Mr. SANTORUM. I would be happy to yield 5 minutes to the Senator from Iowa.

Mr. GRASSLEY. Mr. President, because I do not want to speak on the amendment, I ask unanimous consent to use my 5 minutes to speak as in morning business.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

REINVENTING AMERICORPS

Mr. GRASSLEY. Mr. President, I had an opportunity to read in the New York Times this morning that the President has been making speeches around the country and particularly in response to action yesterday by one of our subcommittees of appropriations, because yesterday the National Service Corps was zeroed out by the subcommittee. And the statement that I do not like is referenced to the fact that we are just playing politics when a program like this is zeroed out. I hope I can stand before this body as a person who has criticized the National Service Corps or AmeriCorps with credibility and say that I can be watchful of how the taxpayers' dollars are spent without being accused of playing politics. Most of my colleagues would remember that during the Reagan and Bush years when we controlled the White House and even controlled this body during part of that period of time I was not afraid to find fault with my own Presidents—Republican Presidents—when this was a waste of taxpayers' dollars when it comes to expenditures for defense.

I think I have a consistent record of pointing out boondoggles, whether it be in defense or anything else. And I have raised the same concerns about AmeriCorps based upon the General Accounting Office saying that each position costs $26,650 and that that is about twice what the administration said that these would cost. And the poor AmeriCorps worker getting $13,000 out of that $26,000 for their remuneration so that much of the money is going to administrative overhead and bureaucratic waste. And I do not see, when we are trying to balance a budget, that we can justify a program that is going to have about 50 percent of its costs not going to the people that are supposed to benefit from that program. And so I have pointed out to the President the General Accounting Office statement. I wrote a letter to the President on August 29 of this year, more or less saying reinvent the program or it is going to be eliminated.

I have not heard a response from my letter to the President yet. I hope he will respond. But I have suggested that he needs to keep the costs of the program within what he said it would cost a couple years ago when it was invented, and that most of the benefits of it should go to the people that are doing the work, not to administrative overhead.

And I suggested reinventing it by doing these things. And I will just read from the letter six headlines of longer paragraphs that I have explaining exactly what I mean.

No. 1, limit the enormous overhead in the Americorps program.

No. 2, ensure that the private sector contributes at least 50 percent to the cost of AmeriCorps. This was an important point that the President was making when the program started, that at least $1 or 50 percent of the total cost would come from the private sector; $1 of taxpayers' money leverages a dollar of private sector investment. I doubt if we would find fault with the program if it were to do that. Then I also suggested limiting rising program costs by not awarding AmeriCorps grants to Federal agencies. They say that they get match on this—if EPA has a program with an AmeriCorps worker, that whatever the EPA puts in is part of the match. Well, that is the taxpayers' match; that is not a private sector match.

I said funds must be targeted to assist young people in paying for college because some of the money is going to volunteers who will either drop out or not use the money to go to college.

Then I said to increase the bang for education bucks by making sure that the money is used for those who are going to go to higher education.

Finally, I suggested that if the President wants to reinvent the program, to tell us where in the VA budget, VA-HUD appropriations bill the money ought to come from because there is a lot of other money used. As Senator BOND said yesterday, the money was taken from AmeriCorps and put in the community development block grant program.

I am suggesting to the President that he needs to take into consideration—could I have 1 more minute, please?

Mr. SANTORUM. One additional minute.

Mr. GRASSLEY. I suggested to the President that he, according to this chart, consider the fact that he has 20,000 volunteers of AmeriCorps; and we have got 3.9 million Americans who volunteer. These are young people, volunteers who do not worry about getting paid anything for volunteerism.

A second thing that the President should consider is that for one AmeriCorps worker we can finance 18 low-income people to go to college with a PELL grant. Those are some alternatives that the President ought to think about as he has a news conference today to expose what he says is playing politics with his program.

When I make a suggestion to the President that he reinvent the program according to his own definition of how that program should be financed and operated, I mean reinvent it. Just do what the President of the United States said the program was going to cost and who it was going to benefit or it will be lost. I speak as a person who wants no playing of politics, but as a person who wants to make sure that the taxpayers' dollars are used well, whether it is in AmeriCorps or whether it is in a defense program.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER (Mr. ASHCROFT). Who yields time to the Senator from Oklahoma?

Mr. SANTORUM. I yield 7 minutes to the Senator from Oklahoma.

Mr. NICKLES. Mr. President, first I would like to compliment my colleague and friend from Iowa for his work on AmeriCorps. I hope that the American people realize, according to the General Accounting Office, that the cost per beneficiary is $27,000. The Senator from Iowa has been very diligent in trying to awaken America to this enormously expensive program. It is a new program. I understand it is one of President Clinton's favorite programs, but it is enormously expensive—enormously expensive.

So I compliment my colleague from Iowa for bringing it to the attention of this country, and, hopefully, we can stop wasting taxpayers' money and maybe do a better job either through the student loan program or PELL grants and help lots of people go to school and obtain a college education instead of a few select receiving benefits in the $20,000-to-$30,000 category.

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2488

Mr. NICKLES. Mr. President, I rise in opposition to the amendment of my friend and colleague from Louisiana, Senator BREAUX. I think if we adopt the so-called Breaux amendment, we are preserving welfare as we know it. President Clinton said we want to end welfare as we know it, and I happen to agree with that line. But if we maintain or if we adopt this maintenance of effort, as Senator BREAUX has proposed—he has two amendments, one at 100 percent and one at 90 percent—if we adopt either of those amendments, we are basically telling the States: ''We don't care if you make significant welfare reductions, you have to keep spending the money anyway.''

So, there is no incentive to have any reduction of welfare rolls; certainly, if you had the 100-percent maintenance of efforts. ''States, no matter what you do, if you have significant reductions, you spend the money anyway.'' That is kind of like ''in your face, big Government, we know best; Washington, DC is going to micromanage these programs anyway. Oh, yeah, we'll give money to a block grant, but if you have real success, you have to spend the money.''

I think that is so counter to what we are trying to do that I just hope that our colleagues will not concur with this amendment. This is a very important amendment.

I just look at the State of Wisconsin. Currently, they are saving $16 million a month in State and Federal spending.

Between January 1987 and December 1994, they experienced a 25-percent reduction in their AFDC caseload. My compliments to them. I wish more States would do more innovative things to reduce their welfare caseload.

This amendment of my colleague, Senator BREAUX, says, ''States, even if you do that, if you have phenomenal success, you still have to spend the money. You have to spend as much money as you did,'' and the year that they picked, using the year of 1994, it was an all-time high for AFDC caseload.

Between May 1994 and May 1995, nationally there was a reduction of 520,000 recipients on AFDC. So, he happens to pick the highest caseload year as the base and then says, ''States, you have to maintain a level at either 90 percent or 100 percent of that level. You have to spend the money. You can't enjoy the benefits and allow your constituents to maybe have more money for education, roads or highways, even if you reduce your welfare caseload.'' In other words, let us make sure we keep rolling out the State money.

I think that is a serious mistake. We will be voting on this, I believe, shortly after the policy luncheons. I urge my colleagues to vote no on the Breaux amendment.

I suggest the absence of a quorum.

The PRESIDING OFFICER. Who yields time?

Mr. SANTORUM. Mr. President, I ask unanimous consent that the time be equally charged to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BREAUX. 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. BREAUX. I ask the Chair how much time is remaining for both sides.

The PRESIDING OFFICER. The Senator from Louisiana has 15 minutes; the Senator from Pennsylvania has 9 minutes.

Mr. BREAUX. Mr. President, I yield myself 3 minutes.

Mr. President, I take this time just to try and conclude what we are trying to do with my amendment.

We, in a bipartisan spirit, in joining with our Republican colleagues, offered an amendment that simply says States should be partners in welfare reform with the Federal Government; that the States should be required to help participate and help fund welfare reform; that it is not right, as the other body has done in their bill, to say the States have to put up nothing; that it becomes a 100-percent Federal burden and the Federal Government has to pay for the entire cost of welfare. That is what the bill that passed the other body says. It says there is no maintenance of effort on behalf of the States at all, and that is wrong.

I think that we, in this body, clearly feel that the States should have to participate financially in helping to solve these problems. It is like we said before, if you spend somebody else's money, you can be very careless in how you spend it. Therefore, if the States are required to participate and put up some of their money, I think we will all do a better job in crafting programs that, in fact, are truly welfare reform.

Our legislation says that the States should participate by putting up 90 percent of the money that they put up in 1994. The Federal Government will continue to put up 100 percent. If the States are able to reduce their caseload by welfare reform, we are very pleased with that. That is the goal. The Federal Government should participate in those savings as well as the States participate in those savings.

The Republican bill, on the other hand, says we are going to continue 100 percent Federal funding for 5 years, no matter how much the State government is going to be able to reduce the people on welfare, and that is wrong. If there are savings to be made by fewer people on welfare, then the Federal Government should benefit from those savings, as should the State benefit from those savings.

That is what the bill says. That is why my amendment is scored by the Congressional Budget Office to save $545 million in this program over the next 7 years. That is real savings. If you vote against the BREAUX amendment, you are saying, ''I'm not interested in saving $545 million to the Federal Treasury. I do not care. It is not important.''

Well, I think it is important. That is why we have tried to craft an amendment that is balanced, that, in effect, saves Federal dollars as well as it saves State dollars.

It is simply not correct to say under my amendment the States would not be able to spend less on welfare. Of course they can. We want them to spend less, but when they spend less, we want to be able to spend less as well. That is a true partnership that has been in existence for 60 years.

It is incredibly wrong, in my opinion, to say for the first time we are going to put all the burden on the Federal Government to pay for the cost of welfare reform. It has to be a partnership if it is going to work.

My amendment maintains that partnership and, at the same time, provides for real economic savings, savings to the Federal taxpayer to the tune of $545 million over 7 years. There is no doubt about that. It has been scored by CBO. We think it makes sense.

With that, I yield back the remainder of the time on the 3 minutes.

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

Mr. SANTORUM. Mr. President, the Senator from Louisiana keeps bringing up the point about the Federal Government contributing 100 percent, not having the benefit of any savings. I just suggest to you that if what we want to accomplish here is savings in the welfare system, the 90-percent maintenance effort will do more to reduce those savings than anything we have seen produced.

The fact of the matter is, yes, his amendment may be scored as a reduction in Federal outlays. But I suggest, Mr. President, if you went back to the Congressional Budget Office and said, ''What would be the increase in State spending as a result of this amendment,'' you would see that it would be more than offset in the reductions in Federal spending.

What does that mean? That means from the average taxpayer who does not care whether the money is being spent on the Federal level or State level, they are going to pay more for welfare.

That is the bottom line here. It is not how much the Federal Government saves, or how much the State government saves, or how much we spend and they spend, but how much the taxpayers spend on the program.

I think what your amendment will do is net result in higher welfare expenditures. Sure, they will have to pay more State taxes or more money to the State than the Federal if we equal them out dollar for dollar in taxes.

The fact of the matter is your amendment will cause States to spend even more money than what we save on the Federal side. I think that is clear. I think that is your concern.

Do not try to approach this amendment that we are somehow being nice to taxpayers. Taxpayers pay State taxes and Federal taxes. When you tell them they have to pay more on the States, more than we save on Federal, this is not a friendly taxpayers amendment. This will cost more money to the average taxpayers in America, not less.

Just because we save a few dollars, they will be more than made up by required increased expenditures on programs that are being dramatically reduced.

I have a table that shows from just 1993 to 1994, and I say to the Senator from Louisiana that we have even seen more reductions in welfare caseload from 1994 to this year because of other programs being put into effect.

I ask unanimous consent to have printed in the RECORD this table showing the change in the average number of AFDC recipients from 1993 to 1994.

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

TABLE 1. CHANGE IN AVERAGE NUMBER OF AFDC RECIPIENTS: 1993–94

State	Number of people	Percentage change	Increase or decrease
Alabama	−7,685	−5.50	decrease.
Alaska	1,610	4.42	increase.
Arizona	4,270	2.17	increase.
Arkansas	−3,381	−4.65	decrease.
California	176,725	7.18	increase.
Colorado	−4,258	−3.45	decrease.
Connecticut	4,422	2.74	increase.

TABLE 1. CHANGE IN AVERAGE NUMBER OF AFDC RECIPIENTS: 1993–94—Continued

State	Number of people	Percentage change	Increase or decrease
Delaware	−184	−0.66	decrease.
District of Columbia	7,247	10.86	increase.
Florida	−25,116	−3.62	decrease.
Georgia	−4,830	−1.21	decrease.
Guam	1,754	32.24	increase.
Hawaii	6,140	10.99	increase.
Idaho	1,875	8.80	increase.
Illinois	23,431	3.40	increase.
Indiana	5,217	2.47	increase.
Iowa	9,189	9.09	increase.
Kansas	−1,386	−1.57	decrease.
Kentucky	−16,800	−7.47	decrease.
Louisiana	−14,540	−5.53	decrease.
Maine	−3,114	−4.62	decrease.
Maryland	603	0.27	increase.
Massachusetts	−18,349	−5.64	decrease.
Michigan	−22,342	−3.25	decrease.
Minnesota	−4,479	−2.34	decrease.
Mississippi	−13,002	−7.57	decrease.
Missouri	1,989	0.76	increase.
Montana	256	0.74	increase.
Nebraska	−2,970	−6.16	decrease.
Nevada	2,487	7.06	increase.
New Hampshire	862	2.92	increase.
New Jersey	−13,974	−4.00	decrease.
New Mexico	6,856	7.19	increase.
New York	58,150	4.86	increase.
North Carolina	−2,167	−0.65	decrease.
North Dakota	−2,060	−11.12	decrease.
Ohio	−34,182	−4.76	decrease.
Oklahoma	−6,851	−4.96	decrease.
Oregon	−3,654	−3.10	decrease.
Pennsylvania	11,772	1.94	increase.
Puerto Rico	−7,539	−3.97	decrease.
Rhode Island	1,116	1.81	increase.
South Carolina	−6,932	−4.73	decrease.
South Dakota	−999	−4.97	decrease.
Tennessee	−11,186	−3.60	decrease.
Texas	5,882	0.75	increase.
Utah	−2,731	−5.19	decrease.
Vermont	−732	−2.56	decrease.
Virgin Islands	12	0.32	increase.
Virginia	277	0.14	increase.
Washington	3,458	1.20	increase.
West Virginia	−4,681	−3.93	decrease.
Wisconsin	−10,713	−4.52	decrease.
Wyoming	−1,884	−10.33	decrease.

Mr. SANTORUM. Mr. President, what it will show is that we have seen State after State—Alabama, Arkansas, Colorado, Delaware, Florida, Georgia, Kansas, Kentucky, Louisiana, Michigan—many States who have already reduced their caseload or are in the process through welfare of reducing it more, and the amendment of the Senator from Louisiana will make them spend as much money, although they have less on the caseload.

That just is not right. That penalizes States for doing exactly what they want them to do. I think it is a well-intentioned amendment. I understand the concern for the race to the bottom.

But the Dole, as modified, bill provides adequate safeguards to make sure that States are not going to eliminate their welfare expenditures. I think it does so in the context of encouraging welfare reform on the State level.

I reserve the remainder of my time. I suggest the absence of a quorum. I ask unanimous consent that the time be divided equally.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BREAUX. 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. BREAUX. I yield myself 3 minutes.

We have had a lot of discussion as to the amendment that I propose which requires the State to participate and how it affects the States.

I mentioned a number of Governors who have spent a great deal of time on this effort, including the former chairman of the National Governors' Association, Governor Howard Dean of Vermont. I quote him:

> I support the concept of State maintenance of effort as envisioned by Senator BREAUX and other Senators. States should provide adequate levels of support for welfare programs to prevent a ''race to the bottom.''

The Governor of Colorado, Gov. Roy Romer:

> The Federal-State partnership is an essential component in a strategy designed to provide families with temporary assistance to help them achieve or regain their economic self-sufficiency. We are particularly concerned that if States reduce their commitment to these programs, then responsible States will become magnets for displaced welfare clients.

These Governors are recognizing that, yes, States ought to have to be required to participate in solving welfare problems, that we should not engage in a race to the bottom as could happen if we have no requirement that the States actively participate.

Equally as important, Mr. President, is the comment by the chairman of the U.S. Catholic Conference, the domestic policy chair, the Most Reverend John Ricard, auxiliary bishop of Baltimore who said:

> We urge you to pass genuine reform which strengthens families, encourages work, promotes responsibility, and protects vulnerable children, born and unborn, insisting that States maintain their current financial commitment in this area.

Catholic Charities President, Fred Kammer, said:

> In exchange for Federal dollars and broad flexibility, States should be expected to maintain at least their current level of support for poor children and their families.

Mr. President, I think it is very clear the distinguished Governors and other distinguished social experts in their field have recognized the importance of requiring States to continue to participate.

That is, in fact, what the Breaux amendment does. We do it and at the same time save the Federal Government $545 million over the next 7 years as estimated by the Congressional Budget Office. That partnership is absolutely essential. To say the States would not have a requirement to be able to be participants in this process I think is the wrong message.

I say under our amendment, States clearly would reduce the amount of money they spend, and after it is reduced by more than 10 percent, the Federal Government will be able to reduce our contribution so that there should be joint savings by people who pay Federal taxes, as well as by people who pay State taxes.

It is wrong to maintain 100 percent Federal requirement as the Republican position does even if there are reductions in the amount of people on welfare and any particular State.

Both sides should say the States have the flexibility to cut up to 10 percent under my amendment and still get 100 percent Federal funding. If they cut further than that, if they decide to spend more money on roads and bridges, well, then, the Federal Government ought to have the right to spend less, as well. If they do so because they reduce the number of people on welfare, we should benefit from those savings, as well.

That is what a true partnership is all about. That is what the Breaux amendment tries to accomplish. And I think it is important to know there is a bipartisan effort here. This is not a party difference, it is a question of how we achieve a mutual goal of true welfare reform.

I reserve the remainder of my time.

Mr. COHEN. Will the Senator yield?

Mr. BREAUX. Mr. President, I yield to the Senator from Maine. Does he wish to speak in support? What time does he require?

Mr. COHEN. Not more than 5 minutes.

Mr. BREAUX. I am happy to yield 5 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Maine.

Mr. COHEN. Mr. President, I rise today in support of the Breaux maintenance of effort provision. While I want to let States step up to the plate and implement innovative welfare to work programs with the assistance of Federal Government—not interference—I believe a Federal-State partnership is a key part of successful welfare reform. Therefore, Congress must make a strong statement on the need for State investment in welfare.

We need to encourage States to provide their own funds as a condition of receiving the Federal block grant. Under current law, States have an incentive to spend their own money on AFDC and related programs. That incentive is the Federal match. Fourteen States receive one Federal dollar for each State dollar they invest. The rest of the States receive more than a dollar-for-dollar match.

Under Senator DOLE's maintenance provision, States can satisfy the requirement by spending money on any program which is modified or altered in any way by the Dole bill. This would mean State spending on food stamps, State foster care, Head Start, or even SSI State supplemental benefits would satisfy the requirement in the Dole amendment.

I support the Breaux amendment to require a State match, using a formula of a dollar for dollar to determine the Federal match for each welfare dollar a State spends. If a State reduces its spending below 90 percent of its 1994 spending on AFDC and related child care programs, administrative costs, and job training and education funds—for each dollar the State spends below that threshold, the Federal grant to the State will be reduced by $1.

This amendment is extremely important. It maintains an incentive for a

State to spend its own resources to aid its own people. Understand, however, that the State match does not require a State to spend money. If a State is successful in trimming its caseload or cutting administrative costs, there is no requirement that it maintain its spending. But if a State is going to realize savings in the welfare program, I think the Federal Government should share in the savings, too.

Mr. President, I have listened to the debate with considerable care, and I must say I find myself in agreement with at least the very last point made by the Senator from Louisiana about the need to try to approach welfare reform on a bipartisan basis, because I do not think either Republicans or Democrats necessarily have the right solution. I have read a great deal by sociologists. I have listened to the commentators on television, those who are advocating change. There is a general consensus that we have to change the system, but there is no agreement on what those changes should be, and few are confidently predicting what the ultimate consequences of any reform are likely to be.

It seems to me that welfare recipients generally can be divided into three groups. On the one hand we have people who lose their jobs after working years and years and are temporarily in need of assistance and should have that assistance. There are those at the other end of the spectrum that I think we all recognize that, by virtue of some disability or some other handicap as such, they are unable to work and they deserve our support and not our scorn. Then there are those in the middle category, people whom we feel generally should be expected to work, who have been caught up in a cycle of welfare over decades, if not generations, even though they would seem able to work. We have to reform the system in order to encourage, if not require, these people to break the cycle by entering the workforce long-term.

So I have looked at the various proposals, and I come to the conclusion, after listening to my colleague from Louisiana, that there should be a maintenance of effort undertaken by the States. A couple of reasons lead me to that conclusion. On the one hand, I believe, as my colleague from Maine, Senator SNOWE, and also my colleague from Vermont indicated, there is a partnership between States and the Federal Government. The State is under no requirement to spend $1. The State does not have to spend anything if they do not want to. They can decide they do not want to take care of welfare recipients; that those who are out of work, either voluntarily or involuntarily, that is not their problem. But States that take this view should not expect to continue to receive the same amount of Federal welfare dollars.

Without a maintenance provision, some States may engage in a race to the bottom by setting their benefits low to discourage residents in States providing minimum benefits from moving to States with more generous benefits. This concern has been dismissed by opponents of this amendment but remember: For years, many conservatives have argued that welfare recipients moved from State to State to get generous benefits. In a recent survey done in Wisconsin, 20 percent of newly arrived Wisconsin welfare recipients admitted that they had moved to get a bigger check.

We must also address the vulnerability of the new block grant program to cost-shifting. Increasingly, we have seen States which excel in shifting recipients in the general assistance and AFDC programs into the SSI Program, a program funded entirely by Federal dollars. By shifting their cases to the SSI Program, the States can be big winners: States are able to recoup interim general assistance payments that they provide to the beneficiary, from the date of application for SSI to determination of SSI eligibility. Even more important, States will avoid future costs by shifting populations to a program entirely funded by the Federal Government. One State contracted with a for-profit corporation at a cost of $2.7 million to shift cases from the State's disability rolls to the SSI Program. The State enjoyed net savings of $27 million in 1992 because of this concentrated effort to more people to the SSI Program.

I predict that we will see additional cost-shifting onto the Food Stamp Program. Without a strong maintenance of effort provision, States who retain food stamps as a Federal program can do what other States are already doing—pay lower AFDC benefits. When that happens the Federal Treasury will bear the burden as the food stamp benefit increases because the cash benefit is low.

We must steer away from doing anything to encourage States to make unreasonable cuts in their welfare spending. We do not want Federal programs to become a magnet for new recipients who hope that the Federal Government will absorb reductions by the State. This increases budget costs for the Federal Government. Just as important, the results we hope to attain through reform of welfare have only a small chance of being realized because we have excused the States from shared fiscal responsibility.

For these and other reasons, Mr. President, I wanted to indicate I intend to support the Breaux amendment, and I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, in the couple of minutes left before concluding our side of this debate, I just suggest this really boils down to whether you really want to see dramatic reform or not and whether you want to see dramatic savings in the welfare system. Because, if you require States to keep 90 percent of maintenance of effort, what you will do is create a disincentive in an approach that was supposed to be the maximum incentive to welfare reform; to get welfare savings for the taxpayer—to do both.

I think it is pretty clear this is sort of a moderating attempt to try to make welfare reform not as dramatic as it could be. I think that is unfortunate. I think what the public has demanded on the issue of welfare is that you cannot go too far in trying new things to get people off welfare, to get people on to work, to reduce the amount of expenditure that we have.

I remind all Senators that, even under the Republican plan as it exists today, welfare spending will go up 70 percent—70 percent—over the next 7 years. It was scheduled to go up 77 percent. We have it go up only 70 percent. That is hardly dramatic, but it is something. It is a start in the right direction, at least, because we believe even though the Federal expenditures on welfare will go up 70 percent, we believe State expenditures will come down and come down dramatically. We are willing to make that tradeoff because we believe ultimately the taxpayer is going to benefit more from this proposal because of lower State expenditures even though the Federal Government is going to maintain a relatively high level of expenditures.

I am hopeful we can look to the goals of this, the Dole substitute, which is dramatic, ingenious, inventive reform, to get people back to work, all at a savings of taxpayers' dollars on the Federal level and even more dramatically on the State level.

If this amendment is adopted, we will see less reform, less innovation, and more money spent overall on welfare. And that is not what the goal of this welfare reform debate should be.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Louisiana has 2 minutes 50 seconds left.

Mr. SANTORUM. 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. BREAUX. 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. BREAUX. Mr. President, do I understand we have an agreement that there will be 4 minutes after we return?

The PRESIDING OFFICER. The Senator is correct.

Mr. BREAUX. Mr. President, has the Republican side yielded back their time?

The PRESIDING OFFICER. That is correct.

Mr. BREAUX. What do I have left? Do I have any?

The PRESIDING OFFICER. A minute and a half.

Mr. BREAUX. I would say, Mr. President, when we return after the party

caucuses, we will be, of course, voting on this amendment. I think, from our perspective, this has been a real effort at trying to reach a bipartisan agreement. We have Republican cosponsors and we have Democratic cosponsors of this effort. It is an effort to try to achieve a partnership between the States and the Federal Government.

The States should be required to participate. The Federal Government is required to participate. When savings are achieved, which they will be, both sides should benefit from those savings. When States spend less money because they have fewer people on the welfare rolls, the Federal Government should have to contribute less money, not the same amount. That is why our amendment clearly is scored by the Congressional Budget Office as saving $545 million over the next 7 years. Those are important savings. Without my amendment, they will not be achieved.

I think this amendment continues the participation that we have had, allows the States to be inventive as to different types of programs they come up with, but requires them to participate. The Federal Government should not have to pay 100 percent of the cost of welfare. The States should participate, and jointly, together, we can produce a better result.

With that, Mr. President, I yield the remainder of our time.

RECESS

The PRESIDING OFFICER. Under the previous order, the hour of 12:30 p.m. having arrived, the Senate will stand in recess until the hour of 2:15 p.m.

Thereupon, at 12:30 p.m., the Senate recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. COATS).

FAMILY SELF-SUFFICIENCY ACT

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2488

The PRESIDING OFFICER. There will now be 4 minutes of debate equally divided on the Breaux amendment No. 2488.

Who yields time?

Mr. SANTORUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I think we had a good debate on the maintenance of effort provision. I think it boils down to simply this. If you want a welfare reform bill to come out of the Senate that is going to be an impetus for change, it is going to say to the States to go out there and be innovative and be able to reduce the welfare caseload, reduce the amount of State expenditures, and have the flexibility you need to do those without artificially holding States to the high level of maintenance of effort. I think the Dole 75 percent provision that is in there right now does that. It prohibits a race to the bottom. It gives States flexibility. It says be innovative. It saves money. And I think that is really what we want to accomplish. It is a prevention of the worst-case scenario which is no welfare spending from the States, and at the same time provides that amount of flexibility that is needed to go forward and do some dramatic changes in the welfare system. I think we have struck a very responsible compromise.

I think this amendment goes too far. This basically says we are going to continue to spend money. The Senator from Louisiana often says we are going to save money at the Federal level. Why should not the Federal Government save money? We may be saving money on the Federal level but we are spending a lot more taxpayers' money at the State level. The taxpayer overall under this amendment will lose even though the Federal Government is going to save a little money. It will spend a lot more in State resources. Again, it is an unfriendly taxpayer amendment and at the same time stifles innovation.

I urge the rejection of the amendment.

Mr. BREAUX. Mr. President, I will conclude my remarks by pointing out that for 6 years we have had a partnership between the Federal Government and the States. The House, when they took up welfare reform, said for the first time the States will have no obligation to do anything. They can spend zero dollars if they want. But the Federal Government has to continue to foot 100 percent of the bill. That is wrong.

My amendment says we are going to require the States to spend 90 percent of what they were spending and the Federal Government will spend 100 percent of what it was spending. But if the States are able to reduce what they spend below 90 percent, we will also reduce the Federal contribution. If they save a dollar, we will save a dollar. That is a true partnership. They can be as inventive as they want. We hope they are. We hope they save money. But when they save money and spend more than 10 percent less than they were spending last year, the Federal Government will also reduce our contribution.

The Congressional Budget Office looked at our amendment and the Congressional Budget Office said that it would save $545 billion over the next 7 years. Without my amendment being adopted, we will not see those savings implemented into law. Mr. President, $545 billion over 7 years is a significant amount of money. It maintains the partnership between the Federal Government and the States. Why should we in Washington send the money to the States if they are not going to participate? If we let the States get off the hook and we continue to send the money, that is not a true partnership and that will be contrary to the reforms that we are trying to reach. Anybody who has ever been to a conference around here knows the House has a zero requirement. If we go in with a 75 percent requirement, in all likelihood we are going to split the difference.

So if all of our Republican colleagues think 75 percent is a reasonable amount to come out of a conference, I would suggest it is absolutely essential that they vote for the Breaux amendment as it currently is drafted.

I yield the time.

Mr. SANTORUM. Mr. President, I move to table the Breaux amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania to lay on the table the amendment of the Senator from Louisiana. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. LOTT. I announce that the Senator from Mississippi [Mr. COCHRAN] is necessarily absent.

The VICE PRESIDENT. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 50, nays 49, as follows:

[Rollcall Vote No. 411 Leg.]

YEAS—50

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Bond	Grassley	Packwood
Brown	Gregg	Pressler
Burns	Hatch	Roth
Campbell	Hatfield	Santorum
Chafee	Helms	Shelby
Coats	Hutchison	Simpson
Coverdell	Inhofe	Smith
Craig	Kassebaum	Specter
D'Amato	Kempthorne	Stevens
DeWine	Kyl	Thomas
Dole	Lott	Thompson
Domenici	Lugar	Thurmond
Faircloth	Mack	Warner
Frist	McCain	

NAYS—49

Akaka	Feinstein	Lieberman
Baucus	Ford	Mikulski
Biden	Glenn	Moseley-Braun
Bingaman	Graham	Moynihan
Boxer	Harkin	Murray
Bradley	Heflin	Nunn
Breaux	Hollings	Pell
Bryan	Inouye	Pryor
Bumpers	Jeffords	Reid
Byrd	Johnston	Robb
Cohen	Kennedy	Rockefeller
Conrad	Kerrey	Sarbanes
Daschle	Kerry	Simon
Dodd	Kohl	Snowe
Dorgan	Lautenberg	Wellstone
Exon	Leahy	
Feingold	Levin	

NOT VOTING—1

Cochran

So the motion to lay on the table was agreed to.

AMENDMENT NO. 2562

The VICE PRESIDENT. Under the previous order, the Senate will now consider amendment No. 2562, offered by the Senator from Missouri [Mr.