977 (7 U.S.C. 2014(i)(1)) (as the case may be) on such date.

(2) STATE AND LOCAL PROGRAMS.—Subsection (e) shall be effective on October 1, 1995.

SEC. 503. ADJUSTMENT TO THRIFTY FOOD PLAN.

The second sentence of section 3(o) of the Food Stamp Act (7 U.S.C. 2012(o)) is amended—

(1) by striking ''shall (1) make'' and inserting the following: ''shall—

''(1) make'';

(2) by striking ''scale, (2) make'' and inserting ''scale;

''(2) make'';

(3) by striking ''Alaska, (3) make'' and inserting the following: ''Alaska;

''(3) make''; and

(4) by striking ''Columbia, (4) through'' and all that follows through the end of the subsection and inserting the following: ''Columbia; and

''(4) on October 1, 1995, and each October 1 thereafter, adjust the cost of the diet to reflect the cost of the diet, in the preceding June, and round the result to the nearest lower dollar increment for each household size.''.

SEC. 504. FAILURE TO COMPLY WITH OTHER WELFARE AND PUBLIC ASSISTANCE PROGRAMS.

Section 8 of the Food Stamp Act of 1977 (7 U.S.C. 2017) is amended by striking subsection (d) and inserting the following:

''(d) REDUCTION OF PUBLIC ASSISTANCE BENEFITS.—If the benefits of a household are reduced under a Federal, State, or local law relating to welfare or a public assistance program for the failure to perform an action required under the law or program, for the duration of the reduction the household may not receive an increased allotment as the result of a decrease in the income of the household to the extent that the decrease is the result of the reduction.''.

HATFIELD (AND OTHERS) AMENDMENT NO. 2467

(Ordered to lie on the table.)

Mr. HATFIELD (for himself, Mr. DODD, and Mr. GLENN) submitted an amendment intended to be proposed by them to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

In section 714(d)(1)(K), strike ''and''.

In section 714(d)(1)(L), strike the semicolon and insert '', and''.

In section 714(d)(1), insert after subparagraph (L) the following:

''(M) representatives of secondary school students involved in workforce education activities carried out under this title and parents of such students;''.

In section 716(b)(6) strike ''and''.

In section 716(b)(7) strike the period and insert ''; and''.

In section 716(b), add at the end the following:

(8) with respect to secondary education activities—

(A) establishing effective procedures, including an expedited appeals procedure, by which secondary school teachers, secondary school students involved in workforce education activities carried out under this title, parents of such students, and residents of substate areas will be able to directly participate in State and local decisions that influence the character of secondary education activities carried out under this title that affect their interests;

(B) providing technical assistance, and designing the procedures described in subparagraph (A), to ensure that the individuals described in subparagraph (A) obtain access to the information needed to use such procedures; and

(C) subject to subsection (h), carrying out the secondary education activities, and implementing the procedures described in subparagraph (A), so as to implement the programs, activities, and procedures for the involvement of parents described in section 1118 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6319) in accordance with the requirements of such section.

In section 716, add at the following:

(h) PARENTAL INVOLVEMENT.—

(1) COMPARABLE REQUIREMENTS.—For purposes of implementing the requirements of section 1118 of the Elementary and Secondary Education Act (20 U.S.C. 6319) with respect to secondary education activities as required in subsection (b)(8)(C), a reference in such section 1118—

(A) to a local educational agency shall refer to an eligible entity, as defined in subsection (a)(2) of section 727;

(B) to part A of title I of such Act (20 U.S.C. 6311 et seq.) shall refer to this subtitle;

(C) to a plan developed under section 1112 of such Act (20 U.S.C. 6312) shall refer to a local application developed under such section 727;

(D) to the process of school review and improvement under section 1116 of such Act (20 U.S.C. 6317) shall refer to the performance improvement process described in subsection (b)(4) of such section 727;

(E) to an allocation under part A of title I of such Act shall refer to the funds received by an eligible entity under this subtitle;

(F) to the profiles, results, and interpretation described in section 1118(c)(4)(B) of such Act (20 U.S.C. 6319(c)(4)(B)) shall refer to information on the progress of secondary school students participating in workforce education activities carried out under this subtitle, and interpretation of the information; and

(G) to State content or student performance standards shall refer to the State benchmarks of the State.

(2) NONCOMPARABLE REQUIREMENTS.—For purposes of carrying out the requirements of such section 1118 as described in paragraph (1), the requirements of such section relating to a schoolwide program plan developed under section 1114(b) of such Act (20 U.S.C. 6314(b)) or to section 1111(b)(8) of such Act (20 U.S.C. 6311(b)(8)), and the provisions of section 1118(e)(4) of such Act (20 U.S.C. 6319(e)(4)), shall not apply.

In section 728(a)(2)(A), strike ''and veterans'' and insert ''veterans, secondary school students (including such students who are at-risk youth) involved in workforce education activities carried out under this title, and parents of such students''.

In section 728(b)(2)(B)(iv), strike ''and''.

In section 728(b)(2)(B)(v), strike the period and insert ''; and ''.

In section 728(b)(2)(B), add at the end the following:

''(vi) representatives of secondary school students involved in workforce education activities carried out under this title and parents of such students.''.

In section 728(b)(4)(A)(iii), strike ''participation'' and all that follows and insert ''participation, in the development and continuous improvement of the workforce development activities carried out in the substate area—

''(I) of business, industry, and labor; and

''(II) with regard to workforce education activities, of secondary school teachers, secondary school students involved in workforce education activities carried out under this title, and parents of such students;''.

SIMON AMENDMENT NO. 2468

(Ordered to lie on the table.)

Mr. SIMON submitted an amendment intended to be proposed by him to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

On page 17, line 22, strike ''amount (if any) determined under subparagraph (B)'' and insert ''amount determined under subparagraphs (B) and (C)''.

On page 18, between lines 15 and 16, insert the following:

''(C) AMOUNT DETERMINED.—The amount determined under this subparagraph is the amount which bears the same ratio to $240,000,000 (or, $240,000,000 reduced by the amount, if any, available for such fiscal year in accordance with section ___09(c) of the Community Works Progress Act, whichever is lesser) as the amount otherwise determined for such State under subparagraph (A) (without regard to the reduction determined under this subparagraph) bears to $16,795,323,000.

On page 18, line 16, strike ''(C)'' and insert ''(D)''.

On page 18, line 21, strike ''subparagraph (B)'' and insert ''subparagraphs (B) and (C)''.

On page 22, strike lines 10 through 17, and insert the following:

''(A) IN GENERAL.—There are authorized to be appropriated and there are appropriated $16,795,323,000 for each fiscal year described in paragraph (1)—

''(i) $16,555,323,000 of which shall be for the purpose of paying—

''(I) grants to States under paragraph (1)(A); and

''(II) tribal family assistance grants under paragraph (1)(B); and

''(ii) $240,000,000 of which shall be for the purpose of paying grants beginning with fiscal years after fiscal year 1996 to States for the operation of community works progress programs in accordance with the Community Works Progress Act.

Notwithstanding any other provision of this part, the amount appropriated in accordance with clause (ii) shall be paid to States in accordance with the requirements of the Community Works Progress Act and shall not be subject to any requirements of this part.

On page 36, line 7, insert ''(including participation in a community works progress program under the Community Works Progress Act)'' after ''programs''.

At the appropriate place, insert the following new title:

TITLE ____—COMMUNITY WORKS PROGRESS ACT

SEC. ___00. SHORT TITLE.

This title may be cited as the ''Community Works Progress Act''.

SEC. ___01. ESTABLISHMENT.

In the case of any fiscal year after fiscal year 1996, the Secretary of Labor (hereafter referred to in this title as the ''Secretary'') shall award grants to 4 States for the establishment of community works progress programs.

SEC. ___02. DEFINITIONS.

For purposes of this title:

(1) COMMUNITY WORKS PROGRESS PROGRAM.—The terms ''community works progress program'' and ''program'' mean a program designated by a State under which the State will select governmental and nonprofit entities to conduct community works progress projects which serve a significant public purpose in fields such as health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and child care.

(2) COMMUNITY WORKS PROGRESS PROJECT.—The terms ''community works progress project'' and ''project'' mean an activity conducted by a governmental or nonprofit entity that results in a specific, identifiable service or product that, but for this title, would not otherwise be done with existing funds and that supplements but does not supplant existing services.

(3) NONPROFIT ENTITY.—The term ''nonprofit entity'' means an organization—

(A) described in section 501(c) of the Internal Revenue Code of 1986; and

(B) exempt from taxation under section 501(a) of such Code.

SEC. ___03. APPLICATIONS BY STATES.

(a) IN GENERAL.—Each State desiring to conduct, or to continue to conduct, a community works progress program under this title shall submit an annual application to the Secretary at such time and in such manner as the Secretary shall require. Such application shall include—

(1) identification of the State agency or agencies that will administer the program and be the grant recipient of funds for the State, and

(2) a detailed description of the geographic area in which the project is to be carried out, including such demographic and economic data as are necessary to enable the Secretary to consider the factors required by subsection (b).

(b) CONSIDERATION OF APPLICATIONS.—

(1) IN GENERAL.—In reviewing all applications received from States desiring to conduct or continue to conduct a community works progress program under this title, the Secretary shall consider—

(A) the unemployment rate for the area in which each project will be conducted,

(B) the proportion of the population receiving public assistance in each area in which a project will be conducted,

(C) the per capita income for each area in which a project will be conducted,

(D) the degree of involvement and commitment demonstrated by public officials in each area in which projects will be conducted,

(E) the likelihood that projects will be successful,

(F) the contribution that projects are likely to make toward improving the quality of life of residents of the area in which projects will be conducted,

(G) geographic distribution,

(H) the extent to which projects will encourage team approaches to work on real, identifiable needs,

(I) the extent to which private and community agencies will be involved in projects, and

(J) such other criteria as the Secretary deems appropriate.

(2) INDIAN TRIBES AND URBANIZED AREAS.—

(A) IN GENERAL.—The Secretary shall ensure that—

(i) one grant under this title shall be awarded to a State that will conduct a community works progress project that will serve one or more Indian tribes; and

(ii) one grant under this title shall be awarded to a State that will implement a community works progress project in a city that is within an Urbanized Area (as defined by the Bureau of the Census).

(B) INDIAN TRIBE.—For purposes of this paragraph, the term ''Indian tribe'' means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C.A. 1601 et seq.), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(c) MODIFICATION TO APPLICATIONS.—If changes in labor market conditions, costs, or other factors require substantial deviation from the terms of an application approved by the Secretary, the State shall submit a modification of such application to the Secretary.

SEC. ___04. PROJECT SELECTION BOARD.

(a) ESTABLISHMENT.—Each State that receives a grant under this title shall establish a Project Selection Board (hereafter referred to as the ''Board'') in the geographic area or areas identified by the State under section ___03(b)(2).

(b) MEMBERSHIP.—

(1) IN GENERAL.—Each Board shall be composed of 13 members who shall reside in the geographic area identified by the State under section ___03(b)(2). Subject to paragraph (2), the members of the Board shall be appointed by the Governor of the State in consultation with local elected officials in the geographic area.

(2) REPRESENTATIVES OF BUSINESS AND LABOR ORGANIZATIONS.—The Board—

(A) shall have at least one member who is an officer of a recognized labor organization; and

(B) shall have at least one member who is a representative of the business community.

(c) DUTIES OF THE BOARD.—The Board shall—

(1) recommend appropriate projects to the Governor;

(2) select a manager to coordinate and supervise all approved projects; and

(3) periodically report to the Governor on the project activities in a manner to be determined by the Governor.

(d) VETO OF A PROJECT.—One member of the Board who is described in subparagraph (A) of subsection (b)(2) and one member of the Board who is described in subparagraph (B) of such subsection shall have the authority to veto any proposed project. The Governor shall determine which Board members shall have the veto authority described under this subsection.

(e) TERMS AND COMPENSATION OF MEMBERS.—The Governor shall establish the terms for Board members and specify procedures for the filling vacancies and the removal of such members. Any compensation or reimbursement for expenses paid to Board members shall be paid by the State, as determined by the Governor.

SEC. ___05. PARTICIPATION IN PROJECTS.

To be eligible to participate in projects under this title, an individual shall be—

(1) receiving, eligible to receive, or have exhausted unemployment compensation under an unemployment compensation law of a State or of the United States,

(2) receiving, eligible to receive, or at risk of becoming eligible to receive, assistance under a State program funded under part A of title IV of the Social Security Act,

(3) a noncustodial parent of a child who is receiving assistance under a State program funded under part A of title IV of the Social Security Act,

(4) a noncustodial parent who is not employed, or

(5) an individual who—

(A) is not receiving unemployment compensation under an unemployment compensation law of a State or of the United States;

(B) if under the age of 20 years, has graduated from high school or is continuing studies toward a high school equivalency degree;

(C) has resided in the geographic area in which the project is located for a period of at least 60 consecutive days prior to the awarding of the project grant by the Secretary; and

(D) is a citizen of the United States.

SEC. ___06. HOURS AND COMPENSATION.

(a) DETERMINATION OF COMPENSATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), project participants in a community works progress project shall be paid the applicable Federal or State minimum wage, whichever is greater.

(2) EXCEPTIONS.—If a participant in a community works progress project is—

(A) eligible for benefits under a State program funded under part A of title IV of the Social Security Act and such benefits exceed the amount described in paragraph (1), such participant shall be paid an amount that exceeds by 10 percent of the amount of such benefits; or

(B) eligible for benefits under an unemployment compensation law of a State or the United States such benefits exceed the amount described in paragraph (1), such participant shall be paid an amount that exceeds by 10 percent the amount of such benefits.

(b) WORK REQUIREMENTS RELATED TO PARTICIPATION.—

(1) IN GENERAL.—

(A) MAXIMUM HOURS.—In order to assure that each individual participating in a project will have time to seek alternative employment or to participate in an alternative employability enhancement activity, no individual may work as a participant in a project under this title for more than 32 hours per week.

(B) REQUIRED JOB SEARCH ACTIVITY.—Individuals participating in a project who are not receiving assistance under a State program funded under part A of title IV of the Social Security Act or unemployment compensation under an unemployment compensation law of a State or of the United States shall be required to participate in job search activities on a weekly basis.

(c) COMPENSATION FOR PARTICIPANTS.—

(1) PAYMENTS OF ASSISTANCE UNDER A STATE PROGRAM FUNDED UNDER PART A OF TITLE IV AND UNEMPLOYMENT COMPENSATION.—Any State agency responsible for making a payment of benefits to a participant in a project under a State program funded under part A of title IV of the Social Security Act or under an unemployment compensation law of a State or of the United States may transfer such payment to the governmental or nonprofit entity conducting such project and such payment shall be made by such entity to such participant in conjunction with any payment of compensation made under subsection (a).

(2) TREATMENT OF COMPENSATION OR BENEFITS UNDER OTHER PROGRAMS.—

(A) HIGHER EDUCATION ACT OF 1965.—In determining any grant, loan, or other form of assistance for an individual under any program under the Higher Education Act of 1965, the Secretary of Education shall not take into consideration the compensation and benefits received by such individual under this section for participation in a project.

(B) RELATIONSHIP TO OTHER FEDERAL BENEFITS.—Notwithstanding any other provision of law, any compensation or benefits received by an individual under this section for participation in a community works progress project shall be excluded from any determination of income for the purposes of determining eligibility for benefits under a State program funded under part A of title IV, title XVI, and title XIX of the Social Security Act, or any other Federal or federally assisted program which is based on need.

(3) SUPPORTIVE SERVICES.—Each participant in a project conducted under this title shall be eligible to receive, out of grant funds awarded to the State agency administering such project, assistance to meet necessary costs of transportation, child care, vision testing, eyeglasses, uniforms and other work materials.

SEC. ___07. ADDITIONAL PROGRAM REQUIREMENTS.

(a) NONDUPLICATION AND NONDISPLACEMENT.—(1) NONDUPLICATION.—

(A) IN GENERAL.—Amounts from a grant provided under this title shall be used only for a project that does not duplicate, and is in addition to, an activity otherwise available in the State or unit of general local government in which the project is carried out.

(B) NONPROFIT ENTITY.—Amounts from a grant provided to a State under this title shall not be provided to a nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency in which such entity resides, unless the requirements of paragraph (2) are met.

(2) NONDISPLACEMENT.—

(A) IN GENERAL.—A governmental or nonprofit entity shall not displace any employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such entity of a participant in a project funded by a grant under this title.

(B) LIMITATION ON SERVICES.—

(i) DUPLICATION OF SERVICES.—A participant in a project funded by a grant under this title shall not perform any services or duties or engage in activities that would otherwise be performed by any employee as part of the assigned duties of such employee.

(ii) SUPPLANTATION OF HIRING.—A participant in a project funded by a grant under this title shall not perform any services or duties or engage in activities that will supplant the hiring of other workers.

(iii) DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.—A participant in a project funded by a grant under this title shall not perform services or duties that have been performed by or were assigned to any presently employed worker, employee who recently resigned or was discharged, employee who is subject to a reduction in force, employee who is on leave (terminal, temporary, vacation, emergency, or sick), or employee who is on strike or who is being locked out.

(b) FAILURE TO MEET REQUIREMENTS.—The Secretary may suspend or terminate payments under this title for a project if the Secretary determines that the governmental or nonprofit entity conducting such project has materially failed to comply with this title, the application submitted under this title, or any other terms and conditions of a grant under this title agreed to by the State agency administering the project and the Secretary.

(c) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—Each State conducting a community works progress program or programs under this title shall establish and maintain a procedure for the filing and adjudication of grievances from participants in any project conducted under such program, labor organizations, and other interested individuals concerning such program, including grievances regarding proposed placements of such participants in projects conducted under such program.

(2) DEADLINE FOR GRIEVANCES.—Except for a grievance that alleges fraud or criminal activity, a grievance under this paragraph shall be filed not later than 6 months after the date of the alleged occurrence of the event that is the subject of the grievance.

(d) TESTING AND EDUCATION REQUIREMENTS.—

(1) TESTING.—Each participant in a project shall be tested for basic reading and writing competence prior to employment under such project.

(2) EDUCATION REQUIREMENT.—

(A) FAILURE TO SATISFACTORILY COMPLETE TEST.—Participants who fail to complete satisfactorily the basic competency test required in paragraph (1) shall be furnished counseling and instruction.

(B) LIMITED-ENGLISH.—Participants with limited-English speaking ability may be furnished such instruction as the governmental or nonprofit entity conducting the project deems appropriate.

(e) COMPLETION OF PROJECTS.—

(1) IN GENERAL.—A governmental or nonprofit entity conducting a project or projects under this title shall complete such project or projects within the 2-year period beginning on a date determined appropriate by such entity, the State agency administering the project, and the Secretary.

(2) MODIFICATION.—The period referred to in paragraph (1) may be modified in the discretion of the Secretary upon application by the State in which a project is being conducted.

SEC. ___08. EVALUATIONS AND REPORTS.

(a) BY THE STATE.—Each State conducting a community works progress program or programs under this title shall conduct ongoing evaluations of the effectiveness of such program (including the effectiveness of such program in meeting the goals and objectives described in the application approved by the Secretary) and, for each year in which such program is conducted, shall submit an annual report to the Secretary concerning the results of such evaluations at such time, and in such manner, as the Secretary shall require. The report shall incorporate information from annual reports submitted to the State by governmental and nonprofit entities conducting projects under the program. The report shall include an analysis of the effect of such projects on the economic condition of the area, including its effect on welfare dependency, the local crime rate, general business activity (including business revenues and tax receipts), and business and community leaders' evaluation of the projects' success. Up to 2 percent of the amount granted to a State may be used to conduct the evaluations required under this subsection.

(b) BY THE SECRETARY.—The Secretary shall submit an annual report to the Congress concerning the effectiveness of the community works progress programs conducted under this title. Such report shall analyze the reports received by the Secretary under subsection (a).

SEC. ___09. FUNDING.

(a) IN GENERAL.—There are available for making grants under this title for a fiscal year such amounts as are appropriated for the fiscal year under section 403(a)(2)(A) of the Social Security Act (42 U.S.C. 603(a)(2)(A)).

(b) LIMITATIONS ON COSTS.—

(1) ADMINISTRATIVE EXPENSES.—Not more than 10 percent of the amount of each grant awarded to a State may be used for administrative expenses.

(2) COMPENSATION AND SUPPORTIVE SERVICES.—Not less than 70 percent of the amount of each grant awarded to a State may be used to provide compensation and supportive services to project participants.

(3) WAIVER OF COST LIMITATIONS.—The limitations under paragraphs (1) and (2) may be waived for good cause, as determined appropriate by the Secretary.

(c) AMOUNTS REMAINING AVAILABLE FOR STATE FAMILY ASSISTANCE GRANTS.—Any amounts appropriated for making grants under this title for a fiscal year under section 403(a)(4)(A)(i) of the Social Security Act (42 U.S.C. 603(a)(2)(A)(4)(A)(i)) that are not paid as grants to States in accordance with this title in such fiscal year shall be available for making State family assistance grants for such fiscal year in accordance with subsection (a)(1) of such section.

SEC. ___10. EVALUATION.

Not later than October 1, 2000, the Secretary shall submit to the Congress a comprehensive evaluation of the effectiveness of community works progress programs in reducing welfare dependency, crime, and teenage pregnancy in the geographic areas in which such programs are conducted.

FEINSTEIN AMENDMENTS NOS. 2469–2470

Mrs. FEINSTEIN proposed two amendments to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

AMENDMENT NO. 2469

Beginning on page 17, line 16, strike all through page 21, line 3, and insert the following:

''(3) SUPPLEMENTAL GRANT AMOUNT FOR POVERTY POPULATION INCREASES IN CERTAIN STATES.—

''(A) IN GENERAL.—The amount of the grant payable under paragraph (1) to a qualifying State for each of fiscal years 1997, 1998, 1999, and 2000 shall be increased by the supplemental grant amount for such State.

''(B) QUALIFYING STATE.—For purposes of this paragraph, the term 'qualifying State', with respect to any fiscal year, means a State that had an increase in the number of poor people as determined by the Secretary under subparagraph (D) for the most recent fiscal year for which information is available.

''(C) SUPPLEMENTAL GRANT AMOUNT.—For purposes of this paragraph, the supplemental grant amount for a State, with respect to any fiscal year, is an amount which bears the same ratio to the total amount appropriated under paragraph (4)(B) for such fiscal year as the increase in the number of poor people as so determined for such State bears to the total increase of poor people as so determined for all States.

''(D) REQUIREMENT THAT DATA RELATING TO THE INCIDENCE OF POVERTY IN THE UNITED STATES BE PUBLISHED.—

''(i) IN GENERAL.—The Secretary shall, to the extent feasible, produce and publish for each State, county, and local unit of general purpose government for which data have been compiled in the then most recent census of population under section 141(a) of title 13, United States Code, and for each school district, data relating to the incidence of poverty. Such data may be produced by means of sampling, estimation, or any other method that the Secretary determines will produce current, comprehensive, and reliable data.

''(ii) CONTENT; FREQUENCY.—Data under this subparagraph—

''(I) shall include—

''(aa) for each school district, the number of children age 5 to 17, inclusive, in families below the poverty level; and

''(bb) for each State and county referred to in clause (i), the number of individuals age 65 or older below the poverty level; and

''(II) shall be published—

''(aa) for each State, annually beginning in 1996;

''(bb) for each county and local unit of general purpose government referred to in clause (i), in 1996 and at least every second year thereafter; and

''(ccb) for each school district, in 1998 and at least every second year thereafter.

''(iii) AUTHORITY TO AGGREGATE.—

''(I) IN GENERAL.—If reliable data could not otherwise be produced, the Secretary may, for purposes of clause (ii)(I)(aa), aggregate school districts, but only to the extent necessary to achieve reliability.

''(II) INFORMATION RELATING TO USE OF AUTHORITY.—Any data produced under this clause shall be appropriately identified and shall be accompanied by a detailed explanation as to how and why aggregation was used (including the measures taken to minimize any such aggregation).

''(iv) REPORT TO BE SUBMITTED WHENEVER DATA IS NOT TIMELY PUBLISHED.—If the Secretary is unable to produce and publish the data required under this subparagraph for any county, local unit of general purpose government, or school district in any year specified in clause (ii)(II), a report shall be submitted by the Secretary to the President of the Senate and the Speaker of the House of Representatives, not later than 90 days before the start of the following year, enumerating each government or school district excluded and giving the reasons for the exclusion.

''(v) CRITERIA RELATING TO POVERTY.—In carrying out this subparagraph, the Secretary shall use the same criteria relating to poverty as were used in the then most recent census of population under section 141(a) of title 13, United States Code (subject to such periodic adjustments as may be necessary to compensate for inflation and other similar factors).

''(vi) CONSULTATION.—The Secretary shall consult with the Secretary of Education in carrying out the requirements of this subparagraph relating to school districts.

''(vii) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subparagraph $1,500,000 for each of fiscal years 1996 through 2000.

AMENDMENT NO. 2470

On page 654, between lines 15 and 16, insert the following:

SEC. ___. ENFORCEMENT OF ORDERS AGAINST PATERNAL GRANDPARENTS IN CASES OF MINOR PARENTS.

Section 466(a) (42 U.S.C. 666(a)), as amended by sections 915, 917(a), 923, 965, 969, and 976, is amended by adding at the end the following new paragraph:

''(17) Procedures under which any child support order enforced under this part with respect to a child of minor parents, if the mother of such child is receiving assistance under the State grant under part A, shall be enforceable, jointly and severally, against the paternal grandparents of such child.''.

MOSELEY-BRAUN AMENDMENTS NOS. 2471–2474

Ms. MOSELEY-BRAUN proposed four amendments to amendment No. 2280 proposed by Mr. DOLE to the bill, H.R. 4, supra, as follows:

AMENDMENT NO. 2471

On page 12, between lines 22 and 23, insert the following:

''(G) Assess and provide for the needs of a minor child who is eligible for the child voucher program established under subsection (c).

On page 15, between lines 19 and 20, insert the following:

''(d) CHILD VOUCHER PROGRAM.—

''(1) ELIGIBILITY.—

''(A) IN GENERAL.—A State to which a grant is made under section 403 shall establish and operate a voucher program to provide assistance to each minor child who resides with a family that is eligible for but not receiving assistance under the State program as a result of any reason identified by the State, including—

''(i) the time limit imposed under section 405(b);

''(ii) a penalty imposed under section 404(d); or

''(iii) placement on a waiting list established by the State for recipients of assistance under the State program.

''(B) PERIODIC ASSESSMENTS.—The State shall conduct periodic assessments to determine the continued eligibility of a minor child for a voucher under this subsection.

''(2) AMOUNT OF VOUCHER.—

''(A) IN GENERAL.—The amount of a voucher provided under the program established under paragraph (1) shall be equal to—

''(i) the number of minor children in the family; multiplied by

''(ii) the per capita assistance amount determined under subparagraph (B).

''(B) PER CAPITA ASSISTANCE AMOUNT.—For purposes of subparagraph (A), the per capita assistance amount is an amount equal to—

''(i) the amount of assistance that would have been provided to a family described in paragraph (1) under the State program; divided by

''(ii) the number of family members in such family.

''(3) USE OF VOUCHER.—A voucher provided under this subsection may be used to obtain—

''(A) housing;

''(B) food;

''(C) transportation;

''(D) child care; and

''(E) any other item or service that the State deems appropriate.

''(4) DELIVERY OF ITEMS OR SERVICES.—A State shall arrange for the delivery of or directly provide the items and services for which a voucher issued under this subsection may be used.

On page 15, line 20, strike ''(d)'' and insert ''(e)''.

On page 24, line 24, insert ''(including the operation of a child voucher program described in section 402(c))'' after ''part''.

AMENDMENT NO. 2472

On page 40, between lines 16 and 17, insert the following:

''(4) FAILURE OF STATE TO PROVIDE WORK-ACTIVITY RELATED SERVICES.—The limitation described in paragraph (1) shall not apply to a family receiving assistance under this part if the State fails to provide the work experience, assistance in finding employment, and other work preparation activities and support services described in section 402(a)(1)(A)(ii) to the adult individual described in paragraph (1).

AMENDMENT NO. 2473

On page 122, between lines 11 and 12, insert the following:

SEC. 111. MODIFICATIONS TO THE JOB OPPORTUNITIES FOR CERTAIN LOW-INCOME INDIVIDUALS PROGRAM.

Section 505 of the Family Support Act of 1988 (42 U.S.C. 1315 note) is amended—

(1) in the heading, by striking ''demonstration'';

(2) by striking ''demonstration'' each place it appears;

(3) in subsection (a), by striking ''in each of fiscal years'' and all that follows through

''10'' and inserting ''shall enter into agreements with'';

(4) in subsection (b)(3), by striking ''aid to families with dependent children under part A of title IV of the Social Security Act'' and inserting ''assistance under the State program funded part A of title IV of the Social Security Act in the State in which the individual resides'';

(5) in subsection (c)—

(A) in paragraph (1)(C), by striking ''aid to families with dependent children under part A of title IV of the Social Security Act'' and inserting ''assistance under the State program funded part A of title IV of the Social Security Act'';

(B) in paragraph (2), by striking ''aid to families with dependent children under title IV of such Act'' and inserting ''assistance under the State program funded part A of title IV of the Social Security Act'';

(6) in subsection (d), by striking ''job opportunities and basic skills training program (as provided for under title IV of the Social Security Act'' and inserting ''the State program funded under part A of title IV of the Social Security Act''; and

(7) by striking subsections (e) through (g) and inserting the following:

''(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of conducting projects under this section, there is authorized to be appropriated an amount not to exceed $25,000,000 for any fiscal year.''.

Redesignate the succeeding sections accordingly.

AMENDMENT NO. 2474

On page 25, strike lines 13 through 18, and insert the following:

''(3) AUTHORITY TO RESERVE CERTAIN AMOUNTS FOR ASSISTANCE.—

''(A) IN GENERAL.—A State may reserve amounts paid to the State under this part for any fiscal year for the purpose of providing, without fiscal year limitation, assistance under the State program operated under this part.

''(B) EXCEPTION.—In any fiscal year, a State may not exercise the authority described in subparagraph (A) if the State has reduced the amount of cash assistance provided per family member to families under the State program during the preceding fiscal year.

PELL AMENDMENT NO. 2475

(Ordered to lie on the table.)

Mr. PELL submitted an amendment intended to be proposed by him to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

On page 439, strike lines 10 through 15.

On page 439, line 16, strike ''C)'' and insert ''(B)''.

On page 440, between lines 14 and 15, insert the following new subsection:

(d) COVERAGE OF STATES.—Notwithstanding any other provision of this subtitle, prior to July 1, 1998, the Secretary shall ensure that all States have at least 1 Job Corps center in the State.

ABRAHAM (AND LIEBERMAN) AMENDMENT NO. 2476

(Ordered to lie on the table.)

Mr. ABRAHAM (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by them to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

At the appropriate place in the bill, add the following new section:

SEC. . SENSE OF THE SENATE REGARDING ENTERPRISE ZONES.

(a) FINDINGS.—The Senate finds that—

(1) Many of the Nation's urban centers are places with high levels of poverty, high rates of welfare dependency, high crime rates, poor schools, and joblessness;

(2) Federal tax incentives and regulatory reforms can encourage economic growth, job creation and small business formation in many urban centers;

(3) Encouraging private sector investment in America's economically distressed urban and rural areas is essential to breaking the cycle of poverty and the related ills of crime, drug abuse, illiteracy, welfare dependency, and unemployment;

(4) The empowerment zones enacted in 1993 should be enhanced by providing incentives to increase enterpreneurial growth, capital formation, job creation educational opportunities, and homeownership in the designated communities and zones;

(b) SENSE OF THE SENATE.—Therefore, it is the Sense of the Senate that the Congress should adopt enterprise zone legislation in the 104th Congress, and that such enterprise zone legislation provide the following incentives and provisions:

(1) Federal tax incentives that expand access to capital, increase the formation and expansion of small businesses, and promote commercial revitalization;

(2) Regulatory reforms that allow localities to petition Federal agencies, subject to the relevant agencies' approval, for waivers or modifications of regulations to improve job creation, small business formation and expansion, community development, or economic revitalization objectives of the enterprise zones;

(3) Homeownership incentives and grants to encourage resident management of public housing and home ownership of public housing;

(4) School reform pilot projects in certain designated enterprise zones to provide low-income parents with new and expanded educational options for their children's elementary and secondary schooling.

SANTORUM (AND NICKLES) AMENDMENT NO. 2477

Mr. SANTORUM (for himself and Mr. NICKLES) proposed an amendment to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

On page 42, line 2, insert '', Social Security number, and photograph (if applicable)'' before ''of any recipient''.

On page 42, between lines 21 and 22, insert the following new subsection:

''(e) DENIAL OF ASSISTANCE FOR ABSENT CHILD.—Each State to which a grant is made under section 403—

''(1) may not use any part of the grant to provide assistance to a family with respect to any minor child who has been, or is expected by the caretaker relative in the family to be, absent from the home for a period of 45 consecutive days or, at the option of the State, such period of not less than 30 and not more than 90 consecutive days as the State may provide for in the State plan;

''(2) at the option of the State, may establish such good cause exceptions to paragraph (1) as the State considers appropriate if such exceptions are provided for in the State plan; and

''(3) shall provide that a caretaker relative shall not be considered an eligible individual for purposes of this part if the caretaker relative fails to notify the State agency of an absence of a minor child from the home for the period specified in or provided for under paragraph (1), by the end of the 5-day period that begins on the date that it becomes clear to the caretaker relative that the minor child will be absent for the period so specified or provided for in paragraph (1).

On page 130, line 8, insert '', Social Security number, and photograph (if applicable)'' before ''of any recipient''.

On page 198, between lines 14 and 15, insert the following new section:

SEC. ___. DISQUALIFICATION OF FLEEING FELONS.

Section 6 of the Food Stamp Act of 1977 (7 U.S.C. 2015), as amended by section 319(a), is further amended by adding at the end the following new subsection:

''(o) No member of a household who is otherwise eligible to participate in the food stamp program shall be eligible to participate in the program as a member of that or any other household during any period during which the individual is—

''(1) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(2) violating a condition of probation or parole imposed under Federal or State law.''.

On page 302 after line 5, add the following new section:

SEC. 504. INFORMATION REPORTING.

(a) TITLE IV OF THE SOCIAL SECURITY ACT.—Section 405 of the Social Security Act, as added by section 101(b), is amended by adding at the end the following new subsection:

''(f) STATE REQUIRED TO PROVIDE CERTAIN INFORMATION.—Each State to which a grant is made under section 403 shall, at least 4 times annually and upon request of the Immigration and Naturalization Service, furnish the Immigration and Naturalization Service with the name and address of, and other identifying information on, any individual who the State knows is unlawfully in the United States.''.

(b) SSI.—Section 1631(e) of such Act (42 U.S.C. 1383(e)) is amended—

(1) by redesignating the paragraphs (6) and (7) inserted by sections 206(d)(2) and 206(f)(1) of the Social Security Independence and Programs Improvement Act of 1994 (Public Law 103–296; 108 Stat. 1514, 1515) as paragraphs (7) and (8), respectively; and

(2) by adding at the end the following new paragraph:

''(9) Notwithstanding any other provision of law, the Commissioner shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this paragraph referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Commissioner knows is unlawfully in the United States, and shall ensure that each agreement entered into under section 1616(a) with a State provides that the State shall furnish such information at such times with respect to any individual who the State knows is unlawfully in the United States.''.

(c) HOUSING PROGRAMS.—Title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), as amended by section 1004, is further amended by adding at the end the following new section:

''SEC. 28. PROVISION OF INFORMATION TO LAW ENFORCEMENT AND OTHER AGENCIES.

''(a) NOTICE TO IMMIGRATION AND NATURALIZATION SERVICE OF ILLEGAL ALIENS.—Notwithstanding any other provision of law,

the Secretary shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this subsection referred to as the 'Service'), furnish the Service with the name and address of, and other identifying information on, any individual who the Secretary knows is unlawfully in the United States, and shall ensure that each contract for assistance entered into under section 6 or 8 of this Act with a public housing agency provides that the public housing agency shall furnish such information at such times with respect to any individual who the public housing agency knows is unlawfully in the United States.''.

At the appropriate place, insert the following new section:

SEC. ___. ELIMINATION OF HOUSING ASSISTANCE WITH RESPECT TO FUGITIVE FELONS AND PROBATION AND PAROLE VIOLATORS.

(a) ELIGIBILITY FOR ASSISTANCE.—The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) is amended—

(1) in section 6(*l*)—

(A) in paragraph (5), by striking ''and'' at the end;

(B) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(C) by inserting immediately after paragraph (6) the following new paragraph:

''(7) provide that it shall be cause for immediate termination of the tenancy of a public housing tenant if such tenant—

''(A) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(2) is violating a condition of probation or parole imposed under Federal or State law.''; and

(2) in section 8(d)(1)(B)—

(A) in clause (iii), by striking ''and'' at the end;

(B) in clause (iv), by striking the period at the end and inserting ''; and''; and

(C) by adding after clause (iv) the following new clause:

''(v) it shall be cause for termination of the tenancy of a tenant if such tenant—

''(I) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(II) is violating a condition of probation or parole imposed under Federal or State law;''.

(b) PROVISION OF INFORMATION TO LAW ENFORCEMENT AGENCIES.—Section 28 of the United States Housing Act of 1937, as added by section 504(c) of this Act, is amended by adding at the end the following new subsection:

''(b) EXCHANGE OF INFORMATION WITH LAW ENFORCEMENT AGENCIES.—Notwithstanding any other provision of law, each public housing agency that enters into a contract for assistance under section 6 or 8 of this Act with the Secretary shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of assistance under this Act, if the officer—

''(1) furnishes the public housing agency with the name of the recipient; and

''(2) notifies the agency that—

''(A) such recipient—

''(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

''(ii) is violating a condition of probation or parole imposed under Federal or State law; or

''(iii) has information that is necessary for the officer to conduct the officer's official duties;

''(B) the location or apprehension of the recipient is within such officer's official duties; and

''(C) the request is made in the proper exercise of the officer's official duties.''.

FEINSTEIN AMENDMENTS NOS. 2478–2479

Mrs. FEINSTEIN proposed two amendments to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

AMENDMENT NO. 2478

On page 274, lines 23 and 24, strike ''individual (whether a citizen or national of the United States or an alien)'' and insert ''alien''.

On page 275, line 5, strike ''individual'' and insert ''alien''.

On page 275, line 10, strike ''individual's'' and insert ''alien's''.

On page 275, line 11, strike ''individual'' and insert ''alien''.

On page 275, line 14, strike ''individual'' and insert ''alien''.

On page 275, line 20, strike ''individual'' and insert ''alien''.

On page 275, line 21, strike ''individual'' and insert ''alien''.

On page 276, lines 2 and 3, strike ''individual (whether a citizen or national of the United States or an alien)'' and insert ''alien''.

On page 276, line 14, strike ''individual'' and insert ''alien''.

On page 278, line 1, strike ''**NONCITIZENS**'' and insert ''**ALIENS**''.

On page 278, line 8, strike ''a noncitizen'' and insert ''an alien''.

On page 278, line 13, strike ''a noncitizen'' and insert ''an alien''.

On page 278, line 16, strike ''a noncitizen'' and insert ''an alien''.

On page 278, line 22, strike ''a noncitizen'' and insert ''an alien''.

On page 279, line 4, strike ''a noncitizen'' and insert ''an alien''.

On page 279, line 6, strike ''A noncitizen'' and insert ''An alien''.

On page 279, line 8, strike ''noncitizen'' and insert ''alien''.

AMENDMENT NO. 2479

On page 69, strike lines 18 through 22, and insert the following:

''SEC. 413. STATE AND COUNTY DEMONSTRATION PROGRAMS.

''(a) NO LIMITATION OF STATE DEMONSTRATION PROJECTS.—Nothing in this part shall be construed as limiting a State's ability to conduct demonstration projects for the purpose of identifying innovative or effective program designs in 1 or more political subdivisions of the State.

''(b) COUNTY WELFARE DEMONSTRATION PROJECT.—

''(1) IN GENERAL.—The Secretary of Health and Human Services and the Secretary of Agriculture shall jointly enter into negotiations with all counties or a group of counties having a population greater than 500,000 desiring to conduct a demonstration project describing in paragraph (2) of the purpose of establishing appropriate rules to govern the establishment and operation of such project.

''(2) DEMONSTRATION PROJECT DESCRIBED.—The demonstration project described in this paragraph shall provide that—

''(A) a county participating in the demonstration project shall have the authority and duty to administer the operation of the program described under this part as if the county were considered a State for the purpose of this part;

''(B) the State in which the county participating in the demonstration project is located shall pass through directly to the county the portion of the grant received by the State under section 403 which the State determines is attributable to the residents of such county; and

''(C) the duration of the project shall be for 5 years.

''(3) COMMENCEMENT OF PROJECT.—After the conclusion of the negotiations described in paragraph (2), the Secretary of Health and Human Services and the the Secretary of Agriculture may authorize a county to conduct to demonstration project described in paragraph (2) in accordance with the rules established during the negotiations.

''(4) REPORT.—Not later than 6 months after the termination of a demonstration project operated under this subsection, the Secretary of Health and Human Services and the Secretary of Agriculture shall submit to the Congress a report that includes—

''(A) a description of the demonstration project;

''(B) the rules negotiated with respect to the project; and

''(C) the innovations (if any) that the county was able to initiate under the project.

FEINGOLD AMENDMENT NO. 2480

Mr. FEINGOLD proposed an amendment to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

AMENDMENT NO. 2480

On page 283, after 23, insert the following:

(f) STUDY OF IMPACT OF AMENDMENTS ON PROGRAM PARTICIPATION AND FAMILY DAY CARE LICENSING.—

(1) IN GENERAL.—The Secretary of Agriculture, in conjunction with the Secretary of Health and Human Services, shall study the impact of the amendments made by this section on—

(A) the number of family day care homes participating in the child and adult care food program established under section 17 of the National School Lunch Act (42 U.S.C. 1766);

(B) the number of day care home sponsoring organizations participating in the program;

(C) the number of day care homes that are licensed, certified, registered, or approved by each State in accordance with regulations issued by the Secretary;

(D) the rate of growth of the numbers referred to in subparagraphs (A) through (C);

(E) the nutritional adequacy and quality of meals served in family day care homes that—

(i) received reimbursement under the program prior to the amendments made by this section but do not receive reimbursement after the amendments made by this section; or

(ii) received full reimbursement under the program prior to the amendments made by this section but do not receive full reimbursement after the amendments made by this section; and

(F) the proportion of low-income children participating in the program prior to the

amendments made by this section and the proportion of low-income children participating in the program after the amendments made by this section.

(2) REQUIRED DATA.—Each State agency participating in the child and adult care food program under section 17 of the National School Lunch Act (42 U.S.C. 1766) shall submit to the Secretary data on—

(A) the number of family day care homes participating in the program on July 31, 1996, and July 31, 1997;

(B) the number of family day care homes licensed, certified, registered, or approved for service on July 31, 1996, and July 31, 1997; and

(C) such other data as the Secretary may require to carry out this subsection.

(3) SUBMISSION OF REPORT.—Not later than 2 years after the effective date of section 423 of this Act, the Secretary shall submit the study required under this subsection to the Committee on Economic and Educational Opportunities of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

FEINGOLD (AND KOHL) AMENDMENT NO. 2481

Mr. FEINGOLD (for himself and Mr. KOHL) proposed an amendment to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

At the appropriate place in title X add the following:

SEC. 10. DEMONSTRATION PROJECT FOR ELIMINATION OF TAKE-ONE-TAKE-ALL REQUIREMENT.

In order to demonstrate the effects of eliminating the requirement under section 8(t) of the United States Housing Act of 1937, notwithstanding any other provision of law, beginning on the date of enactment of this Act, section 8(t) of such the United States Housing Act of 1937 shall not apply with respect to the multifamily housing project (as such term is defined in section 8(t)(2) of the United States Housing Act of 1937) consisting of the dwelling units located at 2401–2479 Somerset Circle, in Madison, Wisconsin.

Amend the table of contents accordingly.

BOXER AMENDMENT NO. 2482

Mrs. BOXER proposed an amendment to amendment No. 2280 proposed by Mr. DOLE to the bill H.R. 4, supra, as follows:

AMENDMENT NO. 2482

On page 712, between lines 9 and 10, insert the following:

SEC. 972. DENIAL OF MEANS-TESTED FEDERAL BENEFITS TO NONCUSTODIAL PARENTS WHO ARE DELINQUENT IN PAYING CHILD SUPPORT.

(a) IN GENERAL.—Notwithstanding any other provision of law, a non-custodial parent who is more than 2 months delinquent in paying child support shall not be eligible to receive any means-tested Federal benefits.

(b) EXCEPTION.—

(1) IN GENERAL.—Subsection (a) shall not apply to an unemployed non-custodial parent who is more than 2 months delinquent in paying child support if such parent—

(A) enters into a schedule of repayment for past due child support with the entity that issued the underlying child support order; and

(B) meets all of the terms of repayment specified in the schedule of repayment as enforced by the appropriate disbursing entity.

(2) 2-YEAR EXCLUSION.—(A) A non-custodial parent who becomes delinquent in child support a second time or any subsequent time shall not be eligible to receive any means-tested Federal benefits for a 2-year period beginning on the date that such parent failed to meet such terms.

(B) At the end of that two-year period, paragraph (A) shall once again apply to that individual.

(c) MEANS-TESTED FEDERAL BENEFITS.—For purposes of this section, the term ''means-tested Federal benefits'' means benefits under any program of assistance, funded in whole or in part, by the Federal Government, for which eligibility for benefits is based on need.

NOTICES OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. MCCAIN. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will hold a hearing on Wednesday, September 13, 1995, beginning at 9 a.m., in room 485 of the Russell Senate Office Building. The purpose of the hearing is to consider the nomination of Paul N. Homan to be Special Trustee in the Office of the Special Trustee for American Indians in the Department of the Interior.

Those wishing additional information should contact the Committee on Indian Affairs at 224–2251.

SUBCOMMITTEE ON ENERGY PRODUCTION AND REGULATION

Mr. NICKLES. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on Energy Production and Regulation to consider S. 1014, to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes, and S. 1012, to extend time for construction of certain FERC-licensed hydro projects.

The hearing will take place Thursday, September 14, 1995, at 3 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Those wishing to testify or who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information regarding S. 1014, please call Michael Poling at (202) 224–8276 or Judy Brown at 224–7556, and regarding S. 1012, please call Howard Useem at (202) 224–6567 or Judy Brown at 224–7556.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. GRAMS. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Thursday, September 7, at 10 a.m. for a markup on the following agenda:

Legislation:

S. 929, the Department of Commerce Dismantling Act.

S. 177 to repeal the Ramspeck Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. GRAMS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on the nomination of Harris Wofford to be Chief Executive Officer of the Corporation for National and Community Service, during the session of the Senate on Thursday, September 7, 1995, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. GRAMS. Mr. President, I ask unanimous consent that the Subcommittee on the Constitution of the Committee on the Judiciary, be authorized to hold a hearing during the session of the Senate on Thursday, September 7, 1995, at 10 a.m. to consider an overview of affirmative action.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. GRAMS. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 7, 1995, at 2 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, TECHNOLOGY AND GOVERNMENT INFORMATION

Mr. GRAMS. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Technology, and Government Information for the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, September 7, 1995, at 2 p.m. in SH–216 to hold a hearing on the Ruby Ridge Incident.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

POSITION ON VOTES

● Mr. AKAKA. Mr. President, on September 5 and 6, 1995, I missed several votes because I was attending a memorial service in Hawaii. Were I present on September 5, I would have voted ''aye'' on rollcall vote No. 397, final passage of S. 1087, the Department of Defense appropriations bill.

On September 6, I missed rollcall votes No. 398 and No. 399. Were I present, I would have voted ''aye'' on rollcall vote No. 398, the Nunn amendment pertaining to our Nation's missile defense policy. I would have also voted ''aye'' on rollcall vote No. 399, final passage of the Department of Defense authorization bill.●

RECOGNIZING RICHARD TISSIERE

● Mr. LAUTENBERG. Mr. President, I rise today to pay tribute to Richard Tissiere, an outstanding New Jerseyan,

who is being honored this week for his dedication and service to the labor movement.

Mr. President, Richard Tissiere has had a long and successful career as a labor leader in my State of New Jersey. Currently he is president and business manager for the Laborers' Union Local 472 of the AFL–CIO.

Mr. Tissiere's contributions to the union began when he joined the local in 1952. He worked as a laborer, shop steward, and foreman, and he continued to serve the local when he was elected in 1964 to Local 472's executive board. The local recognized his talents and commitment when he was elected president in 1976, and when he was chosen as union business manager in 1983. Finally, in 1990, he was acknowledged for his devotion to the labor movement when he was appointed to the New Jersey AFL–CIO Executive Board as its vice president.

Mr. Tissiere has also undertaken other projects that have benefited the labor movement in New Jersey. He has been actively involved as a charter member for the New Jersey Alliance for Action and the Project Build Labor Management Committee. For his accomplishments with the Alliance for Action, he was honored as a recipient of the alliance's Eagle Award.

In recognition of Mr. Tissiere's work to improve the labor movement, he was appointed to serve on Senator BRADLEY's Labor Advisory Committee. While serving on the committee, he was able to display his leadership and push forward a positive agenda for both the committee and the labor movement. In 1991, Mr. Tissiere was further recognized by the Governor's office when he was presented with the Peter J. McGuire Labor Excellence Award, one of the Governor's annual Pride of New Jersey awards.

Not only has Mr. Tissiere made outstanding contributions to the labor movement, but he has actively contributed his time and effort to many public service endeavors. He served in the U.S. Navy, and has provided assistance to the Ironbound Boys and Girls Club in Newark, where he served on the board of advisers. He continues his contributions to his community by serving as an active member on the Task Force for Women in Construction.

Mr. President, I extend my sincerest congratulations to Richard Tissiere for his many contributions to the labor movement in New Jersey, and wish him all the best in his future endeavors.●

ETHICS COMMITTEE'S RESOLUTION REGARDING SENATOR PACKWOOD

● Ms. MIKULSKI. Mr. President, yesterday, I voted to support the Ethics Committee's resolution recommending that Senator PACKWOOD be expelled from the U.S. Senate.

Expulsion meets the criteria I set forth for myself in evaluating this case when I was appointed to the Ethics Committee almost 3 years ago. That criteria is straightforward.

First, that the victims' complaints be taken serious and given value. That the women who came forward be given a fair shake, and, that they be treated with respect and with dignity. And, second, that we clearly demonstrate that the Senate could demonstrate that it could police its own. And that the Ethics Committee would process this with honor and bring honor to the U.S. Senate.

I believe the committee resolution meets these criteria. The committee of which I am a member carefully reviewed the evidence and found substantial credible evidence that Senator PACKWOOD's conduct was an abuse of his position, an abuse of power and that he brought dishonor upon the U.S. Senate.

Senator PACKWOOD has shown a flagrant disregard for the victims, the Senate, and for the citizens of Oregon. His conduct is a systematic abuse of women, power, and this institution.

He has made at least 18 unwanted, unwelcome sexual advances on women. He intentionally obstructed the committee's inquiry by tampering with his diary. He asked lobbyists for jobs for his wife to reduce his alimony payments. His offenses taken cumulatively, and even individually, are unacceptable.

By any standard, in any workplace in the United States of America, he would have been fired for this. I voted to fire Senator PACKWOOD from the U.S. Senate.

For me the past 34 months have been extraordinary. When then Majority Leader GEORGE MITCHELL asked me to serve on the Ethics Committee, I knew that I would be the only woman on the Ethics Committee.

I was willing to assume that role. I knew it was a special responsibility and a special duty. I knew I had a duty to the Senate. I knew I had a duty to the victims and I knew I had a duty to the women of America.

I wanted to be sure that I was a voice for women. Not only for the victims whose voices I wanted to be heard, I also wanted to be a voice for women in how they are treated in a workplace.

I wanted to be a voice for women who are victims in situations of sexual assault where often they themselves are doubly victimized. First, by the assailant and then by the very process of prosecution.

I also wanted to be sure that I was a voice that women's concerns would not be minimized, trivialized, or disregarded. I believe that I worked to fulfill that responsibility. I articulated this throughout the ethics process on the Packwood matter.

I articulated this to the men of the committee and those men have stepped up and honored that responsibility. I want to thank the men of the Ethics Committee for the role that they played in giving value, worth, and voice and a fair shake to the women who came forward on this the very first case in the U.S. Senate involving victims.

I also want to thank the women of Oregon for their patience. For it is those women who stood by the Ethics Committee in these 34 months and placed their trust in the institutional processes of the U.S. Senate.

I think when our vote was taken yesterday that the Senate showed that we could police our own. So, now the work of the Ethics Committee has been completed.

This is a sad day for the Senate, but I am glad that Senator PACKWOOD has written his own final chapter and ended his Senate career with dignity.●

ORDERS FOR FRIDAY, SEPTEMBER 8, 1995

Mr. NICKLES. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:15 a.m. on Friday, September 8, 1995, and that following the prayer the Journal of proceedings be deemed approved to date and the time for the two leaders be reserved for their use later in the day; that the Senate then immediately resume consideration of H.R. 4, the welfare reform bill, and that Senator SANTORUM be recognized for up to five minutes for debate in relationship to his amendment; further, that at the hour of 9:30 a.m. the Senate proceed to a vote on or in relation to the Brown amendment, numbered 2465, to be immediately followed by a vote on or in relation to the Santorum amendment numbered 2477.

I further ask unanimous consent further that when the Senate resumes consideration of the Moynihan amendment, numbered 2466, there be 90 minutes of debate equally divided between the two managers; and I further ask unanimous consent that the majority leader will have until the beginning of the first rollcall vote on Friday to modify his amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. NICKLES. For the information of all Senators, the Senate will resume consideration of welfare reform bill tomorrow morning with two consecutive rollcall votes beginning at 9:30 a.m.

Senators should also expect further rollcall votes throughout Friday's session of the Senate.

Also, as a reminder, under the previous consent agreement all Senators will have until 5 p.m. tomorrow to offer their amendments to the welfare reform bill.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. NICKLES. Mr. President, if there is no further business to come before

the Senate, I ask unanimous consent that the Senate stand in recess as under the previous order.

Mr. MOYNIHAN. Mr. President, may I simply express my thanks to the Senator from Oklahoma for his careful conclusion of the day and for his preparations for tomorrow.

There being no objection, the Senate at 9:17 p.m. recessed until tomorrow, Friday, September 8, 1995, at 9:15 a.m.