a solution because there are lots of solutions that are going to be necessary, and no one garment will fit all children and no one vehicle will carry all loads and no single system imposed from Washington on this great Nation will be productive in moving people from the web of dependency to the opportunity of independence.

We really need for the creative capacity of the States, the innovation and the energy of people who are working to develop their own systems and the commitment that that investment in their own systems brings, to be allowed in a new system which would give States the opportunity through block grants to develop the strategies which will elicit the response among the citizens of the communities that those States represent.

So as we work together, and I am pleased to have had the opportunity to work with so many people in this respect, through vigorous discussions and the discussions I have had have been no more vigorous with anyone than those discussions which I have had with the distinguished Senator from Pennsylvania who inhabits the chair at this moment. But it is that kind of discussion, it is that kind of exchange, it is that kind of a collusion of ideas that provides the opportunity for the truth to emerge and for the real progress to be made.

In the weeks ahead as we debate welfare, it is my hope that this debate will serve as a trial. It should be a trial that will indict the abuses, the horrors, the lies of our current Washington-knows-best, one-size-fits-all perverse, incentive-laden system of welfare. It is my intention in the weeks ahead to try and ensure that an understanding of the current system happens so that we can avoid making the mistakes of the past over again. Someone much wiser than I has said appropriately that those who ignore history are destined to repeat it. Let us not be destined to repeat the horror of our welfare system.

Today, I just want to begin by talking about an incident that probably all of us remember, because we cannot forget. In February of 1994 in the process of a routine drug raid in Chicago, police stumbled upon 19 young children, some handicapped, living on dirty mattresses in an unspeakably filthy six-bedroom apartment infested with roaches and soiled with animal dirt.

The Chicago Tribune reported it this way:

> The children of [six] mothers from [six] fractured families * * * [were found] vacantly watching TV * * * [and] fighting over the remains of a chicken bone that the family dog had eaten.

President Clinton said that the despair and wasted human potential within that one Chicago apartment was not merely a social problem from far off places like Calcutta, India, but the heart of a very domestic problem occurring in urban centers all around America.

Among the adults that lived in that apartment, more than $65,000—more than $65,000—per year was received annually in public assistance, aid that took the form of cash payments, food stamps, medical care. Somehow, some way that money was not having its intended effect.

A system designed with the best intentions, unfortunately is leading to the destination of the road paved with best intentions; a system designed with the best intentions is eliciting and encouraging the worst behavior; a system which built change of dependency rather than breaking shackles.

In that house, there were no fathers to be found, no hope to be found for anyone. This is a tragedy that happens all across America, and it is a tragedy of our current system.

So as I conclude, let me just say that as we consider welfare reform, let the true measure of our reform never be the dollars that we might save, or the bureaucracy that is cut, or the programs that are reduced. But let our measure of reform be found in the ability to move people from hopeless governmental dependence to hopeful economic and personal independence, from the grasp of a perverse system of Government programs to the embrace of the loving and caring communities and the limitless opportunities of America.

Mr. President, I thank you.

Mr. INHOFE addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

WELFARE REFORM THE COUNTRY WANTS

Mr. INHOFE. Mr. President, I see morning business is about to be concluded. I want to make a couple comments about our subject of the day, the welfare reform the country so desperately wants.

The postelection survey showed that there are three major elements to the mandate of the election of 1994. They were: We want to do something to eliminate the deficits; we want to do something meaningful about regulatory reform; and we want real welfare reform.

Mr. President, I am very proud that we in this House, the Senate, and over in the other body, submitted and adopted a budget resolution that is going to end up eliminating the deficit by the year 2002. So the President could not veto it, or I am sure he would have. Nonetheless, I think we are on our way to fulfilling that mandate. Regulatory reform—we are working on that right now, and I think we will end up with a product by the end of the week in getting it out.

Welfare reform is more difficult, because it seems that everybody campaigns on it, until they get here, and then they do not want to do anything about it. The two most important points are the exploding welfare costs and the crisis of legitimacy. In 1935, when AFDC was enacted, 88 percent of the families who received State cash relief were needy because the fathers had died. Benefits were intended primarily to enable the widow to care for her children at home.

Today, AFDC serves divorced, deserted, and never-married mothers and their offspring. Since the beginning of the program in 1965, in the last 30 years, State and Federal Governments have spent $5.4 trillion on welfare, providing cash, food, housing, medical care, and social services. For the $5.4 trillion spent since 1965, you could buy the entire industrial infrastructure of the United States—every factory, machine, store, every hotel, television station, office building, and still have money left over.

The PRESIDING OFFICER (Mr. COVERDELL). The Chair advises the Senator that his time has expired.

Mr. INHOFE. I understand that. I ask for 30 more seconds.

Mr. DOLE. I will be glad to yield some of my leader time.

Mr. INHOFE. I will just conclude by saying that we have an opportunity to do something about this—one of the three major mandates of the election in 1994. It is incumbent upon to us do this. We have introduced legislation that will give true welfare reform and take the profit out of illegitimacy, and the people of America are demanding that we do it.

Thank you, Mr. President.

MID-YEAR REPORT—1995

The mailing and filing date of the 1995 mid-year report required by the Federal Election Campaign Act, as amended, is Monday, July 31, 1995. All principal campaign committees supporting Senate candidates for election must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510–7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Records office will be open from 8 a.m. until 7 p.m. on the filing date for the purpose of receiving these filings. For further information, please do not hesitate to contact the Office of Public Records on (202) 224–0322.

THE PRESIDENT REQUESTS A DELAY ON BOSNIA VOTE

Mr. MCCAIN. Mr. President, I noted that Senator DOLE was asked to delay a vote on Bosnia until some time next week, as I understand it. I will support Senator DOLE in whatever decision he makes. I understand that when the President of the United States asks for action to be taken that concerns national security, that request must be given great credence, and if Senator DOLE decides to delay that vote, I am sure that every Member of this body will support that decision.

If Senator DOLE decides otherwise because of events that transpire in

Bosnia—and I will point out that the media reports are that Zepa has fallen, as well, and events are unraveling there; more U.N. forces are being threatened with being taken hostage again—then I would support that decision as well.

I gave a long speech yesterday on the issue of Bosnia. I also addressed the issue of airstrikes. I am deeply concerned about the prospect of ''aggressive airstrikes,'' exactly what that means, and what the rules of engagement are, and if those airstrikes fail, what do we do next? I am convinced that if the Bosnians are assured—as they are being assured—that there will never, under any circumstances, be any U.S. ground involvement, we will learn a lesson we have learned throughout this century: air power alone is not an ultimate determinant in the outcome of a conflict.

I yield the floor.

WAS CONGRESS IRRESPONSIBLE? LOOK AT THE ARITHMETIC

Mr. HELMS. Mr. President, on that evening in 1972 when I learned that I had been elected to the Senate, I made a commitment to myself that I would never fail to see a young person, or a group of young people, who wanted to see me.

It has proved enormously beneficial to me because I have been inspired by the estimated 60,000 young people with whom I have visited during the nearly 23 years I have been in the Senate.

Most of them have been concerned about the magnitude of the Federal debt that Congress has run up for the coming generations to pay. The young people and I always discuss the fact that under the U.S. Constitution, no President can spend a dime of Federal money that has not first been authorized and appropriated by both the House and Senate of the United States.

That is why I began making these daily reports to the Senate on February 22, 1992. I wanted to make a matter of daily record of the precise size of the Federal debt which as of yesterday, Wednesday, July 19, stood at $4,932,430,021,919.50 or $18,723.59 for every man, woman, and child in America on a per capita basis.

DESIGNATING SENATOR SIMON TO SERVE ON THE SPECIAL COMMITTEE ON WHITEWATER

Mr. DASCHLE. Mr. President, I would like to advise the Senate that, pursuant to the authority granted in Senate Resolution 120, the Senator from Delaware [Mr. BIDEN] has designated the Senator from Illinois [Mr. SIMON] to serve as the Committee on the Judiciary's representative on the Special Committee on Whitewater.

CONCERNING LEGISLATION TO SUSPEND THE REACHBACK TAX

Mr. COCHRAN. Mr. President, today I am sending a ''Dear Colleague'' letter to all Senators with information concerning S. 878, a bill I introduced to amend the Coal Industry Retiree Health Benefit Act of 1992. Specifically, the legislation suspends the so-called reachback tax. My letter responds to issues raised about this legislation by my distinguished colleague from West Virginia, Senator ROCKEFELLER. I hope this information will be helpful to all Senators in considering the merits of the bill.

I ask unanimous consent that my letter and the enclosed fact sheet be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, July 19, 1995.

DEAR COLLEAGUE: In late May, I sent you a letter seeking your support for S. 878—a bill to provide equitable relief for the Reachback companies from the retroactive tax imposed by the Coal Industry Retiree Health Benefit Act of 1992 (Coal Act). You have since received a letter from Senator Rockefeller expressing alarm at S. 878 and concern about attempts to amend the Coal Act.

On Thursday, June 22, the House Ways and Means Subcommittee on Oversight held a hearing on the Coal Act. The hearing examined the inequities of the Coal Act, its impact on the Reachback companies, and the current and projected surplus in the Combined Benefit Fund. Last month, a federal district court ruled the Coal Act unconstitutional and enjoined its application to the Unity Real Estate Company.

Contrary to the fears expressed by proponents of the Coal Act, I have no intention of jeopardizing in any way the benefits promised to retired miners by the members of the Bituminous Coal Operators Association (BCOA). Nor will S. 878 do that. A fact sheet attached to this letter specifically responds to some of the concerns expressed in Senator Rockefeller's letter regarding S. 878.

I am optimistic that, based on the record established in the House hearing together with other information which has been developed, we can move forward to amend the Coal Act in a way which relieves its harsh impact on the Reachback companies, while at the same time insuring the benefits which were in fact promised to the retired miners by the BCOA.

Sincerely,

THAD COCHRAN,
U.S. Senator.

Enclosure.

REACHBACK TAX FACTS—A PRIMER ON THE COAL INDUSTRY RETIREE HEALTH BENEFITS ACT OF 1992

The Fiction: S. 878 would ''create a new tax break for certain companies. . .''

The Fact: Creating a new tax break is the last thing which S. 878 would do. S. 878 would relieve several hundred American companies unjustly subjected to a retroactive tax under the financing mechanism of the Coal Act.

The Fiction: S. 878 ''jeopardizes the health benefits of retired miners. . .''

The Fact: This is incorrect. Here is what S. 878 does:

Provides for any surplus in the United Mine Workers of America (UMWA) Combined Benefit Fund to be used as a premium credit for the Reachback companies unfairly and perhaps illegally taxed by the Coal Act;

If there is no surplus in the Combined Benefit Fund, Reachback companies would receive no premium credit;

If the fund falls within 10 percent of its operating expenses, Reachback companies would be required to immediately resume premium payments.

Trustees of the fund acknowledged, and the GAO confirmed, on October 1, 1994, that the fund had 96,237 beneficiaries receiving coverage for hospitals, physicians, vision, hearing, speech, ambulance, hospice, home health, psychotherapy and group therapy, pregnancy and medically-necessary abortion, drug and alcohol rehabilitation plus prescription drugs and life insurance.

Our best information suggests only 29 percent of those beneficiaries are retired bituminous coal miners. Some 85 percent of those covered by this fund already are eligible for Medicare. The fund covers retired miners and spouses, parents, children, grandchildren and other dependents in the home. Not one of those beneficiaries has ever had a claim rejected because the fund was insolvent—much less in jeopardy of insolvency.

The Fiction: The Coal Act ''has successfully ensured that the health benefits which were promised by these miners' employers continue.''

The Fact: Reachback companies never signed contracts promising to provide lifetime healthcare benefits to former employees, much less to their families. Many of the Reachbacks have been out of the bituminous coal business 10, 20, 30 and even 40 years. Others have been non-union operators for decades.

The unfortunate truth is the Congress should not have created a new tax against the class of companies now known as Reachbacks. Reachback companies had no legal or moral commitments or promises—and certainly no binding contracts—which obligated them to pay lifetime healthcare benefits and life insurance for former employees and their families. However, those companies which do have such obligations, should fulfill those obligations.

The Fiction: ''In the late 1980s and early 1990s, a number of large companies had stopped paying into the employer fund which financed the health benefits of their former workers. This placed the health benefits of the retirees at risk.''

The Fact: In truth, the crisis atmosphere was created by the UMWA and the Bituminous Coal Operators' Association (BCOA). The BCOA did not comply with the contract provisions for increased health care benefit contributions. The UMWA did not pursue the legal remedies to enforce the contract guarantee provisions which would have assured the financial health of the funds.

Furthermore, it was the BCOA and the UMWA who pooled their resources in 1991 to launch, promote and win passage of a new funding mechanism benefitting both the union and the BCOA. That solution was to reach back across the decades to impose retroactive Federal taxes on private businesses.

Under this ill-conceived policy, any company which had ever signed a National Bituminous Coal Wage Agreement (NBCWA) between 1950 and 1987 would have to pay $2,349.38 per year, per beneficiary assigned by the Social Security Administration. The annually-adjusted premiums run from 1993 through 2043. The Treasury Department and the Internal Revenue Service also must participate in this overreach of Federal tax authority to impose $100 per day, per beneficiary penalties on any Reachback company which does not pay promptly.

The Fiction: ''. . . Many of these companies (the Reachbacks) have been held liable for the lifetime health benefits of their